



Module: «Key Partners»

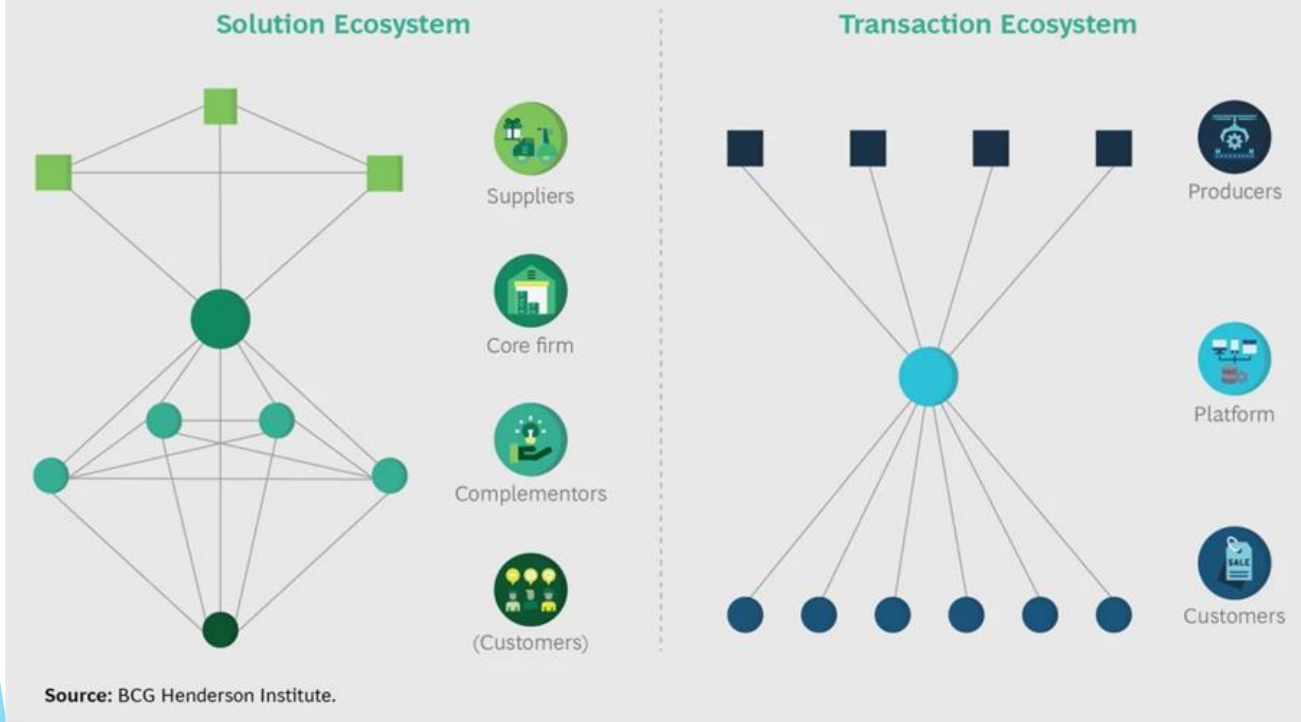
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Define partnership model

