

FINDING SUITABLE PARTNERS

Entering a partnership without a clear set of objectives may result in the loss of control over its direction. Firms contemplating partnering should develop a clear plan before engaging in the process. The following checklist can be used to clarify company objectives and focus partnering strategy.

PARTNERING STRATEGY

Partnering objectives:

- What does the firm want the partnership to provide in the target market?
- market access
 - familiarity with local conditions, culture and business practices
 - proprietary technology
 - human resources (with specialized expertise)
 - capital
 - manufacturing facilities
 - distribution channels
 - other
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Partner profile:

- In which of these areas does the company have needs or deficiencies?
- human resources
 - information
 - contacts
 - operations
 - distribution
 - marketing
 - financial resources
 - knowledge of market
 - time
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Evaluation criteria for potential partners:

- market knowledge
 - manufacturing capacity
 - technological capabilities
 - location
 - human resources
 - financial strength
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Issues for negotiation:

- complementarity
 - cooperation
 - organizational compatibility
 - measures to establish confidence
 - approach to customer service
 - financial contributions
 - level of risk accepted
 - reinvestment criteria
 - deployment of human resources
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