10 Strategies to apply for Joint Ventures Partners

Joint Ventures can be very lucrative business relationships. In previous articles about Joint Ventures we have talked about the eight things you must know about Joint Ventures as well as how Tenders and Joint Ventures work. Today we concentrate on the 10 (ten) strategies that any entrepreneur should apply when choosing Joint Ventures partners.

Here are 10 (ten) strategies you as business owner and potential Tender winner must concentrate on when choosing a Joint Venture Business Partner:

1. Find a partner or partners that you can trust. Trust in any relationship is of the utmost importance and even more so in a business relationship.
2. Put everything in writing and keep it simple. The more complicated the deal the more likely it is that something can go wrong.
3. Look for the best partners. Do not go into a Joint Venture with your best friend just because it is your friend. Find the best partners that will contribute the best to the Joint Venture for the specific Tender that you are responding to.
4. Ensure that all parties to the Joint Venture contribute equally. You do not want freeloaders in the Joint Venture.
5. Limit the scope of the Joint Venture to a specific tender. Rather do a Joint Venture for each Tender that you respond to. This way you leave the door open to change partners if a tender require other skills as those of your current partner. You do not want to get stuck in an unhappy Joint Venture relationship.
6. Determine the value that each partner will contribute to the Joint Venture beforehand and ensure that it is captured in the Joint Venture Agreement.
7. Ensure that there is a well defined exit strategy in the Joint Venture Agreement should things between you and your Joint Venture partners do not work out.
8. Choose Joint Venture partners that are financially sound. You do not want a situation where your partners suck the Joint Venture dry because their other or normal business ventures have failed.
9. The partners that you choose must be able and willing to grow with you and the Joint Venture. There is no instant success in the tender world.
10. Try and get Joint Venture partners with experience in the specific Tender environment that you are bidding for. The more experience you and your Joint Venture partners can muster the best chance you have of winning a tender.

There you have it – ten strategies that if followed, could ensure that the Joint Venture that you use for that next tender can be the one that ensures success.

To learn more about this and many other tender conditions attend our “Become a Tender Expert” 2-Day workshops presented in Johannesburg, Pretoria, Durban, Port Elizabeth and Cape Town. Book and pay online at www.howtotender.co.za. Please contact Estelle at Estelle@howtotender.co.za should you require more information.

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