Transform Your Alliance:
accomplish extraordinary results

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(go to www.spibr.org/Change_Your_Alliance.pdf
for the most current version of this whitepaper)

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Be the change you wish to see in your alliance.

About SPiBR.org LLC
Founded in 2007 in Loveland, Colorado, SPiBR.org LLC is an international consultancy focused on strategic alliance managers. We are about the practical application of spiritual principles in business relationships. We help strategic alliance managers increase personal and organizational effectiveness and create a more value-enabling climate. Professional services include training, consulting and coaching services for alliance managers, alliance management effectiveness, and transformational practices.

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1. Introduction

My history with Robert E. Quinn's book *Change the World* starts in 2005. At the time I was leaving HP and my manager, Kirk Wilkinson, brought this book to Heidelberg, Germany, as a parting gift. We were transferring management of the HP/SAP alliance from me to him. He knew that I had been on a quest to figure out how spiritual principles apply to the artful science of alliance management. Quinn's book is directly relevant to this endeavor.[1]

As a distinguished MBA professor at the University of Michigan's School of Business, Quinn studied the lives of Jesus Christ, Mahatma Gandhi and Martin Luther King as *transformational* change agents; they certainly accomplished great transformations in our world. His book is explicitly about bringing spiritual principles into the world of business.

Quinn's book had a fundamental impact on me. I was impressed by the powerfully clear simplicity in Appendix A.[2] I could see how the four types of change agents (*fact*-based, *authority*-base, *relationship*-based and *transformational*) were evidenced in the evolution of my 16 year career as a strategic alliance manager. I also saw how different alliance activities called for a different type of change agent.[3]

Quinn described 20 attributes of *transformational* agents of change, more fully discussed in Section 3. These align with the spiritual principles I aspired to embody while establishing a seemingly "impossible" alliance between HP and SAP. His book described my career path. My spiritual quest was affirmed and clarified.

Fundamental transformation is sorely needed in the field of strategic alliance management. How else are we going to reverse today's unacceptably high failure rates?[4] Well over half of all alliances fail to achieve their full value-creating potential; this is due to failure in *relationship*. Practical spirituality is about the deepening of relationship.[5]

This whitepaper presents the ideas from Quinn's book as they apply to strategic alliance management. It is about changing *relationship* for the better, starting within the alliance manager. It is about transforming your relationship with yourself.

1.1. Spiritual Disclaimer

I describe my spirituality as being open and growing; and yet, I acknowledge that I have unseen blind spots or biases that may cause me to be close-minded. I describe the two "spiritual universities" in my life as recovery from drug addiction and dealing with my children's progressive disability.[6] Also, I am a long-standing student of *A Course in Miracles* and an active participant in 12-Step Recovery (Alcoholics Anonymous and Narcotics Anonymous).[7] In my writings and in my life I am very clear about the spiritual principles, or "simple truths," which are important to me.[8] Sometimes my bold clarity, coupled with a passion for life, can be perceived as zealotry, evangelism or dogmatism; this is not my intention.

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[1] For an introduction to my approach in managing strategic alliances (long-term value-creating relationships) read http://www.spibr.org/strategic_alliance_manager_role.pdf - a powerful whitepaper on the role of alliance management.

[2] Go to www.spibr.org/Transformational_Change_Agents_and_Organizations.pdf for Appendix A from the book *Change the World* by Robert E. Quinn. If you resonate with these ideas buy his book.

[3] See Table 2.0 - *Alliance managers as agents of change* for an illustration of how various type of change agents are most relevant during different alliance development activities.

[4] *Managing Alliances for Business Results: lessons learned from leading companies* by Jeff Weiss, Sara Keen and Stuart Kliman; Vantage Partners, LLC. A 2006 study of alliances in 93 companies and various industries: healthcare, high-technology, manufacturing, pharmaceuticals and professional services. Over half of all strategic alliances fail to achieve their value-creating potential. In high-technology the failure rate is nearly two-thirds. Well over 40% of these failures are due to poor or damaged *relationships*. The remainder is due to failure in traditional areas of business: strategic planning, business planning, legal and financial due diligence.

[5] For a practical definition of spirituality refer to www.spibr.org/defining-spirituality.

[6] For more about my life story go to www.spibr.org/joe_kittel_story.pdf.

[7] For a list of books that have most influenced me, and in some way describe or define my spiritual path, go to www.spibr.org/good_books.html.

[8] For more information on my five simple truths, spiritual principles or ideas, go to www.spibr.org/spiritual-principles.

Do *not* accept my truths as yours. You have the truth within you; *be true to yourself*.

> *"Don't be trapped by dogma — which is living with the results of other people's thinking."*
> - Steve Jobs

Do not blindly accept what I say to be true. I suggest you try out these ideas. Validate them with your own life experience.

Most of the ideas in this document stand on their own without the need to understand, accept or embrace spiritual principles. As I see it, spirituality sheds light on *why* or *how* this stuff works and helps us understand the fundamental principles in strategic alliances.

1.2. Ideal Audience

This paper is written *by* and *for* strategic alliance managers. The ideal reader has substantial experience establishing, developing and managing strategic alliances; such a person will likely find the ideas in this paper to be insightful and helpful.[9] Readers who are new to alliancing may not have sufficient experiential context; initially, they may see these ideas as simplistic or naïve. It may be hard for them to readily appreciate and assimilate this material; not impossible, but hard.

> *I encourage you to read on and "fasten your seat belt."*

Strategic alliances are **long-term**, **value-creating** business relationships.[10] The more long-term and value-*creating* the relationship, the more it is a strategic alliance.[11] Business relationships that are shorter-term or less value-creating are still very important to the business; but they are tactical, not strategic. This precise and demanding definition clarifies where the ideas in this paper are most helpful: in a strategic alliance, the most challenging form of business relationship.[12]

1.3. Purpose of Whitepaper

The purpose of this whitepaper is to provide seasoned strategic alliance managers with insight and encouragement. If you have been exploring the use of practical spiritual ideas in your work, this paper may help you in that endeavor.

