



Ben Gomes-Casseres

Strategy and Alliance Expert

TOPIC: Business Strategy

SUBTOPICS: Leadership and Management; Global Policy and Economics

BIG IDEAS:

Grow Your Business by Shrinking Your Firm

What will your firm look like after this crisis has abated? Most likely it will be smaller, it will leverage outside assets more, and it will be more flexible. At least, that is what it will have to be. As always after an economic crisis, there will be uncertainty about the rate of expansion of the economy. But this time there will also be extreme uncertainty around the kinds of opportunities that firms will face. So you will need to hedge your bets, advance and retreat flexibly, and focus on what is sustainable. You know there's lots of opportunity out there, but you'll have to think more strategically about getting allies and partners to help you pursue these. To survive and perhaps thrive, you will need to trade control over assets that you own for influence over a flexible collection of assets owned by your allies. Such reliance on others brings with it problems of its own, of course. So your management style too must change to manage this new risk. But the alternative is to stay down for the count.

Use Recombinant Strategy to Leverage Your Assets

Success is increasingly about what company you keep. Smart use of "recombinant strategy" allows a business to grow and innovate by tapping into external assets. The process of combining and recombining resources can create new value in the market. If you lead a new business

or are restructuring an existing one, you already knew this. But the choices you face are bewildering: buying companies or pieces of companies, selling assets, joining with others in partnerships, or forming a network of affiliates. Don't approach these choices in an ad-hoc fashion. You need a strategic framework to ask the right questions and navigate trade-offs.

Manage Your Alliance Strategy Without Fear

Most business leaders are control freaks. As a result, they leave value on the table every day. They fear transactions and relationships that are based on sharing risk and control. True, these alliances are tricky to manage by the old rules we know so well. But new entrants, new disruptive technologies, new regulations, and even new ideas from old rivals will jar your world, if they haven't already. To respond, you must play with a full set of tools – including alliances, partnerships, and joint ventures. When managed well, they can beat simple transactions and blunt acquisitions. Besides, who today has the funds to buy control in big deals?

BIOGRAPHY

Ben Gomes-Casseres is an expert on global strategy, with a focus on business combinations. Ben consults, teaches, and speaks worldwide on international business, alliance strategy, and acquisition strategy. He has researched this topic for 20 years, taught it to MBAs and executives, and consulted with major companies in the United States and abroad. He is best known for his writings and consulting on alliance strategy, but he has also worked on international management, competitive strategy, technology policy, mergers and acquisitions, and organizational development.

Ben is currently a Professor at Brandeis International Business School, where he directs the MBA Program and the Asper Center for Global Entrepreneurship. Previously, he was a professor at the Harvard Business School and an economist at the World Bank. He is principal and owner of Alliance Strategy Consulting.

He has written or edited four books; his latest, *Mastering Alliance Strategy: A Comprehensive Guide to Design, Management, and Organization*, gives practical advice on how to use alliances as part of corporate strategy.

His book *The Alliance Revolution: The New Shape of Business Rivalry* was one of the first in-depth studies of today's high-tech alliances, and introduced the idea of competition among alliance "constellations." His articles have appeared in *Harvard Business Review*, *Financial Times*, *Strategy & Business*, *Sloan Management Review*, *Journal of International Business Studies*, *Journal of Economic Behavior and Organization*, *Journal of Financial Economics*, and elsewhere. His work has been cited widely, including in *The New York Times*, *Wall Street Journal*, *Forbes*, *Harvard Management Update*. He has also written numerous cases at Harvard Business School; his case on the development of Fuji Xerox in Japan is an HBS bestseller.

He holds a BA in History and Economics from Brandeis, an MPA in Economic Development from Princeton, and a DBA in International Business from Harvard. Born and raised in Curaçao (Netherlands Antilles), he speaks four languages (English, Dutch, Spanish, and Papiamentu), and is a dual citizen of the United States and the Netherlands.