Strategic alliance must for a competitive advantage

Our Bureau
PUNE

THE Sinhgad Institute of Business Administration and Research (SIBAR) organised a two-day international seminar on ‘Strategic Alliances for Sustainable Competitive Advantage’ on February 19 and 20. Organised with the assistance of University of Pune, the seminar was an attempt to bring to the fore research on strategic alliances in order to lay out an agenda on collaborative strategy and alliance management.

VS Mangnale, director, SIBAR, said: “Strategic alliance is a voluntary, formal arrangement between two or more business entities to pool resources to achieve common objectives while remaining independent.”

“Strategic alliances involve exchange; sharing and co-development of products, services, procedures and processes,” said SIBAR joint director Avadhoot Pol.

Strategic Alliance helps businesses by giving them access to the national and regional markets. The primary benefits also include reduction in product development costs, as individual companies may lack the skills to undertake projects independently.

Apart from this, it will provide important and continuous learning opportunities and thus create a win-win situation.

An effort was made through this seminar to chart out the alliance literature, its evolution, current status and future course. It covered the theoretical as well as practical foundations that guide work on inter-firm collaboration, ranging from sociological perspectives to organisational economics.

Through the seminar, representatives from academic fraternity and industry discussed their experiences on the subject. The objective was to understand and define the various forms of strategic alliances, to identify the ‘Organisational Drivers’ for Strategic Alliances and to classify the benefits and risks of Strategic Alliances.

Leading corporates, practitioners and academic scholars provided information on functional areas in management in an integrated way linking theory to practice.

Yatin Shah, MD, Precision Camshaft, Solapur, focused on the ground realities of what it takes for an alliance relationship to be successful in the long run and what challenges lay in front of the alliance partners as they strive to co-exist in a competitive business environment.

CV Pattenshetti, vice-president, Delphi Computech Group, Pune, and Prakash Vasekar, technical advisor, Delphi Computech Group, shared experiences on how alliances could be beneficial at both ends — backward from the vendor side and forward from the customer side.

Amol Purandare, results & market development, Times of India Group, discussed the marketing issues of a strategic alliance, highlighting the huge opportunities that can be explored through effective alliances. The financial issues were covered by Rahul Tungatkar, AVP, HSBC, who drew the students’ interest towards the trends on the theme relevant to the banking and finance industry. All speakers focused on how students could shape their learning, as management institutions also adopt specialised knowledge areas that equip learners to become industry-ready management graduates.

Mr Mangnale and Mr Pol charted out the need for more intensive and regular industry-institute interface towards this goal. Academic inputs on the central theme of the seminar found presence in the form of research papers from faculty and students from reputed universities. Some of the international participants belonged to South Africa, Iran, Nepal, Tanzania and Cameroon.

DATE: 22 FEB 2010