Bridging disciplines in alliances and networks: in search for solutions for the managerial relevance gap

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Abstract: Suppose you are an alliance manager and you want to set up or manage an alliance. Or you are an alliance consultant who advises network partners to make their relationship run more smoothly. Then, you would appreciate to find valuable advice in the literature of cooperation. However, in studying the contemporary academic literature, we concluded that it offers at best only piecemeal advice on the process of cooperation. No integrative framework was found that could provide coherence and guidance on the various stages of cooperation. This paper attempts to develop such a framework, building upon relevant streams and articles in literature. We developed five lenses to look at cooperation and used two cases (The Healthy Region and the Senseo Alliance) to illustrate how these five lenses can work.

Keywords: strategic alliances; networks; managerial relevance; cooperation; collaboration; partnerships; inter-organisational relationships; integrative framework.

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1 Introduction

Cooperation is a necessity for the majority of companies and public organisations these days. Yet, abundant research shows clearly that many cooperative relationships cannot be described as successful. This has to do with the inherent complexity and instability of alliances, which is caused by the large number of events that influence alliances from their inception to their end. Another factor is that many companies fail to learn from their own experiences and develop an alliance-forming capacity that would enable them to learn from their own successes and failures (e.g., Kale and Singh, 2009; Draulans et al., 2003).

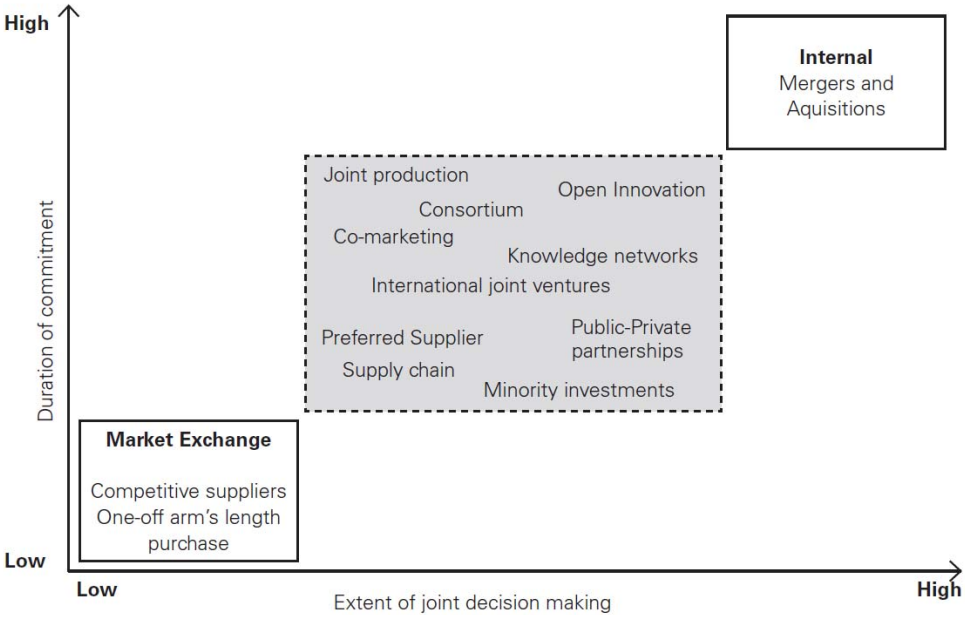
As reflective practitioners, we would welcome research and grounded insights that would provide support in making alliances more successful in daily practice. However, the current academic literature has not yet generated proven and replicable knowledge or compelling and practical guidance for practitioners on ways to improve the success of alliances. The need to integrate different perspectives on alliances has already been stated by Osborn and Hagedoorn (2007, p.274) in a special issue of the *Academy of Management Journal* in April 1997: "We encourage researchers to abandon a singular, clear-cut description of alliances and networks based on the assumptions of a host discipline in favour of a more robust, sophisticated multidimensional vision". In 2008, Cropper et al. (2008, p.731) expressed a similar sentiment: "We noted [...] that these different research perspectives and their bodies of knowledge over time tended to form specialized 'silos' of IOR (inter-organizational relationships) research, with scholars rarely building on, contributing to, or even acknowledging the work conducted outside their own particular research silo". It would seem, then, that the academic literature in this field risks being seen as irrelevant (see Bell et al., 2006). To become relevant to practitioners, academic knowledge needs to inform and guide them in their decision-making (Starkey and Madan, 2001). Research that does not generate relevant insight contributes to the emergence of what Bell et al. (2006) have labelled a *managerial relevance gap*.

