

# Keynote at ASAP-New England meeting

## Alliance Strategy in a Flat World

Ben Gomes-Casseres

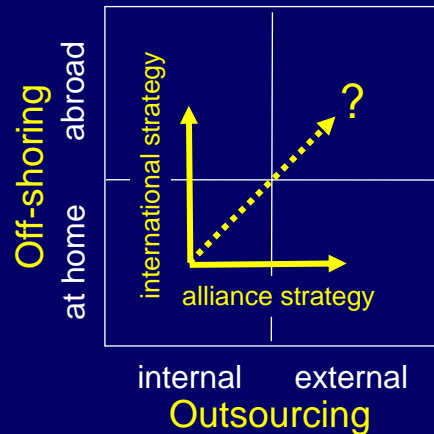
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Alliance Strategy

## Organization and Location Choices



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Alliance Strategy

## Develop "alliance strategies," not "strategic alliances" . . .

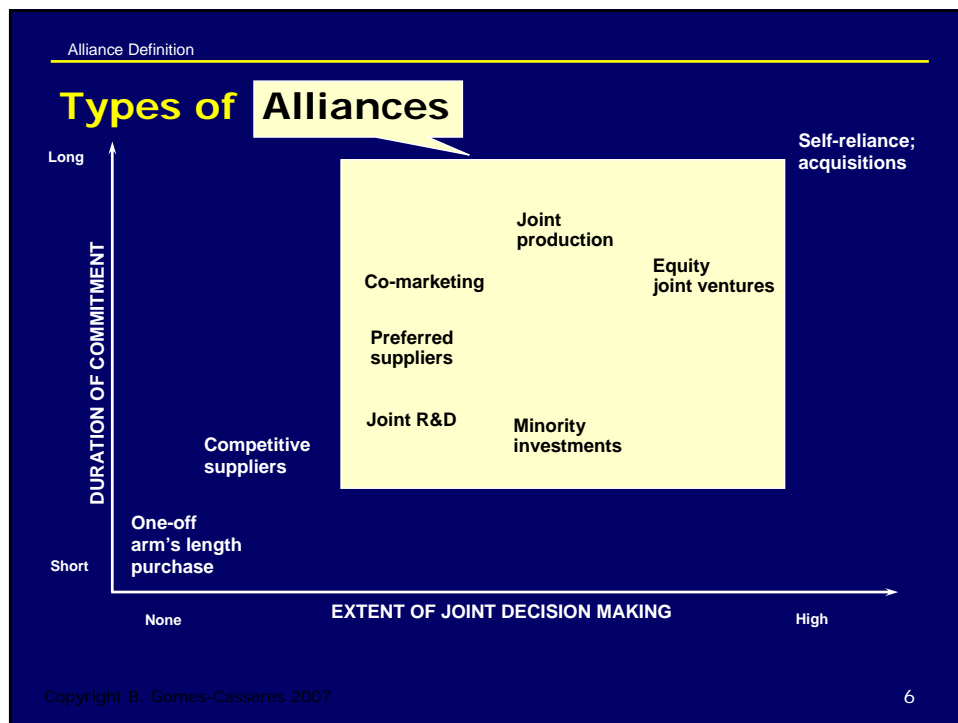
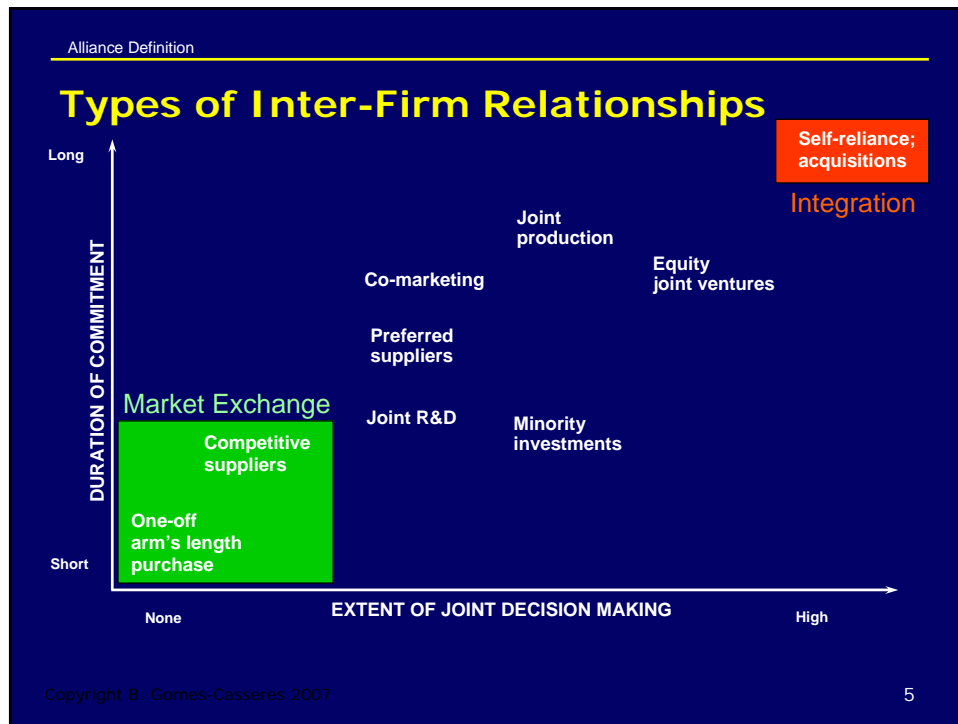
1. Let business **strategy** drive the alliance logic
2. **Design** the alliance to fit the strategy
3. Grow **relationships**, don't just "do deals"
4. Use **constellations** of alliances, not stand-alones
5. Organize **internally** to cooperate externally

