

Action plan and best practices

Clear communication, strong and reliable performance and trust are critical for successful vendor and supplier partnerships. Use the worksheet below to evaluate the strength of your vendor partnerships against your business goals.



Section 1: Identify and evaluate three vendors you think will be most impactful in helping you reach your goals this year. Write each vendor's name in the boxes below.

Communication						
Do you communicate regularly and effectively with your vendor?	Y	N	Y	N	Y	N
Are communication norms and expectations clearly established?	Y	N	Y	N	Y	N
Do you have a contract or other documentation outlining roles and responsibilities?	Y	N	Y	N	Y	N
Are business goals and expectations clearly established?	Y	N	Y	N	Y	N
Performance						
Are key performance indicators (KPIs) clearly defined?	Y	N	Y	N	Y	N
Have your vendors been meeting KPIs or other success metrics ?	Y	N	Y	N	Y	N
Does your vendor make it easy to work with them ?	Y	N	Y	N	Y	N
Does your vendor adapt well to a change in plans or when things do not go as expected?	Y	N	Y	N	Y	N
Is your vendor timely and reliable with their work?	Y	N	Y	N	Y	N
Is your vendor meeting your needs for your current business goal(s)?	Y	N	Y	N	Y	N

Trust

Do you feel alignment with your vendor (e.g., mission, goals, business philosophy, common values)?	Y	N	Y	N	Y	N
Do you seek strategic advice from your vendor?	Y	N	Y	N	Y	N
Does your vendor act honestly and fairly ?	Y	N	Y	N	Y	N
Do you trust your vendor?	Y	N	Y	N	Y	N

Section 2: Next steps

If you answered mostly yes, it may be appropriate to maintain or potentially expand your relationship. Consider sharing your vision and goals with your vendor or supplier and ask, are there more ways they can support your business goals?

If you answered a mix of yes and no, it may be appropriate to try to improve the relationship, while continuing to evaluate progress. Consider establishing and documenting the following:

- Clear business and relationship goals
- Communication norms
- Roles, responsibilities and expectations
- KPIs and other success metrics measuring strong performance
- Build in time for milestone check-ins to reflect on achievements and what can be improved upon next time

If you answered mostly no, it may be appropriate to implement an improvement plan while starting to explore alternative vendors. Consider implementing the following with your current vendor:

- Be clear about what's not working and organize examples to support your statements
- Offer a 30, 60 and 90-day review or improvement period to get your vendor back on track
- Review your contract or other documentation for guidance on how to possibly terminate the relationship

Meanwhile, start researching and connecting with new potential vendors:

- Create a list of criteria your new vendor will need to meet
- Research and identify which organizations or people are the best in supplying what you need
- Reach out to your network for a potential referral
- Validate vendors' reputation by checking certificates, awards or directories
- Begin initial conversations with potential vendors by discussing opportunities, expectations and price

For a quantitative approach, read our case study on [Evaluating Vendor Impact](#) and use the [Vendor Analysis Worksheet](#) to compare current and prospective vendors, weighing each partnership based on the criteria that's most important to your business.

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