The majority of the literature has only addressed the importance of specific elements of cooperation, such as trust (Das and Teng, 2002; Ring and Van de Ven, 1994), strategic, operational and cultural fit (Douma et al., 2000), and capabilities (Kale and

Singh, 2007). What has been lacking is a more integrated framework that will guide practitioners on what to do in their complex and ever-changing alliance environment. In this article, we aim to help bridge the managerial relevance gap. The focus is on developing five lenses that can together form a more comprehensive view of methods to set up and manage cooperation successfully. These lenses are individually recognised and grounded in the academic literature, but we have learned that the true relevance for practitioners is to be found in the fact that these lenses are connected and integrated. We will demonstrate that these building blocks can already be found in the academic literature but have not been integrated into a coherent theoretical framework yet. This integration is clearly required in practice, which we will illustrate with actual case studies. Finally, some suggestions will be made to help alliance managers, alliance consultants and alliance academics to learn how to generate and share practically relevant knowledge.

This paper is structured as follows: the next section describes the inherent complexity of cooperation. Afterwards, we will elaborate on the need for coherence and relevance. Then, a coherent model will be presented on how to make cooperation effective and successful. We will focus on the way in which our model supports and guides practitioners and academics. In the final section, alliance managers, alliance academics and alliance consultants will be invited to join forces to reduce the *managerial relevance gap* still further.

Figure 1 Types of inter-organisational relationships



Source: Gomes Casseres (2003)

2 Positioning collaboration: dealing with inherent complexity

There are many definitions of cooperation, but none of them has become universally accepted (Child et al., 2005; Cropper et al., 2008). In their *Handbook of Inter-Organizational Relations*, Cropper et al. (2008) indicate that studying cooperation is concerned with understanding the character and pattern, origins, rationale and consequences of cooperative relationships between organisations. In Figure 1, collaboration is defined by the degree of joint decision-making and the duration of the relationship (Gomes-Casseres, 2003). Cooperation can occur in the central part of the two axes: decision-making in alliances and networks is complex, because no one is in control and partners retain some autonomy. At the same time, the duration is unclear: longer than in simple market exchange transactions, but in most cases shorter than in acquisitions.

All types of cooperation share certain characteristics, which are described below (Kaats and Opheij, 2008).

2.1 A high degree of interdependence

Partners have to give up part of their autonomy, trusting that they will gain something else in return. Often, this is quite a challenge for managers, as they typically find it difficult to give up any autonomy. As a consequence, setting up a cooperative relationship is a delicate process and the right levers must be used to ensure that managers enable and support cooperation rather than frustrating it. In addition, parties frequently realise that they 'cannot achieve the results alone, and also not together'. The result of this interdependence is a complex game of dealing with different partners, forming coalitions, partner choice and positional play.

2.2 An unclear power structure

In environments where a number of parties hold the key to a solution, uncertainty about who holds power will always exist (Schruijer and Vansina, 2005). The question 'who is in control?' cannot be answered unambiguously since power is divided between various parties and may come from different sources. Power is omnipresent, but often underestimated, probably because it is not always clearly visible. As an alliance manager or alliance consultant, it is important to learn to 'read' the balance of power and how it is applied.

2.3 New realities

When various parties are required to get along, they create a new reality together (Weick, 1995). In many cases, cooperation starts from scratch. Through a delicate and complex process, the parties have to be brought together to solve a problem or pursue an opportunity that has been recognised. This is happening in an uncertain and changing situation, for which the only foundation is mutual interest and interaction. Fusing and reshaping diverse interests and ambitions into shared viewpoints or a solution for shared problems is an ongoing challenge.

2.4 The attraction of heterogeneity

Parties are, to some extent, attracted to one another because mutual contacts help them to discover their ambitions and which complementary competences they can contribute. At the same time, partners may be afraid because they perceive a mutual threat. This is one paradox of cooperation: if there is to be a strong basis for cooperation, partners need to have different aptitudes; however, cooperation with a similar partner is usually easier from a cultural and methodological perspective (Douma et al., 2000; Hoebeke, 2004). After all, it is this similarity between parties that can lead to competition, rather than cooperation. In practice, we have discovered time and again that it is difficult to understand and deal with this paradox and its dynamics.