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Alliance Definition

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## The Soul of an Alliance

The diagram consists of two text blocks on a dark blue background. On the left, the text 'Arm's length contract' is written in green. On the right, the text 'Self-reliance; acquisition' is written in red. A white double-headed arrow points from the left text to the right text. Below the arrow, the word 'Alliance' is written in yellow.

1. Creates value by **combining capabilities**
2. of **separate firms**
3. which **share control**
4. in an **open-ended** ("incomplete") agreement.

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Alliance Definition

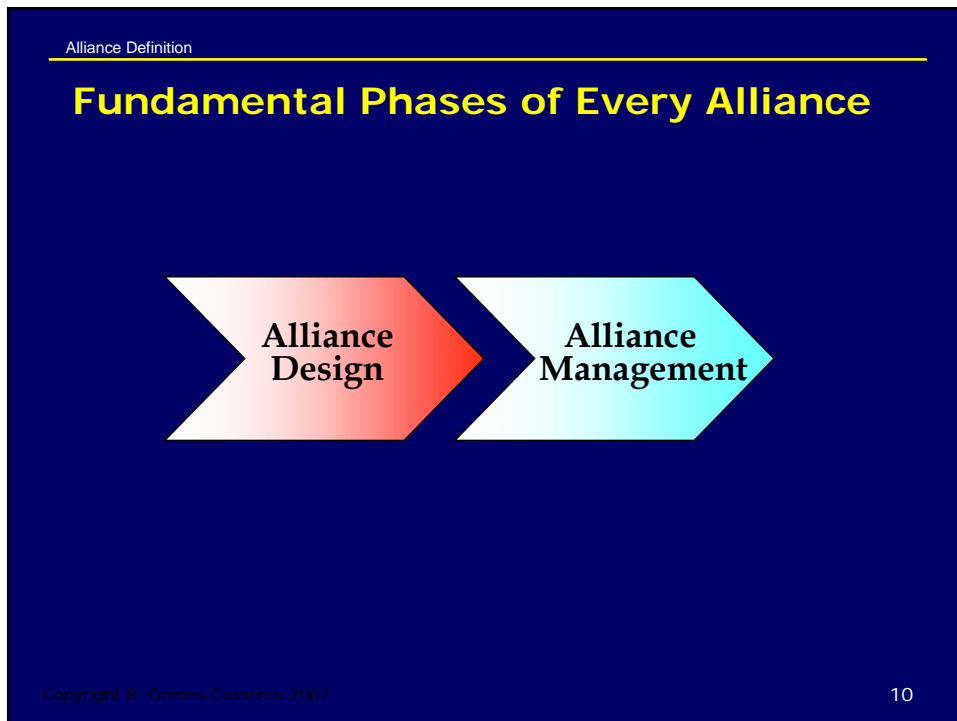
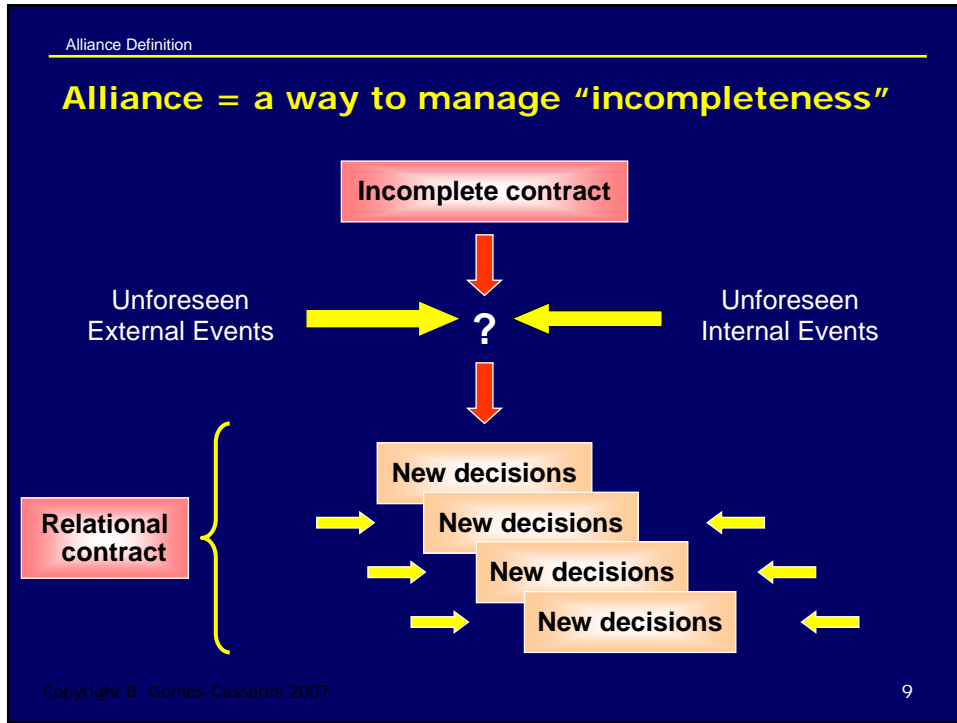
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## Incomplete Contracts: Typical "Open ends"

