

# BJC 201

**Thursday, September 23<sup>rd</sup>, 2021**

BJC 201.0321

**Session duration 8:00 a.m. – 9:30 a.m.**

**Microsoft Teams**



# BJC 201.0321

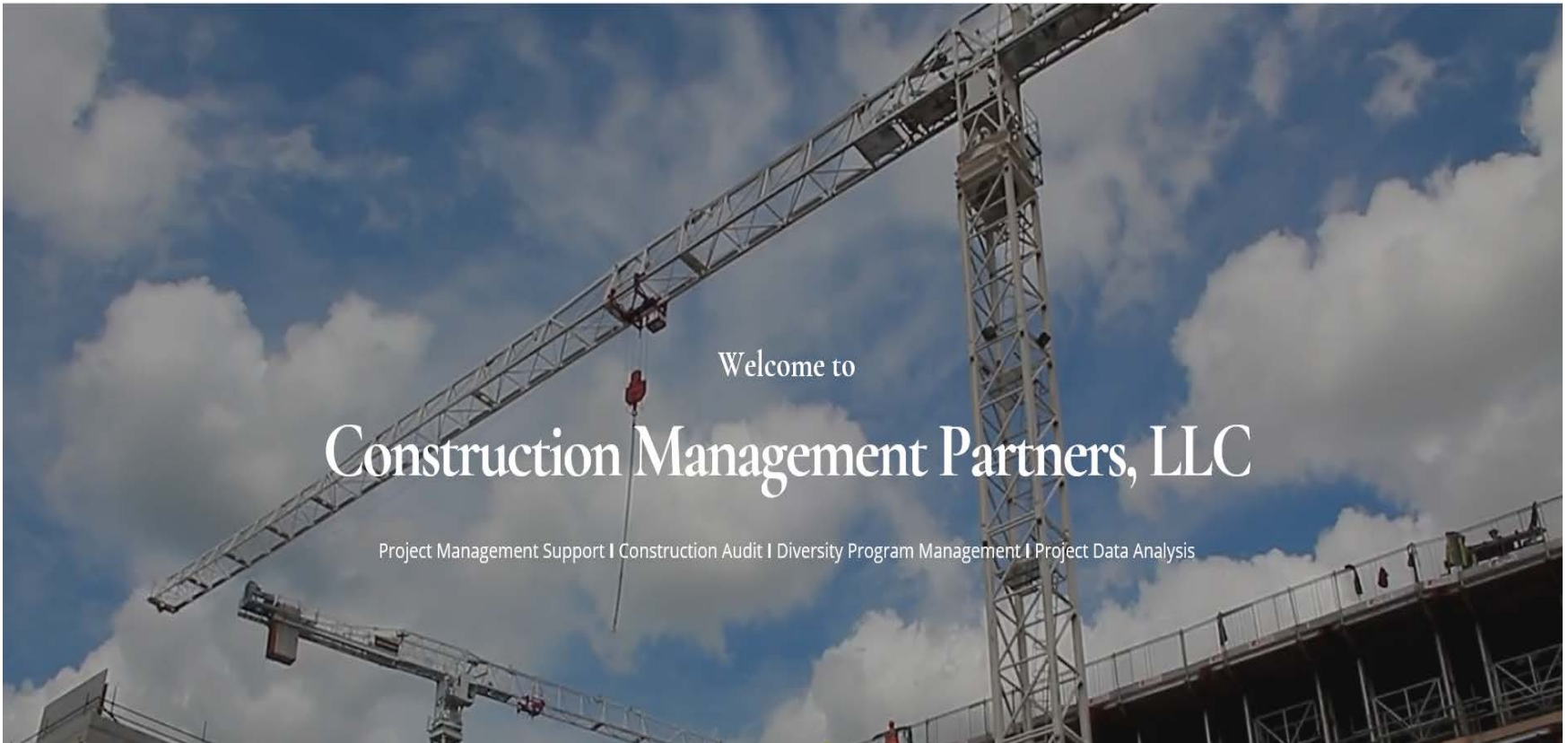
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# BJC 201

## Creating a Successful Strategic Alliance

Campus Renewal Project

Phase 3 & 4

September 23, 2021

An Introduction to Healthcare Design & Construction

Fall 2021

Session 201.0321

“Achieving Quality Growth and Development for Minority Businesses thru Strategic and Targeted Investment, Education and Market Integration”



# What is a Strategic Alliance?

A strategic alliance is an agreement between two or more parties to pursue a set of agreed upon objectives while remaining independent organizations.



