DOCTORAL THESIS

Title **THE MANAGEMENT OF INTERORGANIZATIONAL COLLABORATIONS**

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Center **ESADE –ESCOLA SUPERIOR D'ADMINISTRACIÓ I DIRECCIÓ D'EMPRESES**

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Dedication

This thesis is dedicated to those that will read it, think about it, and challenge it.

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It seems to me that, regarding the words that I manage to compile in this section, I would not be able to show proper gratitude to all those persons that have helped me during the development of this doctoral thesis. Mentioning them will be only one of the ways in which I would like to acknowledge their support.

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I thank my parents, Miquel and Núria, for encouraging me throughout all my studies. They showed me that if I wanted to walk, there was no better road that one that never ends. And finally, I thank my wife Mireia for her personal support and great patience at all times. I am afraid to tell her that this is not over at all.

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Contributions to Scientific Knowledge: Academic Publications

TABLE 1: Contributions to the Scientific Knowledge

Title	Peer-Reviewed	Journal	Status/Issue
Organizational Collaboration in the Public Sector: Do Chief Executives Make a Difference?	Yes	Journal of Public Administration Research & Theory ISSN: 1053-1858 (1)	Accepted for Publication
The Creation of Innovation through Public-Private Collaboration	Yes	Spanish Journal of Cardiology ISSN: 0300-8932 (2)	Published in Volume 65, Issue 9
Public Corporate Governance of State-Owned Enterprises: Evidence from the Spanish Banking Industry	Yes	Public Money & Management ISSN: 0954-0962 (3)	Published in Volume 32, Issue 2
Assessing the Implementation of Managerial Reforms in the Government of Catalonia	Yes	Public Money & Management ISSN: 0954-0962 (3)	Published in Volume 32, Issue 6
Empirical Evidence of Stakeholder Management in Sports Clubs: The Impact of the Board of Directors	Yes	European Sport Management Quarterly ISSN: 1618-4742 (4)	Published in Volume 11, Issue 4
Determinants of Network Outcomes:	Yes	Public Administration	Revise & Resubmit

The Impact of Managerial Strategies		ISSN: 0033-3298 (5)	
Public-Private Joint-Ventures: Mixing Oil and Water?	Yes	Administration & Society ISNN: 0095-3997 (6)	Revise & Resubmit
Networks Never Walk Alone: The Management of Network Portfolios.	Yes	Public Administration Review ISSN: 0033-3352 (7)	Under Review
Assessing Public Networks: Proposal for a New Unit of Analysis.	Yes	Edited Book Chapter ISBN: 978-1-78052-110-7	van de Walle S (2011) *New Steering Concepts in Public Management Research in Public Policy Analysis and Management*, Volume 21, 41–56. Emerald.
Innovation and PPPs.	Yes	Edited Book Chapter ISBN: 978-0-415-53959-3	Greve C & Hodge G. (2012) Rethinking Public-Private Partnerships; Strategic Approaches in Turbulent Times. Routledge.

The source of impact factors and rankings provided below is the 2011 Journal Citation Reports® published by Thomson Reuters in 2012.

(1) About the Journal of Public Administration Research & Theory

2011 Impact factor: 2.176

5-Year Impact factor: 3.192

Ranked 2nd out of 45 in Public Administration

(2) About the Spanish Journal of Cardiology

2011 Impact factor: 2.530

5-Year Impact factor: 2.131

Ranked 48th out of 117 in Cardiac & Cardiovascular Systems

(3) About Public Money & Management

2011 Impact factor: 0.598

5-Year Impact factor: 0.821

Ranked 25th out of 45 in Public Administration

(4) About the European Sport Management Quarterly

2011 Impact factor: 0.875

Ranked 19th out of 36 in Hospitality, Leisure, Sport & Tourism

(5) About the Administration & Society

2011 Impact factor: 0.730

Ranked 19th out of 45 in Public Administration

(4) About the Public Administration Review

2011 Impact factor: 0.836

Ranked 7th out of 45 in Public Administration

General Introduction

Observers of the public management landscape are witnessing an increase in the variety and complexity in the forms of collaboration between the public, the private, and the non-profit sectors (OECD 2005). However, research in the field of cross sector collaborations is still developing and has yet to fully examine the myriad organizational forms that have emerged in recent decades (Bovaird 2004).

During the past two decades, conventional bureaucratic solutions to the problems of government have increasingly been found wanting. Influenced by the tenets of New Public Management (NPM), governments across the globe have implemented a swathe of initiatives designed to tap into the human and material resources of the private and voluntary sectors. Within this context, inter-organizational collaborations have emerged as one of the most popular, though controversial modes of bringing cross-sectoral expertise to bear on complex social issues (see Hodge and Greve 2009; Kettl 2005).

Not only are inter-organizational collaborations deemed to be a new organizational form capable of meeting the challenges faced by today's public managers, but their increasing use is also attributable to the tangible benefits that they arguably bring to all the parties involved in the collaboration (Borys and Jemison 1989; Huxham 1996; Pollitt 2003).

The concept of inter-organizational collaboration has been broadly used (Thomson and Perry 2006). Inter-organizational collaboration is reflected in diverse collaborative activities: some works have focused on contractual relations among different actors (Hodge and Greve, 2007), while others have taken into consideration not only the formal aspects of the collaboration but also the informal aspects (Bardach, 1998). For instance, Krueathep, Riccucci and Suwanmala (2010) have thrown light on determinants of public collaborative engagement by considering inter-organizational collaboration as joint producers of policy programs started by organizations under study (Krueathep, Riccucci and Suwanmala, 2010).

Others, in contrast, have looked at collaboration determinants by taking a broader definition of inter-organizational collaboration: defining it as collaborative activities (formal and informal) among different actors (McGuire and Silvia, 2010). This has led to the use of conclusions from literature reviews that do take into account the different starting points. In this respect, some terminology helps to identify the literature that guides studies on inter-organizational collaboration. For example, some researchers use terms such as ‘collaboration’ (Agranoff and McGuire, 2003; O'Leary and Blomgren, 2009); while others refer to networks of individuals or organizations linked together (O'Toole, 1997; Raab, 2002; Meier and O’Toole, 2003); and others have narrowed their definition by looking at ‘partnerships’ (Teisman and Klijn, 2002; Bovaird, 2006; Wang, 2009). Some researchers even understand collaborations as contractor–provider relationships (Brown, Potoski and Van Slyke, 2006). This divergence in the consideration of the nature of inter-organizational collaborations can lead to the misinterpretation of results that may be contingent on a specific definition of collaboration. In other words, what may be true for contractor-provider relationships may not work in informal collaborative activities.

Moreover, literature on public collaborations includes collaborations that are only developed among public organizations (O’Toole and Meier, 2004); among public and private actors (Simmons, 2003); public and non-profit organizations (Shaw, 2003); or including various combinations with non-profit agencies (Bryson, Crosby and Stone, 2006). The same possible contingency in their findings should be considered when regarding actors that participate in collaborations.

In the present thesis, I use the definition of inter-organizational collaboration provided by Thomson (2001) as the definition is a comprehensive approach to the many different types of collaborations in which public organizations operate. Thus, collaboration is defined as a 'process in which autonomous actors interact through formal and informal negotiation, jointly creating rules and structures governing their relationships and ways to act or decide on the issues that brought them together; it is a process involving shared norms and mutually beneficial interactions' (Thomson, 2001).

Several researches have focused on diverse perspectives of collaboration among organizations. Inter-organizational collaboration is commonly defined as short or long-term voluntary relations between organizations concerning one or more areas of activity in which both parties regulate their future conduct *ex ante* by means of mutual forbearance and more or less formally specified contractual mechanisms (Gulati 1998; Dacin, Oliver and Roy 2007). These studies have concluded that inter-organizational collaborations have important advantages for organizations. Among other benefits, they facilitate to alliance engaged organizations the entry into new markets (Garcia-Canal *et al*. 2002); make possible access to unique resources and capabilities (Giulati 1999); increase market power (Eisenhardt and Schoonhoven 1996); enable the transmission, acquisition and exchange of information (Kogut 1991; Mowery, Oxley and Silverman 1996); reductions in liabilities of foreignness and help overcome government or trade barriers (Hagedoorn 1993; Zaheer 1995).

In the same vein, Anand and Daft (2007) argue that few organizations can go it alone under a constant onslaught of financial stress, changing technology, and new regulations. In a global economy, organizations have to have the ability to embed on profitable collaborations to maximize their main qualities and profit from the qualities of other organizations. From the economic perspective of the Transaction Cost Theory

(Williamson 1985, 1991), it has been proposed that collaborations are useful to reduce business costs (Buckley and Casson 1989). Thus, with globalization and rising competition, collaborations became the strategic option of choice (Chalhoub 2007).

Despite s long history of the study of multi-firm alliances in management literature, public administration scholarship on the formation and management of organizational alliances (especially cross-sectoral alliances) has not developed at the same pace (Fischbacher and Beaumont 2003). Public management scholars have assessed several characteristics of inter-organizational collaborations, such as how different styles of leadership will enable better collaboration performance (Huxham and Vangen 2000), or how managing conflicts becomes fundamental for achieving results via collaborations (Herranz 2008; Saz-Carranza and Ospina 2011).

Others have provided an overall viewpoint of how collaborations should be managed (McGuire 2002). While these studies provide important arguments for understanding how collaborations occur and how they should be managed, they only consider some of the variables that could affect these organizational forms.

When inter-organizational collaborations are developed with actors from different sectors, the complexity of such arrangements can increase. This is because the challenges presented by cooperation across public, private, and nonprofit sectors (Bryson, Crosby, and Stone 2006; Klijn and Teisman 2003) may compound those that characterize collaborative management in general (Agranoff 2003) as well as those identified in business to business alliances (Ring and Van De Ven 1994; Gulati 1998; Wood and Gray 1991). Mixing the distinctive environments, goals, structures and values of public, private and non-for profit organizations to achieve a common goal adds further complexity to the already complex task of alliance management.

To better understand how these complex organizational forms can be developed and managed I analyzed several aspects of inter-organizational collaborations between different sectors. The aim of this thesis is to provide empirical evidence on distinct aspects of the management of inter-organizational collaborations; more specifically, on the capabilities to develop collaborations, the determinants of the creation of such collaborations, and on distinct aspects of the successful development of these organizational forms. To this end, I collected evidence from several collaborations in Catalonia.

I first addressed the following research questions: 'Why do collaborations occur?' and 'What is the manager's role in the creation of inter-organizational collaborations?' Since the manager is the unit of analysis in this study, it was crucial to examine the role of a public manager in Catalan public organizations. This was not an easy task and involved extensive research to differentiate public managers from politicians, and understand these differences in the Catalan context. This study is summarized in the first article of this thesis.

After identifying the role of public managers, I conducted a survey among the chief executives of Catalan public organizations. I used Upper Echelons Theory to assess how the personal characteristics of chief executives influence collaboration, while controlling for environmental and organizational variables. This study provides empirical evidence on the determinants of inter-organizational collaboration within a cross sector sample of Catalan public agencies.

Secondly, I analyzed organizations formed by different sectors and in operation for several years: the State Owned Enterprises (SOEs). I took the opportunity of the current financial crisis to assess how the interests of different sectors affect the development of an organization. The focus was on the Spanish Cajas in this case. These organizations are interesting because they are formed by both private and public actors from the national, regional and local levels of the public administration.

Thirdly, I aimed to better understand how cross-sector collaborations occur. However, the focus was not on the public sector, but on the actors on the other side of collaborations: non-profit organizations. I conducted a survey among the executive boards of Catalan sports clubs to assess how they collaborate with public organizations and drew conclusions on how they might enhance the performance of such collaborations.

Finally, I explored what specific outputs could be achieved from organizational arrangements in collaborations. For this, I conducted a case study of the Catalan Blood and Tissue Bank and assessed how different collaborative arrangements facilitated innovation.

In this thesis, I used both qualitative and quantitative methodologies to better understand the complex process of inter-organizational collaborations. In the remainder of the thesis, each of the five articles is presented, followed by a general conclusion of their findings.

First Article: Assessing the Implementation of Managerial Reforms in the Government of Catalonia. Published at the Public Money and Management; with Francisco Longo.

(8 pages)

Assessing the implementation of managerial reforms in Catalan government: the development of professional public management

Francisco Longo and Marc Esteve

This article examines the extent of recent managerial reforms in Catalan government. The results were unexpected. Reforms which aimed to provide public administrations with more managerially-oriented frameworks are failing to embed in Catalan administrations, particularly in areas like accountability and incentives systems. This article will be of particular value in countries where the boundaries between politicians and managers coming from administrative careers in the public service are blurred, such as in Spain, France and Italy.

Keywords: Discretional sphere; deliberative argumentation; managerial reforms; political-administrative systems; professional public management.

Introduction

In the early 1980s, the management of public administration in most OECD countries underwent significant reform in a process called 'new public management' or 'NPM' (Aucoin, 1990; Hood, 1991; Barzelay, 2000, 1999; OECD, 2005). NPM was characterized by the adoption of business management methods (Dunleavy and Hood, 1994) focusing on 'the ideas of contestability, user choice, transparency and close concentration on incentive structures' (Hood, 1991). The new approach was quickly introduced into public administration research agendas and has served as a framework for a large number of studies over the past two decades (for example Broadbent and Laughlin, 1997; Sprigings, 2002). Recently, however, the assumptions on which the restructuring of public management was based have been increasingly called into question. Meier and O'Toole (2009), for example, questioned the extent to which NPM practices like contracting out and organizational flexibility actually led to performance improvements.

Reforms in public administration are evident not only in formal processes, but also in a gradual evolution toward a different set of values and an increase in the legitimacy of public servants as managers of public resources (Bresser-Pereira, 2004). There are a number of different approaches to developing public administration, but the underlying questions are always the same:

- How should management be understood in public administration?
- What is the role of public managers?
- How should public organizations be managed?

The concept of 'professional public management' (PPM) is a useful framework for measuring the development of public administration reforms. PPM refers to the organizational space occupied by those roles that have executive responsibilities within public administrations, and is aimed at differentiating politicians from public managers (see Longo, 2004, 2006). In recent years, the number of public managers and the degree of professionalization of public organizations has increased. Moreover, the role of PPM in political-administrative systems has been consolidated. In a context where the boundaries between politics and management are not always clearly drawn (Pollitt and Bouckaert, 2000), PPM sets out guidelines for the processes of implementing policy and delivering public services.

This article takes the position that a more developed public management culture is needed; however, we question the degree to which such reforms are actually taking place in public administration. This is developed by assessing the extent to which public organizations in Catalonia have adopted the PPM culture. The analysis provided in this study should be of interest to public managers

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and academics concerned with reforming public administrations. It will be of particular value in countries where the boundaries between politicians and managers coming from administrative careers in the public service are blurred, such as in Spain, France and Italy (see Barzelay and Gallego, 2010).

In the present article, we develop what Barzelay and Thompson called 'deliberative argumentation' (see Barzelay and Thompson, 2010). As these authors explain:

> *...deliberative argumentation consists of several elements: careful observation, thick description, normative reasoning about what constitutes a good outcome, and evaluation, reflecting different beliefs, values, and attitudes.*

Basically, deliberative argumentation is when researchers formalize advice out of practical evidence, such as a case study, to be implement in specific situations. In order to do this, our article first defines a framework for assessing PPM. Second, we apply the PPM framework to public administration in Catalonia. Finally, we draw conclusions to generalize our findings and propose guidelines for further study.

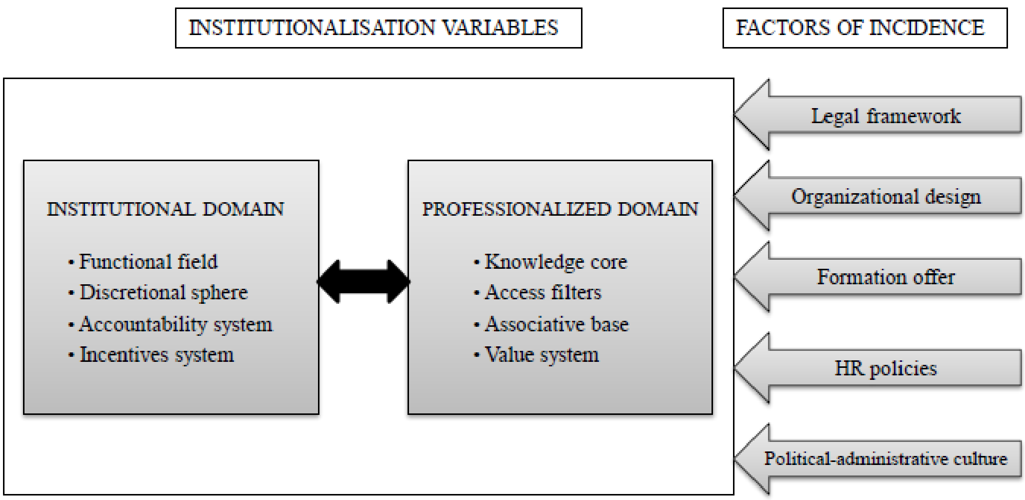
The PPM framework

Figure 1 outlines the links and interrelations between the different variables associated with institutional development under PPM.

There are two major categories of institutionalization variables related to the demand and supply sides of PPM. The first category of variables is related to the configuration of an institutional domain in which PPM can be implemented and successfully developed. We focus here on the four variables present in the institutional domain:

- *Functional field*: for strong PPM, every public organization needs to have a specific functional field differentiated from the political direction of the institution. This is best achieved when the director of the organization has advanced managerial capabilities and a moderated political role. Thus, professional criteria should be prioritized over the historically valuable qualities of trust and loyalty in the recruitment of managers.
- *Discretional sphere*: it is not possible to manage an organization without being able to consider available options and make decisions. Therefore, the extension of the activity domain for public managers and an increase in the autonomy of management are assumed to be the two main drivers of the discretional sphere. PPM gives public managers the power to implement public services by allowing them to make decisions in central management areas, such as the development of organizational strategy and the management of financial and human resources.
- *Accountability system*: by giving public managers more power, autonomy, and room to manoeuvre, a strong accountability system can be developed. An accountability system allows for the control of professional public managers through performance evaluations. As Gray and Hood (2007, p. 89) suggest, 'the huge amounts of public service activity and expenditure require for effective governance

Figure 1. PPM—analytical framework (after Longo, 2006).



a valid, reliable and timely method of measurement'. The core of public accountability should shift, therefore, from a simple assessment of the regularity and legality of procedures to a system that allows for the evaluation of managerial performance. The creation of such an accountability system need not be driven by the neo-Taylorist perspective, which seeks the simplicity of the confrontation of a goal with the result of an indicator; rather, accountability systems should be able to manage the complexity of implementing public policy. As Bardach (1998) notes, the process of measuring and evaluating results is not by itself the solution to all problems of accountability. Measurements of success should be designed not only for *post hoc* evaluation, but also as an important tool for developing a sustained dialog about ongoing performance (Dilulio, 1994).

