Achieving Collaborative Advantage

At our first Business Network Breakfast Briefing, twenty four business practitioners from a wide range of backgrounds explored the challenge of achieving collaborative advantage. Dr Siv Vangen, an expert in creating collaborative networks, shared her insights into how we can foster an environment for creating successful business partnerships. Here’s an overview of her presentation:

Introduction

We define collaboration as a situation in which individuals work together across organisational boundaries to achieve something. Examples include public-private partnerships, strategic alliances or joint ventures. In exploring the notion of collaborative advantage we’ll consider what is it and why it is important and take a look at the key issues that are relevant when managing collaborations: managing goals; managing different cultures; building trust and grappling with complexity.

Collaborative Advantage

When collaborations work well, it’s possible to feel inspired and to feel collaborative energy. This is what we have tried to capture in the notion of collaborative advantage – the positive experiences and positive outputs that people talk about. Something is achieved that could not have been achieved without the collaboration, usually by bringing together the resources, experiences and expertise of different organisations.

Collaborative Inertia

Just as there are lots of reasons why collaboration is a good idea we can find lots of reasons why you shouldn’t collaborate! It is very often the case that the resources you put into collaboration outweigh that which you can get out of it. Lots of collaborations die without achieving anything. Sometimes they go on for ever without achieving anything. Often collaborations succeed but individuals talk about the pain and the effort needed to make them successful. These are the kinds of experiences that are captured in the notion of collaborative inertia. The rate of output is slow. Even successful outcomes involve pain and hard grind. So we have these two opposing notions: organisations collaborate in order to achieve collaborative advantage, but collaborative inertia is often what happens in practice.
Managing Goals

There is a common wisdom that in order for collaboration to be successful, the partners’ goals must be congruent, shared and agreed. Inherent in that statement is the sense that if partners are going to work together they need to have a clear set of aims and be clear about what they’re doing together. But what happens often in practice is that organisational and individual agendas frequently make it difficult for partners to agree on what they’re collaborating on.

Here we have a goals paradox: both goal congruence and goal diversity influence success in collaborations. In terms of congruence you could argue that if organisations have similar goals, then it’s easier for them to agree the goals for their joint effort. However, if organisations are too similar, they might also have competing conflicts of interests. They might be stepping on each other’s territories so they might be reluctant to share information which is essential in order to collaborate. So that’s one aspect of the paradox.

The other side of the paradox comes from the notion of collaborative advantage and the idea that the potential for advantage rests on bringing together diverse organisations with different expertise, different resources and different remits. Here the conflict might be that they are seeking different outcomes from the collaboration. So the common wisdom that successful collaboration depends on congruent goals is open to debate.

Imagine a situation where you have several organisations working together on something: each of the individuals and each of the organisations will have a different view on what constitutes a clear vision for the collaboration. Once you start digging into the various agendas that are at play in a collaborative setting, you begin to see how complex it can be.

In terms of the practical conclusion to managing goals, it may not be about understanding whether organisations have similar or different goals or whether or not a statement for the collaboration can incorporate all the different agendas of individuals and organisations; it may be better to just get started on some actions without fully agreeing on goals. Or as one manager said, “We have to write a statement of aims to justify our existence. My job is to find a way of writing it so that none of the parties involved can disagree”.

Managing Different Cultures

A common wisdom is that if you are going to work collaboratively with another organisation, there must be shared values and culture. In practice partners will bring to the collaboration different ways of being, interacting and working. Individuals are influenced in the way they act through their organisational culture, through their professional culture and through their national culture.

When individuals start to work with different organisations, across organisational boundaries, or with individuals with different professional expertise, they may be encountering what feels different.
There is a need to recognise that individuals behave and act in certain ways because that’s what they’ve been conditioned to do in their everyday work. Gaining that cultural awareness is a huge task in its own right and it adds to the process of having to try hard for a long time to make it work.

Cultural differences can manifest themselves in a lot of ways and often it’s through language. This adds delay and it adds to the inertia element of the collaboration. Sometimes organisations have incompatible organisational cultures and typically when large bureaucratic organisations are working together, they have different procedures, different systems, different ways of reaching decisions and that also adds delay to those who try to manage the collaboration. This is particularly an issue when large organisations work with small dynamic ones.

If we look at culture in terms of the tension between collaborative advantage and collaborative inertia, joint actions require resolution of the points at which different cultures intersect. The word resolution is quite interesting here because there is quite a lot of research which actually argues that you need to resolve cultural frictions and that you can resolve them. We disagree with this. We don’t think you can resolve cultural issues and we don’t think you necessarily should, and that actually it’s about harnessing those differences. It’s about recognising that cultural difference is also a resource that you bring to your collaboration, and the idea therefore is to harness that resource in order to create something that you couldn’t otherwise do.