Strategic alliances sorely need fundamental transformation. *You* are the person to lead that change.

2. Four Perspectives on Change Agents

The core ideas in this whitepaper are derived from *Change the World: how ordinary people can accomplish extraordinary results* by Robert E Quinn. His transformational ideas have been adapted to the role of alliance manager.

You might ask, "Why are we describing our role as an agent of change?" If, as strategic alliance managers, we are *not* about changing our alliance, our company and ourselves, we might ask, "Why are we doing this job?" Creating

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[9] "Substantial experience" means (a) many years of experience, or (b) substantial success or failure. Anyone looking to make fundamental improvement will find this paper helpful. Anyone looking to understant root causes will find these ideas to be useful.

[10] "Strategic alliances" are *long-term value-creating* relationships. Sales, procurement, co-selling, co-marketing and channel relationships are typically shorter-term and they are mostly about value *exchange* or value *extraction*; they are therefore not strategic alliances.

[11] The need for practical spirituality in alliances is a strategic imperative. Read wwwspibr.org/strategic-imperative.

[12] Given the intense challenges in these relationships, alliances are crucibles for transformation. Read wwwspibr.org/change-starts-here.

value is an act of change. Change is needed if we are to reverse the current rate of failure in alliances. Change is needed if we are going to *transform* our current frustrations into enthusiasm and joy.

Quinn's book describes four types of change agents. We can apply these change agent types to the role of strategic alliance manager. We experience countless opportunities to apply each of these four types, depending on the situation. The important thing is for us to be comfortable playing any of these roles, as situations dictate. This is *not* about being a chameleon; this *is* about being present, aware and responsive to the alliance's environment.

Read Table 2.0 in a clockwise manner. Strategic alliance managers tend to progress from being *fact-based* to *authority-based* to *relationship-based* and, finally, to being *transformational* (i.e., focused on the relationship with one's Self). The outer ring illustrates how a specific type of change agent is most effective during various activities or phases in alliance development.

Assessment	Structured Control		Escalation
Fact-based		**Authority-based**	
Behaviors we embody:		**Behaviors we embody:**	
• Arguments of **rational persuasion** • Be an expert with all the necessary facts and knowledge • Lead sufficiently detailed analysis in preparation for discussion and negotiation • Instruct, inform and teach		• **Leverage behavior**, **force** compliance • Use authority, and if necessary fear, to legitimize directives • Assure compliance via performance-based reward and punishment • Information flow and context is controlled	
Transformational		**Relationship-based**	
Our embodiment:		**Behaviors we embody:**	
• **Transform self** – embrace hypocrisy, spiritual boldness, lead by being • Productive community, transcend external sanctions, disrupt systems (as needed) • Collective awareness of and surrender to emergent reality – "something going on"		• **Open**, all-inclusive and clear **dialogue** fostered in a supportive environment • Healthy, non-judgmental confrontation to resolve important and difficult issues • Interpersonal cohesion – feeling "part of" • Strong emphasis on win/win relationship	
Trail Blaze	**Renew**		**Negotiation**

Due Diligence (left side label), *Preservation* (right side label)

Table 2.0 – Alliance managers as agents of change.

2.1. Fact-based – "If I give you enough information, you will change."

In this type we focus on educating, informing and even dictating in order to *make* change happen. The belief is that if we just present all the facts, others will be persuaded to cooperate and change. In this mode the focus is on developing basic competencies and becoming a knowledgeable expert. Detailed analysis is important so that any questioning or criticism can be effectively counter-argued, being grounded in fact.

This mode of operation helps in the *assessment* of alliance opportunities. Often collective attention needs to be focused on critical technical, legal or regulatory matters. When used in combination with the transformational mode, being fact-based is helpful during due diligence assessments of new partnering opportunities. When

in the midst

combined with the authoritative mode, fact-based is helpful when highly-structured control is necessary, like an alliance in the pharmaceutical industry.

2.2. Authority-based – "If I 'escalate' to your manager I can make you change."

We often strive for greater personal *authority* by moving to a higher level in the organization. The belief is that our personal frustration can be mitigated with more authority, a larger team or increased budget. What we think we need is more leverage. Title and position are important. It is crucial to have concise directives, backed up with an unambiguous ability to reward or punish others in order to achieve organizational alignment and individual compliance. *Control* of information is important to maintain; leverage needs to be maintained so information-hoarding seems to be needed.

This mode helps in the middle of a major customer *escalation*, when both strict *control* and immediate *action* is needed. Coupled with being fact-based, positional authority helps structure alliance activity. Combined with the relationship-based mode, this mode helps during times when the alliance is threatened, like when one of the partners is being acquired by another company; a regulatory audit may also seem threatening to an alliance. During these times discussions need to be open and trustful, but also *controlled*.

2.3. Relationship-based – "As we work together, we will both change."

Over time, we begin to realize "it is all about *relationship*." Participatory dialogue becomes important. There is a strong focus on the human processes: open dialogue, supportive communication, and the need to ensure that everyone's position is heard. There is commitment to win/win outcomes, where both sides benefit. Equality in "giving and getting" is important – we strive for a balance-of-trade. With a desire to maintain a positive relationship, conflict and confrontation may be suppressed. As we gain experience we realize that *loving confrontation* – jointly facing issues *in* the relationship without conflict, without attacking each other – is healthier than suppression and it is necessary.

