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Edwin Kaats  
Wilfrid Opheij

# Creating Conditions for Promising Collaboration

Alliances, Networks,  
Chains, Strategic  
Partnerships

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 Springer

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# Chapter 1

## Introduction

**Abstract** Solving the major business and public issues of these times is not possible for any single organization on its own. Many of these issues and opportunities demand that organizations collaborate in alliances, networks, chains or strategic partnerships. Collaboration is always necessary, irrespective of whether this concerns innovation to find solutions for, e.g. durability issues, good care, economic development, sustainability, public order and safety. In this chapter we introduce and define the subject of collaboration as we see it, from a scientist's viewpoint as well as a practitioner's viewpoint. Faced with the fact that ambiguities between participating parties is one of the big problems when it comes to the question of collaboration, we accentuate the need for a shared perspective or 'lens' and associated language to facilitate collaboration. We finish this chapter with an explanation of the structure of the book.

**Keywords** Collaboration • Cooperation • Alliance • Network • Chain • Strategic partnership • Inter organizational relations • Vision on collaboration/cooperation • Modeling collaboration/cooperation • Research on collaboration/cooperation • Shared lens on collaboration/cooperation

Solving the major business and public issues of these times is not possible for any single organization on its own. Many of these issues and opportunities demand that organizations collaborate in alliances, networks, chains or strategic partnerships. Collaboration is always necessary, irrespective of whether this concerns innovation to find solutions for, e.g. durability issues, good care, economic development, sustainability, public order and safety. To be able to collaborate, the parties in question must be able to relinquish some of their autonomy or result expectations in the good faith that they will get more in return. It is however rather difficult to relinquish your autonomy when you have the feeling that you don't really understand one another and you are actually talking about different things. Ambiguities between participating parties is one of the big problems when it comes to the question of collaboration. The problem is quite often not based on substantive differences in insight, but in fact on the kind of confusion generated by language differences and differences in expectation and perception. In such



instances, it could be helpful to use a shared perspective or ‘lens’ and associated language to facilitate collaboration.

In our opinion, the academic study of cooperation should be able to support alliance practitioners by generating useful concepts and instruments with which to diagnose and manage cooperative partnerships. The characteristics of cooperation mentioned above leave practitioners with practical challenges such as the need to develop executive and decisive power when power structures are ambiguous, finding methods to resolve potential clashes of interest, and promoting personal and cultural harmony when there is limited control over team composition. Any attempt to model cooperation that aims to provide a complete diagnosis and an adequate repertoire of actions and effective interventions must address the aspects of the inherent complexity of cooperation. We note that the professional and academic community is still struggling to picture this inherent complexity and is beginning to build a more integrated view on the workings of collaborative processes. Our contribution to this particular aspect of collaborative processes combines research and experience. We support the call for a coherent body of knowledge, which is grounded in theory and applicable in practice. Drawing on our daily experience of cooperative partnerships and our research on collaborative leadership, we develop solutions to specific issues, thereby gradually building up a workable body of knowledge. Here, we present this concept as a common starting point for further development and research, for both scientific as well as practical follow-up.

The aim of this book is to offer people involved in collaborative partnerships precisely such a shared ‘lens’ and language. We would also like this book to present an overview of the many different perspectives to collaboration and provide some insights that will enable the reader to actually apply those perspectives in the collaborative process. We would also like to sketch perspectives for future collaboration between organizations.

This is where we will start our vision on collaboration.

Collaboration is most likely to succeed when people and organizations connect with one another in a sense-making process that does justice to the relevant interests and is targeted at a significant ambition. The major challenge is to create enabling conditions for this.

## 1.1 In Search of Insight and Overview

By collaborating, we can achieve things that might be inconceivable or impossible for individual organizations. We are also sometimes confronted with societal issues that no organization is capable of solving individually; we are much more capable of facing outside threats as a united front. The only way to deal with the difficult challenges and issues we face in these times is by working together. But collaboration between organizations is equally unavoidable seen from the

historical, sociological and organizational perspective: the administrative agenda in many organizations is in fact determined largely by the question of collaboration. The players in the boardrooms of organizations all over the world realize full well that it is impossible for any single organization to survive and to resolve all the complex issues of our times without the cooperation of other organizations. In other words, while collaboration is essential, it is not always equally self-evident.

### ***1.1.1 Insight Based on Prior Research***

We routinely collaborate with other authors and organizations to write a wide range of books and articles on collaboration in alliances and networks with different points of focus and intention. In our first book (Kaats et al. 2005), we described the managerial principles applicable to taking a position in a collaborative partnership, in establishing collaborative relationships, and in the development of collaborative skills. In the second book on collaboration in an increasingly competitive environment in health care (Opheij et al. 2006), we studied and described collaborative processes in the care sector. In our doctoral thesis, titled, Executives make sense in alliances and networks (Kaats and Opheij 2008), the focus was on the role and meaning of the chief executives in alliances and networks. We also wrote a wide range of articles on various other aspects, such as the collaborative process (Bremekamp 2010) and the coherence between the perspectives on collaboration, as represented in a coherent ‘Looking glass’ or ‘lens’ on collaboration (Bremekamp et al. 2009). In 2012, we published the book, *Learning to collaborate between organizations* (Kaats and Opheij 2012), in which we described the coherence between the insight and application, and we also wrote the article, “Bridging disciplines in alliances and networks: In search of solutions for the managerial relevance gap” (Bell et al. 2013). The latter two publications form the backbone of this ‘Springer Brief’. We obviously extensively consulted and referred to the publications and research of other researchers and writers on this subject. A lot of energy has been invested in trying to model collaboration issues, and those efforts have yielded some interesting and useful perspectives and instruments. That notwithstanding, we have found the existing instruments inadequate when it comes to understanding the full complexity of collaborative issues.

### ***1.1.2 Coherence Provides an Overview***

Some publications try to obtain coherence by asking contributions from several researchers (including Bamford et al. 2003; Camps et al. 2004; Boonstra 2007; Cropper et al. 2008). While this does indeed yield some insight into the Inter-Organizational Cooperation discipline, it is hard to see the substantive coherence between the different contributions. The same absence of coherence is also evident

in the concluding chapter by the authors of the 780-page review, *The Oxford Handbook of Inter-Organizational Relations* (Cropper et al. 2008). The book was compiled by asking renowned international researchers to present a review of their specific individual perspectives on collaboration. This alone already yielded an index of subjects and names of scientific researchers of more than twenty pages. John Bell and colleagues put it as follows: ‘The academic literature on the dynamics of cooperation is at the brink of irrelevance’ (Bell et al. 2006). They mention the existence of not only a ‘scientific relevance gap’, but also a ‘managerial relevance gap’. The research into alliances and networks is fragmented and insufficiently harmonized with its application in the practice. We included original and recent insights into alliances and networks in this book, and we also made a selection of relevant scientific knowledge (Kale and Singh 2009). We did however leave out the deeper scientific finesses. The focus of this book is more on ‘overview’ than on detailed knowledge. We also chose specific researchers with a primary focus on the overview.

### *1.1.3 Focus on Collaboration Between Organizations*

Human beings cooperate in just about every domain of their daily lives, from the sports field to Twitter. This book focuses on the cooperation between organizations and the kind of cooperation that is meaningful in that context. In other words, the focus of this book is precisely on the cooperation between organizations as such, their backgrounds, the way in which they are established, and the way in which they operate, the way in which organizations and human beings bond in cooperation, and the way in which people function in it.

We explicitly **avoid** the following types of collaborative processes: cooperation within organizations, between personnel working in different departments, collaboration between the board, management and executive teams in an organization, personal collaboration between people without direct links to different organizations, social networks and social media in which ICT plays a role in several different forms (e.g. Twitter, Web 3.0), the influence of the social media on organizations, and the development of hierarchical organizations into network organizations. Although we have not explicitly focused on these points, they are nevertheless closely related to cooperation; which means that the insights obtained in this book could still be useful and applicable.

## **1.2 It’s About Connection and Perspective**

Before starting, we would like to delve a little deeper into the background of this publication and present a coherent frame of reference for collaboration in alliances and networks. After that, we will explain how we came to the structure of the book.

### ***1.2.1 Towards a Coherent and Comprehensive View***

In this book, we present a framework for cooperation that offers useful guidance throughout the process of cooperation. We have combined five key aspects of cooperation into a more coherent and integrated framework. All five key aspects are grounded in academic literature that provides strong support for the relevance and logic of these aspects. However, what has been lacking so far in the contemporary body of literature is the comprehensive integration of these key aspects. Coherence and integration are required to provide meaningful guidance to alliance practitioners. Without the integration, alliance practitioners may be tempted to look through just one of the lenses offered by academics and apply it to their cooperation. The result could be myopia and some elements of the cooperation not working as well as they could (such as organization or relationship dynamics), while ignoring other aspects (such as interests and shared ambition).

As reflective alliance practitioners, we have taken up this challenge and taken the step towards integration. We fully recognize that this is a first step, grounded in theory and practice, which will require further validation and improvement. This book offers a point of departure for more coherent research into and the application of cooperation between organizations.

### ***1.2.2 Structure of the Book***

The principal message of this book is that collaboration presents opportunities if people and organizations are able to bond in a meaningful process that does justice to their interests and if it is aimed at a meaningful ambition. The big task is to create the best conditions for doing so.

In [Chap. 2](#), we go into the use and necessity, definition, essential characteristics and reasons for collaborating. Cooperation is not simple and the question is how it actually works. In any event, it invariably comes about in the case of dualities, paradoxes and tensions. For those reasons, it is always essential to look at, think about and work with these issues from different perspectives. We also refer to the various different manifestations of cooperation between organizations.

In the [Chap. 3](#) we present a 'lens' on cooperation that enables practitioners to better understand the processes and forces involved. It is based on an analysis of a large number of cooperative partnerships. We begin by looking at the existing toolbox of instruments for understanding and managing cooperation in all of its complexity. We then describe the basic characteristics of cooperation and a 'lens' through which cooperative endeavors can be viewed. This lens has multiple points of focus, which together provide a rounded image of a particular cooperation process. We close with a number of indicators to determine how a cooperative partnership is performing. By sharing this 'lens' and the language that goes with it, our aim is to provide a tool for minimizing misunderstanding, and the resulting discord that often surrounds cooperative relations.

We conclude this book with perspectives. We have noticed a number of major challenges in our discipline, namely: bridging disciplines and improving managerial relevance, making sense of collaboration strategy, tapping into new business models and forms of organizing, developing collaborative leadership and effective action repertoire. In this closing chapter, we delve deeper into these challenges and offer an overview of the questions that we believe will be important in the years ahead.

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## Chapter 2

# Collaboration: A Fundamental Capability in Society and Organizations

**Abstract** Effective collaboration comes about when organizations and people cooperate in a sense-making process that does justice to the interests and that is aimed at a meaningful ambition. Everyone collaborates in one way or another. Almost everything we do can be classified as some form of cooperation. In this chapter we start by elaborating on how we use the concept of collaboration; we delve deeper into the use and necessity, the definition, the essential characteristics and the reasons for cooperating and the different ways in which cooperation is manifested. Finally, we will deal with the question as to why cooperation is never simple and the consequential need to look at, think about, and work with collaboration from different perspectives.

**Keywords** Positioning collaboration/cooperation • Motives for collaboration/cooperation • Characteristics of collaboration/cooperation • Definition of collaboration/cooperation • Archetypes of collaboration/cooperation • Types of collaboration • Transactional collaboration (chains) • Functional collaboration (outsourcing) • Explorative collaboration (networks) • Entrepreneurial collaboration (alliances) • Complexity • Build buy or ally

Effective collaboration comes about when organizations and people cooperate in a sense-making process that does justice to the interests and that is aimed at a meaningful ambition. Everyone collaborates in one way or another. Almost everything we do can be classified as some form of cooperation. But if that were all it is, then it would be very hard to write something meaningful about it! For that reason, we will dedicate this chapter to explaining our understanding of collaboration. We would like to start this publication by elaborating on how we use the concept of collaboration; however, there's obviously more to be said about this subject. We will therefore delve deeper into the use and necessity, the definition, the essential characteristics and the reasons for cooperating. After that, we will go into the different ways in which cooperation is manifested. Finally, we will deal with the question as to why cooperation is never simple. In any event, it invariably comes about in the case of dualities, paradoxes and tensions. For those reasons, it is always

essential to look at, think about, and work with these issues from different perspectives.

## **2.1 Almost Nothing Happens Without Collaboration**

Some opportunities are so big and attractive, and some problems so huge as to make it impossible for one single organization to deal with them on its own. That's when you need collaboration. In essence, collaboration is about establishing connections: connections between people, connections between communities, and connections with the world we live in. The 21st century is no longer about fragmentation—in other words, chopping everything up into smaller units and dividing it, 'taking out everything you can'—but about seeing things in coherent frameworks and operating based on connection. As such, collaboration and the ability to connect are key factors when it comes to making the most of future opportunities.

### ***2.1.1 Collaboration is in our Nature***

In his book, "Our Inner Ape. A leading Primatologist Explains Why We Are Who We Are", primatologist Frans de Waal talks about our ability to cooperate (de Waal 2006). Drawing conclusions from an enormous body of research, he offers insight into the importance of collaboration to our kind and to ourselves. In his view, the animal kingdom is not only about conflict and competition, but specifically also about 'that other ability'. He states that harmony derives from mutual dependency. There was a time when biologists were only concerned with winning and losing: winning was good, losing was bad. Every population had its hawks and its doves and the doves had a hard time surviving. In de Waal's view, the question as to who wins and who loses is only half the story: if your survival depends on cooperation, as is the case in innumerable animal species, then those who start fights risk losing something much more important than the conflict in question. Sometimes you can't win a fight without losing a friend. To be successful, social animals must be hawks and doves. As a result, the new theories tend to emphasize reconciliation, compromise and the need for good relationships. In other words, making amends is not about being nice, but about maintaining cooperation. So, we need collaboration and the ability to connect to survive.

### ***2.1.2 Collaboration Manifests Itself in Many Different Areas***

We take a managerial approach to collaboration between organizations, which automatically entails cooperation between people in relation to those organizations. Organizations cooperate in many different areas, because it is almost impossible for

any single organization to solve all the truly complex issues on one's own in this day and age. For example: making real breakthroughs and innovating, operating in a competitive way by sharing costs with others, making sure that children with educational problems are helped and supported where necessary, providing good professional care services collectively, working together in a chain to ensure that all the shops are kept in supply, realizing substantial productivity gains in a chain, establishing cooperation between different countries in, e.g. the European Community, continuing to renew cities and keeping them in compliance with the latest requirements and insights, initiating major infrastructure projects, and protecting countries against the forces of nature. For example: we need to keep the Netherlands dry and to protect it against the sea, and even 'create new land'. These are only a few examples of issues that demand cooperation. Without that cooperation, you lose quality, things become too expensive and take too long, and people become unnecessarily frustrated. And in extreme cases we cannot survive in a sustainable way.

### ***2.1.3 Collaboration Must Yield Benefits***

You don't always just start collaborating. It has to have some benefits. The benefits of collaboration vary from one partnership to the next, and from one partner to the next. You generally cooperate because you can jointly achieve something that neither of the partners could achieve on his own. It is also increasingly the case that only organizations of a certain size are able to offer good quality or competitive products or services; so, if you are not big enough to achieve your goals, then you are well advised to collaborate in a partnership in which everyone concentrates on the activities he excels in. It is also essential for organizations to continue to develop and learn to be able to assure their continuity. It is often better to learn together than to leave everyone to think and work in his own context; after all, you can invariably learn a great deal from partners with different backgrounds and mentalities.

Finally, the outside world also demands harmonization: not sending the customer from port to starboard and from department to department. When dealing with matters of care, public order, the youth, as well as in financial services and commerce, we expect coherence and harmonized service provision. In some cases it is even mandatory.

We can also find the most important reasons for collaboration in various theoretical perspectives (Camps et al. 2004; Contractor and Lorange 1988; Huxham and Vangen 2005; Child et al. 2005; Cropper et al. 2008). The following are the substantive motives for collaboration: reacting to market trends, realizing cost benefits, developing knowledge, and managing extreme pressure. Table 2.1 represents a more detailed elaboration of the motives.

Research has also shown that collaboration is not only driven by rational motives (Kaats and Opheij 2008). Managers are often motivated to cooperate with



**Table 2.1** Overview of the substantive motives for collaborating

Market development	Cost advantages	Knowledge development	External pressure
Developing joint market power	Realizing advantages of scale	Organizing joint innovation	Political pressure: 'one face to citizens'
Improving and increasing distribution power	Overcoming investment impediments	Gaining access to new technology	Legal obligation of consultation
Gaining access to new markets	Establishing joint supporting services	Using partner complimentary competencies	Moral appeals from society or politics
Protection against competition	More efficient and rationalized production	Learning from partners' skills and knowledge	
Chain integration through better chain coordination		Learning from partners' cultures	
		New patents as well as access to patented knowledge	

other organizations based on their personal convictions. Those reasons are then invariably articulated in rational terms 'on the night' in arguments based on the aforementioned motives.

If 'organizing between organizations' works well, if we make the right managerial decisions and also really collaborate in the operational sense, then you can expect good results for the individual consumer and the citizen, as well as for all the enterprises concerned, and for public organizations at national and international level.

However, as we all know, cooperation is not always equally obvious: if different organizations want to work together, each one of those organizations must relinquish part of its autonomy in the good faith that they will get more in return. Not everyone involved in a collaborative partnership has exactly the same interests. It might be more interesting, in the short term, for a person or organization to try to get things done on their own and without collaboration. Obviously they're fully entitled to do so, and that strategic decision on e.g. 'build, borrow or buy' is always an important issue for everyone faced with a major challenge (Capron and Mitchell 2012). It is precisely the fact that everyone is free to make his own decisions at any given time and is capable of displaying opportunistic behavior that makes cooperation so complex.

### ***2.1.4 Collaboration as a Consequence of Increasingly Complex Issues***

It seems that there is a growing number of situations with increasingly complex issues at stake. A growing number of issues no longer ‘fit inside the box’: They are increasingly region, sector, or discipline transcending. Teisman studies processes in complex managerial environments, whereby he observes a clear trend from hierarchical to network-like systems (Teisman 2007). This has a tangible effect on the executives. He studies ‘complex systems’ and distinguishes between the qualifications, ‘complicated’ and ‘complex’. He views *complicated* systems as variants of simple systems in the sense that it continues to be possible to understand the operation of the systems and to reduce them to ‘simple’ mechanisms. It is always possible, if you do your best and invest enough time and energy, to ultimately understand complicated systems. ‘Complicated systems are full-grown variants of simple systems with limits and stable main operational lines’. *Complex* systems, on the other hand, consist of complicated interactions between and interferences by players (individuals, organizations, and institutions); the systems do not appear to have any clear boundaries and the main operational lines are not identifiable by their nature. Complex systems are characterized by processes such as coincidence, emergence, and non-linear developments that are almost impossible to predict, but that do result in renewal and innovation. Complex systems are both complicated and complex, which makes them partly explicable, but also partly inexplicable. We can understand some parts of complex systems through rational analysis and the application of laws and patterns, while we can only follow other parts as observers due to the fact that they are established as a consequence of complicated interactions between autonomous players. This means that executives need skills for dealing with both complicated and complex situations. But their most important skill is to be able to determine when which action repertoire is effective.

Organizing in chains and networks takes us to a third level of change (de Witte et al. 2012). Besides ‘improving’ the first order and ‘transforming’ the second, the third order involves systemic change: ‘transition’. It is not so much about realizing change in organizations, as it is about designing issues in the chains and networks of which it forms part. The theme ‘security’ does not pertain to the police, but to organizations in the security chain. Health is not only the domain of doctors, but also of a wide range of organizations that promote health and the quality of life. Sustainability is another such theme, one in which the organization does not form the focal point, but a system that the organization forms part of. Individual organizations don’t change; it is the system that is in flux. The third order demands a fundamental revision of the means of organization. It often concerns B-Hag’s (‘big hairy audacious goals’), dream goals: market operation in the care sector, a circular economy with raw material rotaries, etc. This means that the process of change needs to be approached as a complex inter-organization problem. This is tricky from a change theory perspective, because there is no obvious logical

**Table 2.2** Types of complexity [based on Rittel and Webber (1973), Kahane (2010), and Teisman (2007)]

Type of complexity	Problems with low complexity	Problems with high complexity
Dynamic complexity	Cause and affect are close together in space and time A problem can easily be framed	Cause and effect are far apart in space and time There is no definitive formulation of the problem Problems have no stopping rule Every implemented solution to a problem has consequences The causes of a problem can be explained in numerous ways
Generative complexity	Its future is familiar and predictable	Its future is unfamiliar and unpredictable Every problem is essentially unique
Social complexity	People who are part of the problem have common assumptions, values, rationales and objectives	People look at things very differently Their interests are very different, even conflicting Solutions to a problem are not true-or-false but good-or-bad
Professional complexity	Addressing the problem requires standard methods and a limited number of disciplines	Addressing the problem requires new and innovative methods and a wide array of disciplines, scattered across different organizations and stakeholders

platform on which to bring all the players together. In addition, the players also do not operate under the same ‘hierarchical’ authority. The parties must be enticed without ‘stars and stripes’ and bound, somehow, to collectively put a system into motion.

Obviously not all problems are complex, and not all opportunities are sector, discipline or region transcending. The table represents an approach to determining the level of complexity (Table 2.2).

Collaboration is almost invariably a given when dealing with issues with a high level of complexity.