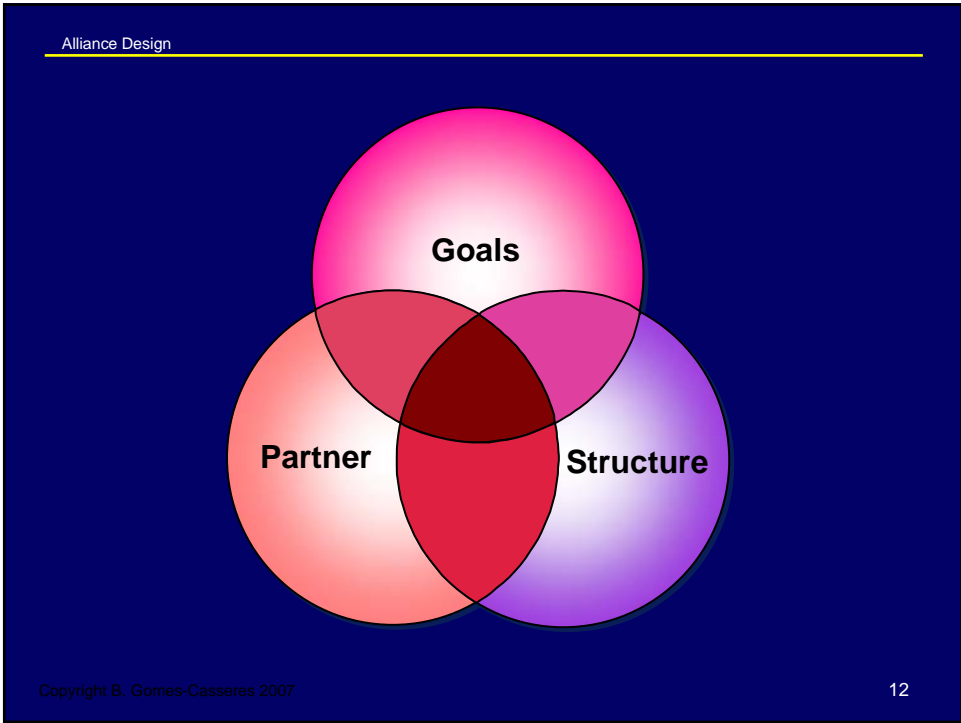
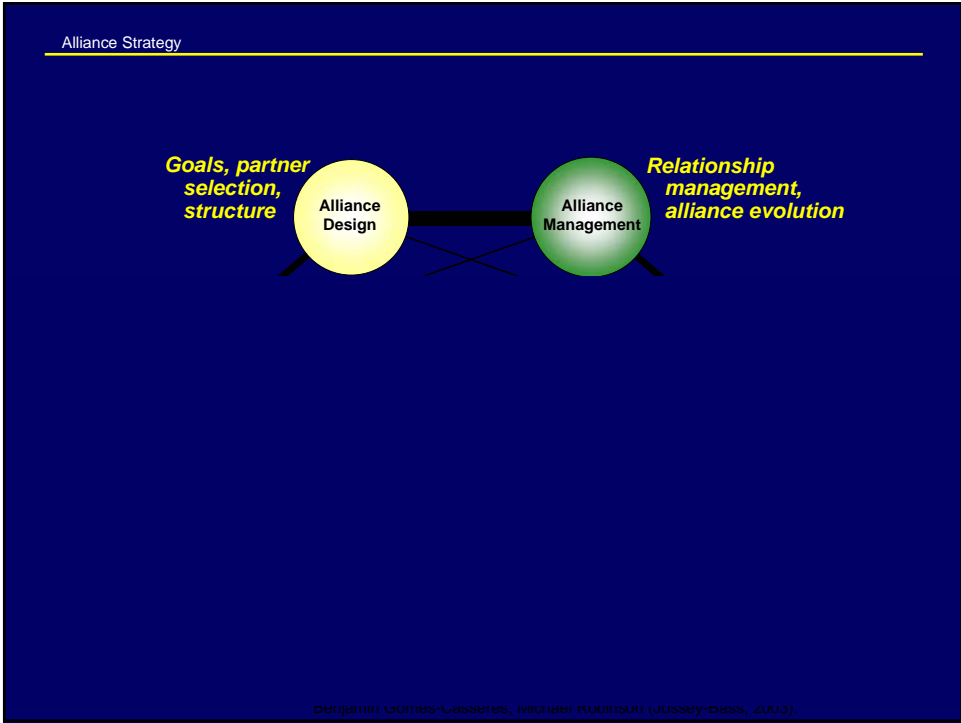
- Unforeseen changes in technology or markets
- Unforeseen evolution of brand image
- Uncertainty in what the joint project will require
- Difficulty in measuring inputs or outputs
- Difficulty in enforcing project commitments
- Difficulty in protecting against "hold-up"
- Dependencies with concurrent projects