- *Incentives system*, finally, the PPM framework also proposes that a regime of consequences related to performance evaluation is essential. Without this regime, any control system can be expected to become less effective over time. As Longo (2006, p. 74) states: 'The performance responsiveness is coherent with an environment with entrepreneurial public managers, compromised with the improvement of the results'. A balance must be achieved between positive incentives (for example higher wages) and more negative ones (linking job position to performance).

This article explores the degree of development of each of the above variables and evaluates empirical evidence about the degree of development of PPM in Catalonia, Spain.

Research methods

Individual semi-structured interviews, as well as focus group techniques, were used to collect the data for this study. As part of a larger project, individual and group interviews were conducted with 20 experienced public managers from Catalonia. Catalonia is an autonomous region of Spain with four provinces: Barcelona, Girona, Lleida and Tarragona.

The public managers who participated in the study were chosen according to two main criteria. First, they needed to be experts in Catalan public administration, in terms of their experience, knowledge, academic background, and their job. Hesse-Biber and Leavy (2006) argue that it is fundamental to ensure that people included in a study sample have specific knowledge, experience, or information about the topic studied. Second, we wanted to have each the four main types of public administration found in Catalonia represented:

- Direct autonomous government (the Generalitat de Catalunya—government of Catalonia), which is divided into departments (health, justice, interior etc.).
- Indirect autonomous government (autonomous entities, public companies, public entities that operate under company law).
- Direct local government.
- Indirect local government (autonomous entities, public companies, public entities that operate under private law).

Managers were contacted by phone, provided with an overview of the research project, and asked to take part in the study. From the final group of 20 managers, 15 were interviewed individually, and five participated in a focus group.

Our focus group session lasted 130 minutes. We used a focus study to complement individual interviews for two reasons. First, some of the managers in our sample were willing to participate in a group session, which was especially interesting for us because they represented the four types of organizations under study. Second, we are convinced of the value that this research technique has a data-gathering instrument for social science studies (see, among others, Fern, 2001; Morgan, 1993, 1996).

The 15 individual interviews lasted, on average, 70 minutes; 22 questions were asked. All interviews were recorded and later transcribed and coded by the researchers. We also considered the researchers' notes taken during each session.

Results

We present the results of the individual interviews and the focus group in two parts, according to the two main objectives of the research. The first related to the implementation of the four variables associated with the institutional domain of PPM, and their degree of development in autonomous and local Catalan administrations. The second was to assess the perceptions of public managers about the domain (regional or local) and the functional schemes (direct or decentralized) in which PPM has been successfully implemented, and in which the four institutional variables take on desirable values.

PPM development according to the conceptual variable of institutionalization

The managers in our sample agreed that, overall, the degree of PPM development in their organizations was insufficient and unsatisfactory. Moreover, when the values of the four variables were requested, the functional field and discretional sphere were seen as being more developed; the lowest levels were given to the accountability and incentives systems. So it seems that Catalan public organizations have not yet developed effective accountability and incentive systems. Public managers operate without a framework that rewards success and penalizes failure.

The managers interviewed had strong opinions about the accountability system, for example:

> *We have an endemic accountability problem.*

> *It's a disaster!*

Another interviewee recognized that there have been a few initiatives aimed at promoting better control, but said:

> *We have an accountability system that is misleading—a front for the enormous deficiencies that really exist.*

Some managers blamed themselves for the lack of accountability. They argued that managers have the responsibility to define their objectives, accomplishment indicators and expected results, and that without responsible managers who acknowledge their own role in the game, it is difficult to develop accountability measures.

None of the interviewees denied the importance of having more developed accountability systems. Those who were more critical explained that failures to develop effective accountability systems resulted from the technical difficulty of designing an effective scheme of performance and evaluation measures; from 'evil effects', such as discouragement among employees with managerial responsibilities or the political variability that affects strategic objectives; and from the size of their organizations and the nature of the public services they were offering.

Although rigorous accountability schemes for public managers are lacking, there are mechanisms in place for evaluating public policy objectives. Some managers said that systems should be developed to link those objectives to managerial performance. On the other hand, one manager said that much work still needed to be done in evaluating public policies:

> *I do not see any unity between the evaluation of policies and the professionalization of public management.*

Another manager stated:

> *If there are no objectives, there cannot be an incentives system.*

There were clear problems in terms of the best way of acknowledging a manager's achievements. For example:

> *It is not easy (and I am not sure that it has to be done) to establish a variable payment linked to accomplishment. This can be done in the private sector, but it is more complicated in the public sector... We must have incentives. However, this point has to be carefully analysed because of the lack of a well-developed evaluation system. What's more, perverse effects could be generated.*

One of our more optimistic respondents said that there were some informal incentives in place (the opportunity to attend conferences and study for higher degrees, for example), but they are not regulated, nor provided systematically. A participant in the focus group argued:

> *I do not know any incentive system. If it is not formalized, then it is not a system.*

The functional field and the discretional sphere were rated more positively, but opinions varied. Public managers pointed out that their organizations contain several positions for which managerial techniques are fundamental. These positions require a director with a more managerial than political profile. Such positions are appointed directly by politicians and not by formal selection mechanisms that ensure the competitiveness of the process. One interviewee said that the political affiliation of candidates and their relationship with the party counted for too much in the selection process due to a 'political culture' in Catalonia and more generally throughout Spain. However, some managers thought there had been a shift away from the importance of political loyalty to another kind of loyalty more in line with professional needs.

Regarding the discretional sphere, significant divergence in opinions was found. Some public managers claimed that the discretional sphere—the autonomy or the capacity to make decisions—does not exist. One of them categorized it as a 'real drama' meaning that this sphere was not developed at all although it was badly needed. However, there were some who said that managers have a high degree of managerial freedom, not only when defining strategic objectives and performance indicators but also on the operational side, where budgets and human resources are concerned, 'even if this is always framed by our legal framework', as one manager put it.

At one extreme, one interviewee claimed that managers were trapped by the strictness of human resources management and the absence of a strategic vision by the institutions' political leadership:

In this area, managers just sign contracts and pay salaries.

However, some thought that the inflexibility that is sometimes present in managerial actions can be overcome by 'seeking the limits of the law' to emphasize that managerial actions sometimes push the boundary of legal activities:

Here what you propose is what it gets done...[managers are responsible for] bringing the projects to the table.

One respondent said that the manager is always exposed to political influence or interference:

Many times, the manager hides himself behind the rigidity of human resources policy in order to avoid managing, and this is precisely the challenge for managerial actions.

Another said that:

Managers can influence the definition of the strategic objectives of their organizations...It is logical that political interference appears in the manager's tasks. This is not the problem. The problem is the degree of politicization or the level of interference that we must have. Ten per cent is acceptable. Or perhaps managers do not take on roles that require political competence? This is often the case.

PPM development according to the administration domain

In our sample the degree of PPM development perceived by managers working in local administrations (direct local government) is higher than that of managers working in autonomous administration (direct autonomous government). In addition, the average degree of PPM development for directors of decentralized organizations in the local sphere (indirect local government) is higher than that of their counterparts working in indirect autonomous government.

When managers were asked if local administration has higher levels of PPM development than autonomous administration, half the sample 'completely agreed' with this statement, 30% said they partially supported the statement; and 20% did not agree with it.

Among those who agreed with the hypothesis that local public organizations have more developed PPM than autonomous public organizations, there was also agreement about the reasons. In councils, public managers must have a well-developed professional profile and a significant degree of managerial freedom to be able to deal successfully with the everyday demands of the population, since these tasks are very close to local public managers: they must therefore pay more attention to their managerial acts.

Managers in intermediate positions partly agreed that local administrations have more developed PPM, although their opinions varied. Other participants also suggest that there is a lack of homogeneity among the Catalan councils. For instance, another manager asserted that he did not support the statement, mainly because:

Barcelona is one thing and the rest of the Catalonian councils are another.

Directors who did not agree with the statement suggested some interesting reasons why. One said that while examples of PPM could be found at local level, they were short-lived, lasting only for the period that the mayor promoting the initiative was in charge of the municipality. He also argued that these experiences had not been extended to the majority of councils, emphasizing a complete lack of PPM development in small municipalities, and stressing that they could not be compared to big ones:

...just 13 municipalities with more than 70,000 citizens, and because of that it is not true that only the municipality of Barcelona is making efforts to develop PPM...even those councils that are in between 10,000 and 70,000 citizens have made efforts to develop a more managerial public administration.

The institutionalization of PPM in Catalonia could not be tackled without addressing the main problems of the Catalan and the Spanish governments: the relationships between the labour forces and administrations over reform of the public sector:

> *Public servants, with all their features and privileges, as well as the labour forces, are the biggest enemies of the institutionalization of PPM.*

In favour of the opinion that the government of Catalonia has a higher degree of professional management, in contrast to local governments where managers are more exposed to political pressures, one interviewee stated:

> *...in local government, managerial actions are more subject to the wishes of the politicians in charge of the council.*

Managers were also asked whether they agreed with the following statement: 'There is a higher degree of PPM development in decentralized administrations than in centralized ones'. Ninety per cent 'completely agreed'; 5% partly supported the statement, and the remainder did not agree at all.

In addition, in the focus group, managers discussed some of the benefits of having PPM in decentralized administrations. Their views on the advantages can be summarized as follows:

- To have agencies with discretional spheres that allow public managers to make decisions with more freedom, and fewer restrictions, than direct public management organizations.
- To be out of the politics.
- To be oriented towards competitiveness and market logic.
- 'To be the captain of a smaller boat'.

Of course, these benefits should also be applied to centralized administrations. However, it was noted that the public enterprise model (representing decentralized organizations), is not applicable to all areas of autonomous government. For example, defence cannot be decentralized for obvious reasons, although some exceptions can be found (see Ortiz, 2010). In this sense, managers share the view that public administrations must be careful not to catch 'agency fever', as Pollittt *et al.* (2001) have warned.

Conclusions

A first insight is that two areas stand out as requiring attention in Catalan government: the accountability system and the performance incentives system. Efforts should be made to develop performance management frameworks based on both *ex ante* performance measurements and *ex ante* performance management (Broadbent and Laughlin, 2009).

It has been suggested that implementing these measures might lead to higher levels of bureaucratization in public administrations. However, it is important to distinguish between regulation and bureaucracy. As Hood *et al.* (1998) argued, the development of regulatory strategies is necessary for the development of public management reforms. However, PPM should also consider past critiques of managerial reforms within the public sector (see Diefenbach, 2009). This leads to our second conclusion which is that the management capacity of public managers in Catalonia needs to be improved. This requires well-developed accountability and incentive systems, together with an adequate functional field and discretional sphere.

Our third conclusion is that, with the exception of some isolated cases in the local sector or in decentralized agencies, Catalonia still lacks incentives systems devoted to the managerial activities of its public administrations. One public manager we interviewed argued that a results-based culture is needed.

Finally, a key element of PPM is developing the capacity to distinguish between politics and management in public administrations (see, for example, the German experience, described in Adam and Behm, 2006). As Gray and Jenkins (1995) propose, politics and management need not be divided entirely, but boundaries can nonetheless be set to ensure that both logics can coexist successfully, as they must inevitably do. In the line of the managerial reforms that most western public administrations are developing, the experience presented in this article highlights several policy implications for those countries where there is still not enough distinction between public managers and politicians. For instance, a practical example on these effects is provided by Gallego and Barzelay (2010) in their case study of Spain, highlighting the strong influences of politics in public management. Arguably, the existing politicization of the Catalan government may act as a potential determinant of the lack of performance evaluations in public organizations. As our interviews have shown, most public managers are still recruited and evaluated based on their political loyalties; because of that they tend to follow the lines set by the political party in charge. This culture of politicization is a serious issue when designing a performance evaluation system for public managers. Because of that, our fourth conclusion is that before performance evaluations or incentives can be effectively put in place, the culture of politicization around management positions should be curbed in Catalonia.

In this sense, the framework presented can be used as a reference to evaluate a country's degree of PPM development. After an initial evaluation phase, policy-makers will be able to set policies that enhance the institutionalization of the role of public managers. Whether this is focused on an accountability and incentives system—such as in Catalan government, or in the functional field or the discretional sphere, will depend on the characteristics of each government.

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Second Article: Organizational Collaboration in the Public Sector: Do Chief Executives Make a Difference? Published at the Journal of Public Administration Research and Theory; with George Boyne, Vicenta Sierra and Tamyko Ysa.

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Organizational Collaboration in the Public Sector: Do Chief Executives Make a Difference?

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ABSTRACT

Upper echelons theory suggests that the characteristics of chief executives affect the strategic choices of their organizations. In this article, we examine whether the characteristics of top managers make a difference to the extent of interorganizational collaboration in the public sector. Using survey data from 228 chief executives from Catalonia, we test upper echelons theory and control for top managers' institutional settings such as the size and the sector of the organization, as well as the socioeconomic context. The empirical results suggest that collaboration is influenced by the characteristics of chief executives; in particular, the extent of collaboration is affected positively by their educational qualifications and concern for self-development and negatively by their age.

INTRODUCTION

A major strategic decision that public managers face is whether to develop projects alone or in collaboration with other organizations (O'Leary and Bingham 2009). In order to understand how this dilemma is solved, several authors have paid attention to the determinants of collaboration (Alter and Hage 1993; Bardach 1998; Bryson, Crosby, and Stone 2006; Thomson and Perry 2006; Weiss 1987). In addition, more recently, an effort has been made to provide empirical evidence on the determinants of collaboration in public organizations (Krueathep, Riccucci, and Suwanmala 2010; Lundin 2007; McGuire and Silvia 2010; Mullin and Daley 2010; Smith 2009). These studies have examined explanatory variables such as resource dependency, task complexity, and problem severity.

Conversely, little attention has been paid to the characteristics of public managers and how they affect collaboration; we draw upon upper echelons theory (Hambrick and Mason 1984) to assess the effect of top managers' characteristics on interorganizational collaboration. Thus, following upper echelons theory, this article aims to add to research on the determinants of public collaboration by examining the role of the characteristics of public managers. The question that this article seeks to answer

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is whether chief executives have an influence on the collaborative activity of their organizations.

Hambrick and Mason (1984) further developed the cognitive view of the firm in the explanation of the strategic decisions and the outcomes of organizations. The cognitive view of the firm was developed by the authors of the Carnegie School who believe in a strong behavioral component of organizations (Cyert and March 1963; March and Simon 1958; Simon 1982), as opposed to the rational neoeconomic perspectives that were the mainstreams of organizational theory in the early twentieth century. The former theorists assume that strategic actions in organizations are strongly influenced by the managerial cognition of their leaders. From this perspective, it is acknowledged that there is too much complexity in the environment of an organization to support the idea of full rationality by senior managers (March and Simon 1958; Simon 1947).

In this vein, the major claim of Hambrick and Mason (1984) is that top managers matter to the development of an organization strategy. Upper echelons theory focuses on the person who is at the top of the organization and argues that the characteristics of top managers will affect how they interpret the external environment. In a nutshell, Hambrick and Mason (1984) posit that senior managers do not evaluate objectively their entire environment before taking a strategic decision, due to its complexity. Rather, they look at the environment through a lens formed by their personal experiences, values, and personalities. These are reflected in observable managerial characteristics such as the manager's age, tenure in the organization, level of education, and gender. Each of these characteristics can affect how the top manager interprets constraints and opportunities and can therefore be used to predict an organization's strategy (Ansell and Gash 2008; Hambrick and Mason 1984).

The responsibility that public sector managers have in pursuing collaborative strategies has been discussed in the public networks literature (O'Leary and Bingham 2009; Williams 2002). However, as Rethemeyer (2005) notes, this literature has not established definitive conclusions about the influence that public managers have on the formation of collaborations. Some argue that collaborations do not occur as a result of the choices of managers but rather because they face highly complex projects that cannot be developed alone. Thus, public managers do not have a critical effect in decisions regarding collaborations since these are "unavoidable," meaning that the only possibility for the project to be developed is via collaboration (see, e.g., Kickert, Klijn, and Koppenjan 1997). By contrast, Agranoff and McGuire (2003) reassess the role of public managers in interorganizational collaboration and consider them as crucial actors in their creation. According to this view, public managers have the discretion to decide if they want to achieve their organization's objectives via collaboration.

The remainder of this article is organized as follows. In the next section, we describe the work that has been done in the area of public administration regarding the determinants of collaboration. Next, we set out hypotheses on how the characteristics of public managers affect the collaborative activity of their organizations. The data and methods used in this study are then explained. Subsequently, we present the results of this study, consider the theoretical implications, and propose an agenda for future research.

PRIOR RESEARCH ON THE DETERMINANTS OF INTERORGANIZATIONAL COLLABORATION

Over recent years, there has been increasing research on the determinants of interorganizational collaboration in the public sector (McGuire 2006; McGuire and Silvia 2010; Mullin and Daley 2010). In this study, we draw upon O'Leary and Bingham (2009, 3) who define collaboration as a "concept that describes the process of facilitating and operating in multiorganizational arrangements to solve problems that cannot be solved or easily solved by single organizations. Collaboration means to co-labor, to achieve common goals, often working across boundaries and in multi-sector and multi-actor relationships." The decision to develop a project in collaboration is highly complex and is the result of several factors (Krueathep, Riccucci, and Suwanmala 2010). These factors can be classified into three categories as follows: the environment that surrounds the organization, its internal characteristics, and the characteristics of the chief executive. We now proceed to review the theoretical and empirical work on collaboration that has investigated these three types of explanatory variables.

Environmental Factors

A large body of literature suggests that organizational environments affect substantially the creation and development of collaboration (Hodge and Greve 2007; Koppenjan and Enserink 2009; Mandell and Steelman 2003; O'Toole 1997; Weiss 1987). An important part of the organization's environment is population density. Empirical studies suggest that organizations operating in municipalities with low density will collaborate more (McGuire and Silvia 2010). This can be attributed to the fact that the actors know each other and they are already familiarized with most of their possible partners who are likely to be geographically close to them. Furthermore, Krueathep, Riccucci, and Suwanmala (2010) argue that municipalities formed by citizens that share, to a large degree, the same occupation will collaborate more. For instance, if a municipality is mainly dedicated to agricultural activities, one would expect that its organizations end up by working together in some projects, since their activities are in the same field.

