Collaborative Networks Are The Organization

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Reflections on the Symposium

by

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Collaborative Networks Are the Organization was a unique opportunity for an invited international group of 42 participants from industry, academia, and consultancies to exchange ideas, experiences, and next best steps in growing collaborative capability across large and dispersed organizations.

The idea for the symposium came from the realization that most organizations do not have a capability for building and working in collaborative networks. While most people now know that they must bridge structural silos and successfully collaborate both within their organization and externally, there is considerable uncertainty about how to embrace this form of organization. We concluded that now was the time to organize an exclusive forum for the exchange of ideas, experiences, and next best steps in growing collaborative capability for strategic advantage across large and dispersed organizations.

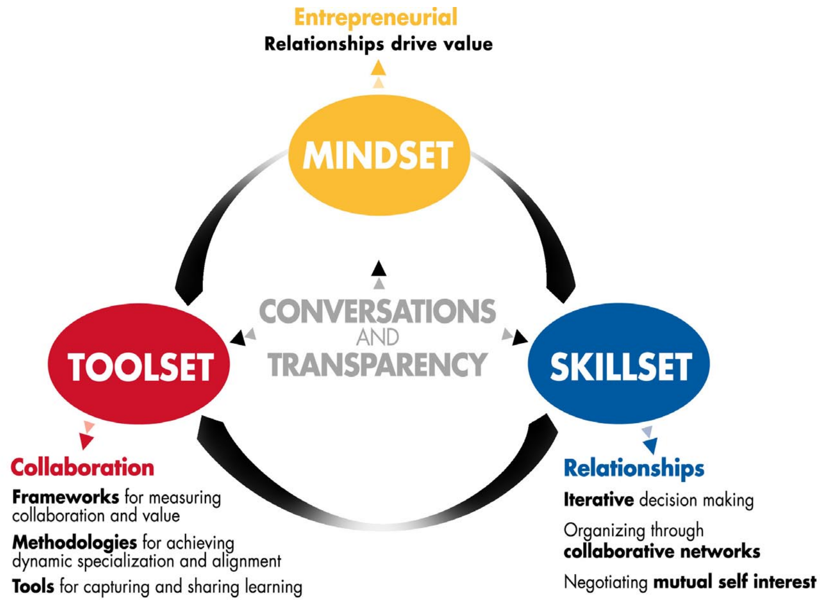
Based on the feedback we've received on the conversation that started on the evening of June 6th, and continued throughout the day on June 7th, it was clearly beneficial to get this group together. The diversity of experiences and perspectives in the room resulted in a rich, thought provoking, and at times challenging discussion that sets the stage for future conversations.

Common Language, Shared Meaning, and Mental Models

One of our reasons for bringing everyone together is that we often find people are using the same words to describe different things, or are describing the same things using different words. Without shared meaning, it is quite difficult to achieve any sort of alignment, communicate what is expected of people, or define success. Even among those of us assembled, different understanding and underlying mental models for describing collaboration and networks were apparent.

It was fascinating that the conversation would shift from an absolutist approach – either we collaborate or we don't – to describing collaboration as a continuum. It thus became clear the group had different ideas about what collaboration means. Our working definition is that *collaboration is an inclusive and reciprocal way of working and conducting business that spans organizational boundaries and hierarchy to achieve outcomes that create advantage for all parties to the endeavor*. We believe that thinking about collaboration as an all or nothing behavior leads to many of the difficulties organizations face when attempting to collaborate. When seen as a continuum, albeit one with discrete segments, all relationships can practice the desired degree of collaboration. The extent of collaboration desirable in any given relationship depends on the potential value of that relationship. How that relationship is managed depends on the extent of collaboration required to realize that potential value.

Several times throughout the day we talked about the important role mental models play, especially when the rate of change in the external environment adds uncertainty and complexity. To guide our thinking about collaborative capability, with input from several people participating in the symposium, we developed the model depicted on the right. Although there wasn't a lot of discussion about the specifics of the model there was a level of consensus about its key components – mindset, skillset, toolset, along with conversations and transparency. And, throughout the day our conversations made numerous references to the sub-elements of each component. We encourage you to add to and work with the model so that over time you have your own model of collaborative capability that translates well to your organization or to client organizations.



Commonality of Challenges

The commonality of challenges expressed across industries and the differing nature of the collaboration mirrors our experiences. There are certainly significant differences between for example, a research and development collaboration in pharmaceuticals, a sell-with alliance in high tech, and a customer-supplier collaboration in oil and gas. However, with an organizational model of collaborative capability, expertise and what works in one type of collaboration can be applied to other types without starting from scratch. That is not to say that a capability model will overcome all hurdles. It won't.

The good news related to these challenges is that there appears to be growing recognition at the highest organizational levels that the transformation has to happen. One of the challenges practitioners face is to leverage that recognition by identifying executives passionate about collaboration and willing to step up and help by "walking the talk" and exhibiting leadership. A related challenge that was talked about revolves around the issue of how organizations should support the people in making the transition. In addition to the passionate executive the organization needs to make collaborating part of people's day job as opposed to something they must do in addition to their day job. The additionality of collaboration has to become part of the culture of how works gets done.

Collaboration changes the nature of the risks one must deal with. One of the key risks of collaborating is due to the underlying degree of transparency needed and the richness of the information that is shared in a collaborative relationship. Shared mental models and agreed ways of working together are but two strategies for mitigating risk. In addition, the level of trust in the collaborative relationship also helps to offset the level of risk associated with it.

