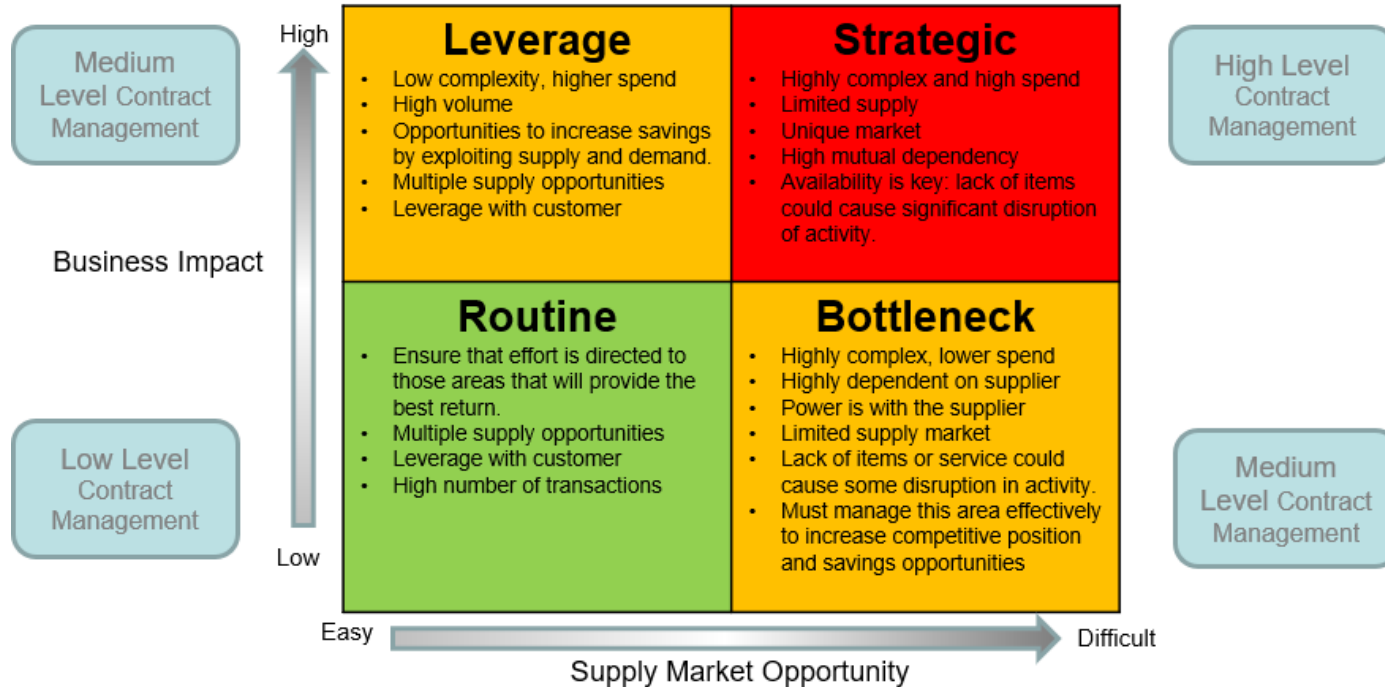


Segmentation Quadrants



Supply Position	ROUTINE	STRATEGIC	BOTTLENECK	LEVERAGE
Contract Management Level	Low	High	Medium	Medium
Contract Management Aim	Ensure continuity of supply and risk awareness	Ensure effective contract delivery and supplier performance, risk management and maximisation of supplier and market development opportunities.	Ensure continuity of supply, value for money, risk management and supplier performance. Seek supplier development where possible. Retain/gain market knowledge.	Ensure continuity of supply, value for money, risk management and supplier performance. Seek supplier development where possible. Retain/gain market knowledge.
Contract Management Characteristics	<p>Low value and low risk This can cover procurements that are non-business critical and/or have an abundant supply base</p> <p>In general, contract management of these agreements will include gathering management information, monitoring trends, and maintaining awareness of key category risks.</p> <p>Ensuring compliance to the contract by managing the delivery of the contract using four high level indicators i.e. cost, quality, delivery, service. This may be through a customer survey where the questions can be categorised using the 4 level indicators mentioned above.</p>	<p>Contracts that have high value and/or high risk will be managed strategically to ensure effective service delivery</p> <p>Through strategic contract management opportunities for supplier development and greater market knowledge can be identified. This will include managing the performance of the contract and the supplier using the foundation of Medium Level contract management.</p>	<p>Procurement Managers shall ensure continuity of supply and value for money through ongoing effective contract management.</p> <p>Typical contract management activities and tools include supplier review meetings, use of KPI's, user feedback gathering, reviewing spend data, benchmarking costs, market intelligence, elements of Supplier Health Check and use of a Risk register.</p> <p>These contracts could be where there is limited supply of a not critical/high cost item which needs management to maintain consistent supply ('Bottleneck').</p> <p>This should expand on the four high level indicators and holding a minimum of one performance review meeting per annum.</p>	<p>Procurement Managers shall ensure continuity of supply and value for money through ongoing effective contract management.</p> <p>Typical contract management activities and tools include supplier review meetings, use of KPI's, user feedback gathering, reviewing spend data, benchmarking costs, market intelligence, elements of Supplier Health Check and use of a Risk register.</p> <p>These contracts could be where there is abundant supply and therefore a chance to improve price ('Leverage').</p> <p>This should expand on the four high level indicators and holding a minimum of one performance review meeting per annum.</p>
Contract/Supplier Management Plan Template	Basic level of detail	High level of detail	Balanced level of detail	Balanced level of detail
Examples	Stationery, Office supplies, couriers	Critical software & systems, buildings & infrastructure	Maintenance contracts, non-critical software & systems, e-journals	Laboratory products, consumables, desktop hardware
Anticipated time spent on contracts	e.g. 10%	e.g. 40%	e.g. 30%	e.g.20%
Consider	<ul style="list-style-type: none"> Using collaborative contracts/frameworks Minimal/no stock holding; Controlling costs; Reducing admin/process steps. 	<ul style="list-style-type: none"> On-Site Representation; Contingency Planning; Integrated Systems. 	<ul style="list-style-type: none"> Developing new suppliers; Buffer stocks for additional security; Moving to generic specifications; Managing the entire supply chain; Contingency Planning. 	<ul style="list-style-type: none"> Reducing number of orders; Decreasing unit price.
Allocated Contract Manager (Yes/No)	Yes	Yes	Yes	Yes
Performance Review Meetings	<ul style="list-style-type: none"> ensure the invitation and standing agenda is driven by spend, performance, issues, risks, actions and includes examples of best practice. 	<ul style="list-style-type: none"> agree a Supplier Relationship Management strategy with the supplier shortly after contract award; engage a key Customer/team if required; agree way forward through minutes and actions that deliver continuous improvement. agree a standing agenda; agree way forward through minutes and actions that deliver continuous improvement. 		<ul style="list-style-type: none"> encourage internal customer and supplier to host the meetings to move the meetings around and get more engagement ensure the invitation and standing agenda is driven by spend, performance, issues, risks, actions and includes examples of best practice.