Arguably, public organizations are more likely to develop collaborations that take advantage of the capabilities of other organizations when they have to tackle complex problems (O'Toole 1997; Silvia and McGuire 2010; Weiss 1987). For example, in their study of local emergency management in the United States, McGuire and Silvia (2009a) explain how those managers facing severe problems were significantly more likely to solve them via collaboration. In addition, other studies report that those areas responsible for economic development, or environmental management, tend to collaborate more than areas such as education and cultural promotion, since managers perceive them as more complex (Agranoff and McGuire 2003; Krueathep, Riccucci, and Suwanmala 2010). Hence, public managers may rely on joint work with other organizations to ensure the development of critical projects (Steijn, Klijn, and Edelenbos 2011).

In a number of cases, empirical evidence has shown that public organizations that have to respond to several stakeholders, whose values and interests are in conflict, will collaborate more (Krueathep, Riccucci, and Suwanmala 2010). These authors state that such situations occur because public managers tend to use collaborations as a resource to accommodate, or at least to consider, the different demands of all the stakeholder groups. Thus, the more different are the demands of its stakeholders, the more the public organization will collaborate.

Lastly, McGuire and Silvia (2010) observe that the distance between municipalities and their state capital is negatively correlated with collaboration because state capitals host a significant proportion of the governmental bodies. The further the organization is from these possible partners, the less likely it will be to collaborate with them.

Organizational Factors

It has been argued that there are several organizational variables that influence collaboration (Blanc-Brude, Goldsmith, and Valila 2007; Bryson, Crosby, and Stone 2006; Krueathep, Riccucci, and Suwanmala 2010; Lundin 2007; McGuire 2009; McGuire and Silvia 2010; Mullin and Daley 2010; Smith 2009). For instance, public organizations that are formed as quasi-autonomous executive agencies have been identified as more collaborative than those that are embedded in government departments, whether at the local, regional, or national level (McGuire and Silvia 2010; Smith, 2009). This can be explained since collaborations need priori investments, both in terms of time and energy costs (Agranoff 2006); arguably, those public managers in executive agencies have more freedom to decide where to invest their resources, and as a result, they are more able to devote their resources to the development of collaborations (McGuire and Silvia 2010). Moreover, this independence can be accompanied by fewer resources within the organization, when compared with central government bodies, and this will also favor the development of collaborations (Smith 2009).

It is well established in the management literature that having standardized procedures can reduce the uncertainty of some managerial activities (Galbraith 1974; Mitchell and Nault 2007; Thomson 1967). Consequently, managers who can rely on written documents to clarify the steps that they have to take to form collaborations will be able to avoid some of the uncertainty associated with this strategy. For instance, Krueathep, Riccucci, and Suwanmala (2010) find that organizations that have standard procedures to follow when they have to develop interorganizational projects tend to collaborate to a greater extent. These standard collaboration procedures can be aimed to facilitate activities such as decision making with other partners or the distribution of responsibilities among all the actors involved in the collaboration.

Bryson, Crosby, and Stone (2006) propose that a major determinant of collaboration is the past experience of the public organization. More specifically, they suggest that having previous successful experience with collaboration will enhance the level of current collaboration. In the same vein, Ansell and Gash (2008) propose that those organizations that have had bad experiences with past collaborations will be more reluctant to engage again in interorganizational projects. Therefore, the success of the history of collaboration by a specific organization has to be considered when analyzing its likelihood of engaging in current collaborations.

Finally, organizational size has been also identified as a determinant of interorganizational collaboration (Krueathep, Riccucci, and Suwanmala 2010). Arguably, big organizations have higher resources because they benefit from economies of scale and can afford the risks and costs that collaborations entail (Graddy and Chen 2006).

Top Manager Characteristics

Environmental and organizational variables have dominated empirical work on explaining collaboration. However, there is another trend that is starting to emerge in collaboration research. This recognizes the importance of managers in decisions on interorganizational collaborations (see McGuire and Silvia 2010). The fundamental characteristic of this perspective is that the focus of analysis is not the organization solely but also its managers.

For instance, McGuire and Silvia (2010) include some characteristics of public managers in a model to explain why local emergency organizations engage in collaborative activities with other public organizations. By surveying 344 US local emergency directors, they find support for a relationship between public managers' education levels and their collaboration with other public organizations. In addition, those emergency managers who had attended training courses in emergency management collaborate to a greater extent than those who did not.

In a very different setting, Krueathep, Riccucci, and Suwanmala's (2010) study of the determinants of collaboration in Thailand local governments emphasizes the importance of environmental and organizational factors to collaboration. However, they also consider the impact of some attitudes of the politician who is responsible for the organization. In their findings, the authors suggest that the politicians' attitudes regarding the expansion of government affect collaboration. Politicians who have a conservative attitude toward the role of public organizations will develop more interorganizational collaborations. The explanation is that collaborations allow them to develop more projects without having to enlarge the government by hiring more public servants or creating more departments within the government. Although this study was on politicians rather than managers, the evidence is consistent with the view that individuals at the top of an organization can make a difference to the extent of collaboration.

Summary and Implications

The literature on collaboration presents substantial evidence that environmental and organizational variables affect collaboration by public organizations. Nevertheless, the evidence is limited in a number of important respects.

First, some of these studies focus on a specific field of activity, such as open space protection or emergency management, rather than exploring the multiple fields where public organizations operate. A second problem is that most studies only consider collaboration within the public sector, or even only with specific public organizations. Collaboration can occur with several types of organizations, whether these are public, private, or nonprofit. Collaboration can be understood as vertical, for example, if occurs between a federal government and a municipality or can be horizontal, for example, if two municipalities decide to develop a project together (Smith 2009). The literature on public collaboration has rarely considered the whole portfolio of collaborations of public organizations up, down, and across the public sector and between public organizations and private and nonprofit organizations.

The most notable deficiency in studies of the determinants of collaboration, however, is the neglect of the characteristics of public managers. Recent work on collaboration determinants has added some features of public leaders to the models explaining why public organizations collaborate (Krueathep, Riccucci, and Suwanmala 2010; McGuire and Silvia 2009a, 2010). Although these studies have added a few variables reflecting public managers' characteristics to their models, they have not been derived from a comprehensive model of the characteristics of chief executives that are likely to influence organizational strategy. This is because they were mainly focused on environmental and organizational variables. Therefore, they provide a limited assessment of the effect that public managers have on collaboration.

In order to remedy these deficiencies, in this article, we consider collaboration in its broadest sense, by analyzing vertical and horizontal collaborations with several types of organizations. Also our sample is not limited to a specific field of activity rather we consider numerous fields of the public domain. We also extend previous research on the determinants of interorganizational collaboration by applying upper echelons theory to understand the effect of chief executives on collaboration. In doing so, we follow McGuire and Silvia (2009b, 1) in their call for "examining the actions and behaviors of network participants." We take the public managers' characteristics as our explanatory variables, whereas controlling for organizational and environmental constraints. This will allow us to examine whether the characteristics of public managers affect the extent of interorganizational collaborations.

TOWARD A MODEL OF THE COLLABORATIVE PUBLIC MANAGER

We apply upper echelons theory (Hambrick and Mason 1984) to identify the characteristics of managers who may influence collaborative activities with other organizations. Drawing from the cognitive view of the firm, Hambrick and Mason argue that top managers make a difference to organizational strategy. This theory argues that the characteristics of the most senior manager will affect how he/she interprets the environment of the organization. Hambrick (2007, 334) identifies two major elements of upper echelons theory: (1) "*executives act on the basis of their personalized interpretations of the strategic situations they face and* (2) *these personalized construals are a function of the executives' experiences, values and personalities.*" Thus, managers' characteristics are likely to have a significant bearing on the organization's strategy. Many empirical studies from the management literature have tested upper echelons theory to relate senior managers' personal characteristics to a large subset of strategic decisions (see, among others, Carpenter, Sanders, and Gregersen 2001; Chatterjee and Hambrick 2007; Nadkarni and Herrmann 2010). For example, Eisenhardt and Schoonhoven (1996) report that factors such as the top managers' skills have an influence on strategic alliances.

What, then, are the specific characteristics of chief executives that can be expected to influence whether they lead their organizations toward more or less collaboration?

In order to answer this question, we consider the major concepts proposed by upper echelons theory (Hambrick and Mason 1984) and develop arguments on their potential relevance to collaboration by public organizations.

Manager's Age

Hambrick and Mason (1984) note that, for several decades, research has found that managerial age is related empirically to a large subset of organizational characteristics, and that the age of the top manager influences his/her strategic decisions. For example, young managers are more likely to expand their organizations by developing projects with other organizations, when compared with older counterparts (Child 1974; Hart and Mellors 1993). One possible explanation is provided by Barker and Mueller (2002) who report that younger managers are more likely to take risky decisions, such as an interorganizational collaboration. Another explanation is provided by the physical consequences of age for cognition. It has been noted that cognitive abilities diminish with age, and as a result, managers are less able to learn, remember, and reason (Bantel and Jackson 1989), making them less capable of implementing new ideas or developing new behaviors (Chown 1960). Finally, a third plausible explanation is that younger managers are more concerned with their career progression, whereas older managers seek job stability (Carlsson and Karlsson 1970; Hambrick and Mason 1984). It has long been observed that as managers get older they become more worried about their financial and career security (Carlsson and Karlsson 1970). This may be translated into older managers being less willing to engage in collaborations. Therefore, we hypothesize the following:

> *Hypothesis 1:* The top manager's age is negatively related to interorganizational collaboration.

Manager's Tenure

Grimm and Smith (1991) observe that organizations with long-tenured managers are less likely to develop new strategic actions; and, moreover, they are also less likely to contract out for the delivery of public services (Brudney et al. 2005). Public managers with shorter tenures may be more willing to collaborate to show that they are developing more activities as compared with those managers who have been in their positions for many years. Furthermore, Miller (1991) explains that most long-tenured managers tend to become "stale in the saddle" and ignore changes in their organizational environments since they become accustomed to the same type of activities. One of the reasons may be that long-tenured managers are less motivated toward organizational changes and prefer to focus their efforts toward the daily routine of their organizations (Hambrick and Fukutomi 1991). These arguments suggest that long-tenured managers will be more reluctant to collaborate because this will imply developing projects in a different setting that may not be familiar to them. Thus, we hypothesize the following:

> *Hypothesis 2:* The top manager's length of tenure is negatively related to interorganizational collaboration.

Manager's Formal Education

Education indicates to a large degree the knowledge and skill base of managers, and so is likely to influence strategic decisions (Bantel and Jackson 1989; Hambrick and Mason 1984). As an example, Bantel and Jackson (1989) develop this argument by linking the level of education of top managers of banks with their strategies, arguing that managers who are more highly educated will be more aware of the latest developments in the field of activity of their organizations. Similarly, McGuire (2009) finds positive correlations between the levels of formal education of emergency managers and collaboration (managers with graduate degrees reported higher levels of collaborative activities). Arguably, those managers with better education have more skills that provide them with confidence in their capacity to manage collaborations with other organizations. Therefore, we hypothesize the following:

> *Hypothesis 3:* The amount of formal education of the top manager is positively related with the development of interorganizational collaborations.

Manager's Functional Track

Hambrick and Mason (1984) argue that top managers tend to have a generalist perspective when managing their organizations, but they cannot avoid the effects of their field of training. Functional track is understood as the major area of study that the manager has pursued. For instance, it is suggested that managers who have studied degrees in health may have a different approach to organizational strategy than those who have studied economics. This is because in many nonbusiness degrees, the education programs offered by universities do not consider how to manage an organization. Instead, they are focused on the substance of each academic field. Therefore, Hambrick and Mason (1984) suggest that the manager's functional track must be considered as another important influence on the strategic decisions of organizations. Following this perspective, several studies have empirically corroborated the relation between the functional track of senior managers and their strategic decisions (Bamber, Jiang, and Wang 2010; Chaganti and Sambharya 1987; Jensen and Zajac 2004).

When analyzing the determinants of strategic mergers in public health organizations, Noordegraaf, Meurs, and Montijn-Stoopendaal (2005) found that managers with management education were more likely to develop mergers. A plausible explanation is that their education enables them to understand better the situation of their organizations and the possible benefits of collaborations. In addition, they may be less concerned by the uncertainty and the risks associated with collaborations, as they have knowledge and skills in how to manage these risks and uncertainties due to their management education. Therefore, we differentiate between those managers who have been trained in degrees that are business related (degrees in management, economics, and masters in business or public administration) and those who have been trained in nonbusiness-related subjects (e.g., medicine, biology, psychology, philosophy, history), and we hypothesize the following:

> *Hypothesis 4:* Managers with business-related degrees are more likely to engage in interorganizational collaborations.

Manager's Self-Development

The management literature suggests that the strategic activities of organizations will be affected by the degree of organizational training that managers have received (Bantel and Jackson 1989; Hambrick and Mason 1984). Moreover, the in-company courses that public managers have undertaken have been found to have a positive effect on how much they collaborate (McGuire 2009; McGuire and Silvia 2010). These studies report that managers attending more emergency management courses collaborate to a greater extent. A possible explanation is that, during these organizational courses, public managers meet other executives who can become potential partners in future collaborations. Indeed, as Bardach (1998) argues, collaboration rarely occurs between strangers. Therefore, managers attending the courses seem more likely to develop collaborations. Even when the courses do not have an explicit focus on collaboration, the skills that managers develop in these courses can help their daily duties, which, as Rainey (2003) states, include negotiating with their environment. Other research points to the importance of managerial proactivity in the success of collaborations (Goerdel 2006). Therefore, the number of courses that each manager undertook in their organizations may not only reflect the specific knowledge that they obtain but also serve as a proxy for their proactive personality. Thus, managers showing more self-development attitudes by attending in-company training courses may be more successful in negotiations with their environment, and this will give them confidence to develop interorganizational collaborations. These arguments lead us to propose the following:

> *Hypothesis 5*: The degree of the top manager's self-development is positively related to interorganizational collaboration.

Manager's Gender

Males and females differ in how they manage public organizations (Fox and Schuhmann 1999; Jacobson, Palus, and Bowling 2010; Meier, O'Toole, and Goerdel 2006). When comparing male and female managers' decision making, it seems that females are more willing to involve stakeholders in the process (Fox and Schuhmann 1999). Meier, O'Toole, and Goerdel (2006) argue that females manage organizations in a more flexible and participatory way, whereas male managerial styles tend to be more hierarchical and rigid. Therefore, it is conceivable that a public manager's gender may play an important role in interorganizational collaboration. Prior research has not addressed, to our knowledge, how the gender of the top manager affects interorganizational collaborations. One study comes close by assessing the relationship between public managers' gender and their networking activities with other actors (Jacobson, Palus, and Bowling 2010). The authors found differences in the networking contacts of males and females and that male managers tend to interact slightly more with some actors than their female counterparts. However, this study did not focus on collaboration but on the personal networking contacts of the managers. Regarding collaboration, evidence from the management literature suggests that female managers tend to adopt a collaborative approach when leading an organization (Aldrich 1989; Buttner 2001; Sorenson, Folker, and Brigham 2008). Female managers have been identified with a managerial style that places more importance on the development of inclusive relations with stakeholders and is more likely to define the organization's strategy based on concepts such as collaboration, cooperation, and participation (Wajcman 1998). Thus, we present the following hypothesis:

> *Hypothesis 6:* Public organizations led by female managers are more likely to engage in interorganizational collaborations than those managed by male managers.

METHODS

Data Sources

In order to test the above hypotheses, we use Web survey data from 228 chief executives in Catalonia. The organizations that were included in our study are executive agencies created by the local or regional governments. Executive agencies are public organizations formed apart from the government bodies to fulfill specific objectives and provided with their own staff and resources (James 2003). These organizations are accountable to and funded by a specific government body. In the case of Catalonia, these agencies can be created not only by the Catalan national government but also by local governments (Martínez-Alonso and Ysa 2003). Due to the lack of nonpolitically appointed managers in central Catalan government bodies, the strategic decisions developed in these organizations are rarely the result of an individual decision by a manager. Instead, they are taken by a political team (Longo 2008). By contrast, in executive agencies, there is an identifiable top manager who holds the responsibilities for the strategic decisions of the organization. Thus, the Catalan executive agencies represent a useful context for testing how top public managers influence collaboration. This was corroborated by informal interviews with public managers from different types of public Catalan organizations, prior to the sampling process. Since all executive agencies of Catalonia were included in the sample, it contains a large subset of services ranging from health to economic development projects. Table 1 shows the frequencies for each field of activity included in the sample.

The objective of the Web survey was to gather data from the top manager of each public organization. Only one respondent was used for each organization because the chief executive is most likely to know about the extent of collaboration across all organizational activities.

Before sending the Web survey, we checked the content validity of the survey constructs by conducting eight interviews. Three of the interviewees were academics with a deep knowledge of Catalan public administration, from the management and law domains; the other five interviewees—with titles including General Director, Director of the Health Public Enterprises, or Area Manager—were senior managers from different parts of the public sector, such as the national government of Catalonia or a local government, and from different fields, including health and economic development. The respondents were chosen according to their knowledge and experience in the different areas of the Catalan public sector. During the interviews, conducted by

Table 1
Frequencies for Fields of Activity Analyzed

Field of Activity	Cases (%)
Education promotion	10.6
Health care	17.2
House and urbanism	6.2
Water provision	2.2
Waste disposal	5.7
Environmental programs	4.0
Social communication and citizens participation	6.6
Transport and infrastructures	11.9
Tourism promotion	7.0
Sports and physical activities	4.8
Culture promotion and diffusion	15.9
Economy promotion	0.9
Others	7.0

one or two of the article authors, we covered a series of open-ended questions, and we also asked them to complete the Web survey to discuss any possible misunderstanding. These interviews, which had an average duration of 1 h, led to refinement of the construct definitions and the questionnaire items for the Web survey.

Subsequently, we conducted a pretest with a randomly chosen sample of our database ($n = 50$) to assess factors such as clarity of wording, the ease of completing the survey, and estimated completion time. This pretest allowed us to alter some of the questions, either by modifying the question formulation, or by deleting redundant questions, or by including new questions to better reflect specific concepts.

After the first two stages, the Web survey was sent to the complete sample in September of 2010, and a reminder was sent within three weeks. Overall, 380 responses were received, achieving a response rate of 30%. Even though this is a low response rate, it is still higher than those obtained in previous studies on collaboration determinants (Krueathep, Riccucci, and Suwanmala 2010; McGuire and Silvia 2010). As Hambrick et al. (1993) note, studies using upper echelons theory have often worked with response rates of 10%–12%; this is because the focus of these studies is on personal characteristics of chief executives, and they are not particularly eager to providing their personal details.

