

GP+S

Strategic Alliances

Creative Relationships

24 May 2021



Get these slides

Consider printing slides 4-20

Stop here. Get these slides:

spibr.org/create.pdf

Questions? Comments?

joe@spibr.org

- or -

joe.kittel@gps-consulting.com

Additional contact information in the last slide.

Agenda

Our Journey

Strategic Alliances Create Value

- Success Factors
- Unlocking Value

The Transformation of Challenges into Assets (relationship)

- Hearing the Voice-of-the-Collective (collective web of relationship)

The *2-Slide Methodology*[™] – Accomplishes the Impossible

- Simple Practical Benefits
- Process Overview - SPF
- The Simple Essence
- Real-world Experience:
 - HP/Microsoft Corporate-level Strategic Alliance
 - SAP/HP Strategic Alliance
- Ecosystem Development



Strategic Alliances Create Value

Sales Revenue \neq Value

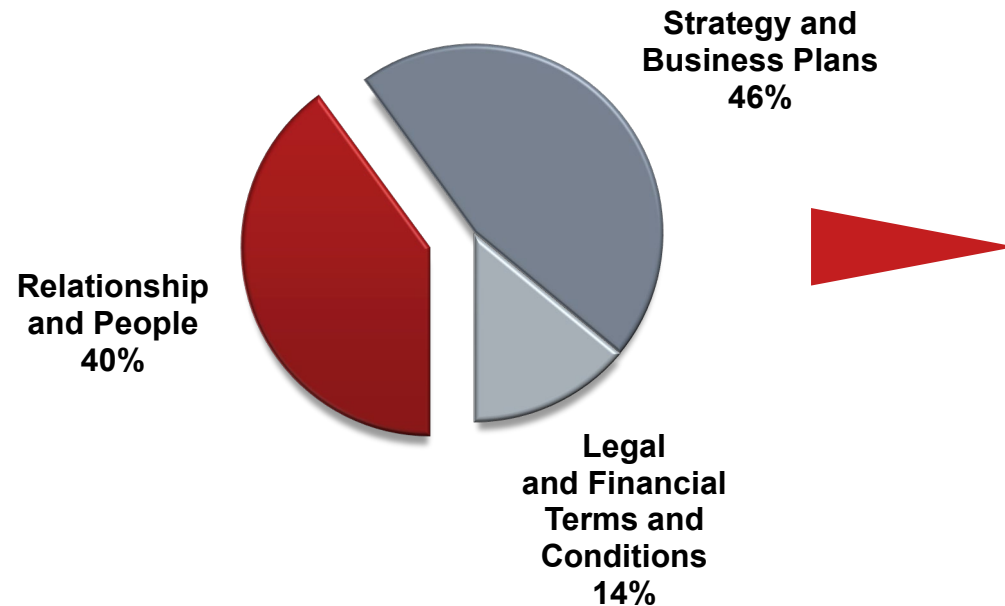
- **Strategic alliances are long-term value-creating relationships:**
 - If the relationship is not long-term, it is not strategic.
 - If the relationship does not create value, it is not an alliance.
- **Value is *not* money!**
 - Money is simply a *measure* of value.
 - Value = product, solution, service, technology, ...



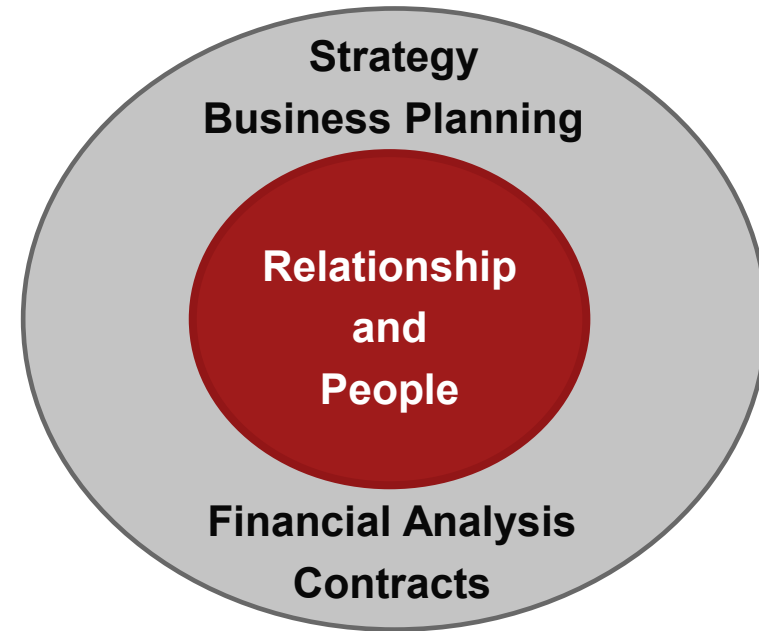
Assessing the value of an alliance, based solely on its sales revenue, is like assessing the health of a marriage by just counting the number of children; both metrics are important, obvious, and incomplete.

Strategic Alliance Success Factors

When *relationship* is valued, alliances succeed



Ref: *Managing Alliances for Business Results: Lessons Learned from Leading Companies* by Jeff Weiss, Sara Keen and Stuart Kliman, Vantage Partners LLC. Three years of research of over 100 alliance managers and executives representing 93 companies in a broad range of industries.



Most strategic alliances fail to achieve their full value-creating potential. Why?

~40% is directly tied to relationship

~60% is indirectly tied to relationship

Transactional (tangible) activities often distract us from the fundamentally important issues (the intangibles of relationship itself).

Address both the Tangibles *AND* the Intangibles



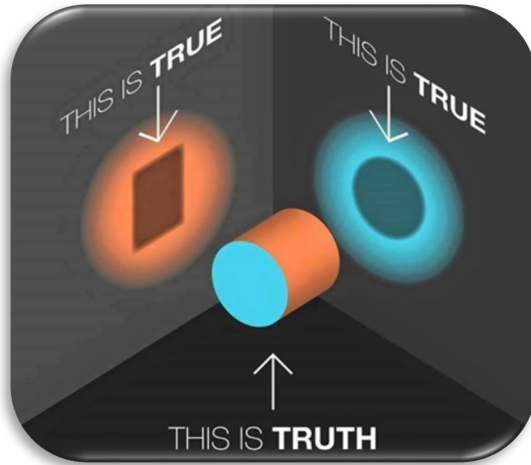
- <60% of success.
- Mostly being **addressed** by businesses.
- Traditional **transactional** practices.
- Obvious and surface-level issues.
- Tends to relate to **Incremental Value**.

- >40% of success.
- Mostly **unaddressed** by businesses.
- Non-traditional **relationship** practices.
- Core and fundamental – root cause.
- Tends to relate to **Value-Impediments**.

[illegible]

Strategic Alliances and Creative Relationships

Transform challenges into assets



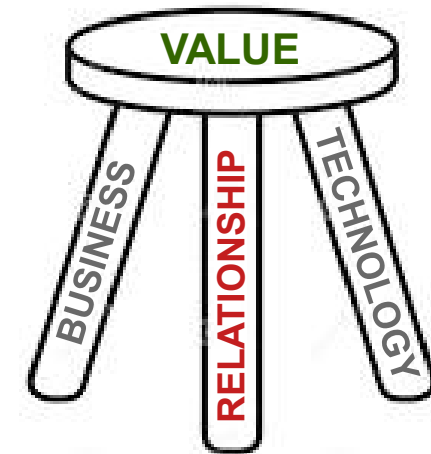
Focus on that third something ...

Focus in relationship itself – that third something.

- Nothing happens outside of relationship.
- Intimate relationships are crucibles for transformation.

Transforming a source of challenges into a strategic asset.

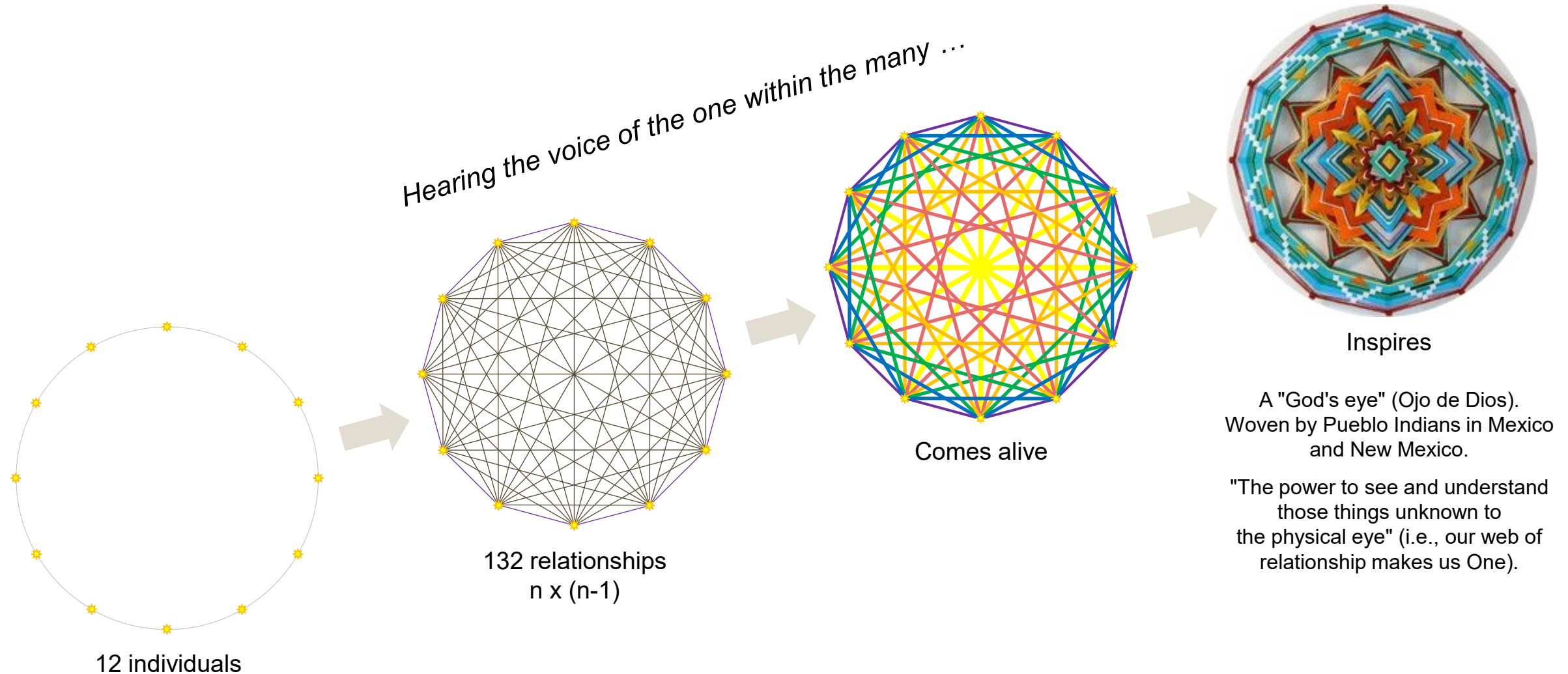
- **Listen to it!**
- Hear the voice-of-the-collective.
- Opportunities, solutions, and a practical vision will then emerge.



... and stabilize value-creation.

