

BUSINESS SUPPORT KENT PARTNERING & JOINT BIDDING, 2010



PARTNERING & JOINT BIDDING



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1. Types of Partnering

Supplier	Direct relationship between buyer and seller. Can be anything from a one-off transaction to longer term repeat purchases
Sub-contractor	A subcontractor is an individual or in many cases a business that signs a contract to perform part or all of the obligations of another's contract. Usually hired by a Prime or Main contractor. Usually done to reduce cost; or mitigate risk by using a specialist.
Out-sourcing	Outsourcing is subcontracting a process , such as product design or manufacturing, to a third-party company. Means you can concentrate on your core business.
Joint Venture	A joint venture (often abbreviated JV) is an entity formed between two or more parties to undertake economic activity together. They both contribute equity .
Merger	A combination of two companies into one larger company. Such actions are commonly voluntary, and involve share swap or cash payment to the target. A merger can resemble a takeover. Different types are: Horizontal; Vertical; Market extension; Product Extension
Consortium	A consortium is an association of two or more individuals, companies, organisations (or any combination of these entities) with the objective of participating in a common activity or pooling their resources for achieving a common goal.

2. Types of Companies

<p>Partnership</p>	<p>A type of business entity in which partners (owners) share with each other the profits or losses of the business undertaking in which all have invested.</p> <p>Owners of a partnership may be exposed to greater personal liability.</p>
<p>Limited</p>	<p>A private company limited by shares.</p> <p>Traditionally personal liability is limited to the amount invested.</p> <p>Can have one or more shareholders. They cannot offer shares to the public.</p>
<p>LLP Limited liability Partnership</p>	<p>Partnership in which some or all partners have limited liability.</p> <p>Liability is limited to the amount invested in the business.</p> <p>This means that members have some protection if the business runs into trouble.</p> <p>LLPs must register at Companies House.</p>
<p>CIC Community Interest Company</p>	<p>Designed for social enterprises that want to use their profits and assets for the public good.</p> <p>CICs are intended to be easy to set up, with all the flexibility and certainty of a “company” , but with special features to ensure they are working for the benefit of the community.</p> <p>Profits are largely reinvested back into the community.</p>
<p>Limited by Guarantee (Not for profit)</p>	<p>is an alternative type of corporation used primarily for non-profit organisations that require legal personality.</p> <p>They do not usually have share capital but has members who act as guarantors.</p>
<p>PLC Public Limited Company</p>	<p>Must have at least two shareholders and must have issued shares to the public to a value of at least £50,000 before it can trade.</p>

3. Partnership Working for SMEs

“Two or more people or businesses
Working together
In a commercial venture
Towards a **long term** goal
Which they would individually
struggle to achieve”

ACTIVITY 1 What could the benefits be to YOU from partnering?

Increase revenue?

Reduce costs?

Increase efficiency?

Any other benefits you can think of?

4. Partnering – Business Objectives

ACTIVITY 2 Setting clear Business Objectives

What is your Vision for Partnering over the next 5 years?

Imagine you are writing a letter to yourself in 5 years time.....

What would you say you have achieved in that time?

What would be your KEY Year 1 objectives?

Remember they need to be “**SMART**” - **S**pecific, **M**anageable, **A**greed (**A**chievable), **R**ealistic and **T**ime-based.

- 1)

- 2)

- 3)

- 4)

- 5)

5. How to find partners

ACTIVITY 3 How are YOU going to find Partners

Who else does what you do?	
Who else provides services to your client group?	
Which businesses could help you work better?	
What networks can you use to help you find potential partners?	
What Actions are you going to take?	
1)	
2)	
3)	
4)	
5)	

6. How to make Partnering work?

ACTIVITY 4 What VALUE do you bring to the partnership?

What are your CORE capabilities?

What do you sell? What accounts for the greatest profits?

Who are your largest clients?

What key Partners / associates do you have?

What do you do that is UNIQUE?

DO you have any innovative products/services /Intellectual Property etc.

Other things that can help:

7. Are you good at Partnering?

How do you relate to the following attributes?

Attribute	Your Strengths & Weaknesses
Generating ideas	
Able to find good people	
Ambitious	
Energetic / stamina	
Honest about your weaknesses	
Ability to build Trust	
Clear communications	
Open & sharing	
Ready to give first	
Recognises value of others	

8. Contact Details

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