

resource alignment is referred to the pattern whereby resources of partner firms are matched and integrated in alliance. The strategic alliance arrangements must be mutually beneficial to all the parties in the alliance to make sure the sustainability of it. The performance of alliances are greatly dependant on the type and the value of the resources contributed by each partner and on the accuracy of resource alignment. As per the transaction cost economics firms ownership decision is based on minimizing the sum of transaction and production cost rather than maximizing the firm value. As of June 2017, IFS Japan had the highest EBIT percentage (Earnings before Interest and Tax over revenue) in Asia Pacific Region (APAC) and all the other IFS regional companies were far behind it. And also IFS Japan had been able to maintain this record in APAC region for many years while maintaining highest absolute EBIT. In addition to that, IFS Japan was one of the most compact regional organizations in IFS Global who had been able to maintain such a fascinating record throughout. The partnership between NEC and IFS was flourishing and relationship between them was being strengthen day after day even though they have had disagreements over priorities and resource allocations time to time in their journey. As of June 2017 IFS had about 100 customers in Japan and NEC was using IFS Applications companywide as their manufacturing ERP. Additionally, NEC was a shareholder of IFS parent company (5%) from 2004 to 2016. Even though strategic alliance between NEC and IFS Japan was proven to be very successful, it is quite risky for IFS Japan to restrict their partnership to NEC, as bad patches in NEC could directly affect IFS in a big way. Therefore IFS should be looking to form good strategic alliances with other companies in NEC nature. And also they need to reconsider the adequacy of staff if they decide to form strategic alliances with other organizations and also they may need to do slight adjustments to existing model based on the demand of new partners when dealing with them. All the modifications to existing model must be done without affecting the relationship with NEC. The prime purpose of this case study is to demonstrate the performance of successful alliances in comparison to the direct selling strategies and employing mix modes in ERP industry and to guide, on how to make decisions at the formation, deciding on a partnership mode, alignment of resource and execution of strategies to yield greater performances. And also this case study will discuss IFS Japan's strategy, management style, shared values, systems, organizational structure, staff and their skills behind this successful relationship. The intended learning of this case study could also be relevant for other industries.