Listen to the Voice-of-the-Collective in a Strategic Alliance

Listening is an act of love; and, both are reciprocated



The 2-Slide Methodology™

Simple practical benefits

Simplicity

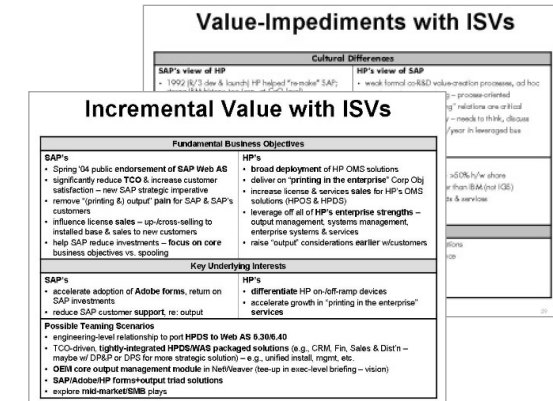
- Neutralizes complexity; frees up time and energy (often scary!)
- Is strategically attractive (similar to personal integrity)

The methodology is a the journey:

- Redefines leadership:
 - content enables empowerment and integration via self-obsolescence
 - process accomplishes personal buy-in, team alignment and focus
- Stabilizes relationships:
 - overcomes dysfunctional drama and other value-impediments
 - increases trust, leading to a more open and creative atmosphere
- Provides inspiration:
 - surfaces new value-creating opportunities
 - practical and compelling long-term vision

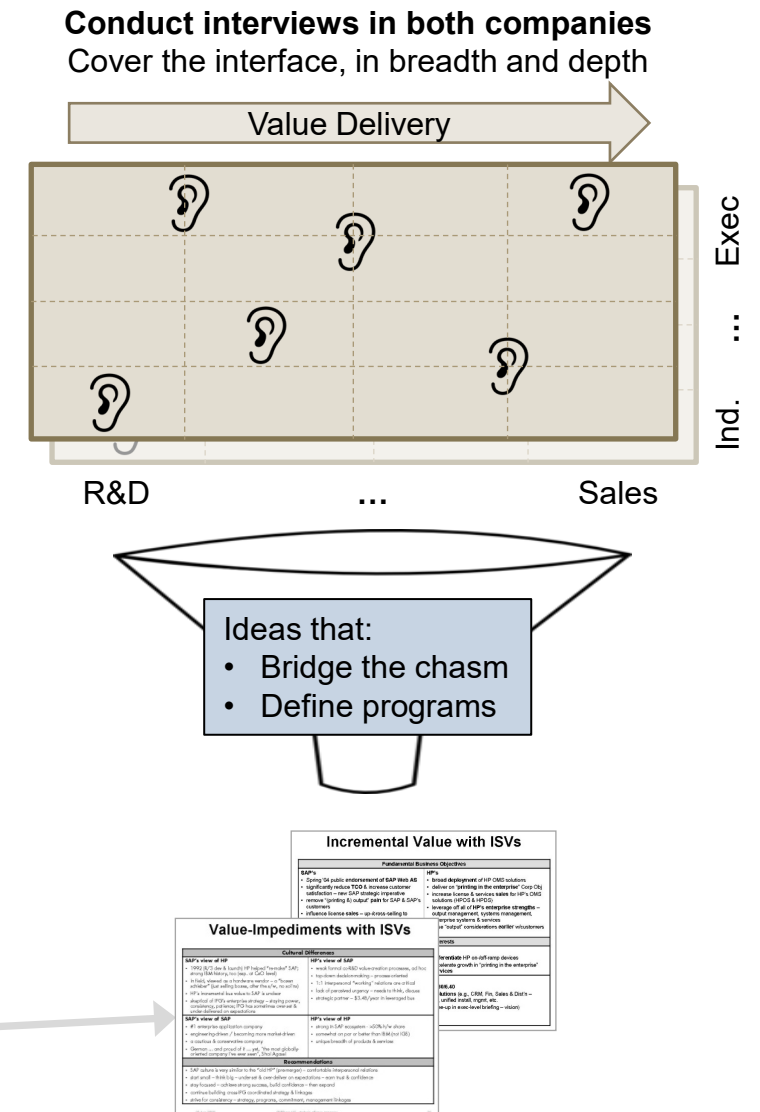
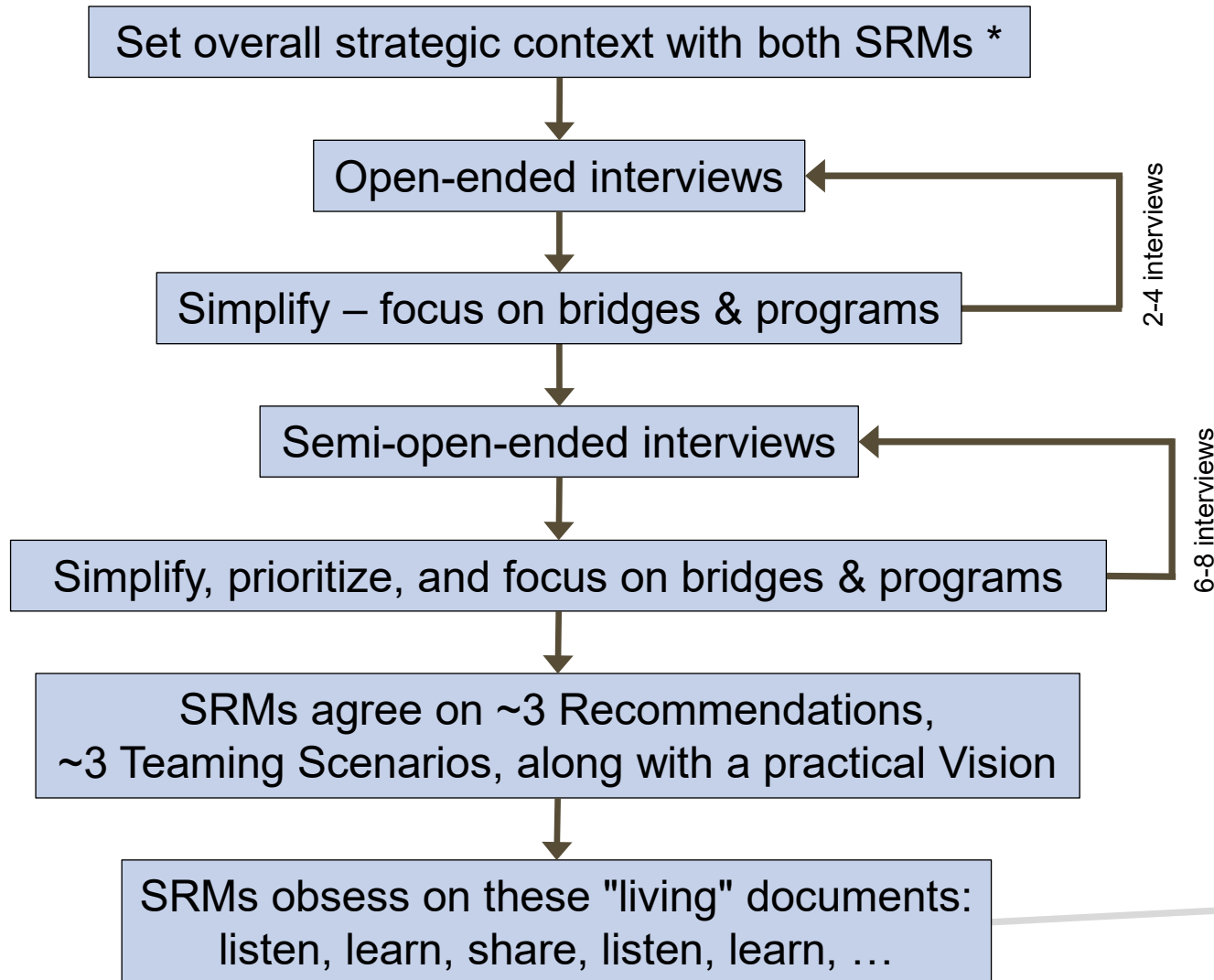
The simple journey – provides a strategically attractive and sustainable competitive advantage.

- And ... it accomplishes the impossible



Process overview – the Journey

(* SRM = Strategic Relationship Manager, a.k.a., Strategic Alliance Manager)



SPF: Simplify, Prioritize, Focus

How ideas are (a) chosen, (b) refined, (c) acted upon

Value-Impediments

- What ideas, when shared and discussed, will help **bridge the gap** between the companies?
- What ideas can help people "get it" in terms of the challenges in the relationship?
- What ideas help answer an executive's question, **"How can I help?"**

Incremental Value

- What ideas can be used to help **define new value-creating programs?**
- What ideas contribute to:
 - marketing, messaging, briefings, press releases?
 - technology roadmaps and strategies?
- Answers the question, **"What is the value of this relationship?"**

Pick 3-5 ideas per cell that (a) are most important, or (b) subsume other ideas.

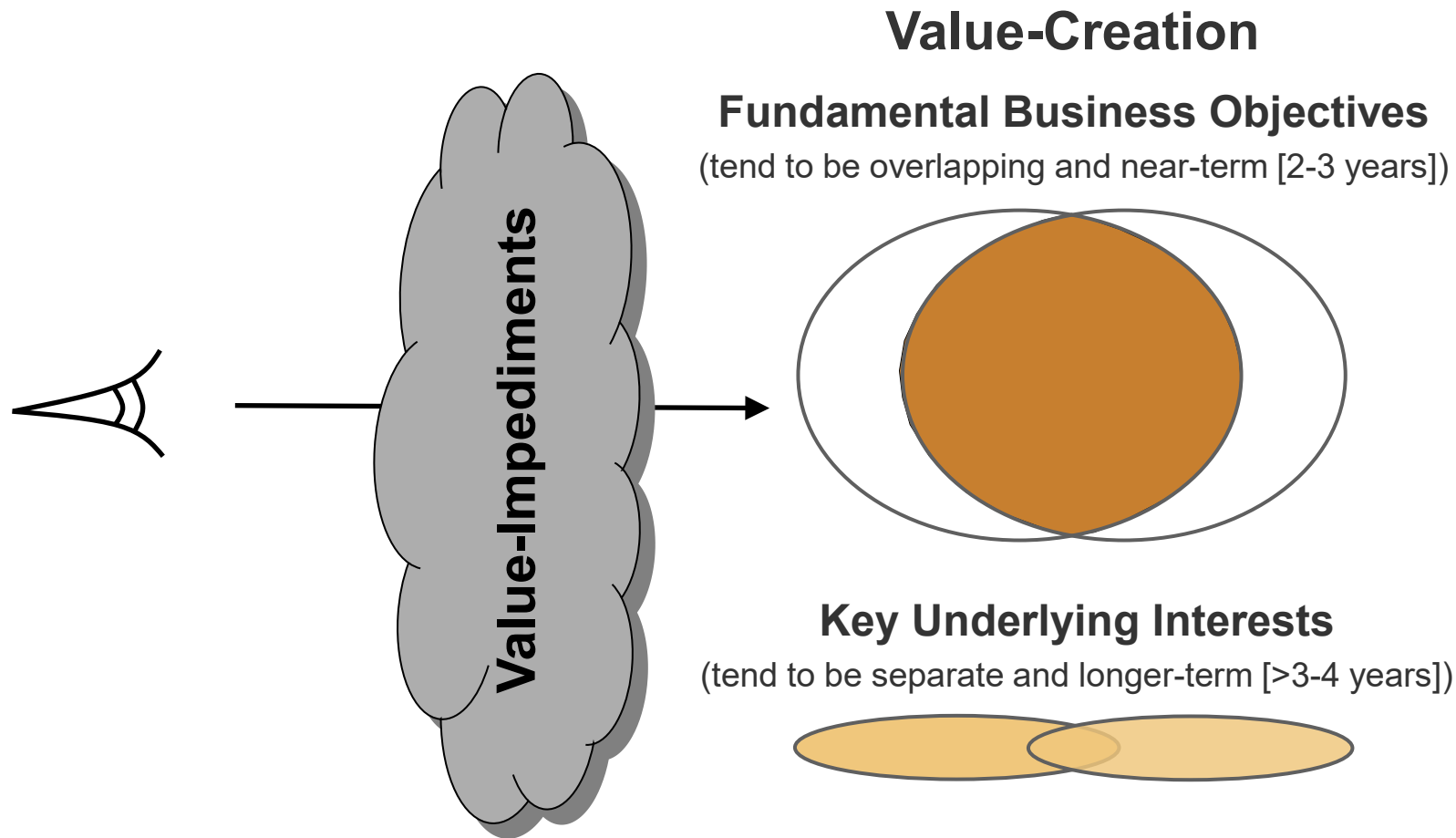
Incremental Value with ISVs	
Fundamental Business Objectives	
SAP's <ul style="list-style-type: none">• Opening 1st public endorsement of SAP Web AS• SAP's entry into the TCM & operational customer relationship management• SAP's strategic importance	HP's <ul style="list-style-type: none">• Broad deployment of HP QAD solutions• HP's entry into the enterprise CRM, CRM• HP's strategic importance
Value-Impediments with ISVs	
SAP's view of HP <ul style="list-style-type: none">• 1992 (Q1) the & SAP's HP-based "standard" SAP• SAP's entry into the TCM & operational customer relationship management• SAP's strategic importance	HP's view of SAP <ul style="list-style-type: none">• SAP's entry into the TCM & operational customer relationship management• SAP's strategic importance
SAP's view of HP <ul style="list-style-type: none">• SAP's entry into the TCM & operational customer relationship management• SAP's strategic importance	HP's view of SAP <ul style="list-style-type: none">• SAP's entry into the TCM & operational customer relationship management• SAP's strategic importance
Recommendations <ul style="list-style-type: none">• SAP's entry into the TCM & operational customer relationship management• SAP's strategic importance	

