



Best Practices in GSI Alliances

A research report by Alliance Best Practice Ltd (ABP)

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Contents

1. Introduction – Who are we and what do we do?
2. Executive Summary - Key research findings
3. Background – Why is this topic relevant now?
4. Research – What research have we conducted in this area?
5. Conclusions – What did we find?
 1. The old Alliance Sales Model
 2. The New Agile Alliance Sales Model
6. Implications – What are the implications for you?
7. Next Actions – What can you do about it?
8. Further Information – Where can you find further information on this topic?

Alliance Best Practice Ltd Introduction

Who we are – What we do – and Who we do it for

Who Are We?	What Do We Do?	Who Do We Do it For?
<p>A group of highly experienced alliance and partnership practitioners, consultants and academics.</p>	<p>We research and benchmark strategic alliances to help our clients maximise their alliance sales performance.</p>	<p>In the last 20 years we have worked with over 300 household names in the High Tech Space.</p>
<p>Headquartered in the UK. ABP has senior and experienced associates in: The UK, Benelux, France, Germany, Nordics, USA (East Coast), USA (West Coast), USA (Mid West), Australia, Singapore and India.</p>	<p>Our services include alliance: Research, training, consultancy, benchmarking, and facilitation.</p>	<p>GSI clients include: Accenture, Capgemini, Atos, Infosys, Cognizant, Wipro, Tech Mahindra, Deloitte, EY, KPMG, BCG, and Tieto. See Appendix for full list.</p>

Executive Summary - Key Findings

ABP believes that the following points are key in this research:

- Best Practices in Alliances exist and companies that use a best practice approach experience better commercial results from their alliances.
- Of the full list of 52 identified best practices. GSI companies identified 25 that were critical to success.
- Recent research with Accenture in EMEA (Q4 2021) shows conclusively that these 25 best practices are leading indicators of alliance commercial performance.
- Following a defined process of alliance optimisation delivers increased alliance sales and a better integration of relationship activities over multiple geographies.
- Companies that follow a 'Relationships Lead to Results' approach create enduring competitive advantage over their industry peers and become 'Partners of Choice' for GSIs.

Background

Why is this topic relevant now?

- GSI and Global Advisory companies are increasingly being asked by their clients to become a 'trusted adviser'. This means that the clients are looking to them (the GSIs) to recommend the best technology companies to work with.
- To make this kind of recommendation GSIs are increasingly looking to assess their partner ecosystems to judge partners on multiple dimensions (e.g. Commercial, Technical, Strategic, Cultural and Operational).
- In addition GSI partners now have far more choice in whom they work with. It is no longer a question of partner selection for GSIs rather it is partner seduction.
- The combination of the above factors means that the quality of the alliance relationship is becoming increasingly critical to success in partner ecosystems.
- Finally GSIs are increasingly measuring partner 'sentiment' as a means of predicting commercial performance.

Research

What research have we conducted in this area?

- ABP has researched over 800 alliance relationships over the last 20 years resulting in a best practice database with 200,000 entries.
- That database reveals the existence of 52 identified best practices in strategic alliances.
- For the purposes of this GSI research we assessed the original list with the following companies: Accenture, Capgemini, Atos, Infosys, Wipro, TCS, Deloitte, EY, KPMG and TietoEVERY.
- The result was the identification of 25 best practices which Heads of Alliances and Ecosystems at these companies feel are critical to success in their alliance relationships.

Conclusions

What did we find?

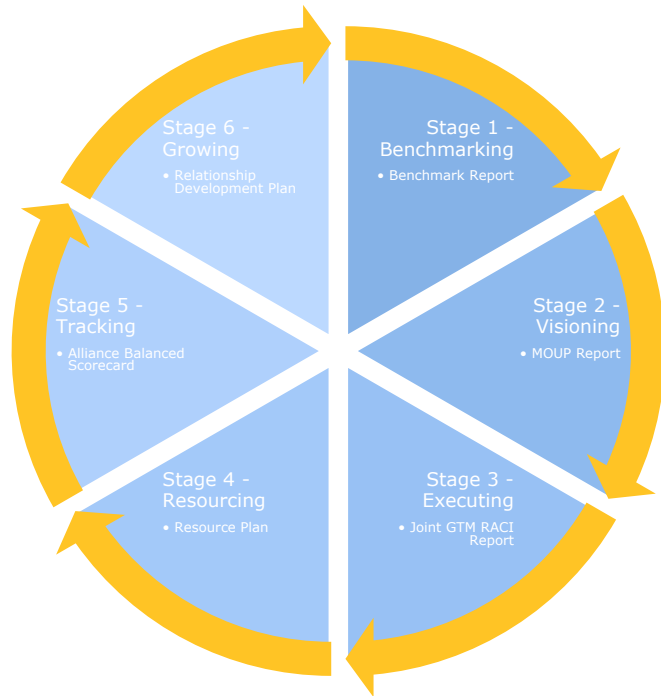
- Best practice = best results.
- GSIs position of power over clients and customers has been eroded by SaaS and digital delivery.
- GSIs are now having to orchestrate client's vendor and supplier ecosystems. To do so they need a methodology.
- The approach they are supporting is Agile Alliances encapsulated in the VST Alliance Sales Methodology.
- GSIs are interested not just in objective partner results but also in subjective partner sentiment that leads to those results.

