Tammy Erickson of London Business School considers building an organisation’s ‘collaborative capacity’ essential for modern leadership. The Institute of Leadership & Management, and Wildlife and Countryside Link (https://www.wcl.org.uk/), undertook focus-group research to understand what collaboration really means and how a collaborative approach to leadership is manifested.
Collaboration: An Essential Dimension of Leadership

There are many challenges and barriers to effective collaboration (Vangen, 2016). One such is the risk of collaborative inertia, where the project or programme of work fails to move forward due to difficulties within the partnership. Huxham identified three common themes that contribute to collaborative inertia. These are: common aims, power and trust (Huxham, 2003).

Collaborative leaders position themselves to form connections between individuals and organisations enabling collaborations to evolve (Ibarra and Hansen, 2011); through building trust, and identifying common aims. Such leaders have the ability to bridge the gaps between different organisational and social contexts.

Collaborative success is dependent on high quality communication and can add significant organisational value (Clutterbuck and Hirst, 2002). It is important to acknowledge that any contractual relationship implies a level of collaboration that also needs to be addressed and managed. Tasks include agreements that support effective intra-organisational collaboration, as well as external contracts and other documents such as terms of reference and memoranda of understanding. These form the basis of ways of working.

Collaborative capacity and an appreciation of the potential benefits are important in the early stages of any partnership, especially at pre-contractual stages, where partnerships are established within an informal space to pursue shared objectives. Collaboration management may, therefore, occur in a variety of settings that are subject to different cultures, degrees of formal rules, and standards of enforceability.

Our Research: Why Now?

Effective leadership is a critical success factor for organisations. Leaders must respond to the perpetually increasing pressures associated with rapid technological advance, shortening product and service life cycles, dynamically evolving regulatory and political contexts; and the needs of diverse workforces (May and Pardey, 2014). Although we understand some determinants of successful leadership well, collaborative aspects of leadership are less well understood (Vangen, 2017).

The complexity of contemporary organisations and the volatility of the environments within which they operate call for a new approach to working outside and across organisational boundaries. Successful leadership encourages, facilitates and supports collaboration; this research seeks to understand what is needed of leadership to deliver such collaborative activity.

There are many different ways in which leadership is understood and some people favour concepts of collaboration more than others. However, there are a wide range of theoretical models that support collaboration (Butcher and Gilchrist, 2016). They only have value if leaders and managers can readily apply the concepts and theories. Our research aims to explore the reality of collaborative partnerships and translate what we learn from their successes and failures into practical support for inter-organisational collaboration (working in partnership with other organisations).

Nimble organisations, stand to gain strategic advantage through effective resource management especially when achieved by successful inter-organisational collaboration. This has the potential to deliver a ‘collaborative advantage’ leveraged through engaging external networks.
The relational continuum model (see Figure 1) is a helpful tool to define and map different types of collaborative relationships. Keast defined the 5Cs as stages of the continuum, going through; Competition, Cooperation, Co-ordination, Collaboration, and Consolidation (Keast et al., 2004). The model explains potential stages within a partnership that progress from competing to being in complete alignment. Competition is characterised through arm’s-length interaction (C1). The two parties go their separate ways and are strategically pitted against each other in all respects. As relational interaction arises, in the form of cooperation in certain areas, their strategic directions begin to display a degree of interdependency. Links are formed between the two parties that allow the exchange of information relevant to the pursuit of common goals (C2).

Coordination adds a dimension of explicit management of strategic direction between the two parties (C3). If the relationship evolves to the point where resources are shared then this begins to become a ‘true collaboration’ (C4). Collaboration in turn may develop into consolidation (C5), for example, this might occur through vertical integration. Although the 5Cs model was designed with a focus on intra-organisational relationships, it can be used when thinking about the status of inter-organisational relationships and collaborative capacity. Within this model, effective collaboration is closely linked to the successful negotiation of the soft dimensions of partnership work that rely on communication and trust to yield results.

