A Process to Designing B2B Partnerships

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Why Partnering

Customers demand better services and solutions from their suppliers. These often include very different capabilities and time to market is critical. As well low upfront investment to test innovations is seen as favourable. Many suppliers are delivering complex services with their partners. Sometimes these partnerships are even including competitors. The partnerships are described as complex as they combine multiple company cultures, differing processes and expectations.

Problem

B2B partnerships provide problems. With this research we are aiming to give a handrail process for consideration of strategists. We have had multiple meetings with experienced CSA partner companies to define case partnerships and how their design process worked and where problems and barriers had arisen. Our researchers have analysed the material gathered and organised a two day meeting between specialists from the partnership companies. After the workshop an additional analysis has led to the partnership process presented.
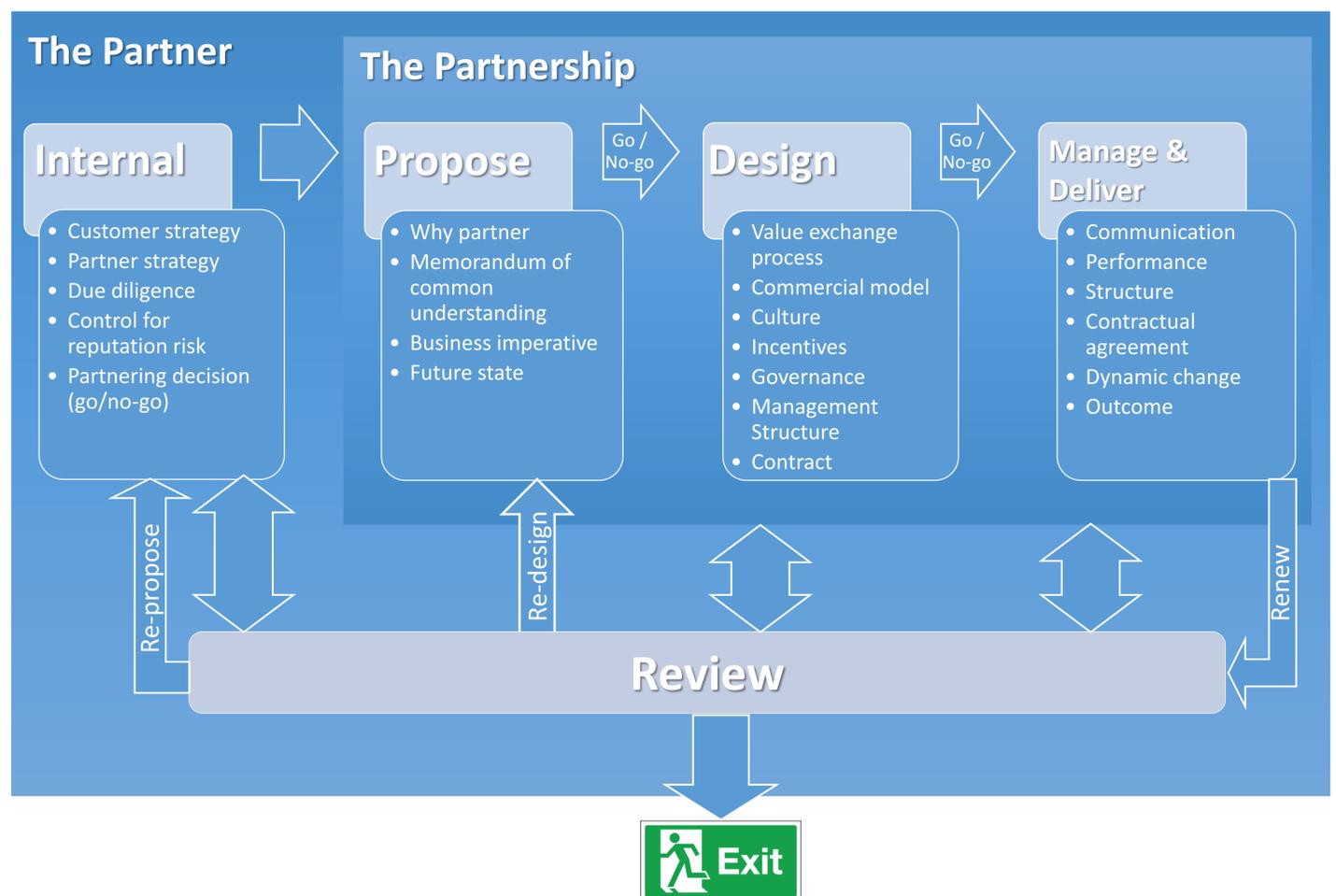
We found a four stage process:

1. A company internal discussion defining what the need for a partnership is and defining a strategy need and capability need.
2. The proposal will have to be announced to a potential partner company. The company has to be brought up to speed on what needs to be done and cultural inclusion has to take place on their processes as well as needs and worries. The outcome should be a future state vision for which the partnership should be standing.
3. Both partners should then agree to enter into a partnership design stage, where the overall value exchange, the commercial model and management and government structures are defined.
4. When the partnership is fully defined, the management and delivery phase starts where the partnership is executed and starts delivering to the customer.

Overall the process should be reviewed and renewed at all times. Contracts should allow this flexibility and should certainly plan for a partnership exit. One aspect that came out of the research conducted is that change needs to be implemented, monitored and hence managed stringently.

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