Inland Revenue
Te Tari Taake

About the Partner Performance Framework

Commercial Services and Strategic Property

March 2022

As a Government Agency it is important understand the importance and reliance we have on our supply chain. We need to consider:
- innovation;
- security;
- risk management;
- cost savings;
- broader outcomes – social, environmental, cultural.

As the role of Commercial within the organisation, we work alongside the business so that Inland Revenue gets the best value from its commercial and supplier relationships. We need to ensure that our relationship with key suppliers does not cease once a contract has been signed but evolves through the contracting lifecycle. We recognise that once contracted, holding our key suppliers at arm's length is not an option.

Supplier Relationship Management (SRM)

SRM is the governance model that seeks to develop successful, collaborative relationships with key suppliers for the delivery of significant tangible business benefits for both parties. The partner performance framework is a key part of SRM and the management of suppliers for Inland Revenue. The suppliers managed within this framework are predominantly those which have been categorised as Tier 1 (Strategic) or Tier 2 (Critical).

The collective management of performance and regular dialogue with key suppliers provides:

- a greater focus on what is critically important to Inland Revenue;
- an environment that enables IR and its key suppliers to work in collaboration;
- a platform to build trust;
- an opportunity to identify challenges and resolve these before they become issues;
- a platform that encourages open and honest communication;
- an opportunity to promote the use of existing & emerging technologies.

Surveys and Scorecarding

The purpose of surveying you as a as a key stakeholder within IR of a suppliers goods and or services is to track how IR's key partners are performing month to month or quarter to quarter.

These surveys seek feedback which is critical to managing IR's relationship with the supplier and driving them to deliver the best possible service. The survey's and results are highly valuable to both IR's executive leadership and to the partners themselves.   A high degree of importance is given to ensuring that the results are accurate and provide a true reflection of IR's position.

The Commercial Services team facilitates a three step method to track performance.

1. Gather information via survey
2. The survey respondents meet to moderate the scores and comments gathered from Step 1
3. The survey is consolidated into a single scorecard that summarises each of the topics that underpin the survey.

Surveys (Step 1)

The grouping of questions in each survey applies differently to different aspects of the engagement lifecycle. BAU questions are tailored to reference more of a steady state. Project questions refer to more discrete pieces of work undertaken by the supplier.

Project Specific Questions	Generic across both Categories	BAU Specific Questions
Cost Management	Engagement Effectiveness	Resource Stability
Schedule Attainment & Delivery	Risk & Issue Management	Service Quality
Scope Management	Admin & Compliance	Service Improvement
Team Mobilisation & Performance		
Project Management & Quality Assurance		

*With the conclusion of the BT Programme, and the project specific work reducing, commercial are currently in the process of combining the Project & BAU scorecards into one scorecard that will cover all aspects of the engagement lifecycle.

Surveys (Step 1 cont.d)

Please answer all applicable questions, selecting N/A any that you can't answer, using the scale below where:
1.0 - Unacceptable - exceedingly poor performance. If urgent action is not taken to remediate, IR may need to consider changing providers.
2.0 - Below Expectation - needs substantial improvement and requires urgent action to restore a basic level of service.
3.0 - Below Expectation - needs improvement and is not providing a reasonable standard of service.
4.0 - Acceptable - slightly below expectations, however there is room to improve to meet IR's high expectations.
5.0 - Good - meets IR's high expectations.

	1.0	1.5	2.0	2.5	3	3.5	4	4.5	5	5.5	N/A
Engagement effectiveness	○	○	○	○	○	○	○	●	○	○	○
Cost Management	○	○	○	○	○	●	○	○	○	○	○
Schedule Attainment and Delivery Performance	○	○	○	●	○	○	○	○	○	○	○
Scope Management	○	○	○	○	○	●	○	○	○	○	○
Team Mobilisation and Performance	○	○	○	○	○	○	●	○	○	○	○
Risk and Issue Management	○	○	○	○	○	●	○	○	○	○	○
Project Delivery and Quality Assurance	○	○	○	○	●	○	○	○	○	○	○
Administration and Compliance	○	○	○	○	○	○	○	●	○	○	○

Example of a helpful comment

. Q3.5.1 Please comment on Vendor 1's service improvement, considering Vendor 1's pro-activity in identification of opportunities for service efficiency and communication of Service innovation.

