

# Managing the risks and rewards of collaboration\*

Technology executive connections  
Volume 6 Appendix



The following pages contain the full results of PricewaterhouseCoopers' *Managing the risks and rewards of collaboration* online survey. To view the full analysis, please visit [www.pwc.com/techconnect](http://www.pwc.com/techconnect) to download the pdf file.

## The survey

The quantitative findings presented in this report are based on a survey conducted by the Economist Intelligence Unit (EIU) in mid-2008. The survey garnered 158 responses from senior executives based in five principal regions: 31% Asia; 36% Europe; 27% North America; 3% the Middle East and Africa; and 3% Latin America.

To view or download the full 50-page report featuring comments by industry leaders and PricewaterhouseCoopers professionals, please visit [www.pwc.com/techconnect](http://www.pwc.com/techconnect)

## About PricewaterhouseCoopers

The firms of the PricewaterhouseCoopers' global network ([www.pwc.com](http://www.pwc.com)) provide industry-focused assurance, tax and advisory services to build public trust and enhance value for clients and their stakeholders. More than 154,000 people in 153 countries across our network share their thinking, experience and solutions to develop fresh perspectives and practical advice.

"PricewaterhouseCoopers" refers to the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

## About our technology industry practice

PwC works with technology companies around the world to help them fulfill the promise of their great ideas. We are the trusted advisor and auditor to the majority of the Financial Times Global 500 technology companies.

We have made a major commitment to train our people in industry-specific issues so that we can deliver services with a global perspective, local implementation, in-depth experience and a forward-thinking approach.

There is an ever-present state of change and evolution in the technology industries. We're ready to help your company face the challenges the industry throws your way. Given our significant client base and considerable resources, our technology industry professionals work from an experience base that far exceeds any other professional services provider. That's why more technology companies choose PwC than any other professional services firm. We're in touch with your industry—and ready to work with you.

For more information on how PricewaterhouseCoopers' Technology industry practice can help your company, or to get in touch with a technology industry partner in your area, please visit us at [www.pwc.com/technology](http://www.pwc.com/technology) or refer to the contact list at the back of this report.

# Appendix

Survey methodology

Results of the survey

Profiles of the survey respondents

# Survey methodology

The analysis in this report is based on the results of a survey conducted in June 2008 by the Economist Intelligence Unit.

## Analysis

The survey relies on a variety of question formats. For example, on a number of questions, respondents were asked to respond on a scale of 1 to 5 with 1 being 'strongly agree' and 5 being 'strongly disagree'. In other cases, comparison phrases such as 'highly accurate/not accurate' or 'very extensively/not extensively' were utilised within a similar five-point scale to capture attitudes and practices. In still other cases, respondents were asked to choose their top two or three answers or select all that apply.

The report itself uses actual percentages from the survey in every case. But in many situations, the analysis may combine two similar categories of answers (such as all those respondents who chose 1 or 2) to draw its conclusions. While such combinations are referenced in all cases, the tables themselves (appearing throughout the report and again below) are often useful for a more detailed view of the responses.

## Industry sectors

The findings are drawn from surveys completed by 158 executives in the technology, telecom and digital media sectors. In order of frequency, the specific sectors include software (50%), business information content developers (13%), B2B hardware manufacturers (13%), consumer electronics/device manufacturers (9%), wireless distribution service providers (6%), semiconductors and other component makers (4%), entertainment content developers (3%), and hard-wired distribution providers, e.g., cable providers (2%).

## Seniority of respondents

A good cross-section of executives responded to the survey. Again in terms of frequency, the specific titles include manager (21%), CEO/president/managing director (20%), SVP/VP/Director (13%), head of business unit (9%), head of department (9%), CIO/technology director (7%), board member (6%), CFO/treasurer/comptroller (6%), other C-level executive (5%) and 'other' title (4%).

## Geography

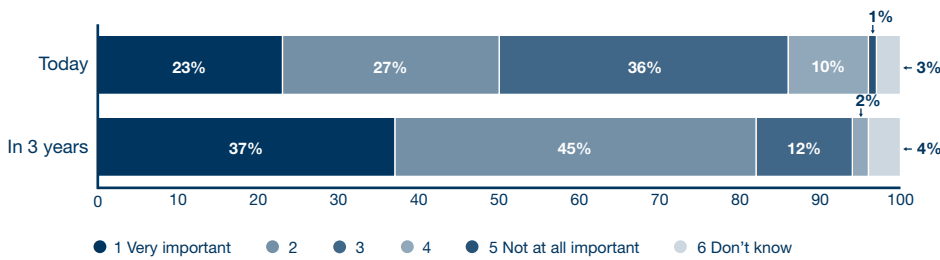
The respondent profiles are also well dispersed geographically. Almost one-third (31%) come from Asia, 29% from Western Europe and another 27% from North America. Other regions represented in the survey include Eastern Europe (7%), Middle East and Africa (3%) and Latin America (3%).

