

**IMBA PROGRAM
COLLEGE OF COMMERCE
NATIONAL CHENGCHI UNIVERSITY
CROSS BORDER STRATEGIC ALLIANCES
2012**

A. Instructor: Professor William Reinfeld

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Class Hours: Mondays and Thursdays: 7:10 pm-10 pm; Saturdays: 9:10 am – 5 pm

Office Hours: By appointment

B. Reading Material

1. Lecture Notes, by William Reinfeld

2. Cases:

- “Citibank’s Co-operative Strategy in China: The Renminbi Debit Card”, U of Hong Kong, HKU806
- “Alpha Gearing Systems Co., Shanghai Ltd.”, Ivey School of Business, 9A99C014
- “Richmond Engineering in China”, Ivey School of Business, 9A97G021
- “Shanghai GM: Rise of a Late-Comer”, HKU395
- “Renault-Nissan: The Challenge of Sustaining Strategic Change”, Thunderbird School of Global Management, TB0047
- “Google’s Android: Will It Shake up the Wireless Industry in 2009 and Beyond?”, Stanford Graduate School of Business, SM176
- “Innovation without Walls: Alliance Management at Eli Lilly”, Ivey School of Business, 9B07M015
- “Chongqing Peace Medical Corporation Ltd. (B): Charting A Strategy in China’s Changing Health-Care Environment”, U of Hong Kong, HKU864

2. Articles:

- “Simple Rules for Making Alliances Work”, by Jonathan Hughes and Jeff Weiss, HBR, Nov., 2007
- “Past Lessons from China’s JV’s”, McKinsey Quarterly, Dec., 1010
- “Cisco: Alliances for Economic Performance”, by Norma Watenpaugh, Best Practices Case Studies of ASAP, Jun., 2004
- “The Chinese Negotiation”, by John L. Graham & N. Mark Lam, HBR, Oct., 2003
- “Negotiating Strategic Alliances”, by Michael Watkins, HBR, Jun., 2002
- “China Partners”, by R.A. Kenevan and Xi Pei, McKinsey Quarterly, 2003, No. 3
- “Innovation Blowback: Disruptive Management Practices from Asia”, by John S. Brown & John Hagel III, McKinsey Quarterly, Feb., 2005
- “Restructuring Strategic Alliances in China”, by Jonathan R. Woetzel, McKinsey Perspectives on Corporate Finance and Strategy, 2003, No. 9
- “Can This Relationship be Saved?” by L. Segil, Harvard Management Updates, Feb., 2005

- “With Friends Like These: Art of Managing Complementors”, DB Yoffie & M Kwak, HBR, Sep, 2006
 - “Managing Strategy with External Partners”, by Robert S. Kaplan, Asis Martinez-Jerez, and Bjarne Rugelsjoen, Harvard Business School Newsletter”, 2009
 - “Competitive Advantage in Constellations”, by Benjamin Gomes-Casseres, Strategic Organization vol. 1(3): 327-325, Aug., 2003
 - “The Meaning and Importance of Leadership in Strategic Alliances”, by William Reinfeld, Advances In Global Leadership, Volume 5: Oxford: Elsevier / JAI, 2009
3. Selective Readings from Books
- Alliance Advantage: The Art of Creating Value Through Partnering, Yves L. Doz and Gary Hamel, HBS Press, 1998
 - Strategic Alliances: Three Ways to Make Them Work, Steve Steinhilber, Harvard Business Press, 2008

C. Course Objectives

The course is aimed at providing participants with insights into the concept of cross-border strategic alliances (CBSA) and how to create and manage them. Course goals are to: expose students to important considerations in pursuing and implementing strategic alliances; stimulate analytical thought about alliances by applying these concepts in case studies; and apply what has been learned in class to real situations through individual class projects. Although the course is focused on business collaborations, it provides many lessons that are applicable to cross-border collaborations in other contexts, such as geopolitics.

We will begin by looking at global strategies of organizations and identifying capabilities required to implement these strategies successfully. Comparisons will be made among the various options organizations have for bridging the “capability gaps” that keep them from achieving their global strategies. Namely, we will consider the differences between alternative options such as M&As, building capabilities internally and collaborations. The bulk of the course, however, will focus on collaboration among organizations across international borders as a means of creating value and achieving strategic objectives. We will explore how organizations identify and evaluate potential partners, how they negotiate alliances, how successful alliances are designed and how they should be managed. We will extend what has been learned by applying these lessons to real situations by means of case studies and projects.

