

Collaborative Working and ISO 4400 I

The Challenge

In 2011 the results of the Rail Value for Money Study conducted by Sir Roy McNulty were published, detailing recommendations for improved efficiency and increased value for money. Despite the report being prepared in a time where the Rail Industry was demonstrating increases in passenger numbers and improvements in both in safety and operational performance, the report concluded that the industry still experienced problems in terms of efficiency and cost.

One of the key recommendations in the report was for the industry to adopt modernised procurement practices, moving away from traditional competitive procurement and towards a more collaborative model, with early engagement with suppliers, involvement of suppliers within contract delivery teams and improved visibility of forward workloads. The importance of clear leadership and improved collaborative competencies and behaviours across both customers and the supply chain was emphasised as a key component to the delivery of best value across the industry.

In the years following the publication of the McNulty Report, and as a result of its recommendations, many organisations across the Rail Industry increased their focus on collaborative working, seeking to enhance their competitiveness and performance, while creating value for themselves and their partners.

Today, as the Rail Industry recovers from the impact of the Corona virus pandemic, demonstrably strong and collaborative relationships between customers and suppliers are of increasing importance in ensuring continued business success and growth. The recently published Williams-Shapps review will see traditional franchise agreements being replaced with Passenger Service Contracts which will require Operators to demonstrate collaboration with their industry partners as a key deliverable. The commitment to working collaboratively, is therefore a core element in industry plans for future growth and success.



The Solution

Developing and growing strong, collaborative relationships through which Unipart Rail can understand its customers real and perceived needs better than anyone else and serve them better than anyone else, has always been at the heart of Unipart Rail's Customer Engagement System.

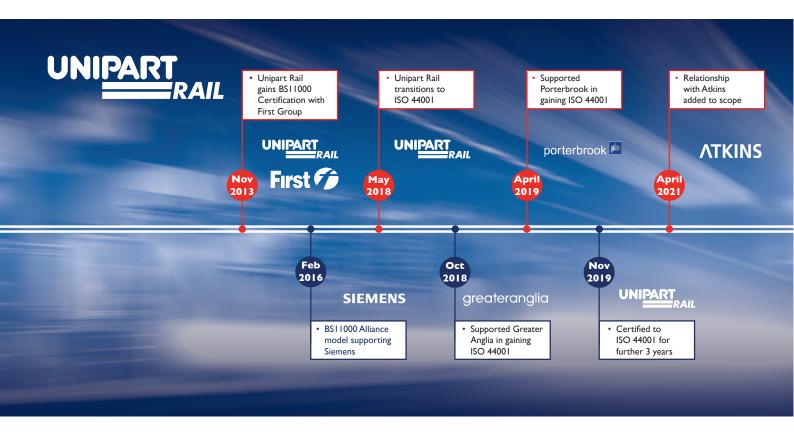
In response to industry and customer needs, since November 2013, Unipart Rail has been certified firstly to the BS11000 and then to the subsequent ISO 44001 standard for Collaborative Business Relationship Management Systems. The standard provides a framework for collaboration through which Unipart Rail and its partners can create joint value and drive business growth.

In line with the requirements of its Customer Engagement System, Unipart Rail seeks to build strong relationships with all of its customers, going far beyond the traditional supply of materials and services, delivering solutions which add value to both parties.

While collaborative working is fully integrated into its approach to engagement with all of its customers, Unipart Rail currently has five customer relationships which are formally within its scope under the ISO 44001 framework.

Working within the framework delivers the following benefits for collaborative partners:

- Executive alignment commitment at senior level to working together to create value from the relationship
- Robust governance structure Well defined escalation structure for issue resolution, transparent and effective measurement of contract performance against agreed metrics
- Joint Vision, values and objectives Creation of joint values and objectives supports team alignment, "buyin" to the relationship and improved performance
- Value Improvement Projects development of projects with a 'win-win' approach creates value for both partners
- Encourages Innovation collaboration encourages teams to develop "outside the box" thinking
- Effective Risk and Opportunity Management robust process for managing risks through governance process
- Promotes an open and honest relationship focussed on delivering value



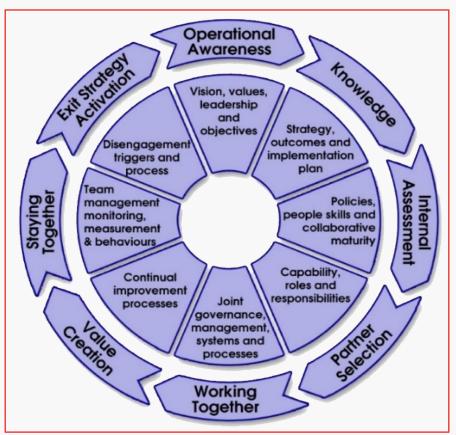
The Result

Working collaboratively unlocks additional value within the relationship between Unipart Rail and its customers. Strong, collaborative relationships based on mutual trust, encourage openness and increased sharing of information and ideas, which lead to the creation of joint value improvement projects.

The Eight Stage Process – collaborative business relationship management systems are based on eight key stages which govern the collaborative relationship. Value Creation is a key stage designed to deliver added value to collaborative partners.

Some examples of successful collaborative projects developed and delivered between Unipart Rail and its customers are:

Joint Inventory Management and Fleet Withdrawal Project – embedded Unipart Rail resource on customer site to support inventory management activity associated with fleet withdrawal. Results: Significant improvement in over the counter material availability, improvement in stock accuracy from 94% to 100% over the project life, significant cost savings to the customer through supplier rationalisation, increased revenue to the customer through sale of inventory linked to fleet withdrawal to third parties, joint process improvement delivering benefits in waste management and environmental governance.



- Condition Based Monitoring Project working jointly with Instrumentel (a Unipart company) Unipart Rail has conducted a collaborative project with a customer to provide remote condition monitoring to a full fleet. A customer portal has been developed overlaying fleet data with other data such as geography and climatic conditions. Result: actionable data for the customer. The ability to identify patterns in degradation of assets and address these through targeted, condition based maintenance, preventing any impact on service.
- Joint Obsolescence Management Project the development of proactive obsolescence management system for key customer fleets. Results identification and management of key "at risk" parts by system enabling those items at highest risk to be addressed proactively and obsolescence resolved in advance of any impact to service.
- Vehicle Overhaul Material Specification Project- Joint project to develop and optimise the material specification
 for major vehicle overhaul project. Delivery of materials direct to point of use in kitted form. Result –
 rationalisation and optimisation of supply chain resulting in significant savings in material cost for the maintenance
 event. High levels of material availability support the on time delivery of project.