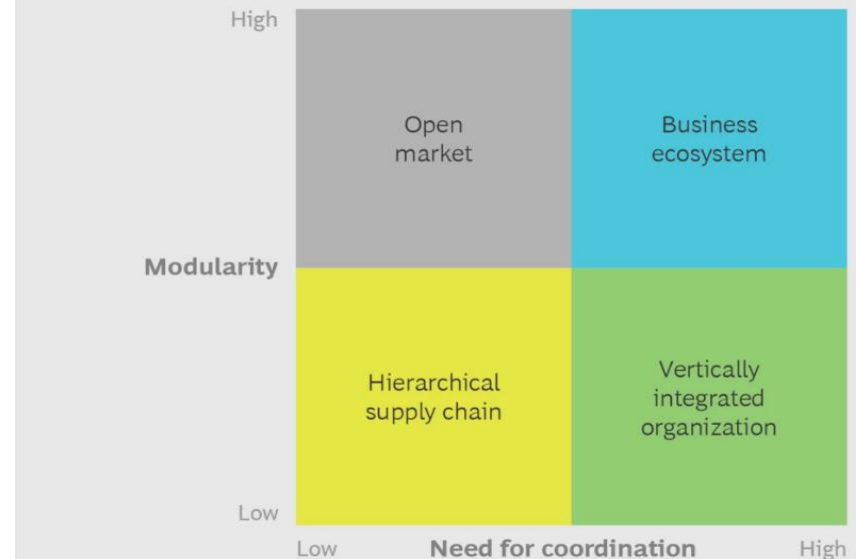
► Define your business-ecosystem type

EXHIBIT 1 | The Two Basic Types of Business Ecosystem



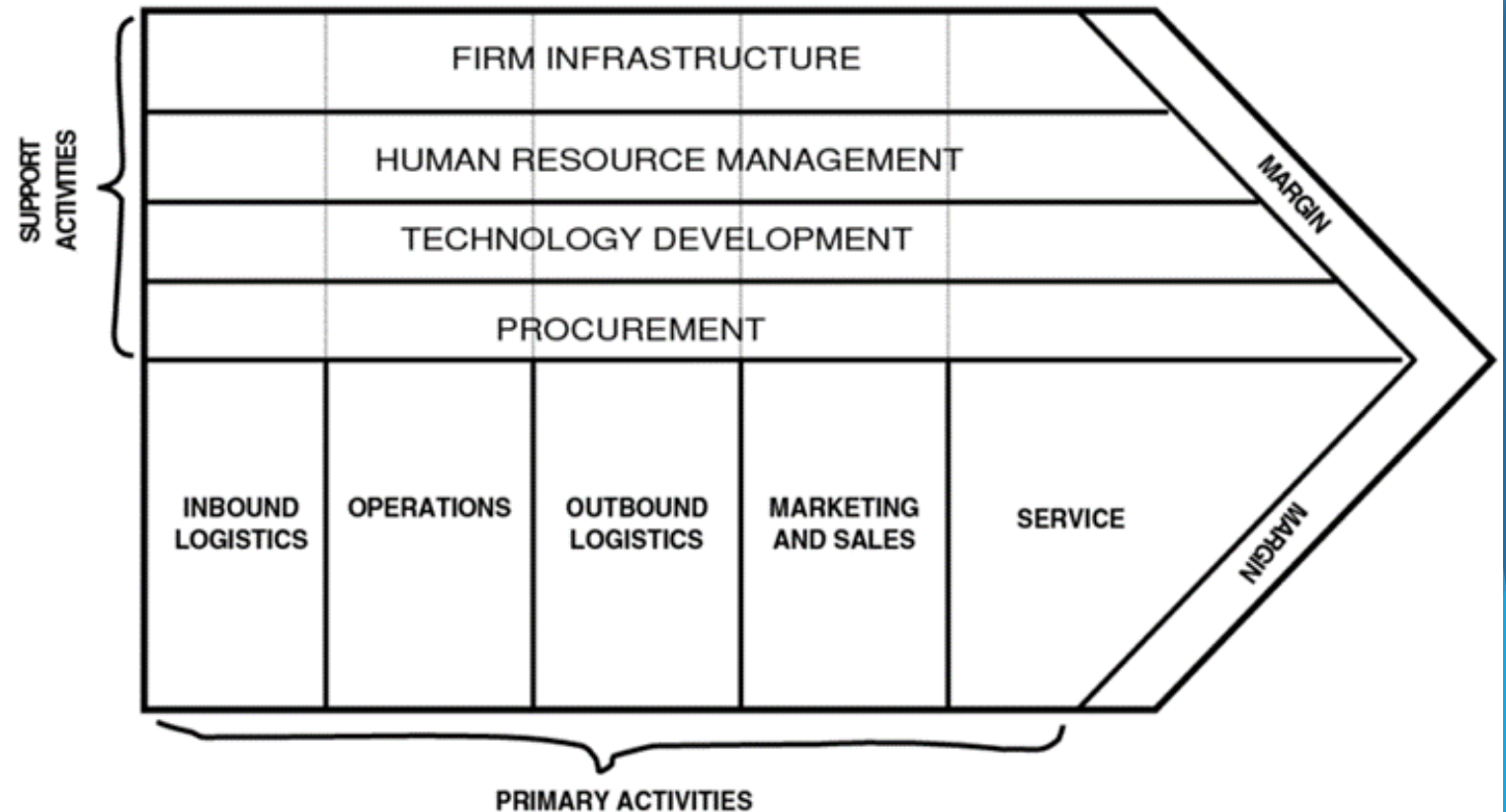
► Justify your business-ecosystem governance model