## 2.2 Collaboration Positioned

Collaboration is a container concept. For that reason, we would first like to define and delineate the concept. We are focusing mainly on cooperation between organizations. What exactly does cooperation entail? Are you also collaborating if one of the parties determines the goals and needs the other party to help fulfill those goals? Or if you are a municipality and you are legally bound to direct a

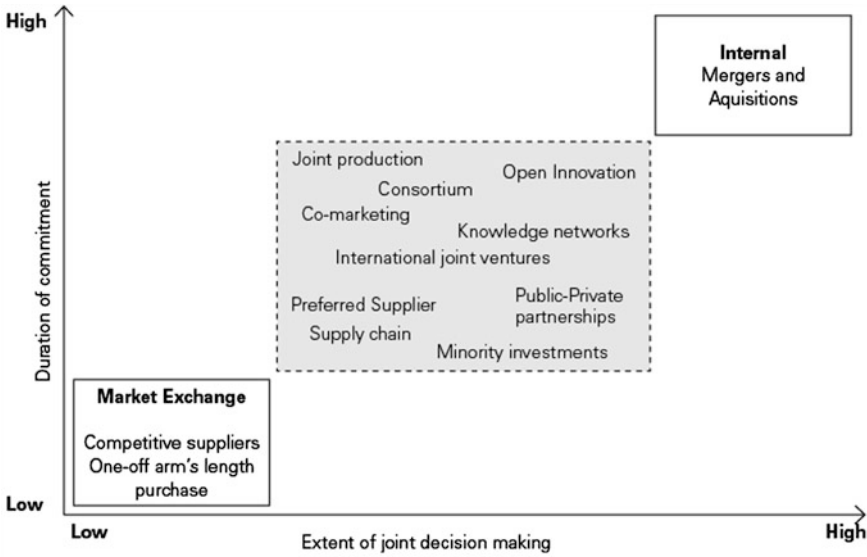


Fig. 2.1 Positioning of collaboration (based on Gomes-Casseres 2003)

project in which you have to engage other partners? Can we also speak of cooperation between organizations in situations where a company forms a shared service center that services more than one business unit? Does it also cover strategic partnerships? Or setting up a chain? Is it synonymous with establishing and working in alliances? What does the concept ‘network’ have to do with it?

### 2.2.1 Positioning Between Market Transaction and Mergers and Acquisitions

We were partly inspired by Gomes-Casseres (2003), who positions cooperation based on the level of joint decision-making and the duration of the commitment (see Fig. 2.1). Gomes-Casseres differentiates between two axes: the level of joint decision-making and the duration of the relationship. Collaboration, for both parties, falls in the middle area; the decision-making process is complex, because no one is really in charge and each of the parties retains his autonomy. At the same time, the duration of the commitment is unclear: longer than merely short term, but not quite forever. We know more about market transactions and we can refer to an extensive practice and ‘body of knowledge’. We also know a lot about the organization and operation of enterprises. But that grey area in between the two, the world of alliances and networks, that’s more of an emerging research zone. This is an area in which neither the laws of market transaction, nor the laws of the hierarchy of concerns works. But what does work in this zone?

### 2.2.2 *Five Characteristics of Collaboration*

Some people enjoy working in cooperative partnerships. They enjoy the differences, are quite capable (if not more capable) of working without a boss, appreciate the added value of the differences between the partners, find it interesting to establish something new, and don't become unproductive when the context changes (once again!). Some people actually flourish in those environments. Others, on the other hand, find it extremely annoying. They tend to believe that it's only possible to create something with a clear central authority and are more or less blind to the added value of differences and variety. They would much rather organize things with or via their bosses and with clear customer-supplier relationships. It is precisely at the beginning of cooperation that these people consider the process to be a lot of hogwash that rarely yields anything of actual value. Of course, it's hardly ever really easy in the beginning, but that's exactly when you need people who are capable of performing in that murky middle zone. Operating in partnerships is special, but what exactly does it really entail? Frayne and Geringer interviewed managers of various different types of organizations and managers of international joint ventures. By far the majority of managers found that there is a big difference between managing an organization and managing a joint venture. They named five specific challenges that apply to managing an international joint venture (Frayne and Geringer 1995, p. 87):

- the presence of multiple parent companies;
- the existence of divided loyalties;
- the need for operational independence despite often limited preparation and support;
- responsibility which exceeds authority;
- pressure for rapid action.

We set out to find the essential characteristics of collaboration in the broader sense, because they really determine the special qualities. The essential characteristics could be defined as follows:

#### *A high degree of interdependence*

Each partner has to give up part of their autonomy, trusting that in doing so they will gain more in return. Yet, this is often the foremost challenge of cooperation, and the process is certainly a delicate one. Giving up autonomy is particularly difficult for executives and managers, who may be tempted to obstruct the process instead of stimulating it. Furthermore, while the parties may realize they 'can't live without each other', they will likely worry that they can't live with each other either. As a result of this interdependence, a complicated game develops of dealings with different partners, coalition forming, choosing partners and plays for position.

#### *An obscure center of power*

There is always ambiguity about the center of power in environments where a number of parties hold the key to a solution together, but none of them can work it

alone (Schrujjer and Vansina 2005). The question of who is pulling the strings cannot be answered in a straightforward way: power is distributed across a number of parties, actors derive their power from different sources, and power and influence are exercised in various ways and styles. Furthermore, the power that parties have is often underestimated. This is probably because power is not always clearly evident. It is therefore important to learn to ‘read’ how power is distributed and exercised.

#### *A new reality*

In situations where a number of parties have a job to do together, the parties construct a new reality together (Weick 1995). Cooperation grows out of nothing. At first, there is just a significant relationship and a delicate process. But that process is complex too: the parties must come together to define the issue at hand—for example, making sense of an opportunity in the market—and develop a response to it. The only basis they have to work from is their mutual relations and interactions. The ongoing challenge is to bring together the different interests and aims and construct a broadly supported view on (and response to) the common concern.

#### *The attractive power of heterogeneity*

As one of the parties involved, you are fascinated by the others, because they help you learn about yourself. At the same time, you fear the others, since they could be a threat. This paradox creates ambiguity, because differences between the parties are actually the basis of cooperation (Hoebeke 2004). Similarities between the parties are the basis of competition. Thus, as the cooperating parties become active in more of the same fields, the chance of competition between them increases. In practice, it is often difficult for partners to see through this paradox and its resulting dynamic.

#### *A context in constant flux*

Any effort to map a complex situation is outdated as soon as the map is drawn. Clear causality is rarely to be found; plausibility is more likely, and often coincidence as well. Every action that is taken transforms the situation into a perpetually new one. This constant flux means that partners in a cooperation process are constantly at work assessing the situation together. This also means that every discussion and interaction has an element of re-establishing trust. This can never be taken for granted; trust must be restored again and again. A complex choreography thus develops of partners continually redefining their relationship.

### **2.2.3 Definition of Collaboration**

We define collaboration between organizations as follows:

*Collaboration between organizations is a form of organizing in which people from autonomous organizations go into durable agreements and, by doing so, mutually harmonize elements of the work between themselves. This results in a wide range of collaborative partnerships with a durable intention, but still with a finite duration.*

*Collaboration between organizations...*

Our focus is on collaboration between organizations. This is different from collaboration between individuals in departments, teams or projects. On the other hand, collaboration between individuals is certainly relevant, as everything ultimately always revolves around cooperation between people.

*...is a form of organizing...*

Collaboration between organizations has all the qualities of organizing: It's goal-oriented, people must want to invest energy in it, it must have meaning and value, it demands the application of resources, and it yields results. The collaborative process also develops its own dynamic, which could be described in the same way we customarily describe organizations: It's all about a clear goal and strategy, specific control, process design, resource allocation, and a personal management style. In that sense, collaboration culminates in the establishment of a kind of community, even though people who work in a community invariably also form part of other communities.

*...in which people...*

Executives, managers, and professionals are often closely involved in collaborations. Of course, cooperation is always people work, with all the related dynamics. Most collaborative processes consist of people from different organizations working together and trying to make agreements and generate results.

*...from autonomous organizations...*

This is all about representatives from autonomous organizations that must make joint decisions. In other words, collaboration is about voluntarily relinquishing 'little bits' of autonomy in the expectation that letting go will yield certain benefits. This is what makes cooperation between organizations such a fascinating field of study. There is no direct control as such: it's all about interests, mutual influencing, communication, negotiation and faith in the partner's good intentions. Control and diminishing uncertainty are important dogmas in organizations and these factors could create serious tensions in the cooperative process between organizations.

*...based on durable agreements...*

Collaboration is based on implicit or explicit agreements that could take on various different forms: They could be formal and recorded in complex legal contracts. They could even assume the form of a new organizational entity (a joint venture or cooperative association). Alternatively, they could take the form of informal agreements or verbal agreements, and in some instances they are not much more (or less) than psychological contracts.

*...with a diversity of collaborative relations...*

Collaborative partnerships can assume different shapes and forms: In some alliances, the participating organizations create new environments in which the

risks, expenses and revenues are shared. In some networks, the partners are autonomous organizations that bundle their strengths to serve specific interests and goals.

*...with a durable intention, but with a finite duration...*

We would not classify the action of buying some one-off product or service in the market as a cooperation; there is, after all, no question of a durable intention. In our view, if one organization decides to take over another, or if two organizations decide to merge, it is also not correct to refer to this as a cooperation, because the subject of the takeover has relinquished its autonomy while, in principle, the initiative has a permanent intention. We consider everything in between those extremes as cooperative relationships.

*...work together.*

### **2.3 The Ways and Forms in Which Collaboration Manifests Itself**

Collaboration comes in many different forms: joint ventures, consortiums, public private partnerships, shared service centers, supply chains, knowledge networks, etc. This is the way in which collaboration is manifested. There are a lot of different ways of tailoring the precise form of a cooperative venture. We have learned that it is important for the partners of a cooperative venture to give proper thought to the best logical model to use (Kaats and Opheij, 2012).

The two recurring questions we face, when studying or seeking to establish cooperative partnership models, are about the intention and the nature of the collaboration:

- Do you want to work smarter (improvement)? Or do you want to explore new opportunities (renewal)?
- Does the collaboration demand a great deal of mutual harmonization between the organizations (sharing and partial integration of the operational functions and processes)? Or do we limit the collaboration to a form of exchange (exchange of products, services, information, and knowledge)?

These questions form the axes of the model: the improvement axis versus the renewal axis and the exchange versus the share axis. The abovementioned models are archetypes, but there are obviously other variations and transitional forms. The essence of the process is that the partners force themselves and the counter parties to be very specific in their discussions about their mutual relationship and they must really want to collaborate.



*The improvement versus renewal'axis*

Some forms of cooperation are aimed at improvement; this includes doing everything we have been doing before, but only better and smarter. One organization transfers one of its jobs to another organization (part of the production process, the execution of the operational processes), which results in a cooperative relationship. In that sense, the partnership is primarily an extension of one of the partners' ambitions. You have a recognizable initiator/principal, on the one hand, and a contractor on the other. The result or performance that the one partner receives from the other partner is the key focus of the relationship. The collaboration is characterized by the optimal control of the performance; the collaboration benefits from stability. The other side of the story is collaboration aimed at renewal: this is a question of gaining access to new opportunities through smart combinations. The partner organizations could vary greatly in size, but they share a sense of equality in terms of the collaboration. It is not obvious, in advance, what the partnership will actually ultimately yield; it is only possible to define this in terms of objectives, intentions and ambitions. The guidelines are not determined by the quality of the results, but by the quality of the process. These types of partnerships are future oriented and flourish in environments with an abundance of entrepreneurial behavior, creativity and innovative strength in the relationship. Figure 2.2 shows how this works.

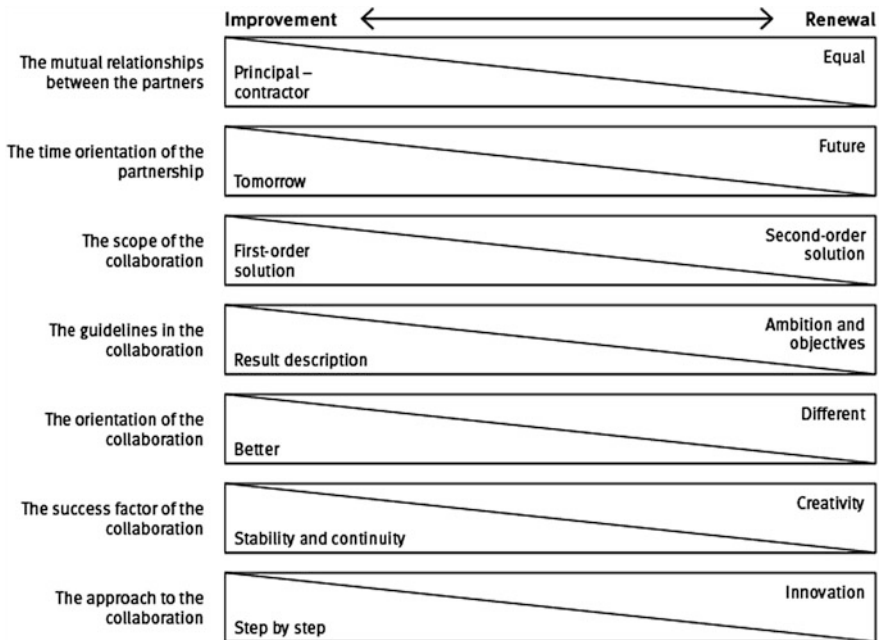


Fig. 2.2 Improvement versus renewal

*The exchange versus share axis*

‘Exchanging’ versus ‘sharing’ mainly deals with the extent to which the partnership demands that the partners dare to relativize their uniqueness in exchange for synergy. On the one hand, there are partnerships in which the participating organizations enter into very close relationships and mutually align their work methods and even their strategies to one another: they share organizational aspects. You don’t just go ahead and do that: you only do it with a partner that brings some very unique competencies to the table. It is worth investing in the ‘togetherness’, in the mutual alignment of the work methods, and in letting go other opportunities to make this opportunity work. The partners are prepared to enter into an exclusive relationship, and they consolidate their mutual dependency in agreements that will prevent their investment from draining away through the togetherness or fail to yield worthwhile returns. This is the case where, for example, you want to outsource a job or where you see a specific ‘business opportunity’ that you wish to explore in a partnership with a specific party. In this kind of situation it is preferable to do business with a specific partner; however, if that does not work out, then you can always find an alternative party. You also have partnerships on the other side of the spectrum in which the partners enter into much looser relationships. The mutual dependency is limited; which means that it is always possible to change partners. The partnerships are focused on the exchange of products, services, experiences, knowledge, and data, without there being any need for the partners to make radical organizational changes or to relinquish their uniqueness: this is not about assimilation, but about co-existence. The partners do not need to agree on everything (consensus), as long as they agree at the level at which they exchange their products and services, and so on. These types of partnerships often flourish in environments where the relationship is expanded over several different parties. This includes partnerships in retail chains (with producers, distribution centers, transporters, wholesale chains, etc.), or a regional chain in the care sector (with general practitioners, hospitals, nursing homes, rehabilitation centers and homecare), or the public order and safety chain (consisting of the police, the public prosecutor, the penitentiary services, the reclassification system, etc.). These types of relationships regularly feature in environments in which the partners form a group focused on a specific theme or on creating shared preconditions. It includes themes such as ‘underground building’, the ‘public services’, ‘regional development’ or ‘software for production companies’. The venture is undertaken by several partners and the parties can decide whether they wish to collaborate or not, and the group can also attract other parties or dispose of existing ones. This results in a complex game. The key concepts in these forms are represented in Fig. 2.3.

We have identified four basic cooperative models based on these extremes (see Fig. 2.4).

The next step is to look at the characteristics of the basic models and the related organizational principles.

We always start with a case, as an example of the application of these characteristics in the practice.

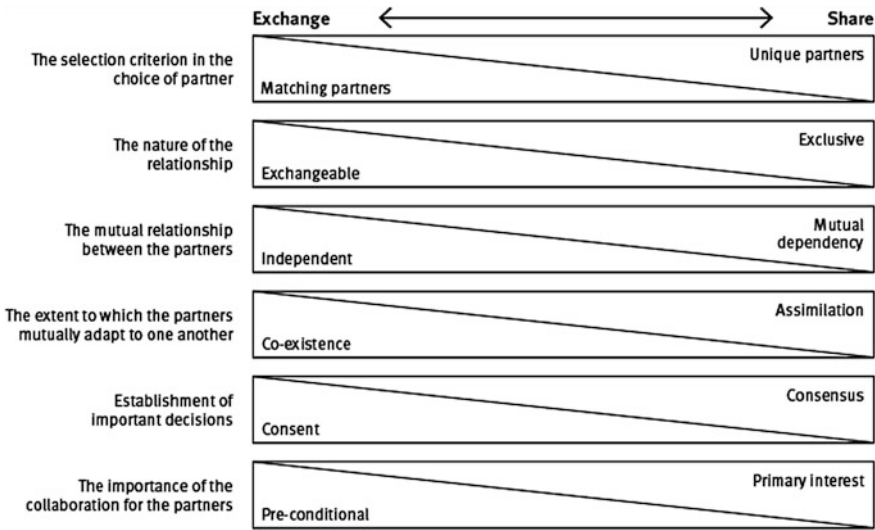


Fig. 2.3 Share versus exchange

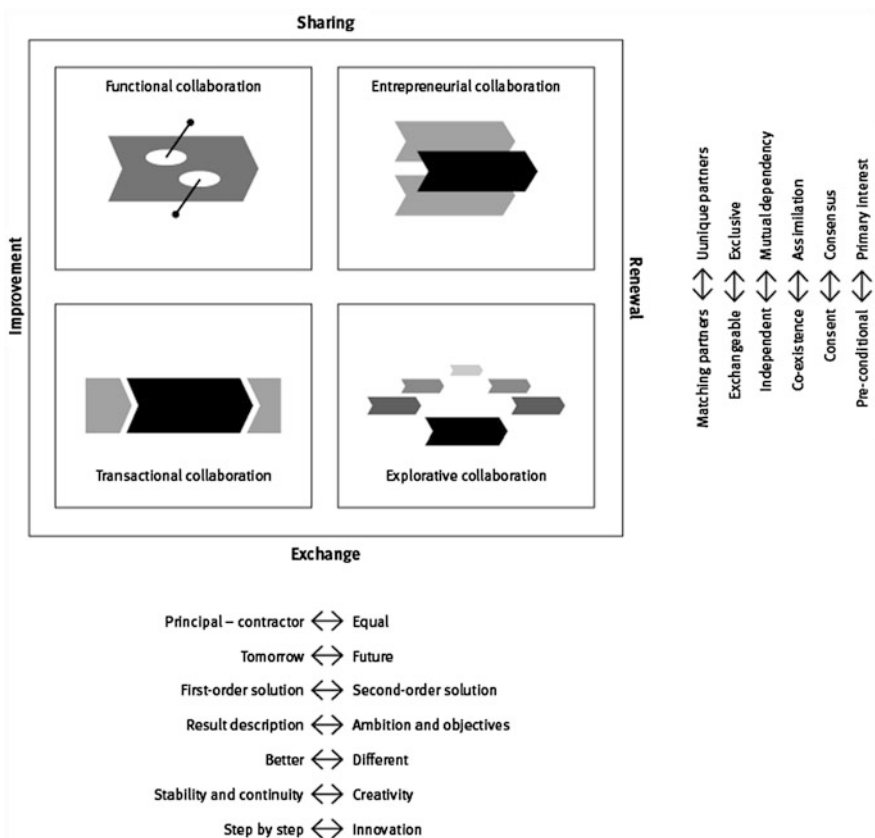


Fig. 2.4 Basic models of cooperation, each with its own different set of dimensions

### ***2.3.1 Basic Model 1: Transactional Collaboration***

#### **Patient care**

Let's say you have a worn-out knee. Getting a new one is a major operation. You won't be able to do very much by the time you're released from the hospital. Intensive and professional rehabilitation is a condition for fast and effective recovery. To ensure the most effective process possible (without the port to starboard experience), you need a good partnership between an extensive number of professionals: orthopedic specialists, physiotherapists, surgeons, rehabilitation doctors, homecare and obviously also a family doctor. This kind of cooperation is by no means a given: Each of the partners is responsible for a specific part of the overall treatment and rehabilitation, and they are all paid very different fees for their contributions. The home situation also plays an important role: Where does the patient live? What can his or her partner cope with? Are there any children that can help? Or are the children still young enough to need care themselves? To ensure optimal treatment and rehabilitation, regional players in this sector are increasingly working on setting up chain agreements for so-called chain care projects. The entire planning and treatment trajectories are mutually aligned: When is the operation scheduled for? Which part of the rehabilitation will the hospital be responsible for? When the patient is dismissed from the hospital, the homecare organization is already waiting and the rehabilitation planned and arranged with the rehabilitation center or the physiotherapists. All the financial agreements are made with the health insurance company.

Other agreements include those about the exchange of the planning data and the medical information. Not only is the patient informed, everybody concerned is updated on all the available information and everything is coordinated in great detail. If everything goes well from the medical perspective, the patient will be up and about in no time with the least possible amount of worries.

Transaction lies at the core of the basic transactional model: the intention is a production process related to the improvement of a chain, and the collaboration is focused on the effective and efficient exchange of personnel, products, services or information. The partners bond around customer-related issues: consumers, companies, civilians, school pupils, refugees, patients, detainees, and so on, and they need one another to be able to operate in a demand-oriented way. The point is to stimulate one another to collaborate, because it is mostly not possible to enforce collaboration. In the private sector, it concerns agreements in a chain (often logistical). The partners make long-term agreements at all the interface levels.

In other words, it's about more than simple 'random' orders (because the laws of the market apply to this). The partners exchange structural forecasting information, align their production and supply data, and manage their inventories. We often come across this type of partnership in the purchasing and supply networks. A transactional partnership does not exclude other partners and it is relatively easy to replace or change a partner. This type of partnership features a recognizable hierarchical relationship between the supplying partner and the receiving partner.

The section below outlines the organizational principles of transactional cooperation.

- Making agreements on result description

The focus is on the result, which is also the connecting point in the partnership. It is the basis for the exchange of cooperation (the transaction). The joint determination of the result therefore demands detailed care and attention. To enhance the level of commitment, you need to jointly formulate the result description.

- Assurance of the connectability

The partnerships works the best if the contact point between the partner organizations is well organized. The use of information and communication technology offers a wide range of options to improve the efficiency of the contact point in chains in which this basic model is frequently used.

- Steering on transaction costs and chain efficiency

The partners obviously assess one another and the partnership based on all sorts of relationship characteristics; however, below the line, the legitimacy of the partnership is based on the height of the transaction costs and the level of chain efficiency. It's not so much about the price the one party charges the other, as it is about the cost of the product or service for both organizations, including the costs related to the maintenance of the partnership.

- Using a result-oriented management style

Transactional partnerships do well under result-oriented managers, who, with due consideration to the relational conditions, continuously monitor the process to ensure that the legitimacy of the partnership is consistently proven in the quality and cost of the result.

