



The Top 10 Elements of An Effective Strategic Alliance

1. Trust

Trust is created when both parties are able to identify (and be completely up front about) what they have to offer, what they don't have to offer and why they need the strategic alliance partner. If these teams are trying to use each other, without being fully informed about the realities and potentials, then each side is going to hold back and struggle for position, which creates distrust. Mutual respect is key.

2. Faith

It's essential that both parties believe that there IS something much bigger that can be created by both organizations by working/learning together. So, faith in synergy as well as faith in the notion of possibility is a bare minimum. If people doubt, they hold back key information and don't give the project enough juice to help it reach critical mass. Awe is key.

3. Flow

Constant discussion between both parties is essential, through email and conference calls, as well as receiving input from key sources outside of the two teams such as from higher management and/or the ultimate consumer/user of the project. Flow is generated when there is a vacuum - - when team members are thrilled about learning and perfecting instead of just looking good to each other. Humility and an eagerness to build something awesome is key.

4. Reporting

Daily or weekly reports created by a separate/objective agreed upon/appointed person (called The Reporter) are essential to tracking what is REALLY being created between the two groups. If you let each team write up their progress, it will be slanted to look good. If an outsider is writing it up each week (and managing/tracking the steps of the alliance project), then both teams are answering to a higher authority. Creativity and experimentation need help. Structure is key.

5. Testing

Whatever the outcome is that has been defined, the project needs to be continually tested to make sure it works in the real world and that the real world wants to buy the project/joint venture. Focus groups aren't enough; the product needs to be tested with current clients to measure effectiveness and desirability. In other words, turn current clients into groups R&D Team from the very beginning. Clients are key.



6. **Ground rules**

A list of the agreements, timelines, resources needed and ground rules between both the teams and the organizations are essential. Issues of confidentiality, non-performance, deadlines, scope, outputs, ownership rights, worst-case scenarios, mutual efforts and cost-sharing are wisely developed by the team members themselves - - this bonds both groups because they can hold each other to account. (And The Reporter - - referred to elsewhere in this Top 10 List - - can mediate/track compliance.) A complete understanding of the ground rules is key.

7. **Measurable**

What exactly will be the outputs of the two teams? Who does what? By when? What are the measures of success? How will both organizations know they have a winner and that the project should be fast tracked? What are the tangible benefits? What are the intangible benefits? What will make it all worthwhile, even if its not going very well? Languaging/articulation is key.

8. **Vision**

The project or alliance needs to be a subset of a larger vision for both organizations. In other words, both organizations need to be big thinkers and tuned into current and emerging trends. In fact, the joint project needs to be designed in such a way that it also makes each firm more progressive in how it thinks/does business in general, in addition, of course. To whatever the specific benefits of the project/alliance are. Seeing something much bigger than the specific outputs of this alliance is key.

9. **Involvement**

The project or strategic alliance must be something that will add value to the organizations ability to serve its customers or the marketplace. The focus needs to be on the ultimate consumer of the product/project, not just the organizations players. This grass-roots focus is key because it keeps everyone focused on be on beyond the politics or organizational limitations.

10. **Value Added**

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