Certainly, there are many more challenges that are real and almost always present, including incentives that function at cross purposes, politics, protection and use of intellectual property that are common across organizations. They'll provide rich material for future discussions.

Managing Networks

In the conversation about the role played by various organizations and individuals in a multi-party collaborative network, we found the discussion about managing and leading networks quite interesting, especially when coupled with the discussion regarding formal and informal networks, hub and spoke or multilateral, emergent and purposefully constructed. Reflecting back on the conversation, it is clear we could have spent the entire day on this topic alone. It is also clear that there is no single answer. Different purposes are best met by different network structures. And there is a different role for the "network manager" in each case.

While many of us have our own name for that role (another example of the lack of a common language), the role is essential in formal, inter-entity collaborative networks. It is more of an entrepreneurial role (as Tim DeMello's luncheon talk emphasized) than a managerial role and thus a metaphor that conveys organizing and aligning is more appropriate so we refer to that entity as the choreographer. Rallying people and their resources around a vision is the chief job of an entrepreneur. The choreographer's job is to rally people and their resources around the vision for the collaboration. When two or more entities form an alliance or partnership, there is a new collaborative network formed that can be viewed as a new organization. It requires someone to hold the vision and be comfortable with the ambiguity inherent in creating and growing something new.

The choreographer must help all involved have a common vision of success and present a holistic view of the relationship. The choreographer represents the interests of all stakeholders to the collaboration. A non-partisan understanding of value is required to enable it to flow between and among parties to a collaboration. This give and get is the secret sauce that makes collaboration work.

Without a doubt, the choreographer's role is intellectually challenging and operationally sophisticated, requiring an understanding that one must give, while never forgetting that which one seeks to get within the specific context of the collaboration. It is often the ultimate example of influencing without authority. Over time, the hands-on fostering of the collaboration diminishes as relationships grow among the participants, but it is essential for getting a collaborative network up and running.

Mastering the Art and Science of Give and Get

The language issue was also present in our discussions about measurement and being able to communicate in a way that the C-suite understands by tying collaboration to value creation. Collaboration produces sources of value that impact the traditional outcome measures the corner office cares about, but segregating the additionality of collaboration is quite challenging and doesn't necessarily provide timely, helpful information for decision makers. So it is not surprising that organizations engaging in these networks are struggling to develop and implement adequate measures.

Indeed, because collaboration usually involves changing how work gets done, leaders must communicate in a language that allows all concerned to understand what is in it for them. As was discussed, the best way to help someone understand what working collaboratively can accomplish for them is to experience it themselves. The power of storytelling and anecdotes can help make that emotional connection. In fact, we've seen instances where the story was what engaged skeptical stakeholders.

Stories can describe the give and get of collaboration, the stream of relationship currencies that are useful to every party to the collaboration. Relationship currencies are the sources of value, such as access to a thought leader or decision maker, knowledge of a company's technology roadmap, or credibility through association, that are only available within the context of a relationship built on trust and reciprocity. When one understands the currencies that are important and useful to someone or to an organization, obstacles can vanish and innovative solutions materialize. The more collaborative a relationship, the more currencies are and must be exchanged to make the collaboration successful. And as was highlighted in one of the sessions, it is rarely a 50/50 exchange. Instead, the give and get plays out over time, keeping the relationship in relative balance. This is the art of give and get – using an iterative process to understand what is of strategic value to individuals, organizations, and fellow collaborators.

The science of give and get encompasses frameworks and tools for guiding the strategy and operations of collaborations and measuring their results. Accounting is the language that informs financial decision making. The give and get is what informs decisions about how to use relationship currencies wisely. From a traditional accounting perspective, relationship currencies are not counted unless there is a financial transaction that accompanies them, and even then it is from a transactional perspective, not a collaborative perspective. The asset that is then unaccounted for is *collaborative capacity*, the potential for value creation resulting from the accumulation of relationship currencies across a collaborative network. Using give and get as the basis for measurement and assessment provides network-level accountability and takes away much of the complexity, providing meaningful and actionable information for decision making about how to make the best use of people's knowledge, access, connections, and skills.

We greatly appreciate everyone's contributions to the symposium, the stimulating conversation, and the opportunity to engage with others who are as passionate about collaboration as we are.

Symposium Organizers

About Bentley

Bentley is a national leader in business education. Centered on education and research in business and related professions, Bentley blends the breadth and technological strength of a university with the values and student focus of a small college. Our undergraduate curriculum combines business study with a strong foundation in the arts and sciences. A broad array of offerings at the McCallum Graduate School emphasize the impact of technology on business practice, including MBA and Master of Science programs, PhD programs in accountancy and in business, and selected executive programs. Enrolling approximately 4,000 full-time undergraduate, 250 adult part-time undergraduate, and 1,270 graduate students, Bentley is located in Waltham, Mass., minutes west of Boston.

About The Rhythm of Business

The Rhythm of Business is a Boston-based consultancy and research group specializing in the emerging discipline of collaborative business. For more than 15 years we've built collaborative business models and managed networks of suppliers and partners. Through our consulting and educational activities we've developed comprehensive frameworks and measurement tools to enable executives to innovate and grow through collaboration. The Company offers a full range of services for growing an organization's collaborative capability and capacity. Our work spans both the civic and private sectors, from Global 10 corporations to entrepreneurial ventures, as well as with governments, not for profits, and international networks.