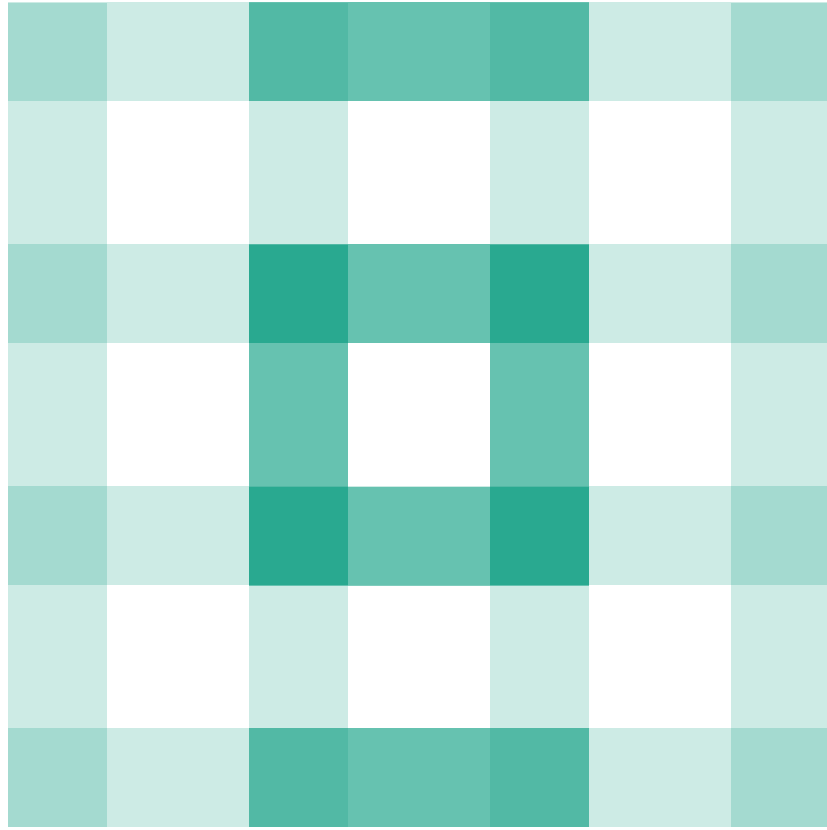




# Compete, Collaborate, Complement





*A merchant who approaches business with the idea of serving the public well has nothing to fear from the competition.*

JAMES CASH PENNEY

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## What's it all about?

Once you have undertaken an environmental analysis (see the PESTLE tool) and considered who else is working in your field, it can be helpful to assess the relationship between your respective organisations or projects. If you have a sound awareness of your own work and know the strengths and weaknesses of the other players in your field, you can determine the kind of relationship you want to have with them. This is particularly crucial at a time when funders or investors are likely to be looking for efficiencies and new business models.

## What's it for?

Consider the other organisations in your field and think about the different relationships you could have with them (you can also use other tools such as 'Strategic Group Mapping'). There are several options you could pursue depending on your respective missions, customer bases and business models. These range from direct competition to collaboration or co-operation.

## Using the tool

To consider your options in relation to others in your field take the following steps:

1. Determine who you would define as the other key players operating in your field
2. Record how much you know about each of the other players. What are their:
  - a. Drivers: what drives their business? This may be their mission, financial success, market share etc.

- b. Assumptions: beliefs they hold about themselves, their past behaviour and experiences, industry trends, assumptions they may make about you etc.
  - c. Strategy: what the player says (annual reports etc.) and what it does (cashflows, recruitment, research and development, public relations etc.)
  - d. Resources and capabilities: SWOT, capacity to increase capabilities, ability to react to change, financial analysis
3. In the light of what you have found above, think about your relationship with each of the players. Will your response be to compete, collaborate or complement?
  4. Complete the options analysis template (Table 1) with regard to your approaches
  5. Prepare an action plan
  6. Look at some other tools that could help you determine the appropriate strategy

There is another possible option, which is to do nothing, but this is a high-risk strategy particularly in such a rapidly changing environment. Even if that is your short-term decision, you need to keep a close eye on what is happening in your wider environment.

## What Next?

Think of an organisation that you have regular dealings with (it need not be in your sector, it could be where you do your shopping). What do you think are their aims, strategies and resources? If you were a business operating in their field, how would you respond?