EXHIBIT 2 | How to Find the Right Governance Model



Draw up a Value chain

- ▶ Partners for primary activities of the value chain
- ▶ Partners to enhance internal processes, to increase process efficiency - give to outsource if feasible



Decide about integration and outsourcing

- ▶ **Vertical integration.** A measure of how much of the value chain is owned or operated by the manufacturing company.
- ▶ **Insource.** Processes or activities that are completed in-house.
- ▶ **Outsource.** Processes or activities that are completed by suppliers.
- ▶ **Backward integration.** Owning or controlling sources of raw materials and components.
- ▶ **Forward integration.** Owning or controlling the channels of distribution.

- ▶ **Sourcing Issues: insourcing versus outsourcing**

If the answer is “yes”, company will provide the product/service in-house.

Is a particular product or service critical to your company's success?

Is the product or service one of your company's core competencies?

Is it something your company must do to survive?

Whether the products or services provided in-house are identical to those outsourced:

Is product quality in-house comparable to product quality in the marketplace?

Is product functionality comparable, or does one product have an advantage in terms of quality or functionality?

Does the company have the capital needed for any up-front costs to provide the product or service in-house?

Types of Key Partners on the Business Model Canvas

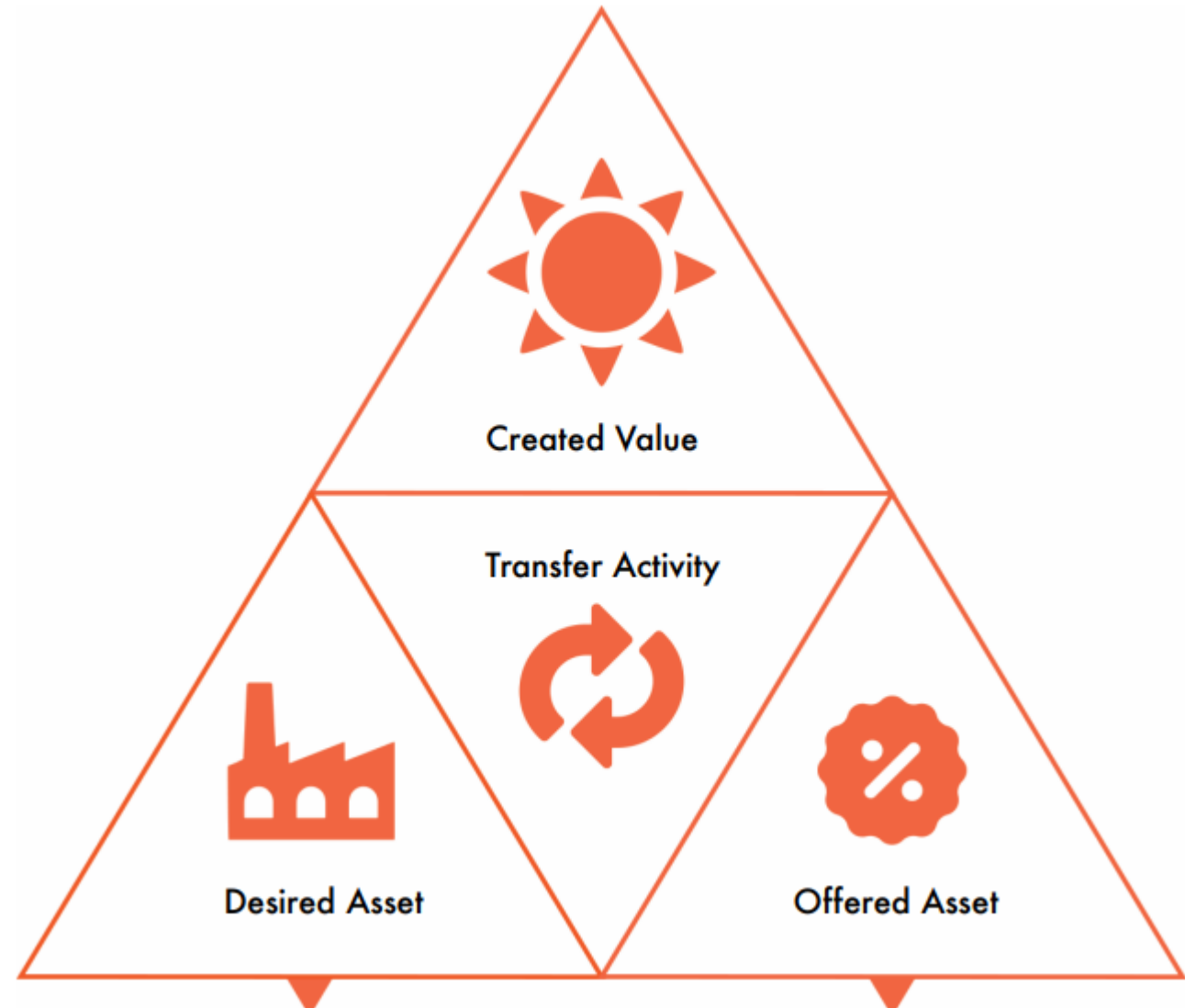
- ▶ Buyer-supplier relations
- ▶ Strategic alliances
- ▶ Joint ventures
- ▶ Coopetition