### 2.3.2 *Basic Model 2: Functional Collaboration*

#### **Collaborating in a shared service center**

A mortgage lender owns approximately 4 % of the Dutch market. It recently invested in the development of a new ICT mortgage system in an effort to improve its service provision. Unfortunately, a series of setbacks caused the system to cost more than was budgeted for. The result is a beautifully streamlined mortgage process and possibly also the best mortgage system. But the 4 % market share makes it almost impossible to earn back the investment: the management cost of each policy is quite simply too high. After much talk, the company decides to spin off the back office and give third parties the opportunity to outsource their back office service to this spin off. That decision was made in August, and by January the following year, the company was finally up and running after a period of very intense labor. The back office became a kind of shared service center (SSC); but only after a heavy altercation in the steering committee with the director of the front office about the conditions. The SSC fulfills a number of specific functions for the principals. The fact that this process constitutes the mortgage company's core operations means that this can only be done in the form of a strategic partnership. This applies to the new principals of the new organization. After a few years, approximately 35 % of the Dutch mortgages are maintained efficiently, reliably and in a service-oriented way. Service management, operational excellence, smart ICT solutions, a customer-oriented mentality and leadership are critical elements for the success of this SSC, which provides services to many principals based on service agreements.

This basic collaboration model has a clear principal and contractor: the one partner takes over the management of one of the other partner's operational functions. This is often done because the operational function is not one of the core operations of one of the partners, and it is possible to improve it by outsourcing it to the other partner, where the function does form part of the core operations. The partners become highly committed to one another. They make specific agreements about the way in which they mutually harmonize their processes (they get under each other's skin, in a manner of speaking), they share aspects of the business operations, as a result of which they share a high level of mutual dependency. Choosing a partner is therefore obviously a conscious and extremely meticulous process. The basic functional and transactional models have a few characteristics in common; so, it will come as no surprise that outsourcing partnerships originally derive from more transactional partnerships. An example of this can be found in the logistical service providers that started out as transport suppliers (transactional) and developed into partners to whom the whole distribution operation is outsourced.

The section below offers an outline of the organizational principles of functional collaboration.

- Making agreements on service levels

Organizations in a functional partnership are closely intertwined and mutually harmonize their organizational systems. The central themes in that regard are the performance agreements known as service level agreements or SLAs. It is preferable for the partners to determine the service levels jointly and not for one of the partners to dictate them to the other one.

- Assurance of *principalship* and *contractorship*

Functional partnerships are often interpreted as purchasing relationships that are not supposed to demand a great deal of care and attention. The contrary is in fact true: it is precisely this intimate form of partnership, which often also has a longer duration, that demands serious attention to the contact points between the organizations and the quality of the relationship. This therefore also entails a serious approach to the question of principalship and contractorship in both organizations.

- Steering on process integration and service quality

The supplying partner is asked to crawl under the skin of the receiving partner and to adopt a whole lot of customs, business-operational principles and cultural values of the receiving organization. The extent to which the organizations succeed in doing that is evident from the extent of the process integration and the realized service quality.

- Using a service-oriented management style

The functional partnership is not a domain for remote management, because it demands a high level of intensive involvement on both sides. One of the more common misunderstandings is that the required service-oriented management style should mainly be displayed on the contractor side. That attitude is however also a basic condition, on the principal side, for a successful functional partnership.

### 2.3.3 *Basic Model 3: Explorative Collaboration*

#### **The Healthy Region (De Gezonde Regio)**

The Healthy Region (the original Dutch name is ‘De Gezonde Regio’) is a multi-partner network in the center of the Netherlands (the region around Gorinchem, including about 400,000 inhabitants). The partners involved are Rivas (a hospital and geriatric care organization), Yulius (a mental health care organization), 70 family doctors, the Area Health Authority for South-Holland South, Zorgbelang South-Holland (an organization representing patients’ interests) and VGZ (a national health insurer with about 4 million health care policyholders). These are all key players in health care in this region. The focus is on health as defined by the WHO: a state of complete physical, mental, and social

wellbeing and not merely the absence of disease or infirmity. The collaboration process started in 2007. The partners aimed to initiate a paradigm shift in the healthcare system: thinking and acting based on healthy behavior rather than only curing sickness. How can we de-medicalize the healthcare system?

This case is also used in [Chap. 3](#).

In the basic explorative collaboration model, organizations that view themselves as suitably matched to do a joint or comparable assignment get together and cooperate to renew their own knowledge levels. By exchanging knowledge and experience, the organizations learn from one another and create healthy conditions for the fulfillment of the assignment. The organizations in the case outlined above made collective agreements about the way they deal with a specific facet of their operations (natural goals) or, for example, about the standardized way they use information sources. The partners are not exclusively bound together, and they collaborate on an equal footing. This does not mean that the participating organizations are all the same size, but that they are equals, because they have comparable levels of authority in the fields in which they collaborate.

The organizational principles of explorative collaboration are outlined below.

- Making agreements on the rules of the game

The purpose of an explorative collaboration is for the participating partners to explore together. There is no clearly delineated result, but at most a catalytic theme. The partners do however need some baseline set of conditions for collaboration, which is formulated in the rules of the game. For example, they make agreements on the confidentiality and reciprocity of the information exchange. It is quite often the case that there is no natural compulsion to determine the rules of the game, but experience has shown that these groundrules do contribute to the clear arrangements and appointments and to quality of the partnership.

- Assurance of the professional added value

Explorative partnerships often have a somewhat looser structure. This means that an explorative partnership also attracts parties that are not able to add any additional professional value or do not plan to do so. This poses a threat to the quality of the partnership, as a result of which it is important to constantly monitor the professional and balanced contributions of the partners.

- Steering on accessibility and optimal interaction

The downside of the ‘looseness’ of the explorative collaboration, as mentioned above, is that bonding and connectedness are sometimes a bit tricky to organize: professional interaction is hard to bring about. It is therefore important to minimize the barriers to access to collaboration for the desired partners and to make sure to create effective opportunities for interaction. This is one of the top priorities for the moderator of the explorative partnership.



- Using a facilitating management style

An explorative partnership demands a management style that puts accessibility and interaction center stage in terms of attitude and behavior. The positional exercise of power has a counterproductive effect, and is more about influence than about power. It should however not be confused with modesty and a predominantly cautious action repertoire. Decisiveness is in fact what is needed in this type of environment with the understanding that it must be exercised with due diplomacy. One of the most important instruments available to the facilitating manager, in an explorative collaboration, is the set of agreed rules of the game.

### ***2.3.4 Basic Model 4: Entrepreneurial Collaboration***

#### **The Senseo alliance**

Senseo is a strategic alliance between Philips and Sara Lee/Douwe Egberts. It began in 2000 and is still seen by both partners as a successful partnership. The alliance combines the competencies of two players from different industrial sectors. Sara Lee makes coffee and Philips makes coffee machines. Both have a strong brand and global presence. In the alliance, the partners have created a new innovative coffee concept: an easy-to-use coffee machine that uses coffee pads to ensure consistent quality and individualized taste.

This case is also used in [Chap. 3](#).

The basic model of entrepreneurial collaboration originates from mutual recognition between organizations of the fact that they are unable to renew on their own strength, and that they need a complementary partner to be able to do so. The alliance (a concept that refers to a relatively wide range of collaborative forms) results in an intensive partnership in which the partners share competencies and skills extensively. The partners demand full mutual commitment from one another, because the partnership relies heavily on information, technologies and knowledge with strategic importance for the partners.

Protection of the results of the partnership is an important motive for the actual design of the partnership. The partners in an alliance are, to a great extent, equals in the collaboration. Here, too, however, it does not mean that the partners are necessarily comparable in size. The equality is fundamentally based on the relative weight of their competencies in the collaborative equation. Alliances are designed to promote invention and development; so, although they are based on existing competencies, they still have an explorative character. And the energy could be directed at anything: penetrating new markets, developing new products, developing new technologies, and so on.

The section below is an outline of the organizational principles of explorative collaboration.

- Making agreements on procedures

Procedures play the same role in the entrepreneurial partnership that the rules of the game play in the explorative partnership. The procedures are however much more clearly formulated and have a substantially bigger impact. Transgressing the procedures of, for example, confidentiality will not only potentially compromise the relationship, but is potentially a threat to the continuity of the cooperating organizations. Procedures rely on confidentiality, admission, withdrawal, appreciation/valuation and the division of the development, copyrights and property rights, and so on. The organizational principle, in the entrepreneurial partnership, is to take these procedural aspects of the partnership seriously and to organize them well.

- Ensuring Exclusivity

The foundation of the mutual understanding between the cooperative partners is the shared vision and the agreements that the partners make in terms of what they can and will do inside and outside the partnership. This demands a clear determination of the scope of the partnership, observance of the related agreements, regular refreshment of the agreements, and transparency concerning apparently competitive initiatives.

- Steering on goals and synergy

Although the parties involved in an entrepreneurial partnership don't simply start cooperating out of the blue, they also do not operate based on any precise descriptions of the expected results. The partners do commit to certain goals and the jointly established synergy does offer a view of the feasibility of the goals. It is therefore important to approach the goal-steering process in a professional way and to routinely put the level of mutual synergy on the agenda. Programmatic work procedures can yield benefits in this type of situation.

- Using a goal-oriented management style to create room to maneuver

This basic partnership model demands a goal-oriented management style: goal oriented with a view to legitimizing the partnership, but not in such a way as to undermine the required explorative aspect of the partnership. It's a question of balance between exploration and exploitation, between design and development, and between diverging and converging. It is quite obvious that this is a special task for people with special qualities. Whatever applies to the transactional and functional basic models also applies to the explorative and entrepreneurial basic models: an explorative partnership could be the run-up to a more intensive form of collaboration in the form of an entrepreneurial partnership. As a matter of fact: most partnership forms are actually interim forms and thereby derive qualities from two or more basic models.

Figure 2.5 represents the organizational principles of each of the basic models.

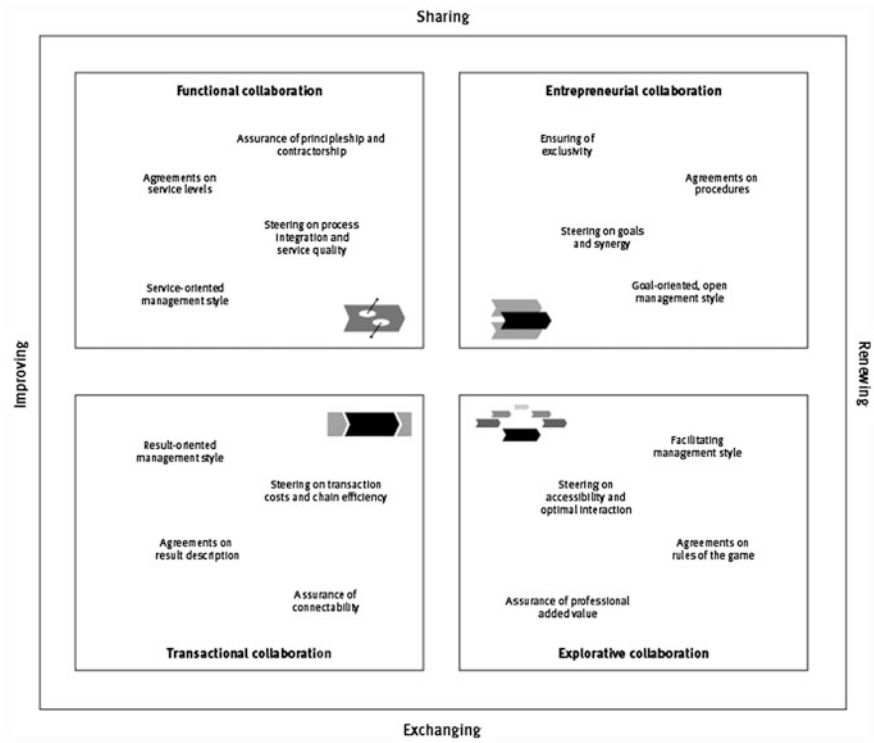


Fig. 2.5 Basic models and organizational principles

We have gone through the different manifestations of the partnership forms and outlined the related logical basic models. We will not go into the basic models in any further depth in this book, but will rather focus on the shared principles underlying the basic models, all of which are the consequence of a collaborative process between people from different organizations. We believe it is of utmost importance to establish the best possible conditions for this type of collaborative process.

## 2.4 Collaboration is Fraught with Duality

Collaboration is neither obvious nor easy: One of the reasons for this is that it is fraught with duality and a wide range of underlying assumptions.

### 2.4.1 Duality in Collaboration

The fact that collaboration is neither easy nor obvious is partly due to the fact that it deals with different co-existing realities. A collaborative partnership is fraught

with dualities. This fact is strikingly formulated by Osborn and Hagedoorn (1997): ‘One more robust and realistic view of alliances and networks might be built on a foundation of dualities. Our review suggests but a few of these:

- Alliances are older than firms, but they are still new to many firms.
- They are temporary mechanisms and based on long-lasting relationships.
- They are cooperative and competitive weapons.
- Each is unique, but they often share similar properties.
- They have intended purposes, yet their emergent benefits may be more important.
- (...)
- Powerful cultural, economic, and technological forces may precipitate alliance creation, but each alliance is the result of an individual choice.
- (...)
- They represent simple deals and complex emergent patterns of behavior.’ (Osborn and Hagedoorn 1997, p. 274)

The art is to utilize the tensions without at the same time opting for one of the extremes of the paradox.

### ***2.4.2 Collaboration is also a Hassle***

No two partnerships are exactly the same. That notwithstanding, it turns out that most partnerships do in fact share much of the dynamics at play in collaborative processes. This is apparently an outcome of the essential characteristics of collaboration. There are a number of typical collaborative issues that we tend to come across relatively frequently in the practice. In this positioning chapter, we will describe a number of frequently manifested issues.

#### *Lack of shared ambition*

An essential component of cooperation is a shared ambition. While that ambition does not necessarily need to be epic or completely enthralling, it must go beyond the notion that ‘everyone should make a pretty penny from it’. Otherwise it is in fact nothing more than a simple transaction or series of transactions between the participants. It is not uncommon to come across a certain amount of disagreement and misunderstanding when it comes to ‘ambition’.

#### *Adulteration of the beckoning perspective*

Many partnerships are founded on a great underlying idea. The idea shakes up energy and stimulates people to initiate action. The fact that it’s not possible for one party to execute the idea alone means that this kind of situation calls for some form of partnership. Unfortunately, not everything revolves around inspiration; it also takes a fair amount of sweat and tears. People have to work hard, and the operationalization is invariably tough and very rarely self-evident. You also need

to keep the energy up during the realization process; which is also not always equally easy.

### *Personnel instability*

Partnerships rely on the people who fulfill the key roles. Changes in personnel are always key moments. New people will invariably want to impress their own signature on the partnership, especially in the case of a personal fit, and this might not make things any easier to run.

### *Pseudo-collaboration*

Pseudo-collaboration is often a case of an ‘executive club’: executives who like to meet up at managerial level and like to get into serious discussions on the related themes of the day. A lot of topics are self-evident or important from a managerial perspective. However, executive agreement does not necessarily mean that a partnership will be established or, if it does, that it will run smoothly.

### *Under-organization*

A good idea and mutual interests are also not always enough: partners who want to get things done also need to organize their business in a professional way. A starting partnership has no routines yet and no procedures and agreements: they have to be made. This demands organization, because it’s impossible to establish an organization without the necessary organizational processes; which also means no partnership.

### *Dormant power play*

Each of the partners in an alliance or network is autonomous. Executives attained the positions in their organizations because they have some kind of a ‘thing for power’. Otherwise you will never make it to the top of an organization. The essence of a partnership is however precisely that you need to be prepared to relinquish part of your autonomy and power in the belief that you will get something back in return: this is not something that is self-evident in the case of most executives. Destructive power plays are not entirely alien to the partnership domain. Which is not to say that power is not okay; after all, you usually need some power to get things done. But that is usually a question of the use of the constructive aspects of power (‘power to’) and not the destructive aspects (‘power over’).

### *Persistent enemy stereotypes*

Parties may also, at times, be ‘condemned’ to working together. This often comes about due to their geographical locations and the fact that they then need to cooperate because they share borders, because their business resources are inalienably connected, or because they operate in the same chain. They therefore also know one another well; however, knowing someone is not always the same as liking someone.

*Divided loyalties and support issues*

People who collaborate in a cooperative partnership (often) also work for or are bound to one of the partners. This almost invariably applies to people who are participating in various activities or projects and often also to people who lead a project or who direct the cooperation. This results in divided loyalties between the cooperation and your own organization. You belong to two teams. And the interests don't always rhyme: sometimes, doing the right thing for one of the alliances might come at the cost of another. Which invariably leads to someone being angry or disappointed. When push comes to shove, you might find the home team calling you on your loyalties precisely at the point where you are required to make a critical choice. You then have to mention that to your partners, which means that your reliability is bound to be called into question and with it the trust they have in you.

*Irreconcilable diversity*

The essence of cooperation is that you can jointly do something that none of the partners can do on their own. It is possible thanks to the diversity of the players. The diversity—the differences—is necessary, but it is also exactly what makes things so difficult. How do you deal with diversity?

**2.4.3 *There's Always More than One Perspective at Play***

We have learned that it is important to always see, think and work in different dimensions. There's always the other side of the coin and of course there are lots of coins. Below, we offer a few different perspectives that are available side by side and simultaneously.

*Rational and relative*

Rationality is very important, so you must have a good story. The business case must make sense. At the same time, you have to keep in mind that this is about several people wanting (or not wanting) to do something together. That 'something' must really mean something to them. It is fairly vital that they 'click' and that they enjoy working together. Otherwise there is always something else to spend your time on. This means that you should spend some time recording the salient points (ambition, business case, rules of the game, cooperation agreement, plan, structure and so on) while, at the same time, making sure that there is a movement and a process within which meaningful encounters are taking place, the results of which are not always predictable.

*Personal and businesslike*

People often participate in collaborative processes in their organizational roles. They represent their organizations. At the same time, they are also involved in their personal capacity. A lot of different factors are simultaneously at play in a

partnership: organizational interests, personal interests and societal interests. It is by no means obvious for people to put societal interests (e.g. the patient comes first, curbing costs in the care sector) before organizational interests (consolidating the strategic position, covering costs, savings) or putting organizational interests before personal interests (personal position, pleasant and interesting work, income). Collaborative processes simultaneously involve personal convictions, motivation and organizational rationality.

*Complexity as point of departure and the pursuit of simplicity*

Almost every partnership involves the following: several participants, an unclear power center, an unclear relationship between cause and effect, continuous mutual influencing, intertwined interest, and a difference between the rhetoric on the stage and the considerations that take place in the wings. This makes it complicated and complex. You want to avoid surprises, and yet you are continuously faced with more surprises; in other words, you have to embrace complexity as the point of departure. At the same time, you should not make it any more complicated than necessary: in terms of the process and in terms of the solution. It is better to find a successful short-term solution in a partnership without complicated constructions than a long-term perspective that is extremely difficult to implement.

*Open to influence and not always makeable*

Sometimes a partnership is the most obvious solution: all the parties benefit from it, they cannot realize the benefits without the other partners, and the benefits outweigh the disadvantages for all concerned. You would be inclined to think that it should work, but sometimes things fall apart even though all the partners invest every last drop of knowledge and resources. It can happen for a lot of reasons: personnel changes, ambiguities that are not adequately resolved, a government that collapses (with the resulting insecurity), strategic reconsideration of one of the partners, which leads to a much lower priority, the failure of a comparable initiative at another location, or a new executive at one of the partner organizations. No matter how expertly you operate, there is never a guarantee that the partnership will succeed. On the other hand, some extraordinarily successful partnerships have been established based on vision, faith and perseverance on the part of a few people, even though there was nothing to suggest a positive outcome in advance.

*Ambiguity is a given and a pretext*

Each participant involved in any issue will look at the situation in question from his own personal perspective. Each party participates in the collaborative effort from his own frame of reference and logic, and with different arguments, convictions and motivations. One puts the problem center stage and assumes that everyone must share his perception of the problem. Another has already worked out the solution for a sustainably improved situation in detail and it is more often than not exactly the solution that the player or party is specialized in. Yet another participant has excellent ideas about the opportunities presented by a specific

situation, because a partnership will make it possible to realize opportunities that he could never have achieved with his own organization alone. And, finally, there are also those people who will immediately start to think of different forms of collaboration

Ambiguity is always lurking precisely because everyone has a different background and experience, and because all the stakeholders have different interests. Quite often, the ambiguity itself is even bigger than the real, substantive differences.

*A partnership has an organizing process and an organizational model*

No collaborative partnership has a clear-cut routine at the outset, nor does it have any patterns. Everything must be thought out from scratch and done together. According to Weick, organizations are invariably the consequence of organizing. If the organizing stops, the collaborative partnership usually also ceases to exist. The concept, ‘sense-making’, introduced by Weick (1979, 1995), offers us a useful handle in this situation: Weick proposes that sense-making creates meaningful environments. He sees a direct relationship between his concept of ‘sense-making’ and the concept of ‘enactment’. He is talking about ‘bracketing and construction’, which could be interpreted to mean ‘putting in brackets’.

A collaborative partnership is imbued with sense or meaning when it is ‘put between brackets’, i.e. when put in the spotlights. As soon as it is removed from the spotlights—put aside—the process of sense-making stops. Sense-making is not only about the interpretation of the existing environment, but also about the creation of a meaningful environment. It is not only important to look at reality; it is equally important to invoke reality: ‘Managers construct, rearrange, single out, and demolish many “objective” features of their surroundings. When people act, they de-randomize variables, insert vestiges of orderliness, and literally create their own constraints’ (Weick 1995, p. 243).

A collaborative partnership is the result of a process of sense-making and is thereby a concert of diverse worldviews. At the same time, a collaborative partnership also demands a good organizational model based on managerial principles; in other words, the operationalization of strategy, structure, systems, management style, personnel and culture.

*Interests, interests and interests*

Everyone has interests and it is precisely those interests that drive a great deal of what actually happens. There are always interests at play whenever people try to determine where they stand, what they want, and what to do. Experience has taught us that many different types of interests are simultaneously explicitly and implicitly at play in all situations, whether they concern organizational interests (linked to the goals and core values of the organization), individual interests and/or collective interests (societal issues involve the collective interests of the citizens, residents, patients, detainees, clients, and so on)...



