

Spotlight on the New Alliance Launch Process

Engaging Launch Leadership

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Organizations only have one chance to set up an alliance right. Stakes are high: companies commit significant resource to alliance deals that are central components of their long term strategy. Too often, however, such deals get “thrown over the fence” from those who identify the asset, to those responsible for negotiating the deal and finally to those responsible for executing the relationship with the partner. Such a process often results in a failure to set the alliance up for operational success, regardless of the robustness of the contract or the skill of the managers involved, ultimately preventing the alliance from delivering the value its crafters had envisioned. Organizations commonly think that once a “kick-off meeting” has happened the alliance is up and running, ready for execution; but the unique operational complexity of partnerships requires a more systematic approach to launching a new relationship. Organizations should instead treat the first “100 days” of a new relationship as an opportunity to put in place a set of key Deliverables — governance structures, processes, behavioral norms, communication and decision-making plans — that will enable effective execution of joint activities going forward.

This spotlight is the second in a four part series examining critical components the New Alliance Launch Process. Having examined the need for robust launch Deliverable planning in the first part of our series, we turn our attention to effective launch leadership. Please see Part One (The Value of Early (Pre-Deal) Launch Planning), Part Three (Operationalizing Governance through Chartering) and Part Four (Enabling Alliance-Enhancing Behaviors) for more information on other critical components of an effective relationship launch.

The Need for Structured Launch Leadership

Launching an alliance is a complex effort that impacts stakeholders across functions, companies, organizational hierarchies, and geographies. As discussed in Part One of this series setting an alliance up to effectively execute on its goals requires a systematic approach to putting in place a set of launch process Deliverables (both joint and partner specific; see Part One for Illustrative list of Deliverables). The immediate challenge is executing the launch approach itself and critical questions must be answered as soon as possible, for example: Who takes the lead on putting together a team that will lead the effort? Who drives the work of putting the Deliverables in place? How does each partner solicit input from and drive alignment at the highest levels of the organization?

Amidst the ramping up of the joint work of the alliance, new partners need to ensure that the work of launching the alliance is managed, the approach is the result of high-quality thinking around the needs and potential challenges of the alliance, and that key stakeholders are sufficiently aligned around the plans so that implementation will be as smooth as possible. In our experience two structures are critical to achieving these objectives (1) A Joint Launch **Core Team** that assumes all accountability for the launch process (see Figure A for more detail) (2) A Joint Launch **Leadership Team** responsible

Implementing a launch requires structured leadership and support

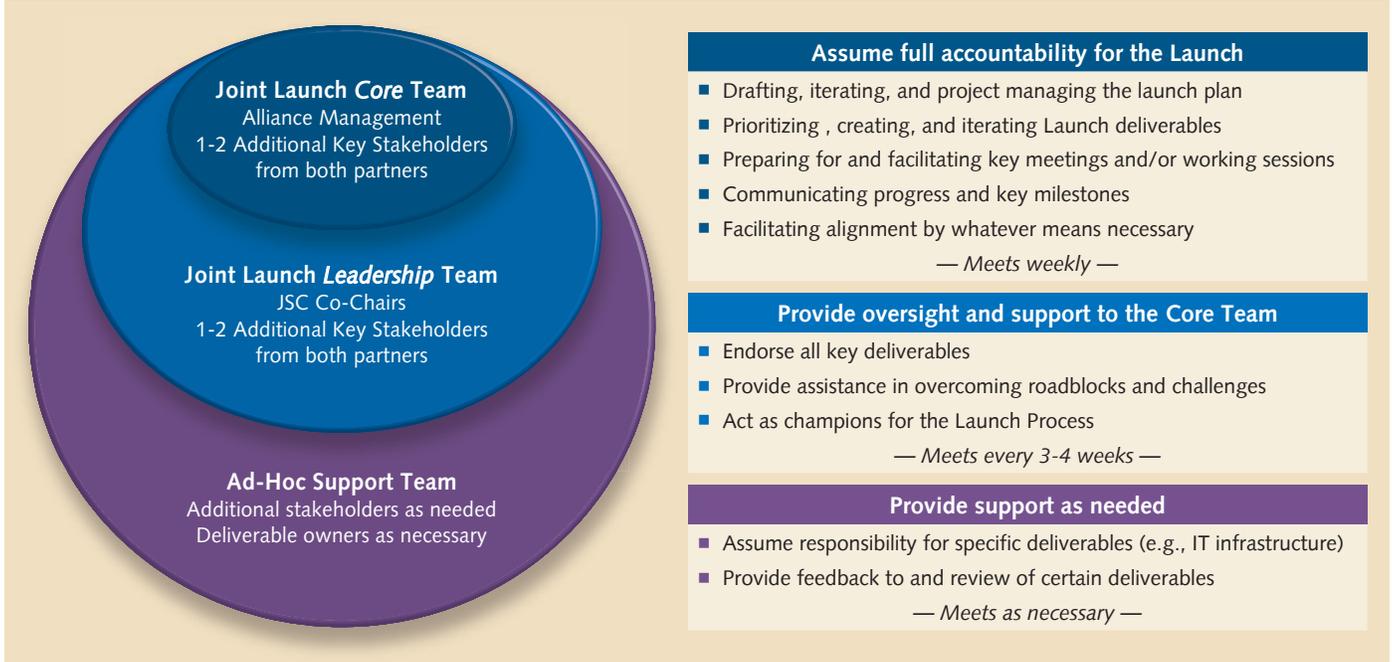


Figure A

for providing oversight and support to the Core Team. This spotlight explores the role of these groups in the launch process — who should be on them, what activities they should undertake, and how to ensure that the focus on the relationship endures after these two groups dissolve.

