

Partnership Guide: Part B – Preparing to partner

Do you have a strategy to manage potential collaborations beyond customer/client contracts?

What is this tool?

This tool will help you understand the potential risks associated with collaborations beyond customer/client contracts. It also helps partners to:

- build trust and openly discuss if potential risks to the collaboration outweigh the potential benefits, and
- guide decisions on whether they will engage in the partnership.



Note

Allow time and do not rush these risk discussions.

Open and transparent discussion will build trust and allow collaborators to determine whether they should partner with you.

Why use this tool?

It is important for collaborators to assess the risks and benefits of partnering.

Working together in partnership to commercialise your research and create impact has the potential to be risky. Undertaking a risk assessment with all potential partners and collaborators can be very valuable as it can illuminate:

- what drives each partner and their values, concerns and hidden agendas
- assumptions about each other (e.g. business is only interested in making money. However, the customer may want wider benefits which, in turn, benefits the brand of the business)
- previous bad experiences that may impact on a partner's ability or willingness to commit
- operating environments of partnership (e.g. socioeconomic and environmental aspects)
- individual partners' challenges and constraints, which may impact implementation.



Note

Examples of common risks to partnerships

Each partnership/collaboration will have its own unique risks. However, there are a number of common risks to the Commercialisation PLUS process that could impact the ability of partners to engage and ensure that the technology solution is produced and accesses the market at scale. These include, but are not limited to:

- collapse of the partnership or a partner withdrawing (which requires finding another partner)
- changes to organisational goals, so that an organisation can no longer engage in the partnership
- conflicting priorities of organisations, which limits the ability to implement Commercialisation PLUS activities
- lack of buy-in from leadership, leading to inadequate resourcing and support for the research commercialisation process
- inflated perceptions of what is achievable, meaning the technology solution is not able to be produced or reach the market at scale
- lack of resources, including financial and people able to allocate sufficient time to get your technology solution to market
- local or regional social, environmental or economic factors (e.g. climate change, market changes, pandemics/disease) adversely impacting value chain actors' ability to produce the technology, to access a market or to achieve scale.



Note

Types of common risks to individual partners

Risk may occur in the following areas for organisations in a partnership:

- **Reputation impact:** all organisations and institutions value their reputation. They will be concerned about how a partnership may affect their reputation especially if there is 'fall-out' in the future, if the partnership fails or does not go as planned.
- **Loss of autonomy:** working in collaboration inevitably means less independence for organisations in their joint activities.
- **Conflicts of interest:** whether at strategic or operational levels, commitments in a partnership can result in difficult compromises and divided loyalties
- **Drain on resources:** partnerships typically require a large up-front investment before there is real benefit and impact.
- **Implementation challenges:** once a partnership is established, there can be challenges in the implementation of activities and these may pose risks if they are not adequately managed.

Source: Partnership Broker Association, Partnership Brokers Training and Tennyson, R. 2011. [The Partnership Broker Toolbook: an essential guide to cross-sector partnering... The Partnership Initiative.](#)

How to use this tool

Follow these steps to identify and assess potential risks to the partnership. Repeat Steps 2–8 for each risk.



Step 1. Identify risks

Ask each of your potential partners to identify any risks of collaborating in the Commercialisation PLUS process.

Write each down in the *Description of risk* column of the risk assessment matrix.



Step 2. Discuss the likelihood of the risk occurring

Discuss the likelihood of the risk occurring with your potential partners and rank it, based on whether it is high, medium or low (guided by the descriptions in the Risk assessment template).

Place your ranking in the *Likelihood* column on the left half of the risk assessment matrix.



Step 3. Discuss the consequences

Discuss the consequences of the risk for the partnership, for commercialising your technology solution and reaching scale. Then rank the risk as low, medium or high (guided by the descriptions in the Risk assessment template).

Place your ranking in the *Consequences* column on the left half of the risk assessment matrix.



Step 4. Determine the overall risk rating

Based on your likelihood and consequence ratings, use the **Overall risk rating guide** below to determine the overall risk rating. For example, if the likelihood is medium and consequence is high, the overall rating is high.

Place your overall ranking in the *Risk* column on the left half of the risk assessment matrix.



Note

You may need a separate workshop to address very serious risks.

Relationships and networks ■ (Step 7)

Market Validation



Step 5. Discuss risk reduction measures

Discuss with all partners potential measures that can be put in place to reduce the risk for the partnership and the Commercialisation PLUS process. Many of the measures will need to be undertaken jointly (not individually) to reduce the risk.

Partners will need to agree to the measures being proposed.

Write these in the *Mitigation measures* section of the risk assessment matrix.



Step 6. Reassess the likelihood of the risk occurring

Based on discussion of the appropriate mitigation measures, determine whether the likelihood of the risk has changed. Mitigation measures should either maintain or reduce the risk. It should not increase.

Place your ranking in *Likelihood* column on the right half of the risk assessment matrix.



