

Profit by Partnering through Alliances

Taiwan's Experience on Partnering and Alliance

by
Za-Chieh Moh
Sc. D., P.E.
Executive Director
Chinese Association of Consulting Engineers, Taipei

FIDIC 2004

Profit by Partnering through Alliances

Past Experience and Current Practices

- **on Project Basis**
- **Design Projects**
- **Design-Built/Turnkey Projects**
- **BOT Projects**

Profit by Partnering through Alliances

Past Experience and Current Practices

- Form of Alliances

- **as Consultant**
- **in Consortium**

Profit by Partnering through Alliances

Factors Contributing to Success

- **Communication**
- **Coordination**
- **Cooperation**

Profit by Partnering through Alliances

Factors Contributing to Success

- **Willingness to Understand**
- **Fair and Equitable**
- **Compatible**

Profit by Partnering through Alliances

Difficulties

- Language Obstacle
- Failure to Understand Risks
- Unqualified Personnel

Profit by Partnering through Alliances

Difficulties

- **Rigid/Fixed Ideas**
- **Lack of Appreciation of Local Experience, Culture and Background**
- **Lack of Understanding of Local Codes of Practice, Laws/Regulations**
- **Inappropriate Application of Design Parameters, Empirical Relations, or Models for Analysis**

Profit by Partnering through Alliances

Difficulties

- Inconsistent or Unclear Agreements and Contracts
- Poor Dispute Resolution Mechanisms
- Poor Communications
- Negative Attitude
- Low Budget, Poor Payment Terms
- Incompatible Fee Structure

Profit by Partnering through Alliances

Some Key Issues

- **Needs for Cooperation and/or Collaboration**
- **Effects of WTO**
- **Origin of Funding**

Profit by Partnering through Alliances

Ethics

- Consideration beyond “Profit”

- Chinese Philosophy – with Business Partner
 - Share the Work & Integrate the Effort
 - Learn the Past & Develop the Future
- Chinese Philosophy – to Society
 - Conform to Law
 - Respect the Nature

Profit by Partnering through Alliances

Successful Cooperation = “Profit”
- Different Definition

- **Numeric Profit**
- **Long-Term Partner**
- **Market Exposure**
- **Friendship**