Outsourcing – Keeping the Relationship Alive

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Keeping the Relationship Alive by Renegotiation

• Breathing new life by renegotiating
• Renegotiations – The new tender process?
• Why renegotiate?
• What is renegotiated?
• When to renegotiate?
Establish the Ground Rules to Renegotiation

• Create an agenda for renegotiation;
• Share and establish a toolkit for renegotiation;
• Categorise issues (open or closed);
• Set a timetable for renegotiation; and
• Understand the issue and deal “fallback” position.
How to Renegotiate

• Agree and document good working practices;
• Focus first on areas of agreement;
• Address easy areas of ambiguity; and
• Balance improved positions with compromised positions.
Implementing the Renegotiation

- Don’t forget due diligence;
- Understand the old position;
- Understand the mechanism for change;
- Document the change; and
- Document the new common position.
The Keys to Renegotiation Success

- Work collaboratively;
- Cultivate options;
- Understand the process;
- Get the timing right; and
- Know the market.
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Questions?

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