# Results of the survey

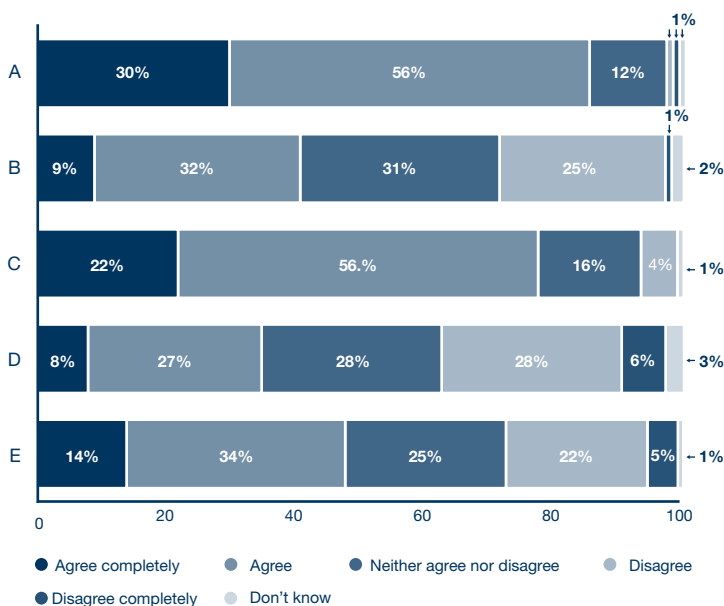
In June 2008, the Economist Intelligence Unit conducted an online survey of 158 technology company executives globally on their companies' efforts to collaborate with external partners. Our sincere thanks go to all those who participated in the survey.

Responses to survey questions (in the order asked) are provided on the pages that follow as the share of respondents giving the particular answer. Please note that not all answers add up to 100%, because of rounding or because respondents were able to provide multiple answers.

## 1. How important is collaboration with nonrelated partners to your company's success today? How important do you think it will be in three years' time? Rate on a scale of 1 to 5, where 1=Very important and 5=Not at all important.

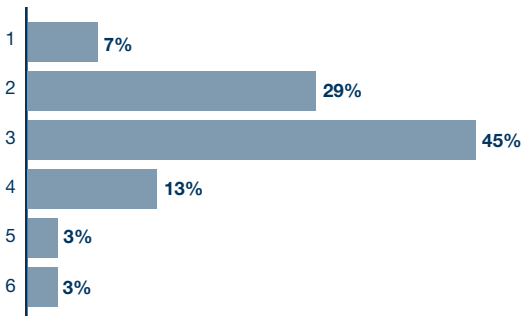


## 2. Do you agree or disagree with the following statements? Rate on a scale of 1 to 5, where 1 = Agree completely and 5 = Disagree completely.



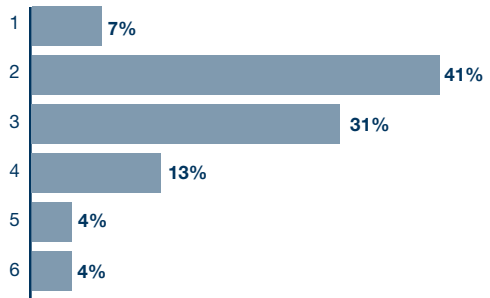
- A. Our collaboration efforts create significant competitive advantages for our company.
- B. Our collaboration efforts create significant risks for our company.
- C. If we improved our capabilities our company could extract significantly greater value from formal collaboration.
- D. Our company has a clearly defined collaboration strategy that adequately addresses the risks of collaboration.
- E. The ability to manage and profit from collaboration is a core competency for our company.

**3. How would you rate your company's ability to manage the risks and obtain the benefits of formal collaboration relative to your peers?**



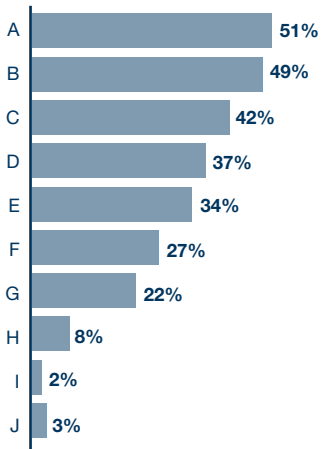
- 1. Significantly better than average
- 2.
- 3.
- 4.
- 5. Significantly worse than average
- 6. Don't know

