



WHITEPAPER

# Secondees in Joint Ventures

Five Moves That Reduce Friction  
and Improve Value

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# When the JV Agreement Decides the Org Chart

Joint ventures remain central to corporate strategy. In fact, companies have announced ~2K JVs in the last five years. The vast majority of these JVs have at least one management team member seconded from a parent company.

That prevalence would be unremarkable if companies treated secondments as a deliberate operating-model choice. In practice, however, companies often make these decisions at the negotiating table: shareholders secure appointment rights, roles get reserved as “slots” in deal documents, and the venture later “fills the slot” instead of stepping back to ask what the role truly needs. Deployment becomes procedural—focused on appointment mechanics—rather than as part of an operating model with talent decisions shaped by the JV’s strategy and specific needs.

Secondees can and do create significant value, including faster capability build-out, embedded standards, and assurance in control-sensitive environments. But when negotiated rights are the driving force behind deployment, the JV often captures only a fraction of what secondments could deliver. Secondees’ roles, authority, and incentives should be designed for the venture’s specific needs. The more productive question is not whether to allow secondments, but when and how they can outperform direct JV hiring.

## How Default Secondments Create Friction Across the JV Lifecycle

The risks of agreement-driven secondments do not arrive all at once. They compound across time as JV leaders struggle to course-correct when performance management, incentives, and removal rights sit primarily with the parent.

At **launch**, secondments can be the fastest way to stand up critical capability, especially when the JV starts without deep bench strength of its own. The same launch logic can also create a trap: once roles are treated as default secondment slots, the JV’s board and leadership stop making role-by-role operating-model and talent choices, and start processing appointments.

In **steady state**, a different pattern emerges. Roles that were justified early can become “the way the JV works,” even when the original rationale for putting a secondee in the role has faded. Governance gravity matters here: it is politically and practically hard for a parent not to exercise a contractual right that conveys influence—even when exercising it is no longer the highest-value choice for the venture.

At **transition**—when the venture approaches maturity, enters a major restructuring, or winds down a significant capital program—using secondees can make the accompanying organizational change hard to execute.

The underlying tension is structural. A secondee operates day-to-day inside the JV while remaining legally, financially, and organizationally tied to the parent. That creates predictable pressure points: unclear authority, competing priorities, and informal parent steering that limits JV management's operating authority. Over time, the pressure builds and becomes a management tax on the venture.

# Reframe Secondees as a Control-and-Capability Mechanism

Secondees are a targeted mechanism for embedding parent-specific capability, transmitting operating standards, and exercising influence in shared-control environments—without the parent taking formal operating control.

**Secondment tends to beat direct JV hiring** under four conditions:

- The parent holds a scarce technical, commercial, or compliance capability the JV cannot credibly build or buy quickly.
- Parent-specific know-how or standards must be embedded in the venture without shifting formal operating control.
- The role is control-sensitive—the JV performs the function, but the parent needs assurance about *how* it is performed.
- The JV is in early-stage buildout, a major capital program, or a market-entry phase where parent expertise accelerates delivery.

This reframe also clarifies when secondments can be a legitimate long-term design choice. Some roles are **structural** for a reason: enduring parent presence may reflect a genuine ongoing control requirement or a continuing need to embed parent-specific capability and standards.

When **direct JV hiring is the better answer**, the logic inverts. Ventures designed to build genuinely new capability—or to consolidate businesses—often need operational freedom from parent influence that secondees structurally cannot provide. In those models, pre-allocated appointment rights can lock in an organization chart that is immune to performance realities and changing business needs.

A practical diagnostic ties the two together: if a seconded role cannot be mapped to a specific parent advantage the JV cannot otherwise access, the secondment is likely driven by deal convention rather than operating-model design. Companies that apply this diagnostic consistently—and then execute the five moves below—see better JV performance and fewer partner disputes than those that treat secondment as a negotiated entitlement.

# Five Moves to Get Secondments Right

Applied across the JV lifecycle—from launch through steady state to transition—these five moves ([Exhibit 1](#)) position JV secondees for success.

## EXHIBIT 1

### Five Moves to Make with Secondees

| Move                                                                        | Key actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>MOVE 1</b><br><b>Decide deliberately where secondments add value</b>     | <ul style="list-style-type: none"><li>• Create a secondee strategy explaining how the positions will be used</li><li>• Map every seconded role to a specific parent advantage: know-how, control sensitivity, or a clear build-transfer-exit agenda with explicit milestones</li><li>• Classify roles as temporary, rotational, or structural—the classification drives tenure, succession planning, and what success looks like</li></ul>                                                                                                                                                          |
| <b>MOVE 2</b><br><b>Choose for JV fit, not parent convenience</b>           | <ul style="list-style-type: none"><li>• Set the bar high: placing a strong secondee should feel like a real talent loss for the parent</li><li>• Select for technical depth combined with the ability to operate in shared-control environments: comfort with ambiguity, credibility across partner lines, and the judgment to separate JV from parent interests</li><li>• Run joint nomination processes so the JV CEO and management team scope the role, review candidates, and participate in selection—signaling that secondees are chosen for the venture, not assigned to it</li></ul>       |
| <b>MOVE 3</b><br><b>Put the JV in the operating seat</b>                    | <ul style="list-style-type: none"><li>• Direct day-to-day priorities, workplans, and performance expectations through the JV supervisor—clearly, consistently, and in writing when needed</li><li>• Separate career stewardship from work direction: assign a named parent sponsor for administrative oversight and reintegration support without letting that role become a shadow operating line</li><li>• Design reporting lines so they cannot drift into a two-manager reality—secondees should not carry active reporting relationships to parent sponsors unless explicitly agreed</li></ul> |
| <b>MOVE 4</b><br><b>Make performance, incentives, and costs transparent</b> | <ul style="list-style-type: none"><li>• Write role charters—not just job titles—covering scope of authority, decision rights, performance evaluation, and cost allocation</li><li>• Give the JV primary input into performance assessments and create opportunity for JV leadership to present, defend, and stand behind the secondee's review in the parent's system</li><li>• Align variable compensation to JV outcomes, not only parent outcomes</li><li>• Make cost reimbursement open and symmetrical</li></ul>                                                                               |
| <b>MOVE 5</b><br><b>Design the end-state from the start</b>                 | <ul style="list-style-type: none"><li>• Build the transition plan according to role classification—unclassified roles tend to become permanent by default</li><li>• Name a successor or successor-development path inside the JV for temporary and rotational roles, embedding explicit transfer milestones into the secondee's objectives</li></ul>                                                                                                                                                                                                                                                |

# Making Secondees a JV Resource

Secondees create real value when the roles they fill are chosen deliberately and the individuals are selected for the venture's needs. Problems arise when JV partners treat secondments as a standing entitlement—negotiated into the agreement and never reconsidered—because what made sense at the deal table is rarely the right organizational answer across every stage of the venture's life.

The five moves above are not complicated. What they require is the discipline to treat each secondment as an operating-model and talent decision rather than a contractual formality. JV boards play a critical early role in this by establishing a secondee strategy that clarifies responsibilities related to role scoping, secondee nomination and selection, performance management, and transitions.

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