Embracing the collaboration opportunity

Fujitsu’s commitment to creating a Collaboration Nation

shaping tomorrow with you
Introduction

In August 2013, we launched a report called **Collaboration Nation**: Creating an environment for growth.

This report, which summarised the views of almost 500 C-Suite executives from UK SMEs in the IT, engineering and technology sectors, explored in-depth the idea of a collaboration nation; one in which businesses both big and small work together to deliver more, both for each other and their customers.

The issues addressed in the **Collaboration Nation** report are wide ranging. Investigating everything from the small and medium-sized business attitude towards partnering with larger firms to the changes needed to make collaboration a practical reality, the report paints an optimistic picture. Desires for collaboration is high, with 58% of SMEs expressing their belief that small and large suppliers should work together for common gain.

At the same time, and as is to be expected, collaboration is not without its challenges. SMEs cite an average of six barriers that make collaboration more difficult than it perhaps should be, with 99% mentioning at least one obstacle when asked.

The full results of our study can be read [here](#), but the issues cited by our respondents drew us to the conclusion that there are five imperatives that must be addressed to help promote collaboration in the UK:

1. **Boost confidence in collaboration:** We found that many SMEs (and likely many large enterprises too) need reassuring about the benefits of collaboration. There needs to be a clear, positive result for all involved, and that result needs to be tangibly demonstrated. Additionally, many small firms need to be reassured that large enterprises and government organisations do not exclusively favour big suppliers.

2. **Remove bureaucracy to ease the path:** While red tape might be a perennial SME concern, it is particularly relevant in the area of collaboration. Too many of the businesses we surveyed as part of Collaboration Nation noted that working with large businesses and government is a complex, and sometimes frustrating process.

3. **Explore all the opportunities:** One of the biggest drivers for collaboration is innovation; many smaller businesses cite their ability to bring innovative ways of doing things to their larger partners. That creates an opportunity for large enterprises to find those cutting-edge, nimble smaller businesses to partner with. Exploring all the opportunities means that large enterprises need far-reaching and accessible partner networks.

4. **Develop a better understanding of each other:** SMEs and large businesses don’t always share the same goals. Moreover, their processes, practices and policies can be worlds apart. Poorly managed, that can lead to unnecessary complexity and unwanted confusion, not least an inefficient working relationship. Better understanding – on both sides of the fence – is vital.

5. **Focus on the customer:** The collaboration opportunity isn’t just about the partnering businesses – it’s also about doing more for the customer. This was widely recognised and supported by the SMEs we spoke to as part of our **Collaboration Nation** research, and we believe that a focus on the customer can overcome many of the perceived barriers to partnership.

In setting out these recommendations, we became acutely aware that many of them are relevant to our own business. Fujitsu itself works with many hundreds of smaller businesses in the UK, with a significant percentage of our annual spend going to those suppliers.

As a result, we are conscious that we have our own role to play in creating a collaboration nation.

While we believe that the recommendations above are relevant to any large enterprise working with smaller enterprises (and, indeed, those partners too), it would be disingenuous to ask others to live by a collaboration code that we are not able to adhere to ourselves.

That is the background to this document. The following pages outline our commitment to helping the UK become collaboration nation by addressing each of these recommendations head on.
1. **Boost confidence in collaboration**

In an ideal world, no business would need to be convinced of the benefits of collaboration. We believe that the opportunities should be clear for all to see, regardless of their size or sector.

**Our commitment**

Fujitsu is wholly committed to promoting the value that collaboration can offer, both to our own business partners and to the UK economy as a whole.

We will do this by:

- Continuing to demonstrate that Fujitsu is a trusted and respectful partner to businesses and organisations large and small.
- Refining and enhancing our own collaboration processes.
- Improving wider confidence in collaboration by showcasing the successes that can result from better, more productive partnerships.

**How we will achieve this**

Continually improving the way that we work with our small/medium-sized suppliers in the future means understanding how easy we are to work with today.

To help provide evidence of the economic and operational value of collaboration, we will work with our own small/medium-sized suppliers and other businesses to highlight the ways in which collaboration can be improved and the benefits of doing so.

In addition, we will continue to offer our smaller suppliers a range of benefits for doing business with us:

- We pledge to honour our commitment to the Prompt Payment Code (which we signed in 2012), paying our own suppliers on time and encouraging prompt payment throughout our supply chain.
- We will create a Co-Operative club for SMEs, allowing our small/medium-sized suppliers and other small-to-medium-sized businesses to purchase our technology at a more easily affordable price.
- And we will maintain our Platinum accreditation with Business in the Community, alongside our Business Connectors programme, which sees Fujitsu experts seconded into local businesses to help them grow.

2. **Remove bureaucracy to ease the path**

Red tape has long been seen as the enemy of small business. But for collaboration to thrive, partnership needs to be as smooth and simple a process as possible.

**Our commitment**

We want to make it as easy as possible for organisations of any kind to work with us, and we want to help our smaller suppliers win and deliver great work for our customers.