***"Partnering is the quickest, most effective way to re-engineer a business."***

Curtis E. Sahakian



- While 57% of companies say that they use partnerships to acquire new customers, 44% form alliances to get new ideas, insights and innovation. - Source: BPI Network

- **Reasons for alliance failure**

Market research indicates that Strategic Alliances fail for a variety of reasons:

- Differences in culture
- Incompatible objectives
- Lack of executive commitment
- Ineffective governance structure
- Poor alliance leadership
- Overestimated market potential

## **Alliance failure and alliance success, the 80% rule:**

A market report found that companies that follow a structured alliance management process consistently report a better success rate with their alliances than the average success rate: **up to 80% success**. The companies that approach alliances in an ad hoc fashion report only a success **rate of 20%**.

**The 80% rule:** 80% of ad hoc unstructured business partnerships and strategic alliances fail, while on the other hand, 80% of the companies that follow a structured approach create successful business partnerships and strategic alliances.

# Strategic Alliances = Long-Term Success

Strategic alliances will help catalyze a firm's growth because they empower each partner to serve clients better.

Through the alliance, your clients benefit from the expertise of trusted professionals and additional technical and business resources.

Working together as a strategic team, you will establish and achieve strategies that improve project outcomes.



# Step 1: Identify Potential Partners

People do business with other people that they know and that they like.....

- Like-Minded Professionals.....Committed to Excellence
- Impeccable Reputations and Integrity
- Demonstrated Experience, Resources and Delivery Record
- Open-mind for strategic maneuvers that yield tangible results
- Do I like them?

**“Choose a partner committed to the collaboration and not just a partner with a One and Done approach to doing business with you”.**

## Step 2: Initial Meeting with Potential Partner

- In a tough economy where all professionals are feeling the crunch, everyone can use extra help with business development.
  - Additional Market Intelligence & Coverage
  - Resources to produce the required collateral materials
  - Short- & Long-Term Strategic Planning
- Contact your selected alliance prospects and schedule an appointment to discuss opportunities for working together. Tell them you will share data about your mutual niche markets, how to market to them, and the most effective way to earn their business.

## Step 2: Initial Meeting with Potential Partner

Talk about the **potential alliance**, the benefits of working together, and the opportunity for revenue sharing.

- **Share marketing data and mutual interest and** how to jointly impact market to in the most effective way to win new business and obtain repeat business. This will support your case for forming the alliance. You must position yourself for the future through partnering.
- **Discuss expectations** and what each firm will do to uphold a mutual commitment for the success of the alliance. What are the rules of engagement?
- **Define the business relationship.....**
- **Make a mutual & informed decision.** If you determine working together will benefit all parties involved including your clients and the market, go ahead and schedule your next meeting to finalize your agreement.

## Step 3: Identify Specific Opportunities

- Brainstorm about every opportunity to work together. Focus on core interests and business themes you have in common.
  - Mutually review your respective G0-No-Go processes
  - Hit Rate strategies – Win/Loss Ratio expectations
- Discuss objectives, obstacles, and expectations for your future relationship. Determine what your alliance should accomplish over the next 12 months.
- What happens when or if things go wrong?
  - Plan for relationship Corrective Action
  - Work-out the financials early
  - How will the segregation of duties work

## Step 4: Establish Revenue/Profit Goals

- Determine ideal and minimum revenue and/or profit goals for your alliance. Your ideal goal should represent the revenue and new assets it will take to make the strategic alliance program a success.
- The minimum goal is to establish the criteria for operating the strategic alliance moving forward to create sustainability.

## Step 5: Develop an Agenda

- Identify the goals for each pursuit and the strategies you will use to obtain the desired results.
- While creating the strategy, include the following best practices to ensure your partnership is effective in creating opportunities.