### *Attractive and a lot of fuss*

One thing must be clear by now: collaboration is often useful, sometimes necessary and required, but never self-evident and easy. It almost invariably results in a lot of fuss and sometimes the coordination mechanisms are extremely complex. It has a high transaction cost. Potentially, collaboration offers many opportunities and potential, but the development, setting up and operation of a partnership demand a great deal of managerial energy and harmonization. It often seems preferable to try to achieve the same results with less effort. This idea brought Huxham and Vangen (2005) to their first tip in the book, *Managing to Collaborate: 'Don't do it unless you have to! Joint working with other organizations is inherently difficult and resource consuming. Unless you can see THE POTENTIAL for real collaborative advantage (i.e. that you can achieve something really worthwhile that you couldn't otherwise achieve) it's most efficient to do it on your own...'* (Huxham and Vangen 2005).

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# Chapter 3

## Essential Conditions for Promising Collaboration

**Abstract** Cooperation is necessary, but productive partnerships do not form automatically. Misunderstanding and differences of opinion are common stumbling blocks. When this happens, looking at cooperation through a common lens can provide a clearer view of the path ahead. Based on an analysis of a large number of cooperative partnerships, we introduce a ‘lens’ on cooperation that enables viewers to better understand the processes and forces involved. This lens has multiple points of focus, which together provide a rounded image of a particular cooperation process. We close this chapter with a number of indicators to determine how a cooperative partnership is performing. By sharing this ‘lens’ and the language that goes with it, our aim is to provide a tool for minimizing misunderstanding, and the resulting discord that often surrounds cooperative relations.

**Keywords** Conditions for collaboration • Shared ambition • Collaboration strategy • Strategic alliance • Interests • Mutual gains • Group dynamics • Social psychology • Collaborative leadership • Trust and control • Alliance governance • Network governance • Sense making • Performance indicators for collaboration

Strategic issues of cooperation have come to dominate the corporate agenda in many organizations. In boardrooms everywhere, there is growing realization that no organization can survive alone, nor can any one organization single-handedly solve the complex issues of our day. Cooperation is necessary. However, productive partnerships do not form automatically. Misunderstanding and differences of opinion are common stumbling blocks. When this happens, looking at cooperation through a common lens can provide a clearer view of the path ahead.

Based on an analysis of a large number of cooperative partnerships, we have developed a ‘lens’ on cooperation that enables viewers to better understand the processes and forces involved. We begin by looking at the existing toolbox of instruments for understanding and managing cooperation in all of its complexity. We then describe a ‘lens’ through which cooperative endeavors can be viewed. This lens has multiple points of focus, which together provide a rounded image of a particular cooperation process. We close with a number of indicators to determine how a cooperative partnership is performing. By sharing this ‘lens’ and the language

that goes with it, our aim is to provide a tool for minimizing misunderstanding, and the resulting discord that often surrounds cooperative relations.

‘Cooperation’ as a theme has attracted increasing attention in organizational development. Certainly, the need to work well together places special demands on the organizations participating in a cooperation process. For example, partners in cooperation need to have a shared vision on the cooperation process, a strategy for cooperation, individuals adept at cooperation, and an environment conducive to cooperation-oriented behavior. These are among the enabling conditions required for effective collaboration, both internal within an organization and with external partners. All of these conditions are important themes in themselves and have therefore found their way onto the agendas of many organizational change processes.

### 3.1 A Comprehensive Approach Towards Collaboration

First we address the reason for developing the lenses on cooperation. We wanted to develop a lens that is grounded in theory and science, and to be used as practitioner, coherent, comprehensive and relevant (Bell et al. 2013). There have been many attempts to model cooperation processes. Overall, these have produced interesting and useful perspectives and tools. Nonetheless, in our experience the existing tools do not succeed in providing real insight into the complexity of cooperation processes. This is because the management of cooperation is often too complicated and done in a too ad hoc manner.

Many of the existing approaches address just one aspect of cooperation. Consider, for example, the focus on how cooperative relationships are structured, as in organizing between organizations (Kaats et al. 2005). Some approaches are useful only for a certain type of cooperation, such as alliance networks (Sroka and Hittmar 2013), strategic alliance management (Tjemkes et al. 2012), management in networks (de Bruijn and ten Heuvelhof 2004), alliance governance (de Man 2006) or shared service centers (Strikwerda 2003). Every cooperation process goes through a number of stages. One of these is the development of the cooperation strategy. This too, has been the subject of excellent research (Child et al. 2005). Another important dimension is the management of collaborative relations (Huxham and Vangen 2005), which has been studied as well. That is also true for the cooperation process itself (de Rond 2003). Finally, a typical feature of many perspectives on cooperation is that they either bypass the personal influence of administrators and managers, or they focus entirely on the significance of these roles (Kaats and Opheij 2008).

No organization exists that can single-handedly solve the private and public issues of our day. Cooperation is always needed, whether the problem is innovation, care, economic development, sustainability, public order and safety or recovery from recession. In all of these areas a spectrum of different interests are at stake, both individual and collective (Fisher et al. 1991).

The foremost challenge in cooperation is to bring all of these interests into focus and ensure that the parties involved develop sincere regard for the interests of the others. Cooperating parties have to be prepared to give up some of their own autonomy or anticipated results in the expectation that by doing so they will gain more in return. Yet, it can be very difficult to fully understand each other's interests—and giving up your autonomy is not easy if you suspect that you and your partners don't really understand one another, and that you are actually talking about different things. Misunderstanding is one of the major problems of cooperation. Often the real obstruction is not differing views on the issue at hand, but the confusion and discord that result from the different languages spoken, different expectations and different perceptions. In such cases, it is helpful for partners to have a common 'lens' through which to look at cooperation and the language that goes with it. We developed such a lens.

## **3.2 Dealing with Ambiguity and Misunderstanding**

In cooperative situations with the characteristics described above, ambiguity and misunderstanding are a constant threat. Due to misunderstanding, good solutions that are within reach may sometimes vanish from sight. Misunderstanding can also wear away the much-needed trust. A common lens for looking at cooperation can help partners keep misunderstanding at a minimum.

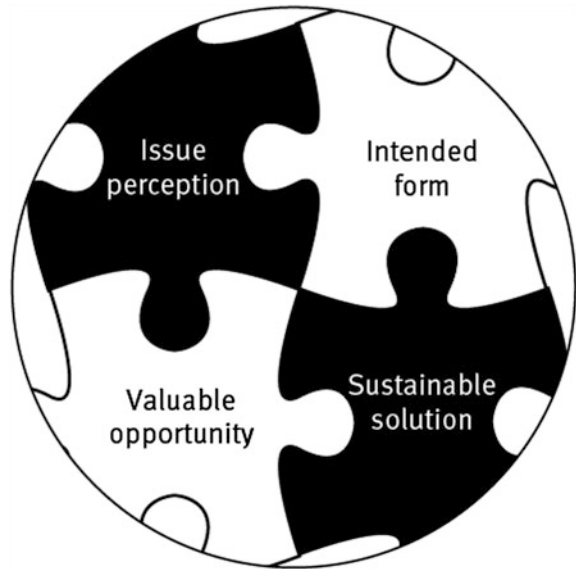
Misunderstanding has its origin in three facets of cooperation:

- the confrontation of different worlds, each with their own culture, norms, values and language
- diffuseness of the interests at stake
- specific contextual factors that act on the partnership, raising or undermining its potential.

### ***3.2.1 Confrontation of Worlds***

In every issue that involves multiple parties, each stakeholder looks at the situation in a different light. Each brings their own frame of reference and rationale, and each has their own arguments, convictions and motives. One actor might focus primarily on the problem to be addressed, and assume that the others share their own assessment of the situation. Another might already 'know' what solution would lead to a lasting improvement. Not seldom, that solution coincides with that actor's own area of specialization. Yet another actor might think mainly in terms of the opportunities that a situation presents—since the partnership may enable them to go after opportunities that would be much harder to capture alone. Finally, there are actors who jump right to the question what form a partnership should

**Fig. 3.1** Sources of ambiguity and misunderstanding



take: We need a covenant! Or, a joint venture, an alliance, a shared service center, a cooperative association, a...!

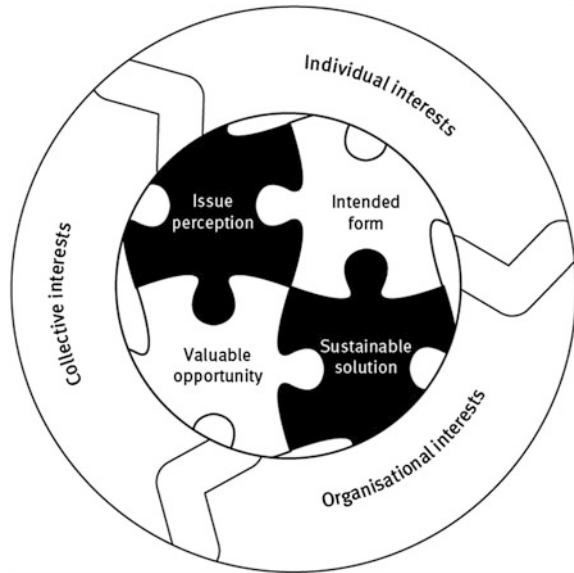
It is precisely because of such diversity that none of the parties can make do with only their own perception and definition of an issue, solution, opportunity or form. Central in our view on cooperation is, therefore, a ‘puzzle’ with four pieces. Assembling this puzzle together results in a common picture of the situation and a shared language to go with it (Fig. 3.1).

Definition of the issue, solution, opportunity and form require consultation and is the result of dialogue and negotiation. No one party can impose their own reality and definitions on the others. In a good partnership, this is acknowledged and given consideration. Consultation takes the form of a succession of temporarily workable agreements on how to define the issue, solution, opportunity and form. As cooperation gains more tangible form and content, there is less chance of misunderstanding and ambiguity, and agreements grow stronger without the parties ever having to be in complete accord.

### ***3.2.2 Diffuseness of Interests***

What then drives the consultations about the issue, solution, opportunity and form? Seen through our ‘lens’, this is propelled by interests. People don’t just do things without reason. Interests always play a part in decisions on where you stand on an issue, what you want and what you are willing to do. This is represented by the outer circle in Fig. 3.2.

**Fig. 3.2** Types of interests that influence the cooperation process



We know from experience that in any situation several types of interests, both explicit and implicit, are simultaneously at play.

*Organizational interests* These are usually linked to the goals and core values of the organization. What is the purpose of the organization? What value does it add? How do the concerned organizations earn their income? What benefits them?

*Individual interests* In every process, personal convictions, motivations and interests are an important factor. Only in theory can a person's personal and professional identities be separated. In practice, there is always a role for individual interests, such as ideals, career, reputation, fears, saving face and reward.

*Collective interests* Collective resources and space are nearly always in play. In complex contexts this may involve the collective interests of citizens, residents, patients, detainees, clients, etc. While these stakeholders may not all have a formal seat at the table, their collective interests nonetheless always have a role. In this regard, it is useful to distinguish 'interests' from 'positions'.

Because it is difficult for partners to grasp all of the real interests at stake, a shadowy word game develops that may deteriorate into discord and misunderstanding—especially if the collaboration is at an early stage and the parties are holding their cards close to their chest, either deliberately or because of their own uncertainties.

### ***3.2.3 The Role of Contextual Factors***

To fully grasp a situation, it is important to understand the different actors with a role in the cooperation, the way the cooperation process is being given form and

substance, and the environmental factors that influence the issue. Topics necessitating cooperation do not just appear ‘out of the blue’; they are always a product of an environment. The history of the issue needs to be clear. Have earlier attempts been made to address it? If so, why were they unsuccessful? Clarity is also needed on the demographic, ecological, social, technological, economic and political elements that influence the partnership (DESTEP analysis). Finally, it is important to know what external factors could be of influence, such as the role of the media, competing initiatives and political pressure.

Experience bears out the importance of knowledge of the contextual factors for understanding the history of a cooperation process and its future potential. Knowledge of the past also helps partners find explanations for misunderstandings that re-surface again and again. This is especially crucial if the partners are rooted in different contexts with different rules of the game.

### 3.3 A Lens on Collaboration

Despite the dualities, the fuss and the assumptions, cooperation is a necessity. That makes it interesting and challenging as well. Many past attempts have been made to model cooperation processes, and these have produced useful perspectives and tools. Under the heading ‘alliance management’, a research tradition has developed with its origin in economic theories and strategic management. Over the past 20–25 years, fields of study known as ‘alliance management’ and ‘inter-organizational cooperation’ emerged (Cropper et al. 2008). These give prominence to the strategic and organizational perspectives in exploring alliances and networks. Much of the foundation for the study of alliances and networks was provided by the disciplines of economics and managerial sciences. As a result, alliance management long had a highly managerial and rational connotation. Child et al. (2005) extensively document these research traditions.

Our experience, nonetheless, suggests that the existing tools do not provide sufficient insight into the complexity of cooperation processes. This is because the management of cooperation is often too complicated and done in a too ad hoc manner (Chrislip and Larson 1994).

Cooperation is not always successful. It is often an arduous process. If you are asked to join a cooperative partnership as an actor or outsider, our ‘lens’ for looking at cooperation provides a useful tool for seeing through the complexity. It is possible to reduce the number of different viewpoints, and in so doing reduce the misunderstanding associated with them. Such misunderstanding often underlies problems and can wear away trust. A coherent way of looking at cooperation will help partners to jointly analyze their ambition, interests and the context and determine together what is going well in the cooperation and where bottlenecks remain. This description is based on various research traditions and approaches to cooperation. Figure 3.3 schematically represents this coherent view of cooperation (Kaats and Opheij, 2012). We describe each of the aspects in broad outline below.



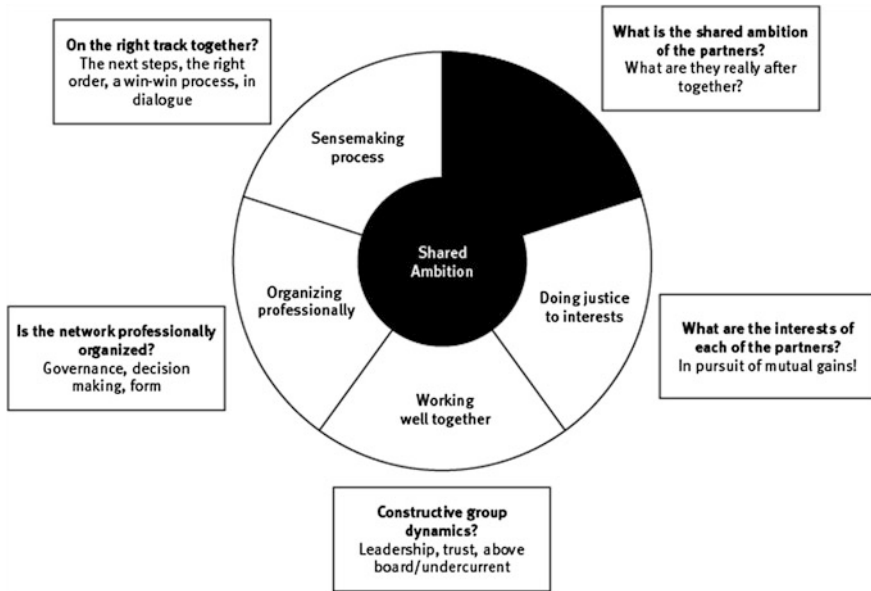


Fig. 3.3 A coherent view of cooperation

### 3.3.1 Towards a Shared Ambition: Strategy Development

As said, you don't (usually) cooperate without reason. Cooperation has to deliver some benefit. What exactly it is supposed to deliver will differ for different partnerships and for the different actors involved. A shared ambition that can properly unite the partners is an ambition that is significant for all of the people involved and for their organizations. Because the partners come from different backgrounds, there is good chance that they will speak different languages, so there is a substantial risk of misunderstanding. The early literature on cooperation, but also recent publications tend to regard cooperation as an instrument to meet the strategic objectives of a company, thus neglecting the objectives of the alliance itself (Contractor and Lorange 1988; Hamel 1991; Capron and Mitchell 2012). More recently, academics have enriched the literature by emphasizing the strategic aspects of the cooperative relationship itself (Bamford et al. 2003; Child et al. 2005). The shared ambition of the partnership has to be one that is important to all the participating organizations and in line with their organizational strategies. Of course, they will come up against roadblocks. This is because certain 'no go' areas are a natural part of the competitive landscape.

Important questions regarding the ambition of the collaboration are: Can we achieve more together than each of us could alone? What is important to each of the partners, to each organization and to us individually? How can we avoid the trap of misunderstanding and discord? How can cooperation help each partner

increase their competitiveness? What are the ‘no go’ areas, and how can we get around these? Should the aim of one of the parties prevail? Or do we follow the logic of the network in pursuing a shared ambition? This is a matter of proper alignment of the strategies of the different partners, the strategy for cooperation and the strategy of the partnership.

### **The Healthy Region**

The network’s ambition is to assist inhabitants to improve their health and so give a new meaning to the time-honored proverb “prevention is better than cure”. Key concepts of The Healthy Region are: investing in better health, own responsibility, collaboration, optimism and innovation. All activities and projects should support these concepts. The steering committee chairman’s motto is: “We don’t know the exact outcome yet, but that is no reason at all not to get started because we know we are working in the right direction”. Having this shared ambition really helped the partners to collaborate better. It became a shared point of reference for professionals and managers working on projects.

### **Senseo Alliance**

When establishing the Senseo alliance, Sara Lee and Philips shared the ambition of creating a coffee experience that corresponded to the changing needs of consumers. Consumers did not like the variable quality of the coffee that came out of drip-filter coffee machines. They also did not appreciate the deteriorating coffee taste when coffee stayed in the pot. Both Sara Lee and Philips realized that they could not create an improved coffee experience alone, since both the coffee and the coffee machine needed dramatic innovation.

Research has revealed that the following points are extremely important in the development of a shared ambition:

- The ambition is needed to serve as a beckoning perspective and to give the stakeholders in the alliance the necessary perspective.
- Developing this type of ambition can be a complex process, as ambiguities about the problem, the solution, opportunity and form usually abound; the trick is to form a shared perspective.
- Each of the partners must individually reflect on his own strategy and how the partnership will match it. It helps if each partner can see a logical connection between the organizational strategy, the collaborative strategy, and the strategy of the collaboration that is being formed.
- It is tempting to want to limit the competition in an alliance. Legislation on competition forbids competitive agreements and the abuse of economic power.
- It is possible, by working based on the logic of the network and by considering the associated rules of the game, to take the interests of all the partners into account in the development of a shared ambition.
- Personal convictions and motives play an important role in the development of a collaborative ambition; the personal meaning that the key players attach to an alliance or network could be an important driver for cooperation.

- The greater the personal significance of the alliance, the greater the effort will be to make the cooperation succeed. Positional changes could disrupt this process. This insight brings us to the following success factors.

*The ambition is shared* All the partners in an alliance agree on the ambition and also share the ambition.

*The ambition is valued by the partners, attractive and significant in itself* It is not enough only for the ambition to be shared: it must also add value, be suitable for, and be attractive to everybody involved in the partnership. This also makes it easy to explain it to the outside world and to mobilize other people.

*The ambition does contribute to the collaboration strategy of each of the partners* The ambition must contribute to the importance or success of each of the partners, because this is precisely what stimulates each of the partners to contribute to the alliance. The ambition also contributes to the personal significance of the alliance for the executives, as well as for the other key players in the partnership.

*The ambition is of personal significance to the managers and to other key figures in the cooperative effort* One often notices that it is the busiest people who end up having to divide their attention and energy between lots of different issues. When managers and executives have to choose between different opportunities, they also take into account with whom they prefer to work. It is all about ‘doing nice things with nice people’.

### **3.3.2 Doing Justice to Interests: Mutual Gains**

Everyone has interests, and cooperation is about doing justice to those interests. If that doesn't happen, parties become obstructive, give up or work at cross-purposes. The art is to find solutions that are in everyone's interest in a way that respects everyone's interests. There is a research tradition that gives a central place to such ‘thinking in terms of interests’. Literature on mutual gains has produced an influential body of knowledge in the field of negotiations and collective decision-making (Fisher and Ury 1981; Susskind and Field 1996; Kahane 2004, 2010). It has provided politicians around the world with the principles, instruments and attitude to find solutions to complex problems. The mutual gains approach has developed from structural and strategic approaches to negotiation in which win-lose is the underlying assumption, to the integrative approaches in which win-win situations are not fluke outcomes but actually the desired outcome. That is the field of mutual gains and negotiation. Main questions in this area of work and study are ‘what positions will each actor take’ and ‘what interests underlie them’. If we decide to cooperate, what topics will be most charged, perhaps causing the process to break down completely? What issues underlie these? How can we reach an agreement that does justice to all the different interests? How do we get a constructive dialogue going, aimed towards a common solution? How should we organize negotiations on points that we know we will be unable to reach agreement in the end? According to this approach, a lasting relationship, sincere concern for the interests of others, transparency and reliability are necessary to establish trust.

### **The Healthy Region**

Partners understand that they have a common interest in improving the health of local residents. But the partners also have incompatible interests, such as decisions on treatment (who provides which treatment?), economy (prevention may be profitable for health insurers, but could be adverse to the financial interests of those providing treatment), moving treatment from one provider to another. Partners have expressed their concerns to one another and it is now clear what each partner is contributing and what is in it for everyone. In case of divergent interests, the decisive factor is: does regional health benefit? A clear understanding of the interests of all partners helps decision-making and helps build trust.

### **Senseo Alliance**

Sara Lee and Philips have a joint interest in providing a new coffee experience for consumers. At the same time, both have their own interests that are not necessarily compatible. For instance, Sara Lee wants to sell as much coffee (or coffee pads) as possible, and Philips as many coffee machines as possible, both in a profitable way. To sell as much coffee as possible, it is essential that the coffee machine is bought and used by as many consumers as possible. A low-priced coffee machine helps to increase household penetration. However, a lower price may not be in the interests of Philips as it will impact negatively on their profits.

The following points have transpired to be very important when it comes to doing justice to the interests in an alliance.