**5. How effective are your company's policies and controls for managing risk within formal collaborations?**



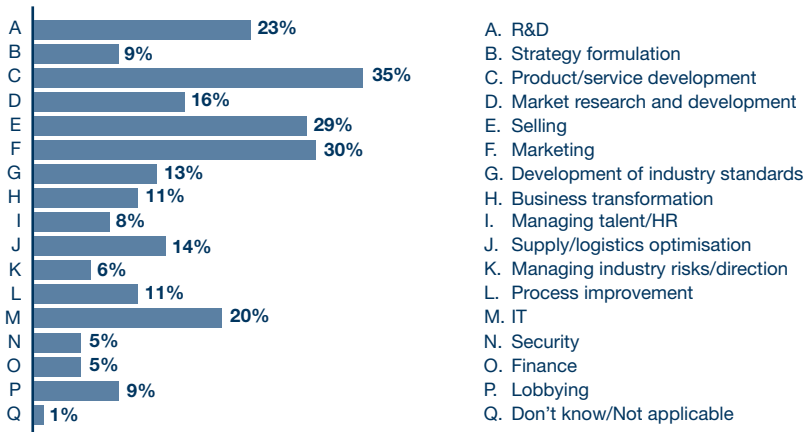
- 1. Very effective
- 2. Somewhat effective
- 3. Neutral
- 4. Somewhat ineffective
- 5. Very ineffective
- 6. Don't know/Not applicable

**4. What does your company perceive as the greatest potential advantages of formal collaboration? Select up to three.**

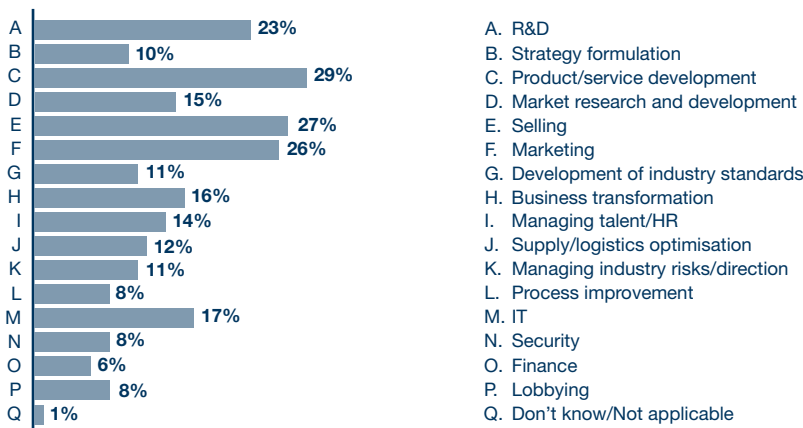


- A. Speeds time to market
- B. Allows each party to focus on core competencies
- C. Enables access to a broader range of technologies, resources or capabilities
- D. Creates larger market footprint
- E. Reduces capital investment to acquire capabilities/assets
- F. Encourages innovation
- G. Supports R&D
- H. Promotes shared risks
- I. Other
- J. Don't know/Not applicable

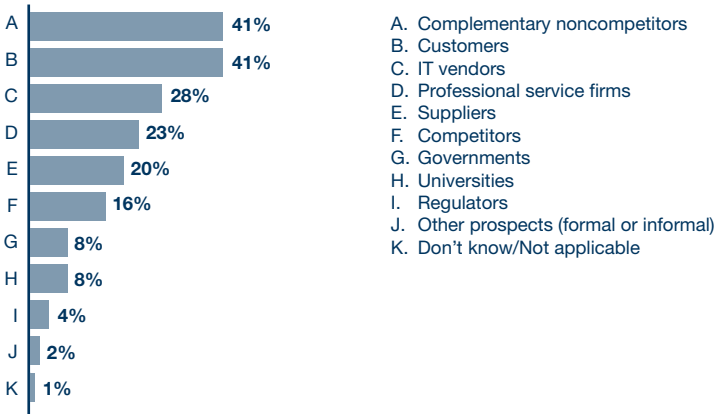
**6a. Where is collaboration (both internal and external) of the greatest importance to your company now? Select up to three.**



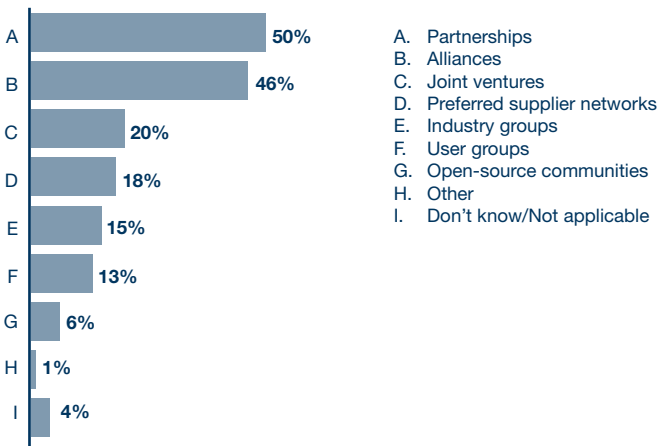
**6b. Which areas would most benefit from further collaboration over the next three years if suitable partners become available? Select up to three.**