Since it was essential to ensure that the respondents were the chief executives of their organizations, several questions were aimed at confirming their status. Those cases where the respondents reported that there was someone in the organization with a higher level of managerial responsibility were withdrawn from the sample (representing 81 cases). Also, we dropped from the sample those cases where respondents were politicians instead of managers (representing 49 cases). Twenty cases were also withdrawn from the final sample due to lack of information on the dependent variable or on the questions aimed at distinguishing the managerial responsibility of the respondent. In addition, two cases were omitted since they came from private organizations. Finally, data for the socioeconomic context of each organization was gathered from the Catalan Institute of Statistics (Idescat) from the 2010 census.

Since this study is developed by using perceptual measures for the dependent and some of the explanatory variables from the same respondent, Common Method Bias (CMB) may occur (Podsakoff and Organ 1986). To reduce the likelihood that respondents "edit their responses to be more socially desirable, lenient, acquiescent, and consistent with how they think the researcher wants them to respond" (Podsakoff et al. 2003, 888), respondent anonymity was guaranteed, and this was emphasized in several parts of the survey. In addition, as these authors recommend, we segmented the questions pertaining to the predictor and criterion variables into different sections of the survey. Thus, CMB seems unlikely to be a significant problem in the context of this research.

Measurements

Interorganizational Collaboration

The concept of collaboration has had many interpretations in the public management literature (see for a discussion, McGuire and Silvia 2010). In order to operationalize this concept, we follow the argument by Koontz and Thomas (2006) that collaboration should be measured by actual activities, rather than just agreements between two or more organizations. Thus, we have built on a previous measure of collaboration activities used in several studies (McGuire and Silvia 2009a, 2010; Silvia and McGuire 2010). However, since these studies focused on emergency management, we have modified the measure by extending it beyond activities that are exclusively related to that context. In the informal interviews with chief executives, we asked them to identify the main activities that they undertake in collaboration. Finally, the following 11 main collaborative activities were identified as follows: (1) informal cooperation, (2) mutual aid agreements, (3) provide training, (4) receive training, (5) joint planning, (6) provide equipment, (7) receive equipment, (8) provide technical assistance, (9) receive technical assistance, (10) provide grant management, and (11) receive grant management. Each of the activities is assessed on a scale with six points according to the number of projects that the organization develops in collaboration with other organizations (from 0 collaborative projects to more than 50). Thus, in each of the 11 collaborative activities, the respondent assessed how many projects where being developed with other organizations (public national organizations, public regional organizations, public local organizations, private organizations, and nonprofit organizations). Those who report that they did not develop any project for a specific collaborative activity where assessed with a value of zero for that collaborative activity (out of the 11 collaborative activities), whereas on the other extreme, those developing more than 50 collaborative projects on that collaborative activity received a value of five. The dependent variable is an additive measure of these 11 activities that public managers may develop in collaboration with other organizations. Thus, the dependent variable is formulated as follows:

$$Y_i = \sum_{j-1}^{11} C_j$$

where for every organization (i), Y_i is the additive measure of collaboration, and C_j is a value that ranges from 1 (developing 0 collaborative projects) to 5 (developing more than 50 collaborative projects) for each of the 11 different types of collaborative activities (j),

Table 2
Frequencies for Collaborative Activities

	Frequency (%)					
Collaborative activity	0	1–19	20–29	30–39	40–49	+50
Informal cooperation	0.4	12.1	6.3	13.5	22.4	45.3
Mutual aid agreements	2.3	15.8	9.0	16.3	23.5	33.0
Provide training	5.0	17.6	13.1	23.0	21.6	19.8
Receive training	4.1	23.2	16.4	22.3	28.6	5.5
Joint planning	1.8	18.9	17.6	20.3	23.9	17.6
Provide equipment	7.3	22.0	18.8	27.5	17.9	6.4
Receive equipment	7.0	21.1	20.2	29.1	19.2	3.3
Provide technical assistance	4.1	21.6	28.0	19.7	19.3	7.3
Receive technical assistance	4.6	24.2	32.4	18.7	17.4	2.7
Provide grant management	43.6	31.3	16.1	5.2	1.9	1.9
Receive grant management	48.6	32.7	10.3	5.1	0.9	2.3

which ranges from 1 to 11. The values of Y_i vary from 0 to 55; those organizations with a zero value do not develop any activity in collaboration, whereas those with a value of 55 develop more than 50 projects in collaboration with other organizations for each of the 11 collaborative activities listed. Finally, the Cronbach's alpha of the variable is .92.

We are aware of the complexity that measuring a concept such as collaboration entails; of course, some organizations can engage in collaborations that go beyond the activities that we have listed. However, the measure does cover the tendency of each organization to collaborate. Table 2 presents the frequencies for each collaborative activity.

Manager's Characteristics

The explanatory variables we consider are the top manager's age, job tenure, formal education, functional track (area of specialization), participation in organizational training courses, and gender. *Age* was measured by asking them about their date of birth, to calculate the actual age of each manager. *Tenure* was measured by the number of years the manager has served in his/her current position. *Formal Education* was assessed by a 7-point scale (1 = elementary school, 2 = school, 3 = professional education, 4 = high school, 5 = bachelor, 6 = master, and 7 = PhD).[1] This was recoded into four categories (1 = nonuniversity degrees, 2 = bachelor, 3 = master, and 4 = PhD) because of the small number of cases in the first three points on the scale. The manager's *functional track* was measured by asking respondents about the field of their main formal education. The researchers then created a dichotomous variable (0 = nonbusiness related, 1 = business related) with those qualifications that were business related (such as business administration or economics), and those that were not (such as medicine, philosophy, or architecture). The degree of *self-development attitude* was assessed by measuring the in-company courses that managers had taken since they started to work at the organization using a

1 Note that in Catalonia those students who want to enroll in university studies must undertake a 2 year course that is known as high school (from 16-years to 18-years old). Thus, we refer to "school" as the period immediately after elementary school. In addition, students can undertake a 2 year course that is aimed at training them for specific jobs, such as plumber or sports instructor, among others. We refer to this as professional education.

5-point scale that ranges from 1 (very low) to 5 (very high). It should be noted that we did not measure the courses that the organization offers, but the courses that the manager had actually taken. Therefore, this measure is a proxy for the orientation toward self-development by each manager. Finally, *gender* was coded as 0 = female and 1 = male.

Control Variables

Following recent work on interorganizational collaboration determinants (Bryson, Crosby, and Stone 2006; Krueathep, Riccucci, and Suwanmala 2010; McGuire and Silvia 2010; Mullin and Daley 2010), several control variables were included in the analysis. These variables measure the organizational and socioeconomic context of collaboration. The first control variable is *size*, measured as a 7-point scale (1 = 0–5, 2 = 6–20, 3 = 21–50, 4 = 51–100, 5 = 101–500, 6 = 501–1 000, and 7 = more than 1 000) to assess the number of workers in the organization. Secondly, we measured *environmental complexity* to assess the divergence of the interests of the organization's stakeholders by asking the managers about the degree to which their stakeholders' interests differ (ranging from 1 = not differing at all to 5 = extremely differing). This is because the more complex is the organization's environment, the more the organization is likely to collaborate (Krueathep, Riccucci, and Suwanmala 2010). In addition, following these authors, we included a dichotomous variable to assess whether the organization had *standard procedures* to develop collaborations (0 = no, 1 = yes), since it has been argued that they are positively related to collaboration (Krueathep, Riccucci, and Suwanmala 2010). We also controlled for the manager's perception of success of previous collaborative activities by using a 5-point scale (ranging from 1 = not successful at all to 5 = extremely successful). Lastly, in line with previous studies of collaboration determinants (Krueathep, Riccucci, and Suwanmala 2010; McGuire and Silvia 2010; Mullin and Daley 2010), other control variables reflect the socioeconomic context of the public organization: *population density* of the municipality, if the municipality mainly had an *agricultural economy* (total number of workers of the municipality/workers of the municipality that work on the agriculture industry), and two dummy variables to control for whether the municipality contained the *province capital* and was a *rural area* (0 = no, 1 = yes). Table 3 displays the main descriptive statistics and correlation matrix with related p values for the significance tests of the quantitative variables.

Overall, it can be observed that the correlations between the explanatory variables are low or moderate (see table 3). Multicollinearity was assessed formally using variance inflation factors (VIF) and the coefficients were all below 5, indicating that multicollinearity should not be a problem for the interpretation of the regression results (Damanpour and Schneider 2009; Hair et al. 2006).

RESULTS AND DISCUSSION

Since our dependent variable—collaboration—is normally distributed (Kolmogorov–Smirnov test showed normality at $p < .001$), we conducted ordinary least squares regression analysis to evaluate the hypotheses. As shown in table 4, three different models are tested. The first one includes only variables measuring the characteristics

Table 3
Descriptive Statistics and Correlations for the Quantitative Variables Considered in the Analysis

Variable	*M*	*SD*	1	2	3	4	5	6	7	8	9
1 Collaboration	26.2	11.7									
2 Age	45.7	7.5	−.43**								
3 Education	2.6	.7	.44**	−.01*							
4 Self-development	2.7	1.1	.49**	−.19**	.43**						
5 Tenure	5.3	3.2	−.38**	.40**	−.35**	−.23**					
6 Populat Density	5860	6584	.22**	.08	.28**	.23**	−.16*				
7 Agriculture economy	.01	.03	−.05	−.22**	−.28**	−.23**	−.04	−.32**			
8 Size	3.4	1.2	.19**	.19**	.26**	.24**	−.08	.41**	−.41**		
9 Environmental complexity	2.9	1.0	.35**	−.31**	.40**	.33**	−.39**	.21**	−.15*	.10	
10 Success past	3.8	.5	.39**	−.09	.30**	.25**	−.15*	.06	−.06	.06	.13*

Note: *$p \leq .05$; **$p \leq .01$.

of the environment in which each organization operates. Model 2 also includes the organization's characteristics, and Model 3 adds the managerial variables.

Overall, the environmental characteristics explain little variation in collaboration (R^2 = 11.1%), but when the organizational characteristics are included, the R^2 rises to 31.6%. This improvement is statistically significant at $p < .001$. Finally, when the top managers' characteristics are taken into account, the model explains more than the 47% of the variation in collaboration. This improvement is also significant at $p < .001$. This lends support to the underlying thesis of this article that the characteristics of public managers need to be taken into consideration in order to understand why public organizations engage in collaborative activities.

Table 4 shows that the manager's age has a significant negative effect on collaboration. The relation indicates that an increment of 1 year in the manager's age will be related with a decline of 0.519 points in the dependent variable collaboration. This supports our first hypothesis that young managers will collaborate more than older managers. Thus, whether this is because young managers are more concerned with their career progression (Hambrick and Mason 1984; Stevens, Beyer, and Tryce 1978) or because they are less reluctant to take risky decisions (Barker and Mueller 2002), those organizations led by young managers collaborate more than those headed by older managers. Hypothesis 2, that managers with short tenures will collaborate more, was not supported. This finding is consistent with Krueathep, Riccucci, and Suwanmala (2010) who also report no relation between the manager's tenure and the extent of collaboration of their organizations. Managers who are newly appointed may have strong motives to collaborate, since they are keen to show results; however, they may not have well-developed leadership skills and lack contacts with potential partners (Krueathep, Riccucci, and Suwanmala 2010). In addition, chief executives with longer tenure might feel more secure in their organizational status, making them less averse to take organizational risks such as those that entail the development of collaborations. If so, these effects of short tenure may cancel out and explain why we do not observe any direct relation between the top manager's tenure and collaboration.

Table 4
Regression Results for Extent of Collaboration

	Model 1			Model 2			Model 3		
	Coefficient	*SE*	T-Stat	Coefficient	*SE*	T-Stat	Coefficient	*SE*	T-Stat
Population density	.000	.000	0.594	.000	.000	1.344	.000	.000	.984
Province capital	2.615	2.108	1.241	.720	1.890	.381	1.100	1.683	.654
Rural area	5.078	4.218	1.204	5.082	3.702	1.373	3.598	.065	1.100
Log agricultural economy	−.217	.753	−.288	.469	.677	.693	.118	.611	.194
Environmental complexity	3.124	.783	−3.991***	2.057	.719	2.860**	−.571	.727	−.785
Size				.851	.610	1.396	1.071	.553	1.937*
Standard collaboration procedures				6.102	1.748	3.491***	4.319	1.588	2.720**
Success past collaborations				7.135	1.171	6.095***	5.153	1.069	4.921***
Age							−.519	.095	−5.437***
Log tenure							−.934	1.275	−.732
Education							1.750	.977	1.792*
Functional track							2.046	1.342	1.525
Self-development							2.120	.594	3.569***
Gender							.807	1.417	.570
Constant	14.754	4.325	3.409***	−13.052	5.759	−2.267**	14.622	6.851	2.134**
F-stat	6.065			12.672			14.141		
Adjusted R^2	.111			.316			.477		
ΔR^2	.113***			.210***			.170***		

Note: $^*p \le .10$; $^{**}p \le .05$; $^{***}p \le .01$.

The results show that the top manager's educational qualifications are a significant predictor of collaboration, as expected. In the same vein as McGuire (2009), we found that the higher the final degree of the manager, the more the organization collaborates. We further analyzed these results by including a set of dummy variables in the model for each of the four categories of education (no degree, bachelor degree, master degree, and PhD degree). The results showed that the effect of education on collaboration is largely derived from the highest level of educational achievement: if the CEO has a PhD then the level of collaboration is higher. Different levels of education below PhD level are less important for the extent of collaboration. As Agranoff (2006) explains, managing collaborations is no easy job and requires specific managerial skills such as bargaining, negotiation, and leadership. In this sense, our results suggest that those managers who have acquired better skills due to their higher educational levels will be less reluctant to confront the managerial complexities that collaborations entail.

However, the field in which managers studied their university degrees does not seem to influence collaboration, differing from previous evidence (Noordegraaf, Meurs, and Montijn-Stoopendaal 2005). Our results do not show differences between managers with a business-related functional track and managers that did nonbusiness-related studies. This may be because education degrees in business-related fields (e.g., MBA) emphasize the importance of competition rather than collaboration (Giacalone and Thompson 2006), and this counteracts any effect of generic management education.

The coefficient for the self-development attitude of public managers provides clear support for Hypothesis 5. Managers that get out of their offices and participate in organizational courses tend to collaborate more. An increase of one point in the self-development scale is related with a rise of 2.120 in the variable collaboration. As suggested by McGuire and Silvia (2010), chief executives attending these courses can interact with other participants and make contacts with potential partners. The causal order between self-development and collaboration is difficult to determine, since it could be the case that some managers engage in more courses when they face the difficulties that collaborations entail. Nevertheless, our results are supported by previous research pointing to a significant link between the number of interactions that top managers have with other managers and collaboration (Goerdel 2006).

The results suggest that there are no significant differences regarding gender. Thus, Hypothesis 6 is not supported. Although the literature describes female managers as being more collaborative and cooperative when managing their organizations (Aldrich 1989; Brush 1992; Buttner 2001; Sorenson, Folker, and Brigham 2008); our results show that male and female public managers have much the same effect on inter-organizational collaboration. Hence, it seems that although female managers may be more collaborative in their managerial styles (Guy and Newman 2004), this does not affect the extent of collaboration of the organizations that they manage.

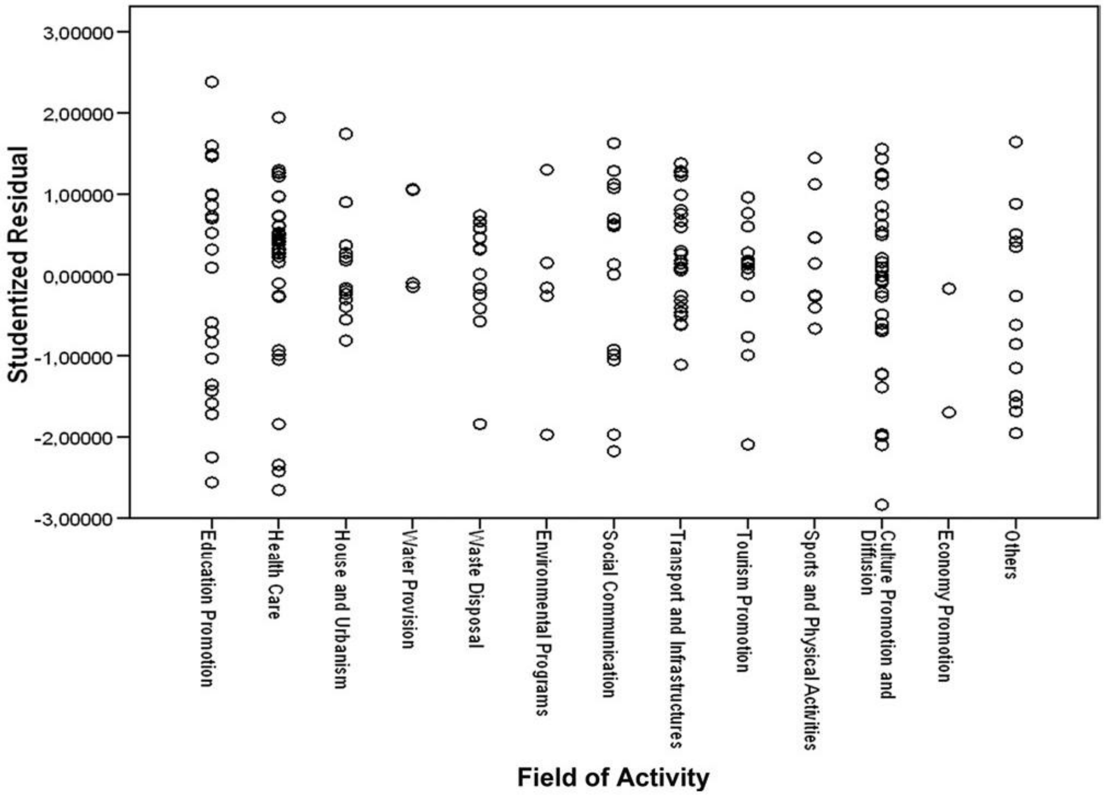
The insignificance of some variables such as the manager's tenure, functional track, or gender might be due to having too few observations to estimate regression coefficients with accuracy. Therefore, future studies should still consider their effect on strategic decisions.