Can drive:

- Programs
- Structure
- Process
- Metrics
- ...

The Simple Essence of every Strategic Alliance

Resolve Value-Impediments in order to realize Value-Creation

[illegible]

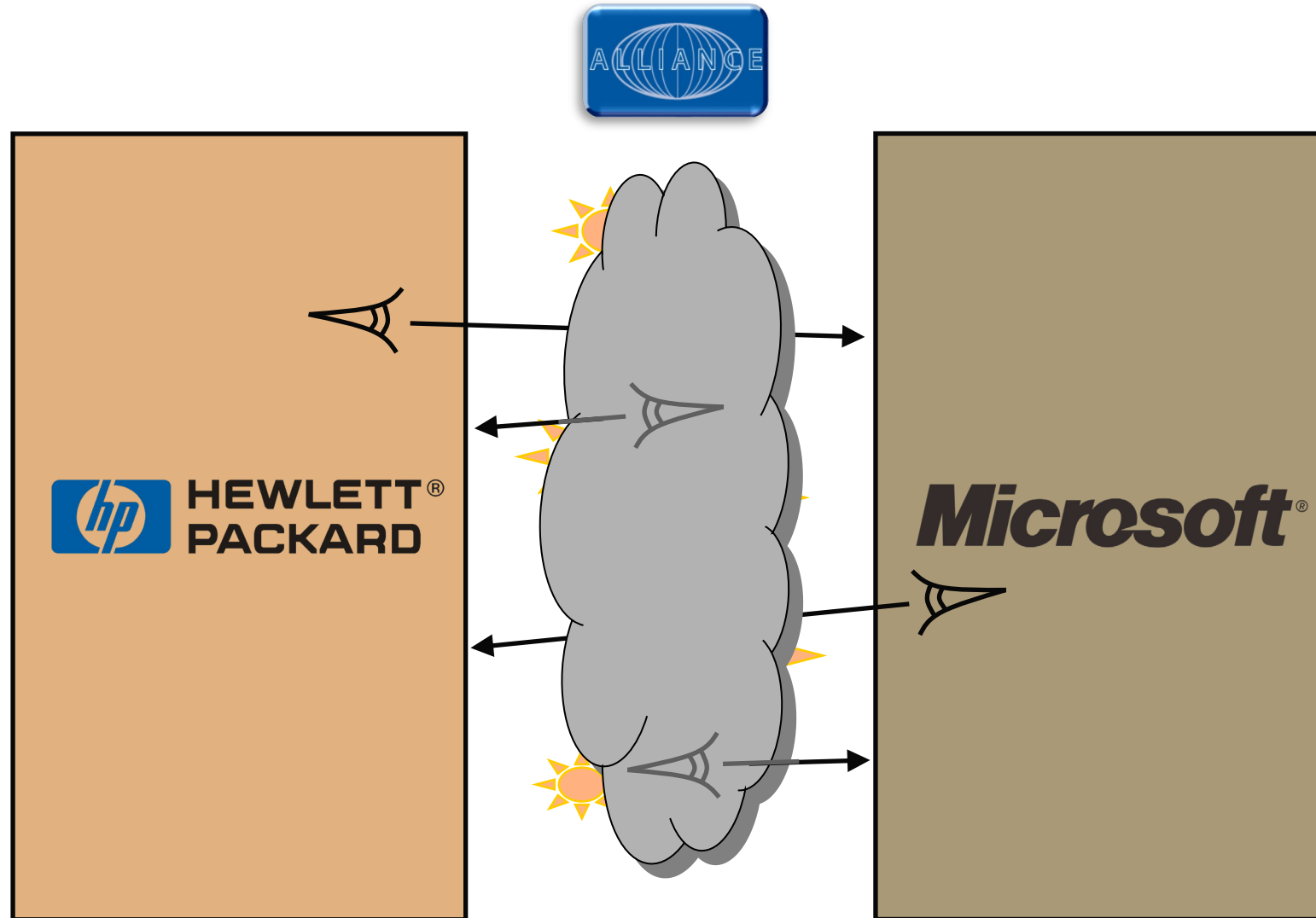
Can drive:

- Processes
- Programs
- Structure
- Metrics
- ...

Hewlett-Packard/Microsoft Corporate Alliance

Value-Impediments

Accomplished the Impossible:
Divergent corporate cultures.



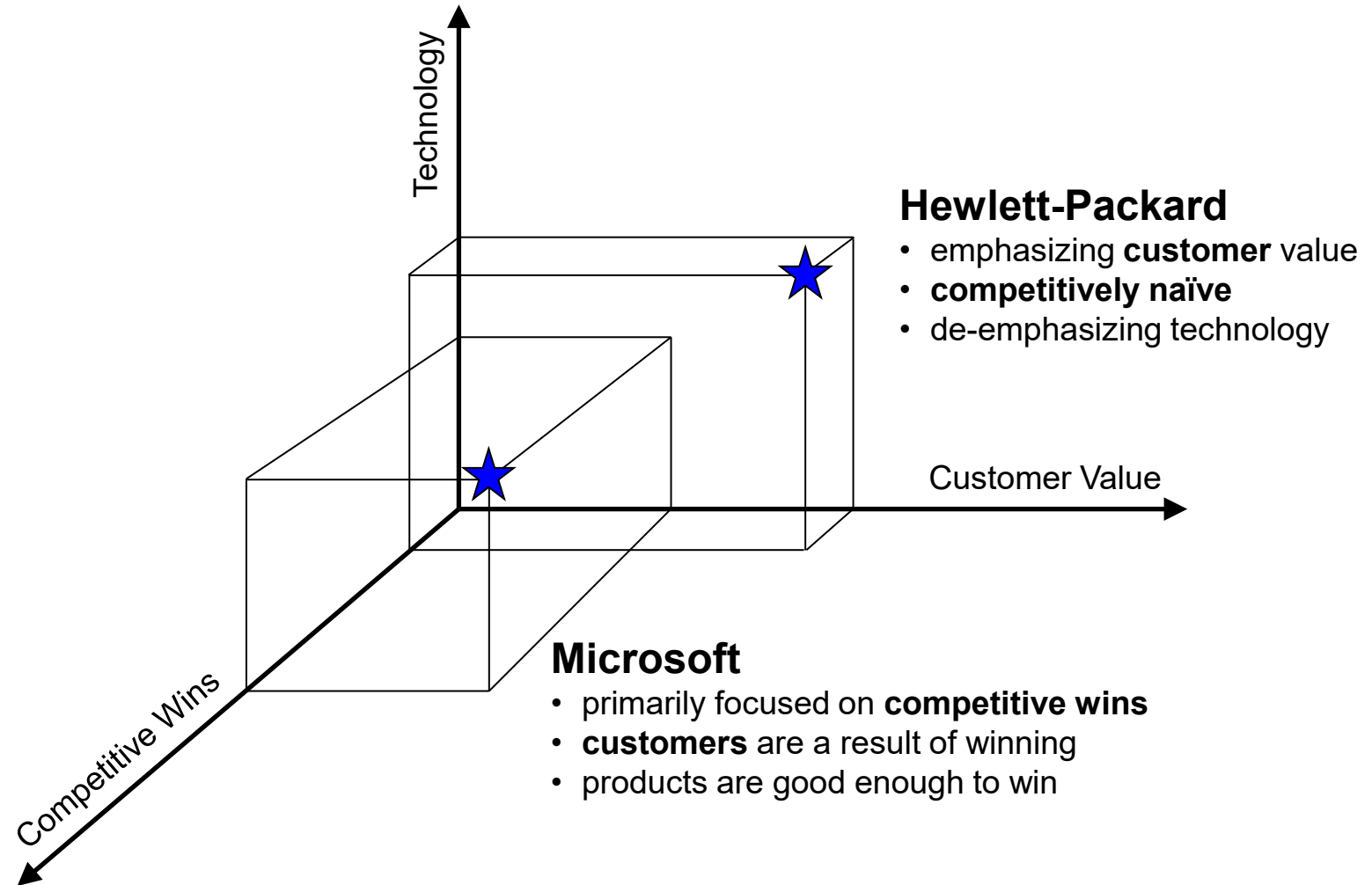
Value-Impediments

(circa 1997-2002, 2007 HBR article)

Perspectives	
HP's View of Microsoft <ul style="list-style-type: none"> Excessively competitive and confrontational Unstated corporate values: greed, control, and paranoia "Win / Don't Care" partnering mindset Focused only on winning the deal Packaged software mentality – commoditizes everything, including partnerships 	Microsoft's View of HP <ul style="list-style-type: none"> A non-player in professional services Falling behind its competitors Slow, bureaucratic – a laggard Unable to execute consistently and predictably Conflicted sales strategies (UNIX vs. NT in late '90s)
HP's View of HP <ul style="list-style-type: none"> Collaborative mind-set – looks for common good Reinventing itself – trying to get more focused under new CEO's leadership (Carly Fiorina) Disciplined – takes a long-term, mature approach to evaluating new opportunities Win/win – actively seeks the other company's wins Flexible – looks for creative deals 	Microsoft's View of Microsoft <ul style="list-style-type: none"> Competitive, fast-moving and entrepreneurial "Our products are changing the world" "We are the center of the world / new economy" Focuses on MS's wins, assumes others do the same Unappreciated for positive things MS does for the world Brings partners into deals; they should be grateful
Recommendations <ul style="list-style-type: none"> Focus on each other's complementary strengths: <ul style="list-style-type: none"> HP's strengths: complex solution selling, long-term relations and perspective, risk-mitigation, collaborative MS's strengths: product expertise, short-term wins, rapid decision-making, risk-taking, competitive orientation Align to different perspectives – MS is focused on competitive wins; HP is focused on value to customers For HP: align into MS's perspective, assertively sell HP's strengths, under-set and over-deliver on expectations 	

