

Part One of Learning to Manage Research Partnerships

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Part I : It's a different world today

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In today's inter-connected world, working with partners – often on a different continent, is considered par for the course. Companies, large and small, work with formal and informal networks to stay competitive.

Given their scale and historical global presence, the manufacturing and financial sectors are most evolved in terms of how to manage such partnerships seamlessly. The same is not true for professional services, including research. No doubt there are examples of highly evolved firms such as the Big Four or the management consulting Brahmins or the largest MR firms, but the vast majority still has a long way to go before maximizing the benefits of today's Flat world.

There are several reasons for this, partly linked to characteristics of typical professional services firms:

- Operate on a relatively small scale
- Tend to serve local markets and customers
- Like to do (almost) everything themselves
- Lack of management bandwidth to manage partnerships
- Small project sizes don't justify the overhead of managing a partner
- Very wary of sharing client information or intellectual property with partners

No doubt these constraints are very real. At the same time, the inability to work with partners may impede growth and close out lucrative opportunities. Let's look at this in the context of business research or competitive intelligence consulting firms. They often lose assignments because they:

- Don't have the bandwidth at a particular time
- Don't have a particular skill-set in-house
- Cannot guarantee delivery in the time frame required
- Lack domain knowledge in a specific industry
- Don't understand emerging markets
- Are uncomfortable working with competitors

In such situations, even if they do want to leverage resources outside of their firm, project schedules often don't allow for the luxury of identifying and qualifying new partners. By the time the partner is up to speed, the project is over.

Possibly the biggest deterrent is past experience. I think every research and consulting (and professional services) firm has had one or more bad experience with a vendor or partner, especially one from another country. After such an incident, they don't want to waste valuable time trying again. Even if they're willing to have another shot, they're often unsure of what they need to do to make it succeed the next time around.

In the fifteen years we've been in business, we've worked in (literally) hundreds of diverse partnership situations. These have included situations where we've been given work, as well as where we've given work to others. In addition, there have been instances where we've jointly faced the client as a single team. And of course, we've made mistakes. Plenty of them!

But we've learnt a little from our mistakes, and I thought it might be useful to share a few of these.

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