The statistical evidence does not provide support for the argument that collaborations are influenced by the organization's environment. Actually, as table 4 shows, none of the five coefficients are statistically significant. Having a high population density, operating in the provincial capital, in a rural-based area or in a municipality that it is based on an agricultural economy, or operating in complex environments does not seem to affect the extent of collaboration. The different effects of environmental variables on collaboration that we have found in comparison with previous literature on collaboration determinants may be explained by the fact that we considered collaboration with public, private, and nonprofit organizations, and in several sectors. This differs from most of the studies that report effects of environmental factors since they were focusing on intergovernmental collaboration, and also in some cases, their analysis was narrowed to one sector of activity (McGuire 2009; McGuire and Silvia 2009a, 2010; Mullin and Daley 2010). For instance, in contrast to Krueathep, Riccucci, and Suwanmala (2010), we did not find an effect of environmental complexity, so having stakeholders with highly divergent demands does not affect collaboration. This may be because Krueathep et al.'s sample was city mayors rather than public managers. Mayors may be more sensitive to the opinion of different stakeholders and, therefore, use collaboration to try to avoid conflict between different stakeholder demands that can have a negative effect on their re-election. This may be why environmental complexity affects collaboration by organizations managed by politicians but not by those managed by chief executives. In addition, population density did not have a a significant effect on collaboration. It has been argued that low population density may increase collaboration because it enables diferent actors to better know each other; however, it can be the case that in environments with high population densities, the number of possible partners would be higher. This could counteract the effect of familiarity that exist between organizations operating in environments with low density populations.

Control variables referring to the effect of organizational characteristics do have a strong effect on collaboration. As Krueathep, Riccucci, and Suwanmala (2010) find, there is a positive relation between having standard organizational procedures to collaborate and the degree of organizational collaboration. In addition, our results show that the size of the organization also makes a difference to collaboration: organizations with more employees engage in more collaborative activities. As the literature on collaboration suggests, larger organizations will have more capacity to deal with the high resources that collaboration requires (e.g., high transaction costs) (Graddy and Chen 2006; Krueathep, Riccucci, and Suwanmala 2010). In this case, we also developed the analysis further by using dummy variables to discern if certain categories of the size variable had stronger effects on collaboration. The results show that the main effect is attributable to organizations that are very small, with less than 20 workers. These organizations tend to collaborate very little, whereas collaboration levels are fairly uniform for organizations that are larger than this, whatever their size. Finally, consistent with previous studies in the nonprofit sector (Goldman and Kahnweiler 2000), we find that success in past collaboration is strongly correlated with engaging in current collaborations. This is because successful collaboration in the past enhances trust between partners (Gulati 1995; Gulati and Sytch 2008), and as a result, managers are more willing to consider collaborating again.

We also assessed if the impact of chief executives is even stronger in certain circumstances. More specifically, we included interaction terms to assess whether the management effects are stronger in complex environments and small organizations. The attributes of chief executives that are associated with more collaboration (youth,

Figure 1
Collaboration in Each Field of Activity.



education, and self-development) may be even more important when the environment is complex and difficult to manage. Collaboration has been identified as a strategic solution to respond to complex problems (Bryson, Crosby, and Stone 2006). Similarly, the attributes of chief executives may have greater force in small organizations where straightforward and direct communication to staff of a procollaboration stance is possible. As table 5 shows, the effects of education and a concern for self-development are stronger when environmental complexity is high. By contrast, we did not find statistical support for the idea that chief executive effects on collaboration are stronger in small organizations. Thus, at least in this data set, the link between chief executive characteristics and collaboration is moderated by environmental complexity rather than organizational size. However, it is possible that our results are constrained by our sample and that the size moderator may emerge as significant in a larger sample.

Lastly, in this study, we are assessing collaboration in organizations from several fields. As noted earlier in the article, previous research has found significant differences between the field of activity of the organizations being studied and their collaboration levels (Agranoff and McGuire 2003; Krueathep, Riccucci, and Suwanmala 2010). To test this in our sample, we ran the Kruskal–Wallis test between the fields of activities, and we also assessed the studentized residuals of the Ordinary Least Squares (OLS). The Kruskal–Wallis test results show no statistically significant differences in the collaboration of public organizations across sectors (χ^2= 8.382, with a sig. = .755). Figure 1 illustrates the scatter plot of the distribution of the studentized

Table 5
Regression Results for Interaction Effects

	Coefficient Model 1	Coefficient Model 2	Coefficient Model 3	Coefficient Model 4	Coefficient Model 5	Coefficient Model 6
Population density	.000	8,645e-005	.000	.000	.000	.000
Province capital	1.090	1.324	1.461	.708	1.085	1.081
Rural area	3.581	3.733	5.776*	4.040	3.725	3.465
Log agricultural economy	.118	−.132	−.113	.199	.073	.160
Environmental complexity	−.854	−4.995**	−5.347	−.485	−.576	−.411
Size	1.066*	.973*	.571	5.246	−.462	2.215
Standard collaboration procedures	4.315**	4.563**	4.636	4.370	4.298**	4.196**
Success past collaborations	5.158***	5.164***	4.584	5.296***	5.248***	5.201***
Age	−.536**	−.498***	−.484	−.208	−.525***	−.515***
Log tenure	−.947	−1.025	−1.207	−1.088	−.837	−.911
Education	1.759*	−3.271	1.635	1.830*	−.194	1.722*
Functional track	2.049	1.998	2.083	1.901	2.071	2.141
Self-development	2.121***	2.014***	−3.387	2.003***	2.097***	3.579**
Gender	.808	.768	.734	.759	.692	.832
Age × environment complex	.006					
Education × environment complex		1.728*				
Self-development × environment complex			1.839***			
Age × size				−.088		
Education × size					.562	
Self-development × size						−.412
Constant	15.445	25.568**	29.763***	.124	19.588**	10.166
F-stat	13.129***	13.606***	14.854***	13.427***	13.230***	13.274***
Adjusted R^2	.474	.484	.507	.480	.476	.477
ΔR^2	.000	.009*	.031***	.006	.002	.003

Note: $^*p \leq .10$; $^{**}p \leq .05$; $^{***}p \leq .01$.

residuals for each field of activity. This supports the findings of the Kruskal–Wallis test, indicating no significant differences in collaboration across each field of activity.

Overall, the results of this study support upper echelons theory by showing that, after controlling for several environmental and organizational variables, the top manager's personal characteristics influence the decisions of public organizations to develop activities via collaboration. In the next section, the theoretical and managerial implications of these findings are discussed, as well as the limitations of our study.

CONCLUSION

The collaborative public manager has specific characteristics that have been the central topic of several studies (Fleishman 2009; McGuire 2002, 2006; Williams 2002). However, these characteristics have not previously been considered when developing models to understand why public organizations engage in interorganizational collaborations. Using upper echelons theory (Hambrick and Mason 1984), we provide empirical evidence that the personal attributes of top managers influence interorganizational collaboration. By analyzing data from a large sample of Catalan public managers, our results show that the personal characteristics of chief executives (their age, education, and orientation toward self-development) are strongly correlated with collaboration by public organizations. Our results are a starting point for considering how the characteristics of public managers influence several aspects of collaboration, such as its development or its performance. This represents a research opportunity to focus on the characteristics of senior managers when understanding the strategic actions of public organizations.

Of course, our evidence is limited in several ways that must be considered. The results of this study are very much contingent on how collaboration was measured. We addressed collaboration by assessing a subset of major organizational activities that public organizations can develop with others. However, the collaborative process is a very intricate concept that may encompass other perspectives that have not been considered in this article. Another important extension of this line of work is to include the significance that these collaborations have for each organization. In this vein, future research should measure not only the number of collaborations but also their intensity. In addition, we do not consider the motives that each organization may have to develop collaborations. How these motives mediate the relationship between the chief executive characteristics and the degree of organizational collaboration is an important research question that should be addressed in future studies. It would also be of how different governance mechanisms influence the likelihood of developing collaborations.

Furthermore, substantial work remains to be done to refine the conceptualization and measurement of the characteristics of chief executives in the public sector. For example, we considered the title of the manager's degree to evaluate if the manager had been educated in a business-related field. This measure covered most of the business-related education that managers receive, but it should be noted that some universities have a broad range of courses, and in some cases, these can be aimed at providing managerial skills to those students from nonbusiness-related fields.

Hence, future research should consider any specific business management education that the manager has received. Future studies could also include the effect of other personal characteristics (such as managers' risk-taking orientation, their degree of public service motivation, or their bureaucratic personality) to evaluate whether these core public management variables also influence the degree of collaboration in public organizations.

Regarding the generalizability of our results, it should be noted that our entire sample was formed by executive agencies. These agencies have been acknowledged to be more collaborative than central government departments (McGuire and Silvia 2010; Smith 2009), perhaps because of their quasi-independence. Thus, future studies should test whether senior managers have the same influence on collaboration in other types of public organizations.

In conclusion, our findings contribute to two growing streams of research: the impact of chief executives on organizational strategy in the public sector and the determinants of collaboration. This article is a first step toward recognition of the impact of top managers on interorganizational collaboration. This comes at a time where collaboration has become a fundamental activity for most, if not all, public organizations (Krueathep, Riccucci, and Suwanmala 2010). The evidence in this article suggests that collaboration is partly dependent on the characteristics of senior managers and that organizations seeking to expand their collaborative activities are more likely to achieve this if they are led by managers who are younger, highly educated, and keen to develop their managerial skills. More broadly, our evidence suggests that chief executives make a difference to organizational strategy and that upper echelons theory may be relevant to answering a range of public management research questions.

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Third Article: Public Corporate Governance of State-Owned Enterprises: Evidence from the Spanish Banking Industry. Published at the Public Money & Management; with Tamyko Ysa, Mireia Gine and Vicenta Sierra.

(8 pages)

Public corporate governance of state-owned enterprises: evidence from the Spanish banking industry

Tamyko Ysa, Mireia Giné, Marc Esteve and Vicenta Sierra

This article provides a framework for public corporate governance combining two main components: traditional corporate governance (via governing bodies) and multi-level governance (via regulation). We provide evidence from the publicly-owned Spanish savings banks ('cajas'), which have a conflict between their two main goals: operating efficiently and maximizing the reach of their welfare projects. The case may have lessons for policy-makers in the 80+ countries that have some government ownership of banks, and for managers muddling through public corporate governance.

Keywords: Banking crisis; corporate governance; multi-level governance; political influence; state-owned enterprises.

With the current economic crisis, the Spanish banking system has been under stress, and savings banks or 'cajas', in particular, which were largely public entities, have been going through a major reorganization. Cajas carry significant weight in the Spanish banking sector—they represent half of the market share for loans and deposits and have experienced strong growth since 2000. However, they have also accumulated a high percentage of loans to the Spanish real estate industry and, therefore, suffer tougher problems of solvency than the private banking sector. This lack of solvency has triggered a process of integration that highlights the public nature of cajas and the conflicts of interest between regional government and national government. The objective of this article is to examine the drivers behind each integration and, more specifically, to study how the tension between the different levels of government is shaping the reorganization.

Cajas share a public status common to other not-for-profit savings sectors in many European countries, such as Austria, France, Germany, Italy and Russia (ESBG, 2009). They share a similar origin (founded by local or regional governments, churches, welfare societies and trade unions) and common goals to promote savings and provide lending to businesses and individuals in the region. This array of goals, which encompasses social and economic development, is one of the main features of cajas. In addition, cajas have an ownership structure involving various stakeholders: depositors (savers), local and regional governments, founders and employees. Moreover, national and regional regulation has translated this stakeholder ownership structure into different representative structures in the governing bodies of individual cajas. That is, the legislator has determined the power of the governments and decision-making authorities in these institutions: both the general assembly and the board of directors have substantial representation of local and regional governments (up to a maximum of 50% of voting rights until July 2010, and from then onwards up to 40%). Within this governance framework, the need to reorganize the sector and find new efficiencies across cajas has required the public sector to play an important role at several different levels: this is public corporate governance.

This article present an overview of the Spanish state-owned banks and the governance characteristics that sets them apart from private banks. We discuss the multi-level governance structure of cajas and examine the drivers behind the reorganization of the Spanish banking system.

Cajas in the Spanish banking industry

Spain's public savings banks are an important network that have been increasingly competing with private banking institutions since the liberalization of the banking system in 1977

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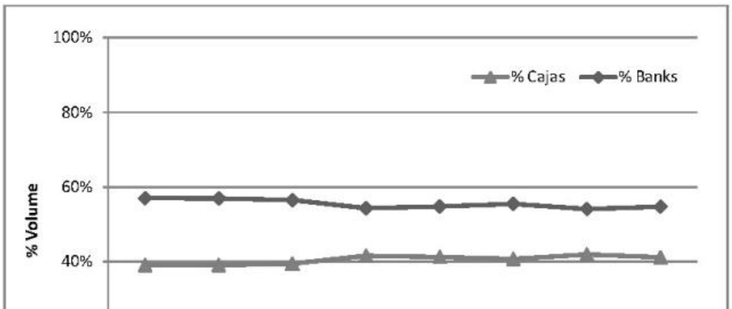
(see figure 1 and González *et al*., 2011). Cajas are credit entities with a strong commitment to promoting savings; they focus on the development of domestic economies and small businesses by providing an extensive network of offices; and they retain an important role in financing regional economies. Cajas are required to distribute part of their surpluses to social and cultural projects. These so-called 'social dividends' reflect the not-for-profit nature of cajas, which may often conflict with value maximization goals (Illueca *et al*., 2009). As García-Cestona and Surroca (2008, p. 583) indicate: 'Spanish savings banks pursue, by law, a wide set of goals. Furthermore, given the absence of shareholders, making a profit becomes only one among several measures of success'.

Another important characteristic of the cajas concerns their links with both local government and autonomous communities (regional government). Local and regional governments can control up to 50% of a caja and, at the same time, regional governments regulate the activities of cajas in their territories. The result is that: 'Cajas are an unusual segment of the Spanish financial sector, characterized by heavy political involvement; as a result, moves towards changing the regulation of the segment are continuously being discussed' (Cuñat and Garricano, 2009, p. 2). Two striking institutional features set cajas apart from private Spanish banks:

- Cajas cannot raise capital by issuing shares. This limitation has forced cajas to grow either by using debt to access capital or by merging with other institutions. In this respect, there is asymmetric competition with the private banking sector: while cajas can acquire privately-owned banks, their ownership structure means that banks cannot acquire cajas. Moreover, cajas are not quoted on the stock market. The fact that cajas are completely isolated from the market of corporate control eliminates an important source of discipline for its managers. In contrast with other banks, cajas are not susceptible to takeover if they underperform.
- Instead of shareholders, cajas have a complex system of stakeholders that includes the founding entities, the regional government, municipal corporations and their employees. Thus, they do not represent only the organization's owners, as shareholders do; they represent the organization's environment.

Figure 1. Comparison of cajas and bank percentages in terms of the total Spanish banking system—in assets. (Data from the Bulletin of the Bank of Spain—see www.bde.es.)



Given the lack of shares, the distribution of voting rights within the governing bodies is determined by law. Cajas have three main sources of regulation: the national government, which regulates the minimum common framework for cajas in Spain; the Bank of Spain (the central bank); and the regional governments, which have the power to regulate the management of cajas established in their regions. Thus, cajas have three main governing bodies defined by national legislation: the general assembly, the board of directors and the control commission. In addition, regional regulations have established different stakeholder categories and their corresponding voting rights in the general assembly, the senior governing body. The distribution of representation follows (minimum–maximum percentages): public sector organizations 50%, depositors 25–50%, founding bodies 5–35%, employees 5–15%, and 'other' (business organizations, universities etc.) maximum 10%. The size of the general assembly varies between 60 and 160 members, depending on the institution.

Next, the board oversees management and defines the strategy of the organization. The board also represents the different stakeholders, but here its membership is smaller, between 13 and 20, and its composition is not strictly in proportion to the general assembly (Melle, 1999). The board appoints the executive director and has the power to fire him or her. It is also possible for the president to be the executive director. Table 1 shows the representation structure of the boards of directors of two important Spanish cajas: La Caixa and Caja Madrid.

Finally, the control commission has between five and 15 members and its role is to monitor the board and report to the central bank. In a nutshell, this structure of representation and control induces potential conflicts of interest among the myriad stakeholders who make up the governing bodies. Seen through the lens of agency theory, these institutions exemplify a serious governance challenge. The existence of multiple stakeholders with actual governing 'voice' may generate problems in deciding value-maximizing strategies for the cajas. It may also generate weak internal corporate governance mechanisms, poor monitoring and lack of systems to discipline management.

Table 1. Board representation.

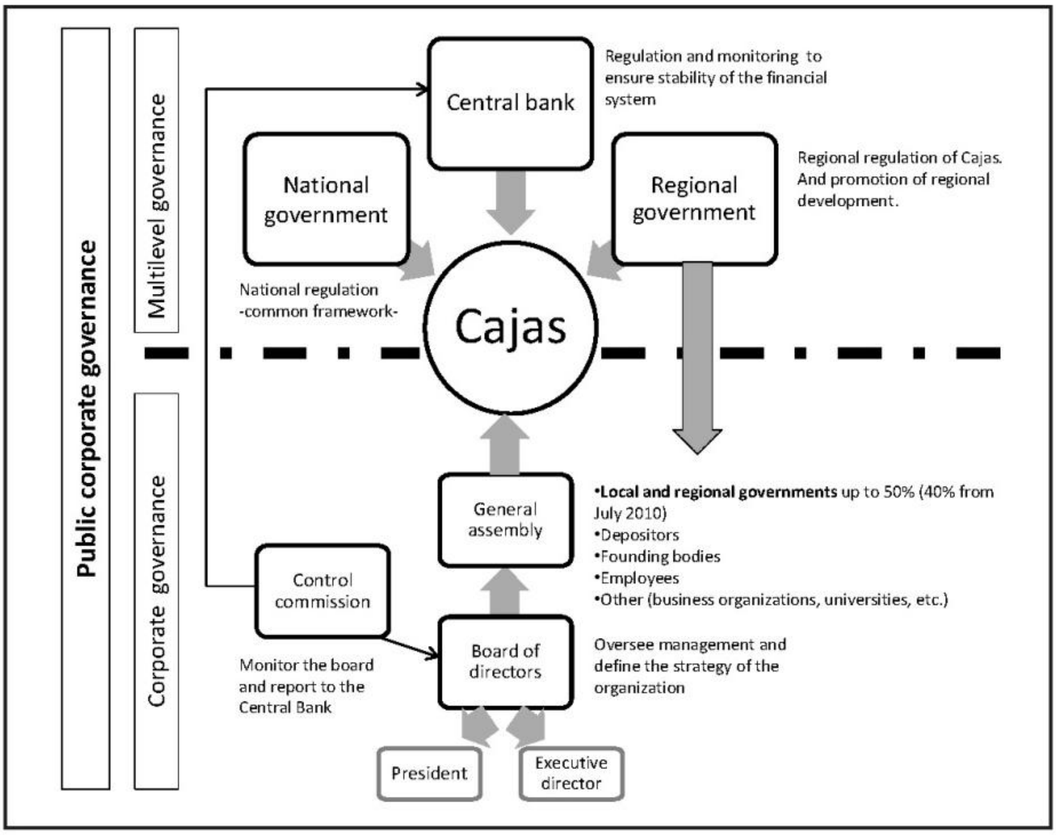
	La Caixa	*Caja Madrid*
Representatives	*No. of board members*	*No. of board members*
Public administrations (local and regional governments)	4 (19%)	10 (47%)
Representatives of depositors	8 (38%)	7 (33%)
Founder entities	6 (28%)	0 (0%)
Employees	3 (14%)	2 (9%)
Representative entities		2 (9%)
Total	21 (100%)	21 (100%)

Source: Constructed using data from corporate information published on the cajas own websites 2010.