2.5 A dynamic context

Any attempt to map a complex situation such as cooperation will be out-of-date as soon as the map has been drawn. A new situation arises with each joint action. Collaborating parties are constantly re-assessing the situation, which is changing continuously. This means that in all discussions there is always an element of re-establishing trust, as trust is never self-evident and must be defined and regained over and over again. All in all, the dynamics of cooperation demand a complex choreography from partners who are required to define and realign their relationship on a regular basis.

If parties want to cooperate, they cannot avoid certain characteristics that are inherent to cooperation. Using Kahane's (2004) concepts of complexity in multi-party and multi-interest situations, there is a high degree of dynamic complexity (the degree to which cause and effect coincide in space and time), a high degree of generative complexity (the degree to which the future differs from the past), and profound social complexity (the variation of assumptions, values, objectives, experiences, and perceptions among the people involved).

These characteristics are manifestations of the complexity of cooperation. Individuals and organisations have to cope with them if they want to realise workable and effective solutions. Apparently, some people and companies are more suitable for this than others, having built up a capacity for forming alliances and developed an understanding of the tacit and tangible aspects of cooperation (Draulans et al., 2003; Kale and Singh, 2007; Heimeriks et al., 2009).

Based on the characteristics described above, it can be concluded that cooperative issues require a specific approach to address complexity in bridging the managerial relevance gap.

Any attempt to model cooperation that aims for a complete diagnosis, an adequate repertoire of action and effective intervention must address the aspects of the inherent complexity of cooperation mentioned in this section.

2.6 Managerial relevance is at stake

In our opinion, the academic literature on 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 (Starkey and Madan, 2001). This means that research findings must be practically applicable. The current body of academic knowledge on the dynamics of cooperation produces limited insight that is relevant to practitioners. 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 labelled 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. In this respect, the question has been raised whether the field of cooperation is 'a distinct field of scientific enquiry' (Cropper et al., 2008). 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

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 on cooperation is performed from separate theoretical and disciplinary perspectives or is 'topic-oriented' (trust, power, social capital, innovation, change and so on); cross-functional research is relatively scarce

2 there is not yet a coherent body of knowledge that the professional alliance community agrees upon (Cropper et al., 2008).

As a result, practitioners often analyse, diagnose, and intervene on the basis of limited evidence and incomplete views on cooperation.

Various attempts have been made to model cooperation, which has resulted in a number of useful concepts and instruments. Most approaches highlight only one aspect of cooperation. Examples are the focus on the structural aspects of alliances (Kaats et al., 2005; de Man and Roijakkers, 2009), on process aspects of alliances and networks (de Rond, 2003), strategic issues regarding networks (Kenis and Oerlemans, 2008), management of partnerships (Huxham and Vangen, 2005) and the personal and interpersonal aspects of partnerships (Kaats and Opheij, 2008). Although the focused contributions have provided useful insights, the complexity of collaboration is not yet captured. Alliance practitioners cannot tap this literature to obtain the right clues to address the complexity of reality or to deliver adequate interventions.

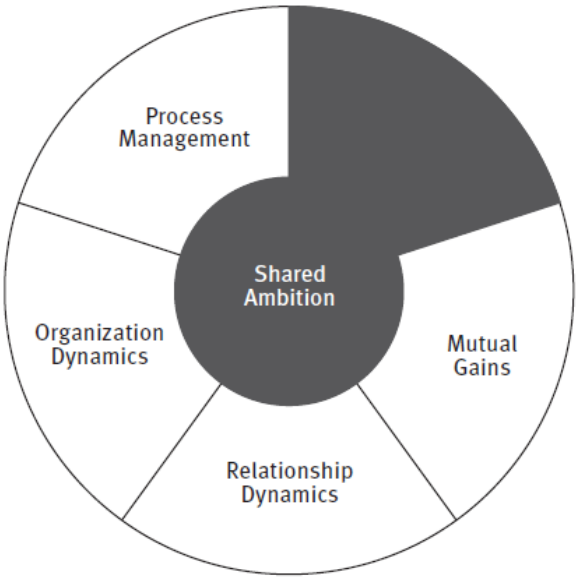
There are publications that have looked for coherence among researchers (e.g., Camps et al., 2004; Bamford et al., 2003; Cropper et al., 2008), but there is still little basis for identifying coherence between these contributions. This lack of coherence was

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).

