Creating Alliances

This comprehensive book provides a road map to alliances that work.

By Terrence Fernsler

Cases in Alliance Management: Building Successful Alliances


Though this book is a textbook, it includes much information to help nonprofits with alliances or collaborations. Especially valuable is the outline of steps to take: determining the strategic rationale, selecting partners, negotiating, and implementing the alliance. Each step includes a list of questions to answer before proceeding. It's interesting to note the similarities in determining the need for alliances and selecting partners in both for-profit and nonprofit alliances.

The book follows a process to guide you through building alliances, offered in chart form. Accompanying text examines the process in more detail. After each step in the process, five to six cases, with probing questions, help you practice solving alliance issues.

The authors insist that an alliance must fit the organizational strategy, not the reverse. Alliances shouldn't be created just for the sake of working with a particular organization. You must be clear about whether an alliance will further your mission. An alliance must have strategic importance, each organization must be culturally and structurally ready, the timing must be right, and resources must be available. Organizations must also ask what they may not be able to do if they form an alliance.

Partners should be selected only after the rationale for an alliance is clear. The book's second section helps develop criteria for selecting partners and deciding whether you will achieve your goals with a particular partner.

Alliances shouldn't be formed too quickly. Be sure that negotiation with your prospective partner and due diligence occur. Decide who from your organization will participate. Prepare for the negotiations by being clear about what your goals are, what concessions you're willing to make to attain them, and key risks and obstacles. A solid relationship is vital, but you must attend to the details.

The alliance will be more successful if its members anticipate and prepare for as much as possible. Monitoring the first six months is crucial, to make sure the alliance is moving in the right direction. After that, review the alliance regularly to determine whether objectives are being served. If not, intervene as necessary. If so, continue, learn, and prosper.

In our increasingly competitive environment, the ability to collaborate will be the key to success for many organizations. Knowing how to form alliances will be critical, and this book serves as an excellent guide through the process.

Terrence Fernsler has been a nonprofit professional for 30 years.