



## THE PARTNERING PROCESS

### Negotiation

- Put together a negotiating team.
- Establish your bargaining position.
- Begin negotiations.
- Develop non-binding letter of intent.
- Formalize the alliance agreement.

### Implementation

- Set out detailed implementation goals and timetable.
- Put venture management in place.
- Monitor alliance progress and market and competitor response.

The rationale for a strategic alliance needs to be firmly grounded in a clear strategic understanding of a company's current capabilities and those it will need in the future to be successful. This means using some sort of strategic planning process that can establish objectives and evaluate alternatives. This process should be highly market sensitive rather than rigidly bureaucratic.

The decision to pursue an alliance begins with a clear statement of your strategic objective, i.e., what you are trying to

accomplish – your competitive objectives and moves to an evaluation of resources and capabilities and the ways of meeting your objective. The outcome of the process should be an understanding of the specific goal that you are trying to achieve, the timeframe in which you need to achieve the goal, the specific capabilities you already have, and those you will be required to develop.

The objective of this exercise is the development of a realistic appraisal of what resources are required to meet the