The role of the public sector: multi-level governance in Spanish cajas

The OECD (2005) defines banks with public participation by national and/or regional governments as state-owned banks—such as Spanish savings banks or cajas. This participation is represented in the board of directors of the bank, and its ownership percentage can vary from a minority to more than the 50%, depending on the country (OECD, 2005; Ianotta *et al.*, 2007). In the Spanish case, there is also a regulatory channel that regional governments can use to exert power over cajas given that, from 1985, the Spanish Constitutional Court recognized that the regulation of cajas should be granted to regional governments (as part of the devolution process). Figure 2 shows the different routes that regional governments can use to influence

Figure 2. Cajas' public corporate governance.



the governance of cajas.

Given this regulatory framework, the risk of politicizing the governance of these entities has always been a source of conflict (Melle and Maroto, 1999; Azofra and Santamaría, 2002; La Porta *et al.*, 2002; Sapienza, 2004; Fonseca, 2005). Each regional government has developed *ad hoc* regulatory solutions to preserve the control inside their territories, for example, the maximum age at which presidents can retire, or the veto power for approval of mergers. Until July 2010, under Spanish

Table 2. Map of integration processes of Spanish cajas following the banking crisis.

Process	*Savings banks involved*	*Type*	*Within/ across regions*	*Assets in (in euro M)*	*Requested aid from FROB (in euro M)*
1	CATALUNYA CAIXA Catalunya Tarragona Manresa	Merger	Within	76.649	1.250
2	UNNIM Sabadell Terrassa Manlleu	Merger	Within	28.548	380
3	La Caixa Girona	Merger	Within	271.338	
4	Cajastur CCM	Acquisition	Across	[See process 5]	
5	BANCO BASE CAM Cajastur-CCM Caja Cantabria Extremadura	IPS	Across	125.562	1.493
6	BANCO MARE NOSTRUM Murcia Penedes Sa Nostra Granada	IPS	Across	71.026	915
7	Unicaja Jaen	Merger	Within	54.817	
8	BANCO CAJA 3 CAI Circulo Badajoz	IPS	Across	20.145	
9	BANCO FINANCIERO Caja Madrid Bancaja Insular Laietana Avila Segovia Rioja	IPS	Across	334.508	4.465
10	NOVA CAIXA GALICIA Galicia Caixanova	Merger	Within	75.549	1.162
11	CAJA ESPAÑA-DUERO Caja España Caja Duero	Merger	Within	46.017	525
12	BANCA CIVICA Cajasol Guadalajara Navarra Burgos Canarias	IPS	Across	71.306	977
13	Cajasur BBK	Acquisition	Across	47.000	
14	BBK Kutxa Vital	Merger—failed but door left open for talks	Within	78.300	

legislation, regional governments could veto unwanted mergers or integrations.

Moreover, regional governments can use the law to distribute the benefits to social and cultural projects in their region. Key regional development projects are carried out with financial support from the regional caja (Melle and Maroto, 1999; Azofra and Santamaria, 2002; Fonseca, 2005). The interplay between social-economic and political interests is a lever for these types of project. Indeed, the territorial and identity component of the cajas has always been an important factor in their social integration and economic success.

Cajas have acted for the benefit of the general public by complying with their social function: 'cajas benefits devoted to social goods and services in the regions has been a supporting feature of the Spanish welfare state' (General provisions of cajas law, L11/2010). Currently, 88% of cajas have collaboration agreements with the public sector regarding welfare services (CECA, 2010). This is done through the cajas' 'obra social'—in 2009 1.775 million euro was invested in welfare projects by the cajas' obra social (almost the same amount that Spain received in structural funds from the European Union: 1.845 million euro).

The cajas' obra social spending is focused on (in 2009): social welfare and health care (41%); culture and free time (33%); education and research (17%); and historic and natural heritage (9%) (CECA, 2009). The obra social can be substantial institutions—for example the La Caixa Foundation and the Caja Madrid Foundation rank third and sixth among the top 50 European foundations by expenditure (*Philanthropy in Europe*, 2010). The foundations are required to invest in the regions where their cajas are based.

In sum, cajas, as state-owned banks, operate with dual objectives: they seek profit maximization like any other commercial bank; but they also provide financial support to economic and social activities in their regions (Apreda, 2006).

In the next section, we present the outcomes of the restructuring process due to the financial crisis. Data for our analysis came from the following sources: national regulators, regional regulators, orders of the central bank, policy-makers' public declarations for three years (including the president of Spain, the ministry of economy, the president of the central bank, the presidents of regions and ministers, and European commissioners) and stakeholders (presidents of cajas, representatives of the confederation of the cajas: CECA, trade unions, and think tanks).

The restructuring of the Spanish banking industry

Cajas have an important role in the Spanish financial system. García-Cestona and Surroca (2008) state that: 'the market share of savings banks in 2004 was slightly higher than that of commercial banks: 48% versus 47% in the loan market and 52% versus 42% in the deposit market'. Since the 1990s, there has been a dramatic expansion of cajas' branches, as well as volume of assets. Moreover, cajas have expanded out of their regions as a result of aggressive growth in lending and reallocation within the loan portfolio. There has been a shift away from safer lending towards riskier commercial and mortgage lending. For instance, the share of real estate loans on the cajas' books in 2006 ranged from 10%–50%. These percentages are extremely large considering that, by the end of 2008, the volume of loans to real estate developers and builders amounted to almost 500 billion euro—equivalent to 50% of Spain's GDP (Cuñat and Garicano, 2009). Indeed, this increase in debt in a sector with high default rates (around 5.05%) has generated severe solvency problems and prompted the current reorganization of the Spanish banking sector.

In 2008, the central bank required the cajas to reorganize to ensure their financial survival. Reform focused on two areas:

- Cajas under the greatest economic stress were urged to merge.
- The Spanish government was pressured to legislate in order to reduce the powers that regional governments had over the cajas.

The central bank's plan was based on three ideas: cajas needed to rationalize their resources; this could be achieved through mergers; and, if needed, financial assistance would be provided by the central bank's fund for orderly bank restructuring (or FROB). The adjustments needed to be completed by the summer of 2010.

The FROB is a public entity concerning bank restructuring and reinforcing the equity of credit entities. Access to FROB funds (with an initial allocation of 9,000 million euro) is conditional on cajas reorganizing their extensive branch networks and resizing via integration. One of the reasons behind the haste to use FROB (approved in July 2009) was that the European Commission had approved the Spanish recapitalization scheme with a time limit by which the process had to be completed.

By December 2010, 40 of the 45 cajas had restructured—see table 2. By mid 2012, the number of cajas was reduced to 19 as a result of mergers, institutional protection schemes (IPSs), or acquisitions.

Three integration mechanisms were used: in 15% of the cases were acquisitions; 46% of the cases were mergers; and 39% were IPSs. One innovation in the integration process is the use of a new restructuring formula: Institutional Protection Schemes (or IPS), also called virtual or cold integration. Integration under IPS allows entities to operate separately within their own territories, maintaining their own legal personality, commercial brand, governance systems, and regional commitment, but functioning as a single group regarding risk policies and management: credit risk, market risk, liquidity risk, interest rate risk and operational risk. Instead of creating one new entity from the union of others, a new, higher organizational entity (an umbrella organization) is formed. This formula allows operational integration in the form of shared services, technology and additional commercial networks. In these cases, the central bank must approve the project, and this requires the presentation of a viability plan, including synergies and cost reductions. Although the central bank prefers mergers to IPS, it recognizes that this channel allows for some cost saving, though it does not eliminate duplication of management and governance systems.

Does multi-level governance conflict matter?

So far we have provided evidence for multi-level governance in cajas and we have presented the mapping of the restructuring process. In this section we examine the variables driving each type of restructuring process and the role of multi-level governance in determining the final outcome.

The hot political and economic debate on the integration process has been between two arguments that refer to the duality of cajas' mission: improving efficiency in order to deal with the solvency issues and keeping their obra social. Table 3 lists decision-makers' goals in the restructuring process. The national government's main goals have been to push for efficiency gains and a less politicized financial sector. It has used regulation at the national level as a means to achieve it—for example, in July 2010 a new regulation was passed that limited the voting rights of the regional and local governments from 50% to 40%, and required that a third of the board members of the resulting financial entities to be independent. In contrast, regional governments aim to maintain the economic involvement of cajas in their localities and to maximize the investment in their obra social. Their sources of power are vetos, regulation and voting rights on the governing boards.

In order to analyse how the different interests involved in multi-level governance affected restructuring, we investigated the importance of geographic proximity (within regions, or with neighbouring regions); political proximity (the same party in the regional government); or business efficiency and diversification (out-of-region integrations). Table 4 explains.

Initially, in late 2008, most management teams of Spanish cajas were negotiating merger plans that included entities in other regions. However, as of December 2010, 46% percent of the mergers were between cajas within the same region. This is the result of regional

Table 3. Decision-makers' goals in the cajas' integration process.

Decision-maker	*Goals*	*Sources of power*
National government	Improving efficiency A non-politicized financial map	National regulation Economic policy Alignment with central bank
Central bank		FROB Orders Autonomy from the national government
Regional governments	Maximizing spending on social and welfare projects Regional development: cajas as bond buyers, credit givers and investors	Founder members of cajas Corporate management voting rights Regional regulation—devolution rights Veto power on alliances

governments wanting to keep cajas as partners in their economic policies for regional development. For mergers across different regional areas, institutional protections schemes (IPSs) have been the solution: a virtual integration (cold merger) across different territories with different client profiles and risk diversification. Using IPSs means that some influence remains in the cajas' original regional territories.

The Spanish savings banks' IPSs were analysed to find out which kinds of saving banks are clustering together. We used the well-established classification by Fonseca (2005) to map the level of public sector representation for each integration process. We found that mergers were associated with cajas with less public representation in their boards; while most IPSs brought together cajas that had a greater public sector involvement.

This result fits in with the framework provided in figure 2 on the two main channels that regional government can use to exert influence. Since all mergers have remained in the same region, regional governments will continue to use regulation as the main vehicle to exert influence. In contrast, for IPSs across regions, the different regional governments need to have direct representation in the governing boards.

Conclusions: lessons for policy-makers

Starting in July 2008 there has been a major reorganization of the Spanish state-owned savings banks (cajas), which represent half of the country's financial sector. The cajas are public sector entities since both local and regional governments have historically been important stakeholders and have voting rights in their governing bodies. And because the cajas are public sector entities, the central bank of Spain and the national government have additional roles as regulators and monitors of these institutions. The much-needed reorganization of the sector has highlighted the contrasting goals and conflict of interest among the different governments. This article examined how this multi-level governance frame played a role in determining the outcome of the financial reorganizations.

Our article presents a framework for public corporate governance. Figure 2 highlights the two main components:

- Traditional corporate governance mechanisms (via governing bodies and voting rights).
- Multi-level governance across public sector institutions that exert influence via regulation and monitoring.

Using the framework, we describe the different goals and sources of power among the three main players in cajas' reorganization: regional governments, the national government and the central bank. We provide evidence for the conflict in multi-level governance which revolve around two main goals: aiming for efficiency gains and to reconvert cajas into non-politicized financial entities, or aiming for the maximization of social and cultural welfare projects within the regions.

Next, we provide a general picture of the reorganization of the Spanish banking system: from the initial 45 cajas, there have been 14 integration processes resulting into 19 new financial entities. Three integration mechanisms have been used: in 15% of the cases an acquisition took place, in 46% of the cases were mergers and 39% were IPSs.

It is striking to find that all mergers were within region and all IPSs were across regions; the acquisitions related to political proximity. Regional governments have been using their sources of power within regions (regulatory power and, most importantly, veto power) to ensure that the cajas sitting inside their areas of regional influence merge. When the mergers within regions have not been possible, the option of the IPS or cold merger has become the alternative. In the IPS cases, the channel to continue to exert influence in the new financial entity is via boardroom representation—since

Table 4. Drivers of restructuring processes .

Proximity		*Political*	
		Same political party in government	Different political parties in government
Geographical	Same region	Mergers	
	Out of region	Acqusitions	IPSs

the regulation channel does not apply anymore. We find that IPSs across regions take place among cajas with high level of public representation in boards prior to the integration. This may induce similar levels of public representation in the new governing bodies of the resulting cajas.

In sum, regional governments used different strategies to influence the governance of the reorganized cajas: either via regulation in the cases of mergers within-region or through direct participation in governing bodies in the case of IPSs. The reorganization of the Spanish financial sector is an example of public corporate governance at work—where it is necessary to include the multi-level governance of public sector institutions to the standard corporate governance mechanisms.

Finally, the case of the restructuring of the Spanish banking system may have lessons for policy-makers in other countries with state-owned banks—at least 80 countries have some government ownership of banks (La Porta *et al.*, 2002). In such countries, the multi-level governance issues that have arose in the Spanish case should give guidance regarding the divergence of interests among the different levels of public administration players. For instance, in our case, the Spanish government tried to spur on the integration process via national regulation but they were thwarted by the veto power held by the regional governments. Hence, policy-makers need to circumnavigate the inevitable tension between goals and implementation mechanisms. IPSs, together with FROB funding and oversight by the central bank, allowed Spain to move forward.

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ARTICLE

Empirical Evidence of Stakeholder Management in Sports Clubs: The Impact of the Board of Directors

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ABSTRACT A major challenge for non-profit sports organizations is how to raise resources from their stakeholders. The present article empirically assesses how the management of stakeholders can affect the resources raised by non-profit sports organizations. The moderating effect of particular characteristics of the Board of Directors is also considered. Evidence is obtained by surveying a large sample of sports clubs from Catalonia, Spain. Results indicate how the quality of relations between sports clubs and their external stakeholders relate positively to the financial and non-financial contributions of stakeholders. A club's financial resources are also positively linked to the amount of time its Board of Directors is willing to invest. Our results represent a major contribution to the management of sports clubs, demonstrating that sports organizations should prioritize the management of their external stakeholders.

KEYWORDS: Stakeholder's management; upper echelons theory; board of directors; non-for-profit sports organizations

Introduction

Sports management scholars are increasingly interested in the impact of stakeholders on the management of sports organizations (Leopkey & Parent, 2009). Prior research has used the descriptive perspective of stakeholder theory to identify the stakeholders of sports organizations (Parent, 2008; Parent & Deephouse, 2007). Recent work has gone further by considering

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how stakeholders might influence strategic activities such as risk management (Leopkey & Parent, 2009). However, research on the role and impact of stakeholders in sports organizations is still developing and needs further study.

Our research empirically measures the impact of stakeholder relations on the resources that a non-profit sports organization is able to attract. We look at characteristics of the Board of Directors, and how these may affect the resources a sports club can raise from external stakeholders. In particular, we focus on the relation between the management of stakeholders and financial and non-financial contributions to the club.

In order to test our hypothesis, we conducted a survey on a sample of 1000 sports clubs in Catalonia, Spain. Results indicate that the financial and non-financial contributions of the stakeholders are positively related with the quality of relations that they have with the sports clubs. In addition, in the case of the club's financial resources we also find positive correlations with the amount of time that its Board of Directors invests in the management of the club.

The remainder of this article is organized as follows. We begin by presenting a review of the literature on stakeholder theory. We then analyze the major features of sports clubs and present our hypotheses. We describe the methodology used in this study, and present empirical results. In the fifth section, we relate our findings to the existing literature; we conclude by developing guidelines to be considered in further studies.

Theory and Hypotheses

A Review of Stakeholder Theory

Stakeholders are groups or individuals "who can affect or [are] affected by the achievement of the firm's objectives" (Freeman, 1984, p. 25). Yet, as popular and richly descriptive as this term may seem, there is still no agreement on what Freeman (1994) calls "The Principle of Who or What Really Counts" (Mitchell, Agle, & Wood, 1997). Since Freeman (1984) introduced stakeholder theory into the management lexicon, a diverse stakeholder literature has developed. Literature reviews broadly classify this work into three traditions: descriptive, normative and instrumental (Donaldson & Preston, 1995).

Descriptive theory is used to explain specific corporate characteristics and behaviors, including the nature of the firm, the way managers think about managing, how board members think about the interests of corporate constituencies, and how some corporations are actually managed (see, for example, Mitchell, Agle, & Wood, 1997). Normative theory is used to interpret the function of the corporation, including the identification of moral or philosophical guidelines for the operation and management of corporations. As an example of the normative application of the stakeholder theory, Agle, Mitchell, and Sonnenfeld (1999) assessed the impact of stakeholder characteristics on the social-corporate and financial performance of organizations, finding only statistical support for the first concept. Donaldson and Preston (1995) proposed that the normative realm, which concerns the way managers deal with corporate stakeholders, is the most important area of stakeholder theory. Not surprisingly, there has been considerable discussion in both academic and practitioner circles about which normative principles firms should use to shape their relations with stakeholders (Berman et al., 1999). Finally, instrumental theory, in conjunction with available descriptive and empirical data, is used to identify the connections, or lack of connections, between stakeholder management and the achievement of traditional corporate objectives (for example, profitability and growth). Whatever their methodologies, these studies have tended to generate "implications," suggesting that adherence to stakeholder principles and practices can achieve conventional corporate performance objectives as well or better than rival approaches. Table 1 summarizes the principal management considerations of these three different perspectives:

Studies employing an instrumental perspective on stakeholder theory have attempted to verify whether firms that are responsive to stakeholders are more successful (Jones, 1995; Wood, 1991). In particular, a growing empirical literature has investigated whether excess profits accrue to firms that are socially responsible or environmentally conscious (Margolis & Walsh, 2001; Waddock & Graves, 1997). Following this stream of research, Berman et al. (1999) developed testable models around the two

Table 1. Justification of stakeholder management.