Figure 1: The relational continuum and the 5 ‘Cs’ of interorganisational relationships;
Each ‘C’ represents an element of the interorganisational relationship along a continuum that ranges from competition (C1) through increased levels of interaction such as Cooperation (C2), and Co-ordination (C3) to full Collaboration (C4) and Consolidation (C5) (after Keast, 2016). This model is applicable to both intra- and inter-organisational collaboration.

C1 – Competition
Sporadic interactions, eg. money and contracts

C2 – Cooperation
Typified by looser connections, e.g. shared information and referrals

C3 – Coordination
At this stage connections are more defined, including joint programmes and planning

C4 – Collaboration
Relationships are more evolved with shared power, pooled financial resources, and stronger relationships for creating something new

C5 – Consolidation
Creation of a new entity or one entity consumes the other during a legal merger

Report Highlights

Our research, drawing on the experiences of senior executives, identifies six essential leadership capabilities that are required for collaborative success: Voice and Communication, Trust, Alignment of Organisational and Partnership Objectives, Governance, Capacity to Engage and Flexibility.

Participants emphasised particularly the importance of preparation in the early stages of collaboration, as this can ensure that the six capabilities are able to develop within the collaborative space. Spending time aligning the objectives at the start of the partnership is crucial for driving the collaboration towards an agreed outcome. Early dialogue and investment of time when a partnership is established provides the foundations for ongoing trust that is essential for resolving any tensions that arise and threaten to bring about collaborative inertia.

Ensuring all parties have a voice from the outset and agreeing governance structures were identified as key elements of the relationship, this sets out clear lines for all involved and manages expectations, enabling smoother conflict resolution throughout the partnership.

It was reported by many that there is a need for sufficient and ongoing resource allocation, reflecting that this is a significant barrier to collaborative success. Being flexible and able to compromise can overcome many of the challenges that arise through cultural differences that have potential to disrupt the relationship.
Our Findings

Collaboration in Practice

To further our understanding of collaborative leadership and practice, The Institute of Leadership & Management embarked on focus-group research to gather and analyse the views and experiences of senior executives from a range of sectors. Our research aimed to understand the opportunities and challenges associated with inter-organisational collaboration, and the role that modern leadership can play in the management of collaboration.

The discussion themes that dominated the focus groups are shown in Figure 2; the words that most dominated the discussion about intra-organisational collaboration are in larger text (words were sized proportionately to their frequency). It clearly shows that Trust and Voice along with Organisational Objectives and Partnership Objectives were the most dominant discussion themes.

Using an approach known as ‘emergent conceptualisation’, we analysed the transcripts of the focus group discussions along with key research literature (Eisenhardt 1989; cf. Goulding, 2002). Drawing on the results we categorised collaborative capacity under two top-level emergent elements that we define as ‘Collaborative Alignment’ and ‘Collaborative Culture’ (Figure 3).

Collaborative Alignment refers to the relative positioning of key organisational and partnership parameters; how objectives are expressed in relationship to each other; and how the relevant characteristics are balanced within the context of the collaboration.

Collaborative Culture refers to the internal corporate culture organisations engaging in collaboration, and to the partnership culture that develops inter-organisationally.

In our second-tier analysis, in relation to Collaborative Alignment we identified the two sub-elements Objectives and Balance, and within Collaborative Culture we identified the sub-elements of Corporate and Partnership.

Case in Point

The Goodna Service Integration Project

Eastern Australia’s Goodna district is situated in a structurally weak region characterised by elevated levels of inequality and deprivation. Escalating social issues prompted local administrators of state government and public service providers to liaise with each other in a series of informal meetings aimed at developing an integrated approach to service provision and community support. This led to a three-year public service reform programme aimed at shifting the procedures and interaction between key services from a largely competitive modus to one based on a network model of collaborative interaction and community consultation around a “whole-of-community” approach. “All these departments were trying to work together and the dynamics were really awful – there was no trust and no relationships… There was no testing of assumptions – just an acceptance that the problem was caused by others.” The challenges to overcome on the way to collaborative modes of interaction were significant: “We have got a police officer, health nurse and other services but they were not coordinated. They were still working in their silos instead of working cooperatively. Where we are different now is that all those different agencies are working together.”