With an extreme obsession on relationship there may come an unhealthy tendency toward striving to *always* achieve 100% consensus in *all* decisions. This is a simplistic form of listening to the voice of the collective that can end up stifling forward movement due to suboptimal decisions. The collective's voice needs to be heard, but it also needs to be tempered with a clear and passionate vision of the future. Leaders use their vision to filter, refine and focus what is heard from the collective. This is how healthy leadership occurs in the rooms of AA or NA (in 12-step recovery) where a „single point of decision making and accountability" is responsible for allowing group conscience to be heard. After that they make decisions and lead on behalf of the group.

A strong bias toward relationship is helpful during the early phase of formal *negotiations* or during the establishment of a new alliance. Combined with the authority-based mode, a relationship focus is helpful when an alliance feels threatened. Combined with the transformation mode, a relationship focus is helpful in the transformation or renewal of an alliance.

Relationship is the key as we move into the transformational mode. Here the focus is first one's *internal* relationship with one's Self.[13]

2.4. Transformational – "I must first change myself, thus inspiring you to change."

At the height of our personal and organizational effectiveness, we see ourselves as an integral part of the collective whole. We realize that we play both a very *small* role *and* a very *large* role. As individuals it is *all* about us and *nothing* about us – it is all about "we." Others produce the tangible value. We, as alliance

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[13] The capitalized word "Self" is used to refer to your core essence, the perfect Truth within you, Love.

managers, simply and powerfully enable that value to be effectively created; to do this we focus on the *invisible* and the *timeless* forms of value (e.g., trust, openness, love).

We realize that we need to personally embody growth and progress. We grow to personify the common good of our alliance community. We are empowered as we empower others – as we give we receive.[14] We are empowered by our team to lead the way past obstacles and through value-impediments. The team's possible disruption of the overall business organization may be inevitable, but again, it is for the greater good. As alliance managers, we have the opportunity to "*be* the metaphor for metamorphosis."

The transformational mode is most helpful as we are "*trail blazing*" or looking for breakthroughs in the alliance. Coupled with the relationship-based mode, it enables us to transform or reinvent the alliance. Combined with fact-based mode, it helps us in conducting due diligence assessment of a new opportunity.

Clearly the transformational mode of alliance management is *not* appropriate *all* the time and in *every* situation. It can actually be quite tiring to stay transformational, tiring for us and tiring for those around us. It is important that we are comfortable being in any mode, including transformational, as situations dictate, as opportunities present themselves.

The **three traditional types** of change agents (*fact*-, *authority*- and *relationship*-based) primarily focus on the acquisition and use of *knowledge* or *skill* development, not so much on attitude & mindset.

Changing *attitude & mindset* accomplishes **transformation**. To become transformational we have to be willing to change our perception of self, others and life. We accomplish this by *first going within*, and then by going out into our alliance community. We move beyond best *practice* to best *being*.

> *Fundamental transformation is "a we thing" – we cannot do it alone.*

2.5. Alliance Managers as Transformational Change Agents

It is a fundamental premise that greater good comes through collaboration; therefore, great alliances focus on making collaboration great. As alliance managers we struggle to create and maintain a value-producing climate, while surrounded by a world obsessed with competition and pervaded by fear. In alliancing, a competitive mindset immediately puts the alliance's environment into a "me vs. you" mode or a scarcity mindset, while collaboration focuses on expanding business in abundance.

> *In any human-based system, more is accomplished through* collaboration *focused on* abundance *than through* competition *and* fear *focused on* dividing *a fixed resource.*

At a minimum there needs to be a balance between being competitive and being collaborative. Today's business world is out-of-balance with an obsession on competition, to the point of organizational and individual dysfunction. Perhaps the world of business has reached a phase in its growth where its singular focus on competition and winning at all costs has run its course. To help take companies to the next level of value-creating performance, collaboration needs to be fostered.[15]

> *As strategic alliance managers we are at the forefront of a* fundamental shift *in the world of business.*

We are leaders helping transform business from today's fear-based, me vs. you, scarcity-oriented climate into a healthier environment of rejuvenation, abundance and greater growth. Alliance managers have a unique role to

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[14] Read about www.spibr.org/self-obsolescence - how we are empowered as we empower, how we receive as we give.

[15] Strategic alliances are crucibles for change, where fundamental business transformation occurs – www.spibr.org/change-starts-here.

affect this change. We are individuals striving to accelerate the creation of incremental business value via greater collaboration.

> *This is the ultimate disruption of the system; we help change the world of business for its own good and* into *its own greatness.*

3. Attributes of Transformational Alliance Managers

Below are twenty attributes of transformational change agents as contrasted with traditional agents of change (fact-based, position-based and relationship-based). These attributes are derived from an analysis of the transformational impact that Jesus Christ, Mahatma Gandhi and Martin Luther King had on the world.[16]

Someone who is comfortable embodying these attributes is a "transformational strategic alliance manager" – helping transform the world of business toward collective greatness.

3.1. Core Vision Focused on a Value-Creating Community

Rather than being focused just on personal survival, the transformational alliance manager has a core vision focused on creating a productive community. This vision originates from within them and it envelops the entire alliance. This happens because they have focused on their most strategic alliance of all, their relationship with their Self. Having confronted hypocrisies or internal integrity gaps they have gained internal trust. With greater integrity they symbolize creative synergy. Such agents of change are inner-directed and other-focused. They are focused on doing the right thing for all concerned and that sense of rightness comes from within. Their higher purpose is to have their alliance become a productive community that achieves its full value-creating potential.

As the alliance team becomes a value-creating community, it takes on nontraditional characteristics, attributes rarely seen in business. While its overall purpose and the formal roles of individuals are imposed from outside the alliance, purpose and role are continually being refined and clarified *within* the community. With a focus on collectively serving the alliance's highest purpose there is flexibility in individual roles. And the alliance's value-creating vision is iteratively refined and refocused, continually surfacing new opportunities. In some ways the alliance manager and senior management become *servants* to the team, protecting its fragile nontraditional reality and helping to remove obstacles which impede value-creation.