We’ve identified some management tensions, in relation to managing culture and there are three that we have spotted through our own research. First, if you are going to harness cultural diversity, organisations need to be flexible and be able to accommodate different cultures. The other side of that tension is that organisations must be rigid enough to protect the structures and procedures that they have put in place. That helps them to deliver what they’re doing every day and is key to what they’re contributing to the collaboration.

The second tension is about autonomy versus accountability and the need to recognise that individuals need enough autonomy to act on behalf of their organisation in the collaboration. But the other side is that organisations need to protect themselves and so there needs to be accountability back to the organisation as well.

The third tension concerns complexity versus control. On the one side you have to embrace complexity because it is necessary in order to harness all the resources available to you. On the other side control is necessary in order to steer the joint agenda forward.

The idea here is not necessarily the specific tensions, but recognising what the tensions might be so that you can identify the trade offs and the compromises needed for you to manage the collaboration and move forward collaboratively.

Building trust and grappling with complexity

There is a common wisdom that trust is a precondition for successful collaboration. In practice, suspicion is often the starting point. The research says that you need to build trust and the way you build trust, the research will say, is that if you can, you start with small less ambitious things and you gradually gain the underpinnings for greater things, so you build trust through a cyclical process of just working together.
The trust loop is something that finds its way into our course materials and students love it and I think they love it because it’s conceptually appealing and it’s simple. So let’s just have a look at how it plays out in complex structures.

Partnerships often get extremely complex and it’s very difficult for anyone to have an overview of what is going on. Individuals are often surprised when they try to draw what they thought was a simple supply chain and then realize how complex it is, and why it is that it seems so difficult to get an understanding of what’s going on.

So I’m just going to say managing complexity is a big issue – trust me!

The other thing in the collaborative context, of course, is that they are very dynamic. They keep moving and changing all the time, so organisations will restructure and they will merge, the Government will put new policies into place and individuals will make career moves.

It is very hard to manage cultural diversity and build trust and manage power differences and to maintain continuity in these kinds of contexts. No sooner have you built up your trusting relationships, you have done that relationship building with the key individuals and something happens and that relationship is no longer the key one that you need keep going, because individuals have moved on, the policies have changed or organisations have merged and are not relevant anymore. So it keeps changing all the time.

Managing collaboration in practice

So, the conclusion that comes out of our research is that collaborations are characterised by contradiction, dilemma, complexity, multiple views, dynamics and frustration of intentions, and so they are by nature inefficient. And our advice therefore is that you use them sparingly and that you reserve your energy for situations where real collaborative advantage can be envisaged. And if you do decide to go ahead, then achieving collaborative advantage, whatever it is that you’re trying to achieve, will require compromise, energy, commitment and care. It will usually require somebody being in there to, nurture, nurture, nurture all the time.

Collaborations will not happen by themselves. They do require a lot of time and energy and resources. Where collaborations do succeed it’s often by serendipity - the right people from different organisations came together at the right time. Or after trying partnerships that have failed, one happens to work. It’s recognising that if you keep persevering, then you may be able to achieve something that you would otherwise not achieve.
So the question then is, how can you enhance serendipity, how can you try and make it happen? There are three conclusions that I want to share with you:

**Understand the complexity.** People often say, well everything I thought I knew about how to achieve change doesn't feel good enough. Working across organisational boundaries is different from working in your own organisation. It's harder, but it can also be more inspiring.

**Accept the pain.** People say, it's a relief to hear you say that it's not just me and my situation. It's a relief to hear others talk about the pain that they experience in their collaborations.

**Nurture, nurture, nurture.** Try to use the tools and concepts we've spoken about today, and the knowledge we've shared, as handles for reflective practice. Think about and understand what it is that's going on and know what to nurture. Nurture, nurture, nurture is a key thing.

Images from the Open University Business School’s Business Network Breakfast Briefing, 13/10/11

Want to know more about achieving collaborative advantage? Here’s our recommended reading list. If you’d like to discuss the topic directly with Siv, you can reach her at s.vangen@open.ac.uk


Vangen, S and Huxham, C (2006) 'Achieving collaborative advantage: understanding the challenge and making it happen' *Strategic Direction*, vol. 22, no. 2, pp. 3-5.


Huxham, C and Vangen, S (2004) 'Realizing the advantage or succumbing to inertia?' *Organizational Dynamics*, vol. 33, no. 2, pp. 190-201.


Huxham, C and Vangen, S (2000) 'Leadership in the shaping and implementation of collaborative agendas: how things happen in a (not quite) joined up world [Awarded best article by the Academy of Management, Public and Nonprofit Division]' *Academy of Management Journal (Special Forum on Research for Millennium)*, vol. 43, no. 6, pp. 1159-1175.