> The scanning of infrastructure and environments is welcome and will increase coverage of vulnerability management, looking forward to the completion of the initiative.

Example of a not so helpful comment

. Q5.5.1 Please comment on Vendor 2's Team Mobilisation and Performance, considering lead time to resolve resource requests, competence of team – in particular knowledge of methods and the specific subject area - team performance, staff retention and stability.

> Good

Scoring Ranges

 - **A score of 5 denotes that the supplier is actually performing very well,** and is *meeting IR's* **high** *expectations*. A 5 is not an average/middle-of-the-road achievement – it is the standard that each supplier should aim to meet (or aim to exceed). IR's target for positive performance (i.e value against delivery is a range of 4.8 – 5.5)

 - **A score of 4 and above** is a sign that the supplier is performing *well*, however there is room to improve in order to meet IRs' high expectations.

 - **A score below 3** is an indicator that the supplier is underperforming and there is room for improvement. This requires steps to be taken in order to achieve a level of service that better meets IRs expectations.

 - **A score below 2** is exceptionally rare and would indicate that the supplier is performing below the expected parameters; if urgent steps are not taken to remediate this level of performance, IR may need to consider changing supplier.

Survey scores are averaged across each survey question and rolled up across each major category. In general, most IR vendors tend to attain scores between a 4.0 and 5.2.

Scoring the survey (Step 1 cont'd)

Comments are a critical part of each survey response. All comments are gathered and discussed in each moderation session to determine the key messages to feed back to each supplier and senior leaders.

Each score should be supported by a brief comment to justify the reasoning behind it. Scores that do not provide supporting comments (particularly very low or very high ones) may be discarded during moderation.

Scorecards and Moderations (Step 2)

Moderations are a critical part of this process All comments and scores are gathered and discussed in each moderation session to determine the key messages to feed back to each supplier and senior leaders.

It is important that you are present at the moderation sessions to ensure your specific feedback is taken into account and discussed.

Scorecards (Step 3)

Once moderated the results are consolidated to the topic headings only and are anonymised and presented as a final scorecard, rating the supplier's performance and including pertinent comments to support a discussion with supplier representatives at account meetings.
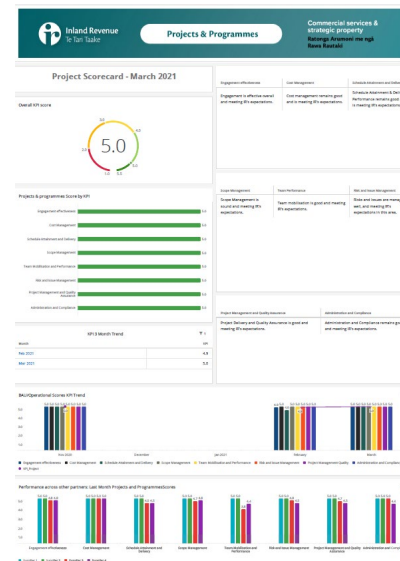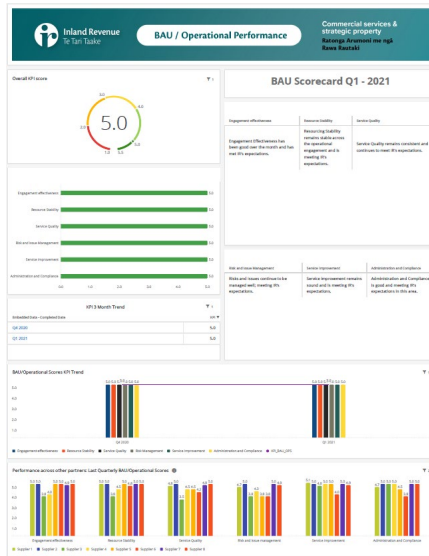
Scorecard (Next Steps)
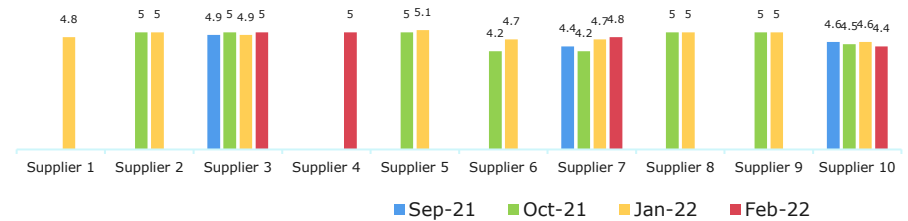
Scores generated from this process are reported on both internally and externally. External Account Managers and Delivery Managers are held accountable for the scores they receive, while internally, these scores are reported up the chain to various groups such as Tech Services & ESLT.