## Quick tips

- When considering co-operation and collaboration, be clear about what you want and what's in it for you
- Constantly re-assess any form of joint working and have a clear exit strategy
- If you are going to invest resources in the relationship, carry out a cost-benefit analysis and ensure there is a clear business case

- Remember that relationships are between people and as such you need to be comfortable that your organisations are compatible if you want to work together
- Competition has tended to be a dirty word, particularly in the non-profit creative and cultural sectors. Nonetheless, in a time of high potential demand and diminishing public resources, it will become an increasingly important aspect of your environment

## References

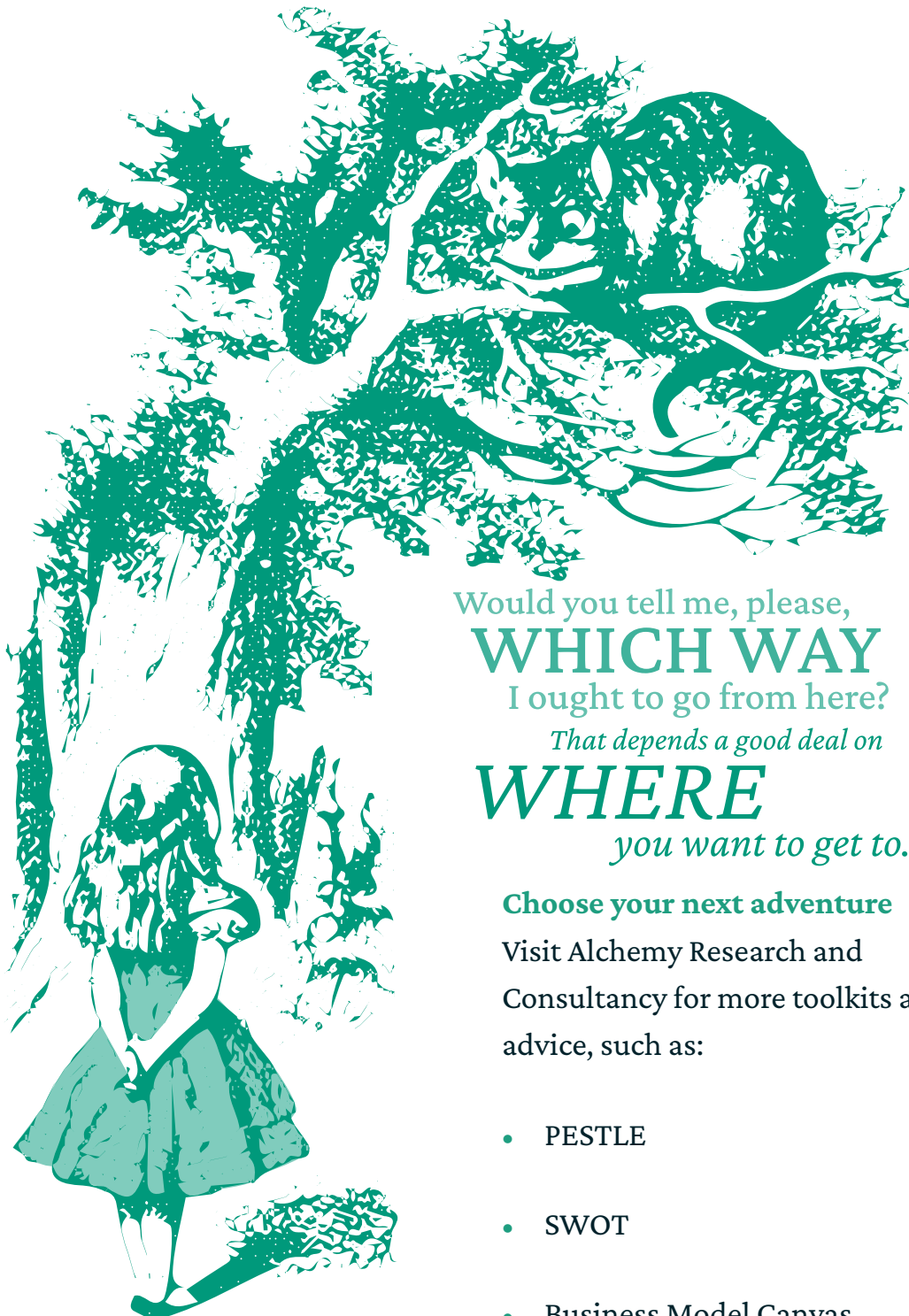
Bruce, I., Coperman, C., Forrest, A., Lesirge, R., Palmer, P., & Patel, A. (2008). Tools for Tomorrow: A Practical Guide to Strategic Planning for Voluntary Organisations. London: Cass Business School/NCVO.

**Table 1 Options analysis (adapted from Bruce et al., 2008)**

Relationship	Approach	Which players would you include?	What do you know about them?	Your strategy for managing/working with the other players
Compete	Take action to succeed at the expense of other players			For example improve quality, distinctiveness or compete on cost ...
Collaborate	Establish formal relationships for mutual benefit			For example legal agreement, shared resources, Memorandum of Understanding etc. ...
Co-operate/ Complement	Establish informal relationships for mutual benefit			For example share information, resources, expertise etc. ...



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**WHERE**  
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