3 Towards a coherent and comprehensive view

Our practice 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 (Kaats and Opheij, 2011). Here, we present 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. This concept consists of five closely connected themes as visualised in Figure 2.

Figure 2 Themes in collaborative practice and research



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 recognise their shared interest and find ways to serve all relevant interests on the basis of *mutual gains*.

3 Cooperation comes down to constructive interaction between individuals, no matter what the scope and the risks are. Good personal relationships contribute to the success of the cooperation. Socially skilled individuals can increase the success of a partnership *(relationship dynamics*).

4 Cooperation requires appropriate organisation and adequate arrangements. Designing adequate arrangements is not only a rational exercise but also part of the process of negotiation between partners, thereby introducing *organisational dynamics*.

5 A cooperative process goes through phases of development and is always confronted with new circumstances and events. *Process management* and clarity about where parties are in the process are essential.

These perspectives not only represent useful approaches for handling cooperative issues, but also represent extensive and separate bodies of knowledge. We will elaborate on these perspectives by outlining some useful concepts and instruments, and addressing the underlying theoretical practices. These themes will be illustrated by two cases: The Healthy Region and the Senseo alliance between Philips and Sara Lee. These cases are selected to demonstrate that the concept has value for both non-profit networks as well as dyadic relationships between profit-oriented companies, and for both local and international contexts. Relevant cases can also be found in other research publications (Hipkin and Naudé, 2006; De Man et al., 2010).

Table 1 Essence of the cases

The Healthy Region (De Gezonde Regio)
The Healthy Region (the original Dutch name is 'De Gezonde Regio') is a multi-partner network in the centre 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). They are all key players in healthcare in this region. The focus is on health as defined by the WHO: a state of complete physical, mental, and social well-being 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 behaviour rather than only on curing.
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 competences 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.*

Note: *In 2012, Sara Lee split up and the coffee business continued under the name DE Masterblenders 1753.

3.1 Shared ambition

A shared ambition is at the heart of any cooperative relationship: it acts as the compass for the partners. An appealing and challenging shared ambition has the power to inspire and mobilise. The early literature on cooperation tended to regard cooperation as an instrument to meet the strategic objectives of a company, thus neglecting the objectives of the alliance itself (e.g., Contractor and Lorange, 1988; Hamel, 1991). More recently, academics have enriched the literature by emphasising the strategic aspects of the cooperative relationship itself, e.g., Bamford et al., 2003; Child et al., 2005). The

cooperative strategies of the partners simply provide legitimacy for the cooperation, but its success is highly dependent on the quality of strategy and management within the alliance. Shared ambition acts as a bond that can overcome differences in culture and ways of working (Douma et al., 2000).

Often, partners start by formulating a shared ambition, but the focus on this shared ambition may gradually fade. This neglect sometimes originates from the working styles of the partners – for instance, they may focus predominantly on action rather than on vision or strategy. The partnership then gradually runs the risk of being reduced to tracking 'to-do lists' and inspiration tails off accordingly. This may lead to a kind of pseudo-collaboration, where partners are unable to establish real dialogues on the legitimacy and necessity of cooperation. The collaboration fades as if it was an operational project and loses the coherence and drive of its original setting. An appealing ambition appears to keep the partnership alive; it inspires and has a mobilising effect. If partners regularly review the shared ambition, the cooperation (and maybe also the ambition) will develop and adapt to new circumstances.

When defining their shared ambition, partners engage in a process of exchanging their contributions to the alliance or network and the results they hope to achieve. Essential in this process is the concept of 'give and take'. When managed properly, this results in the definition of a shared ambition which covers the partners' individual goals. Based on our experiences, it can be stated that establishing and re-iterating or revitalising a shared ambition is an essential principle in structuring and maintaining successful alliances.

Table 2 Shared ambition in the cases

The Healthy Region
The network's ambition is to assist inhabitants to improve their health and so give a new meaning to the time-honoured 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 innovation.