It Takes a Village to Launch

The Core Team and Launch Leadership Team should be compiled of leaders and well respected key implementers who are systems thinkers and exhibit the experience, savvy, and organizational heft to drive the launch process. It is important the group understand each partners' culture and use their understanding of the differences between the organizations to drive the launch Deliverables. Having those involved in negotiating the deal also involved in the launch process via membership on one of both of these teams helps facilitate this understanding.

Typically, the Core Team consists of Alliance Management and several other key alliance involved parties (e.g., Project Managers) and

is accountable for defining and driving the process of putting the launch Deliverables in place. This includes cataloguing the execution challenges and specific needs of the alliance, defining Deliverables that will meet those challenges and needs, prioritizing which Deliverables are most critical in a resource scarce time, and ensuring that a set of activities are planned and owned for implementing each Deliverable. When determining the composition of the team, there can be a tension between the inclusion of stakeholders and maintaining a small nimble group that will manage the day to day work of launching the alliance. Some of the interests for including stakeholders in the Core Team (e.g. enhancing the quality of thinking or ensuring alignment around plans) may be met by including them in the Launch Leadership Team or ensuring that those individuals, while not officially a member of a team are regularly consulted throughout the process

The Launch Leadership Team is typically comprised of the Core Team, plus the co-chairs of the alliance's senior-most

governance body, the co-leaders of any key functional teams, and (if not already on the Core Team) Project Managers from each company. The purposes of the Launch Leadership Team are to (1) approve all Deliverables coming out of the Launch process, (2) regularly report to the joint senior leadership within each organization on launch progress, (3) help manage any challenges that arise throughout the launch process, and (4) help ensure appropriate focus and prioritization of Deliverables by the Core Team. Said another way, ultimately the purpose of the Launch Leadership Team is to ensure that the alliance is well set up for execution within the prescribed period of time. The Core Team thus works as the Launch Leadership Team's primary means of meeting its mission. In order to leverage the senior resources serving on the Launch Leadership Team as well as possible, the Core Team should treat them as a "client" or "customer" of the launch process and work to ensure presentations to the team are concise and meaningful. When suggesting Launch Leadership Team members, Alliance Managers must balance the tension

between seniority and their ability to really engage in and attend to the process.

The Core Team and Launch Leadership Team are also likely to rely on participation from broader stakeholders for certain key Deliverables. For example, if communication planning is a Deliverable of the process, the Core Team may coordinate with an internal communications or publications group. When thinking about alliance team member skill development, the Core Team may reach out to Human Resources for support on development of a curriculum. These “ad hoc” participants in the process assume responsibility for specific Deliverables (e.g., IT infrastructure) and provide feedback to and review of certain Deliverables. They meet only on an as needed basis with the Core Team and for specific input on certain Deliverables.

Because the launch period is a defined period of time, the purpose of the Launch Leadership and Core Teams terminates when the alliance is effectively launched. The last act of the Launch Leadership Team before disbanding should be to certify to the highest level of governance that indeed the Deliverables have all been implemented on the alliance or, said another way, that the alliance has been well set up and is operational.

Beyond the 100 Days: Maintaining Focus on the Relationship

Explicit focus on the relationship naturally wavers post-launch as teams focus on execution against alliance goals. The absence of a broader group of alliance stakeholders whose responsibilities include managing the relationship often results in this task being left solely to the Alliance Managers. Even the best Alliance Managers can only do so much to attend to management of the relationship, especially after the “honeymoon period” of the launch wears off and the alliance starts to encounter significant working together challenges. There are several ways that an

alliance can continue to put appropriate focus on managing and maintaining the relationship even after the focus of the initial launch activities have subsided.

For organizations with a complex, matrixed internal structure, **an Integrated Alliance Management Team (IAMT)** that consists of functional leads can be an effective mechanism to periodically bring key stakeholders of one organization together to review how the alliance is working and whether their internal organization is effectively enabled to partner as well as possible. An IAMT provides a forum for active reflection on the quality and efficiency of the working relationship with a partner and allow the team to proactively identify any issues that need to be addressed and drive plans to address them. Forming an IAMT can also formalize internal points of connectivity between alliance management leaders and key cross functional alliance stakeholders to ensure that work is appropriately coordinated.

Alliance Managers may also use a variety of tools to informally check in on the relationship, either by dropping in on governance team meetings or employing some form of an alliance “health” or “pulse” check to survey how well teams are working together. Finally, as part of the launch process, team facilitators or leads can be coached to regularly (e.g., quarterly) devote time on their team meeting agendas to review the operations of the team and the quality of the working relationship.

A Critical Component of a Successful Launch

Launching a new alliance requires coordinated effort with senior level support and input. Those driving the launch process must be aligned about objectives and activities as partners and also internally. Putting in place the right leadership structure to support a launch is an essential component of ensuring its success.



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