



Brian Farrington Limited Procurement and Supply Chain Specialists

December 2005 Newsletter

A Thank You!

As we get to the end of 2005 we extend to all our clients our best wishes for the Festive Season. All our assignments are based on confidentiality which is why we don't provide details of actual work being done for specific clients.

We never take work for granted and realise that clients have a potentially large supply market. We can identify our differentiators. One of them is the personal service we offer. As usual, different assignments have presented different problems.

We have had consultants stranded in snow and storms in the United States; eaten breakfast in a dining area where there was, later, a murder; gone to meetings 250 miles away that had been cancelled but the client omitted to tell us; won framework contracts that will probably never generate any work and been members of a project team faced with unrealistic challenges from the Managing Director who was later removed from the Board.

Book Review.

One of our tasks is to monitor books that are published on relevant subjects. We thought you may be interested in one titled 'Rip-Off' by David Craig. The ISBN reference is 1-872188-06-0. The front cover announces 'The scandalous inside story of the management consulting money machine.' That seems to be worth reading!

It is the most cynical book ever read but you will find it amusing. Craig has worked for the 'big league' in consultancy. We quote, 'I've also seen much quite average work and far too

much lying, cheating, swindling and totally scandalous and dishonest abuse of our client's confidence and trust.'

Anyone buying consultancy services will benefit from the book in getting the inside story on many issues. In one situation a large consultancy organisation paid a former client \$54.5 million as compensation when it was sued for unjustly enriching itself at the expense of its clients.

This is a paperback book and well worth reading. Bear in mind the cynicism but realise that there are more than grains of truth in many parts of the book.

Negotiation Skills.

We have just completed some training for a retail sector based client. We have had the pleasure of working with the sales and procurement teams on the same course. It is still unusual for clients to mix these functions.

A large opportunity is being missed. The joint learning is excellent. The buyers can see the sales strategy developing and the sales people can observe the buyer's strategy and tactics developing.

When the closing session was held with senior managers and directors the participants were universal in their appreciation of their company creating this learning opportunity. One senior sales person had been with the business 14 years and had never had any negotiation training.

2006.

Many of you will have had to make your financial forecasts for 2006. What was your prognosis?

We are pessimistic. We predict that there will be enormous pressure to control costs in all businesses. The public sector will come under increasing pressure to manage budgets. At the time this newsletter was being written Gordon Brown was presenting his economic forecast. The Conservative Party was about to announce their new leader. Many large organisations are experiencing cash flow problems and takeovers are in the wind.

The retail sector will be in serious difficulty if December doesn't generate the sales they need.

All in all, it looks a dreary year for business. The good news is that procurement has yet another opportunity to show its worth. Please contact us to discuss how we can complement and augment your consultancy and training resources to achieve your 2006 aims and objectives.

Our Staff.

We spend a lot of time focussing on our external relationships. Our Managing Director, Brian Farrington, extends to all our staff and alliance partners his personal thanks for their contribution during 2005.

The consultancy business is, at times, a lonely and challenging role for everyone. The dedication and personal sacrifices made for our business is deeply appreciated.

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This newsletter and past editions is available at:

www.brianfarrington.com.