Trust and confrontation go side-by-side in transformational alliances.

Trust is the foundation in *every* relationship; this is especially true in strategic alliances. Because there is high trust in this community there is also healthy confrontation. Difficult issues are not avoided; they are proactively dealt with head-on. As a result new insights and opportunities naturally surface and trust grows. Trust and confrontation create a *virtuous* cycle, leading to greater levels of trust, more open dialogue, more productive collaboration, and increased value-creation.

3.2. Fixed *and* Spontaneous Leadership

Transformational leadership is derived from taking a *both/and* approach rather than an *either/or* approach to alliancing. This mindset is pivotal in defining how an alliance manager approaches their alliance. Do they think of it as "them *or* us" or "them *and* us?" Do they see life as "me *versus* the world" or "me *with* the world?" Is their inner-most leadership style one of "mind *versus* heart" or "mind *with* heart?" Are they living a wholehearted life? Do they

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[16] *Change the World* by Robert E. Quinn.

see a divisive world or an interconnected one? Are they *a part of* or *apart from*? Such are the dichotomies we face when we are trying to transform an alliance to be more value-creative. It starts with us and *within* us.

In leadership, another dichotomy is about *fixed* authority or *spontaneous* leadership. The alliance's executive sponsors and direct-line managers are obviously fixed authorities. They provide the alliance with relatively fixed strategic and business objectives. And the alliance manager needs to have an unwavering focus on value-creation; this aspect of his leadership is fixed.[17] But if things are too rigid, creativity gets stifled, value-creation remains mediocre, and the alliance's fixed authorities end up being frustrated. How can we free things up?

The answer comes from an unexpected place, flexibility comes from healthy *confrontation*. If an alliance manager is open to being challenged by others they will continually learn and grow. This requires great trust and it breeds greater trust, a virtuous cycle. This requires a clear differentiation between *conflict* (attacking another) and *confrontation* (attacking an issue *in* the relationship). Confrontation is about being hard on issues *and* soft on people; this style of leadership is required in a healthy alliance.

Healthy confrontation comes bearing gifts.

The healthiest confrontations often come from the people who are closest to the issues. These individuals may also be the best ones to lead the team in the most challenging situations. As we accept the lessons taught by confrontation we will encourage those individuals with the greatest skills, knowledge and experience to lead the team; we then can follow, support and encourage them; we step back and watch our alliance transform itself.

A transformational alliance manager embodies *both/and;* they symbolize inter-connectedness. They are internally secure *and* confrontational. As I said, they are hard on issues *and* soft on people. They have a fixed focus on value-creation *and* they encourage spontaneous leadership (from others). They are a trusted servant *and* the single point of decision-making and accountability (to senior management). They are all-knowing (about their alliance) *and* all-sharing (practicing self-obsolescence via just-enough and just-in-time training).[18] By being comfortable right in the middle (in the "and" between negotiating "positions") they can lead negotiations to the most creative options that are beyond mere win/win results; there is a better solution living in the midst. The best leadership is fixed *and* spontaneous.

3.3. Bounded Instability at the Edge of Chaos

The state for maximal value-creation in a transformational strategic alliance is one of *bounded instability* or *controlled chaos*. Such a community is bounded by a clear structure with well-defined purpose, roles and governance. However, within this alliance there is tremendous flexibility. This is enabled by the rich flow of information which is based on high trust, leading to highly-productive dialogue. Such an open, responsive and flexible environment ensures that the alliance's most value-creating vision continually emerges, gets challenged, and is collectively refined. This state of bounded instability is preserved via *negative* feedback loops (moderating change) while self-organization is accomplished via *positive* feedback loops (calling for change).

When there is healthy tension between the two polar opposites of stability and chaos, the spirit that lives *in* relationship emerges and takes form; the alliance takes off. In this case we are talking about the relationship between *ideas*. Here are some examples of the relationship between ideas:

- *Experience* comes from the tension between *challenge* and *ability*.

- *Character* comes from the tension between being *inner*-directed and *other*-focused.

- *Leadership* comes from the tension between concern for *task* and concern for *people*.

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[17] I have used "him" and "he" to describe the alliance manager. It is arguable that I would have been better off using "her" and "she" because the feminine aspect of us seems to be better at *relationship* than the masculine. Nonetheless, I have adopted the standard convention in this area; to do otherwise would distract from the fundamental message of this whitepaper – transformation. Actually the best solution is in the melding of the masculine and feminine within us, such is the intent of living a *wholehearted* life by melding head and heart, thoughts and feelings.

[18] Again, I refer you to the most empowering practice an alliance manager can embody – www.spibr.org/self-obsolescence.

- *Organizational form* comes from the tension between *hierarchy* and *flexibility*.

- The best *outcome in a negotiation* comes from the tension between *trust*-filled openness and *assertiveness*.

If we pay attention we will see that strategic alliances exist all around us, within an individual (creating Core Vision), between businesses (creating value) and even between ideas (creating new ideas).

Alliances are about both/and *thinking, not* either/or *compromises.*

Being transformational requires us to live at the edge of chaos, this is accomplished by thinking beyond *either/or* situations; it requires us to embrace *both/and.* As strategic alliance managers we understand the value of *both/and* in the process of developing our alliance. We grow further when we realize the universal application of this *both/and* mindset, when we apply it to our relationship with ourselves, the relationship between ourselves *and* others, and even to the relationship between ideas.

3.4. Enact Healthy Insurgency

Transformational strategic alliances (i.e., highly-productive communities) are not the norm, yet they do occur. In order to get there, the alliance often needs to break through surrounding bureaucratic constraints. At these times the alliance may be stuck in mediocre performance, possibly due to the structure around it becoming frozen, rigid and too predictable. Perhaps senior management has imposed directives intended to *force* the alliance into creating more value, and yet this kind of externally-imposed pressure often ends up stifling collaborative dialogue. And so value-creation becomes stifled despite the best intentions of management.