**7. With which of the following external groups does your company most actively collaborate, either formally or informally? Select up to two.**

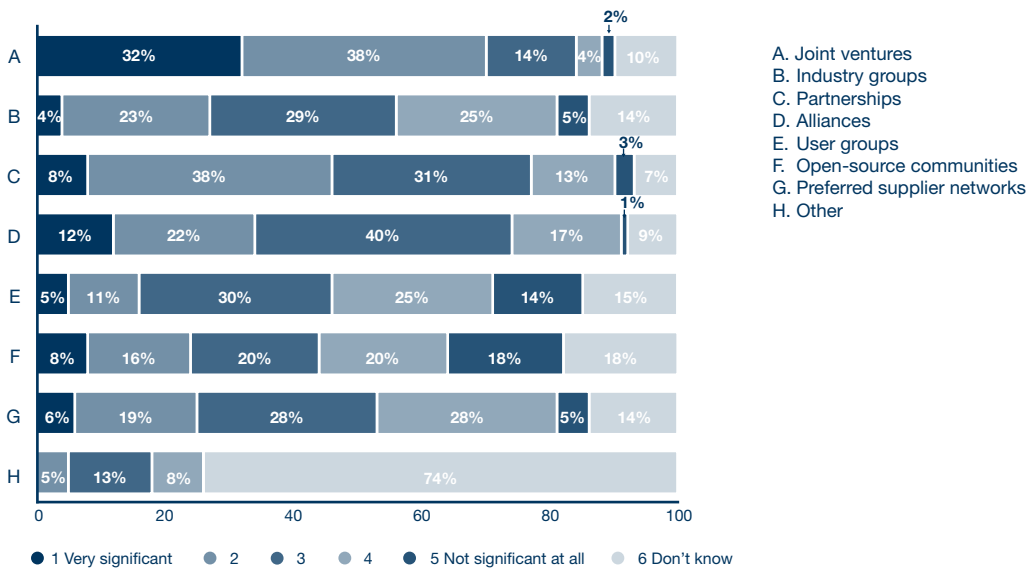


**8. What are your company's preferred methods for formal collaboration? Select up to two.**

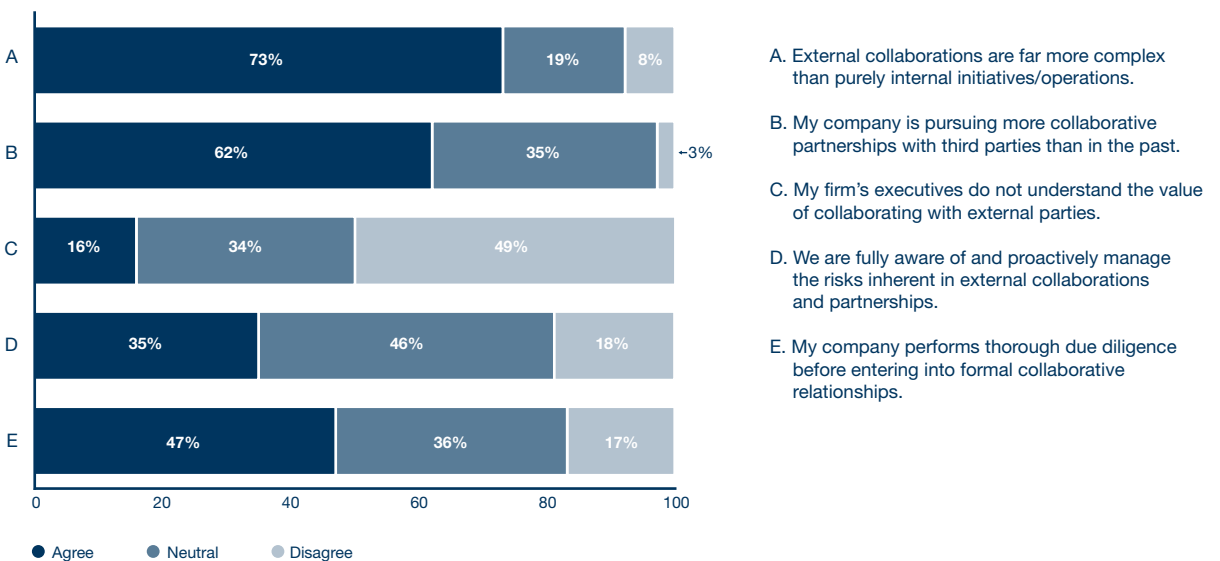




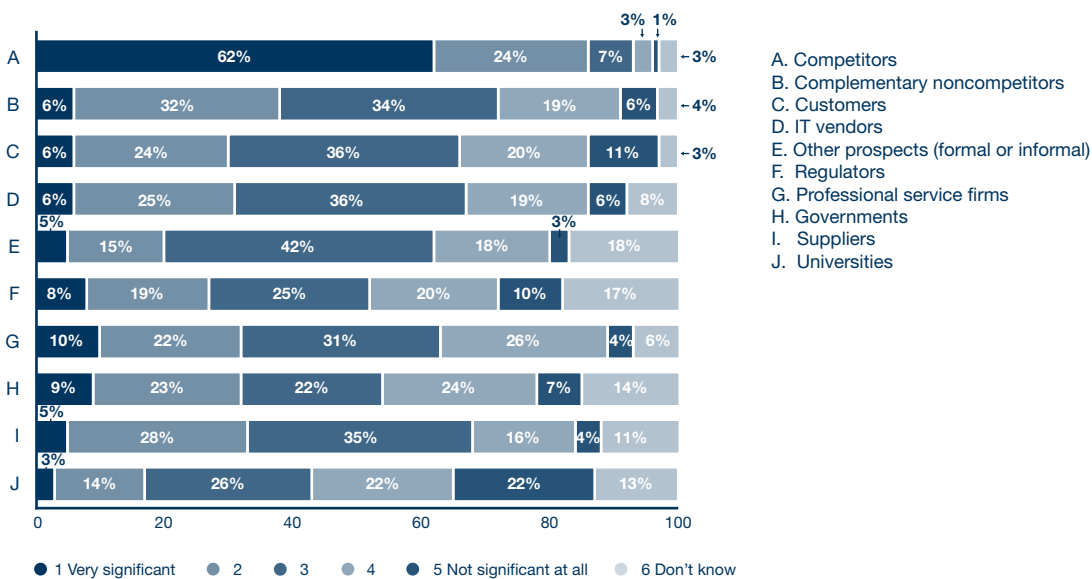
**9. How significant are the risks associated with these formal collaborative