Step 7. Reassess the consequences

Based on discussion of the appropriate mitigation measures, determine whether the consequence of the risk has changed. Mitigation measures should either maintain or reduce the risk. It should not increase.

Place your ranking in the *Consequences* column on the right half of the risk assessment matrix.



Step 8. Reassess the overall risk rating

Reassess the overall risk rating as per Step 4.



Note

The risk assessment should be reviewed at least annually as part of partnership review/health check (See Part D of the Partnership Guide tool), or more frequently if new risks arise.



Step 9. Deciding if the benefits outweigh the risks

Once you have assessed the overall risk rating for all the risks identified, discuss with your potential partners whether they believe the benefits of partnering will outweigh the risks, and whether the risks can be managed sufficiently.



Note

Your potential partners may require time for internal discussions, as each institution will have differing risk appetites and abilities to take on risks.

Risk assessment template

This template has been developed to help guide discussions around partnership risks.

		Scale of consequence		
		Low	Medium	High
Scale of likelihood	Low	Low	Medium	Medium
	Medium	Medium	Medium	High
	High	Medium	High	High

Description of risk	Risk assessment			Mitigation measures	Revised risk rating		
	Likelihood	Consequence	Risk rating		Likelihood	Consequence	Risk rating
	<p>High: very likely to happen</p> <p>Medium: may happen</p> <p>Low: very unlikely to happen</p>	<p>High: will severely limit ability to (or prevent) commercialise the research solution, including ending partnership</p> <p>Medium: may limit Commercialisation PLUS process or end partnership</p> <p>Low: very unlikely to limit Commercialisation PLUS process (or only in a minor way) or partnership is highly likely to continue to function</p>	<p>High, medium, low based on convergence of scale of likelihood and scale of consequences above</p>		<p>High: very likely to happen</p> <p>Medium: may happen</p> <p>Low: very unlikely to happen</p>	<p>High: will severely limit ability to (or prevent) commercialise the research solution, including ending partnership</p> <p>Medium: may limit Commercialisation PLUS process or end partnership</p> <p>Low: very unlikely to limit Commercialisation PLUS process (or only in a minor way) or partnership is highly likely to continue to function</p>	<p>High, medium, low based on convergence of scale of likelihood and scale of consequences above</p>



For help check out the example on [Dairy fodder innovation](#)

Risk assessment template (continued)

This template has been developed to help guide discussions around partnership risks.

Risk rating guide

		Scale of consequence		
		Low	Medium	High
Scale of likelihood	Low	Low	Medium	Medium
	Medium	Medium	Medium	High
	High	Medium	High	High

Description of risk	Risk assessment			Mitigation measures	Revised risk rating		
	Likelihood	Consequence	Risk rating		Likelihood	Consequence	Risk rating

Risk assessment template (continued)

This template has been developed to help guide discussions around partnership risks.

		Scale of consequence		
		Low	Medium	High
Scale of likelihood	Low	Low	Medium	Medium
	Medium	Medium	Medium	High
	High	Medium	High	High

Description of risk	Risk assessment			Mitigation measures	Revised risk rating		
	Likelihood	Consequence	Risk rating		Likelihood	Consequence	Risk rating

		Scale of consequence		
		Low	Medium	High
Scale of likelihood	Low	Low	Medium	Medium
	Medium	Medium	Medium	High
	High	Medium	High	High

Example risk assessment: Dairy fodder innovation

This risk assessment was undertaken for a partnership between a large dairy company, a research institution which had propagated at pilot scale a high nutrient fodder plant that increased milk production and a local nursery that would propagate and sell the fodder plant to farmers. Based on the risk assessment the dairy company assumed some of the risk to ensure the technology solution could be scaled.

Description of risk	Risk assessment			Mitigation measures	Revised risk rating		
	Likelihood	Consequence	Risk rating		Likelihood	Consequence	Risk rating
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		Scale of consequence		
		Low	Medium	High
Scale of likelihood	Low	Low	Medium	Medium
	Medium	Medium	Medium	High
	High	Medium	High	High

Example risk assessment: Dairy fodder innovation (continued)

Description of risk	Risk assessment			Mitigation measures	Revised risk rating		
	Likelihood	Consequence	Risk rating		Likelihood	Consequence	Risk rating
Partner withdrawing	L	H	H	<ul style="list-style-type: none"> • Persuasion and high-level meetings between institutions • Identify new partner 	L	L	L
Donor funding is withdrawn	M	H	H	<ul style="list-style-type: none"> • Regular reviews and evaluation of key performance indicators • Looking for alternative solutions and discuss with partners 	L	L	L
Not meeting targets of farmers development – time and quantity	L	H	M	<ul style="list-style-type: none"> • Apply to local government agencies for finance 	L	M	L-M
Outbreak of certain diseases in cattle	L	H	H	<ul style="list-style-type: none"> • Regular meetings with veterinary people to get early information on outbreak • Early treatment • Coordination with local government • Training of farmers on disease outbreaks 	L	M	L-M