Suggested Management Information Frequency	Annual	Monthly	Quarterly or Annual	Annual
Tracking Spend and Performance	<p>Customer Survey – as and when</p> <p>Delivery Were the right goods / services delivered at the right time?</p> <p>Quality Did the goods / services meet the Customer needs?</p> <p>Cost Were the goods / services delivered at the right cost?</p>	<p>Contractual KPI reporting by Supplier</p> <ul style="list-style-type: none"> Specific to Contract 	<p>Customer Survey (Quarterly or Bi-annually)</p> <ul style="list-style-type: none"> working with the internal customer to understand the baseline spend and performance – this may have been done during the procurement; agreeing questions and issuing customer survey receiving the results from the survey and preparing a report on spend and performance along with drafting risks and actions for review and verification at the Customer and Contractor Meetings; adding the resulting information to your master spend and performance tracking document and the University Contract Management System. 	<p>Customer Survey (Annual)</p> <ul style="list-style-type: none"> working with the internal customer to understand the baseline spend and performance – this may have been done during the procurement; agreeing questions and issuing customer survey receiving the results from the survey and preparing a report on spend and performance along with drafting risks and actions for review and verification at the Customer and Contractor Meetings; adding the resulting information to your master spend and performance tracking document and the University Contract Management System.
Annual Financial Appraisal	No	Yes	Yes	At Extension Review Only – Basic Check
Annual Vulnerability Analysis	No	Yes, with internal customer/team.	Yes, with internal customer/team.	No

Summary

Level of Contract / Supplier Management	Aim	Characteristics
Low level	Ensure continuity of supply and risk awareness	<ul style="list-style-type: none"> • Low value and low risk • This can cover procurements that are non-business critical and/or have an abundant supply base. • In general, contract management of these agreements will include gathering management information, monitoring trends, and maintaining awareness of key category risks. • Ensuring compliance to the contract by managing the delivery of the contract using four high level indicators i.e. cost, quality, delivery, service. This may be through a customer survey where the questions can be categorised using the 4 level indicators mentioned above.
Medium level	Ensure continuity of supply, value for money, risk management and supplier performance. Seek supplier development where possible. Retain/gain market knowledge.	<ul style="list-style-type: none"> • Procurement Managers shall ensure continuity of supply and value for money through ongoing effective contract management. • Typical contract management activities and tools include supplier review meetings, use of KPI's, user feedback gathering, reviewing spend data, benchmarking costs, market intelligence, elements of Supplier Health Check and use of a Risk register. • These contracts could be where there is abundant supply and therefore a chance to improve price ('Leverage'), or limited supply of a not critical/high cost item which needs management to maintain consistent supply ('Bottleneck'). This should expand on the four high level indicators and holding a minimum of one performance review meeting per annum.
High level	Ensure effective contract delivery and supplier performance, risk management and maximisation of supplier and market development opportunities.	<ul style="list-style-type: none"> • Contracts that have high value and/or high risk will be managed strategically to ensure effective service delivery • Through strategic contract management opportunities for supplier development and greater market knowledge can be identified. This will include managing the performance of the contract and the supplier and using the foundation of Medium Level contract management.