arrangements? Rate on a scale from 1 to 5 where 1=Very significant and 5=Not at all significant.**



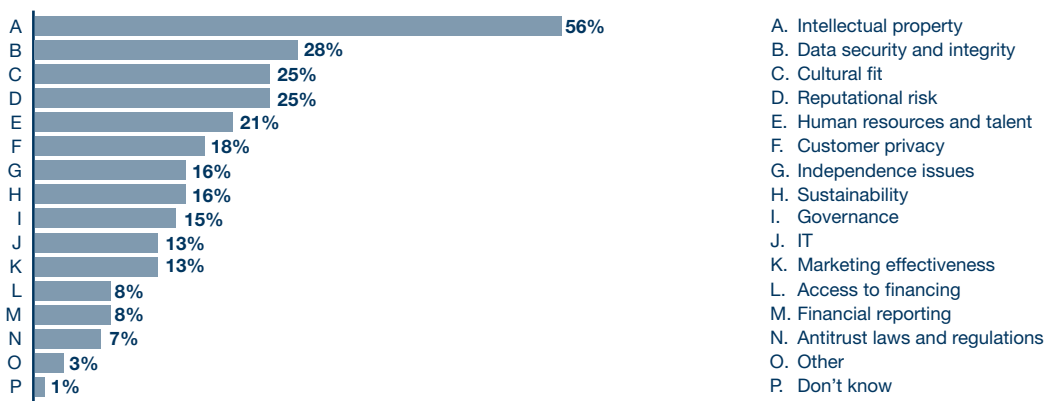
**10. Do you agree or disagree with the following statements?**



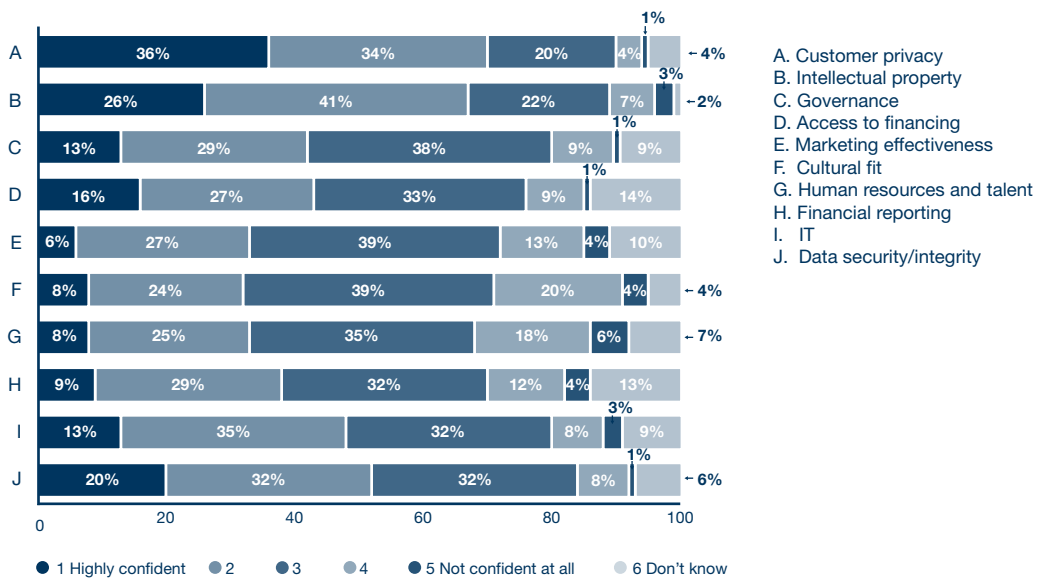
**11. As it relates to collaboration, how much risk do you associate with each of the following groups? Rate on a scale from 1 to 5 where 1=Very significant and 5=Not at all significant.**