- There's a difference between standpoints and interest: A standpoint is an opinion or a view. Someone can change his standpoint relatively quickly and easily, as soon as a new argument changes his perspective on the matter; an interest is something that is related to someone's benefits or even their happiness.
- But there are also societal interests, organizational interests, and individual interests: none of these interests may be denied.
- It is only possible to try to find a win-win solution—the so-called golden triangle—when all the interests are fully understood.
- Issues always play a role in a partnership: these are topics that are subject to differences of opinion. It is possible to find creative solutions that add value for all the stakeholders once they have gained insight into the issues, standpoints, and interests.
- Doing justice to the interests also involves negotiation: the ambition in this regard should always be to primarily pursue integrative negotiation instead of positional negotiation.
- A number of conditions must be fulfilled to be able to give interests a central position in the collaboration, namely: a context of reliability and trust, a shared point of departure in language and information, and developing the art of collective thinking in dialogue.

The ‘doing justice to interests’ building block offers the following success factors in collaboration:

*A sincere concern for the interests of the partners* The partnership must be built on sincere interest in interests, the parties must have insight into one another’s issues and the interests they have in one another’s issues.

*The collaboration does create value for each of the partners* The way of mutual gains is: *seeking the best possible solution for everyone* The participants jointly create a solution that no one could have come up with based on pure personal interest. The collective solution adds value for each of the participants and transcends the individual interests. It expands the scope of the playing field, which means that none of the parties really have to sacrifice anything: first create the best results, and then get down to sharing it. The essential question in that regard is whether value is really created for all the partners.

*Room and willingness for negotiation* The partners must bake a bigger cake before they start slicing it up. In other words, they must first get down to integrative negotiation; interest agreements dominate and all the parties have an interest in one of the potential packages. The next step is to mark that point and negotiate in a distributive way, and then to effectively record the results.

*The partners are in real dialogue with one another* The more effective the partners are at dialogue, the better the partnership will run. The participants have to listen to one another based on respect and sincere interest in one another: not the debate or discussion as leading principle, but the dialogue. Building forth on what the last person said, working from one another’s strengths, and zooming in on the positive points and the agreements instead of the contradictions. People cooperating in a partnership must understand one another based on positivity and sincerity.

### **3.3.3 People Work Together: Social Psychology and Group Dynamics**

Cooperation involves both substantive arguments and personal interactions and relations. It is always an interchange of people who may or may not want something out of it. Some people enjoy working in a cooperative mode. Others find it difficult or unpleasant. Although cooperation, by nature, transcends the individual, everyone in a partnership brings in their own personality and style. As more people work together on a task, social-psychological processes and group dynamics come into play. Personal interactions and relations always have an important role. Inclusion and exclusion: who participates and who does not? Power: who calls the shots, and how can you exercise influence? Leadership: what is everyone’s role in the process? Conflict: how do you deal with differences of opinion and personal relations that don’t ‘click’? And, trust of course: what inspires trust, and how can we keep the ‘reservoir’ of trust filled?

These assumptions are rooted in two closely related bodies of knowledge, such as group dynamics and social psychology. It is generally acknowledged that

relationship dynamics are crucial in the formation, development and management of alliances, judging by the frequency with which one is confronted with statements about the level of trust and distrust, the dynamics of power and influence, and the role of diversity and conflict. In this regard, collaborative leadership is one of the key issues in any cooperation (Huxham and Vangen 2005; Kaats and Opheij 2008).

It is important to understand these dynamics because they make or break the alliance (Douma et al. 2000; Leung and White 2006). Even when an alliance is initiated through formal arrangements, the relationship aspects of the collaboration must eventually be addressed.

### **The Healthy Region**

The collaboration started with a joint study tour to Kaiser Permanente in California. During this trip, the foundations for a common ambition and constructive relations were laid. After all, it is clear that spending a lot of time with one another tends to the development of trust and the reduction of distrust between people. Physicians, executives and insurers are allotted time to gather information on the principles and assumptions of the partnership to increase mutual understanding. In many of the project teams, participants from the several partners worked together. Programmed managers and steering committees try to promote a cooperative atmosphere.

### **Senseo Alliance**

Both Sara Lee and Philips appointed a dedicated alliance manager who reported to an executive sponsor in their own organization. The executive sponsors are responsible for a large business unit in their respective organizations, alongside having responsibility for the alliance. Alliance managers spend most of the working week together to understand each other better and seek to work for the benefit of the alliance. Executive sponsors meet regularly to review the progress of the alliance, but also more informally. Whenever an alliance manager or executive sponsor has retired or moved on, a lot of time has gone into building up a relationship with his/her successor.

These are the most important attention points for the personal relationship based on research into the interpersonal aspects of collaborating in alliances. We have noticed that this entails an important point of departure for understanding cooperative processes.

- When people work together, they balance between trust and vigilance in their relationships with others (Lewicki et al. 1998). The primal dilemma of cooperation and the formation of interpersonal relationships is the question as to the extent to which we can dedicate ourselves to the relationship and the extent to which we need to protect our followers and ourselves against potential risks in the relationship. Collaborative situations come with a lot of trust or little trust and always with a high level or low level of vigilance. The combination of trust and vigilance leads to four types of relationships, namely: vigilant contracting, calculated bonding, explorative exchange, and unobstructed cooperation.

- Groups are special: a group is more than the mere sum total of the individuals involved, but operates based on its own dynamics and laws. Alliances are always about people coming together in (often new) groups. When that happens, group processes with their own dynamics start to come into effect. Insight into the operation of alliances therefore also demands insight into the operation of groups. Attention must be given to operation at the level of content and relationship, to conscious and unconscious processes, and to the difference between what is said on the stage and what is taking place in the wings and backstage.
- Certain subjects demand specific attention in the formation and operation of groups: it's about working on confidence, dealing with power, managing conflict, and adopting a constructive approach to differences.
- The fact that everyone involved in an alliance comes with his own baggage means that he comes with his own qualities, experiences, presumptions and impressions of reality; which means that this also involves the question of diversity. You need collaborative leadership to prevent the alliance from falling apart. The essence of this is the ability of an individual or a group to make progress and generate shared results in environments with contradictory interests.
- We have noticed that executives in alliances hold special positions: on the one hand, they are ultimately responsible for the input of one of the partners while, at the same time, they are ultimately responsible for the whole. It is extremely difficult to establish an alliance and to make it run sustainably without the support of the executives. On the other hand, it is by no means a done deal that things will run smoothly even with the executives' support. Their personal motivations play an important role: this is part of the meaning or sense they bring to the partnership.

Studying the interpersonal aspects brings one to a number of success factors that must be considered in the assessment of the quality of an alliance.

*The cooperating partners are connecting with one another personally* People matter. Are the players sincerely interested in one another and each other's motivations? It is important to know the partners' interests, experiences, convictions, backgrounds and motivations; they are determining factors in the creation of a meaningful collaborative process.

*Constructive group dynamics* Is it possible to let the group be more than the sum of its individual parts? This demands the capacity for sound interpersonal relations. Diversity is the point of departure in an alliance; it forms the foundation for the establishment of value creation, but it could, at the same time, also be the basis for conflict. The way in which collaborating parties utilize diversity and deal with conflicts also give an indication of the actual welfare of the alliance.

*Trust among the partners* Trust is an important indicator of the potential success of the alliance. Trust is a special point of interest in partnerships, because the different parties continue to weigh up the actions and reactions of the other parties in situations of uncertainty. Besides its institutional aspect, trust also has an interpersonal aspect. This plays a decisive role in the actual cooperative process.

*Collaborative leadership* A specific leadership style is important in partnerships between organizations: collaborative leadership. This is about binding people and interests, and knowledge and expertise in the field of collaboration. It is important to be able to judge when which type of leadership style is the most effective.

### 3.3.4 Professionally Organizing: Alliances and Networks

The realization that organizations can sometimes do better together is centuries old. The ancient Greeks forged alliances and went to battle together. In the Netherlands, the Union of Utrecht was the foundation of the Republic of the Seven United Provinces. The Dutch East India Company and the Hanseatic League pursued cooperation in the area of commerce. During the Middle Ages, the Hanseatic League was a network of cities and traders that worked to protect and expand their trade through cooperation. In the eighteenth century, the Mafia, too, came about when various criminal organizations began working together in network structures.

A central idea here is that every cooperative partnership needs to be appropriately structured and professionally organized. A range of examples, archetypes, considerations and solutions are available on how to do this. Which partners are you best off cooperating with? What is the topography of the network? What is the best way to manage and structure cooperation? What is the mission and identity of the partnership? How do you ensure that it maintains a strong sense of purpose?

This body of knowledge has its roots in the field of economics, business administration and management science. It provides numerous lessons regarding the effectiveness of organizational structures and governance mechanisms to facilitate collective action in cooperation. It has expanded our knowledge of the balance between formal and informal means of governance, between trust and control, between institutional and social mechanisms. Sometimes this leads to a preference for control and a tendency to seek to control the other partner. Partners may become suspicious, undermining mutual trust. As de Man and Roijakkers (2009) have shown, there is a close relationship between trust and control (see also Das and Teng 2001, 2002; de Man et al. 2010). In our experience, appropriate organizational structures are essential to develop trust among partners, and—crucially—the commitment of their workers. A minimal level of organization should be in place (Hirschhorn and Gilmore 1992)—namely who decides what, who does what, what’s in it for me and who is involved? The organizational and governance solutions will differ for various types of cooperation, such as alliances, networks, chains and various kinds of strategic (horizontal or vertical) partnerships.

#### **The Healthy Region**

The network has a steering committee, in which all partners participate, a program manager and a number of project groups. Each of the participating organizations is responsible for one of the projects. Furthermore, in all projects at least four out of six partners must be represented. Inhabitants of the region



are not only involved in projects that aim directly at health improvement, but also in various collaborative processes (with the statement: Inhabitants as Driving Force) in which the fundamentals of the program are embedded (paradigm shift, evidence, incentives for change). The program is well organized, with a steering committee, program and project managers, a program plan, and clear budgets. This might be considered 'hygiene' for the collaboration. In fact it is more than hygiene. 'Group makes plan. Plan makes group'. Organizing the collaboration in a professional way also helps to build a common language and diminish ambiguity.

### **Senseo Alliance**

The alliance is managed by two alliance managers and two executive sponsors (one from Sara Lee and one from Philips). The alliance managers oversee an array of 'mirrored' teams (e.g., marketing, technology, market launch): both Sara Lee and Philips have comparable representatives in the joint teams. The alliance managers report together to the Steering Committee that consists of the two executive sponsors.

Research has revealed the following essentials regarding the professional organization of the alliance:

- There are four essential ways in which cooperation is manifested. The two recurring questions, when studying or seeking to establish cooperative partnership models, are about the intention and the nature of the collaboration: The 'improvement' versus 'renewal' axis and the 'exchange' versus the 'share' axis. From this we deduct the four logical forms of collaboration: transactional, functional, explorative, and entrepreneurial collaboration.
- There is a difference between alliances in which a limited number of parties participate and complex multiparty collaborations, because these two situations differ in the extent to which you can exercise influence on professional organization. Both types of situations have different organizational perspectives from those of hierarchical organizations, a different interest in personal preferences, and there are different emergent processes at play.
- One important issue, in all forms of cooperation, is the organization of sufficient decisiveness.
- The key themes in the effective organization of alliances, in which a limited number of partners participate, include the choice of partners, the basic form of the partnership, the direction, the suitable legal form, the business case, and ICT support.
- There are also multiple and complex networks that are hard to look into. It is impossible to be in touch with everyone in this type of network, but they still continue to perform, and they have their own inherent dynamics. The only way to take a look into those types of networks is by looking at the key players, the level of centrality, the scope, the quality of the relationships, the strength of the connections, and the network efficiency.

- The only way to assert an influence on this type of network is to choose a position in the network, to have influence in the network governance, and to develop social capital in relation to these networks.

These insights bring us to a number of success factors for the degree of professional organization.

*An effectively functioning structure, attuned to the objective and to the partner-characteristics* In the case of the effective organization of cooperation, the structure and control are aligned to the partners' goals. There are different factors to consider when choosing a partner; from the basics to the actual control, and the legal form. The business case also plays a very important role: the question, as far as this indicator is concerned, is whether the options available for making a choice were adequately explored and whether the actual choices were well considered. Professional organization in alliances is not only about the best rational form, the structure, the governance and so on: the process by means of which you collectively arrive at sound and well-considered choices that work is also important. You have to agree on this and you have to act based on it. It is not the 'paper structures' that are essential, but the common and shared behavior manifested in making things happen.

*Sufficient participation and support for the partnership* There are several different types of binding agents available in an alliance; for example, the business case for binding the alliance financially, the ICT facilities, and the social capital, as binding agents. Are these binding agents adequately applied and utilized, and do they also effectively result in adequate binding? Support is also relative to the extent to which the partners participate in the alliance and the extent to which the alliance can count on the support of the followers.

*Synergy and a strong sense of purpose* Decisiveness relates to the extent to which the collaboration is able to realize the intended results and mobilize the partners to take action. Many alliances suffer from a shortage of decisiveness, which is partly the result of under-organization. The question is whether the alliance is capable of organizing sufficient support, or whether it is excessively obstructed by its structure and governance, by the laggards, who determine the pace, and by the 'colorless', who determine the color? Is it perhaps a case of pseudo collaboration?

*Clear agreements, and are these mostly fulfilled?* Are the agreements clear and are they adequately fulfilled? The continuity of the alliance largely depends on the operational quality of the collaboration. Is everyone doing what he or she is supposed to do? Do they fulfill their agreements? Do they pay sufficient attention to the alliance and are they meticulous in their relationships? Although it may be tempting not give your partners feedback simply to keep the peace, this could have a steep price in an alliance.

### ***3.3.5 Sense-Making: Process Management and Governance***

Perhaps the most basic question that arises in cooperative relations is 'how to go about it?' This has been addressed by various research traditions and schools of

thought (Ring and van den Ven 1994). Some view cooperation as a political-administrative process in which different actors with different interests are compelled to come to an agreement. This brings you to process management. Or you might consider cooperation for a job that has to be done, which brings you to the field of project and program management. In any case, we know that in cooperation people from different organizations with an interest in each other will have to enter into serious discussions with each other—for which the building blocks of a good dialogue can help. But, due to the involvement of different parties that need or want something from each other, processes of influencing and connection also play a role.

Development of a sense-making process therefore involves questions of governance and process: How can we do the right things at the right time? How can we get productive discussions under way and come to agreements? What role does each individual play, and who directs the process? How do we balance consideration for the substance of the partnership with attention to the processes necessary to reach agreements? How can we keep the process moving without too much pushing and without losing parties on the way? How do we safeguard the quality of interaction together? How can we accomplish good results?

In cooperative settings where these questions arise, the threat of misunderstanding is constantly lurking. Due to such misunderstanding, good solutions that are within reach may sometimes vanish from sight. Misunderstanding can also wear away the much-needed trust. A common lens for looking at cooperation can help partners keep misunderstanding at a minimum.

Bodies of knowledge such as the policy development domain have led to different approaches that are relevant to the formation of alliances. These include life-cycle approaches with their emphasis on chronology and the steps to be taken, teleological approaches with their emphasis on goal orientation, evolutionary approaches with their emphasis on contextual aspects and dialectical approaches with their focus on the conflicting forces within the alliance (de Rond 2003). Quality criteria drawn from these theories are extremely helpful in monitoring and steering the development of an alliance.

### **The Healthy Region**

The program has been running since 2007, and it was reviewed in 2009. Between 2007 and 2009, the partners developed a shared ambition and carried out several experiments and pilot projects. In 2009, the steering committee decided to professionalize the collaboration. Executives and professionals from various organizations incorporated their ambitions and interests into an inspiring program plan and decided to appoint a program manager to intensify the collaboration. The entire process went from exploring and sharing ambitions (study tour 2007), through learning in small projects (2008/2009) and evaluating (2009) to redefining ambitions and professionalizing (2010). Meanwhile, projects have become successful. The partnership serves as a model for health care management in the Netherlands and serves as an example program for the National Health Council. The process was not planned in this

way from the beginning. Periodically, the steering committee thinks through the process and looks forward to defining the next stages of the cooperation.

### **Senseo Alliance**

The contract negotiation phase took longer than anticipated. However, both partners had already committed substantial resources and investments to developing the Senseo coffee machine and coffee pads. It was clear to both partners that they were still in the negotiation phase, but at the same time had already entered the alliance management phase. This shared recognition and understanding of where they were in the process and what would come next was very helpful. Neither Sara Lee nor Philips exploited this situation by seeking more favorable conditions for their organization in the negotiations.

In this section we mention, based on research, the crucially important elements in the design of the collaborative process that enable the partners to effectively make sense of the alliance. The following are important in that regard:

- Several different conceptual traditions have evolved in the literature on collaboration over the years concerning how the collaborative process could be designed.
- The following approaches are eminent:
  - Phase models that place the emphasis on the steps that must be taken;
  - Conditional models that emphasize the creation of conditions;
  - Process models that put the emphasis on the (political) decision-making processes;
  - The mutual-gains approach that places a strong emphasis on the interests and on win-win solutions.
- All of these approaches could help partners who wish to explore mutual cooperation.
- It is important to use a process approach to determine which consecutive subjects to focus on and what the roles of content and interaction are. The process approach could serve as a design and diagnostic instrument for the partners in an alliance.
- It's not only about developing collaboration, but also about keeping it alive and assuring the learning processes in the alliance. It is important to learn from the experiences of the collaboration, and also to learn from, with and about the partners. A periodic structural review of the alliance could stimulate this learning process.
- There are *50 ways to leave your lover* (Gulati et al. 2008). Experience in cooperation has shown that it is good to think about this at the beginning of the collaborative process and to make agreements about it.
- The care for the organization of the collaborative process must be embedded in the system. Although every partner contributes, it is essential not to forget to ask who is in charge.

- The process could be directed by one of the partners or by an independent third party.
- And last but not least, there's the million-dollar question as to whether the alliance actually brings you any closer to your shared ambitions. Does it really yield the intended results and effects?

Finally, we will go into the success factors derived from the insights obtained from the collaborative process. The following are the most important success factors:

*Clear and objective-oriented sequencing of events and process design* Justice must be done to the approaches that are focused on the identification of the steps and phases of the collaborative process also. Justice must be done to the core elements of process design by paying attention to openness, protection of core values, progress, and attention to the content. The focus must be on the fulfillment of the shared goals.

*Attention to both content and process aspects of the partnership* Justice must be done to a balanced relationship between content and process. This means that a balance must be found between the surface currents (managerial logic, strategy, organizational models, and content) and the undercurrents (personal relations, team formation, trust, power and interaction). This entails paying attention to substantive sense-making, as well as to interaction and communication. In that regard, it is also good to do justice to approaches focused on identifying the conditions that could be determined for the collaborative process and the status of the collaboration throughout that process.

*Clear division of roles with well-defined directing of the process* Effective process direction is a success factor. Sometimes this is done by the partners, and sometimes independent outsiders are called into do this. Irrespective of how this is structured, collaborative leadership is an absolute success factor in the collaborative process.

*Is the partnership actually delivering (process quality and process effectiveness)* Justice must be done to approaches focused on the identification of the conditions that could be determined for the collaborative process and the status of the cooperation throughout the process. The most salient question continues to be whether the collaboration is bringing the partners closer to their ambitions.

### 3.4 Looking at Collaboration from Multiple Angles

How can you see whether a partnership is constructive and performing well? What should you look for? The art of diagnosing a cooperation process is to look at it from more than one angle. That is precisely the power of the 'lens', which is central in this contribution. In practice, however, it is often difficult to pay sufficient attention to all the different angles on cooperation. Cooperation processes are unruly—and this may be aggravated by the preferred styles of the partners and even the process facilitator. Figure 3.4 sets out some of the consequences of unbalanced attention to the different angles. We elaborate below on the risks of their neglect and the benefits that adequate attention can bring.

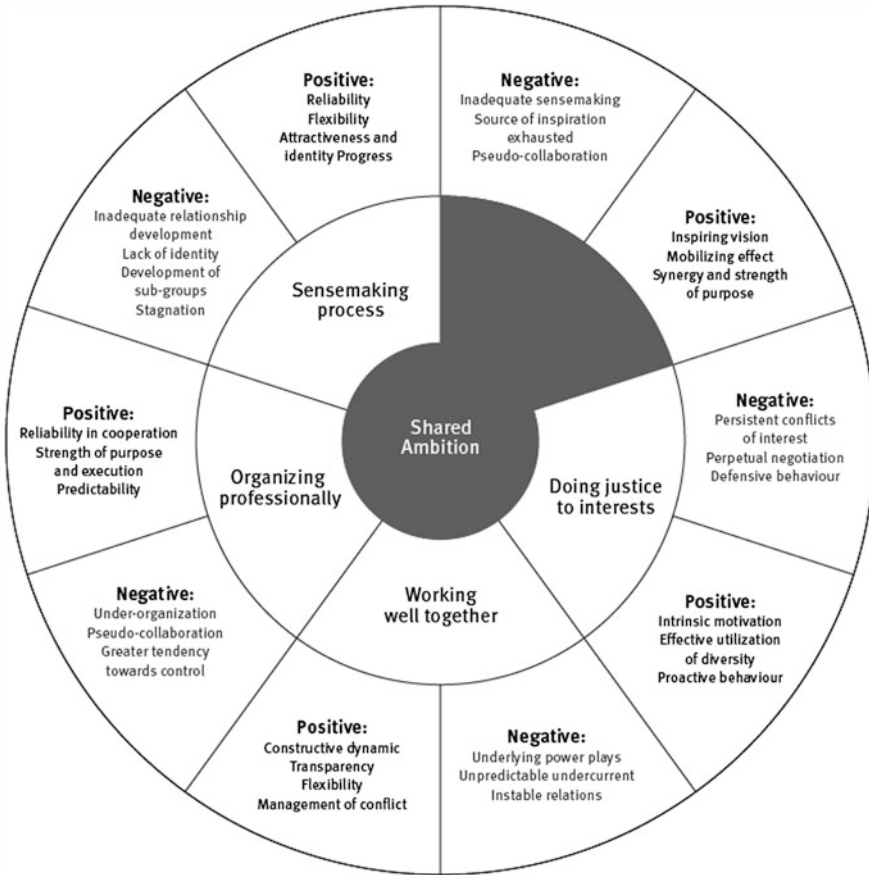


Fig. 3.4 Consequences of unbalanced attention

### 3.4.1 Shared Ambition as the Heart of the Collaboration

It may become apparent that too little has been done in a cooperation process to keep the substantive ambition alive. Neglect of the ambition causes the sense-making process to stumble. This may happen, for example, if participants have a highly action-oriented style and place little emphasis on vision formation. Cooperation then collapses into a checking off of actions and lists, with inspiration slowly running dry. This may also lead to ‘pseudo-cooperation’, in which partners do still communicate, but mainly about operational issues and procedural improvements, without any real dialogue about the need and value of cooperation. Cooperation ‘flattens out’, so to speak, becoming just an operational project. The connection is lost with the initial legitimacy and environment.

