

WELCOME

- IntelliVen Learning Community 3 Alliance by Design starts on the hour.
- [Register for the next Manage to Lead Immersion Program Online Overview Workshop](#): December 5 at 8:00 am eastern
- **Enter in the CHAT box:**
 - **Past participants:** Share a key lesson from your experience with the program.
 - **Guests:** What attracted you to join us today?

IntelliVen

Intelligent Strategies. Successful Ventures.

IntelliVen Learning Community 3 Manage to Lead using the Seven Truths: Alliance by Design

September 25, 2019



Based on notes from working with Dr. Peter Keen, author of Decision Support Systems

The Definition of an Alliance

- Firm-to-firm agreement to operate...
- in a way that works and keeps working as the business environment and the parties' organizations evolve...
- by meeting their mutual interests...
- until there is a mutual agreement to disconnect.

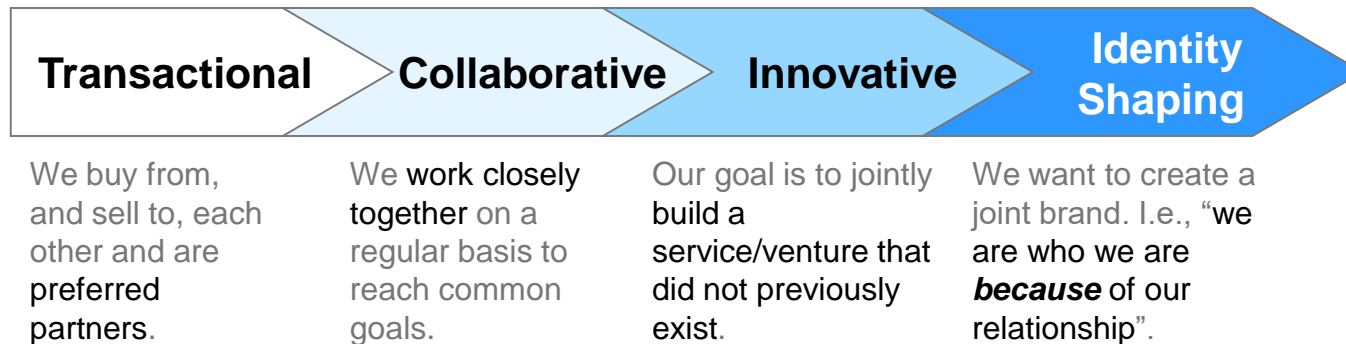
The Alliance Paradox

- Much effort at high cost by bright people in partnering organizations yields poor results.
- Most alliances, partnerships, mergers, and acquisitions do not achieve their envisioned potential.
- The resolution:
 - Alliance architecture
 - Governance

The Cause of the Paradox

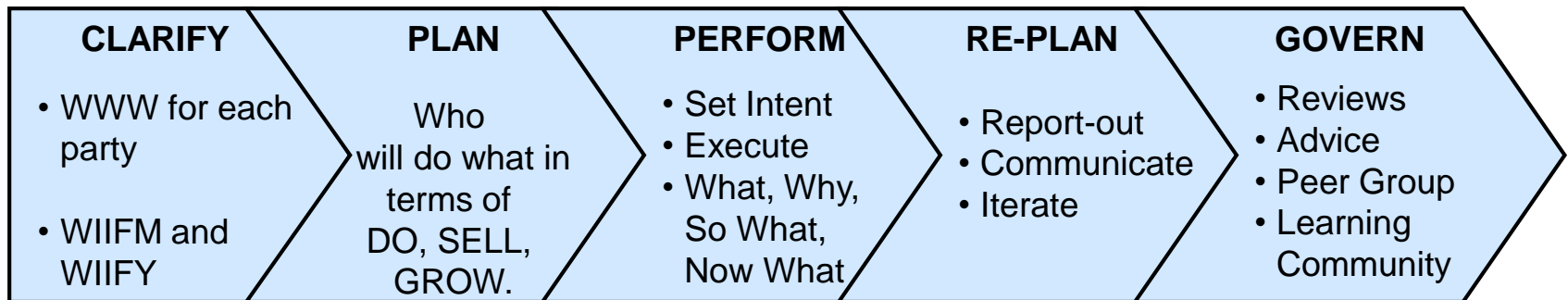
- Too often alliances are handled as a “deal” with most attention going into the purpose of the partnership and the deal terms with sincere talk about collaboration and trust.
- After agreement, representatives of each party independently set out to get things done in their respective organizations.
- A better approach is to set up and systematically implement: a layered Alliance Architecture.

Agree on the intended position along the Alliance Continuum



Each has a different risk/return and trust/contracting trade-off calculus.

Progress Through Stages of Alliance Development



Tips

- Operations makes or breaks the alliance.
- Governance makes sure operations works as intended.
- Deal terms hold things together, but they do not make things work.
- Have a realistic set of exit conditions.
- Go for Peer-to-Peer Symmetry (i.e., *balanced*; not necessarily *equal*) in terms:
 - Risk
 - Benefit
 - Inputs
 - Knowledge sharing
 - Ownership
 - Commitment.

Conclusions

- Decide where to position the partnership the alliance continuum.
- Clarify to each party both party's strategic intent for the alliance.
- Know and communicate how things will work.
- Assign leaders with high stakes from both organizations to make sure things go well.
- Keep visible to most senior leaders to govern and guide via a executive reviews.

Thank you.