Key factors that helped facilitate the new approach were an emphasis on spelling out objectives and revisiting them at regular intervals to generate virtuous learning cycles, combined with systematic relationship building and maintenance processes: “For me the relationship building has been the main thing. Talking about practical outcomes we have generated a process that allows for and continues to encourage that process.” The project delivered innovative processes and structures that changed the way of public service provision in Queensland (Keast et al., 2004).
We find that effective collaboration requires much more than just a shared reflection on goals and objectives, the objectives for the collaboration must also exhibit a degree of alignment with one another that allows the partnership to develop in productive ways (see also Figure 1).

Respondents were very clear about the importance of articulating and sharing partnership objectives early on in the relationship. They also emphasised the importance of revisiting and monitoring partnership objectives on an ongoing basis:

A clear agenda, ground rules, a clear purpose, if those things are in place, organisations can collaborate for mutual benefit (Respondent A)

For clear partnership objectives to be agreed, the collaborating organisations must first fully understand their own objectives in relation to both their organisational mission and the prospective partnership. These objectives also need to take into account the type of partnership that is being developed:

There needs to be clarity of goal and there also has to be clarity about what level of collaboration you want (Respondent B)

Clear objectives alone are not sufficient to ensure collaborative success. Effective alignment of objectives enables the underlying complementarity that has motivated the collaboration to come to fruition. Effective alignment extends to effective consideration and application of the relative competencies and resources of all partners. For this to work well, organisations require sufficient capacity to effectively engage with partners in the pursuit of joint objectives. They also need to take due regard of any tensions arising from possible competition in areas of work outside of the scope of the collaboration itself. It is here where trust, clear communication between partners, and ability and willingness to compromise come into play.

How do you differentiate? At what point are you competitors? At what point are you collaborators? Is that thought in it at all? (Respondent C)

Trust emerged as a core element for effective collaboration. Partnership engagement must develop in a spirit of mutual respect and due recognition of the relative strengths of the partners:

It only works, if you’ve got the trust of those individuals right from the very beginning and the collaboration is understood throughout the organisation as to why it’s important (Respondent B)

You need to respect technical knowledge even if one partner is much bigger than the others (Respondent D)

Difficult conversations will be necessary at times, and the partnership needs to be sufficiently developed in terms of the rapport established between individuals participating on behalf of their organisations.

Trust is crucial, in particular if parties don’t agree. The ability to be able to come into the room and have a frank conversation, knowing that it could be in the first instance they’re not going to be [on the same page]. It is really important. Bringing people together and knowing you can have this and disagree behind closed doors, is a really crucial part of collaboration. (Respondent E)

Case in Point

The Timberland–City Year Partnership: From Charity to Collaboration

City Year is a non-profit organisation focused on supporting schools in deprived US communities through volunteer community service. At the charity’s launch in 1988, it approached footwear and clothing company Timberland for a donation of 50 pairs of boots for its first youth corps. Timberland, already pursuing a corporate social responsibility agenda at the time, was happy to support this initiative. These early contacts nurtured a recognition that both sides stood to gain from deeper engagement. Inspired by City Year’s community service model, Timberland initiated an employee volunteer programme that allowed employees to devote themselves for up to 20 hours of paid leave per year to community service. City Year supported the roll-out of the programme by running community service training events for employees, while Timberland provided City Year’s youth corps members with clothing and footwear on an ongoing basis, as well as office space. Over time closer collaboration on a range of joint projects developed, and both organisations worked on bringing additional corporate sponsors and community organisations on board. Through their long-term partnership, City Year and Timberland were able to combine the distinctive competencies and vision of a non-profit with sustained commercial investment in Corporate Social Responsibility (CSR) (Austin, 2003).