Hewlett-Packard/Microsoft Corporate Alliance

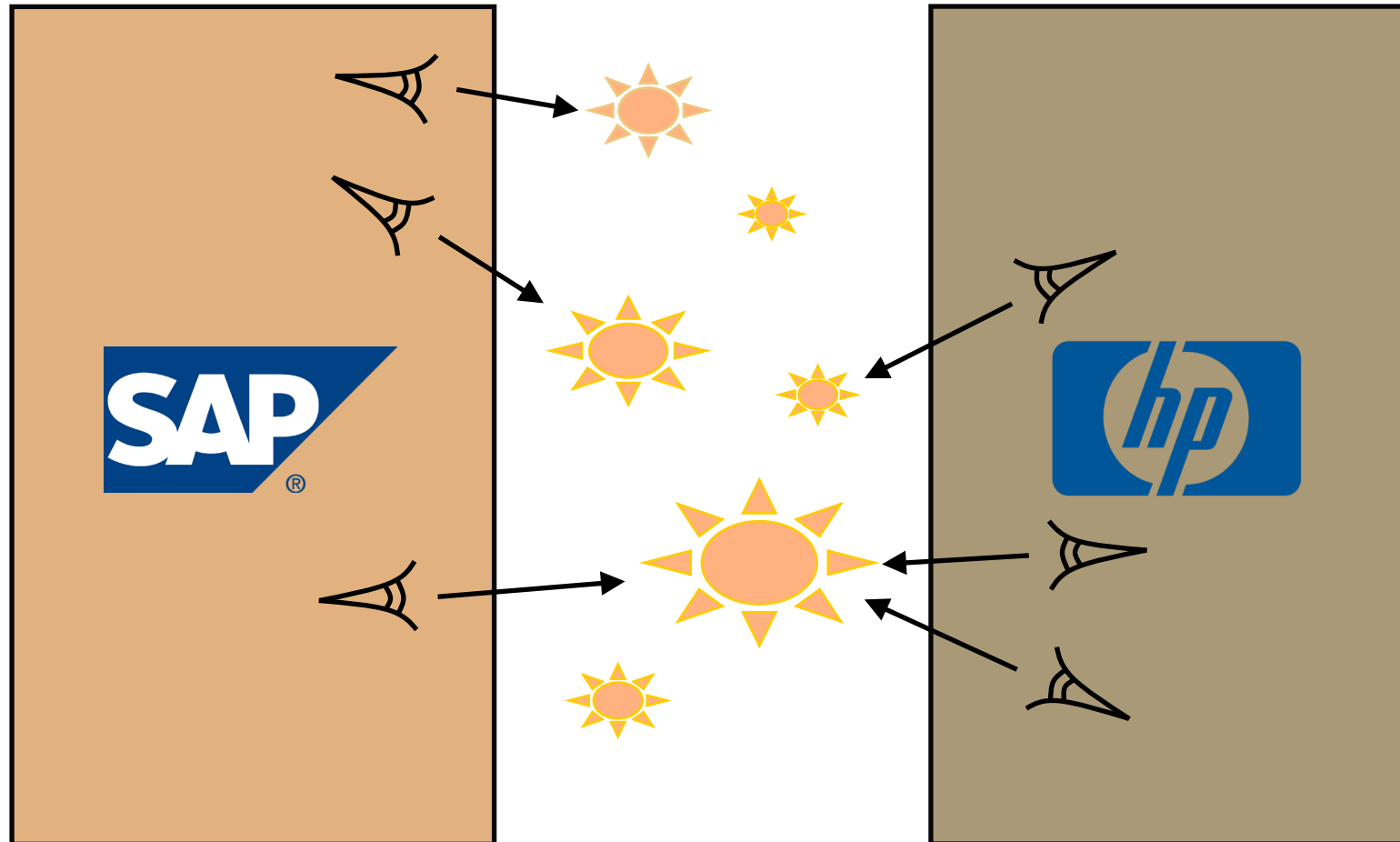
Divergent perspectives on strategic opportunities



SAP/HP Strategic Alliance

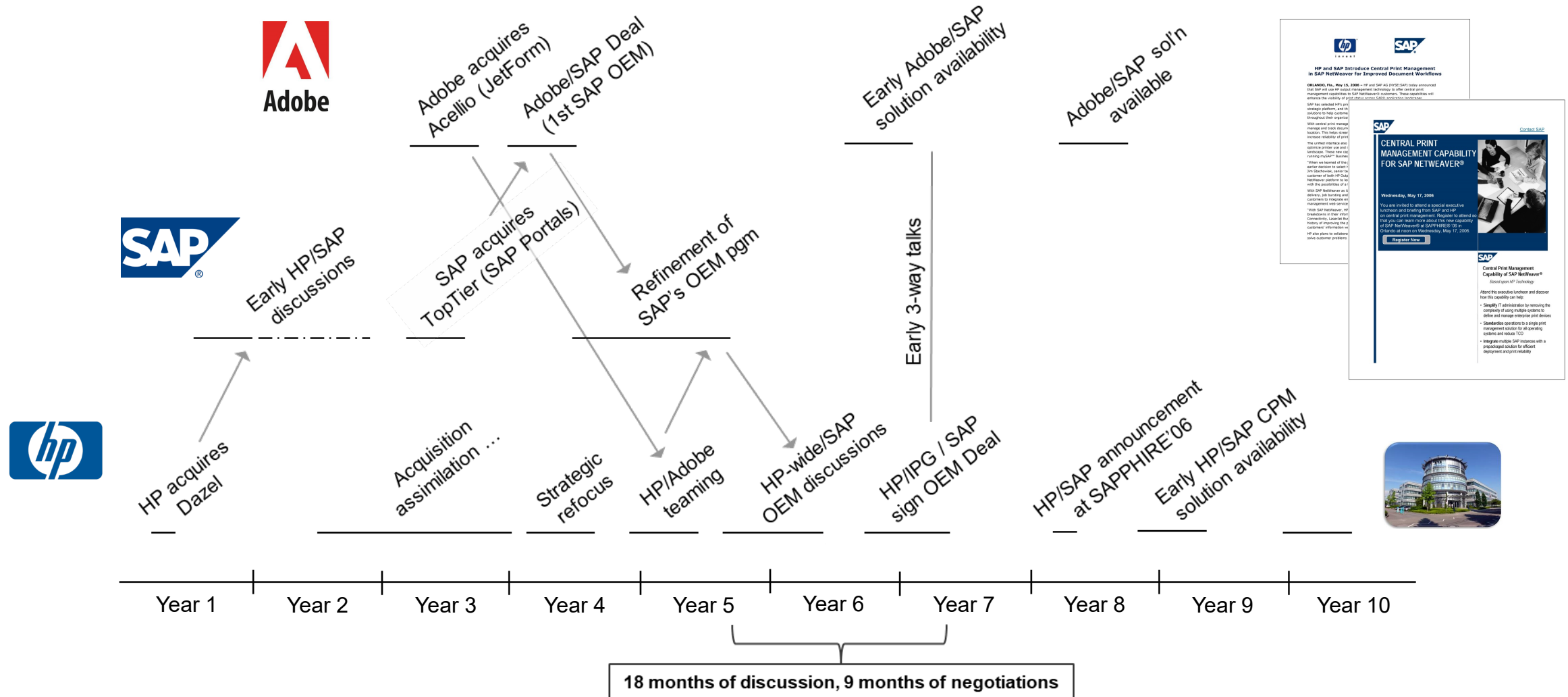
Increment Value

Accomplished the Impossible:
Time – years of "No!"



HP/SAP/Adobe Strategic Alliance

10-year journey: "no" → "we don't do this" → part of corporate deal → only piece left → SAPPHIRE



Fundamental Business Objectives	
SAP's <ul style="list-style-type: none"> • Spring '04 public endorsement of SAP Web AS • Significantly reduce TCO & increase customer satisfaction – new SAP strategic imperative • Remove printing output pain for customers • Influence license sales – up-/cross-sell to installed base & sales to new customers • Help SAP reduce investments – focus on core business objectives vs. spooling 	HP's <ul style="list-style-type: none"> • Broad deployment of HP OMS solutions • Deliver on “printing in the enterprise” Corp Obj • Increase license & services sales for HP's OMS solutions (HPOS & HPDS) • Leverage off all of HP's enterprise strengths – output management, systems management, enterprise systems & services • Raise “output” considerations earlier w/customers
Key Underlying Interests	
SAP's <ul style="list-style-type: none"> • Accelerate adoption of Adobe forms – SAP's ROI • Reduce SAP customer support, re: output 	HP's <ul style="list-style-type: none"> • Differentiate HP's on-/off-ramp devices • Accelerate growth in enterprise printing services
Possible Teaming Scenarios / Vision <ul style="list-style-type: none"> • Engineering-level relationship to port HPDS to Web AS 6.30/6.40 • TCO-driven, tightly-integrated HPDS/WAS packaged solutions (e.g., CRM, Fin, Sales & Dist'n – maybe w/ DP&P or DPS for more strategic solution) – e.g., unified install, mgmt, etc. • OEM core output management module into NetWeaver (tee-up in exec-level briefing – vision) • SAP/Adobe/HP forms+output triad solutions • Explore mid-market/SMB plays 	