Projects & Programmes

Sep-21 ■ Oct-21 ■ Jan-22 ■ Feb-22

BAU

Sep-21 ■ Oct-21 ■ Jan-22 ■ Feb-22
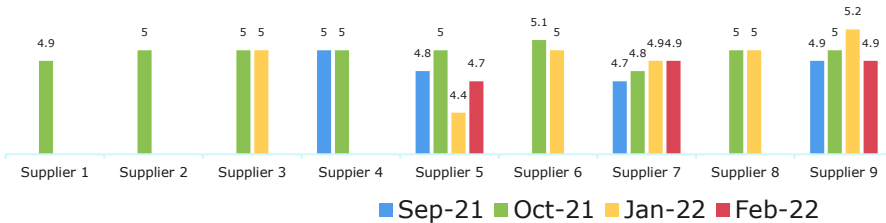
Appendix 1 – Survey Questions

BAU Questions

- **Engagement Effectiveness -** Please comment on the effectiveness of [Field-supplier_name]'s engagement, considering the day-today provision of services and at an account/executive level.

- **Resource Stability -** Please comment on [Field-supplier_name] Resource Stability, considering whether delivery teams are stable and consistent, whether changes are well planned and communicated, and effectiveness of knowledge transfer.

- **Service Quality -** Please comment on [Field-supplier_name]'s Service Quality, considering availability of service, delivery to contracted Service Levels, Service Level Management, Quality Assurance processes.

- **Risk and Issue Management -** Please comment on [Field-supplier_name]'s Risk and Issue Management, considering risk prevention, identification, management, and communication of risks to IR.

- **Service Improvement -** Please comment on [Field-supplier_name]'s Service Improvement, considering [not answered]'s pro-activity in identification of opportunities for service efficiency, and communication of Service innovation.

- **Admin and Compliance -** Please comment on [Field-supplier_name]'s administration and compliance, considering timesheet accuracy and timeliness, billing accuracy and timeliness, and contract management.

Appendix 1 – Survey Questions

Project Questions

- **Engagement Effectiveness -** Please comment on the effectiveness of [Field-supplier_name]'s engagement, both at a project/programme level, and at an account/executive level.

- **Cost Management -** Please comment on [Field-supplier_name]'s cost management, considering adherence to rate card/pricing schedules, and adherence to resource estimates.

- **Schedule Attainment and Delivery Performance -** Please comment on the Schedule Attainment and Delivery Performance, considering adherence to schedules and the quality of deliverables by [Field-supplier_name]

- **Scope Management -** Please comment on the Scope Management, considering adherence to agreed scope, and effectiveness of [Field-supplier_name]'s scope management process.

- **Team Mobilisation and Performance -** Please comment on [Field-supplier_name]'s Team Mobilisation and Performance, considering lead time to resolve resource requests, competence of team - in particular, knowledge of methods and the specific subject area - team performance, staff.

- **Risk and Issue Management -** Please comment on [Field-supplier_name]'s Risk and Issue Management, considering issue management and resolution, and risk identification and management.

- **Project Management and Quality Assurance -** Please comment on [Field-supplier_name]'s Project Management and Quality Assurance, considering project management processes, quality and delivery assurance processes, knowledge transfer and thought leadership, and on-site support.

- **Admin and Compliance -** Please comment on [Field-supplier_name]'s administration and compliance, considering timesheet accuracy and timeliness, billing accuracy and timeliness, and contract management.