For Successful Partnerships

- ▶ Selecting Win-Win partnerships
- ▶ Defining Expectations
- ▶ Solid Partnership Agreements
- ▶ Impact on existing clients or customers
- ▶ Measuring partnership performance
- ▶ Suspending partnerships

Define partnership preconditions

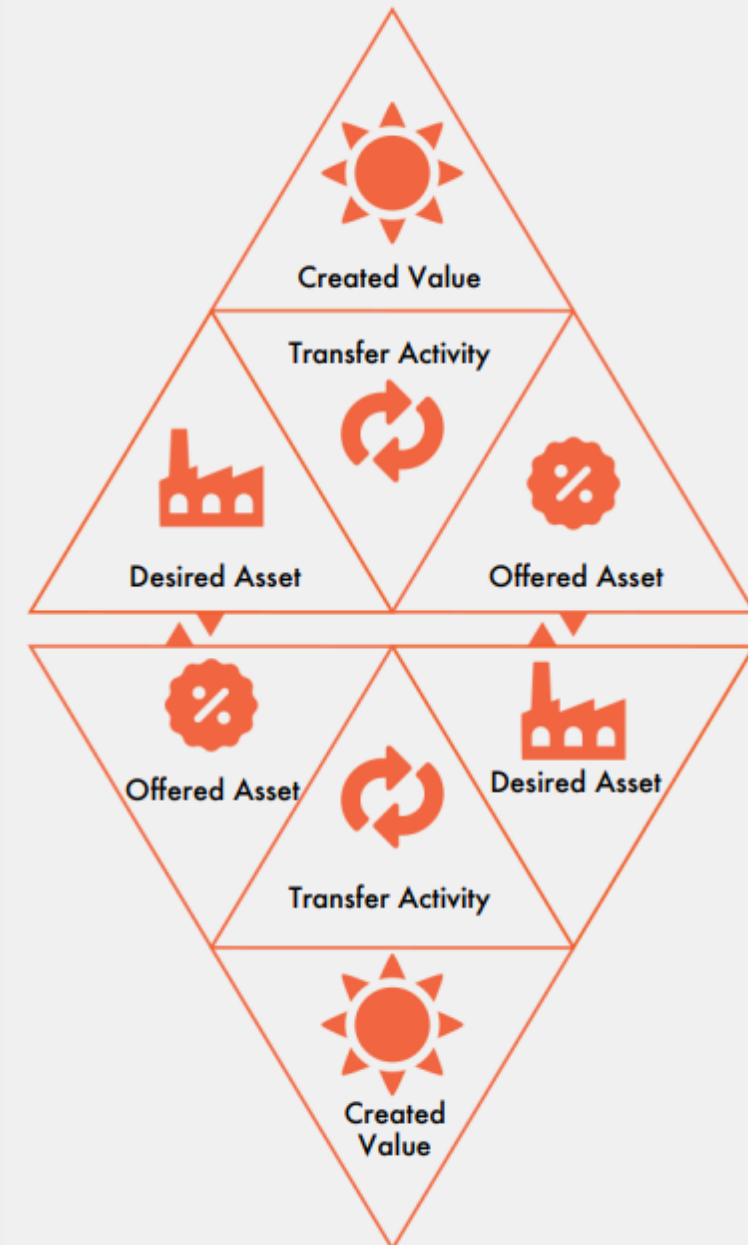
- ▶ Why do you need a partner?
- ▶ Who do you need as a partner?
- ▶ What do you need from partner?
- ▶ Why will they partner with you? - Value you can propose to partner