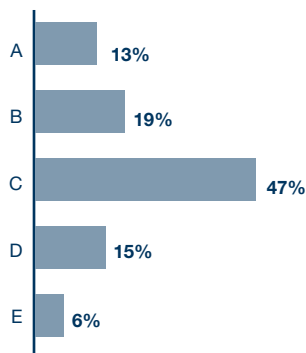
**12. Which do you think are the most critical risks to manage within formal collaborations? Select up to three.**



**13. How confident are you that your company fully addresses the following risks in the establishment and operation of formal collaborations? Rate on a scale of 1 to 5, where 1= Highly confident and 5=Not at all confident.**

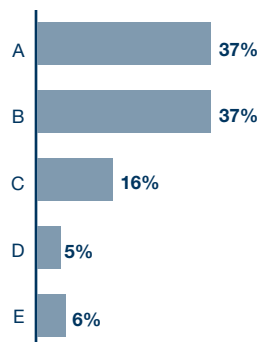


**14a. Which of the following statements best describes your company today?**



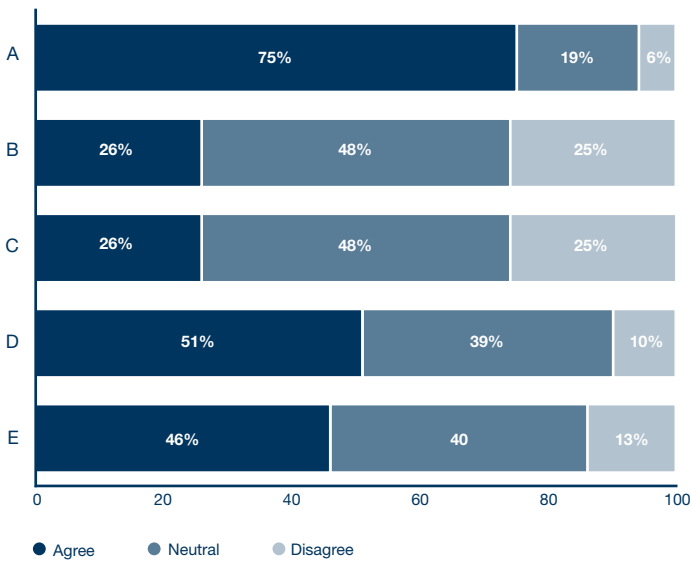
- A. We have a formal strategic framework, policies and procedures for managing risks within formal collaborations.
- B. We have broad guidelines for managing risks within formal collaborations.
- C. We manage the risks of collaboration on an *ad hoc* basis.
- D. We do not manage the risks of collaboration.
- E. Don't know.

**14b. Which do you think will best describe your company in three years?**



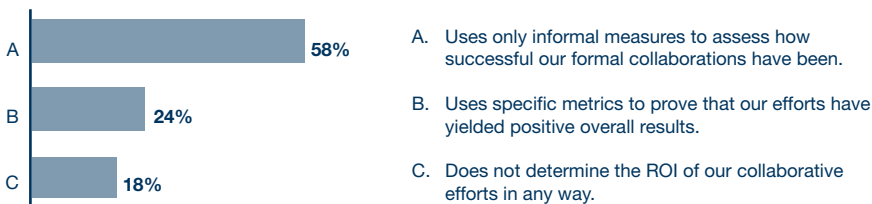
- A. We have a formal strategic framework, policies and procedures for managing risks within formal collaborations.
- B. We have broad guidelines for managing risks within formal collaborations.
- C. We manage the risks of collaboration on an *ad hoc* basis.
- D. We do not manage the risks of collaboration.
- E. Don't know.

