Science Matters: What it Takes to Have Successful Vendor Relationships

By Mark Lanfear

Nurturing good relationships in business is a lot like doing the same in our personal lives. And just like in our personal lives, a one-size-fits-all approach when it comes to any type of relationship usually won’t work. However, it can be wise to take at least a page or two from the book of successful relationship strategies when you’re considering how to best manage a business relationship.

A vendor relationship is perhaps one of your most important in business. It should be a true partnership. It should build its foundation on a series of small, but critical, first impressions. Oh, if it were only that simple.

Yet often, it really is that simple. First, recognize that both sides in a true partnership are equal and that everyone involved brings something unique to the table. Vendors have their business models, financial goals, existing workloads, and other clients, yet many companies still treat vendor partnerships as commodities. This often happens in the pre-engagement phase when a vendor is being selected, and it suggests that there may not yet be a complete partnering mindset. However, in the economic crunch of the current global marketplace, the potential benefits of treating a vendor like a true partner and selecting the right one can be a make-or-break scenario, as all companies are realizing that the world of work has changed and strategic partnership planning is a must.

Timing is also very important. The right partner may not be available to us when we are ready. Sounds familiar, right? To remedy this, both sides need to work under some basic assumptions, starting with the bid process. Proposals, deliverables, and pricing are based on what resources vendors can have available at that time. The reason for this mutual flexibility is that both vendor and sponsor need to operate as efficiently as possible. This means that we like to keep our work capacity high, but not overloaded. Think again about your personal relationships—if you had four season sports tickets that you share with friends or family, you would want to plan so that all four tickets are used each week. But even if a friend cancels one week, that friend will still expect to go to the game the next week. Like in friendship, one side isn’t more important than the other, and if you’re a good friend, your parties are always full and you’ll never go to the game alone. Vendors will have tuned their operations so there are very few idle resources at any point in time. When managing your vendor relationships, it will serve you well to remember these things.

What’s another critical relationship strategy? Don’t ever stand someone up who is truly important and valuable. Having been on the contract workforce and research side of things, I can tell you firsthand that vendors try to stay ready for their best clients. So when an “A level” client gives advanced notice or “the wink” that a certain vendor is the first choice for a project, that vendor will begin to free up resources and be ready to take on the task. The vendor may even change some allocations or invest in equipment or bring additional resources on board, all based on a verbal agreement alone.

But when the client has project launch delays, or the final decision to launch at all is delayed, all those readied resources can go to waste or, at the very least, cost your vendor partner money and increased frustrations—like being stood up on a Saturday night. A way to avoid this is to simply keep in constant, open communication and to manage expectations from the beginning. We all know that being open and honest is hard in the beginning for any relationship, but remember we are talking about “A” clients. These are the kind of relationships in which that special person always gets that one extra open seat or that extra ticket to the game.
As we embrace New Year’s resolutions, at the very least we must all try to be more conscious of the small things we can do to execute our business relationships. From the client perspective, this means no more pretending there is a shorter timeline than there is, so you have enough time to make changes—and no more holding back on part of the budget just to garner lower bids. In exchange, the vendors will not overpromise to win the contract. They won’t present with the “A” team and assign with other resources, and they will ensure that their supplement supply chain to execute the work is synchronized for correct implementation. Anything less is just not partnering behavior, and our projects may be compromised. Contingency plans can compromise projects that are already on a critical path or bring in more costly resources to keep the project on track. The result may be needed cutbacks on quality or leaving out value-added extras that were planned.

Ultimately, if you plan to partner with a vendor, set a partnering tone by starting with the right behaviors during the foundation-setting phase. Invest time in knowing your partner’s corporate culture, business goals, and client base. The chemistry between client and vendor, and the intangibles beyond service scores and KPIs, is something that only comes from time and relationship building. Sometimes to know if it’s all going to work out, all you have to do is take small steps forward—and show up.

**Mark Lanfear** is a global practice leader for the Life Science vertical at Kelly Services, a leader in providing workforce solutions. He has operated clinical trials around the world for almost two decades. In addition, Mark is a featured speaker at many of the Life Science industry conferences and a writer for its periodicals. He can be reached at MARL773@kellyservices.com or 248-244-4361