A strategic alliance has the potential to not only be a productive community, but also a source of healthy change (insurgency) for the entire business. Initially this change is motivated by the desire to remove external and internal value-impediments.

All positive change starts in *relationship, the more intense the better.*

As I see it, all change happens in relationships; the more intense and important the relationship, the greater the opportunity for growth. Given their focus on long-term value-creation, strategic alliances are the most intense form of relationship in business, and so they are the best crucibles for the transformation of the alliance and for the growth of the overall business.[19] Consciousness can increase in business, starting in strategic alliances, if alliance managers and businesses are willing. For alliance managers, this requires a great deal of self-mastery.

3.5. Self-Authorizing

Ultimately our greatest empowerment comes from self-mastery. As we overcome internal hypocrisies and integrity gaps, as we overcome our lesser self, we start tapping into our highest potential. We start drawing closer to our creative core which empowers us to overcome external sanctions and constraints. Some people have called this internal core our Self or the Light within. Whatever word we choose to use, the core of ourselves is powerful, inspirational, great and creative.

We start making fundamental choices in our lives which lead to a surfacing of our previously suppressed purpose and passion. We begin to consistently focus on a higher-purpose for ourselves, for our alliance, and for the world around us. We are both fixed *and* flexible; we our steadfastly focused on higher-purpose while bending with circumstance. When others might conform or give up, we remain open for creative solutions which will take toward greater value-creation.

We are free to become more powerful value-creators.

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[19] Again, I refer you to www.spibr.org/change-starts-here.

As we begin transcending our internal fears we gain capacity to transcend external constraints. We push the envelope in ourselves, in others and in our business. Our purpose is to achieve maximal growth for ourselves, our alliance and the business.

3.6. Mindfully Focused on the Invisible and the Timeless

As transformational alliance managers we increasingly connect with our unique value and purpose in life. We let go of the traditional self-serving ways of business and start serving the collective. We start serving our alliance in new and transformational ways. As our new sense of self emerges, greater consciousness or awareness becomes present in our lives. With increased internal and external integrity, we co-create an ever-more value-productive community in our alliance.

We change our alliance by focusing on its invisible and timeless forms of value.

As we personally make fundamental choices, our vision naturally expands and we begin to see that the true value in our alliance goes far beyond just incremental sales revenue. A transformational alliance's true value goes beyond immediate transactional metrics. As its alliance manager we begin to see that it is within the *invisible* and *timeless* forms of value that the near-term and tangible forms of value are conceived. With increased trust and openness, ideas flow more freely and dialogue becomes more productive. This healthy change in the atmosphere allows value-creating opportunities to surface, leading the team to new products or services and ultimately more sales.

3.7. Principle-Driven Reasoning

Often we are faced with issues that do not fit neatly into an alliance's governance procedures or decision-making processes. During such times we are stretched. We might ask "What is fair or just in this situation?" If those answers are not sufficient we might ask "What is the right thing for all concerned?" All the while we keep the alliance focused on its greatest value-creating propose.

This reasoning process is co-creative. It has to be done in collaboration with senior management and the alliance community. We hear the voice of the collective, and then we lead the team forward toward its highest-purpose, its value-creating vision. As transformational alliance managers we are increasingly inner-direct and other-focused.

Crystal clear principle-driven leadership is attractive; success begets success.

Our willingness to pursue a principle-driven life in a transaction-oriented world can at times be disorienting and even uncomfortable. The system around the alliance may object, but if we persist, our personal leadership and vision clarifies. As we become clearer in living a principle-driven life, we will find others attracted to our higher-purpose. Others will want to be part of our transformational alliance community with a healthy creative atmosphere where they can personally and collectively excel. No longer are we motivated just by self-interest, we are motivated by love. And love is attractive.[20]

3.8. Transcend Sanctions and Bring Healthy Change

Sanction systems are often imposed on us by organizations. Their purpose is to reward or punish based on conformity to or violation of traditional norms. Sanctions can play an important role in preserving stability. If the status quo is acceptable there is no need to change. Since over half of all strategic alliances fail to achieve their full value-creating potential, the transcendence of some of business' sanctions is long overdue.

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[20] Is there really a place for love in the world of business? "Since beginning our Love campaign just three years ago, Subaru has tapped into powerful human emotions to double market share and surpass eleven other car makers in America's list of best-selling auto brands." (Ref: www.carmichaellynch.com – branding and media agency for Subaru).

However, we must first go within. The greatest sanctions a strategic alliance manager faces are his inner-most fears. As these fears are transcended the alliance manager is empowered. He becomes more inner-directed and other-focused; driven to transcend impediments standing in the way of achieving the team's full value-creating vision.

As alliance managers we can also unconsciously impose limitations on ourselves and our team; these internal sanctions also need to be transcended. Personal limitations can appear in the form of self-seeking grandiosity, information-hoarding to preserve power, addiction to complexity and drama, and fear-mongering to make your job appear harder than it is. We can also stifle communications via being an information gatekeeper. By being manically focused only on sales or the deal we might drive too hard. We can rely too heavily on our executives, disempowering ourselves.

As we strive to overcome sanctions we delve deeply within the team. Just as our greatest personal sanctions come from within ourselves the alliance's greatest obstacles are often found within the team itself. Typically there is a pervasive fear-based climate of scarcity, where one side's win is seen as the other side's loss. There can be low levels of trust and therefore restricted communication. Sometimes there is unhealthy role-rigidity where "that's not my job" is a value-restrictive response to attempts to "let's just get it done."