Conclusions – GSI Best Practices

The following best practices were viewed as critical by GSIs

Commercial	Technical	Strategic	Cultural	Operational
Joint Business Value Propositions	Market fit of proposed solutions	Relationship Scope	B2B Trust	Joint Business Plan
Strategic Key Metrics	Product / services overlap with partners	Senior Executive Support	Collaboration Skills	Alliance Charter
Commercial Cost	Mutual Needs / Areas of Interest	B2B Strategic Alignment	Dedicated Resources	Operational Metrics
Commercial Benefit	Joint Opportunity Management	Alliance Governance Model	Joint Decision making	Innovation
Expected cost / value Ratio	Partner Accountability	Common Vision	B2B Cultural Alignment	Internal Alignment

Alliance Optimisation for GSIs - VST



- VST = Vision Skills and Trust.
- The methodology comprises six stages arranged in three phases.
- The stages each have inputs and outputs.
- The output of the preceding stage is the input to the following stage.
- The stages are organised in three phases:
 - Phase 1 – Where are we now?
 - Phase 2 – Where could we be?
 - Phase 3 – How do we get there?
- This model has been validated by a wide range of GSI senior alliance executives.

VST – An Agile Alliances Methodology

<i>Phase</i>	<i>Phase 1 - Vision</i>		<i>Phase 2 - Skills</i>		<i>Phase 3 - Trust</i>	
<i>Stage</i>	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
<i>Key Question</i>	What's our idea for a joint Proposition?	Minimum joint planning necessary?	Minimum delivery capability required?	How do we connect joint sales teams?	What's the best delivery model?	How do we optimise the GTM Model?
<i>Purpose</i>	Validate Market	Design Partnership	Enable Sales	Pursue Sales	Contract / Deliver	Improve / Scale
<i>Key Tasks (Partial List)</i>	Agree new joint business value proposition/s	Agree minimum viable partnership model	Educate sales channels in both organisations	Identify joint account prospect targets	Agree whose paper deal is written on	Refine sales / GTM model
	Develop initial prospect clients / customers	Agree scaling model in advance	Build delivery capability	Schedule meetings to brief clients / customers	Negotiate contract / delivery with customer	Scale the initial propositions
<i>Objective</i>	Ideation	Initial Design	Sales Enablement	Sales Pursuit	Initial Delivery	Process Refinement
<i>Outputs</i>	Joint Pitch Deck	MOUP Blueprint	Joint Action Plan	Client Target List	Alliance Contract	Refined Process