We will do this by:

- Removing as many obstacles as possible, based on the issues that our small/medium-sized suppliers tell us are most challenging.
- Recognising the sometimes specific circumstances of smaller businesses, and seeking to accommodate those as often as possible.
- Provide more opportunities for SMEs to work with us, maximising the success of those engagements.

**How we will achieve this**

A major factor is payment. As well as identifying those areas that are most confusing or complex for those suppliers, we will be able to cut some of our own red tape.

One of those factors is payment. As well as our support for the Prompt Payment Code, we also offer our suppliers – where relevant – access to schemes such as Supply Chain Finance, giving them rapid access to capital.

When we do identify opportunities to engage suppliers, we work proactively with them throughout the on-boarding process, giving them practical advice and guidance to create processes that are right for their business.

Finally, we are working hard to remove auto-renewal contracts within our procurement system, creating more opportunities for smaller suppliers to tender for contracts with us.
Innovation is rarely driven by chance. Working with other parties to tackle a challenge can deliver smarter, faster and more efficient results. To get the most out of that relationship, keeping an open mind is essential.

**Our commitment**
For the good of the UK economy, and for the good of our customers, we believe that collaboration should be open to all.

We will do this by:
- Maintaining our commitment to creating an equal opportunities supply chain.
- Ensuring that our own supply chain processes are as accessible and transparent as possible.
- Making it easier for our smaller suppliers to reach those within Fujitsu who can assist them on their journey with us.

**How we will achieve this**
Our supplier selection process is based on an equal opportunities approach. We choose our small/medium-sized suppliers based on their ability to fulfil the customer need, regardless of their size, location or any other factor. This, amongst other factors, is why we have achieved an Established Accreditation with Supplier Diversity Europe.

We have taken Business in the Community's Access Pledge, again showcasing our commitment to ensuring that SMEs are able to compete for business with us on a level playing field. We have pledged to make tendering for business with Fujitsu fair, transparent and open for all suppliers. We are intensely proud of these facts, but are conscious that we cannot - and should not - rest on our laurels.

To that end, we are pursuing two initiatives aimed at making it easier than ever for small and medium-sized businesses to tender for work with Fujitsu:
- We will make it easier for smaller suppliers – both prospective and existing – to work with us by expanding our online services to include a dedicated SME portal. This gateway will help to quickly and simply link SMEs with the most relevant member of our Procurement department based on their need.
- We are currently reviewing our category strategies to include a focus on how we work with SMEs and identifying a pipeline of future work which SMEs could bid for.

‘We are intensely proud of these facts, but are conscious that we cannot - and should not - rest on our laurels’.
Better understanding is likely to breed better results. A more sophisticated working relationship is good for all involved, helping smaller suppliers to capitalise on opportunities and navigate tougher times.

**Our commitment**
We want to share our own vision and culture with our small/medium-sized suppliers, while learning more about theirs and understanding how we can bring our organisations closer together.

We will do this by:
- Continuing a programme of events that reach out to our regional SME suppliers.
- Learning more about small/medium-sized suppliers, and seeking their views on us.
- Sharing advice and guidance with them.

**How we will achieve this**
During 2013, we have toured the UK engaging our SME suppliers at face-to-face events aimed at promoting better collaboration. At these events, we discuss our procurement processes and SME-focused strategies, as well as the needs of our small/medium-sized suppliers and where appropriate provide access to our end customers.

These are events are open to small-to-medium-sized businesses throughout the UK (whether they currently work with Fujitsu or not), and this programme will continue into 2014.

As referenced elsewhere in this document, we are committed to liaising with our substantial UK SME supplier base to learn more about how we can work more effectively with them.

We provide a range of advice and guidance to our smaller suppliers, from sharing our own Apprenticeship Scheme experiences with them to offering advice on trading in Japan.

Fujitsu recently partnered with Trading for Good, a Government backed not-for-profit organisation that encourages businesses to do well by doing good. This scheme supports responsible business practice within small-to-medium enterprise.

At a wider level, we work closely with our Private and Public sector customers to help them understand how they can build SMEs into their own supply chains – whether in partnership with us, or for specific needs.

At the heart of any great collaborative project is a focus on the end goal for the customer. The true beauty of partnership working is that it can deliver results greater than the sum of its parts – many different organisations combining to deliver innovative, brilliant results for their customers.

**Our commitment**
Putting the customer at the heart of everything we do is a key element of the Fujitsu ethos, just as it is for the many SME suppliers that we work with. We are committed to continually reinvigorating our approach to delivery, working with agile and innovative suppliers that can help us to do more for our shared customers.

We will do this by:
- Working with suppliers big and small to ensure that our primary focus is on the customer and what we deliver to them.
- Exploring what true success looks for in relation to our customers businesses, and how we can work with our suppliers to deliver those results.
- Seek to address any issues raised in our workshop group that relate to the results that we deliver for customers, and how we might improve in this area.

**How we will achieve this**
We are committed to fostering a progressive and forward-thinking culture within our supply base that brings the best new ideas and approaches to our customers while offering them access to the most competitive and innovative small suppliers.

We will continue to work closely with our suppliers to help them understand the broad range of technologies that Fujitsu offers its customers, and how these could be applied innovatively to a range of needs.