As we are increasingly driven by the *mind* and *heart* of the collective, we lead the team to naturally transcend sanctions, internal and external. The team is comfortable living on the edge of chaos, where there is both order *and* creativity. You and the team are persistent *and* tenacious. You don't give up. You find new ways to overcome value-impediments standing in the way of your value-creating vision for this emerging highly-productive community.

We do what we do out of love.
When we act this way we are inner-directed and *other-focused.*

The alliance's value-driven focus may be the catalyst for healthy changes in the surrounding organization. This naturally occurs as the team discovers new and better ways of doing business, like doing the right thing for all concerned, for all stakeholders and all members of an organization (not just shareholders). It can be about valuing relationship building as a strategic asset.[21] It can even be about the explicit incorporation of love into business strategies and plans.

3.9. Be Authentic *and* Open

To fundamentally transform your alliance from status quo mediocrity into greatness, see the origin of this transformation within you. As Gandhi said, you need to "be the change you wish to see" in your alliance. By confronting internal fears and self-deceptions, your integrity gaps are reduced. You then draw closer to your own light and power. And as Marianne Williamson says in her book *A Return to Love*, "our deepest fear is not that we are inadequate, it is that we are powerful beyond measure."[22] So why not face that fear head-on?

Living a life of integrity, with consistency between our thoughts, feelings and actions, is a powerful way to live. As we deal with internal hypocrisies and shadows, we become comfortable practicing this same loving confrontation externally. Through loving confrontation, by facing issues head-on, we draw closer to the light in ourselves and in our relationships. We increasingly expose the value-creating light that lives within our alliance.

It all starts within you.

We end up seeing more clearly and acting more creatively. We see the challenges, solutions to those challenges, and value-creating opportunities more clearly; as within so without.

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[21] Alliances are strategic because of lessons learned in and about *relationship*. Read a one-page summary of these strategic gifts alliances offer the rest of business www.spibr.org/why_alliances_are_strategic.pdf.

[22] Read two powerful paragraphs along with supportive Peanuts cartoons about our deepest fear at www.spibr.org/our_deepest_fear.pdf.

3.10. Greater Openness in Relationships

If we want to bring greater value-creativity into our alliance we need to be comfortable leading a delicately-balanced dance. The objective is to get the individuals *and* the collective to be in a state of flow, a state of high creativity. This is achieved when there is a healthy tension balance between seemingly contradictory ideas, like between challenge *and* ability, between order *and* chaos, between mindfulness *and* openness, and between harmony *and* timelessness.

We develop a mindset that embodies the essence of relationship.

Rather than seeing the world through a divisive *either/or* lens we develop an inclusive *both/and* vision. Such a mindset is the most creative perspective for an alliance manager to embody. Rather than thinking "it is either them *or* us," we realize "it is them *and* us." Rather than thinking it is either control *or* chaos, how about control *and* chaos? We strive for a stimulating atmosphere of bounded instability, a productive community of controlled chaos. We are responsible for the health of individual *and* collective relationships.

As strategic alliance managers we embody relationship.

Then we watch creativity blossom in ourselves *and* in our alliance.

3.11. Motivated from Within

Transformational alliance managers are internally-driven *and* other-focused. We are driven to make a fundamental contribution. We are enthused by challenges, often doing what others deem impossible. We are other-focused, attuned to the collective. We are increasingly able to hear the collective's voice and feel its heart (the atmosphere of an alliance).

Seeing growth is often reward enough.

We become increasingly motivated by our new *both/and* approach to life and our work. We are hard *and* focused on tasks, and we are soft *and* open with people. As we become more comfortable with the balance between control *and* chaos we experience growth *and* empowerment - individually *and* collectively. Seeing this growth is often reward enough. Behind-the-scenes empowerment is sufficient; being ego-less seems to be necessary for the long-term success of our alliance; it is all about *us*.

3.12. Be the Change

The idea that "actions speak louder than words" is a healthy mantra. With our behaviors driven by principles we often end up having a disruptive impact on our alliance and the organization. Some might even call us rebellious or revolutionaries. By being willing to be the "metaphor for metamorphosis" (symbolizing change) we repel some people and attract others. We repel those fearful of confrontation, fearful of their own greatness. We attract those who are dissatisfied with mediocre value-creation, people who are interested in greater performance from themselves and from strategic alliances.

We speak through our actions.

Being both cause *and* effect (both end *and* means), productive community is a fundamental concept in the transformation of an alliance. As transformational alliance managers we need the support of people who "get it." We need to be with others who appreciate and accept what we are about. We then end up attracting people to the alliance who want to be part of this new way of living and working. And so our alliance grows and becomes more productive, creating ever-greater value. We attract success, creating a *virtuous* cycle in our alliance. Success begets success.

3.13. Surrender-Based Learning

Action is the most effective and practical teacher, we learn best by doing. We grow increasingly comfortable learning at the edge of chaos. This confidence comes from living with increased integrity, within and without. With greater internal and external connectedness we are more conscious of the cues all around us. We trust the process of co-creation, self-organization and the transformational forces emerging from within our alliance. As we surrender control to this emergent reality, the path forward naturally opens up, taking the collective toward more value-creative intelligence; some might call this "toward the light."

Trust is fundamental.

Just to start this nontraditional learning and growing process requires great courage and trust. As we begin to see the results of this process we acquire more confidence and greater courage; trust increases. Given we begin symbolizing trust *to* the alliance we affect an increase in the level of trust *in* the alliance. Trust is fundamental, being both a prerequisite for and a result of surrendering to the emergent reality in ourselves and in our transformed alliance.

3.14. Obtain Vision from the Collective

Transformational alliance managers see the alliance's unique value-creating potential. Being familiar with the power of a self-organizing universe, they have reverence for such creative power. Their purpose is to bring forth that power, to call for it, from themselves and from their alliance.