3.2 Interests and mutual gains

As mentioned in the previous section, one reason for failure is that partners do not align their objectives sufficiently before an alliance is created or during the alliance as priorities shift. A closely related but different cause of failure is that the interests of the individual partners are not served. If interests cannot be aligned, partners can search for common interests and negotiate on opposing interests. It is important that the interests of

the partners are served to an acceptable extent. This requires the partners to interact intensively about their respective interests.

If adequate interaction about interests does not take place, this effectively puts a 'time bomb' under the cooperation. Literature stipulates that internal stakeholders or partners should enter into the dialogue on interests (see Kahane, 2010), but our daily practice shows that reality is less straightforward. One possible solution is to mobilise stakeholders at a very early stage in the development of the alliance and allow them to be very explicit about their interests. Of course, the same holds true in situations with significant changes in strategy or personnel. However, it cannot be expected from stakeholders who may not know each other well that they talk openly about their real interests. Under these circumstances, a facilitator can help to create the right (trusting and open) atmosphere and make stakeholders feel comfortable enough to share their interests openly without fearing that this will affect their negotiation position adversely (*politics*). Another possible solution is to work with whole alliance teams instead of individuals from each partner that are involved in the initial negotiations. Based on their experimental role play with 128 subjects, Lunnan et al. (2011) have found that the alignment of team aspirations was associated positively with increased reciprocity between teams.

Looking for mutual benefits and developing a genuine appreciation of the interests of the partners is crucial for collaboration. In many cooperative relationships, however, communication about interests is inadequate. Often, partners skip this stage in the process and concentrate on design aspects such as the contract or the governance. Almost without exception, partners find themselves later without a robust basis for cooperation and may eventually have to restart sharing each other's interests. If partners' interests continue to be neglected, the partnership often enters into a state of permanent negotiation. If conflicts of interest persist, defensive behaviour will prevail. Reversing this state becomes more difficult, since it requires a genuine dialogue on individual and mutual 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, 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 are the underlying assumption, to the integrative approaches in which win-win situations are the desired outcome. The key element is the focus on 'interests'. Interests are considered the key to finding solutions that partners, organisations and individuals can agree upon when dealing with shared problems. A thorough concerted investigation of interests provides an opportunity to satisfy partners' needs and create win-win situations. All in all, the mutual gains approach appears to be a 'parallel world' to alliance management. A possible explanation for this could be that alliance management practice focuses more on the 'opportunity' as a starting point rather than the 'problem' or 'conflict' which is so often the starting point in mutual gains approaches. It is, therefore, not surprising that alliance management initially appealed to the private sector, whereas the mutual gains approach resonated mainly in the public domain. In contrast to the alliance management approach, the mutual gains approach is only secondarily interested in the strategic considerations of partners. Rather, the focus is on the factual interests of the partners and the actual interaction between partners. The mutual gains approach urges one to be never satisfied with static positions and to search

constantly for underlying interests that can provide opportunities. From our experiences in practice, we have learned that this is a really powerful additional approach in building and maintaining alliances.

Table 3 Mutual gains in the cases

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 detrimental to the financial interests of those providing treatments), moving treatment from one provider to another. Partners have expressed their concerns to one another and it is now clear what each individual partner is contributing and to what extent he or she benefits. In case of divergent interests, the decisive factor is: does regional health benefit? A clear understanding of the interests of all partners positively affects decision-making and contributes to trust building.
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. For selling 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 Philips's interest as it will have a negative impact on the company's profits.

3.3 Relationship dynamics

It is not uncommon for partners to select representatives for the partnership individually. As a result, the team that emerges is often an accidental mix of personalities and working styles. Composition of a good team is no trivial task. Representatives in a partnership are expected to cope with uncertainty, ambiguity and dynamism. They should be able to find a proper balance between their dedication to the partnership and their 'home' organisation. This is not always easy. In highly technical environments, attention paid to the individual, personal and relational aspects of cooperation is often limited. Here, relationships may really develop, and may slowly but surely become unstable, undermining the success of the cooperation.

