

Networking and Partnership Arrangement



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Individual Skills

- Individual skills - Vital contributor to employment, productivity and economic growth.
- Skills providers - Key Assets to the economy.
- Networking between Skill providers Important
- Shared objective is to increase –
 - Value;
 - Relevance; and
 - Effectivenessof the joint investment by partners in their future skills development

Need for a Partnership

- Is there a need for a Partnership?
- What benefits will be gained from setting up this partnership arrangement?
- Is there a commitment to support the partnership?
- What strategies will this partnership support?

Aspects to facilitate cooperation

- Ensure that these 3 conditions will be met throughout the partnership:
- **Clarity of obligations** – Actions consistent with obligations
- **Promptness of feedback** – Partners monitor the behavior of each other so that problems can be addressed before they become grievances.
- **Institutionalization of Reciprocity** - What form of review and redress is open if one has a complaint about the other.

Partnership Life Cycle

- Stage One: Discussions
- Stage Two: Birth
- Stage Three: Growth
- Stage Four: Maturity
- Stage Five: Expansion
- Stage Six: Effectiveness

4 Important Properties of a Partnership

- Leadership
- Primary Funding
- Goals
- Process

Establishing Partnerships

- Clarity of Leadership
- Common Understanding
- Different cultures/practices/values
- Clear Purpose
- High Commitment Levels
- Trust
- Clear Working Arrangements
- Performance Management
- Learning and Development
- Communication

Barriers to successful Partnerships

- Limited vision/failure to inspire
- One partner manipulates or dominates, or partners compete for the lead
- Lack of clear purpose and inconsistent level of understanding purpose
- Lack of understanding roles/responsibilities
- Lack of support
- Differences of philosophies and manners of working
- Ego Clashes
- Lack of commitment; unwilling participants

Barriers to successful Partnerships

- Unequal and/or unacceptable balance of power and control
- Key interests and/or people missing from the partnership
- Hidden agendas
- Failure to communicate
- Lack of evaluation or monitoring systems
- Failure to learn
- Financial and time commitments outweigh potential benefits
- Too little time for effective contribution

Key Components of Effective Networking

- **BALANCING** requirements and flexibility within the structure and operation of the partnership
- **DEVELOPING** a stable foundation for the membership, rationale and activities of the partnership while allowing sufficient flexibility for these components to develop and evolve in response to external and internal demands
- **UNDERSTANDING** that partnerships go through a life cycle of development from initial set up stages, through full scale implementation, to maturity

Categories of Partnerships

- What Structure of Business should be chosen
 - Limited Liability Partnership (LLP)
 - Partnership
 - Private Ltd. Company
- Additional types of Partnership
 - Collaboration
 - Strategic Alliance
 - Integration

Profit Sharing

- Indian Contract Act, 1872
- The Chartered Accountants Act, 1949
- Schedule I
- Schedule II

Code of Ethics

- "Code of Conduct" - set of professional ethical standards regulating the relationship of Chartered Accountants with their clients, employers, employees, fellow members of the group and the public generally.
- The Chartered Accountants Act, 1949 and the Schedules to the Act set out the acceptable forms of behaviour of the members of the profession.
- Section 22 of The Act - defines and describes what constitutes 'professional misconduct'.

Managing Partnerships

- Substantive Issues
 - Financial
 - Strategic
 - Technical

Managing Partnerships

- Relationship Issues
 - Joint Problem Solving Capacity
 - Compatibility
 - Conflict Resolution Ability
 - Degree of Trust
 - Egalitarian Perspective
 - Openness
 - Communication Quality

Checklist of Effective Alliance Components

- Define how work will be accomplished
- Provide clear linkage between strategy, capabilities, structure and processes.
- Determine a Partnership Strategy
- Internal advocacy
- Create/Develop comprehensive & successful goals
- Internal alignment

Checklist of Effective Alliance Components

- Evaluate strategic compatibility
- Build strong working relationship
- Negotiate an optimal agreement
- Establish common ground rules
- Joint planning and partner management
- Have a dedicated partnership manager

Checklist of Effective Alliance Components

- Maintain collaboration skills in partners and routinely invest in maintaining, updating and instilling skills
- Audit the partnership relationships
- Manage changes that affect partnering

About the Author

- *CA. Rajkumar S Adukia is an eminent business consultant, academician, writer, and speaker. He is the senior partner of Adukia & Associates.*
- *In addition to being a Chartered Accountant, Company Secretary, Cost Accountant, MBA, Dip IFR (UK), Mr. Adukia also holds a Degree in Law and Diploma in Labour Laws and IPR.*
- *Mr. Adukia, a rank holder from Bombay University completed the Chartered Accountancy examination with 1st Rank in Inter CA & 6th Rank in Final CA, and 3rd Rank in Final Cost Accountancy Course in 1983.*
- *He started his practice as a Chartered Accountant on 1st July 1983, in the three decades following which he left no stone unturned, be it academic expertise or professional development.*

About the Author

- *He has been coordinating with various Professional Institutions, Associations, Universities, University Grants Commission and other Educational Institutions.*
- *Authored more than 50 books on a vast range of topics including Internal Audit, Bank Audit, SEZ, CARO, PMLA, Anti-dumping, Income Tax Search, Survey and Seizure, IFRS, LLP, Labour Laws, Real estate, ERM, Inbound and Outbound Investments, Green Audit etc.*
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THANK YOU!