This transformational vision is unique in any moment and situation. It does not come from imitation or following a prescribed script, but in the creative process. It does not come from rational analysis but through living on the edge of chaos.

Hear the voice of the collective.

The source for this vision is the voice of the collective. This voice is not heard through simple voting, consensus or compromise. It is heard by being attuned to the spirit within and without. It comes from your truth and from the truth emerging from within your alliance. The voice of the collective describes the alliance's value-creating vision, the path to that vision, the obstacles standing in the way and how to transcend them. People in 12-Step recover (e.g., Alcoholics Anonymous) describe this collective voice as "group conscience."

Collective consciousness resonates with human spirit and calls for personal commitment. This voice is warmly attractive. It calls success to your alliance. This voice comes from within.

3.15. Reframe Reality

Having a value-creating vision for your alliance is of no good unless others in the alliance see it and share it. This is not accomplished in words alone. Mindfulness of the vision is created via the disturbance of routines and reframing situations. This forces others to start seeing the alliance differently. By seeing more deeply and by seeing *simplicity on the other side of complexity* you are empowered to convey bold-stroke images. Armed with a profound question or a thought-provoking metaphorical story you can distort the normal assumptions of team members, freeing them to see and behave differently.

New thoughts breed new behaviors.

It starts with vision. It starts by seeing today's reality from a fresh new perspective. This frees up individuals, setting them on a new behavioral course.

3.16. Beyond Problem Solving to Appreciative Inquiry

In the world of business the traditional mode of inquiry is problem solving. This is the language of deficit and lack; it is focused on what is *wrong* and what is lacking. As a result, value-creation gets stifled. This counter-productive problem-oriented mode of inquiry needs to be transcended.

Appreciative inquiry uses language that helps the collective construct its future, bringing forth the positive core of the alliance. As transformational alliance managers we expect the best from every person and from the alliance community.

To be clear, appreciative inquiry isn't about being naively happy and ignoring problems; it's not about "wearing rose-colored glasses." Value-impeding obstacles (problems) naturally surface in open trust-fill communications and they are transcended; they are dealt with. Appreciative inquiry looks past those things and focuses collective attention on the untapped value-creating potential lying dormant in the alliance. How do we do this?

Transformational alliance managers focus collective attention on the value-creating vision of the alliance by reframing reality and disrupting traditional perspectives. We ask questions which drive us to deeper levels of insight and understanding. We tell stories and share our unique perspectives in ways that bring hope to the individuals and draws out commitment; we inspire. We awaken the human spirit that is often "put to sleep" in business settings. We cause the team to consider different ways of relating to their world.

Our goal is to create a collectively-actualized team.

As the alliance's shared vision emerges, the team becomes self-organized. Just as an individual's highest level of awakening is self-actualization, so too an organization's highest level of creativity is to be collectively-actualized. As its own positive essence surfaces the team becomes its own agent of change and it is autotelic. As the community embodies a virtuous cycle it builds an ever more productive community, creating tasks worth doing for their own sake and continuously learning, growing and adapting. Such a self-organizing and highly-productive community is indeed virtuous; it embodies excellence that is right, good and valuable for all concerned.

3.17. Co-Creation is Both Cause *and* Effect

Fundamental transformation cannot be explained with the traditional cause-and-effect paradigm; it is not about this event *now* causing that change *later*. Transformation is about the realization that this event *and* the change are inextricably linked; they occur together, here and now. It is also about the realization that transformation is about the team *and* leadership; it is us *and* our partner. It is about deeply embracing the essence of *and*, here and now.

Co-creation is maximal in an alliance when the alliance manager exhibits purposeful and principle-driven behaviors. This ends up disrupting the alliance *and* he then inspires a sense-making process. Greater interdependency emerges in this productive community, in the midst of disruptions *and* making sense of those disruptions. The team is trail-blazing (disrupting) *and* mapping the trail (make sense of the new terrain) as it progresses toward its value-creating vision for itself.

With increased positive feedback loops within the alliance (i.e., when change encourages more change) the team finds itself on the edge of chaos. In this state of bounded instability, small acts end up having disproportionately large impact. This amplification of action can lead to increased effectiveness, so long as the acts align with the alliance's value-creating purpose. Given the self-organizing nature of a transformational alliance, the team naturally keeps behavior aligned with purpose. The result is amplification *and* guided moderation, occurring together, here and now.

*Embrace the spirit in the midst of "*and.*"*

The alliance manager *and* his team *and* the strategic context around the team are co-creating a new system – a transformational strategic alliance. It is important that the alliance manager realizes that he is necessary but insufficient for this transformation to occur. The alliance manager needs internal integrity, trust and confidence in

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order to lead the alliance on its journey. However, it is from listening deeply to the voice of the collective that the alliance manager finds the path for the team to traverse. The team is leading itself, with the alliance manager but an inspiring observer. This process actually has sacred overtones. The power of unity (leader *and* team *and* partner) draws upon the mysteries of the universe as the community finds its way to greater value creation, together, here and now.

3.18. Improvisational Leadership

The fundamental transformation of an alliance requires improvisation. To attempt to transform is to commit ourselves and our alliance to a future on an unknown path; we are trailblazing. We learn as we go and we learn by doing. This type of learning-as-we-go leadership cannot be done alone. More than ever the alliance manager needs the team to share in decision-making and leadership. Trailblazing like this requires deep collaboration.

Open, trust-filled and authentic dialogue is crucial. The willingness to confront difficult issues is a life-or-death matter for the transformational process. This is why transformation is impossible to enact in a conventional system, where authority figures are rarely if ever challenged. Bold, clear and immediate feedback from the team is what the alliance manager most needs during these times of deep change.

"I have no idea where we are going. Follow me!"

