

# Today's Alliance Professional... Tomorrow's Strategic Leader

A study done by the American Management Association and Pearson in collaboration with the Society of Human Resource Management (SHRM) and the Association of Strategic Alliance Professionals (ASAP).



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# Introduction

In June 2008, representatives from Pearson Talent Assessment and the American Management Association agreed to undertake a research project to study a cohort of strategic alliance professionals.

The rationale for this endeavor was twofold:

1. A strong intuitive belief in both organizations that those who manage alliances have a unique set of skills and competencies which are increasingly important when navigating the "flat world" and global economy.
2. A similarly strong belief that organizations which don't recognize, hire and train individuals with this functional expertise will have a deficit of key leaders who can successfully steer their businesses into the future.

## American Management Association

The American Management Association is a world leader in talent development, advancing the skills of individuals to drive business success. AMA's approach to improving performance combines experiential learning—learning through doing—with opportunities for ongoing professional growth at every step of one's career journey. AMA supports the goals of individuals and organizations through a complete range of seminars, Webcasts and podcasts, conferences, corporate and government solutions, business books and research. Organizations worldwide, including the majority of the Fortune 500, turn to AMA as their trusted partner in professional development and draw upon its experience to enhance skills, abilities and knowledge with noticeable results from day one.

## Association of Strategic Alliance Professionals (ASAP)

The Association of Strategic Alliance Professionals is the leading global professional association dedicated to alliance formation and management. Founded in 1998, the organization provides a forum to exchange best practices and a framework for cultivating the skills and toolsets needed to manage successful business partnerships. ASAP offers extensive professional development opportunities, the CA-AM and CSAP professional certification, networking, a job bank, and a variety of additional products and services.

## Pearson

Pearson's Talent Assessment business develops and delivers the TalentLens line of scientific assessments for employee selection, development, retention and succession planning. With *The Watson-Glaser Critical Thinking Appraisal* and other assessments, Pearson focuses on 21st century skills, such as critical thinking, learning and innovation.

## **SHRM**

The Society of Human Resource Management (SHRM) is the world's largest professional association devoted to human resource management, with over 250,000 members in more than 250 countries, and with offices in the Washington DC area, China, and India. SHRM was invited to join as a partner in this endeavor as we knew SHRM's thought leadership and perspective would add an invaluable lens to the data about the cohort. Specifically, the organization provides a perspective on recruiting and hiring alliance managers with the key competencies necessary to be successful, ensuring their smooth onboarding and integration within an organization (especially those organizations that are not familiar with alliance professionals), and ensuring the retention of these professionals within their organization by providing the appropriate training and resources that are needed.

## **AMA Subject Matter Expert**

Dave Luvison, an AMA subject matter expert, consultant, course developer and faculty member, was asked to join the group to lend his expertise to the design of the study and to facilitate our panel discussion. All felt that Dave's experience with and exposure to a broad spectrum of alliance professionals (through his consulting practice, his dissertation research and AMA course attendees) would add invaluable insight and yet another lens to our understanding of this specific group of professionals.

## The Study

The purpose of this study was to learn more about the work characteristics (e.g., personality style, critical thinking) of strategic alliance professionals. The resulting information paints a picture of these professionals that can be used to help organizations better define the crucial requirements of this emerging role. The characteristics of strategic alliance professionals were also compared with those of managers and executives to offer ASAP members insight into possible career path opportunities for their strategic alliance professionals. A final goal was to identify a "Star Profile" of top strategic alliance experts to highlight the capabilities these professionals possess that differ from their less experienced peers in the field.

### Method

After reviewing the ASAP competency model, critical thinking and personality assessments (both published by Pearson) were selected because they measure qualities that serve as the foundation for many of the ASAP competencies:

- *The Watson Glaser Critical Thinking Appraisal* measures the ability to critically analyze information, evaluate competing information, and draw accurate conclusions. These skills are essential for effective problem solving and decision making.
- *The Workplace Personality Inventory* measures 16 key work styles associated with job success across a wide variety of occupations.

Several demographic and background questions were also included in the survey to identify typical work responsibilities, level of experience, management responsibilities and prior education and training.

