



• Selecting a Manager

In the end, there is no substitute for good, experienced managers. If the venture is a critical one for the partners, they should seek to provide the best managers possible. The best manager for an alliance is one who possesses excellent integrative skills and the ability to manage diverse perspectives and a wide array of specialist capabilities. Experience operating in a collaborative environment is clearly a plus.

Conclusion

Strategic alliances occupy an increasingly prominent role in the competitive strategies of today's companies. The ability to form and manage alliances and to reap the benefits that they can create will be a key to surviving the intense and dynamic competitive environment of the next decade. To be successful, alliances require great care in preparation and implementation. Taking shortcuts can result either in

GUIDELINES FOR ALLIANCE SUCCESS

1. Start with clearly defined goals and objectives — the more narrowly focused, the better.
2. Evaluate each potential partner carefully in terms of technical and organizational complementarity, personal chemistry and other relationships.
3. Take the time to understand the business environment in which a potential foreign partner operates.
4. Ensure that there is commitment at both the senior and operating level to the proposed venture.
5. Use the negotiation process to foster understanding, commitment and a problem-solving attitude as a foundation for the venture.
6. Make sure that there are measures in place to protect your company secrets both during the negotiations and the implementation of the partnership.
7. Stay flexible. Recognize that circumstances and markets change — your agreement may have to change, possibly more than once.
8. Ensure that your agreement has clearly defined milestones and checkpoints, and agree on reviews and measures for termination.
9. Place a priority on communication and on putting in place whatever measures are required to ensure that partners talk to each other frequently.
10. Whenever possible, provide the venture with an experienced alliance manager.
11. Look for short-term deliverables to build trust and maintain enthusiasm and commitment.
12. Create an environment in your company to internalize the skills you need from the partnership and to avoid 'alliance dependences'.