Relationship dynamics concern people working together in teams. It is an extremely relevant theme in alliances and networks referring to two assumptions. Firstly, in alliances, as in teams in general, a group can function more (or less) effectively than the sum of its parts. This is probably a function of the group dynamics at play. Bringing together intelligent, skilled, motivated people is no guarantee that a constructive collaborative process will develop. Conversely, we have been regularly surprised by the success achieved through a collaborative process from a seemingly hopeless position. Group dynamics play a partly hidden but decisive role in the success of alliances and networks. Secondly, individual effectiveness in an alliance is related to individual characteristics such as personality, behavioural style and collaborative capabilities. People in groups are not marionettes; they do have influence. They are actors in collaborative processes and their personal skills, styles of working and leading, and interpersonal skills do affect the quality of the cooperation process and the quality of its results. These assumptions are rooted in two closely related bodies of knowledge, namely 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 respect, 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 since success or failure of the alliance depends upon them (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. There are also group dynamics that are specifically relevant in a context of alliances and networks. For instance, the subject of 'split loyalty' touches the very essence of collaborative complexity: how does one uphold loyalty to the alliance without jeopardising the interests of the organisation that one represents in the alliance? It is a truly personal dilemma, which affects all aspects of the alliance. In certain sectors and practices, a large number of alliances originate from personal relationships and in that sense are merely manifestations of these existing relationships.

Table 4 Relational dynamics in the cases

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 may be clear that spending a lot of time with one another tends to facilitate the development of trust and the reduction of distrust between people. Physicians, executives and insurers were allotted time to gather information on the principles and assumptions of a partnership and to increase mutual understanding. In many of the project teams, participants from various partners worked together. Program managers and steering committees tried to promote a cooperative atmosphere.
Senseo alliance
Both Sara Lee and Philips appointed a dedicated alliance manager, who reports to an executive sponsor in their own organisations. The executive sponsors are responsible for a large business unit, besides having responsibility for the alliance. Alliance managers spend most of the working week together to understand each other better and are bent on working for the benefit of the alliance. Executive sponsors meet regularly to review the progress of the alliance, but also have more informal contacts. Whenever an alliance manager or executive sponsor moves on, a lot of time is spent on establishing a relationship with his/her successor.

3.4 Organisation dynamics

There is a tendency in cooperation to underestimate the organisational requirements of cooperation. Starting a cooperative relationship means, effectively, creating a new organisation with no existing procedures and routines. In the beginning, each partner has his own methods of working. This often leads to inadequate interaction, poor communication, and a lack of control, with a high risk of structural indecisiveness and, consequently, potential discontinuation of the cooperation. This applies particularly to forms of cooperation in which the partners have not built a new organisational construct, but merely agreed upon some basic collaborative rules. A contract is helpful and even required, but cannot replace some form of organisation, especially not without necessary social pressure.

Sometimes this leads to a preference for control and a tendency to seek to control the other partner. Partners may become suspicious, which undermines mutual trust. As

de Man and Roijakkers (2009) and Das and Teng (2001) have shown, there is a close relationship between trust and control. In our experience, appropriate organisational structures are essential to develop trust among partners, and – crucially – commitment of their team members. A minimal level of organisation should be in place (Hirschhorn and Gilmore, 1992) – namely the decision-making process (e.g., who decides what?), management procedures (e.g., who does what?), benefits to stakeholders (e.g., what is in it for me and who is involved?). Obviously, the organisational and governance solutions will differ for various types of cooperation, such as alliances, networks, chains and various kinds of strategic (horizontal or vertical) partnerships.

This field has attracted a lot of attention in the tradition of alliance management. A considerable amount of research literature and practical knowledge has been produced on this theme. However, not everything is known yet and it is still not easy to build and maintain an alliance from an organisational point of view. In dealing with a context that is inherently interdependent, ambiguity in terms of its authority structure, profoundly dynamic and always uncertain to some degree, the search for effective collaborative arrangements remains necessary. 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 organisational 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. It has even provided a framework relating to when collaboration is inappropriate, for instance when collaboration evokes coordination efforts that are not compensated by the results expected from the collaboration (Hennart, 1988; Williamson, 1991).

Table 5 Organisational dynamics in the cases

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 programme 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 reduce 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, on which the two executive sponsors serve.

3.5 Process management

The fifth theme is process management. Partners may have developed a cooperative relationship based on individual and sometimes different perceptions of the stage the

relationship is in. Lack of clarity on what comes next may frustrate the cooperative process. If one partner has the impression that an agreement has been almost reached, while the other partner is convinced that negotiations are still proceeding, awkward discussions may arise to the detriment of emerging trust.