# What are the Take-Aways?

## Predicting the success of your Strategic Alliance

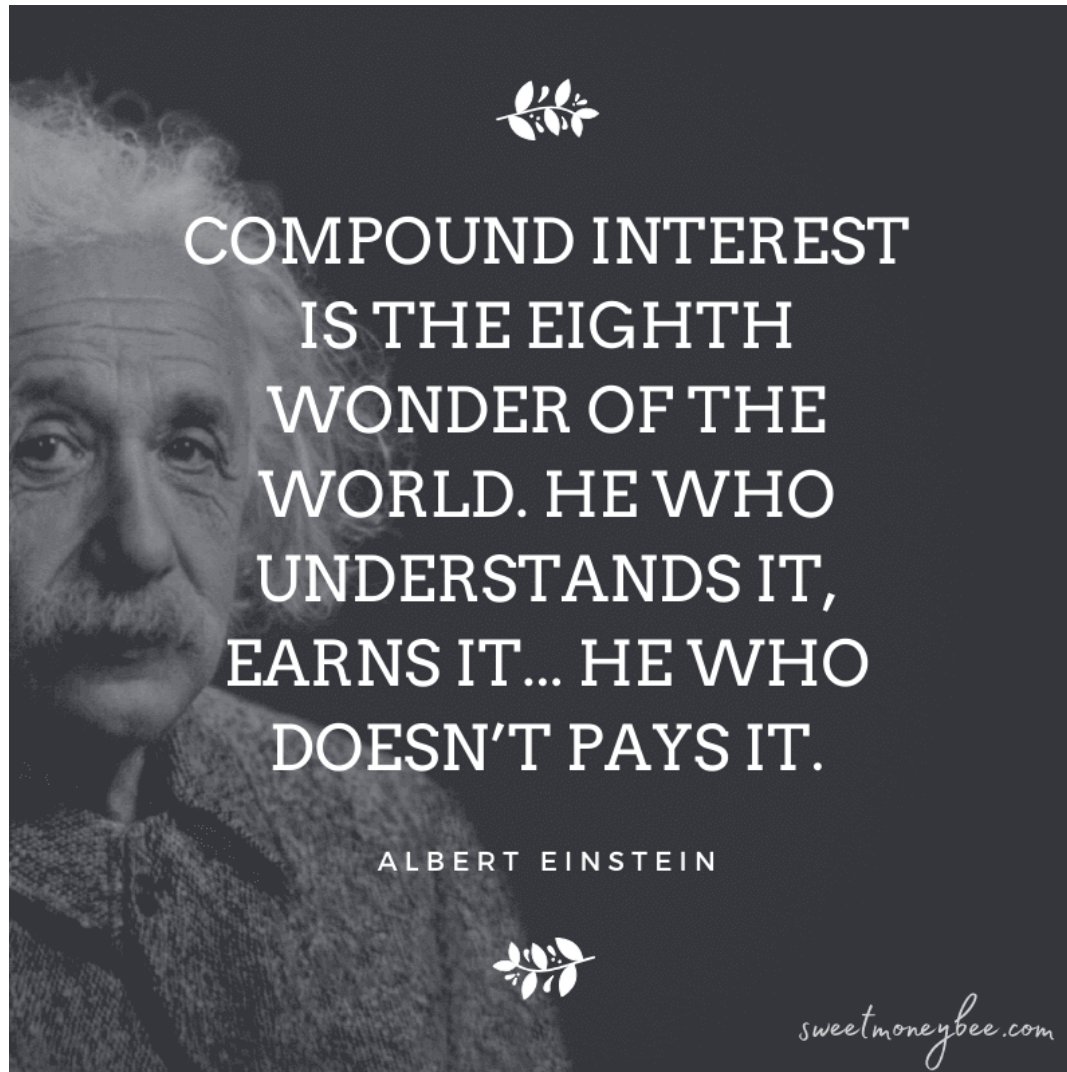
1. **Communicate**
2. **Identify**
3. **Mitigate**
4. **Establish**
5. **Lead**
6. **Be Accountable**

"Teamwork is the ability to work together toward a common vision.  
The ability to direct individual accomplishments toward  
organizational objectives. It is the fuel that allows common people  
to attain uncommon results."

– **Andrew Carnegie**



# Strategic Alliances = Sustainability



# Thank you



## See you in December

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Unabridged Audio

Foreword by: **STEPHEN R. COVEY**  
*Author of The 7 Habits of Highly Effective People*

# THE *SPEED* OF TRUST

The One Thing That  
Changes Everything



**STEPHEN M. R.  
COVEY**

WITH REBECCA R. MERRILL