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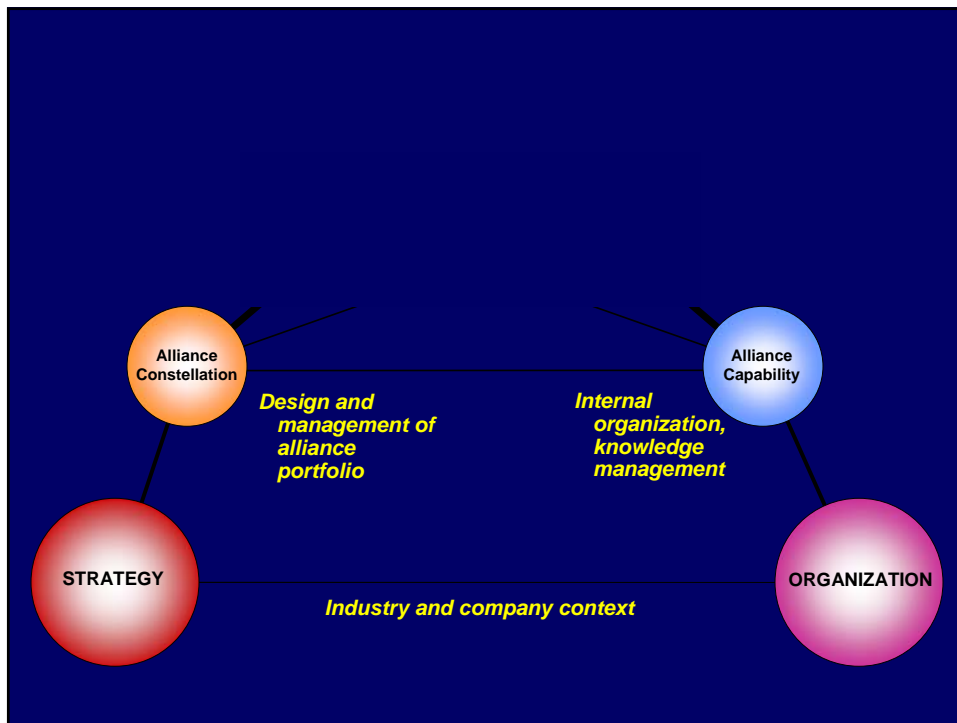
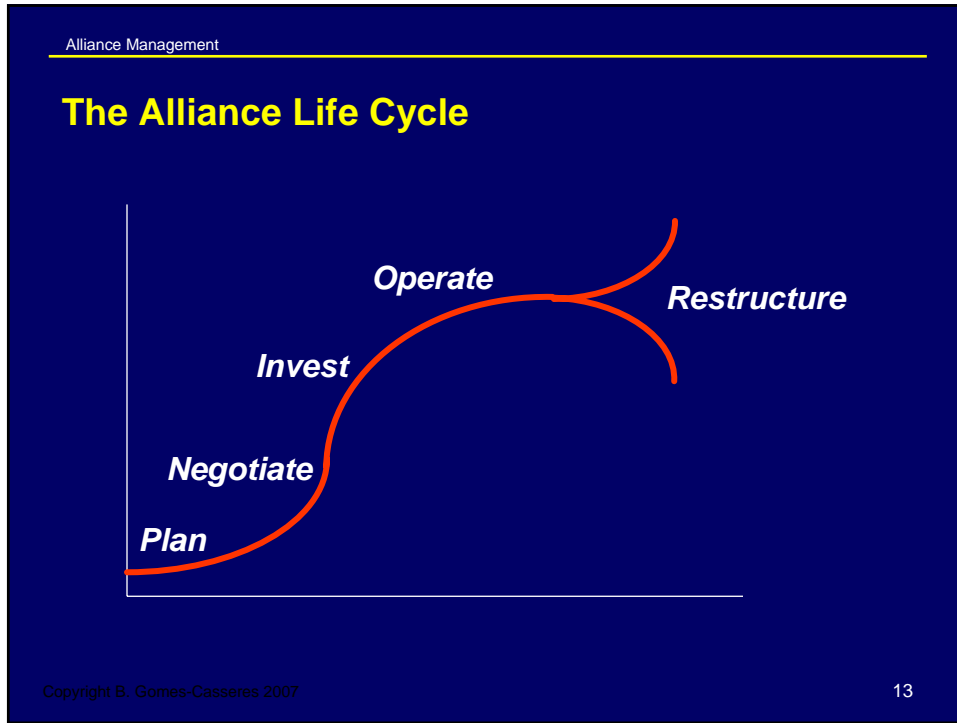