Instrumental Perspective ("We should do it because it will pay off in the end")

- Enhanced ability to predict/control the external environment
- Higher percentage of successful new product/service introductions
- Higher levels of operating efficiency
- Fewer incidents of damaging moves by stakeholders (i.e., boycotts, strikes, bad press)
- Less conflict with stakeholders resulting in fewer legal suits
- More favorable legislation/regulation
- More reasonable contracts
- Higher entry barriers leading to a more favorable competitive environment
- Higher levels of trust
- Greater organizational flexibility

Normative Perspective ("We should do it because it is the right thing to do")

- Moral and philosophical basis for the recognition of stakeholder interests
- Increased media power and heightened interest in corporations
- Statutes that allow Board of Directors consideration of a broader group of stakeholders

Descriptive Perspective ("We should do it because it will help us to understand our organization and its environment")

- More awareness of the organization's environment
- Better understanding of the consequences of managerial decisions
- More consideration of the organizational environment in the organization's strategy

Source: Adapted from Harrison and St. John (1996, p. 48).

competing perspectives: normative versus instrumental. Their first model, which they call strategic stakeholder management, reflects an instrumental approach and suggests that concern for stakeholders is motivated by a desire to improve financial performance. Their second model, which they refer to as intrinsic stakeholder commitment, rests on the assumption that firms have a normative or moral commitment to advance stakeholder interests, and that this commitment shapes firm strategy and influences financial performance. Using a longitudinal test, Berman and his colleagues find support for only the instrumental approach (Harrison & Freeman, 1999). Therefore, stakeholder relations both link and affect the relationship between a firm's strategy and its financial performance.

The objective of this article is not merely to describe and classify the stakeholder map of sports clubs, in accordance with the descriptive approach. Nor does it pretend to explain why a club's Board of Directors should engage with its stakeholders, in accordance with normative theory. Instead, the present article embraces the instrumental approach and seeks to determine how the management of external stakeholders influences their contributions to the organization. We also consider how the particular characteristics of a Board of Directors affect the interaction between these two constructs.

Stakeholder Theory in Sports Clubs

Sports clubs, as non-profit organizations, have some important features that must be taken into consideration in this study (see, for a recent review, Thiela & Jochen, 2009). Their chief characteristics are that: they are oriented towards the fulfillment of the interests of their members; membership is voluntary; they are independent of third parties and sustained by membership quotas and, in the majority of cases, the work they undertake is voluntary (Heinemann, 1999). However, the concept of the sports club is an umbrella-term that describes a great variety of bodies, from huge, professional organizations to small, local sports associations.

In Catalonia, as in the rest of Spain, one must take into consideration the influence of more than 40 years of the Franquist regime, in which the right to associate was highly restrained, causing a deterioration of civil society and its capacity to initiate. When democracy was restored, it was generally believed that the voluntary sports sector was unable to provide access to sport for the general population (Puig, Martínez, & García, 2010). This was such an accepted argument that, in 1978, the Spanish constitution made access to sport an explicit responsibility of the State. The public sector, and particularly the Councils, acquired a major role in sports development from that moment.

Since 87% of the Catalan sports clubs were founded after the re-establishment of democracy (Secretaria General de l'Esport, 2010, 23) they emerged within a society that had given the public sector responsibility for the provision of sports services for the population. Thus, sports clubs in Spain developed alongside a public sector that was creating a space for itself in social and public life and, more importantly, needed to legitimize its existence. At the same time, sports clubs needed to position themselves with respect to the public bodies being simultaneously developed. It was not just a matter of funding, but of defining the aspects of public life served by each organization (Puig, Martínez, & García, 2010).

Because these clubs have created tight ties of dependency with other sports organizations, we cannot say that they are completely independent of third parties. Membership dues account for just 48.8% of their average annual income (Secretaria General de l'Esport, 2010, 36). Therefore, attracting financial resources to develop their activities by cultivating relationships with their stakeholders is the key to success. Their supporters fall into two main categories: public organizations and sports federations—not including the big professional sport clubs, such as the football clubs (Heinemann, 1999).

Two types of contribution are made by stakeholders:

1. Financial Resources: As non-profit organizations, sports clubs are eligible for financial assistance from public organizations. The welfare state is considered responsible for sport and the practice of physical activities (Heinemann, 2005; Heinemann & Puig, 1996). Public organizations therefore support the development of sports clubs as a strategy to bring sport closer to society.
2. Non-financial Resources: The contributions made by other organizations to sports clubs are not limited to funds. Sports clubs often receive in-kind support, including facilities, sports equipment and technical expertise. For example, the Council of a specific municipality may not fund the local basketball sports club directly, but may instead allow players to train and develop their activities at the municipal basketball court.

The expenses of a sports club generally exceed the financial resources provided by its members. Sports organizations must therefore raise funds or acquire assets useful for the development of their activities. However, there are several possible approaches, some bureaucratic and others informal. Whatever the case, sports clubs often apply for support from the same organizations, since the concentration of sports clubs is high in countries like Spain (see García-Ferrando, 2006). For this reason, the relationship between clubs and their potential sponsors is linked to the contributions they can hope to receive. Thus, our first hypotheses are:

H1a: Those sports clubs that have good relations with their stakeholders will benefit from high receipt of financial resources.
H1b: Those sports clubs that have good relations with their stakeholders will benefit from high receipt of non-financial contributions.

The Board of Directors as a Moderator

The characteristics of the Board of Directors are related to the development of an organization's strategy (Hambrick, 2007; Hambrick & Mason, 1984). In the case of a sports organization, the composition and managerial strategy of the Board of Directors has been a recurrent topic during the last decade (see, among others, Ferkins, Shilbury, & McDonald, 2005; Heinemann, 1999; Hoye & Cuskelly, 2003). Inglis (1997) found that the Board of Directors played a major role in managing the internal and the external actors in an organization. Ferkins (2009) analyzed the role of the Board of Directors in enhancing an organization's strategy. Among her findings, the author discovered that Boards that participated more fully in the management of their sports organizations performed more capably as managers. In the same vein, it has recently been confirmed that levels of knowledge amongst board members of voluntary sports organizations have an important impact on the decision-making process (Soares, Correia, & Rosado, 2010). Thus, the Board of Directors has a key role in the advancement of a sports organization. The Board can impact and play an active role in the implementation of an organization's strategy.

Sherry and Shilbury (2009) found evidence of the effect that specific board characteristics have on the performance of sports organizations. When assessing the characteristics of the Chief Executive Officers of major Australian sports organizations, the authors found that the levels of education of the Board of Directors were related to the performance of the organization. In general, boards consisting of relatively highly-educated people manage sports organizations more effectively. As a result, we offer the following hypotheses:

H2a: The higher the level of dedication of a sports club's Board of Directors, the more financial resources the club will receive from its stakeholders.
H2b: The higher the level of dedication of a sports club's Board of Directors, the more non-financial resources the club will receive from its stakeholders.
H3a: The higher the level of education of a sports club's Board of Directors, the more financial resources the club will receive from its stakeholders.
H3b: The higher the level of education of a sports club's Board of Directors, the more non-financial resources the club will receive from its stakeholders.

Heinemann (1999) has an explanation for this correlation between a sports club's Board of Directors and resources. The author argues that, when sports clubs select a range of very different professionals for their boards, each member brings a subset of relations with managers of other organizations that can benefit the sports club. In practice, this means that if a sports club needs to negotiate a strategic issue with another organization, it is highly probable that a member of its Board of Directors will have a contact in that organization who can facilitate the negotiations.

In the same vein, Chelladurai (1987) claims that a successful way to accumulate resources in sports clubs is to have "powerful boards." The author argues that clubs must create boards of professionals who are able to bring their experience, expertise, and their contacts with other organizations to the club. These characteristics of the Board of Directors can improve the club's relationship with its stakeholders, thus increasing resources. Thus, we hypothesize:

H4a: The Board of Directors, through the dedication and educational levels of its members, will facilitate the transition from good relations with stakeholders to an increase in financial resources.

H4b: The Board of Directors, through the dedication and educational levels of its members, will facilitate the transition from good relations with stakeholders to an increase in non-financial resources.

The next section describes the research methodology that has been used to test the hypotheses in this article.

Data and Methodology

The data for this article have been drawn from a large survey administered to the sports clubs of Catalonia in Spain (Secretaria General de l'Esport, 2010). Following previous work by Heinemann and Schubert (1994) a questionnaire was designed for use in face-to-face interviews. Data collection took place between November 2008 and September 2009 and was developed in four steps. First, a letter was sent to all sports clubs from the Catalan public body responsible for sport, the *Secretaria General de l'Esport*, announcing that they had been selected for the study and encouraging them to participate. Second, the research team contacted each sports club to present the research and ask for its participation. A third contact was made in advance of the interview, asking for specific information about issues including the club's budget, number of employees and number of members. This was done to ensure that respondents would be prepared to provide this information during their interviews. Finally, the researchers developed face-to-face interviews in which interviewees were asked to respond to 52 questions about different characteristics of the sports club. The interviews took 50 minutes on average.

Sample

The universe of this study consisted of 8285 sports clubs from Catalonia. In order to ensure that results were representative, the study sample was calculated using three criteria: a) Geographical distribution across the four provinces of Catalonia; b) club size and structural complexity; and, c) the number of sports modalities offered by the club. Using these criteria, a sample of 1000 clubs was randomly chosen. Our result will therefore be applicable to 95% of Catalan sports clubs, with a percentage of error of $\pm 3,00\%$. The fact that our questionnaire was delivered face-to-face helped to achieve an unusually high response rate (97%). The data for this study have been gathered from 978 face-to-face interviews.

Variables

Dependent variables. Given the instrumental approach to stakeholder management that is the basis for this study, the collected resources of sports organizations are the main phenomenon of interest. In particular, we aim to explain how variations in the amount of resources collected by Catalan non-profit sports organizations depends on the relationships between stakeholders and Boards of Directors. The term "collected resources" refers to the total resources that an organization obtains during a specific time period. In this case, we examine two dimensions. First, we distinguish resources as financial and non-financial. Second, we look at the source of these collected resources. Given the non-profit nature of our organizations, most of the resources (especially those that are financial) come from grants donated by public Catalan entities at different levels of public administration. In particular, given the focus of our study on stakeholders relating to Catalan Public Administration, we consider contributions to sports clubs from the Municipality Council, Sports Federations and Regional Sports Council.

Therefore, our two dependent variables are Collected Financial Resources (henceforth CFR) and Collected Non-Financial Resources (henceforth CNFR). The first is formalized as:

$$C.F.R._i = \sum\nolimits_{j-1}^{3} Sources_j \tag{1}$$

Where i is the sports organization and j is the type of source, index 1 represents the Municipality Council, 2 the Sports Federations and 3 the Regional Sports Council. CFR is therefore the sum of the monetary resources each sports organization receives.

CNFR can include any type of non-financial asset and sports facility. We have classified such resources into five categories, and we estimate how many non-financial contributions each sports organization collects from different sources. This is formalized as:

$$C.N.F.R._i = \sum\nolimits_{j-1}^{3} \left(\sum\nolimits_{t-1}^{5} Sources_t\right)_j \tag{2}$$

Where i is the sports organization, and j is the type of source, index 1 represents the Municipality Council, 2 the Sports Federations and 3 the Regional Sports Council; t represents the category of non-financial resources, indexed from 1 to 5. CNFR is therefore the sum of the number of types of non-financial resources that each sports organization receives from each different source.

Independent variables. Our independent variables are the quality of relationships between the club and its stakeholders and Board of Directors. In examining the relationship with stakeholders, we focus on the club's relationship with the Municipality Council, Sports Federations and the Regional Sports Council. The first dichotomous question asks respondents whether they have a relationship with each of these organizations. They are next asked to assess the quality of their relations with each organization on a five-point scale ranging from "very bad" to "very good." Therefore, our first independent variable is called *Relationships* and is calculated as the average of the assessment value for each of three different stakeholders.

In examining the composition of the Board of Directors, we build a construct using two dimensions. First, each board includes four different profiles: the President, Vice-President, Secretary and Treasurer. In most sports organizations, the relationship with public bodies is not the responsibility of a single director; instead, this responsibility is shared among the board members. Second, each board member has characteristics that reflect his or her personal and professional background and organizational commitment. Following previous studies (Sherry and Shilbury, 2009) we chose education and dedication as the two qualities most likely to influence the relationship with stakeholders and collected resources. The former is assessed between 1 and 6, and the latter between 1 and 5. Therefore, the second independent variable is twofold: *Board Education*, the average educational level of the four members of the board, and *Board Dedication*, the average level of dedication (measured as time spent promoting the interests of the sports organization) shown by the four members of the board.

Control variables. In order to take into account alternative explanations of variations in collected resources, we introduce control variables into the model. Size is a proxy for the assets and resources (Amis & Slack, 1996); therefore, we create *Size* as the log of members of the sports organization. In the same vein, we consider the size of the municipality as a proxy of the resources available to Public Administration. Organizations located in municipalities with more resources have more resources to apply for. Given the local nature of the relationship between non-profit organizations and the Public Administration, resources are very likely to be distributed locally (Krueathep, Riccucci, & Suwanmala, 2010). To proxy local resources we therefore create *Municipality Size* as the log of the citizens of the municipality.

The quality of its application for financial and non-financial resources could be important in explaining an organization's success. During and after each application, organizations could learn how to be more successful in obtaining resources, thus increasing their chances of securing resources from the Public Administration in future. Therefore, we create three dummy variables for each type of resource, which takes value 1 if the organization has asked for resources in the past and 0 otherwise. Summing up the three dummy variables we generate *Experience*.

Organizations with access to good athletes have a higher chance of securing resources from the Public Administration because of the intrinsic need for competitive purpose (maintaining a high standard of athletic performance) and merit. Therefore, we allow for the presence in the organization of athletes who belong to their sport's national team. The variable is *Athletic Quality*, which equals 1 when there is at least one athlete on any national team and 0 otherwise.

Finally, we allow for internal organizational efficiency, as expressed in the turnover of athletes. Lower levels of turnover reflect stability in the organizations; it is therefore advisable to have better-structured organizations that can develop long-term programs to help athletes develop and improve, thus attracting potential collected resources. We therefore create *MemberTurnover* as the difference between new entrants and departing members.

Models

In this study, we have two dependent variables. The first is the collected financial resources, which is a continuous variable in nature. Therefore, we specify our estimation model as an Ordinary Least Squared (OLS).

$$Y_i = X_i\beta + C_i + \varepsilon_i \tag{3}$$

Where Y_i is the amount of collected financial resources by organization i, X_i is the vector of independent variables (Relationship, Board Dedication and Board Education), C_i is the vector of control variables affecting Y_{it} and ε_i is the error term.

The second variable is the amount of non-financial resource that each organization collects. Exploring the descriptive statistics of the CNFR-dependent variable, we notice that the data is strongly skewed to the right; therefore OLS regression would be inappropriate (see Figure 1). Count data often follow a Poisson distribution, so some type of Poisson analysis might be appropriate. Statistical theory states that in a Poisson distribution the mean and variance are the same.

The variance of CNFR is nearly three times larger than the mean (mean = 3.3; variance = 9.0). The distribution of CNFR suggests issues of over dispersion, that is, a greater variance than might be expected in a Poisson distribution. Therefore, to estimate the model for CNFR, Negative Binomial Regression (NBR) can be more appropriate in cases of over dispersion. For both the OLS and NBR models, we control for the robustness of the estimators. For the analysis we use the statistical software STATA SE 10.0.

Results

Table 2 displays the main descriptive statistics and correlation matrix with related p value for the significance test. In addition, Table 3 shows the results of the models used to test our hypotheses. Models 1–4 relate to the OLS regressions for Collected Financial Resources, and models 5–8 to the Negative Binomial regressions for Collected Non-Financial Resources. Models 1 and 5 contain only control variables, while models 2 and 6 report the main effects of our independent variables. Models 4 and 8 report results on the interaction between Board Education and Board Dedication. For the interpretation of results, we use models 3 and 4 for CFR and models 7 and 8

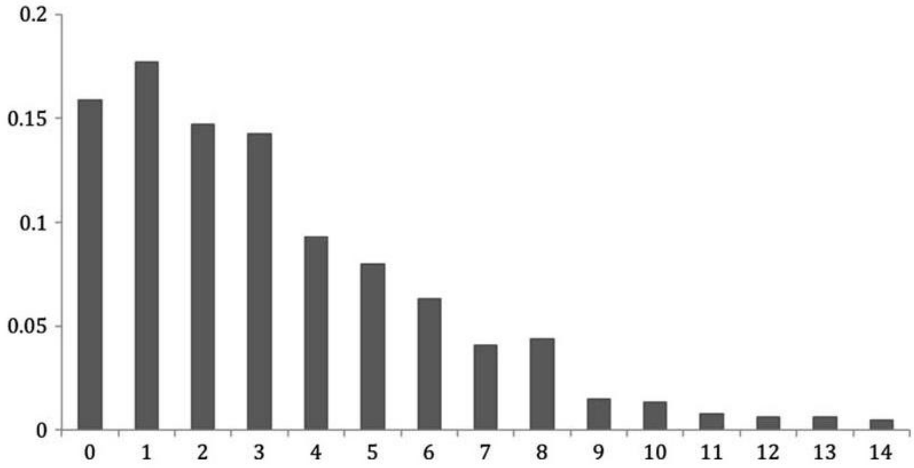

Figure 1. Density of the non-financial resources variable.

for CNFR. The results are thus interpreted according to the two dependent variables: financial and non-financial resources.

As Table 3 shows, our results indicate a positive and significant relationship (at $p < 0.10$) linking good relations between a sports club and its stakeholders and the financial resources those stakeholders can bring to the club. This means that clubs that have good relations with their external stakeholders will benefit from increased financial contributions. Thus, the first hypothesis of this article is supported (H1a).

When assessing the effect of dedication amongst board members the results are also as expected. With a level of significance of $p < 0.01$, there is a strong correlation between the dedication of board members and the financial resources they can obtain from stakeholders. This lends support to our hypothesis (H2a) about the importance of managing the club's stakeholders. According to these results, clubs with more dedicated Boards of Directors will benefit from increased financial contributions. However, we predicted that the dedication of the board would not be the only factor in this increase. Our third hypothesis (H3a) looks at the relationship between the directors' levels of education and their ability to attract financial resources. As Table 3 illustrates, this hypothesis is not supported. Thus, there is no relation between the levels of education of the Board and their capacity to raise funding for the organization.

