



Brian Farrington Limited Procurement and Business Solutions People

September 2005 Newsletter

Customer Relationship Management IT Systems.

We have recently been advising a client on the purchase of a CRM system. There is a great deal of investment taking place, motivated by Public Sector policy and private sector anxiety to offer 'better' customer communication. As always we research the subject and, will it surprise you – 55% of all CRM projects do not produce results! Additionally, one in five users reported that their CRM initiatives not only failed to deliver profitable growth but also have damaged long-standing customer relationships.

We are now convinced that there must be a business case produced that has the buy in of the whole business. They must recognise that business process re-engineering will have to take place. This latter point has a major impact on the staff, and therefore the unions will take a key interest in the plans. The procurement process must capture the IT, business, financial, contractual and procurement interests, with IT and procurement working as an integrated team.

We must not forget the possible suppliers who must be engaged in a professional procurement process. This must entail understanding all the cost drivers both of the initial system, software tailoring, and long-term cost in use. The contractual detail may well need the lawyers involvement. The IT sector still suffers from the belief that the contract, as presented, is fait accompli. Professional clarification/negotiation will inevitably be required.

If you are contemplating such a purchase we would welcome assisting with your procurement process.

Outsourcing Course.

We are very pleased to announce that we are running our Excellence in Outsourcing course on the 12 October 2005. This will be held at Mere Golf and Country Club in Knutsford, Cheshire. These are exceptionally high quality facilities and have been used for our Boardroom briefings.

Full details of the programme are available from Julie at the address shown below. The programme will be based upon our wide experience in outsourcing, including a major recent outsourcing programme for a local authority for key services and the building of a Business Centre.

We will also deal with insourcing when outsourced services have gone completely wrong. We look forward to an active debate and to sharing our experiences on a wide range of outsourced services.

Dr Farrington's New Book.

Dr Farrington has collaborated with Dr Ken Lysons to write the seventh edition of 'Purchasing and Supply Chain Management'. It will be published on 8 September 2005 by Pearson Education Ltd. The ISBN reference is 0 273 69438 3. It covers the majority of the syllabus requirements of the CIPS Foundation and Professional stages. There are extensive revisions to the sixth edition. A unique feature is an extensive Instructor's Manual and

Power Point slides that are available on line. There are case studies for each chapter and model answers in the Instructor's Guide. It is available through all leading book shops and the CIPS bookshop.

Our company can offer clients a suitable discount when we are retained to present in-house training courses and we welcome any discussions in this area. If you would like to discuss this, please contact Steve Ashcroft at the address below.

New Business.

We are pleased to announce that we have been awarded a number of new contracts to assist with matters such as outsourcing, contract management training, dispute resolution and a Lead Negotiator role on an IT project. Our clients request confidentiality, hence we are not disclosing names.

Congratulations.

On many tenders we are asked what is our training budget for our staff. Our response is that no reasonable request for training is ever refused. We congratulate Steve Ashcroft who was awarded his M.Sc. degree this summer by Liverpool University and to Julie Ellison who passed her Certificate in Management course at our local college. She is now embarking on her CIPS studies. There are some long nights ahead!