Participants completed the study in October/November 2008. The survey was fairly time-intensive, so 114 people completed the background questions and 54 people completed the entire survey (including the two assessments). The 54 participants were similar to the larger group, and appear to be representative of the profession. The majority of the respondents were from the Information Technology/High Tech, Telecommunication (59%) and Pharmaceutical (18%) industries.

### Results

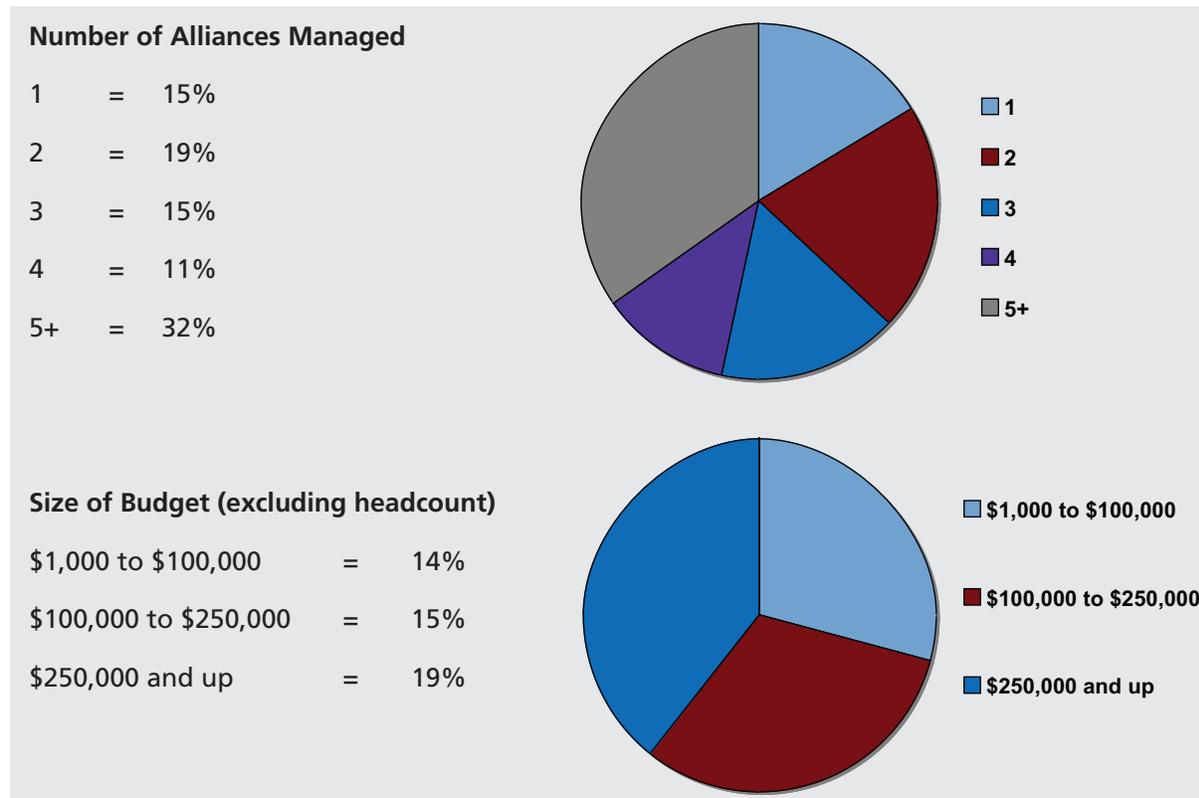
The type and level of work responsibilities of this group are summarized in Table 1. The majority of the participants have been in their current position for five years or less. However, over 60 percent have been in the field of strategic alliance management for 6–20 years. This is an experienced cohort. As part of their job function, over 60 percent identify and evaluate new alliance candidates and negotiate agreements. In terms of supervisory responsibilities, a little more than half manage one or more direct reports.