High-Tech Ecosystem

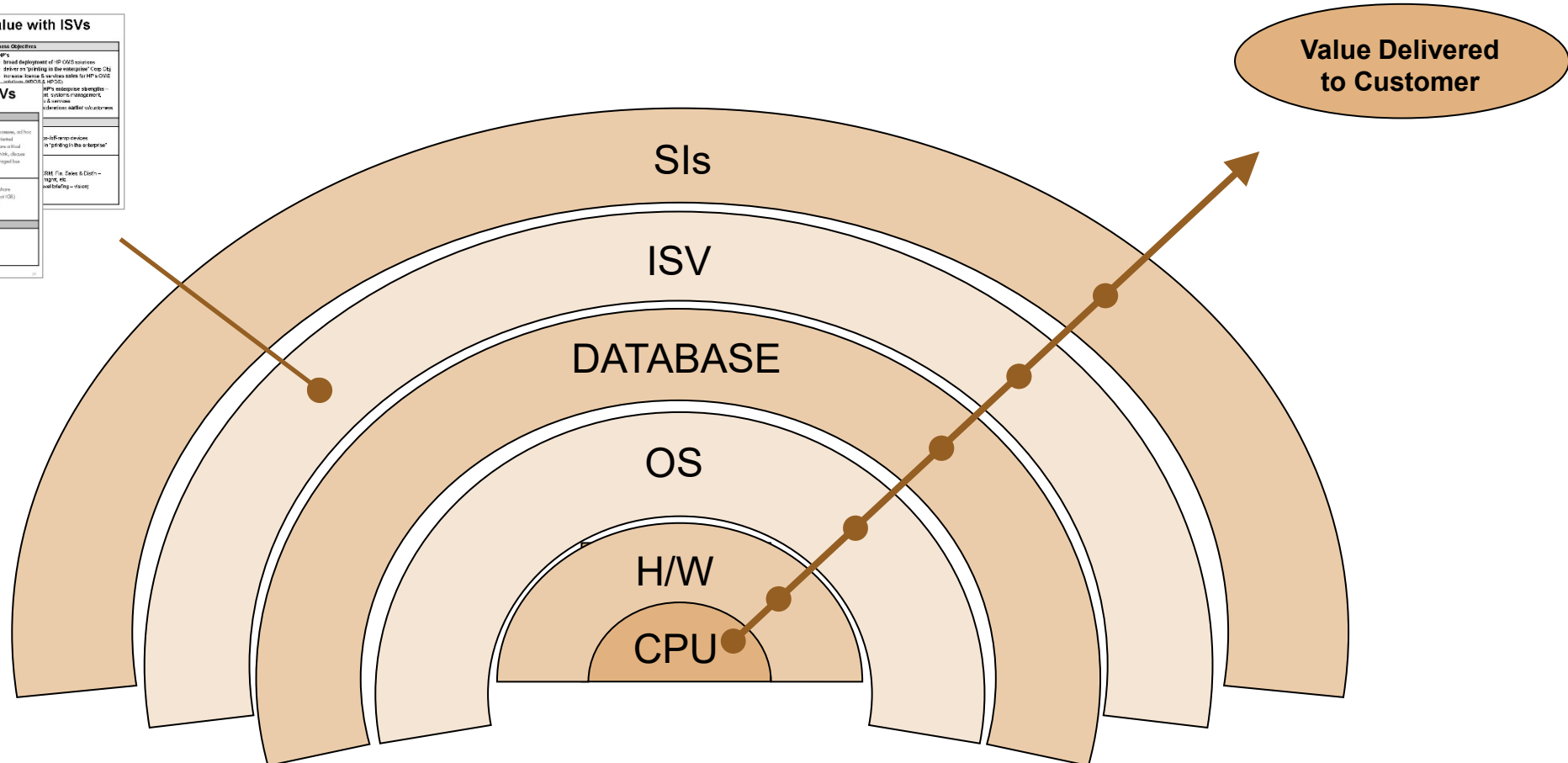
Apply the *2-Slide Methodology*™ to a segment, and be ecosystem-driven

2-Slides representing the ISV segment

Incremental Value with ISVs	
Fundamental Business Objectives	
SAP's <ul style="list-style-type: none">• Spring '04 public endorsement of SAP Web AS• significantly reduced TCOs in customer's ERP• significant new SAP strategic importance	HP's <ul style="list-style-type: none">• broad deployment of HP-OS/OS services• driven by "winning the enterprise" (not "the market")• increase service & support value for HP-OS/OS customers
Value-Impediments with ISVs	
Cultural Differences	
SAP's view of HP <ul style="list-style-type: none">• HP's "open" approach to "open" ERP• HP's "open" approach to "open" ERP• HP's "open" approach to "open" ERP	HP's view of SAP <ul style="list-style-type: none">• SAP's "closed" approach to "closed" ERP• SAP's "closed" approach to "closed" ERP• SAP's "closed" approach to "closed" ERP
Recommendations	
<ul style="list-style-type: none">• SAP should be very similar to the "open" (open) approach• SAP should be very similar to the "open" (open) approach• SAP should be very similar to the "open" (open) approach	

Can drive:

- Programs
- Structure
- Process
- Metrics
- ...



Reference Material

The 2-Slide Methodology™

- Executive summary (5 pages):
http://spibr.org/Creating_Value_via_2-Slide_Methodology_-_Executive_Summary.pdf
- Whitepaper (29 pages):
http://www.spibr.org/2-slide_methodology.pdf
- "*Simple Rules for Making Alliances Work*", Harvard Business Review
<https://hbr.org/2007/11/simple-rules-for-making-alliances-work>

Strategic Alliances

- Being a strategic alliance manager (34 pages):
http://www.spibr.org/strategic_alliance_manager_role.pdf
- Being a transformational alliance manager (18 pages):
http://spibr.org/Change_Your_Alliance.pdf

Relationship

- "*A Journey Into the Heart of Relationship*" (68 pages):
http://spibr.org/journey_into_relationship.pdf

Your contacts at GP+S

Helping you transform your business ecosystems



Klaus Steiner
Managing Partner

Phone: +49 6172 49 55 61 21

Cell: +49 178 49 55 6 21

klaus.steiner@gps-consulting.com



Joe Kittel
Senior Consultant – Strategic Alliances and Ecosystems

Cell: +1 970 227-6238

joe.kittel@gps-consulting.com

GP+S Consulting GmbH

Nehringstrasse 2
61352 Bad Homburg v.d.H.
Germany

www.gps-consulting.com

Member of: **bitkom**

Backup and Supportive Slides

- Transactional and relationship perspectives on strategic alliances (24-25)
- Comparing SRM role with traditional roles in business, including CEO (26-28)
- Personal Success *and* Relationship Success (29-33)
- Ideas and Behaviors that Deepen Relationship (34)
- The Divine Nature of Relationship Itself (35)
- Diving Deep Into Relationship via Dialogue, including Inner Dialogue (36-38)
- Our Relationship-Deepening Services (39)
- What is Love? (40)
- More Contact Information (41)

Transactional view of strategic alliances (creative relationships)

Focusing too much on the tangibles can obscure the intangibles (i.e., the relationship itself)



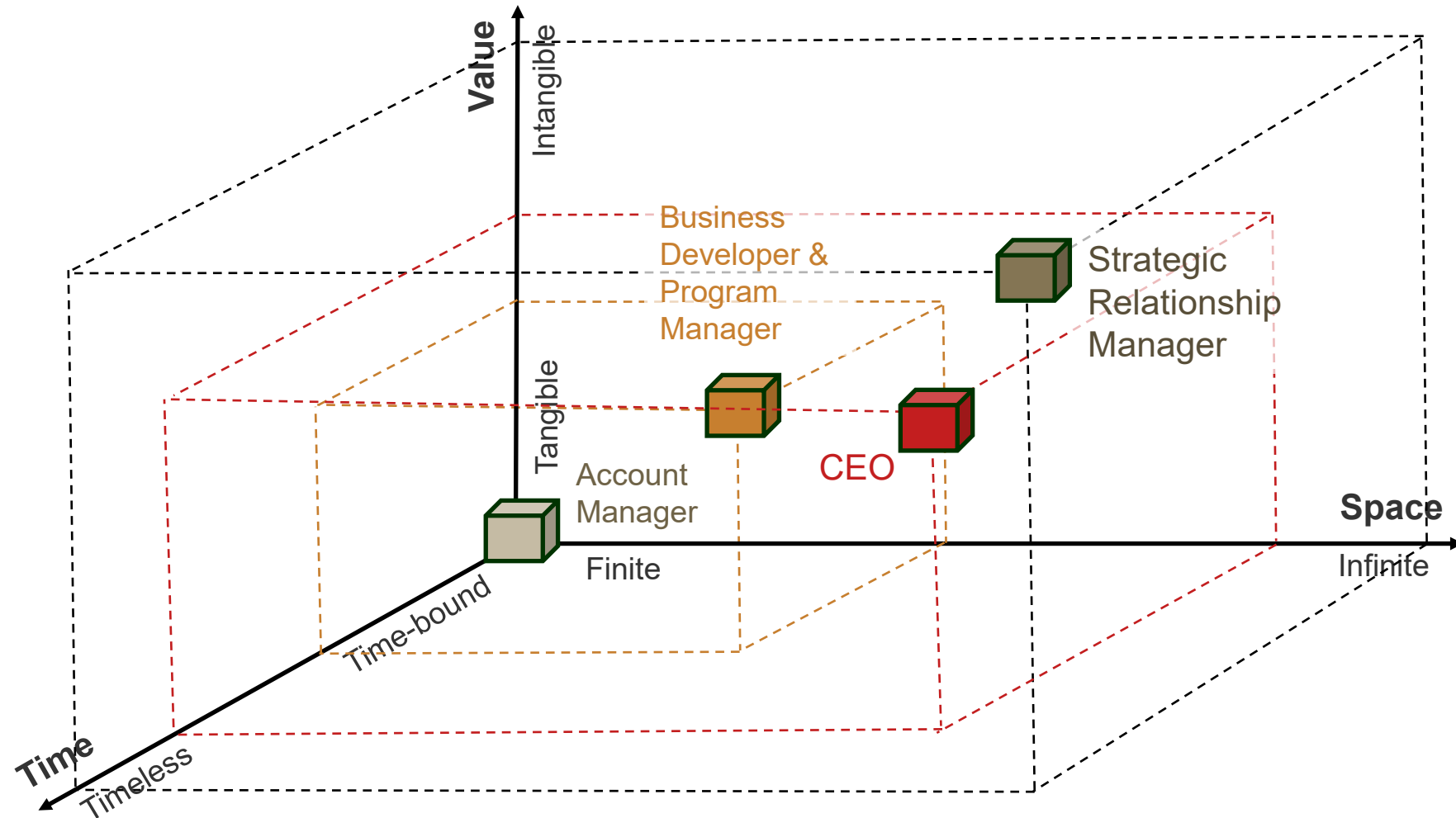
***Relationship* view of strategic alliances (creative relationships)**

Focus on the *intangibles* (e.g., trust, communication) which enable the creation of *tangible* value



Strategic Relationship Manager

More timeless, infinite, and intangible than any other role



Role confusion

When we identify with traditional roles in business

Traditional Roles	Similarities to Strategic Relationship Managers	Differences compared to SRMs	Value-Limiting Impact on a Strategic Relationship
Account Management (sales or procurement)	<ul style="list-style-type: none">▪ External relationships.	<ul style="list-style-type: none">▪ Value-exchange.▪ Near-term results.	<ul style="list-style-type: none">▪ Overlooks long-term and value-creation.▪ Becomes a more tactical relationship.
Business Development	<ul style="list-style-type: none">▪ Oriented toward value.	<ul style="list-style-type: none">▪ Weak in collaborative relationships.▪ Near-term results.▪ Tangible value.	<ul style="list-style-type: none">▪ Weak in long-term value-creation.▪ Becomes a more tactical relationship.
Program or Project Management	<ul style="list-style-type: none">▪ Can span the entire business.	<ul style="list-style-type: none">▪ Scope limited to a program – often time-bound or organizationally-bound.▪ Limited experience in external relationships.	<ul style="list-style-type: none">▪ Loss of long-term perspective.▪ Missed value-creation opportunities.▪ Often weak in collaborative relationship.▪ Becomes a more tactical relationship.