Cooperation also requires momentum and progress. Without short-term progress, energy and enthusiasm will fade away and destabilisation may follow. Promising, concrete results will inspire partners to proceed smoothly and steadily through the next stages of cooperation.

Table 6 Process management in the cases

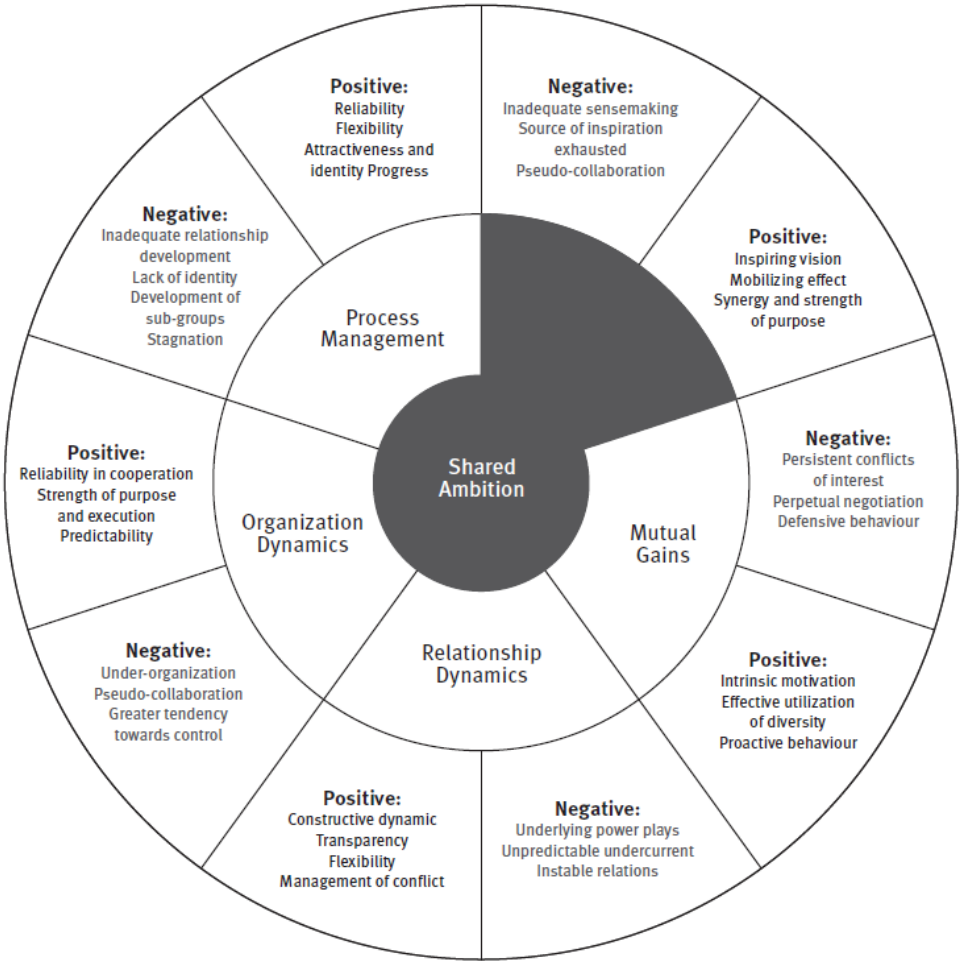
The Healthy Region
The program has been running since 2007 and it was reviewed in 2009. Between 2007 and 2009, the partners developed a shared ambition and carried out several experiments and pilot projects. In 2009, the steering committee decided to professionalize the collaboration. Executives and 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 healthcare management in the Netherlands and serves as an example program for the National Health Council. The process was not planned this way from the beginning. Periodically, the steering committee is evaluating the process and looking 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 into the alliance management phase. This shared recognition, understanding which stage inthe process they had reached, and which would be the next issue to approach, was very useful. Neither Sara Lee nor Philips exploited this situation by seeking more favourable conditions for their organization in the negotiations.