**Table 1: Snapshot of Participants**

- Over 70% have been in current position for 5 years or less.
- However, over 60% have been in strategic alliance management for 6 to 20 years.
- Over 60% identify and evaluate new alliance candidates and negotiate agreements.
- Slightly over half manage others (typically 1–5 direct reports)

To gain additional perspective on the scope of their alliance responsibilities, we asked about the number of alliances managed and budget size (excluding headcount). As shown in Table 2, the most typical scope includes management of five or more alliance relationships, with a budgetary responsibility exceeding \$250,000. This group has undergone extensive professional training, with 80 percent holding a certificate of achievement in alliance management and 56 percent possessing special alliance management training. The majority of respondents reported having obtained a master's degree or higher.

**Table 2: Alliance Management Scope**



# Capabilities of Strategic Alliance Professionals

To identify the unique capabilities of strategic alliance professionals, their work style profile was created using a comparison group of Working Adults (see Table 3). For the Very High and High categories, the strategic alliance professionals come across as very independent and sociable. They are likely to lead and influence others, in a cooperative style, and to gravitate toward innovation. The Moderate scores are work styles where strategic alliance professionals are similar to other working adults. In the Low category, they are less likely to persist in areas where they do not perceive a positive gain or outcome, they are not detail-oriented, and they may flex rules to get things done. Workplace behaviors typically associated with Low and High scores are described in Table 4.

**Table 3: Work Style Scores**

Very High	High	Moderate	Low
<input type="radio"/> Independence	<input type="radio"/> Sociability <input type="radio"/> Leadership <input type="radio"/> Initiative <input type="radio"/> Cooperation <input type="radio"/> Innovation	<input type="radio"/> Achieve/Effort <input type="radio"/> Analytic Thinking <input type="radio"/> Adaptability <input type="radio"/> Self-Control <input type="radio"/> Concern for Others <input type="radio"/> Stress Tolerance <input type="radio"/> Dependability	<input type="radio"/> Persistence <input type="radio"/> Attention to Detail <input type="radio"/> Rule Following

Table 4: Work Style Scores

<b>HIGH WORK STYLE SCORES</b>	
<b>Work Style</b>	<b>Likely Workplace Behaviors</b>
<i>Independence</i>	Prefers freedom to guide self with little or no supervision; develops own way of doing things; deals effectively with ambiguity
<i>Sociability</i>	Enjoys working with others and having colleagues as friends; very high scores may be uncomfortable working alone
<i>Leadership</i>	Prone to taking charge, leading others, and offering opinions; very high scores may push others too firmly
<i>Initiative</i>	Enjoys taking on new or additional work responsibilities and challenges
<i>Cooperation</i>	Consistently demonstrates a pleasant, good-natured, and cooperative attitude with others on the job
<i>Innovation</i>	Enjoys producing new or creative ideas for addressing work-related issues or problems
<b>LOW WORK STYLE SCORES</b>	
<b>Work Style</b>	<b>Likely Workplace Behaviors</b>
<i>Persistence</i>	May not persist when faced with difficulties or obstacles, or when success seems unlikely
<i>Attention to Detail</i>	Prefers tasks and issues requiring a more global focus to those requiring high attention to detail
<i>Rule Following</i>	Unlikely to demonstrate strict adherence to rules and regulations across all situations

The work style and critical thinking profile of strategic alliance professionals was then compared with the profile of executives. This comparison lends insight into the similarities and differences between the strategic alliance professional and the executive (a position that some alliance professionals might aspire to). The executive and strategic alliance groups were similar (not significantly different) across most work styles. Executives had higher scores in Persistence, Rule Following, and Attention to Details. The strategic alliance group's relatively low score in these three areas was more consistent with the profile of sales professionals than executives.

For critical thinking, the strategic alliance and managerial samples were compared using a Working Professionals norm or comparison group. (This comparison group is more competitive than a Working Adult norm group.) The strategic alliance professionals achieved high scores when compared with other professionals. They scored higher than managers and identical to directors and executives. These results show that strategic alliance professionals have well-developed critical thinking capability.

In terms of career development, the results suggest that strategic alliance professionals have the intellectual horsepower and leadership drive needed for executive positions. However, executives typically possess more patience when faced with obstacles, procedural policies, and details.