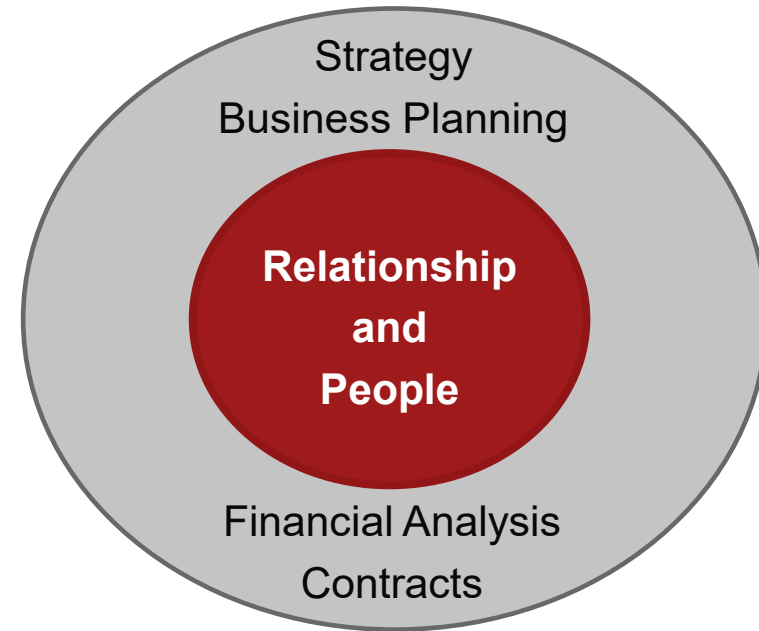
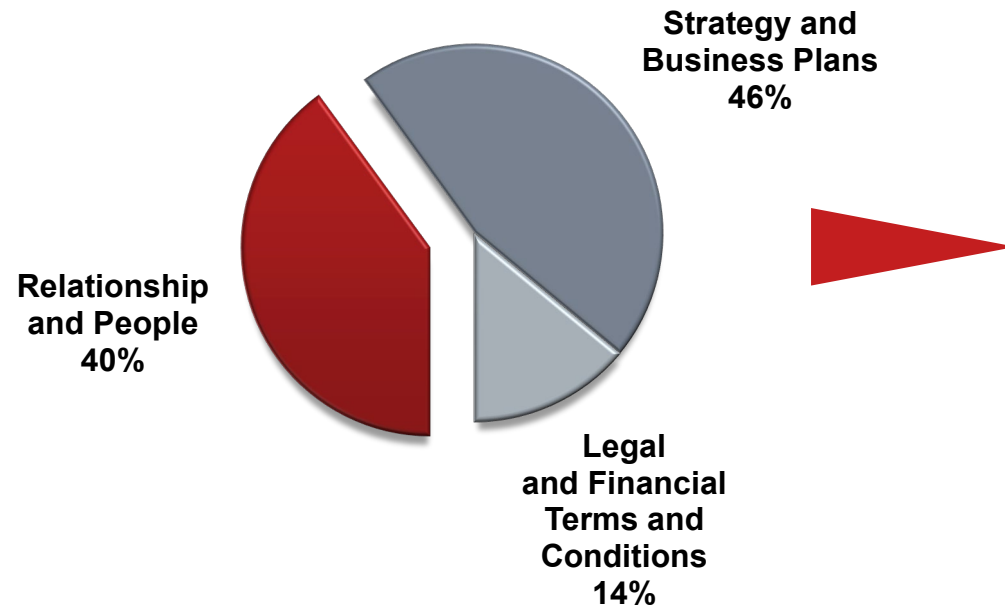
Identifying SRMs as "mini-CEOs"

Close, but it is actually limiting

Comparing the CEO and Strategic Relationship Management roles		
Similarities	Differences	
<ul style="list-style-type: none">Both span entire lifecycle – from R&D-to-Sales, plus Legal and Finance.Both are oriented toward creating incremental value for the business.	<ul style="list-style-type: none">CEO has control over significant budget and resource.	<ul style="list-style-type: none">Relationship Manager often has insufficient budget and resources.
	<ul style="list-style-type: none">CEO tends to be more focused on near-term tangible value.	<ul style="list-style-type: none">Relationship Manager considers near-<i>and</i> long-term, tangible <i>and</i> intangible forms of value.
	<ul style="list-style-type: none">CEO has direct decision-making authority.	<ul style="list-style-type: none">Relationship Manager mostly influences decisions.
	<ul style="list-style-type: none">CEO has significant formal power.	<ul style="list-style-type: none">Relationship Manager has informal power – subtle persuasion.
Conclusions		
<ul style="list-style-type: none">By comparing ourselves to a CEO, we end up <i>limiting our own thinking</i>, we miss out on the:<ul style="list-style-type: none">• opportunity to tenaciously focus on <i>only</i> the <i>core</i> in self and <i>nontraditional</i> in business,• necessitated-opportunity to focus on <i>attitude and mindset</i> to deepen <i>relationship</i>, and• <i>expansion</i> of our <i>informal power</i> via the vast <i>nontraditional means</i> at our disposal.		

Strategic Alliance Success Factors

When *relationship* is valued, alliances succeed



Why do most strategic alliances fail?

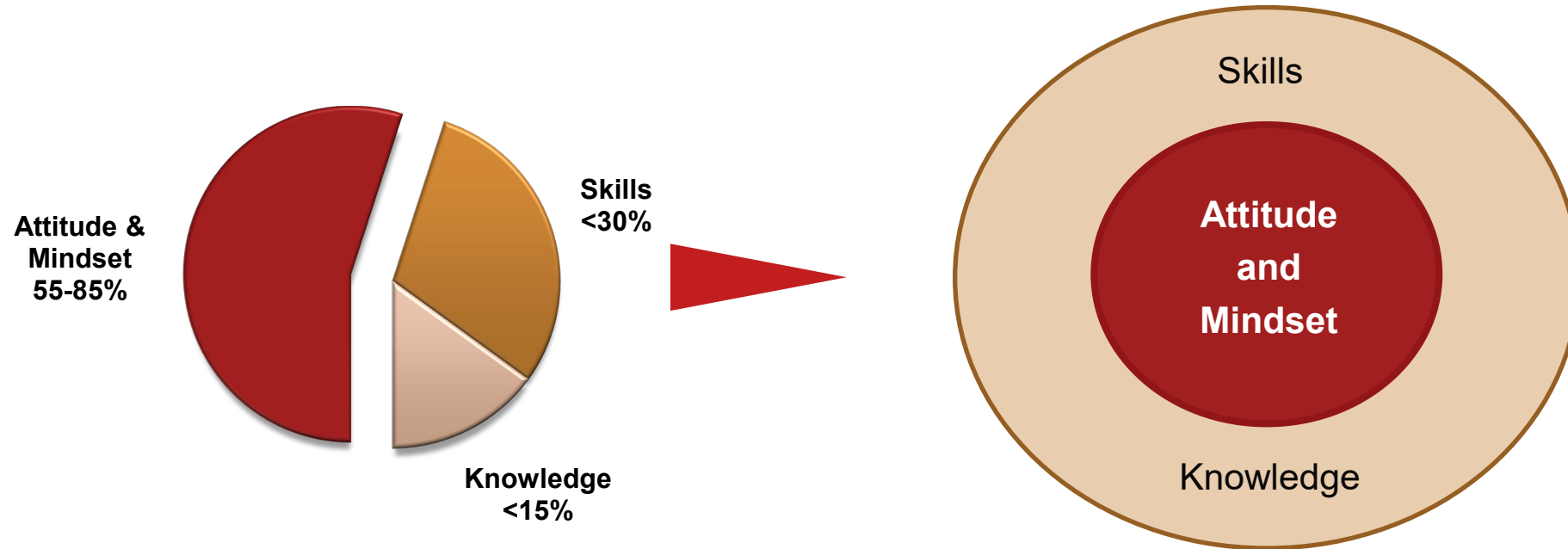
- 40% is directly tied to relationship.
- 60% is indirectly tied to relationship.

Transactional (tangible) activities easily distract us from the fundamentally important issues (the deepening of relationship).

Ref: *Managing Alliances for Business Results: Lessons Learned from Leading Companies* by Jeff Weiss, Sara Keen and Stuart Kliman, Vantage Partners LLC. Three years of research of over 100 alliance managers and executives representing 93 companies in a broad range of industries.

Personal Success Factors

Much more important than skills or knowledge is attitude & mindset



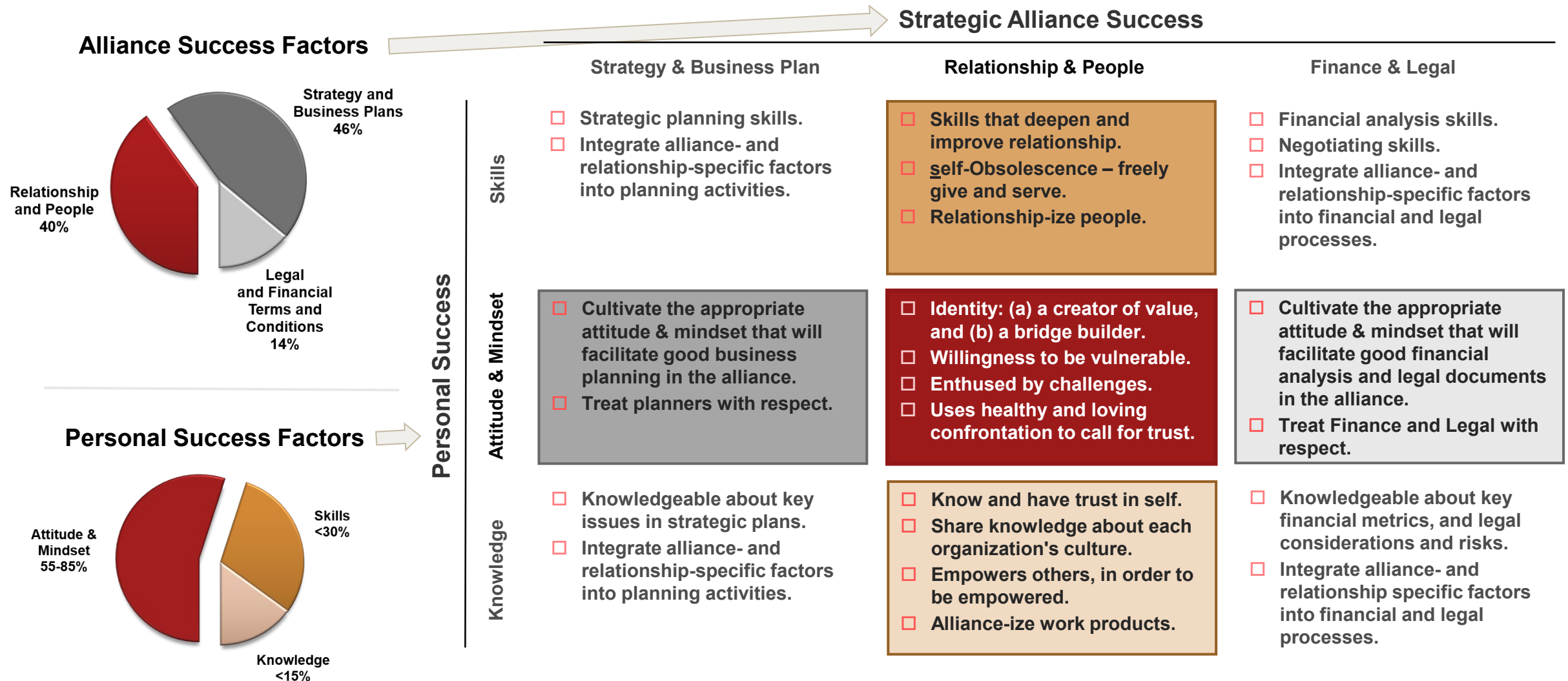
Ref: *The Psychology of Success* by Dobbins, Richard, Pettman, Barrie O from the Society for Human Resource Management. "Knowledge and skills account for 15% of all the success you will ever enjoy. Attitude is far more important as it determines 85% of all the success you will ever enjoy."