Create Your Partnership Canvas

Partnership Canvas from the perspective of your business:

- ▶ **Created Value:** What value do you need to create?
- ▶ **Desired Asset:** What capabilities or resources do you need from your partner?
- ▶ **Offered Asset :** What capabilities or resources can you offer your partner in exchange?
- ▶ **Transfer Activity:** What activities are needed for the partners to transfer the desired assets to each other? The transfer activities should logically lead to the new value created.



Define partnership costs, benefits and risks

- ▶ Define Costs, associated with partnership, for example:

Delivery costs

Recourses costs

Distribution costs

Partner' services costs

- ▶ Define Benefits, associated with partnership, for example:

Economies of Scale

Assess to capital

Less capital value

Less resources value

Better quality

Reduce time to market

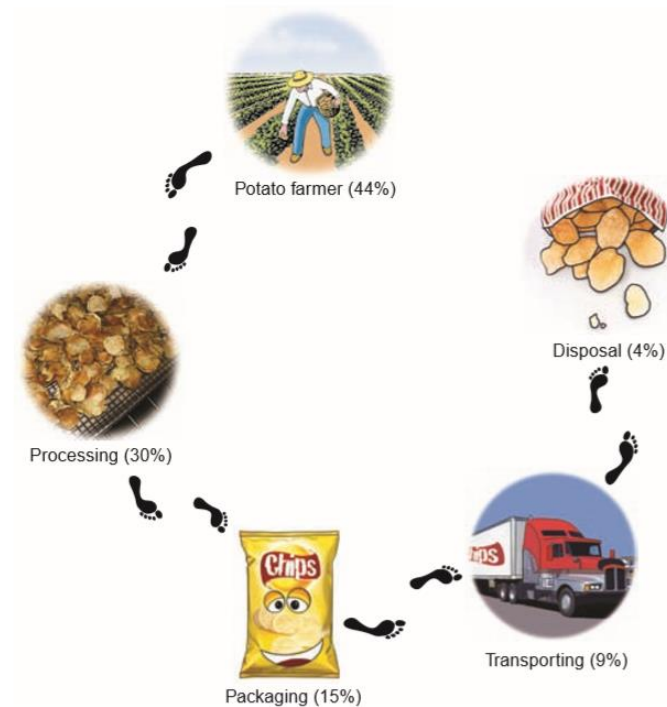
Define Risks, associated with partnership

- ▶ Make a list of risks associated with the partnership
- ▶ Discuss and agree list of risks with your partners
- ▶ Define the value of risks - probability and impact level for each risk
- ▶ Agree about risk tolerance for each partner
- ▶ Choose and share risk response strategies

Build Green Partnership

“greening” requirements for both suppliers and distributors:

- ▶ **development a sustainability plan** (Example: Wal-Mart uses a packaging scorecard to evaluate packaging compliance by members of its supply chain)
- ▶ **specified supply chain goals** (certification, carbon emission footprint reduction, reduced energy consumption, reduced inventory levels, reduced transportation costs, etc.),
- ▶ **practices** (the use of sustainable farming, agreeing not to use specified materials, etc., use or nonuse of specific technologies, packaging restrictions, final disposition of products and packaging)





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Thank you!