## Star Profile

We wanted to examine strategic alliance professionals who identified themselves as “top experts in the field” to see how they differ from those who identified themselves as novices and moderately proficient. The “top experts” differed from their peers in several ways. Key findings are:

- “Top experts” are even more independent and sociable than most strategic alliance professionals.
- They are also higher in critical thinking and in leadership orientation.
- Finally, they possess a higher level of concern for others, which means that they have a strong empathic connection with people.

When we look at the overall profile of top strategic alliance experts—areas where they differ from their peers as well as areas of similarity—a pattern emerges:

- Top experts appear to be very dynamic individuals who care about and connect with people; they positively influence and motivate others.
- They are constantly reaching out and networking with people.
- They are also very strategic and likely to find and create opportunities to use their critical thinking skills and independent and innovative style.
- On the other hand, they are likely to feel bogged down if required to devote energy to a lot of strict procedural demands and attention to details. They would suffer if forced to work within a bureaucratic environment.

# Opportunities for Growth and Development

Reflecting upon the survey results and summary information for both the “general” and STAR groups, patterns emerge for training and development which have broader implications for career trajectory challenges facing alliance professionals.

Following the philosophy that professionals always attempt to enhance and leverage their personal strengths while at the same time addressing and correcting weaknesses, individuals serving in alliance management functions should consider the following development areas in order to better position their careers.

## ○ Leveraging Strengths

In these turbulent and uncertain times, organizations increasingly require employees who can assess difficult situations, deal with ambiguity, drive innovation and—most importantly—facilitate achievement of the organization’s financial and strategic objectives. The alliance professionals’ skill set appears to be ideally suited to this requirement; high scores in critical thinking, focus on innovation, and ability to work independently match up with the demands facing today’s organizations. However, the question is how these professionals might improve and showcase their strengths to best deliver the value—and consequently receive the recognition—they are capable of.

Alliance professionals should therefore consider three areas for further personal development:

1. **Leading and managing organizational change.** Difficult business challenges call for innovative solutions, and these will likely pressure people and their organizations to adapt. Consequently, in order to implement successful solutions to tomorrow’s business challenges, alliance professionals will need to stretch their collaborative acumen so that they can become skilled change managers.
2. **Surviving in a world of organizational politics.** Tough financial times place pressures on all the stakeholders within an organization, inducing them to become entrenched in their respective functional silos and seek to protect proprietary interests. In order to be effective in this environment, alliance professionals will need to better develop their strengths in leadership and sociability in order to influence internal stakeholders and partners alike.
3. **Maintaining financial fluency.** In challenging economic times even worthwhile programs can be cut, so it is important to appreciate the fundamental financial drivers of the business and be more conversant in understanding business drivers and presenting and defending proposed plans. This can be a natural extension of the alliance professional’s orientation toward leadership and initiative if alliance professionals are able to develop their financial acumen.

## ○ Addressing Weaknesses

Today's organizations are challenged to do more with less, so they have a strong need for operating leverage—the ability to make their fixed costs work more efficiently for them. In an alliance setting, this translates to the ability to create systems and processes that allow more effective management of partner relationships. However, this appears to be in opposition to the low work style scores alliance professionals display in the areas of persistence, attention to detail and rule following. This raises a critical question: “Does the tendency toward independence and the aversion to detail hinder alliance professionals’ ability to progress in their organization?”

Perhaps the biggest takeaway for people in alliance management functions is the major area in which they differ from executives—their ability to articulate the benefits they create in their alliances and codify systematic models to deliver those benefits in a repeatable and scalable manner. As indicated by this study, alliance managers are strong critical thinkers, but their challenge is to become strong systematic thinkers. To do so alliance professionals first need to develop a stronger sensitivity to process management. This will permit them to better deliver on the execution-oriented expectations held by senior management in their organizations. Secondly, alliance professionals need to make the move from operational managers to strategic thinkers. Though their collaborative skills and initiative generally enable them to be effective, in order to take that to the next level these individuals will need to be seen as “builders” rather than “doers.” The best example of this can be seen in the annual ASAP awards; organizations cited for excellence have demonstrated how they can create systems that ensure that the advantages of alliances are felt broadly through their organizations.