**15. Do you agree or disagree with the following statements?**

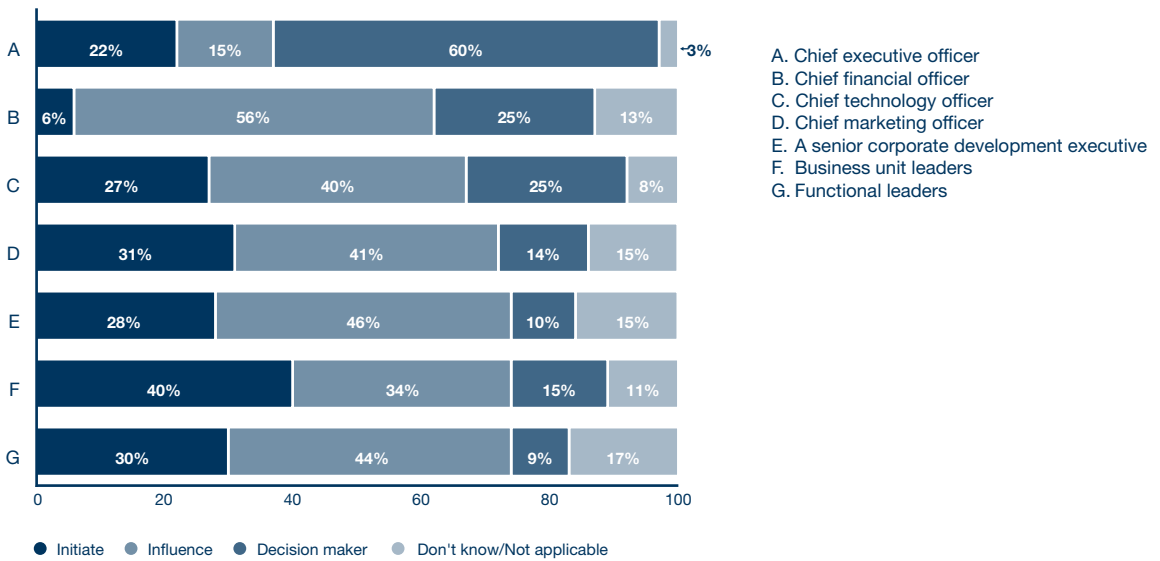


- A. We need to partner with external organisations in order to keep up with the pace of technology.
- B. Larger companies in a partnership/alliance tend to benefit more than smaller companies.
- C. Open-source collaboration is a source of considerable risk for our company.
- D. Open-source collaboration is a source of considerable opportunity for our company.
- E. Open-source collaboration is or is likely to become a very significant component of our business model.

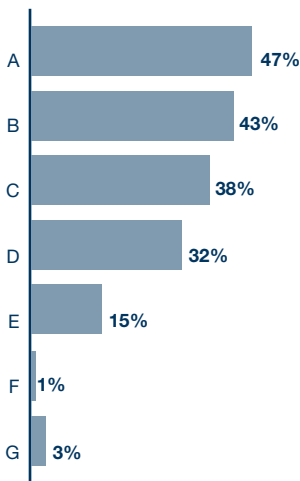
**16. Which statement best describes how your company determines the ROI of formal collaborations? Our company...**



**17. What are the most likely roles for the following executives in terms of decisions relating to the risks within formal collaborations? Are they more likely to initiate, influence or make final decisions?**

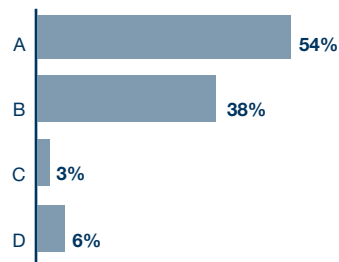


**18. Which forms of collaboration do you think are best for entering emerging markets? Select up to two.**



- A. Partnerships
- B. Alliances
- C. Joint ventures
- D. Acquisitions
- E. Preferred supplier networks
- F. Other
- G. Don't know/Not applicable

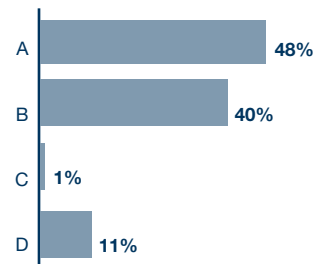
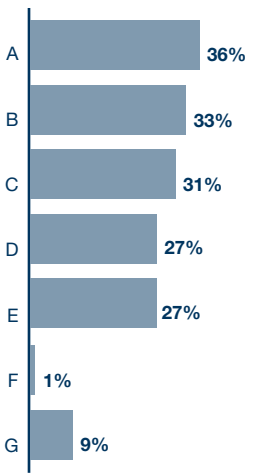
**18a. Regarding the previous question, when entering an emerging market, do you think it is best to use a new local partner or utilise an existing global relationship?**



- A. Existing global relationship
- B. New local partner
- C. Other
- D. Don't know/Not applicable

**19. Which forms of collaboration do you think are best for managing supply chains in emerging markets? Select up to two.**