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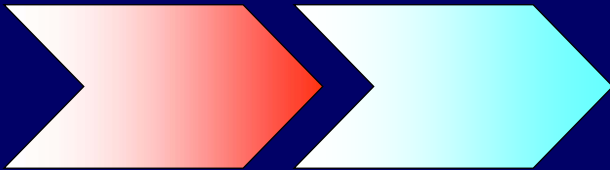


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# Keynote at ASAP-New England meeting

Alliance Constellation

## A Single Alliance



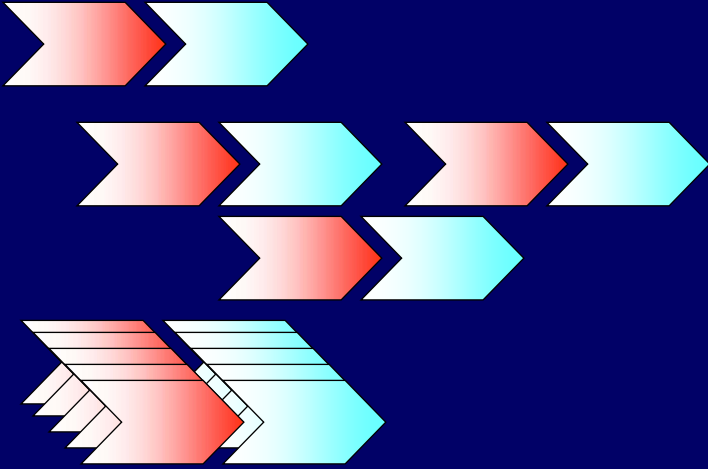
The diagram shows two large, stylized arrows pointing to the right. The left arrow is red with a white-to-red gradient, and the right arrow is cyan with a white-to-cyan gradient. They are positioned side-by-side, touching at their inner points.

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Alliance Constellation

## An Alliance Constellation



The diagram illustrates four different configurations of the red and cyan arrows:

- Top: Two arrows (red and cyan) pointing right, touching at their inner points.
- Middle: A sequence of four arrows (red, cyan, red, cyan) pointing right, touching at their inner points.
- Bottom-middle: Two arrows (red and cyan) pointing right, touching at their inner points, with a white arrow pointing left behind them.
- Bottom: A stack of multiple overlapping arrows (red and cyan) pointing right, with a white arrow pointing left behind them.

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- A single, ideal partner seldom exists
- Complexity demands multiple capabilities
  
- Select position **among** and **within** groups
- Group design may **create joint value** (or destroy it)
- Positions within group determines **value captured**

## Mastering Alliance Strategy

- Determine how alliances fit in your strategy
- Collect and analyze your own experience
- Develop and introduce alliance tools
- Coordinate your alliance activities
- Find and internalize “best thinking”

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**Think Strategy. Act Synergy. Win.**  
Practical Advice from Frontier Research

AllianceStrategy.com offers ideas, advice and resources on alliance strategy and management. The site is maintained by **Ben Gomes-Casseres**, author of *The Alliance Revolution* and co-author of *Mastering Alliance Strategy*, a professor at Brandeis University, and the principal of Alliance Strategy Consulting. Most of the information on this site is provided free of charge, some sections are restricted to clients or require prior approval. The tabs above lead to major sections, each with a deeper menu. Some highlights and recent additions are below.

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With every outsourced task comes a new responsibility. Denying this amounts to governance misopra.

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