The Joint Business Plan, On a Page

The structure of a real 3-to-5-year JBP, from the operator who negotiated a 5-year JBP with Grainger that produced their fastest-growing top-5 supplier.

1 Before you propose one: the qualification test

- **Scale:** your business with the account is meaningful enough that they would invest resources in a multi-year plan with you.
- **Trust:** earned track record. New vendors build the relationship first; there is no shortcut through a document.
- **Tops-down internal alignment:** executive sponsorship plus supply chain, finance, marketing, advertising, packaging, operations, fulfillment, shipping. A JBP is not a sales document.
- **Top-to-top alignment:** an executive sponsor on EACH side signs at the start and re-commits annually. A NAM and a buyer cannot carry a multi-year commitment alone.
- **Right account type:** JBPs fit distributor and commercial national accounts. At big box retail, line reviews and category captainships supersede them.

2 The plan structure

A JBP is a 3-to-5-year strategic alignment, not an annual plan and not a rebate letter. The pre-work is the plan: both organizations put their plan-on-a-page on the table, find the overlapping strategic thrusts, and marry them into synced strategies. The mutual growth objective then translates into initiatives with owners and deadlines:

ELEMENT	WHAT IT CONTAINS
Mutual growth objective	The shared multi-year number both organizations commit to winning together
Annual goal ladder	Attainable / Reach / Stretch tiers per year, each laddering to the multi-year objective. No year-five hockey sticks.
Expansion initiatives	Assortment, geography, share of wallet — each with an owner and a deadline
New product commitments	What launches, where, when
Innovation pipeline	What both sides are betting on beyond the current line

3 The operating rhythm

- **Quarterly:** scorecard review with the buyers
- **Annually:** top-to-top working session
- **Living document:** honesty when objectives are hit AND missed; on a miss, both sides align on why. Accountability runs both directions.

4 Annual top-to-top agenda

- 1. Review the JBP first: did we hit this year's sales target?
- 2. Objectives: which committed initiatives completed, which missed, and why (both sides answer)
- 3. Adjust the coming year's ladder and initiatives
- 4. Executive sponsors re-commit for the year ahead

5 Where JBPs die

- **No internal alignment beyond sales.** The #1 failure. Scorecard initiatives are owned by people who never sit in the account meeting; if they never bought in, deadlines slip by Q2 and the misses land on your credibility at the top-to-top.
- **A wish-list plan.** If the JBP asks your organization to do things your own plan-on-a-page never contemplated, it is not a plan.
- **Treating it as programming.** Rebates and promo calendars are annual dealmaking. If the document resets every year, it is not a JBP.