If partners can keep the ambition of the partnership alive and beckoning, it becomes a source of inspiration with a mobilizing effect. Putting the collaboration ambition on the agenda again and again keeps it high in the minds of participants; it evolves and is continually adapted to new conditions.

Of course, this also requires attention to the ‘relations’ aspect. After all, a well-constructed team is essential to ensure that visionaries remain active, putting the ambition on the agenda again and again. Moreover, the feeling that a cooperation ‘clicks’ works as a stimulus, encouraging participants to go that extra mile. It therefore lends synergy and strength of purpose to the process.

### ***3.4.2 Real Dialogue on Interests***

In many partnerships there is little or no real communication about interests. Partners often rush immediately to set up a covenant, contract or joint venture. Almost without exception such processes hit a deadlock over time. Partners must then return to the stage of identifying the shared ambition and as yet seek a common interest through dialogue. If interests and a real dialogue about them are structurally ignored, the process often becomes one of perpetual and sometimes exhausting negotiation. If conflicts of interest persist, this will lead to defensive behavior, because lack of clarity about interests creates a situation that the participants may perceive as unsafe. If the process can be turned around, there is still a chance of motivated partners, acknowledging mutual interests and utilizing the diversity at hand.

### ***3.4.3 An Eye for the Invisible***

It is not uncommon for the partners themselves to select and send out their representatives to a cooperative partnership, with the result being teams that are made up of a random mix of personalities and working styles. Building a good team, however, is never an easy matter. That is equally true—or perhaps especially true—in cooperation processes. We expect participants in cooperation to be able to deal with uncertainty, ambiguity and flux. They also have to be comfortable working with one foot in their own organization and the other in the partnership. That is a lot to ask. In environments with a highly substantive and technical orientation, there may be limited attention for the individual, interpersonal, relational aspect of cooperation. So relations may fail to evolve or slowly but surely become instable over time. An undercurrent of sensitivities then develops that may generate an unfavorable dynamic for cooperation. With concern for relational aspects, cooperation becomes more robust. Conflicts are detected earlier and resolved better. Giving feedback becomes easier, and with it, the effects of negative assumptions about one another are neutralized in a timely manner.

Leadership is of special importance in this. Without a particular kind of leadership, doubt surfaces and stagnation gains the upper hand. Leadership is needed to

direct the cooperation process and to put it ‘on the map’. This is emergent and unifying leadership, not a hierarchical style. Good leadership doesn’t absolve any of the participants of their own individual leadership role. On the contrary.

### ***3.4.4 Creating Enabling Conditions***

Cooperation has an intrinsic tendency towards under-organization. In other words, in cooperative partnerships we tend to pay too little attention to organizing. There are as yet no ingrained procedures and routines, and the partners all have their own ways of doing things. We still see organization too much as an internal matter within organizations. Under-organization and the ‘pseudo-cooperation’ mentioned earlier manifest in poorly functioning consultation and dialogue, a lack of management, and insufficient agreements and procedures. This generates a number of threats, such as the structural absence of a sense of purpose and, in the worst case, a complete break down of cooperation.

This risk is particularly strong in forms of cooperation where partners have not built a new organizational entity, but rather, have sufficed with a set of agreements or a cooperation contract. This is why we see under-organization emerge in many networks. A set of agreements or contract can be an adequate form of organizing, but only when sufficient peer pressure can be exerted in the social domain to achieve the objectives of cooperation.

For some partners, neglect in the ‘organization’ category leads to a greater tendency towards control. Partners become apprehensive and suspicious that their interests are not in good hands. Mentally, they position themselves outside the partnership, and approach cooperation as if they were the one that commissioned the joint effort. This mechanism may arouse any number of sensitivities and behaviors among the other partners, undermining mutual trust. As de Man (2006) explains, ‘trust’ and ‘control’ are always closely related.

As far as our experience goes, an essential element of cooperation is good organization. By this we mean an organization that is attuned to the goals of the partnership, that enables cooperation to develop and maintain a strong sense of purpose and trust, and that earns the confidence of its constituencies. According to the minimum conditions of Hirschhorn and Gilmore (1992), for individuals to perform in uncertain conditions, a number of basic questions have to be answered, namely, ‘who decides what’, ‘who does what’, ‘what is in it for me’, and ‘who should be involved’.

### ***3.4.5 Evolving Forwards***

Neglect in the area of ‘process’ can cause cooperation partners to feel that they lack grip on the process, leading them to wonder what kind of process they are involved in and at what stage. Often, partners may have set up a collaborative relationship and yet have completely different impressions of the stage their relationship is in



and what the next step should be. Yet, it is important for people to know what is coming next. If they do not know, and cannot find out via a clear chart of the process, consequences tend to be felt in other areas. Sub-groups may develop of participants with similar concerns, interpersonal relations may fail to take off, and it may be unclear whether now is the time for negotiation or for constructive building. The playing rules become fuzzy, which frustrates the cooperation process.

Cooperation demands a certain pace and progress. If pace is lacking and progress stagnates, energy dissipates and destabilization often follows. If the pace can be maintained, progress and payoffs will become visible, leading to synergy and impact. This provides a strong basis for further development of the partnership.

### **3.5 Working on Cooperation on the Basis of Indicators**

Keeping cooperation thriving is up to each of the partners and also the cooperative partnership as a whole. Every attempt or action to improve the partnership is therefore subject to the laws of cooperation.

#### ***3.5.1 Do it Together***

Analyze together any potential problems or issues that arise in the partnership, and formulate proposals for improvement together. If an external facilitator is brought in, make sure that room is reserved for reflection and dialogue to internalize the results of the analysis. Consider advisors' proposals not as a plan of action, but rather as an input to a larger dialogue about the proposals in which the cooperating parties can agree.

#### ***3.5.2 Create Enabling Conditions for Real Dialogue***

Create an atmosphere and place where all perspectives and viewpoints are aired and heard; pay attention to the unspoken word, as well as the words that are spoken; acknowledge the value of differences and of the different identities of the participants; bring assumptions and perceptions out into the open without taking a definitive stand. Postpone judgment (Isaacs 1999).

#### ***3.5.3 Balance Supportiveness and Purposefulness***

In a cooperative relationship, every organization is ultimately autonomous, which often complicates decision-making. 'Analysis paralysis' is a constant threat: a situation may be 'over-analyzed' to the point that it becomes impossible to reach a decision. This is the opposite of 'extinct by instinct' (taking a fatal decision based

only on intuition or a ‘shot from the hip’ conclusion). Agreement is needed about what the point of engagement should be. From there, what action needs to taken?

Based on these principles—and the other ideas and concepts presented here—we developed a tool for analysis that can be applied relatively quickly and easily in practical situations to support analysis, dialogue and common decision making in cooperation processes.

### ***3.5.4 Indicators of Successful Cooperation***

How can you see whether a cooperative partnership is constructive and performing well? What do you look for? Earlier, we described five basic aspects of cooperation in alliances and networks: the ambition, interests, relations, organization and process. Each of these can be further operationalized using indicators of success that say something about the degree to which each has been given adequate attention. We present these indicators below.

#### **3.5.4.1 Ambition**

*To what extent:*

- is the ambition shared;
- is the ambition valued by the partners, attractive and significant in itself;
- does the ambition contribute to the (cooperation) strategy of each of the partners;
- is the ambition of personal significance to the managers and to other key figures in the cooperative effort?

#### **3.5.4.2 Interests**

*To what extent:*

- is there sincere concern for the interests of the partners;
- does the collaboration create value for each of the partners;
- is there room and willingness for negotiation;
- are the partners in real dialogue with one another?

#### **3.5.4.3 Relations**

*To what extent:*

- are the cooperating partners connecting with one another personally;
- do group dynamics contribute to make the group more than just the cooperating partners;
- is there trust among the partners;
- is there emergent and unifying leadership?

#### **3.5.4.4 Organization**

*To what extent:*

- is there an effectively functioning structure, attuned to the objective and to the partners;
- is there sufficient participation and support for the partnership;
- does the partnership have synergy and a strong sense of purpose;
- have clear agreements been made, and are these mostly fulfilled?

#### **3.5.4.5 Process**

*To what extent:*

- is there a rational sequencing of events and process design, ‘doing the right things at the right time’;
- has attention been given to both content and process aspects of the partnership;
- is there a clear division of roles with well-defined directing of the process;
- are enabling conditions for cooperation in place, and is the partnership actually delivering (process quality and process effectiveness)?

When analyzing processes of cooperation, these indicators of successful cooperation are the ‘focal points’ of our ‘lens’ on cooperation. In Fig. 3.5 we arrange these indicators around the five central aspects of cooperation. The optic that is then formed, with its different angles and focal points, can be of assistance if there is a need for evaluation or diagnosis of a cooperation process. Or, if questions arise about what to do next and how to go about it.

### ***3.5.5 Dedicated Approach in Action***

In our view, there can be no generic approach to the issues raised by cooperation. No single approach works best all the time and everywhere. Nonetheless, cooperation does tend to go through common stages, iteratively or otherwise, and it does have a number of generic characteristics.

Different sets of interventions will be called for, depending on the strengths and weaknesses of a particular cooperation. Our ‘lens’ with its different angles and focal points will help you in a concrete situation form a well-rounded picture of a how a cooperation process is performing. Based on that picture, you can determine the best approach to move the process forward. As an example, Fig. 3.6 represents a partnership in terms of scores on each of our five main aspects.

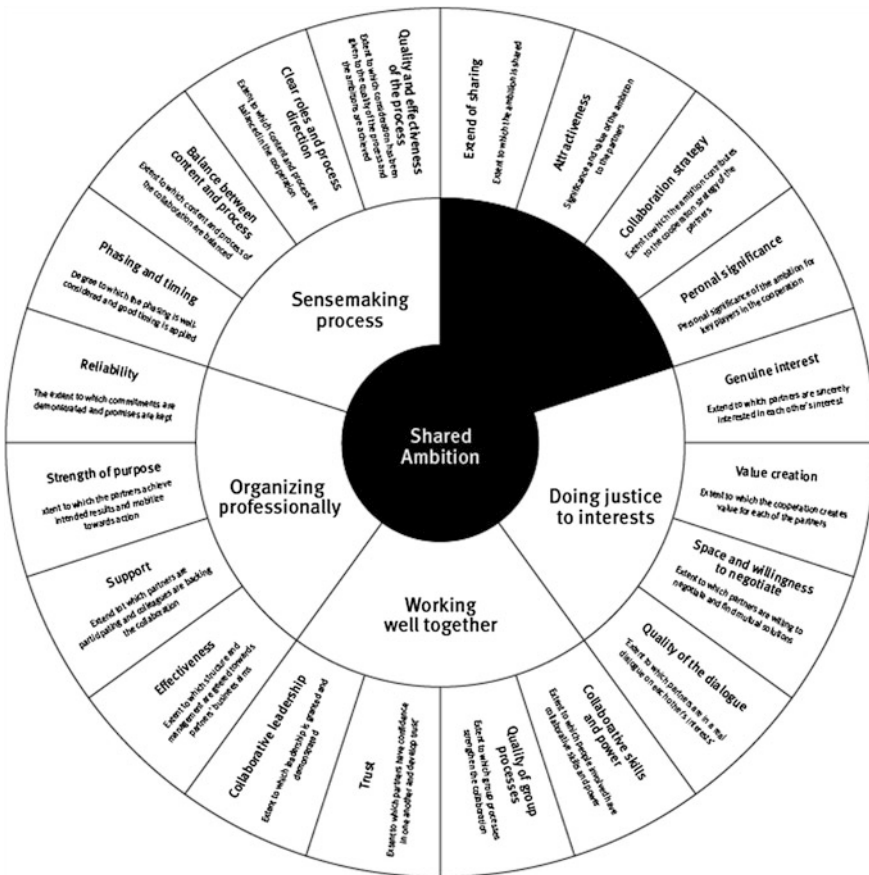


Fig. 3.5 Indicators of successful cooperation

The choice of approach and interventions will be markedly different depending, for example, on whether the reservoir of trust is filled to the brim or is leaky and full of holes. Another key factor is the degree of clarity about who is the emergent leader: Is leadership well-defined? Or is it still up for discussion? It is also important to know whether participants interrelate out of real interest for one another or interact only on procedural and operational questions. As such, a variety of factors will determine what intervention is needed. In some cases, a field excursion together might be most constructive (including after-hours talks at the bar). In other cases, it might be better to replace one or more actors (if at all possible). Thus, every cooperation process demands tailored intervention, depending on the situation that has developed. This is all in the realization that, in the end, it is the players who make the game.

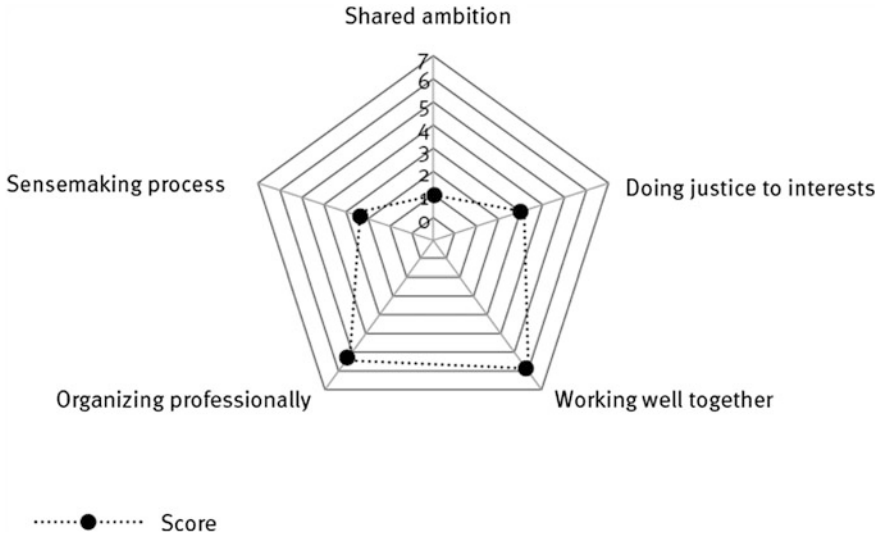


Fig. 3.6 Web representing a partnership in network management

### 3.5.6 Looking at Cooperation

This way of looking at cooperation offers a coherent view. It could serve as a *design instrument*, as a *diagnostic instrument*, and as a *shared language* between partners. In our experience, everyone participating in partnerships have specific experience, knowledge and prejudices and convictions at their disposal. They use this whenever they enter new partnerships.

An important question that arises when entering, participating in or assessing a partnership is how not to get caught up in your own one-sidedness or prejudices when trying to understand what is going on. There are different ways of dealing with this:

- Look from different perspectives.
- Use models of or for the reality.
- Look with more than one eye.

#### 3.5.6.1 Look from Different Perspectives

The trick is not to look at the collaborative partnership from a single perspective only, but to approach it from different perspectives. We have described five important perspectives for looking at the setup of a collaborative partnership. These perspectives can also be used to look at how the partnership functions. In effect, we are once again propagating the use of a coherent and integral model of looking. Although it is a coherent model, it also poses the inherent risk of ‘pigeon

holing': if you can use a hammer, you're more inclined to see nails all around you. Although we offer a broad way of looking, it is based on the premise that we are also able to 'grasp' a large slice of reality. The question is however whether there is in fact a model that can really help you assess a partnership; after all, every lens has its own specific focal point.

### 3.5.6.2 Use Models of or for the Reality

Almost every organizational and advisory process makes use of models. There are (at least) two ways of applying models:

- *Models of reality*: in this case, one uses the model in a normative way, whereby one tries to shape reality to fit the model. This is an analytical way of looking in which one collects the information to substantiate the models.
- *Models for reality*: in these situations, one uses the model as a tool to look at reality. The purpose of the model is to inspire and one uses it to collectively make sense of the model. You look at the phenomenon and use models to look through the phenomenon. This is more closely related to the interpretation options we have in our minds.

We mainly see the models presented here as tools that are useful for optimizing the cooperative process, while the success of the cooperation is obviously determined by the people who do or do not use these ways of looking. It appears that it is not very useful to prescribe normative models as representations of reality in collaborative issues. The organizations concerned need one another, but they also have different visions of reality.

It is really not helpful for the (involved) outsider to impose the use of a lens. The parties must get into dialogue and work on making sense of the new reality.

### 3.5.6.3 Look with More than One Eye

We have discovered that, when looking at the operation of a collaborative partnership through the eyes of many people, you really see very different things. You see more if you look with more eyes, even if you are using the same models or lenses. You can look at the partnership with more people from outside the collaborative partnership, or you could look at the same thing through the same lens with more players. When doing so, you are using the lens to diagnose, with those players, what is going on and what the constructive and destructive processes are.

The conditions for promising collaboration presented here could help to establish the foundation of more robust partnerships.

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# Chapter 4

## Future Perspectives on Collaboration

**Abstract** In previous chapters, we have given insight into findings on the operation, the opportunities and the limitations of cooperative processes. These findings already propose a major challenge for society and organizations, but there is a lot more on the horizon. We see the need for (1) bridging disciplines and improving managerial relevance of scientific findings regarding collaboration, (2) making more sense of collaboration strategy as a means to approach collaboration in a more professional way, (3) increasing our ability to tap into new business models and new forms of organizing which rely heavily on collaborative capabilities, and (4) developing collaborative leadership and effective personal action repertoires to master the craft of collaboration.

**Keywords** Bridging disciplines · Managerial relevance · Collaborative process · Collaboration strategy · Alliance strategy · New business models · Alliance capabilities · Alliance-capable organization · Collaborative business models · Collaboration toolkit · Collaborative leadership · Collaborative action repertoire

Complex, integrated issues increasingly demand multidisciplinary answers that are based on a broad spectrum of knowledge and disciplines, and that are no longer available in a single organization today. Organizations must commit to one another to find answers or to make the most of the available opportunities. We have tried to contribute to the development of effective cooperative processes in our work. We have obtained insight into the operation, the opportunities and the limitations of cooperative processes, but there is a lot more on the horizon. We see the following major challenges in our discipline:

- Bridging disciplines and improving managerial relevance
- Making sense of collaboration strategy
- Tapping into new business models and new forms of organizing
- Developing collaborative leadership and effective action repertoires.

This chapter delves deeper into these challenges and offers an impression of the questions we believe will be important in the years ahead.

## 4.1 Bridging Disciplines and Improving Managerial Relevance

Any attempt to model cooperation that aims to provide a complete diagnosis and an adequate repertoire of actions and effective interventions must address the aspects of the inherent complexity of cooperation mentioned in [Chaps. 2 and 3](#). In the article we wrote together with John Bell we already elaborated on this subject (Bell et al. [2013](#)). We note that the professional and academic community is still struggling to picture this inherent complexity and is beginning to build a more integrated view on the workings of collaborative processes.

### 4.1.1 *Managerial Relevance is at Stake*

In our opinion, the academic study of cooperation should be able to support alliance practitioners by generating useful concepts and instruments with which to diagnose and manage cooperative partnerships. The characteristics of cooperation mentioned above leave practitioners with practical challenges such as the need to develop executive and decisive power when power structures are ambiguous, finding methods to resolve potential clashes of interest, and promoting personal and cultural harmony when there is limited control over team composition. For practitioners, academic management knowledge becomes relevant when it informs and supports their decision-making and execution (Starkey and Madan [2001](#)). This means that research findings must be practically applicable. Academics tend to study important aspects of cooperation in a piecemeal fashion, rather than with the interests of practitioners in mind (Cropper et al. [2008](#)). As such, academic research to date has contributed to the emergence of what has been labeled a managerial relevance gap (Bell et al. [2006](#)).

In order to provide applicable managerial concepts and instruments, a coherent and well-grounded body of theoretical knowledge is needed to draw from. In this respect, the question has been raised of whether the field of cooperation is a distinct field of scientific enquiry (Bell et al. [2006](#)). They propose four criteria: (1) A community of researchers shares a set of core concepts that define the object of study and frame related research questions, thereby delimiting the field of enquiry; (2) A community of researchers engages in a dialogue about the object of their study which acknowledges the possibility of mutual learning; (3) Scholars agree on a set of core assumptions, concepts, propositions, methods, and exemplars on which they routinely base research; and (4) There is a level of agreement on similarity in the body of knowledge regarding cooperation and its contributing disciplines and theories. Judging the academic study of cooperation by these criteria, we can observe the following: (1) Research and modeling of cooperation is performed from separate theoretical and disciplinary perspectives or 'topic-oriented' (trust, power, social capital, innovation, change and so on) and cross-functional research is

relatively scarce; (2) There is not yet a coherent body of knowledge which the professional alliance community agrees upon. As a result, practitioners often analyze, diagnose, and intervene based on limited evidence and incomplete views on cooperation.

As stated before, a number of attempts have been made to model cooperation and these have produced a number of useful concepts and instruments. Nevertheless, we find the current range to be insufficient to deal with the complexity of collaborative issues. Most approaches highlight only one aspect of cooperation. From the practitioner's point of view, we may have provided an excellent analysis of certain aspects of cooperation but from the perspective of alliance performance this clearly falls short of addressing the complexity of reality or delivering adequate interventions. There are publications that have looked for coherence among researchers (including Bamford et al. 2003; Camps et al. 2004; Boonstra 2007; Cropper et al. 2008). This provides a broad range of publications, but there is still little basis for identifying coherence between these contributions. This lack of coherence was also noted by the authors of the 780-page Oxford Handbook of Inter-Organizational Relations (Cropper et al. 2008) in their final chapter. They conclude that 'cooperation is not yet a fully developed field of enquiry in the sense that it possesses its own, exclusive concepts, theories, and research themes that are significantly different from those applied elsewhere, particularly in organization science' (Cropper et al. 2008, p. 733).