VST VISION SKILLS TRUST

Alliance Optimisation Methodology

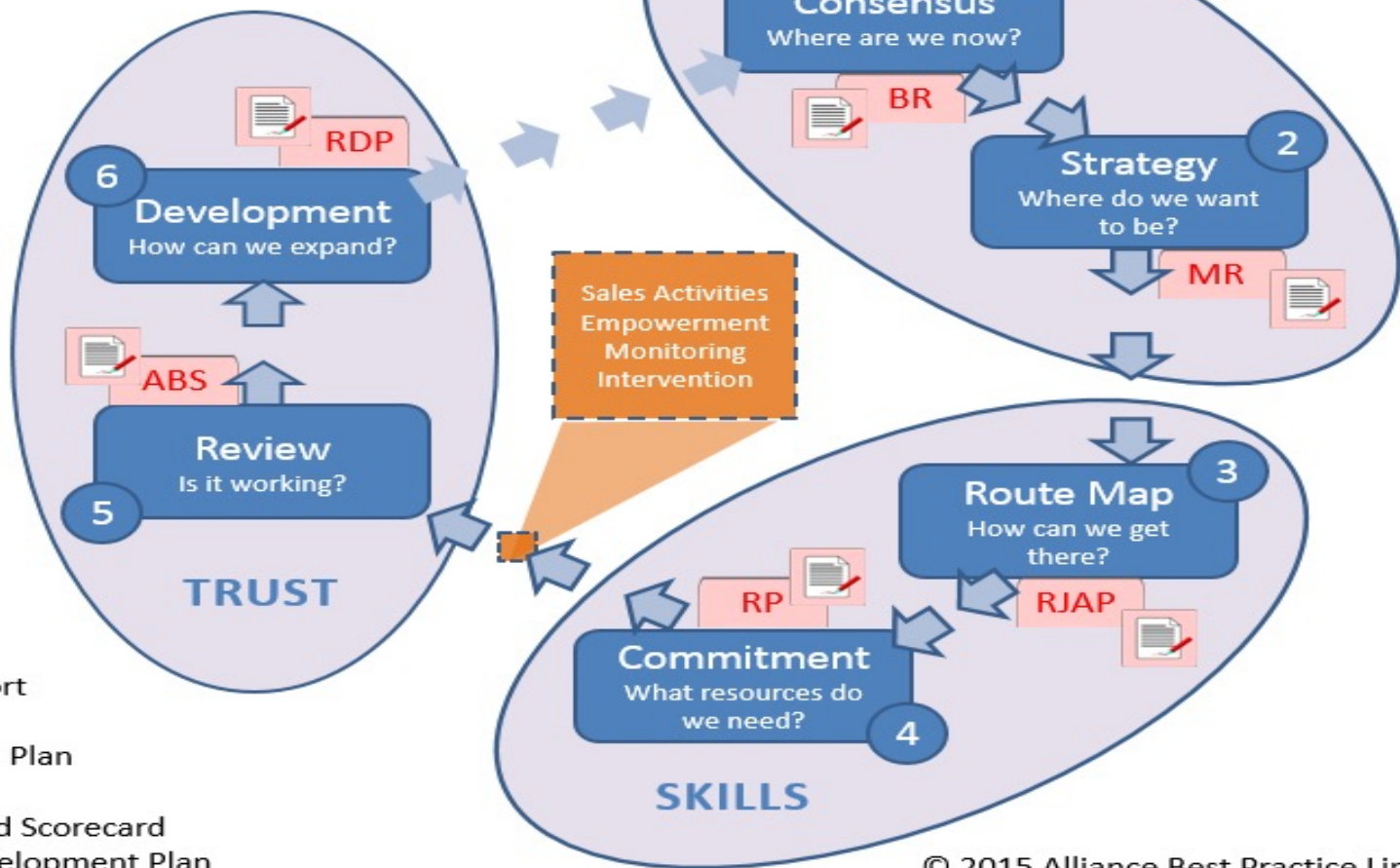
Phases
VISION
SKILLS
TRUST

Stages

- 1 Benchmarking
- 2 Visioning
- 3 Executing
- 4 Resourcing
- 5 Tracking
- 6 Growing

Outputs

- BR Benchmark Report
- MR MOUP Report
- RJAP RACI Joint Action Plan
- RP Resourcing Plan
- ABS Alliance Balanced Scorecard
- RDP Relationship Development Plan



Credentials – Sample of Example Results

GSI Client	Partner	Before	After	Timescale
Capgemini	5 Tier 1 Partners	\$19m	\$51m Incremental	12 months
Accenture	NetApp	Undisclosed	5x Increase	12 months
IBM GBS	13 Partners	Undisclosed	47% Increase	24 Months
EY	OpenText	€0	€5m	18 Months
TietoEVRY	IBM MSFT Oracle SAP	€25m	€480m	36 Months
Atos	Oracle	€6m	€23m	12 Months
BT Global Services	8 Partners	£150m	£480m	18 Months
PwC	Qlik	£3.5m	£17m	12 Months

VST Members - Who has used it?

Hardware	Software	Services	Telecoms	Other
<ul style="list-style-type: none">BTCanonCiscoDassault SystemesDell-EMCEquinixIBMNetAppKonica MinoltaSamsung	<ul style="list-style-type: none">AdobeEquifaxMicrosoftOracleVerintMoody's AnalyticsQlikVMwareDun and Bradstreet	<ul style="list-style-type: none">AccentureCapgeminiCognizantAtosDCX (CSC)DeloitteHPEIBM GBSKPMGEYPwCTietoEVRY	<ul style="list-style-type: none">AT&TVerizonBTColt TelecomO2 TelefonicaVerizonTelusVodafone	<ul style="list-style-type: none">GoogleUCB

Implications

What are the implications for GSI partners?

