

Seven steps to professional commissioning

Successful outsourcing relationships can have several advantages for an organisation: flexibility, cost reduction, innovation and access to knowledge and capabilities.

These advantages are a high priority within asset management. But for any of them to be realised, and outsourcing success to be achieved, professional commissioning is an absolute must.

A commissioner who knows what they want and is capable of explaining this to others maximises their chances of success. But, with recent research showing that commissioners of outsourcing services rate their own professionalism at 6.5 out of 10, there is a lot of room for improvement.

Since more organisations are choosing not to do everything themselves, the importance of professional commissioning has increased in both the public and private sectors. At a time when many organisations are committed to reducing costs, or have to anticipate on a highly variable demand, professional commissioning is a way to make the difference.

The good news is there are several options for commissioners to improve their supplier relationships, based on seven key qualities, which are examined below. Commissioners can rate themselves against these qualities and develop a plan of action for achieving a more competitive rating.

Quality 1: Know what you as an organisation want

A professional commissioner has to be able to translate the needs of the organisation into a clear and realistic set of requirements, which can be formulated in several ways.

When determining the requirements, a professional commissioner is aware of their own level of maturity as well as that of the market. For instance, if there is a high amount of maturity present within the organisation, it is possible to formulate requirements on output alone – a process that is often used with (internal)

standardised products or services.

In other cases, the requirements focus less on output and more on the process level. Take, for example, a contract between an asset owner and a service provider based on system availability or asset utilisation. We often see that the set of requirements is not aligned with the focus of the contract. This not only prevents the asset owner from focusing on core competencies, but also limits the supplier's ability to add value by using his or her knowledge to improve and innovate the service.

It is important to be consistent when outlining requirements to the supplier, but even more so when setting out requirements for your own organisation, as these requests are often overseen by many organisations.

Quality 2: Know when you are satisfied.

Making clear requests gets you halfway there; giving directions based on the performance of a supplier completes the circle.

To accept a supplier's performance, a commissioner needs to know how delivered output can be measured. The means of measurement are often documented in a set of performance indicators, which have to be aligned and coordinated, and fit within the operating method of the commissioner. Are there many uncertainties? Formulate a detailed measurement method. Are the processes complex? Formulate a general measurement method.

We notice some commissioners dictate every detail of the type of reports they wish to receive and how performance is measured. Meanwhile, the direction and the usage of control instruments is often less developed.

A professional commissioner uses the reports to steer the supplier on the right level. With a mature supplier, they steer based on output and are not tempted to dictate how a

supplier should achieve desired results when performance is below the agreed service level. Steering can be done based on control instruments that are agreed upon in the original contract. At the same time, the professional commissioner keeps informal contact with the supplier in order to help the supplier to achieve their own goals.

Quality 3: Keep requirements up to date

The world changes and demand changes along with it. Performance requirements aren't static either, they grow with the continuously changing demand.

Changes can occur due to questions from the internal customer, users and projects, but also as a result of possible calamities or incidents. A professional commissioner is prepared for change and secures this in the relationship with their supplier.

It's not unusual for us to see asset owners with long-term agreements where whole parts of the requirements are out of date and are never reconciled with changes in demand or changes due to a reorganisation. This makes professional governance, where requirements are the key foundation, a serious challenge – especially when scope issues and disagreements occur.

A supplier may also present proposals to change requirements and request freedom to innovate or realise new types of service. This behaviour is stimulated by a professional commissioner and used to achieve performance targets in his or her organisation.

Quality 4: Create ideal conditions and adjust to the environment

A supplier is responsible for delivering products or services based on specified and managed





a complex environment we often find a professional commissioner coordinating tasks between various collaborations.

Here, it is important to integrate the context of the environment with these collaborations and involve the supplier.

Quality 5: Take control!

In the end, professional commissioning is determined by the employees responsible for managing the collaboration, and clear direction is essential for a collaboration to be successful.

A professional commissioner leads by clearly assigning tasks and responsibilities within organisations.

They designate control tasks to employees who have the right competences and are aware of their role and those of their colleagues. By mapping the required competences and educating the responsible employees to these standards, the professional commissioner creates the right conditions for employees to take charge themselves.

Within organisations that outsourced specific parts of their maintenance function, we often see former maintenance professionals in governance roles, such as contract management. Best practices, where technical experts have adapted the new role and focus on demand and governance, include a clear definition of roles and responsibilities and “hands off, eyes on” is the new paradigm!

Quality 6: Share specific knowledge with your supplier

Open and clear communication with the supplier is of critical importance, and should concern the output as well as the experience the commissioner has accumulated over the years. The outsourced service is often in proximity to the core of the organisation, and details that are primarily known by the commissioner are, in a lot of cases, of significant importance for the execution of these services.

This knowledge is crucial to delivering services in order to arrive at a successful partnership. So it is important that the professional commissioner shares this knowledge, expertise and experience with the supplier. This will achieve a number of benefits: the supplier can adapt their service to the specific needs of the organisation; the organisation gets a product that is tailored to its specific demands and environment; and employees feel more involved within the changed situation.

requirements by the commissioner. Delivery often takes place in an environment in which other activities and various interactions occur, but not all of these activities and interactions are visible to a supplier.

A professional commissioner does not only steer the collaboration with the supplier, but also takes into account mutual impact on the environment they operate in. On the one hand, this leads to a limitation of nuisance to others, while on the other, it secures an environment in which a supplier can work safely and efficiently.

Whenever these tasks do not require specific knowledge or experience and can be overseen by the supplier, they can be easily delegated. In

Quality 7: Make choices and be transparent

Make sure the bureaucracy and speed of change in your organisation is not an issue to your suppliers. Even though you, as a commissioner, leave tasks to a supplier, there will still be some responsibilities to be handled and decisions which cannot be outsourced.

A professional commissioner makes decisions in the interest of his or her own organisation, while at the same time, takes into account the interests of the supplier.

Decision making often proves to be slower than expected and can unfold in a different way than planned or predicted. This can be a rude awakening for a supplier that acts proactively on an intended decision. Including the supplier in the decision making process, can help limit costs of failure and delays. This often results in better solutions, since a professional commissioner makes use of the experience of a supplier in the decision making process.

Improving your score

We see many organisations excel in a few of these professional commissioner qualities, but leave room for improvement on others. Commitment is needed if commissioners wish to increase their ratings from 6.5 to 8.

This does not mean that being a professional commissioner is a goal in itself. It is, instead, a means to excel and realise organisational goals in sourcing relationships. When these qualities are taken care of, a professional commissioner is, without a doubt, in control of the sourcing relationship.

With the right level of control, the desired goals can be realised, while creating an opportunity for the supplier to be successful. This is the only way to make sure relationships arise that are resilient and are beneficial for both parties. And soon, a rating of 9 out of 10 will be within reach.

Authors' biographies

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