### ***4.1.2 A Coherent Body of Knowledge and Practice***

Our contribution to this particular aspect of collaborative processes—presented in Chap. 3—combines research and experience. We support the call for a coherent body of knowledge, which is grounded in theory and applicable in practice. Drawing on our daily experience of cooperative partnerships, we develop solutions to specific issues, thereby gradually building up a workable body of knowledge. Here, we presented this concept as a proposal for creating a common starting point for further development and research, for both scientific as well as practical follow-up.

In this line, we presented a model that is based on five perspectives and corresponding professional and scientific: (1) Cooperation requires a shared commitment from the parties involved, in the shape of a shared ambition. (2) In cooperative contexts there are, by definition, divergent and conflicting interests. It is imperative that all parties recognize their shared interest and find ways to serve all relevant interests on the basis of mutual gains. (3) However broad the scope of the alliance or however high the stakes, cooperation comes down to constructive interaction between individuals. Good personal relationships contribute to the success of a collaborative and socially skilled individuals can increase the success of a partnership (relationship dynamics). (4) Cooperation requires appropriate organization and adequate arrangements. Designing adequate arrangements is not

only a rational exercise but also part of the process of negotiation between partners, thereby introducing organizational dynamics. (5) A cooperative process goes through phases of development and is always confronted with new circumstances and events. Process management in one form or another is essential. Clarity about where we are in the process is crucial: what we have done so far and what the next task will contribute to the partnership.

### ***4.1.3 Future Perspectives on Collaborative Processes***

These perspectives not only represent useful approaches for handling cooperative issues, but also represent extensive and separate bodies of knowledge. In our vision further research and the buildup of experience-based knowledge is required to operationalize these domains with effective methods and instruments and to assess the interaction between these domains in real life collaborative situations. The following important question must therefore be addressed in the years ahead:

- How do we ensure that collaborative processes are increasingly approached in an multidisciplinary way, and that different disciplines further explore and deepen their mutual interaction? Take, for example, the effect that an ineffective dialogue on interests has on the quality of the interpersonal relationships or the impact that ineffective processes have on the organization of a partnership?
- How do we further operationalize the integrated manner of looking at cooperation based on the conditions for favorable cooperation and success factors for cooperative behavior?
- Which interventions are effective in which circumstances and how do we get from an integrated, coherent diagnosis of the collaborative issue to the determination of meaningful interventions?
- How do we ensure that this knowledge is applied in the practice of executives, managers, alliance managers, politicians, administrative directors, and so on?

## **4.2 Making Sense of Collaboration Strategy**

The growing interest in cooperation is evident from the market: More and more organizations are entering into an increasing number of alliances with other organizations. Sometimes those choices are strategically motivated (Capron and Mitchell 2012; Tjemkes et al. 2012). An executive consciously looks for the connection with colleague executives and forges alliances to expand market share, to guarantee cash flow, or to bundle supporting processes. At the same time, we also sometimes see partnerships that were established in a coincidental way and that have been around for many years.

### ***4.2.1 Strategic Relevance of an Collaboration Strategy***

Many organizations have high expectations of the opportunities presented through the establishment of partnerships, but they often have great difficulty making well-considered and well-founded choices in that regard. The context is often in an extreme state of flux, the dynamics in networks is sometimes hard to understand and, quite often, there is no substantial foundation for making well-considered choices. The managements of organizations are confronted with more opportunities for cooperation than they are usually able to realize. The effect of looking into collaboration is quite often a proliferation of partnerships in which nobody really knows how many alliances there really are. It is not uncommon for companies to have more inter-organizational relations than employees. Situations in which several locations in a single organization are collaborating with the same partner without being aware of this internally and whereby they may be making conflicting agreements with the partner are equally interesting. It is clear that alliances always demand time and attention and that the revenues are often disappointing.

Participation in alliances and networks has become a predominantly strategic issue. One of our experiences in that regard is that it is extremely important to anchor the collaboration strategy firmly in the organizational strategy. Anchoring provides assurance that the collaboration strategy will be supported internally and opens up the way to decisive decision-making when it comes to participation in concrete partnerships. Figure 4.1 shows that it is not only important for the collaboration strategy to be established based on the organizational strategy, but also that it, in turn, is influenced by the organizational strategy. The figure also differentiates between the general collaboration strategy and the strategy chosen for a concrete partnership. The organizational strategy guides the strategy in a partnership with a specific partner. The actual collaboration and the chosen strategy, on the other hand, are what make the collaboration strategy effective. The collaboration strategy can then be fine-tuned or adjusted based on the experience acquired in the actual collaboration.

### ***4.2.2 Where are we in Terms of Adoption of Collaboration Strategy?***

The level of adoption is probably best judged based on the building blocks of an collaboration strategy. *Insight in your own position in a network* is an important initial building block in a collaboration strategy. This includes having a realistic self-image in relation to other players. Also a good analysis of horizontal (in comparison to competitors) and vertical (in the chain) relations is needed (Kenis and Oerlemans 2008). That self-image is essential for effective collaboration; i.e., for an organization to establish sound and durable alliances with one or more partners. What alliance networks do we want to be part of, and what are the consequences (Sroka and Hittmar 2013).

**Fig. 4.1** Alignment of collaboration strategy



The next component is *insight into what you wish to achieve through the alliance*: Cooperation is an important instrument, but it is no more than just that, as it invariably serves another purpose. The question is therefore how the alliance contributes towards the realization of the organization's ambitions. These goals are important components of the collaboration strategy.

*Choosing the right partners* is a third component of a collaboration strategy. Too many organizations choose their partnerships in a random fashion. There is a lot of theory and experience on partner selection (Douma et al. 2000; Tjemkes et al. 2012). Another danger is for an organization to take on too many partnerships. This leads to attention fragmentation, which leads to many partnerships ending up as a disappointment. The collaboration strategy can serve as a tool for the selection of the right partners.

A collaboration strategy then offers a *behavioral context in partnerships*: Professionals that represent an organization in a collaborative partnership often do not really understand their mandates. This causes delays in decision-making and ultimately stagnation in the partnership. In addition, organizations often have several partnerships with another organization, but that the employees are not aware of one another and/or set each partnership in a completely unique, and therefore completely different way. The organization's partners could then end up seeing it as a Moloch with no clear benefits. The collaboration strategy must create a behavioral context for the personnel: How do we deal with this alliance partner? Which agreements am I authorized to make myself? Where can I find information about a partner? What are our 'rules of engagement'?

Finally, a collaboration strategy is based on *insight into the cooperation portfolio*. One of the components of the collaboration strategy consists of the portfolio of partnerships and insight into the progress of each partnership. One such element consists of insight into the performance of the partnership, the strategic interest of the partnership and the people involved in it. It is then possible to make strategic choices based on such an overview: continue, adjust, renew, stop, reconsider partners, etc.

The collaboration strategy, as a phenomenon, is slowly but surely working its way up to executive level. You will rarely come across an explicit collaboration strategy. In most cases, they form a point of interest for one of the directors or members of the board and are invariably managed intuitively. In instances where certain forms of collaboration strategy have been developed in an organization, they are mainly focused on legitimizing the choice of individual alliances. Attention to the broader positioning of alliances in an alliance portfolio, which takes context into account and is founded on insight into existing partnerships, is still limited. This might apply even more accurately to considerations related to the person's own cooperative skills and the extent to which the competencies, infrastructure, resources and form of organization are adequate for the effective realization of cooperative ambitions.

### ***4.2.3 Future Perspectives on Collaboration Strategy***

This yields the following issues and perspectives for exploration in the area of alliance strategies:

- What exactly is the meaning of a collaboration strategy for an organization, and how does it relate to the overall strategic choices of an organization?
- Which collaboration strategies are effective in which contexts? What is the relationship between the nature of the context in terms of market structure, cooperation and competition, presence of networks, etc.?
- Which forms and shapes can a collaboration strategy assume, also taking into account the culture and operating mechanisms of the organization?
- How do you develop the processes of a meaningful collaboration strategy, what roles do your alliance managers play in it, and how do you assure it?
- To what extent is it possible to formulate generic principles for an collaboration strategy?

## **4.3 Tapping into New Business Models and New Forms of Organizing**

What makes one organization more capable of operating in alliances and networks than other organizations? Research has revealed that organizations are more successful at cooperating the more expert and skilled their personnel and the more alliance-capable management instruments they have at their disposal (Duysters and Heimeriks 2002a, b). Apparently alliance-capable organization is useful in that regard. But what is the difference? Our involvement in many initiatives that were intended to develop alliance-capable organizations has taught us that most

organizations actually have a hard time doing that job. In fact, many organizations have no concrete impression of what an alliance-capable organization is all about. Although the motive and the change idea are often mentioned ('learning to collaborate more effectively'), the actual destination of change and the way in which the alliance capability should be developed are often unclear.

### ***4.3.1 The Relevance of Alliance Capabilities***

The importance of cooperation is different in every organization. There is no universal elaboration of an alliance-capable organization; after all, no two organizations are exactly the same. Alliance capabilities are object of research (Draulens et al. 2003; Kale and Singh 2007; Heimeriks et al. 2009). It is extremely important to determine the right ambition when developing an alliance-capable organization. Experience and research have shown that there are circumstances in which the importance of developing and improving cooperation skills grow. We know, for example, that alliance capability becomes more important to an organization as:

- The scope of the organization increases
- The complexity of the context in which the organization operates increases
- The organization generates more activity around initiating, maintaining and terminating partnerships
- More people in the organization become involved with cooperation and partners
- More people and organizational units cooperate with the same cooperation partners
- The organization increases the scope and variety of its cooperation portfolio
- The organization and its personnel become involved in more complex partnerships
- The organization becomes more dependent on the results of the alliances and networks they are involved in.

Designing an alliance-capable organization potentially affects the very fundamentals of the organization. It possibly demands different sets of skills, as well as different organizational models. In our view the business and academic communities are at the beginning of creating new organizational models in which cooperation constitutes one of the core competencies. The essence of this is that personnel operating in a cooperation-oriented organization collaborate easily with one another internally, as well as with other organizations. After all, the better equipped you are to cooperate internally, the better you are generally able to cooperate with other parties. The essence of a cooperation-oriented organization can be broken down to the following ingredients:

- Invest in the alliance capability of your personnel
- Make sure that culture and identity contribute to trust



- Assure the cooperation in the structure of the organization
- Make sure you have an abundance of collaborative tools
- Substantiate the notion of collaborative leadership (see [Sect. 4.4.4](#)).

### ***4.3.2 Investing in the Alliance Capability of Your Personnel***

Collaboration is people work. In that sense, an organization's success in partnerships is largely determined by the qualities of the people involved in the collaborations. There is therefore ample reason for investing in the personal alliance capability of the people in the organization. In a previous survey, we held interviews with experienced 'connectors', and found the following key factors for doing so:

- Focus on togetherness
- Focus on interests and potential conflict areas
- Accept and use complexity and dynamics
- Promote cooperation through authenticity
- Hold real personal interviews and create trust
- Create room for negotiation, action and play
- Focus on content, argumentation and decision-making
- Emphasize the importance of connecting
- Know when not to cooperate
- The process supervisor must take a position above the partners (if you fulfill the role of independent chairperson).

The human factor is what makes the difference; which is why, in some organizations, it is the most important intervention on the way to becoming an alliance-capable organization. Make sure to select, nurture and train alliance-capable people.

### ***4.3.3 Make Sure that Culture and Identity Contribute to Trust***

Cooperation demands that all the partners concerned give up some of their autonomy in the good faith that they will receive something in return. Being able to build trust on the foundation of a strong identity is therefore an important collective quality and cultural characteristic of (people in) alliance-capable organizations. Building trust relies on a number of crucial ingredients: trust is the sum total of self-consciousness, sincere interest in interests, transparency and reliability. The more normal cooperation becomes, the more complex the relationships between the organizations become. You no longer talk about one partnership between two organizations, but more often about a situation in which

organizations collaborate and compete in all sorts of different alliances. As a result, those organizations are in touch with one another in a lot of different ways in which, quite often, many different people and departments are involved. Organizations experience other organizations with clear identities, where everyone behaves in consistent ways over time, as trustworthy; in other words, this is an important factor for creating trust. People know what to expect from this type of organization. This kind of reliability results in better collaborative processes and better results from partnerships. Many organizations still have competition-oriented cultures. They think and act in terms of winning and losing. Organizations with a heavy accent on short-term results appear to be less efficient at cooperating. You have to be prepared to make concessions to your personal and organizational interests in partnerships. But obviously there are limits to this: the partnership must, after all, yield benefits. For that reason, it is important for the organization's personnel to know themselves and the self-interests of the organization. This results in a delicate balance: on the one hand, employees are expected to know, propagate, and protect the self-interests of the organization while, at the same time, being prepared to make concessions to it. The next question is how to deal with this balancing act.

#### ***4.3.4 Assuring Collaboration in the Structure of the Organization***

Structure is another important factor that determines the extent to which organizations are successful in cooperation. This covers aspects such as the way in which decisions are made concerning participation in partnerships, the allocation of personnel and resources, the ability to bind the organization to the decisions made in the cooperation, and the ability to translate the lessons learned in the partnership into an action repertoire. In that regard, it is important for the staff and managers operating in the partnership to have the necessary mandate to be able to make decisions. After all, nothing is as frustrating as a partnership in which the partners need to refer back to their own cadres every time a decision needs to be made. The better the organization has that mandate anchored in the organizational structure, the higher the level of alliance capability. The mandate does not only concern the actual person or department represented, but the entire organization. After all, the people in the partnership are doing business with the organization as a whole. The organization's alliance capability can also be manifested in the structure and form. The question is then: What is the form or structure of an alliance-capable organization? Organizations have been experimenting intensively with organizational forms that offer more room for variety and flexibility over the past few years. The challenges these organizations face are in a continuous state of flux, so it is desirable to remain alert and to react fast. While, in the past, organizational development mainly focused on efficiency, predictability and the removal of

internal inadequacies, the tendency, today, is to put more focus on harmonizing the organization with a continuously changing outside world. The organization must develop a practice that is oriented to cooperation, and must offer their employees the necessary training and instruments to be able to do this. These aspects must be embedded in the organization, so that someone will also be responsible for maintaining and further developing them. The partnerships are also anchored at the executive level. The executives must be committed to cooperation. A growing number of organizations set up ‘alliance offices’ that are responsible for advising the executives, supporting the personnel involved in the partnerships, developing the required knowledge and instruments, and to ensure effective knowledge transfer. Collaboration also plays a role in the assessment, planning and control cycle; after all, cooperation is not just another side effect in an alliance-capable organization. The planning is designed to include the maintenance of the external relationships and the facilitation of partnerships. In addition, the organization also makes agreements with its personnel on the time needed for, e.g. personal development in the field of cooperation. It is also conceivable that the organization might draw up key performance indicators (KPIs) concerning satisfaction in the organization and concerning the partnership with the other parties. Organizations in which cooperation between departments and divisions was established with difficulty are often less effective at cooperating with other organizations. The opposite is also true. In our experience, organizations that are prepared to set up, maintain and terminate partnerships also have the necessary structures in place to facilitate internal cooperation. The dividing lines between departments and divisions are removed by means of temporary cooperation agreements, which enable the organization to arrange things such as to enable them to perform optimally in a partnership. It also transpires that those organizations are very capable of handling the work hours spent on cooperation and the related costs in all the different departments and divisions.

#### ***4.3.5 Responsibility for a Well-Equipped Collaboration Toolkit***

Organizations are better equipped to cooperate if they have implemented instruments designed to facilitate collaboration. Examples of these types of instruments include setting up a partnership portfolio management system and preparing a good business case for a partnership. Creating a clear overview of the partnerships and assessing them from time to time are ways of more consciously steering a partnership. The number of instruments needed and their complexity are factors of the actual scope of the organization and the importance of the partnership. It could be a very comprehensive toolkit, which is anchored in a department, as is the case in, e.g. Philips; but it could also come in lighter forms, such as periodical peer assessment with the people who spend a lot of time working in partnerships.

Another effective concept is in-house alliance training courses that help create a shared cooperation language. Fortunately many instruments are already available and therefore don't need to be built up from scratch anymore, as there are organizations that specialize in this field, and many books offer structured cooperation models. Another determining factor is the technical infrastructure the organization has set up to support its partnerships. This includes ICT facilities, accommodation and communications resources. Is it, for example, easy for the professionals in the other organizations to make use of the partner organization's ICT facilities? Does the organization have a technical infrastructure that enables external personnel to access shared documents? Does the organization have flexible workplaces that are also relatively accessible to people from other organizations? We have found that cooperation is a component of the work in organizations that are generally successful at cooperation. They have also established a practice in which experience and lessons in cooperation have been recorded and shared. The lessons are subsequently translated into practical handles and instruments that other people can also apply. They consciously pursue opportunities for improvement. They view cooperation as an important competency. This means that those organizations invariably have training and educational products related to cooperation. These could be internal products, but they could also be embedded in external parties. Finally, these organizations also have internal networks of professionals that provide support and professionally test ideas and initiatives.

#### ***4.3.6 Opening a Window of Opportunity for New Business Models***

A lot of interesting new business models are being developed at the moment: Reflection on existing ways of working and industrial organization demand alternative ways of dealing with production resources. The realization that resources are not only scarce in the relative economic sense (they are becoming increasingly expensive), but also in the absolute sense (they are becoming depleted), invokes different sets of core values and rules in the game.

This was recently formulated in a publication on new business models as follows:

The actual search for new business models showed great entrepreneurial creativity. Many 'roads' lead to the discovery of a balance between the simultaneous organization of different values like nature, care, attention and money. Nonetheless, there are clear common denominators. It seems that models can be generally categorized into three different streams: sharing, trading and creating. Important components of almost all models are working to create an experience and/or a community in relation to a product and/or service. Another central fundamental is cooperative collaboration. Entrepreneurship and directly related organizing becomes the art and the ability of new forms of collaboration. The ability to connect has increasing social and economic value and these connections create all sorts of new consortia and configurations of parties. Right at the interface of connecting, community building and cooperation is where renewal, innovation

and new business models come into existence. An interesting feature is that money is no longer the only means of trade. Economic traffic is based on exchanging and satisfying needs, which means among other things, that having 'access to' the means of production becomes more important than owning them. Ownership and control make way for use and employ. However, it is only possible to organize such an economy cooperatively based on long-term commitment. This makes securing trust in relations and in collaborating a necessary condition. (Jonker 2012, pp. 7–8)

Cooperation is an important condition for the reassessment of value based on the pillars of sharing, community, trust, and the ability to connect. One interesting phenomenon prevalent in this context is that many of the new business models do not appear to derive from existing institutions and also that they appear to recede from the view and the grip of the 'corporates'. This begs the question as to the extent to which skills involved in community building, the ability to connect, the mobilization of trust, bottom-up innovation and, in short, the creation of truly new business models can still be found in existing organizations with their craving for institutionalization and control over the resources. It might well be the case that conditions of self-organization, shared substantive identity, small-scale cooperation, personal communication technology, scarcity and the resultant sharing of resources offer a far better perspective for innovation and durable new business models.

#### ***4.3.7 Future Perspectives on Alliance Capabilities and Collaborative Business Models***

The development of alliance-capable organizations brings together a number of issues: Cooperation theory is an important foundation for the creation of alliance-capable organizations, but it mainly deals with organizational development and change theory. This will also be translated into the issues we are bound to be confronted with in the years ahead, for example:

- What are the building blocks of an alliance-capable organization? How generic are those building blocks, and which are the most effective in which organizations when viewed from the perspective of the fulfillment of the established goals and results? Is there a relationship between the characteristics of an organization and the specific development of the organization into an alliance-capable organization?
- To what extent could the development into an alliance-capable organization be supported with the organizational development and change theory instruments that are currently available? To what extent does development into an alliance-capable organization demand a specific or special approach in these areas?
- What role does cooperation play in the development of new business models and how is that manifested in the practice? Are we in fact entering a new age in which loose connections, permeable organizational boundaries, social media

and self-organization will dominate the way in which we organize and innovate? To what extent will they be manifested and what does this mean for existing institutional organizations?

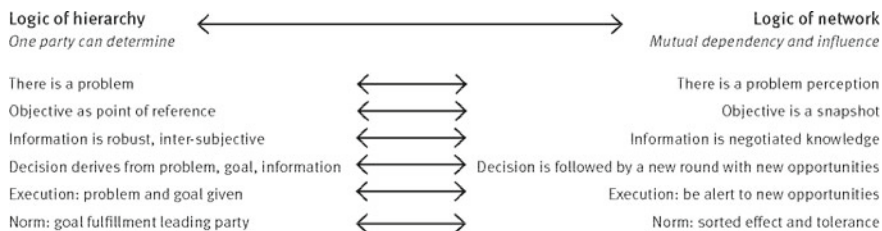
- What are the chances of survival for non-alliance-capable organizations? Alternatively, are alliance-capable organizations more successful than organizations that are less alliance-capable?

### 4.4 Developing Collaborative Leadership and Effective Action Repertoires

The management practice is giving more and more attention to cooperation concepts. It is particularly recognizable in the attention that is being given to the phenomenon of alliances and networks, the underlying collaborative processes, and network-like organizational forms. There is a growing awareness of the fact that cooperation concepts are not only instruments to help us realize goals, but that these concepts also set different and probably higher sets of requirements for our action repertoires; i.e., how we do things and what makes our actions effective. We are increasingly becoming aware of the fact that our traditional action repertoires do not enable us to effectively operate in a new world in which alliances and networks, complex and stubborn collaborative processes dominate our daily work.

#### 4.4.1 Working with the Logic of the Network

Working in alliances and networks demands that we look at organizing and collaborating differently. We can differentiate between two types of logic (de Bruijn and ten Heuvelhof 2004): On the one hand, you can collaborate based on the logic of the network or, on the other, you could work based on the logic of the hierarchy. Figure 4.2 is a summary of the essence of the two types of logic.