D. Grading

The course will consist of assigned readings that will be discussed in class. The professor will make presentations on the subjects to be covered, however students are expected to participate in the discussions. Case studies will be assigned and discussed during class with student participation expected. Each student will participate on a team in preparing and presenting a project in class. Projects will be evaluated on the basis of how well the course material has been applied to real situations and how well the project is presented by the team.

Final exam will consist of questions concerning pre-assigned case study plus some questions seeking to determine

whether you grasp the subject taught. An outside expert who has personal experience in the formation or management of strategic alliances may be invited to address the class

Grades will be determined as follows:

20% class participation (including attendance)

40% project

40% final exam

CLASS SCHEDULE

Session	Content	Readings (before class)	Case (Prepare)
1 Apr 2	<p>I. Introduction to CBSA</p> <p>What are CBSAs</p> <ul style="list-style-type: none"> Why are they important? What’s different about them? How well have they performed? Some reasons for success and failure <p>Strategic Foundations of CBSAs</p> <ul style="list-style-type: none"> What is strategy? How it relates to CBM&A and to CBSA <p>Value Creation through Alliances</p> <ul style="list-style-type: none"> Different strategic intents / configurations Key success factors / Assessing quality 	<ul style="list-style-type: none"> Notes: I. Introduction: 1-77 <u>Alliance Advantage</u> pp.1-56 	
2/3 Apr 7	<p>II. Pursuing a CBSA</p> <p>Finding/Selecting Right Partner</p> <ul style="list-style-type: none"> Importance of right partner Process of selecting partners Compatibility/Complementarity Making the selection <p>Designing/Negotiating a CBSA</p> <ul style="list-style-type: none"> Preparation for negotiations / negotiating SA Enablers of cooperation Structure/Scope/Timetable/Governance Management Agenda 	<ul style="list-style-type: none"> Notes: II Pursuing CBSAs 1-72 “Simple Rules for Making Alliances Work” “Cisco: Best Practice Case Study” “China Partners” “Negotiating SAs” 	“Citibank”
4 Apr 9	<p>Managing a CBSA</p> <ul style="list-style-type: none"> Measuring progress Managing the relationship Making adjustments 	<ul style="list-style-type: none"> Notes: III. Managing CBSAs: 1-36 “Managing Alliances with Balanced Scorecards” “The Art of Managing Complementors” 	“Alpha Gearing”
5/6 Apr 14	<p>Alliance Networks</p> <p>Managing Alliance Portfolios and Multiple Alliances</p> <ul style="list-style-type: none"> Aligning SA objectives and strategies Institutionalizing SA management <p>Visiting Lecturer</p>	<ul style="list-style-type: none"> Notes: III. Managing CBSAs: 37-73 “Collective Competition” “Managing Multiple Alliances” 	“Eli Lilly”
7 Jun 11	<p>Managing Alliance Portfolios and Multiple Alliances</p> <p>Alliance leadership</p>	<ul style="list-style-type: none"> Notes: III. Managing CBSAs: 74-80 “Lessons for China JVs” “Meaning and Importance of Leadership in Strategic Alliances” 	“Shanghai GM”

8/9 Jun 16	Project Presentations and discussions		
10 Jun 18	Review and Wrap up		
15 TBD	Final Exam	Case to be assigned beforehand	

Project

Assignment: Describe and analyze a particular CBSA

Teaming: Teams of up to 4 people allowed

Reporting: Written Report of 5- 10 pages plus Classroom Presentation 45 minutes

Outline:

I. Pertinent background on partnering companies/industry - 10%

II. Strategic objectives of the alliance - 10%

III. How it was formed - 20%

- Thinking that led to decisions; How partners were chosen; Negotiation process

IV. Structure of the alliance - 10%

- Key elements and responsibilities

V. Management and Governance - 20%

- Challenges, tasks, approach

VI. Overall assessment - 30%

- What was good? What was bad?

- Conclusions; Recommendations

Grade: 40% of Final Grade; 30% team effort, 10% individual

Schedule: Formation of teams – April 9

Proposal outlining intention and approach – April 23 (email to professor)

Class Presentations - June 16