Attitude and mindset accounts for 55-85% of your personal success.

- And yet, most people focus on:
 - Skills – which accounts for <30%
 - Knowledge – which accounts for <15%

SRM's Priorities Become Clear by ANDing Personal & Relationship Success

(1) Change attitudes in order to deepen relationship, and (2) Value the relationship.



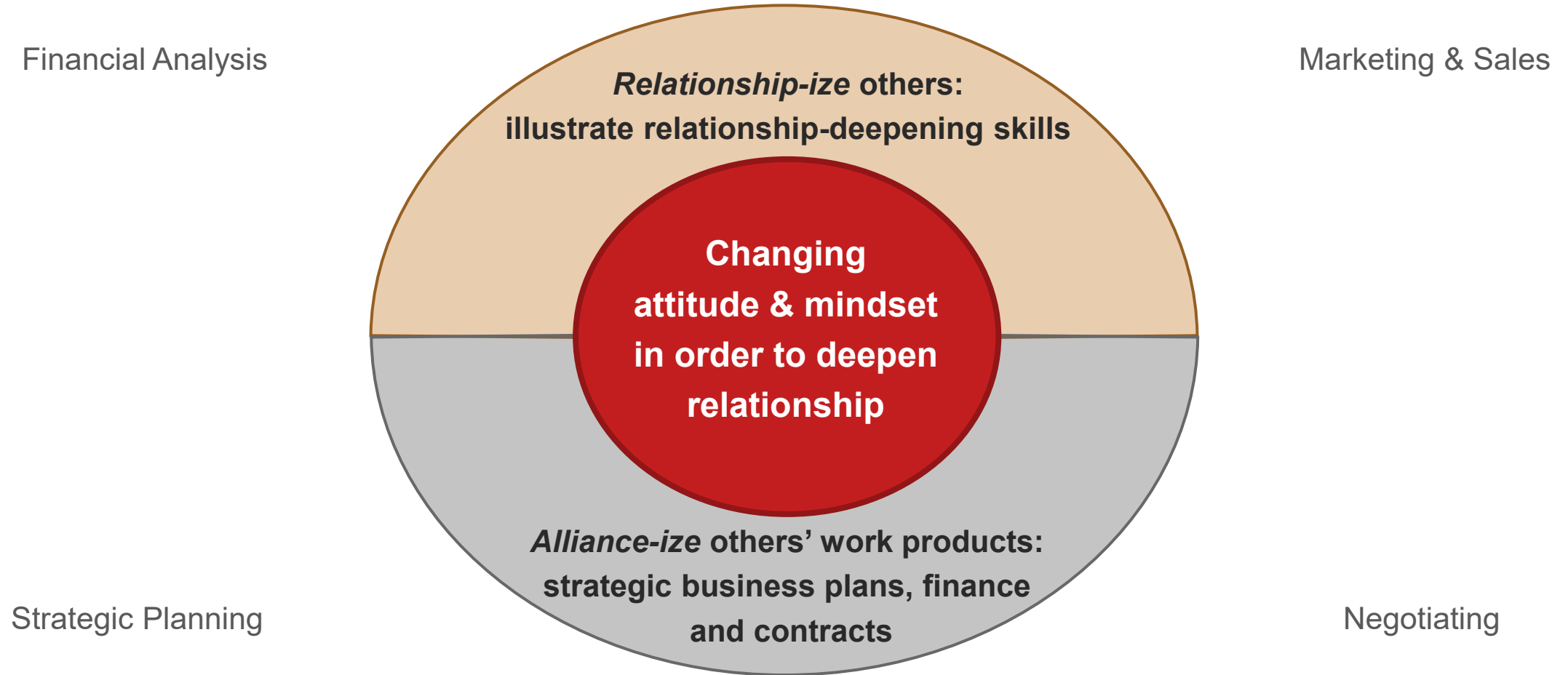
Personal Success *and* Alliance Success

Changing attitude & mindset in order to deepen relationship (example content)

		Strategic Alliance Success		
		Strategy & Business Plan	Relationship & People	Finance & Legal
Personal Success	Skills	<ul style="list-style-type: none"> <input type="checkbox"/> tactful due diligence <input type="checkbox"/> link alliance to corp. <input type="checkbox"/> implement alliance plan <input type="checkbox"/> relationship metrics <input type="checkbox"/> alliancize planners 	<ul style="list-style-type: none"> <input type="checkbox"/> holistic listening <input type="checkbox"/> embrace differences <input type="checkbox"/> nontraditional skills <input type="checkbox"/> empathetic rapport <input type="checkbox"/> helping others “get it” 	<ul style="list-style-type: none"> <input type="checkbox"/> Δ intangible → tangible <input type="checkbox"/> alliancize others to value alliance & relationship <input type="checkbox"/> use of informal teaming documents & formal legal contracts
	Attitude & Mindset	<ul style="list-style-type: none"> <input type="checkbox"/> collaborate w/planners <input type="checkbox"/> sees plans providing “vision” & meaning <input type="checkbox"/> “part of” but with unique perspectives 	<ul style="list-style-type: none"> <input type="checkbox"/> enthused by challenge <input type="checkbox"/> perceive others as self <input type="checkbox"/> a timeless presence <input type="checkbox"/> creatively mindful <input type="checkbox"/> focused on goodness 	<ul style="list-style-type: none"> <input type="checkbox"/> respect for financial analysts & lawyers <input type="checkbox"/> sees legal protection & financial “lifeblood” <input type="checkbox"/> be patient & persistent
	Knowledge	<ul style="list-style-type: none"> <input type="checkbox"/> good business plans <input type="checkbox"/> both sides’ strategies, customers, ecosystem, technology ...trends ... <input type="checkbox"/> linkages between alliance & corporation 	<ul style="list-style-type: none"> <input type="checkbox"/> know & be true to self <input type="checkbox"/> know both companies’ organizational & cultural differences <input type="checkbox"/> sources of power 	<ul style="list-style-type: none"> <input type="checkbox"/> financial terms <input type="checkbox"/> legal terms & issues <input type="checkbox"/> regulatory issues <input type="checkbox"/> use of formal vs. informal agreements

SRMs Focus Where Others Cannot and Will Not Focus

In order to achieve personal *AND* alliance success



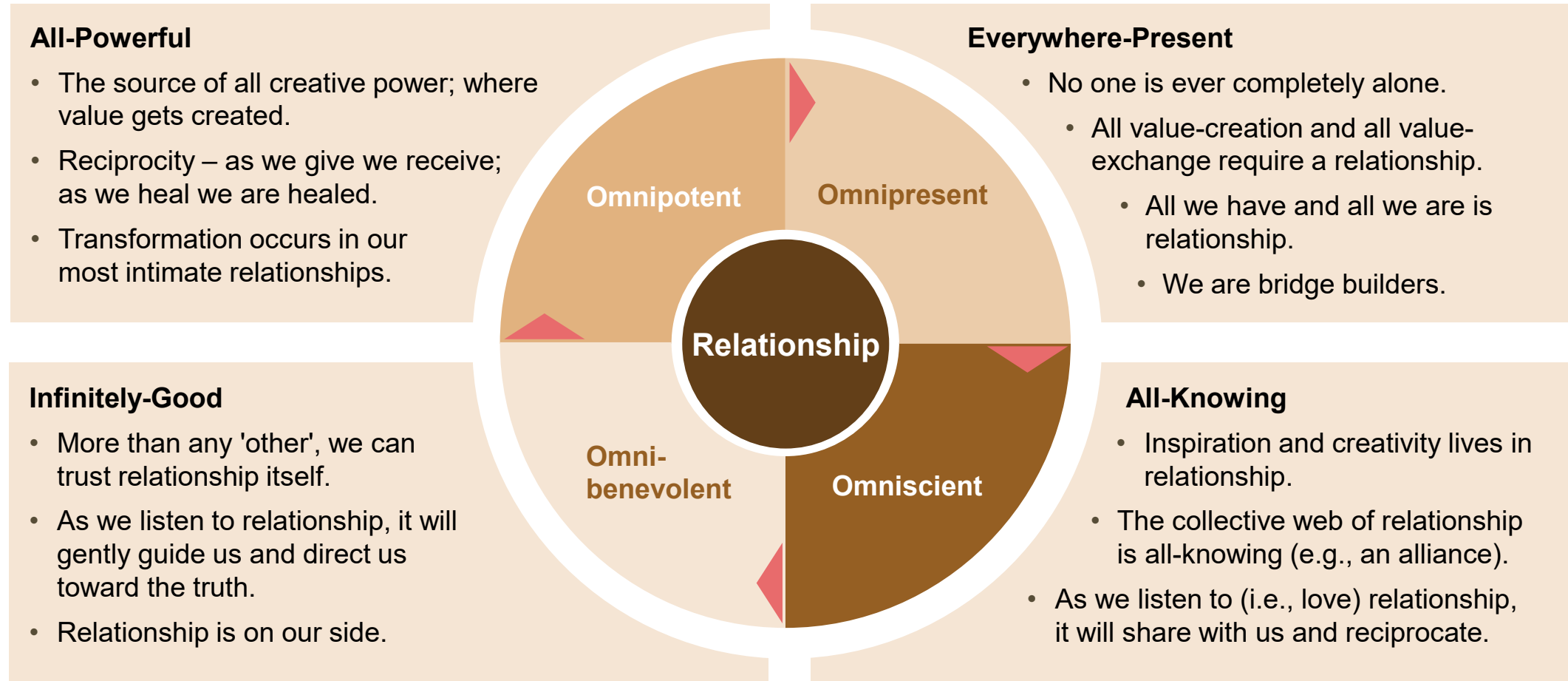
Ideas and Behaviors that Deepen Relationship

Five principles and practices – the proof is in the experience; try them out

5 Principles (things to <i>think</i>)	5 Practices (things to <i>do</i>)
Oneness: imagine yourself as one with the other; serve and be served; reciprocity is instantaneous.	Develop Relationship: focus on the intangibles, the non-traditional, and the transformational.
Now: be fully present; multitasking is a lie; be honest – if you are not present, you are not 'here'.	Be Lovingly Confrontational: use healthy confrontation to call for trust, and trust it will come.
We Create: we are creators, created to create; our thoughts are a creative force; be very mindful.	Focus Collective Attention: hear the voice-of-the-collective, and continually share its wisdom.
Love: the universal force, compelling us to grow; synonymous with enthusiasm, and inspiration.	<u>self</u>-Obsolescence: give freely of your wisest ideas; this is our most empowering practice.
Trust: things are always working out; have trust in relationship itself (that third something).	Negotiate Beyond Mere Win/Win: stay in-the-between, until inspired with a more creative idea.

