

# Setting Up a Partnership or Alliance?

## How to Choose the Right Organisation

### *Part 3 – Success Secrets for Selecting the Right Partner Organisation*



Robin Power, from Affinity Maker™, provides a step-by-step guide to partner search and selection and shares some of the success secrets in selecting the right organisation to establish a partnership or alliance with.

This white paper series on Partner Search and Selection is broken down into three parts:

- Part 1 – Partner Search
- Part 2 – Partner Selection
- **Part 3 - Success Secrets for Selecting the Right Partner Organisation**



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In the third part of this series on Partner Search and Selection, Affinity Maker™ share 10 of their insights learned in helping clients select the right partners.

1. Understand expectations: Getting clear on what *each* partner expects from a partnership right up front is critical to developing a successful partnership. This may require third party facilitation to assist the partners to really get under the surface and get the real expectations out on the table. The creating stage of a partnership is where all partners should be exploring what a potential partnership should deliver.
2. Develop a shared vision: To ensure strategic fit, a critical step to creating a win-win partnership is to create an agreed vision for the partnership that links back to the overall business goals of both parties. These types of partnerships—the ones that are built around jointly identifying and meeting market opportunities, as opposed to opportunistic alliances struck around a specific customer bid—are much more likely to be successful, long-term affairs.
3. Choose a partner with whom you're aligned: In the best partnerships, both parties know 'what they stand for', and know that their brands, values and working styles are aligned - they complement one another, rather than undermining one another's credibility. This means you can choose potential partners wisely, to ensure that both parties' reputations are strengthened by the alliance. Similarly, aligned styles and ways of working are vital,



from transparent communications to straightforward dealings.

4. Work with credible partners: Part of your partnership success will depend on the credibility of your partners. Involve your customers when selecting a brand to work with, like you would when in testing new products or initiatives. The company we keep speaks volumes about us so it's essential that you involve your customers before committing to a potential brand partner.
5. Get to know potential partners. Spend time getting to know potential partners. Think about partnership as a process of forming relationships to do things, not just a structure. Make commitment, and trust, the centre line.
6. Find a partner you trust: An oft overlooked, but fundamental, requirement of a partnership, is being able to personally trust your potential partner. You have to be sure that they are being honest about their motivations for partnering from the word go, but therein lies the Catch 22 of the situation. Before you are really 'in' a relationship it's difficult to know when someone's being honest, and yet this is the very time when you are deciding whether or not the two of you have a future together. Knowing whether or not to trust is something you learn, through experience, maturity and instinct. The short cut, however, is to partner with a company

you already know and trust through years of reliable, dependable, honest transactional dealings.

7. Choose a partner who can partner: It's critical to know that your partner can and will deliver on their promises both now and in years to come; that they can and will grow, increasing their capability to meet challenges, as the partnership evolves. Both partners must know what is needed to partner successfully, discuss both parties' capability to do that upfront, and understand what the future aims of, and challenges facing, the partnership may be.
8. Selecting the right partner: This is key to understanding and mitigating the risks. From the in-depth analysis of the potential partner organisations (described in Part 1 and 2 of this series) flows a determination of the ideal alliance structure for each potential partner, and a risk/reward assessment of the potential for a mutually successful relationship.
9. Size Isn't Everything: Remember that size or scale of operations does not necessarily dictate the scope of a potential partnership. Again, it is more important that the strategic fit of the partners and their respective contributions to the service proposition are equally relevant to the end user and target market.





10. Know what success looks like for everyone: This is true at both a corporate and an individual level; mutual value doesn't mean the same value for all parties – you need to understand what a win is for each partner and how significant it is for them. That means knowing not just what they're promising you, but also what they've promised their stakeholders including the board. At a personal level you need to know what people are bonused on and what partners are incentivised to do. Once you've got all of this information, you can test levels of compatibility between partners.

### Bonus Secret:

- Seek Strategic Synergy: Identify if there are true complimentary strengths between the partners. To be successful, two or more partners must have a greater strength when combined than they would have independently.

*Robin Power is a partnering and alliancing specialist and is Managing Director – Asia Pacific at Affinity Maker Pty Ltd ([www.affinitymaker.com](http://www.affinitymaker.com)), an international boutique consulting company that helps clients create new partnerships and alliances or make existing ones work better.*

# Affinity Engine™



The Affinity Engine™ was designed to aid organisations who fall into two categories: those looking to establish new partnerships or alliances to grow revenue, introduce innovative products or services or reduce costs. And secondly those that have a partnership or alliance at any stage, from concept through to full functioning and are experiencing challenges to get it to function optimally. Making Partnerships and Alliances Work is all we do. Why step into an unknown and potentially risky venture unprepared when you could arm your organization with a series of tools and techniques that would ensure the greatest likelihood of success.

Affinity Maker™ is an international boutique consulting company that helps clients create new partnerships and alliances and make existing ones work better.

To find out more about our services or to start using the Affinity Engine™ visit our web site [www.affinitymaker.com](http://www.affinitymaker.com)

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