**Fig. 4.2** Hierarchical and network logic

Based on the logic of the hierarchy you mainly approach collaboration from the perspective of your own position: you want to reap as much benefit as possible and you need others to be able to do so as well. When working with this kind of logic, you start out thinking what you wish to achieve yourself and then use that solution to approach other parties and ask them to participate. When doing so, you try to retain the initiative with regard to the solution and the realization. You want, to the greatest extent possible, to implement the solution on a project basis and from a feasibility perspective. You look for a partner who is prepared to help you achieve your goals. When operating based on the network logic, you include the interests of the other partners alongside your own when developing the ambition of the collaborative partnership. The essential point of departure here is that no one can have the (hierarchical) power to be able to implement a previously thought-out solution without the other parties. This is all about collaboration between separate autonomous organizations, which all have their own interests and goals. The art of doing this lies in putting an issue or theme on the agenda and then to try to organize the other relevant parties around it; parties that can contribute and with whom you can work well. The next step is to explore the issue or theme with those parties and to check what their interests are in that regard, what they can and wish to contribute (invest in it) and what the collaboration must yield for them (return on investment). The issues and themes will be redefined in the discussions to the point where they become sufficiently interesting to the parties concerned. This will then yield a temporary workable agreement based on which the collaboration will be started.

Collaboration in a network is more about the logic of the network than the logic of the hierarchy. Research and experience have taught us that collaborative processes in which none of the partners have the power to dictate the definition of the issue and the solution have a better chance of succeeding if the participants are collaborating on the processes based on the logic of the network. This process revolves around the on-going identification of interests and the pursuit of a shared ambition. In this kind of meaningful interaction, the ambition related to the issue is redefined based on what each partner wishes to invest in the venture and get out of it.

One of the essential differences between the logic of the hierarchy and the logic of the network is the way they deal with information. Information can be tested objectively in the logic of the hierarchy: the cost of healthcare, the noise levels at e.g. Schiphol airport, and return on investment. All of these are objective data derived from this kind of logic. The truth is objective, or in any event robust and inter-subjective. In the logic of the network, information is a means of establishing agreement: this is referred to as 'negotiated knowledge'. You have to jointly make agreements on what you consider to be the truth.

#### ***4.4.2 Leadership is Relational, Social, Collective, Interactional and Contextual***

The theory of leadership has developed in phases, as is evident from Fig. 4.2. Transactional leadership is based on the principles of transaction and trade. People's behavior is motivated by the pursuit of the pleasant and the avoidance of unpleasant emotions. The mutual interaction between managers is based on principles of trade that lead to satisfaction on the part of the employees (the employees receive rewards for their contributions), and the managers can use sanctions to enforce the avoidance of undesired behavior. Transformational leadership is based on the assumption that people are not only motivated by external stimuli, but that they also have internal motives. Actions and behavior are not only motivated by rewards, but also by the process preceding it. A leader must therefore be able to get in touch with the norms, needs and capabilities of the followers. Contextual leadership assumes that leadership is a relational process in which interaction is the core aspect. Leadership attains its meaning and value through the interaction between people and between organizations. Leadership is thereby not an attribute of an individual, but of individuals who communicate and interact with one another. Leadership is expressed in the process of finding forms of interaction that are functional in a given situation and that contribute to the fulfillment of collective goals and shared ambitions. Leadership, in cooperative contexts, forms part of the contextual paradigm (see Table 4.1). We are dealing with the establishment of many networks between, inside and across the boundaries of organizations. Effective leadership thereby follows the logic of the network.

The leadership concepts in the contextual paradigm share a number of common premises (Ospina and Schall 2001): Leadership is relational, social and collective. Leadership arises in the interaction between individuals. It is less a question of the personal characteristics of individuals than a case of certain individuals being capable of shaping their interaction with other individuals in a way that imbues meaning in the direction, identity and work method. Leadership is a social process in which the behavior and personality of individuals play a role, but that only obtains significance, in terms of leadership, in the context of mutual interaction. The seed of leadership lies in the need, on the part of a group of individuals, to achieve something collectively. Leadership is contextual and situational. Leadership is a construction or a set of knowledge principles that arises in a specific group or community, because those knowledge principles have been proven successful in the practice. In other words, it's a question of meaning associated with a successful action repertoire. The 'individual leader' has turned out to be a successful concept in simple systems and this has largely determined the meaning of 'leadership'. Now that we are increasingly confronted with complex and emergent issues, we need and we are finding new meanings. To be able to understand leadership in a context, you therefore have to analyze the language and the semantics in the context.



**Table 4.1** Phases of leadership theory (Based on: Peters and Strijp 2011)

	Traditional paradigm	Transformational paradigm	Contextual paradigm
Period	1890–1960	1960–2000	2000–
Context	Stability Hierarchy and positional relations Planned change Scientific management	Globalization Changes in products, markets and processes Change as a constant factor	Societal turbulence Complex multiparty networks
Leadership issues	Heroic leader Personal effectiveness Leadership styles	Interaction between leader and team Motivational aspects of leadership	Sharing of leadership roles Team wellbeing and team performance Adapting to complex and dynamic contexts
Leadership concepts	Trait Style Contingency	Transformational leadership New leadership Leadership versus management	Collaborative leadership Adaptive leadership Complexity leadership

### 4.4.3 Collaborative Action Repertoire

Complex integrated issues increasingly demand multidisciplinary answers; answers that are based on a wide spectrum of knowledge and disciplines and that we can no longer find in a single organization. Organizations have to connect and bond to be able to find answers or maximize opportunities. The number of connections increases depending on the complexity of the situation. They are temporary and related to specific issues and opportunities and play out against diverse and changing levels of scale. They transcend organizations; in fact, one could even question whether organizations, in the traditional sense, are still the most self-evident organizational domain at a time when the organizational process is dominated by a growing number of organization-transcending network infrastructures and connections.

The connections are established by people. By acting and organizing, they expose organizational domains of more extensive scope, with a higher level of variability and with greater flexibility. Some individuals are more capable of establishing connections and dealing with the increasing levels of variability than others. Some develop into collaborative leaders, i.e., leaders who are capable of making contact with a complex-social-issue and translating the issue into effective connections between people and organizations. Their action repertoires appear to deviate from traditional action repertoires that are more specifically oriented towards managing organizations in the traditional sense. They appear to have a different profile from traditional managers and executives: more emphasis on the content of the relationship and effectiveness, and less on procedure, organization and efficiency. They also don't necessarily operate at the tops of their organizations, but at strategic positions, when viewed from the perspective of the complex issues they identify. Being effective in flexible inter-organizational arrangements is not a trivial task and Leaders in collaborative contexts are confronted with new challenges:

- Responsibility and a good sense of one's position with regard to collective interests and societal issues.
- Approaching issues/problems in a systemic way.
- Using both hierarchical and participatory management styles.
- Sharing initiative and results (sharing leadership).
- Process and interaction skills (Balancing consolidation and movement, convergence and divergence, design and emergent process).
- Crossing traditional intersectoral and public/private boundaries.
- Doing justice to a wide range of very different and demanding stakeholders.

Cooperation requires leaders whose action repertoire enables them to engineer connections and agreements (Ospina and Sorensen 2006). Based on previous research, we can sketch a picture of the leadership qualities needed to make cooperation successful (Kaats and Opheij 2008). A hierarchical style of leadership, for example, has been shown to be inadequate, and even counterproductive.

Instead, leaders need an ability to unify. ‘Collaborative leaders’ (Chrislip and Larson 1994) are defined as persons who can bring together the relevant parties, facilitate their interaction, remain neutral, deal with complexity and identify with a range of diverse interests. Collaborative leaders do not derive their authority from their position. They are tolerant of ambiguity, are not out for a position of power for themselves and, in fact, do not want to be in the foreground. The core of such leadership can best be described as “creating and maintaining conditions for getting the most out of diversity, enabling the different parties to realize their objectives” (Chrislip and Larson 1994).

Collaborative leaders identify the relevant parties, bring them to the table, hold them at the table and help them work constructively with one another. They have no formal authority or position of power, and they are not trying to achieve these. They do try to reduce power and status differences between the parties, insofar as possible, and develop appreciation for mutual dependencies and differences. In short, they foster conditions that lead to trust (Schruijer et al. 1998). Generic building blocks for this type of leadership are a willingness to work from a collective power base, to build constructively together based on trust and to seek voluntary commitment. This requires attention to both the dynamics within the group and to interpersonal relations. It is striking that individuals adept at cooperation work from a plural point of view—consciously or unconsciously—and they continually shift between the different focal points.

#### ***4.4.4 Future Perspectives on Collaborative Leadership***

Collaborative leadership will become an increasingly interesting field of study in the years ahead: we do not yet have a very clear impression of what the effective action repertoires are and which leadership styles are the most promising. We still need to start the process of real systematic knowledge gathering and knowledge bundling in that field. We expect the following issues to be relevant in that regard:

- What is the action repertoire of the collaborative leader? What are the most effective ways of operating, organizing, changing, learning and developing in alliances and networks?
- How does the action repertoire for working in networks relate to the traditional action repertoire? We still need to see real results. We will continue to come across institutions that operate based on hierarchy and command, and control mechanisms. Could it be that true leadership qualities combine the ability to operate with the logic of the hierarchy and the logic of the network and knowing which to use when? How do we learn to deal effectively with the situational component of working alliances and networks?
- What is the position of leaders in organizations? Will they continue to position themselves at the tops of their organizations—as they have done in the past—or will we increasingly find them in the peripheral regions of organizations that interface with other organizations? What does that mean for organizations and

organization? What does that entail in terms of the distribution of power in organizations?

- How do we position collaborative leadership and the associated action repertoire in education, such as universities of applied sciences, universities and MBAs, to ensure that the future leaders will also be familiar with a broader action repertoire and the related toolkits? To what extent can we assume that younger generations will adopt them?

## 4.5 Towards a Common Eye on Collaboration

This book is a result of years of work and research on and with collaboration. We pursue better understanding of the nature and mechanisms of collaboration. That is our motive and drive. Writing a book is not only a way of writing down what we know, but also a method of doing research and organizing experiences in a structured way. In that sense, this publication is also a reaction to our explorative journey in the field of collaboration. We also need to remember that the business community is only at the very beginning of an essential and age-old concept of collaborative reflexes, mechanisms and patterns of cooperation, and the true nature of collaborative processes. We still look forward to exploring an exciting field expressed in, among other things, the challenges we have invoked in the future perspectives: what does an alliance-capable organization look like? What are the building blocks of a dynamic, but alliance-capable society? How do we create institutions in which we can substantiate meaningful interpersonal connections, and what role does ‘collaborative leadership’ play in that context? How can we consolidate the connection with ourselves? What is the structural influence of the social media? Can we develop an action repertoire with which we can continue to maintain a sustainable connection? Can we learn to be effective in a complex social and economic context? Can we make that learning process more effective for ourselves? It offers more than enough points of departure for a collective learning process, future research and the exchange of knowledge and experience.

A common eye on collaboration will help business and academic communities to find answers that will help create better conditions for even more promising collaborations in the future.

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## Summary

Some opportunities are so big and attractive, and some problems so huge as to make it impossible for one single organization to deal with them on its own. Strategic issues of cooperation have come to dominate the corporate agenda in many organizations. In boardrooms everywhere, there is a growing realization that no organization can survive alone, nor can any one organization single-handedly solve the complex issues of our day. That is why collaboration in alliances, networks, chains and strategic partnerships is key and strategic. In essence, collaboration is about establishing connections: connections between people, connections between organizations, connections between communities, and connections with the world we live in. The 21st century is no longer about fragmentation but about seeing things in coherent frameworks and operating based on connection. As such, collaboration and the ability to connect are key factors when it comes to making the most of future opportunities. To be able to collaborate, the parties in question must be able to relinquish some of their autonomy or result expectations in good faith that they will get more in return. Collaboration is most likely to succeed when people and organizations connect with one another in a sense-making process that does justice to the relevant interests and is targeted at a significant ambition. The major challenge is to create enabling conditions for this.

We delve deeper into the use and necessity, the definition, the essential characteristics and the reasons for cooperating. These essential characteristics are interdependence, an unclear power center, a new reality, heterogeneity and a context that is in constant flux. There are four essential ways in which cooperation is manifested. The two recurring questions, when studying or seeking to establish cooperative partnership models, are about the intention and the nature of the collaboration: the 'improvement' versus 'renewal' axis and the 'exchange' versus 'share' axis. From this we deduct the four logical forms of collaboration: transactional, functional, explorative and entrepreneurial collaboration.

Cooperation is necessary. However, productive partnerships do not form automatically. Misunderstanding, ambiguity, and differences of opinion are common stumbling blocks. When this happens, looking at cooperation through a common lens can provide a clearer view of the path ahead. We have developed a

lens that is grounded in theory and science, and that can be used by practitioners, and is coherent, comprehensive and relevant. The essential conditions for this are a shared ambition, doing justice to the interests of the partners, creating constructive group dynamics, organizing the collaboration professionally and going through a sensemaking process. The partners in a collaboration have to work on these conditions, and the conditions can also be used to assess the collaborative process and to develop effective interventions.

We have obtained insight into the operation, the opportunities and the limitations of cooperative processes through our research in and work on collaboration. There are obviously also a number of major challenges, the first of which is to bridge scientific disciplines and improve managerial relevance. The second major challenge is to make more sense of alliance and collaborative strategy. The third challenge is to tap into new business models and new forms of organizing. Next, there is the challenge of developing collaborative leadership and effective action repertoires. These challenges offer more than enough points of departure for a collective learning process, future research, and the exchange of knowledge and experience. A shared 'lens' on collaboration will help the business and academic communities to find answers that will help them to create better conditions for even more promising collaborations in the future.

The aim of this book is to offer executives, managers, practitioners, and the research community involved in collaborative partnerships a shared lens that is grounded in theory and practice. It presents a coherent and comprehensive view of the many different perspectives on collaboration, and provides insights that will enable the reader to actually apply those perspectives in the collaborative process.

# Appendix

## Conditions for Promising Collaboration

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### Shared ambition

Level of sharing *The extent to which the ambition is shared*

- Does the partnership have an ambition?
- Do all the parties share the ambition?
- Is the ambition updated regularly because new developments are followed?
- Do the managers and professional of the cooperation partners also embrace the partnership ambition?

Attraction *The ambition is valued by the partners, attractive and significant in itself*

- Does the subject of the collaboration appeal to the participating partners?
- What position does the subject of the collaboration have in the participating organizations (primary, secondary)?
- To what extent are the partners dependent on the successful operation of the partnership?
- Does the ambition of the partnership also appeal to the other stakeholders in the partnership?

Collaboration strategy *The extent to which the ambition contributes to each of the partners' collaboration/alliance strategy*

- Is the ambition of the collaboration in line with the collaboration/ collaboration strategy of each of the participating partners?
- Is the coherence of the partners' collaboration strategy routinely discussed?
- Are the supporters involved in the determination of the partnership's ambitions?
- Does the partnership have its own collaboration strategy that is also related to the parent organizations?

Personal significance *The personal significance of the ambition for the key players in the partnership*

- Is due attention given to the personal convictions and motives of the key players in the development of the ambition?
  - Does the partnership ambition have any personal significance for the key players in the partnership?
  - Are the executives of the parent organizations personally involved in the development of the partnership ambitions?
  - Does the collaborative style of the key players in the partnership match the partnership ambition?
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**Doing justice to interests**

## Sincere interests

*The extent to which the partners have a sincere interest in one another's interests*

- Are the collaborating partners sincerely interested in one another's interests?
- Do they make time to engage themselves in one another's interests?
- Do the partners have the necessary skills to be able to discuss one another's interests?
- Are they willing to explore the interests underlying the positions and viewpoints?

## Value creation

*The extent to which the partnership creates value for each of the partners*

- Is it possible for all the parties in the partnership to enjoy benefits and return on investment from the partnership?
- Is the giving and taking balanced between the partners?
- Do the other parties accept and appreciate the actual value of what is given and taken by the parties?
- Does the partnership also create value for external stakeholders?

## Room for and willingness to negotiate

*The extent to which the partners are willing to negotiate with one another*

- Are the parties willing and accessible to reconsider elements of the partnership when circumstances change?
- Do the partners have the ability to negotiate integrative (as opposed to distributive)?
- Are the parties able to determine when to negotiate and when to construct?
- Is there enough openness and transparency to prevent opportunistic behavior?

## Quality of the dialogue

*The extent to which the partners really enter into dialogue about one another's interests*

- Is the necessary space and atmosphere created in which all the perspectives and viewpoints can be heard and discussed?
  - Is sufficient attention given to explicit and implicit words and to non verbal behaviour?
  - In that regard, is the value of the differences of the identities of the partners sufficiently appreciated?
  - Is due attention given to the societal, organizational and individual interests?
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**Constructive group dynamics and relationships**

Ability to connect

*The extent to which the stakeholders have the personal ability to connect*

- Do the parties have the necessary personal ability to connect?
- Do the key players give one another feedback on their collaborative styles?
- Are the personal connecting skills of the individuals taken into account in the composition of the collaborating team?
- Has the partnership created sufficient stimulation for the participants to connect at personal level?

Quality of the group processes

*The extent to which the group processes consolidate the partnership*

- Do the partners give due attention to the quality of the group processes in the partnership?
- Does the established group dynamic consolidate the individual and collective effectiveness of the partnership?
- Do the participants in the collaborating team evaluate the partnership?
- Is the interpersonal connectedness of the participants such that they also maintain their interaction in times of crisis or conflict?

Trust

*The extent to which the partners trust one another and develop trust*

- Is the level of mutual trust discussed in the partnership?
- Do the parties make an effort and invest in growing the trust reservoir?
- Do the partners make room to supervise personnel changes and to recover mutual trust?
- Do the partners display trustworthy and predictable behavior?

Collaborative leadership

*The extent to which leadership is granted and demonstrated*

- Is there a person or group of people that take the initiative in the partnership?
  - Is the leadership of this person or people accepted?
  - Is the way in which collaborative leadership is exercised and the way the partnership is run evaluated?
  - Are consequences linked to the evaluation of the leadership?
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**Professional partnership organization**

## Effectiveness

*The extent to which structure and direction are effective and aligned with the partners' objectives*

- Does the organization and structure of the partnership match the desired relationships in the partnership?
- Is the alignment of 'objectives–relationships–organization' routinely evaluated?
- Do the consultation model, the governance, the operations and the operational processes and rules of the game stimulate effective cooperation?
- Is there a question of over- or under-organization?

## Participation and Support

*The extent to which the partners participate in the partnership and the partnership can count on the support of the managers, professionals and stakeholders*

- Does the partnership arrange its mandate with respect to the parent organizations?
- Do the partners involve their managers and professionals in the decision-making processes in the partnership?
- Do the partners take the interests of the managers and professionals into consideration when choosing actions and measures?
- Do the partners help one another in the design of the relationship with their managers and professionals?

## Decisiveness

*The extent to which the partnership is able to realize the proposed results*

- Is the partnership designed such as to ensure that concrete action- and result-orientation are stimulated?
- Is the progress of the partnership monitored and controlled?
- Do the partners consider the importance of decisiveness when choosing actions and measures?
- Do the partners take the input of the decisive personalities into account when composing the collaborating team?

## Clear agreements

*The clarity of the agreements and the extent to which they are fulfilled*

- Are the partners thorough in the fulfillment of the agreements?
  - Are the partnership agreements documented and observed?
  - Do the partners address one another on the fulfillment of the agreements?
  - Does the partnership have agreements and procedures for conflict management?
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**Sensemaking process**

## Phasing and timing

*The extent to which the partners ensure thorough phasing, sequencing of events and process design*

- Are there clear differentiated phases and clear sequences in the process?
- Do the partners know where they are in the process and where they are heading?
- Are the right things done at the right times?
- Are the transitions between phases registered and communicated?

## Balance between content and process

*The extent to which the balance between the content and process-based attention to the partnership is maintained*

- Does the collaborating team give due attention to the balance between content and process, and the activities?
- Does the collaborating team have sufficient substantive knowledge and expertise?
- Is the balance between content and process actively maintained?
- Is the attention to content and process integrated into each collaborative activity?

## Role division and process direction

*The extent to which the roles are clearly divided and the process is clearly directed*

- Are the roles clearly divided in the partnership?
- Is the role of the director embedded and accepted?
- Are the role division and process direction processes subject to regular evaluation and reconsideration?
- Do the partners give one another feedback concerning the way in which the process is directed?

## Process quality and effectiveness

*The extent to which quality criteria are explicitly formulated and the shared ambition and objectives are actually delivered*

- Have the quality criteria been formulated explicitly and do all the participants know them?
  - Have all the domains been given due consideration in a balanced way in that regard (Ambition, Interests, Relationship, Organization, Process)?
  - Do the partners actively steer based on the ambition and objectives to be delivered?
  - Are there any explicit consequences for failure to fulfill the agreed quality criteria?
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# About the Authors

Edwin Kaats and Wilfrid Opheij, both management consultants and researchers, specialize in collaboration between organizations. Their discipline is the science and practice of connecting people and organizations. They help to improve the way collaboration—in alliances, networks, chains and partnerships—work by providing advice on the subject, by directing the processes, by lecturing, by researching the field, and by publishing about it. They were the co-authors of the book, *Organizing in between, design and governance of inter-organizational relations* (2005), and many articles on cooperation and the capacity to connect. They earned their PhDs with the co-authored doctoral thesis, *Executives make sense of alliances and networks* (Tilburg University 2008). Their book, *Learning to Collaborate between Organizations*, was published in 2012, and was honored with the Dutch Management Book of the year award in 2013. This book was written when they were partners in Twynstra Gudde Consultants and Managers, member of the management consulting partnership, Cordence Worldwide. The body of knowledge was established in this firm. They are co-founders of Common Eye collaboration consultants.

**Dr. Edwin Kaats** (1963) studied Social and economic geography at Utrecht University and Logistics Management at TiasNimbas Business School. He got to understand the importance of effective collaboration during the period he worked in chain logistics at Nedlloyd. The main focus of his consultancy, research and management activities is on cooperation in and between organizations. He is especially interested in complex and strategic collaborative issues. He also gives training courses in collaboration, chain management and strategic business development. As associate Professor at the Nijmegen School of Management (NSM), Business Administration, he does research in collaborative leadership, and is also a guest lecturer in various MBA programs.

**Dr. Wilfrid Opheij** (1960) studied architectural engineering at Eindhoven Technical University (Bachelor's) and business administration at Erasmus University Rotterdam (Master's). He has more than 25 years of experience as a consultant. He wrote his first book in 1994: *Delaying organizations, how to beat bureaucracy and create a flexible and responsive organization*. At the time, he was assistant Professor in

Management and Organization at the VU University Amsterdam. He advises executives and managers on strategy and governance, positioning, and collaboration. His main focus has been on strategic cooperation. He does research, publishes, advises and lectures. He is a guest lecturer in various MBA programs and at several universities.