The Divine Nature of Relationship Itself

That third something – within us, between us, amongst us



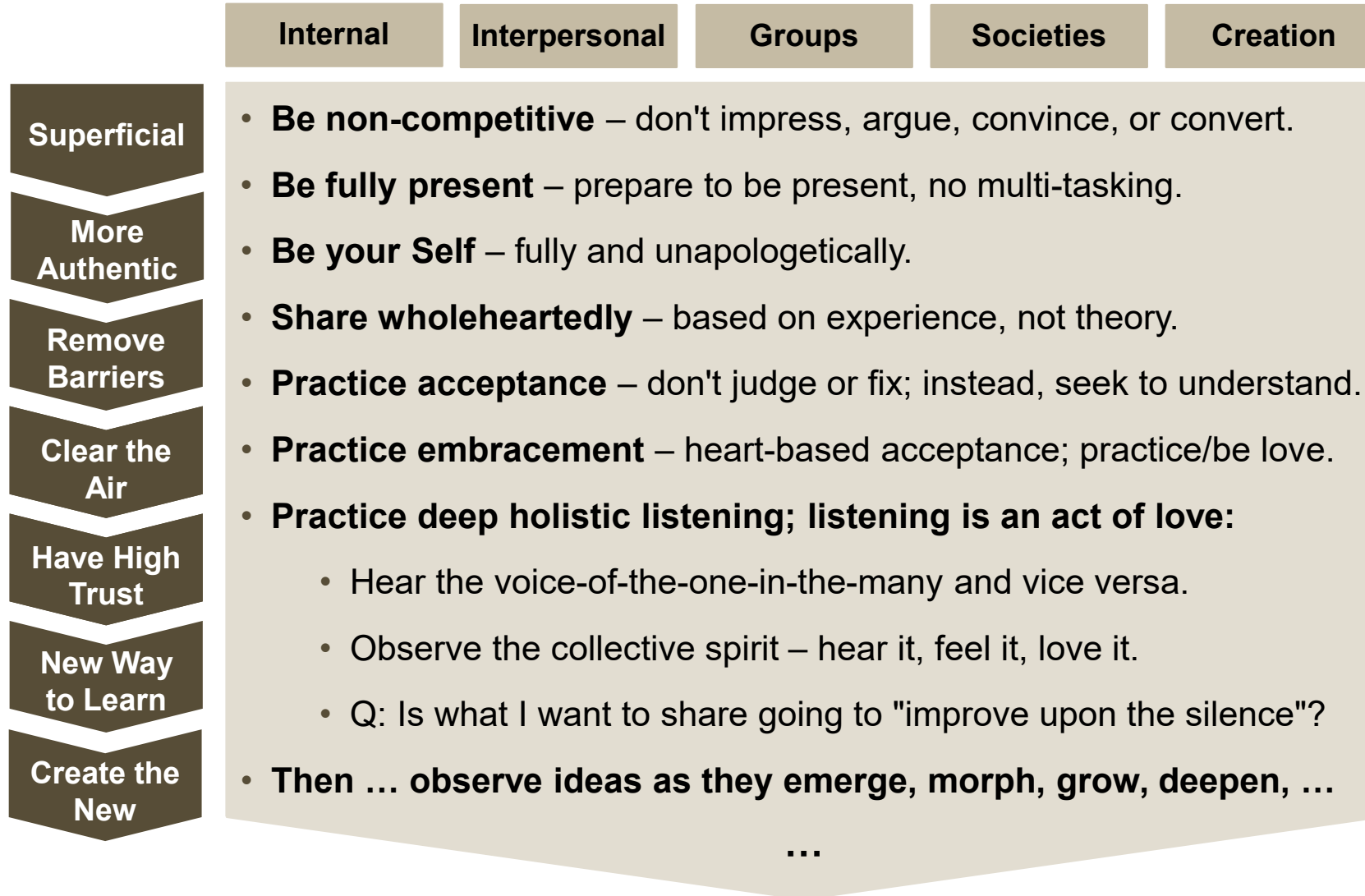
Diving Deeply into Relationship via Dialogue

The portal into what lives *in* the collective web of relationship

	Internal	Interpersonal	Groups	Societies	Creation
Superficial	Living in addiction	Idle chitchat	Talking about the news	Attack	Pillage the earth
More Authentic	Realizing the need to change	Starting to get real	Sharing experience	Growing sense of community	Realizing our impact
Remove Barriers	Transcend inner issues	Clean talk	Overcome difficulties	Remove borders	A sense of ownership
Clear the Air	Mind/Heart dialogue	Deeper friendship	Loving confrontation	Emerging true community	Care for the environment
Have High Trust	Stay true to Self	Healing & forgiveness	A collaborative atmosphere	Effective peace talks	Dialogue-based stewardship
New Way to Learn	Open to a new life	Inner issues transformed	Unknown is made known	Open to a new way	Revelatory dialogue
Create the New	New Self emerges	New depths in friendships	New value; a new home	A new way of being together	Create a new world

Diving Deeply into Relationship via Dialogue

We are drawn into spirit's creativity (below are merely suggestions)



Inner Dialogue

As within, so without (personal example #1); Awakening the **Divine** within

Internal Dialogue		
Thoughts (Mind)		Feelings (Heart)
▪ The world doesn't really value my work.		
	→	▪ I feel unloved and unappreciated.
▪ I understand those feelings.	←	
▪ It <i>has</i> been a very long journey!		
	→	▪ Now I really feel depressed.
		▪ Low energy.
▪ I have tried everything I can think of.	←	
▪ Businesses seem to be increasingly moving <i>away</i> from value <i>creation</i> .		
	→	▪ Now I feel frustrated and abandoned.
▪ My ideas won't work; they are not true.	←	
	→	▪ Anger. I have been misled by God.
▪ Maybe ... I cannot do this <i>alone</i> , with just my <i>thoughts</i> , plans and <i>self-will</i> .	←	
	→	▪ Grateful; I am being taught "my" ideas!

Our Services Deepen Strategic Relationships

And, increase value-creation in strategic alliances and ecosystems

Inter-Company / Strategic Alliance

- The Traditional Role of Alliance Manager.
- Transformational Alliance Management.
- Gain Simply Powerful Guidance from the Voice-of-the-Collective (a.k.a., the *2-Slide Methodology*TM).
- Calling for Trust via Healthy Confrontation.
- Neutralizing Organizational Addictions to Complexity and Drama.
- The Empowerment of self-Obsolescence.
- Negotiating Without Compromise, from in-the-between.
- Strategic Alliances as Crucibles for Business' On-Going Transformation.
- Developing Yourself AND Your Alliance.
- Creating Co-Marketing Collateral.

Inter-Personal

- Relationship – our most strategically important asset.
- Principles and Practices to Deepen Relationship.
- Authentic Dialogue.
- Being an Illuminating Mirror – gratitude.
- Dealing with Difficult and Emotionally-Charged Issues.

Personal

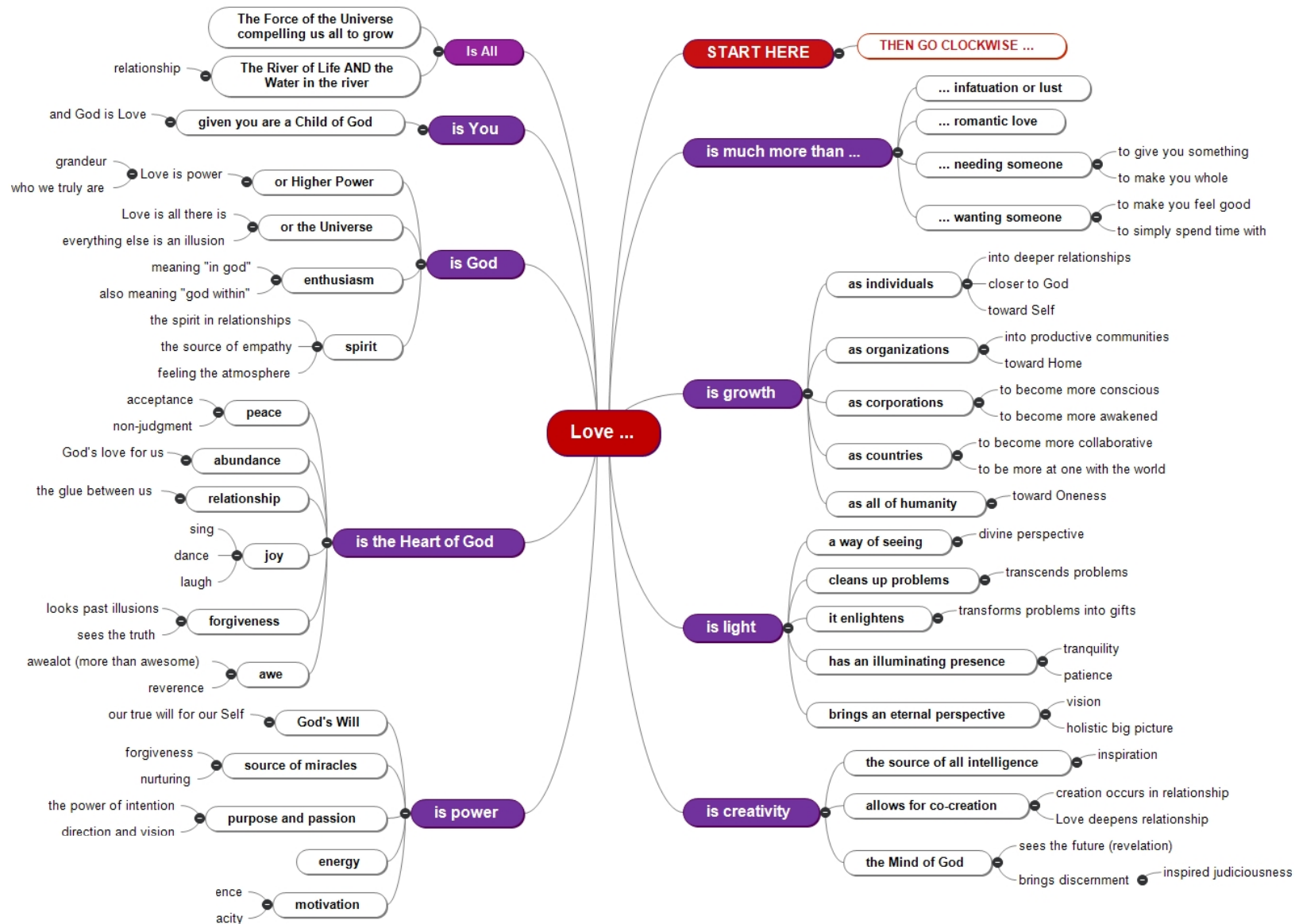
- Identity – bridge builders and creators.
- Inner-Dialogue Between Mind and Heart.
- Living a Life of Bliss – being on purpose.

Custom-Created Services ...

Refer to: http://spibr.org/Building_trust_and_value_in_alliances.pdf
http://spibr.org/strategic_alliance_manager_role.pdf
http://spibr.org/Change_Your_Alliance.pdf

What is Love?

Attempting to define the undefinable and parse the infinite



Joe Kittel

Focused *in* value creating relationships since 1989

Sr Consultant – Strategic Alliances & Ecosystems

+1 970 227-6238

joe.kittel@gps-consulting.com



GP+S Consulting GmbH

Founded in 2001, GP+S is an alliance-oriented consultancy and professional services provider to global high-technology companies. Our business development services range from market research to strategic planning and program execution. We are headquartered in Bad Homburg, Germany, with offices in Santa Fe, NM, USA and Shanghai, China.

www.gps-consulting.com



CEO, SPiBR.org LLC

+1 970 227-6238

joe@spibr.org



SPiBR.org LLC

Founded in 2007, SPiBR.org LLC is a consultancy focused on strategic alliance managers. We are about the practical application of spiritual (i.e., relationship-deepening) principles in business relationships. Our professional services include coaching, training, and consulting services for individuals and teams. We are headquartered in Santa Fe, NM.

www.spibr.org