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In 1999, Millennium Pharmaceuticals, a six-year-old biotechnology company focused on genome sequencing, and Bayer, the multi-billion pharmaceuticals multinational, entered a five-year strategic partnership aimed at leveraging Millennium’s novel approaches and technologies to Bayer’s drug discovery programme. The collaborative effort between the German drugs giant, founded in 1863, and the US start-up brought partners of very different size, culture, key competencies and strategic outlook together across time-zones and continents, based on thorough planning in dynamic and technologically complex contexts to develop new processes that would allow large-scale industrialisation of drug discovery. The deal, worth half a billion dollars, saw altogether 200 staff from the two companies join forces at different locations and in interdisciplinary and mixed teams. Key to the commercial and operative success of the collaboration was the tight formulation of tangible objectives and timelines, the co-location of key staff from Germany to the US for the duration of the project on a rotating basis, and the promotion of a ‘get everybody involved’ culture through cross-functional and cross-company teams. This extended to a carefully balanced leadership structure whereby two programme directors, one from Bayer and one from Millennium, jointly led the project teams across all sites and reported to a joint board-level steering committee with three senior executives from each company. Key insights gained over the duration of the collaboration included the necessity for the two programme directors to spend a significant amount of face time with each other on an ongoing basis to ensure mutual trust and truly joint ownership of the collaboration. Equally important were information sharing measures and technologies built in from the start, greatly helped by an extensive web-based platform that was transparent and easy to navigate (Ziegelbauer and Farquhar, 2004).
Modern Leadership for Collaborative Advantage

The definition and interpretation of what leadership and collaboration are very personal; we found these definitions were drawn from participants' own experiences, which was understandably diverse. We explored the following questions with participants in order to gain insights into the core issues and challenges associated with leadership and achieving collaborative success:

- How does our current understanding of leadership relate to the demands of inter-organisational collaboration?
- Is modern leadership predisposed to consider collaboration as a key avenue for achieving organisational objectives?
- How do aspects of successful leadership overall interact with collaborative success?

It may not come as a surprise that our conceptions of leadership in general are closely related to how we think about collaborative leadership. This relationship is not fully bi-directional. Participants highlighted the key issues and challenges associated with collaborative success. We analysed the prevalence of core elements of modern leadership in the discussion alongside the relative value given to them for collaborative success, see Figure 4. The capabilities highlighted in the shaded area are those that were equally prominent in discussions about the elements of modern leadership and the discussion about capabilities required for collaborative success; these include Voice and Communication, Trust, Alignment of Organisational and Partnership Objectives, Governance, Capacity to Engage and Flexibility.

Participants recognised that modern leadership has moved beyond the ‘command and control’ model. They reported that leadership operates in a space of tension between giving direction and ensuring productive engagement of all contributors. This is as much true for intra-organisational leadership as it is for the management of partnerships. Furthermore, effective collaboration draws on what are frequently described as ‘soft’ skills.

Elements of effective leadership include the vision, the goals, the boundaries. I would also add in the values. We’re looking for modern leaders to espouse the values of the organisation. There’s a real focus on leaders walking the talk when it comes to values, and we judge our leaders in terms of their trustworthiness, how much they demonstrate the values, how collaborative and cooperative they are

(Respondent F)

Some elements of effective leadership are generic while some of collaborative engagement go beyond leadership to encompass organisational structures and objectives. Elements such as relative size of partnering organisations, or their competitive contexts, only relate to the particular configuration of collaborative partnership and others, like effective delegation and decision authority, or ability to achieve corporate engagement for particular goals and objectives, circumscribe general leadership attributes.

These themes were prominent in the modern leadership discussion but much less so in the discussion on collaborative success and vice versa.

Focus group respondents were very clear that a number of key elements are shared between modern leadership and collaborative success. Figure 4 maps the prevalence of these elements, and the items highlighted in the shaded area are those that were equally prominent as needed for modern leadership or required for collaborative success; ‘Voice’ is the most prominent. In order to lead effectively within a collaboration, it is necessary to listen carefully and clearly articulate objectives and potential concerns early on. This needs to take place on the basis of a clear understanding of one’s own organisational objectives, and be embedded within the context of mutual engagement and trust. The organisations entering a partnership need to have sufficient capacity to be able to engage effectively in the joint objectives. The partnership also requires leaders to ensure effective governance mechanisms are in place that allow for accountability and adaptation to changing circumstances. Finally, flexibility and the willingness to compromise were key factors in the discussions on the role of modern leadership in collaborative success.