- GSI partners will need to be able to partner at speed with GSIs and advisory companies to take advantage of transient market opportunities. To do so they will need an approach suitable for GSI use.
- Whilst each GSI is different their basic business models are all the same.
- There will be winners and losers in the ecosystem wars. The winners will be those organisations adept at partnering with GSIs.
- GSI partners need to actively manage their own ecosystems which means encouraging their partners to work with each other to create joint value for clients.

Next Actions

What can you do about it?

- Adopt the new version of VST because:
 - Its been designed by GSIs for GSIs
 - It focuses on creating business opportunities first then developing the relationship
- Train GSI partner managers in the use of VST.
- Run a number of VST pilots with specific GSI partners in selected geographies.
- Once the pilots have proved successful, grow the relationship by running additional pilots in additional geographies.

Further Information



For further information regarding this topic please see our downloadable data at: www.alliancebestpractice.com

In particular:

- The Strategic Alliance Handbook – A Practitioners Guide
- The Strategic Alliance Fieldbook – The Art of Agile Alliances
- The VST Briefing Guide (2 pages)
- The latest (Version 13) VST Manual (65 pages)
- How to Optimise Alliance Relationships Using VST

If you would like to contact us to discuss any aspect of this research please feel free to do so using this email address: info@alliancebestpractice.com



Appendix

- Client List
- ABP Credentials
- ABP Services

ABP Ltd Credentials

ABP creates tangible and trackable value for clients

- “Early signs are that the incremental revenue generated as a result of this assignment will far outweigh any cost involved to a factor of over 100 to 1 (i.e. over £9m).” – Patrick Nicolet Global Head of Sales and Alliances Capgemini.
- “In the quarter following the ABP assignment we generated more revenue than the previous three quarters combined!” Jeff Gerkin Partner, Accenture
- “Since working with ABP we have generated an extra €650m from our global alliances.” Nina Christiansen Global Head of Alliances Tieto Corporation
- “I used the Alliance Best Practice approach in my relationship with IBM. Before I used it the best year I had ever had was €6m. Last year after using the approach we generated €23m!” - Roopa Dhanalal Director EMEA Alliance for IBM BCS
- “We estimate the extra revenue from the ABP approach to be in excess of £480m over 18 months”. Lucy Dimes General Manager Global Partnerships BT

Clients (Small Sample)



Clients (Larger Sample)

Hardware	Software	Services	Other
<ul style="list-style-type: none">▪ Canon▪ Cisco▪ Dassault Systemes▪ Dell▪ EMC▪ Equinix▪ HPE▪ IBM▪ Konica Minolta▪ NetApp▪ Ricoh▪ Samsung▪ Schneider-Electric▪ Wipro Technologies	<ul style="list-style-type: none">▪ Adobe▪ Equifax▪ Experian▪ Infor▪ Kaspersky Lab▪ Microsoft▪ Moodys Analytics▪ Oracle▪ OpenText▪ Pegasystems▪ Qlik▪ Salesforce▪ Software AG▪ SAP▪ VMware	<ul style="list-style-type: none">▪ Accenture▪ Atos▪ Canopy▪ Capgemini▪ CGI▪ Cognizant▪ DXC▪ Deloitte▪ Fujitsu▪ HCL Technologies▪ HP (ES)▪ IBM GBS▪ KPMG▪ PwC▪ Tieto	<ul style="list-style-type: none">▪ BT▪ BT Global Services▪ Colt Telecom▪ NextiraOne▪ O2 Telefonica▪ Verizon▪ Vodafone▪ AT&T▪ Google▪ AWS

Alliance Best Practice Services

Framework

- The Alliance Best Practice online diagnostic:
- http://www.alliancebestpractice.co.uk/csf_questionnaire_abp.php
- Over 150 alliance 'tools' to help apply best practices at www.alliancebestpractice.com downloads page
- Over 5,000 members in the ABP Linked In Group at: <http://www.linkedin.com/groups?gid=37691>

Forum

- The ABP LinkedIn Group:
- Quarterly face to face High Tech Forum Meetings
- Cross Sector Forums to discuss latest research
- Locations: US West, East and Central, Netherlands, UK, Germany, France, Nordics, and Australia
- VST Quarterly User Group Meetings in: the UK, South Africa, and the USA.

Facilitation

- Keynote speaking engagements
- Partner Advisory Councils (PACs)
- Online and face to face coaching (one to one or groups)
- Alliance best practice workshops
- Facilitation of Partner meetings
- Benchmarking
- Consultancy