The transformational alliance manager creates an atmosphere where improvisation gestates, flourishes and actually becomes an invaluable leadership tool. He does this by disturbing status quo; by bringing forth positive feedback loops which encourage more and deeper change; by encouraging the team to higher levels of value-creation. At times the alliance manager literally doesn't know what to do. Cause-and-effect theories no longer work, as the future and immediate next steps become increasingly uncertain. There will be times when the only thing that can be done is *nothing*, to stand in place. Be in the eye of the hurricane and observe the controlled chaos and trust that the process that brought you to this point will indeed carry you forward.

A strategic alliance team that becomes self-organizing also becomes increasingly complex. With greater complexity, increased integrity is essential and this comes by confronting the shadows or issues in the community. The alliance manager has to have the courage to take risk and live on the uncertain edge of chaos. In a sense they have to be willing to die; their ego or self-serving motives need to die in order for higher-good motives to come alive.

3.19. Resistance and Uncertainty Become Positive Forces

In the traditional world of business resistance is seen as a *negative* force that must be *overcome*. In the process of transformation resistance is understood to be a *positive* force that can be *used*.

Resistance is actually a very necessary ingredient; it is the starting point for transformation, a sign that new ideas are being gestated, a positive sign that new ways of doing business are starting to emerge. When resistance surfaces in the alliance, the transformational alliance manager must adapt. He needs to first go within and be mindful, to access inner resource and envision alternative paths toward value-creation, and to positively reframe reality for the team.

In order for the alliance to use resistance as a positive force, which will take the alliance to higher levels of value-creation, the connection between leader and team has to deepen. This will naturally occur as the collective confronts the resistance from a positively-reframed perspective and the level of trust in the environment increases. Out of this process a new alliance is born.

It's great being the eye of the hurricane.

This is all a turbulent process. The alliance manager needs to be comfortable *being* the "eye of the hurricane." He doesn't prescribe the change, but merely observes it and actually encourages it. He endures the pain of resistance

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and the even deeper pain of uncertainty. As the leader of the alliance, he doesn't know all the details of its path. At these times he must to trust the process, trust the emerging reality of the team, trust the voice of the collective in this increasingly productive community, and trust his Self (the core truth of who he is – a creator). He realizes ever more deeply that he both drives *and* is driven by the transformation of his alliance.

3.20. Change Your Self

We are all always embodying and exhibiting our own vision, even when we don't know we have one.

Our vision is grounded in how we see the world. This fundamental perspective molds our behaviors which then influence the world around us, especially our strategic alliance. The world around us then adapts to our behaviors in ways which encourage more of the same type of behavior. Life is a self-fulfilling prophesy as our past behaviors are encouraged by the environment we have created. Over time we might feel like we're stuck in a rut, life has become routine. How do we change?

We all embody the vision for our future.

We change by making fundamental choices, by disrupting normalcy in positive and healthy ways. We embrace the idea of growth, then new behaviors will follow and a new context will emerge in our world.

Identity is fundamental.

Ultimately we are in control of who we think we are. Identity is the most fundamental choice we make. As we are increasingly inner-directed and other-focused we are changed; we grow. This progressive awakening draws us ever closer to the realization that we are creators. We were created by our Creator to create. This is not grandiosity; this is not about one of us being better than the other. This is grandeur; this is about being great, together.

Grandeur is a collective endeavor, we cannot do it alone.

As a transformational strategic alliance manager
I am the creator over my alliance and *the entire team is too.*

4. Biography

Joe Kittel has worked in the field of strategic alliances for 30 years. For over 16 years he did strategic alliance development at Hewlett-Packard. For the past 15 years Joe has been focused on the practical application of spiritual principles to help strategic alliance manager's transform their alliances to increase their value-creating effectiveness.[23]

In 1989, Joe established his first strategic alliance – a multi-year, co-resident and collaborative-R&D relationship that provided advanced object-oriented technology into HP C++ SoftBench (software development tool) and allowed US West (now Qwest) Communications to successfully migrate their massive Billing and Customer Care Systems from Cobol to C++ with a 10x improvement in software quality.

In 1997, he helped establish Hewlett-Packard's corporate level strategic alliance with Microsoft, leading corporate-wide initiatives and negotiations in some of the most strategically contentious areas (UNIX/NT interoperability, object technologies and encryption).[24] In that same year Joe was a pre-founding member of the Board of the *Association of Strategic Alliance Professionals* (ASAP), assisting in its early definition.

At the conclusion of his career at HP in 2005, Joe established the first strategic alliance between HP's printing business and SAP with a deal valued in excess of $300M and a new alliance that annually leverages over $1B in HP products and services.[25]

In 2007, Joe established the first and only consultancy in the world focused solely on the fundamental transformation of strategic alliance managers and their alliances, SPiBR.org LLC.[26]

In 2012, he published the book *Spiritual Principles in Strategic Alliances: transform status quo mediocrity into greatness*.[27] Endorsed by world-leaders in strategic alliancing, conscious capitalism; and, endorsed as an ASAP *Best Practice*.[28]

In college, Joe graduated *magna cum laude* in Electrical Engineering from the University of Utah, focused on quantum electronics (semiconductor physics and VLSI design). He applies a methodical engineer's approach to both strategic alliances and spirituality. Joe seeks to understand and use fundamental principles.

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[23] See www.spibr.org/Joe_Kittel_resume.pdf for (obviously) a resume.
[24] Go to www.spibr.org/970319_HP_Microsoft_corp_alliance_simplified_enterprise_computing.pdf for more details.
[25] Go to www.spibr.org/HP-SAP_NetWeaver-HPDS_incremental_value_slide_award_PR_invite.pdf for more details.
[26] Check out www.spibr.org/spibr-org-llc.
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[28] See www.spibr.org/ASAP_Best_Practices_Bulletin_July_2009.pdf.