Having defined overall business objectives and clarified why the firm needs a partner, the next step is to profile several different candidates, interview them and select the most suitable. The extent and nature of the firm's need to interact with a partner will be based on a number of factors including uncertainty in markets, technology, and resource supply, as well as the complexity of the tasks involved. The more a firm needs to interact with a partner, the more important it is to find one whose organization is complementary. This involves issues of size, organizational structure as well as management style, operating policies and philosophy. It is worth taking the time to find out if the firm can really work with a potential partner.

Too Compatible

One Canadian firm entered the Mexican market in the late 1970s without the assistance of a local representative or agent. The decision was made entirely in Canada. Contracts were very slow in developing and required much costly travel and negotiating time in Mexico.

By the mid-1980s, a potential joint venture partner was located and a protocol of understanding established between the two firms. Yet no cooperative basis for an alliance has evolved. The reason? In the view of the Canadian firm, the partners were too similar in nature. Both were interested in doing the same type of work. This absence of any complementarity meant that they were not strategically compatible. The Canadian firm looks back on its experience and investment in Mexico with some misgivings, questioning whether the market really holds much potential for its product.

Important Criteria in Looking for a Partner

Technical complementarity	This is the minimum criterion for selecting a partner.
Ability to cooperate easily and effectively with the potential partner	Otherwise, there will be substantial coordination and communications costs, as well as a high level of frustration.
Complementarity of organizations	The manager will need to consider questions of relative size, financial capability, organizational structure, management style, operating policies, philosophy, etc. These are factors which otherwise could contribute to organizational clashes or culture shock for the businesses involved.
Compatibility of objectives	Are the strategies and objectives of your firms compatible? The greater the divergence, the greater the risks of dissatisfaction and associated problems.
Trust	Since today's partner may be tomorrow's competitor, the manager must consider, above all, the potential partner's commitment and trustworthiness. Exposing your strategy or technology to an unreliable partner could seriously erode your competitive advantage. It is easier to establish trust where there is mutual need and low risk of the partner becoming a competitor.

Above all, the firm should look for partners possessing the resources and capabilities that it lacks on its own but which are necessary for achieving its strategic objectives. Unless there is clear complementarity, there is no point in spending the time and effort involved in partnering.