In alliances and networks, individuals are expected to operate under fairly uncertain conditions. Individual tolerance for uncertainty can be impressive, but also has limitations and boundaries: there is the authority boundary (‘who is in charge of what?’), the task boundary (‘who does what?’), the political boundary (‘what’s in it for us?’) and the identity boundary (‘who is – or is not – ‘us’?’) (Hirschhorn and Gilmore, 1992). In practice, an alliance involves an additional boundary to be addressed: the process boundary (‘where are we and where do we go from here?’). A certain awareness of the process is a basic individual need, and when a process is relatively unformatted, the actual confirmation of that fact can give individuals just the security required to act and concede. Other bodies of knowledge, such as the policy development domain, have led to different approaches relevant to the formation of alliances. These include life-cycle approaches with emphasis on chronology and steps to be taken, teleological approaches with an emphasis on goal orientation, evolutionary approaches with emphasis on contextual aspects and dialectical approaches with a 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 alliances.

4 Using the five lenses on collaboration in practice

The five themes described are five lenses through which alliances can and should be considered. It is our experience that the formation and development of any form of cooperation can start with a specific focus on one of these lenses, but eventually will require an integral approach addressing and balancing all five building blocks.

Figure 3 Framework with five lenses on cooperation



As a result, the nature of cooperative issues defines the demands on professionals active in this domain. To be of practical use in this field, and contribute to the creation of meaningful alliances, it is essential that practitioners learn to combine these different types of knowledge and translate them into a relevant and practical repertoire of action. Of course, it is almost impossible to be minutely familiar with all the bodies of knowledge presented in this section. However, the minimum requirement must be the ability to identify a cooperative issue, to diagnose it, to make the connection with the

relevant bodies of knowledge and to find explanations and effective interventions. A shared concept and body of knowledge will prove extremely useful in this respect.

We have developed our framework from our desire to have a model – grounded in theory – that does justice to the complexity of cooperation, offers a shared language to all stakeholders, and supports diagnosis and intervention. The theoretical support for (parts of) our framework is essential, as it provides coherence and logic. This is applied to a wide range of cases in practice and we have witnessed the benefits of the approach for alliance managers, alliance executives, as well as alliance consultants throughout the process of cooperation.

The framework can be used to set the agenda at the start of cooperation. A coherent view helps partners to understand the issues at stake and guides them when developing a joint plan. During the cooperation process, a regular 'pulse check' using the framework helps to determine which aspects are going well or need special attention. The situation can be monitored easily by conducting interviews or surveys based on the model. Depending on the outcome of the diagnosis, tailored intervention can be made at the right moment. For instance, limited or eroded ambitions will require an intervention quite different from lack of trust. Also, a lack of decisiveness will need a type of intervention different from the imminent withdrawal of a partner whose interests are not being served adequately. A final benefit, in our experience, is that throughout the cooperative process, a common language is offered that helps to prevent confusion and ambiguity. This has a positive effect on progress, building trust and consensus on the next step.

All in all, we believe that we have made a step forward in trying to close the 'managerial relevance gap'.

5 Teaming up to bridge the managerial relevance gap

In this paper, a framework for cooperation is developed that offers useful guidance throughout the process of cooperation. Five key aspects of cooperation are combined into a more coherent and integrated framework. All five key aspects are grounded in academic literature, which 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. This is partially due to the mono-disciplinary focus of most academics.

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 their conclusion to the cooperation in question. The result could be that they do not notice that some elements of the cooperation are not working as well as they could (such as organisation or relationship dynamics) or that relevant aspects are ignored (such as interests and shared ambition). Practitioners cannot be expected to deduce the coherence themselves in view of the vast quantity of literature.

As reflective alliance practitioners we have taken up this challenge and made a first step towards integration. This is just a first step, which will require further validation and improvement. To that end, alliance academics and alliance practitioners are invited to join us to:

- further strengthen and improve the coherence and integration of our approach
- carry out research on the success factors underlying each of the five lenses of the framework, ideally using multiple, longitudinal case studies
- apply the framework in various real-life cooperative relationships to fine-tune and sharpen the lenses and the integrative framework
- learn how to make the best use of the framework as an alliance manager and alliance consultant.

All in all, we believe that we have made progress in bridging the managerial relevance gap in the field of cooperation. To contribute to building the next pillars of this 'bridge', we will take the initiative to organise sessions with alliance academics and practitioners to connect both worlds.

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