As long as you recognise consensus doesn’t mean everyone agrees, but everyone feels they contributed, you can have productive disagreement. That’s when collaboration really works well. You can agree what the final call is but you may have constructive thought about what different strategies are going to be implemented, and it’s then how that environment’s managed to actually work so at the end of the day you go, “Yes, okay, I’ve been listened to, but yes, that does look a better way of doing, we’ll go for that

(Respondent G)
Collaboration: An Essential Dimension of Leadership

Conclusions

In order to capitalise on collaborative potential and overcome inertia (Huxham and Beech, 2003) the collaborative dimension of leadership cannot be ignored by organisational leaders and managers. With ever-increasing pressures and the underlying technological revolution, organisations need to collaborate effectively to retain their competitive strategic advantage (May and Pardey, 2014; Vangen, 2016).

We found that although inter-organisational collaboration should not face insurmountable difficulties, in reality many collaborations are frustrated through ineffective leadership, misaligned expectations and unsuccessful initiation of the partnership. It is also important to recognise that often partner organisations are not freely chosen, but rather they enter into collaborations as a result of policy, competitive pressures or lack of alternatives. Our research identified six crucial capabilities of modern leadership that are key elements of collaborative success; Voice and Communication, Trust, Alignment of Organisational and Partnership Objectives, Governance, Capacity to Engage and Flexibility (including being open to compromise). By giving time and resource to establishing these at the early stages and embedding them within the culture of the collaboration we found that buy-in to the partnership can be achieved.

Building trust early on is essential, but trust can be diluted when there is frequent staff turnover within the teams at the centre of the collaboration. Trust must be established from the outset and is vital for resolving conflict and moving forward when partners disagree. Our research demonstrates that this is supported through strong governance that manages expectations, ensuring everyone has a voice and through aligning objectives. Schon (1983) highlights the importance of raising executive awareness of any tensions within a collaboration early on. By doing this, leaders have the ability to share concerns and resolve tensions rapidly and effectively; our research, identifying the six crucial capabilities, are central to managing such tensions.

The management of collaborative partnerships raises similar issues irrespective of sector. It is also important to note that in reality a broad range of collaborative contexts and partnerships may be challenging to manage. Therefore, organisations may want to consider the number and type of partners they collaborate with to ensure they have the resource to effectively engage in all their partner relationships and to quality ensure the outcomes of the collaborations.

Recommendations

Based on our findings, The Institute of Leadership & Management recommends that:

- Collaborations start with relationships and taking the first steps to develop sustainable relationships means reaching out to new networks
- Organisational objectives will rarely map neatly onto partnership objectives. Partners need to be adaptive, flexible, able to compromise and articulate what success looks like as collaborations flex and develop.
- Don’t let your collaborative opportunity be impeded by misunderstandings. Be clear about the aims of the collaboration and how to go about realising them. Formulate clear and shared objectives for the collaboration and assess them at regular intervals.
- Trust underpins successful collaborations. Invest time to build trust, recognise having difficult conversations often contributes to better understanding in the longer term.
- Partners will rarely be evenly matched in terms of size or capacity for collaboration, be honest about the balance of power in a collaboration and how it impacts its aims and objectives.

Download our Collaboration Cards, practical advice and helpful hints to assist your collaborative activity. ([www.institutelm.com/landing-pages/collaboration-getting-it-right.html](http://www.institutelm.com/landing-pages/collaboration-getting-it-right.html))

Methodology

The research was undertaken using four interlocking focus groups, each with a separate moderator exploring a dedicated theme. The focus groups involved in total 20 executives drawn from a variety of areas including the charity and voluntary sectors. Discussions followed a semi-structured design. Themes for discussion within the focus groups were iteratively developed among the research team, based on literature review and expert consultation.

Focus group discussions were moderated by Institute staff, recorded and transcribed. Transcripts were coded according to top-level themes and iteratively re-coded using emerging themes as they arose in the data. Insights from the focus groups were analysed inductively by employing emergent conceptualisation (Eisenhardt 1989; cf. Goulding, 2002).

Respondents’ contributions were anonymised and identifiers were omitted from the transcripts. Research was undertaken in line with the Market Research Society (MRS) Code of Conduct.

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