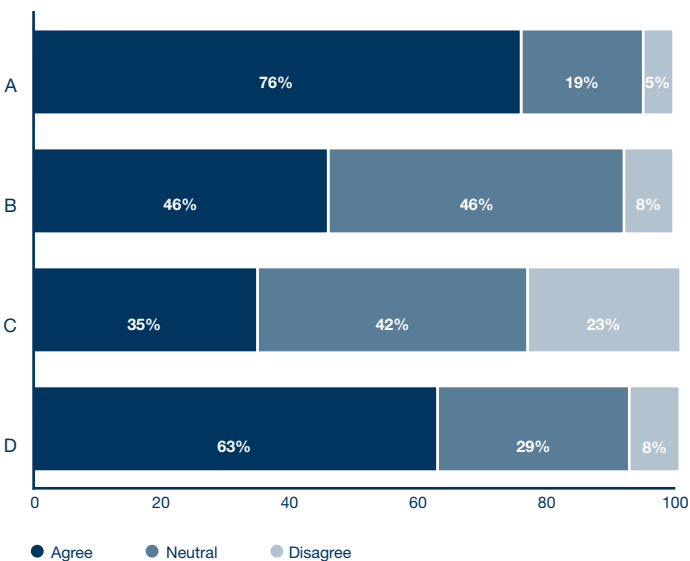
**19a. Regarding the previous question, do you think it is best to use a new local partner or to utilise an existing global relationship?**



- A. Partnerships
- B. Alliances
- C. Preferred supplier networks
- D. Joint ventures
- E. Acquisitions
- F. Other
- G. Don't know/Not applicable

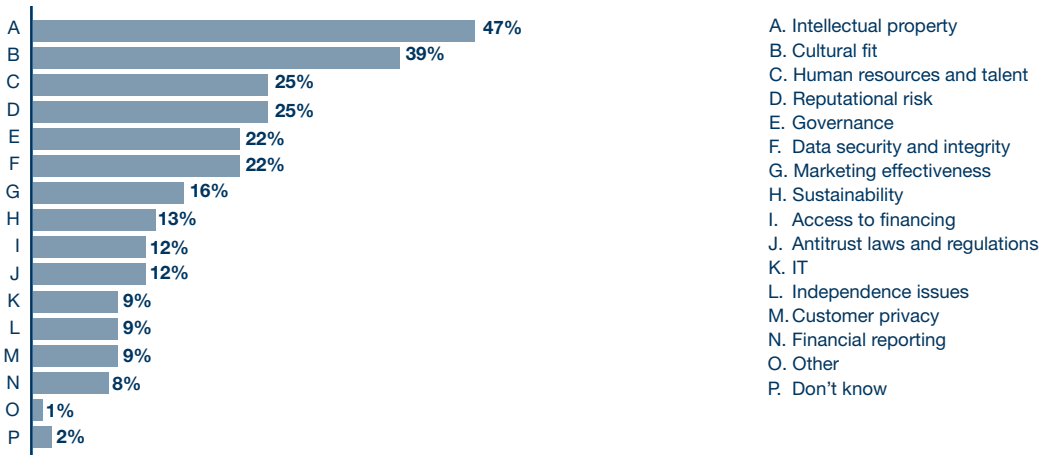
- A. Existing global relationship
- B. New local partner
- C. Other
- D. Don't know/Not applicable

**20. Do you agree or disagree with the following statements?**



- A. Relative to developed markets, the risks of collaboration in emerging markets are significantly greater.
- B. We collaborate with established companies in emerging markets primarily as a means of market entry.
- C. Today our collaborations in emerging markets are primarily sourcing-oriented.
- D. Cultural issues between collaborating partners in emerging markets require significantly greater attention than in developed markets.

**21. Which of the following risks require significantly greater efforts to manage in emerging markets rather than developed markets?  
Select up to three.**



## Profile of the survey respondents

### Which of the following best describes your job title?

Board member	6%
CEO/President/Managing director	20%
CFO, Treasurer, Comptroller or equivalent	6%
CIO/Technology director	7%
Other C-level executive or equivalent	5%
Senior VP/VP/Director	13%
Head of business unit	9%
Head of department	9%
Manager	21%
Other	4%

### In which region are you personally based?

Asia-Pacific	31%
Western Europe	29%
North America	27%
Eastern Europe	7%
Latin America	3%
Middle East and Africa	3%



**What are your main functional roles? Please choose no more than three functions.**

Strategy and business development	44%
General management	41%
IT	36%
Marketing and sales	28%
Information and research	17%
Operations and production	15%
Finance	13%
Customer service	7%
Risk	5%
Supply-chain management	5%
Human resources	3%
Procurement	3%
Legal	0%
Other	2%

**What is your organisation's global annual revenue in US dollars?**

\$500m or less	52%
\$500m to \$1bn	14%
\$1bn to \$5bn	10%
\$5bn to \$10bn	8%
\$10bn or more	16%

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