We predicted that the characteristics of the Board of Directors, in particular their levels of dedication and education, would mediate between good stakeholder relations and the ability to attract financial resources. Thus, Boards of Directors with more dedication and education would manage stakeholders more effectively when seeking financial resources. However, this interaction effect was not statistically significant. Thus the fourth hypothesis of the article is not supported (H4a).

A strong and significant correlation is apparent between non-financial resources and a club's good relationship with its stakeholders ($p < 0.01$). This supports hypothesis H1b. However, there is no correlation between non-financial resources and the dedication of the Board of Directors (H2b).

Table 2. Descriptive Statistics and correlations.

Variable	Mean	Std. Dev.	1	2	3	4	5	6	7	8	9	10
(1) Collected Financial Resources (C.F.R.)	2,697.42	4,866.93										
(2) Collected Non-Financial Resources (C.N.F.R.)	3.30	2.99	0.196									
(3) Relationships	3.86	0.87	0.055	0.180								
(4) Board Dedication	1.88	0.81	0.167	0.131	0.049							
(5) Board Education	3.97	1.09	0.078	0.147	0.005	−0.105						
(6) Size	4.62	1.25	0.135	0.118	0.044	0.196	0.219					
(7) Experience	1.35	0.92	0.271	0.425	0.037	0.143	0.279	0.256				
(8) Athletes Quality	0.13	0.34	0.082	0.149	0.017	−0.026	0.146	0.242	0.194			
(9) Municipality Size	10.52	2.03	−0.019	0.030	−0.004	0.126	0.207	0.144	0.171	0.182		
(10) Member Turnover	5.72	12.57	0.005	0.054	0.034	0.046	0.223	0.249	0.095	0.073	0.055	

Note: Coefficients greater than 0.08 in magnitude are significant at $p < 0.05$ level.

Table 3. Regressions results.

Variables	COLLECTED FINANCIAL RESOURCES (OLS MODEL)				COLLECTED NON-FINANCIAL RESOURCES (NBR MODEL)			
	Model 1: Controls	Model 2: Main Effects	Model 3: Full	Model 4: Interaction	Model 5: Controls	Model 6: Main Effects	Model 7: Full	Model 8: Interaction
Relationships		665.650**	602.823*	1697.65		.160***	.197***	−.109
		(270.860)	(311.214)	(1437.628)		(.060)	(.052)	(.287)
Board		1425.882***	1193.505***	394.2488		.139**	.040	−.089
Dedication		(317.476)	(354.487)	(1469.997)		(.056)	(.059)	(.275)
Board		548.839**	216.233	−1543.619		.099**	.013	−.212
Education		(241.477)	(293.485)	(1106.227)		(.044)	(.043)	(.203)
Size	464.772**		734.792**	742.252**	.036		.002	.002
	(222.494)		(306.539)	(309.290)	(.035)		(.045)	(.045)
Experience	1365.932***		1065.257***	1071.087***	.432***		.424***	.421***
	(203.417)		(309.185)	(307.754)	(.043)		(.052)	(.052)
Athletes	317.386		−42.840	−20.167	.184*		.200*	.209*
Quality	(665.520)		(728.657)	(724.016)	(.107)		(.120)	(.125)
Municipality	−182.700**		−274.229**	−255.641*	−.050***		−.051**	−.049**
Size	(90.466)		(135.092)	(136.771)	(.019)		(.026)	(.025)
Member	−12.224		−47.574**	−48.656**	.000		−.003	−.003
Turnover	(13.841)		(19.236)	(19.768)	(.002)		(.003)	(.003)
Interaction 1				204.263				.033
(Relationship ×				(387.453)				(.069)
Board Dedication)								
Interaction 2				−463.49				.058
(Relationship ×				(299.7181)				(.052)
Board Education)								
Constant	879.652	−4136.023***	−3875.328	4674.781	.608***	−.016	−.255	1.423
	(1239.492)	(1553.962)	(2519.721)	(4943.933)	(.072)	(.339)	(.364)	(1.160)
N	646	487	370	370	454	350	270	270
R-squared	0.078	0.069	0.120	0.126				
F	13.14***	9.82***	7.18***	5.86***				
Wald Chi2					120.09***	17.40***	90.46***	93.62***

Notes: * $p < 0.10$; ** $p < 0.05$; *** $p < 0.01$.
Robust standard errors are in parentheses.

Nor is the Board's educational level significantly related to the acquisition of non-financial resources (H3b). In assessing the interaction effect between education and dedication in sports clubs' Boards of Directors, model 8 shows no relationship between the two constructs, giving no support to our last hypothesis (H4b).

The control variables in the full models reveal some interesting considerations. Club size is a significant predictor of financial resources. As expected, the bigger the sports club, the more financial resources it can collect. Club size is also positively related to the non-financial resources that a club can collect, although the results are not statistically significant. Interestingly enough, the experience level of the Board of Directors does have an impact on the financial resources of the club. This lends some support to the theory that writing funding applications requires a set of skills and capabilities, and involves a learning effect. The participation of athletes in national teams has not been found to correlate with the acquisition of financial resources. The size of a municipality has a significantly negative effect; the bigger the municipality, the less financial support is available for individual clubs. Finally, member turnover, meaning the ratio between new and departing members, is negatively related to financial resources. High levels of turnover are correlated with receiving less funding from stakeholders, although there is no significant correlation for non-financial resource models. The question of athlete quality is worthy of consideration since financial and non-financial results differ. At a significant level of $p < 0.10$, those clubs with high-quality athletes do receive higher levels of non-financial support.

Discussion

Overall, the main results of this article are fourfold: 1) Sports clubs that have good relations with their external stakeholders will receive more financial and non-financial support from them; 2) the dedication of the board members translates into higher financial contributions from the clubs' external stakeholders; 3) the overall academic attainments of the Board of Directors do not correlate with contributions to the club from external stakeholders; and 4) the characteristics of the Board of Directors do not mediate between good stakeholder relations and contributions from stakeholders. Thus, the present article has presented important empirical evidence on the role of stakeholder management in acquiring resources for sports clubs. We have also provided a valuable insight into the impact of the Board of Directors on resource collection, and how the Board moderates the stakeholder management effect in this strategic activity. Chelladurai (1987) emphasizes the importance of a "powerful board" in raising resources from other organizations for non-profit sports organizations. The present study corroborates this finding by presenting empirical evidence of the link between good stakeholder relations and the acquisition of financial and non-financial resources. In line with other recent research on the impact of Board of Director characteristics (Soares, Correia, & Rosado,

2010) it is worth noting that our results showed a strong correlation between board characteristics and resources raised.

It is interesting to see that the educational level of board members was not significantly correlated to the financial and non-financial resources of the club. The results of the present study show that the key factor is the dedication of the Board, not its overall educational level. This adds an interesting perspective to earlier studies that have found the educational level of members of the Board of Directors to be a valid predictor of their ability as sports club managers (Sherry & Shilbury, 2009). These results, however, derive from a vein of sports organization literature that focuses on the differences between managing a sports club and managing a private enterprise (Heinemann & Puig, 1996; Horch, 1996).

Arguably, managing a large enterprise or sports club such as the Barcelona Football Club is quite different from managing the majority of clubs in our sample, which are typical of Catalonian sports clubs in being fairly small. 54.3% of Catalonian clubs have no more than 100 members, and 30% have 100–300 members; this means that 84% of Catalan sports clubs are small (having one or a maximum of two sections) and are developed through the voluntary efforts of their members (Secretaria General de l'Esport, 2010). As a consequence, these clubs differ to a great extent from large organizations, regardless of whether they are profit-making or not, both in terms of resources and objectives (Thiela & Jochen, 2009).

These clubs are set up to satisfy the interest of a group of people in practicing sports. Members use their clubs to communicate their excitement about participating in competitions, to train and spend time with friends, and to share a common interest. There is no managerial agenda or ambition, such as exists in the economically-driven major clubs (Thiela & Jochen, 2009). What does exist is a great passion for developing sport. This commitment translates into long hours and strenuous efforts spent cultivating the financial and non-financial contributions needed to develop the activities of the club.

There is no macrostructure—only a small club whose head office may be borrowed from the Council or housed in a member's home. In this sort of sports club, hierarchy is not determined by professional competence (Thiela & Jochen, 2009) and the resources needed include such benefits as a regular time slot in the municipal sports center or a small subvention to pay for team trips. Necessary resources are acquired through negotiated arrangements with municipality and neighborhood organizers; this builds a network of relational ties with stakeholders able to support and promote the club (Parent, 2008). In Catalonia, these are the Councils and the sports federations. Sports clubs are not businesses, but a social activity that unites civil society.

With regard to the relation between stakeholders and resources, our results do not show any interaction effect with characteristics of the Board of Directors. This may be explained by the concept of the Board's relational resources (Heinemann, 1999). Arguably, those members of the Board with better links to public organizations will be responsible for negotiating with those organizations for resources. This study has controlled for the overall characteristics of the four major board members; we then assessed the club's relationship with its external stakeholders. The concept of relational resources suggests that stakeholder interactions will be developed by those board members who have the best relationships with specific stakeholders. Although our present research has found no statistical support for the moderating effects of board education and dedication, there is still much work to be done to assess how the management of other board characteristics can affect relations between the sports club and its external stakeholders.

Conclusion

The main conclusion of this article is that the management of stakeholders matters in sports organizations. We have provided empirical evidence to show that stakeholder relations are related to the financial and non-financial contributions that non-profit sports organizations are likely to receive from their stakeholders. Managers of sports organizations must cultivate good relations with their external stakeholders to successfully attract more resources from them. We believe that the evidence for this key feature of contemporary management is likely to have an important influence on sports management theory and practice in the coming years.

In line with previous literature on the role of the Board of Directors in the strategic planning of sports organizations, we have assessed the importance of the board in providing resources. Our results show that clubs with dedicated boards willing to make a significant time commitment were more likely to obtain resources from their stakeholders. This raises significant practical implications for the managers of non-profit sports organizations. Since in many instances the Board of Directors is composed not of professional directors, but of volunteer members, it is important to consider how its input into the daily routines and business of the club will translate into higher financial and non-financial resources.

Stressing the importance of time, in contrast with levels of education, has fundamental implications for their management. Given that time dedicated by the Board of Directors has a positive effect on the acquisition of resources, we need to establish specific training activities to help managers maximize the time they invest in the club. The characteristics of voluntary work are well known; we do not intend to replace volunteers with professionals. Our objective is to provide volunteers with adequate training, so that they can obtain better resources and strengthen associative activities within the club (Heinemann & Puig, 1996). Doing this will strengthen civil society and help to win autonomy and authority for its important third sector.

This study involves several limitations that must be considered when generalizing our results. The main limitation is that stakeholder relations were assessed using the perceptions of members of the club's Board of Directors only. Had we asked stakeholders about the quality of their relations with the club, they might have provided very different insights. This highlights a compelling opportunity for future studies, which should shed additional light on this topic by considering the quality of relations from the perspective of other involved parties. Another major area of development will be to analyze those factors that influence the quality of relations with an organization's stakeholder. There is much useful research that can be done into the effective management of sports organization stakeholders. Studies that aim to add knowledge in this area should assess the activities that board members undertake when managing their stakeholders.

To conclude, this article provides support for the idea that sports clubs must consider the role of their external stakeholders, as well as the needs of their members and other internal stakeholders. Only through additional research will we be able to understand how better to manage the stakeholders of sports organizations.

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The Creation of Innovation Through Public-private Collaboration

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ABSTRACT

This article develops the notion of how different options of public-private collaborations implemented by organizations affect the creation of innovation through a case study: the Blood and Tissue Bank. Data were obtained through in-depth semi-structured interviews with the entire managerial team of the organization under analysis. We coded the interviews, and implemented content analysis. These data were triangulated with the analysis of the organization's internal documents. This article contributes to the understanding of innovation management in public-private collaborations in health professions by identifying the existence of different options in an organization to develop collaborative innovation among the public and the private sectors: contracts, contractual public-private partnership, and institutionalised public-private partnership. We observed that the creation of innovation is directly related to the institutional arrangement chosen to develop each project. Thus, certain innovations are unfeasible without a high degree of maturity in the interorganizational collaboration. However, it is also noteworthy that as the intensity of the collaboration increases, so do costs, and control over the process decreases.

La generación de innovación a través de la colaboración público-privada

Palabras clave:
Innovación
Colaboración público-privada
Partenariados
Acuerdos interorganizativos

RESUMEN

En este artículo se desarrolla la idea de cómo las distintas opciones colaborativas público-privadas implementadas por las organizaciones afectan a la generación de innovación a través de un estudio de caso: el del Banco de Sangre y Tejidos. Los datos se obtuvieron mediante entrevistas en profundidad y semiestructuradas a todo el equipo directivo de la organización analizada. Se codificaron las entrevistas y se realizó un análisis de contenidos. Esta información se trianguló con la revisión de documentos internos de la organización. Este artículo contribuye a generar conocimiento sobre la gestión de la innovación en colaboraciones público-privadas en salud identificando la existencia de distintas opciones en una organización para desarrollar innovación colaborativa entre los sectores público y privado: contratación, partenariados público-privados contractuales y partenariados institucionalizados. Se constata que la generación de innovación está directamente relacionada con el acuerdo institucional escogido para desarrollar cada proyecto, de modo que determinadas innovaciones no son posibles sin un grado elevado de madurez en la colaboración interorganizativa. Sin embargo, también cabe destacar que, a medida que la intensidad de la colaboración se incrementa, los costes también, y el control del proceso disminuye.

Abbreviations

BST: Blood and Tissue Bank *(Banco de Sangre y Tejidos)*
PPP: public-private partnership

INTRODUCTION

Innovation has been heralded as an imperative component of public organizations.[1] However, the definition of innovation is still under debate, even through the academic literature on public administration is full of arguments highlighting the importance of innovation to continue to develop health, education, and safety services successfully. In contrast to the classically held view, which identifies innovation as a new product, we have adopted the results from recent studies that also integrate the possibility of considering management practices as sources of innovation.

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Such is the case expounded by Mandell et al.,[2] who defended the idea that collaboration between 2 organizations is an example of innovation as it produces a product or service through a new medium: interorganizational relationships. The consequence of this hypothesis was the emergence of new possibilities for organizations when deciding how to manage innovation: whether to develop in-house innovation or collaborate with outside parties.

This article focuses on organizational theory of the concept of innovation, but also attempts to improve this argument, since the novel concept set forth by Mandell et al. has been heavily overshadowed by real-world experience during the last decade. Organizations in the public sector have implemented several interorganizational relationships in recent years,[3] such that we have established that interorganizational collaborations should no longer be considered as innovations *per se*, given the level of maturity of the knowledge generated regarding the key factors for success and expansion in public organizations. Collaborations between organizations should not be considered innovation, but rather an important catalyst for possible innovations that in-house development alone would make impossible or more difficult to achieve.

In this article, we analyze how decisions in the public sector on the structure of public-private collaborations affect innovation. We established 2 research questions: how can the management of innovation in the public sector be improved? and what is the impact of organizational infrastructure in generating innovation?

We have structured the article into the following sections. The first section analyzes the definitions of the term innovation in public management literature. We also describe the primary types of institutional agreements recognized by the European Commission. We also present the case of the Blood and Tissue Bank (*Banco de Sangre y Tejidos*, BST), a public organization that represents a clear example of how innovation can be achieved in the field of health care. We then describe the methodology used for data collection in order to understand how the different interorganizational agreements adopted by an institution affect the innovation produced. Subsequently, we present the results of the study. Finally, we provide the most important conclusions from this case.

INNOVATION: MULTIPLE DEFINITIONS

Damanpour et al.[4] pointed out the difficulty of narrowing down the meaning of the term innovation, affirming that "innovation is a complex construct studied from several different perspectives, at different levels of analysis, by researchers from distinct academic disciplines." As such, before delving into how institutional agreements can facilitate innovation, it is essential to clarify how innovation is defined in this article.

The classically held vision of innovation focuses on the development of new products and services.[5] However, the concept of innovation has recently been extended. Young et al.[6] proposed a framework for innovation based on the adoption of new practices in the management of an organization. According to these authors, innovation is also the adoption of a concept or practice not previously in use by the organization. Thus, innovations arise from within organizations, and may not always be perceived by users.

Moore et al.[7] took this line of reasoning even further by proposing a new concept: innovation in governance. According to these authors, the main characteristics of innovation in organizational governance are centered first and foremost on the fact that innovations are conceived of and implemented by more than a single organization. As such, the framework is expanded to include organizational networks and the transformation of complex social systems of production. Secondly, these innovations are not solely the result of specific changes in output, but also of changes in other areas, such as the resources utilized (for example, the forms of financing used), the processes used to decide what should be produced, or even indicators for evaluating productivity and the feasibility of the product or service. The perspective taken by Moore et al. expands the commonly held concept of "innovation," and the most important contribution of these authors is that innovation cannot solely be viewed within organizations, but must be seen within the sum of relationships established with other organizations to develop the products or services provided.

In a similar train of thought, Mandell et al.[2] developed the concept of interorganizational innovation. These authors consider the institutional agreements that public organizations use to provide public services as examples of organizational innovation. From among the different organizational forms found in the public sector, Mandell et al. focused on public-private partnerships (PPP), arguing that the development of these partnerships is an innovation over other more traditional structural models (market-driven or hierarchical models).[8] What do we mean by partnership? One definition of a PPP that is widely accepted by several authors is that proposed by Klijn et al.,[9] who defined it as "cooperation between public and private partners, of a lasting nature, in which the partners work together to develop products and/or services, and where the risks, costs, and benefits are shared." This definition is inclusive and also narrows down the spectrum of PPP, distinguishing this type of partnership from other traditional forms of collaboration.

In contrast to the traditional business contract, a PPP demands a high level of intensity not generated by all such relationships between a business and the public sector. Two key variables set these partnerships apart[10]: the projects developed must be long-lasting and mid-/long-term, and the members of the partnership must work together to develop the products and services while sharing the costs, risks, and benefits. As such, the 2 characteristics distinguishing partnerships from other collaborative formulas are duration and transfer of risks.

As discussed in previous paragraphs, the concept of innovation has several different usages, and it is difficult to encompass them all within a single definition. However, to establish a unified concept for this study, we have adopted one of the definitions that best exemplifies the multiple aspects of the concept of innovation, that proposed by Walker[11]: "innovation is a process through which new ideas, objects, or practices are created, developed, or reinvented, and which are new for the unit of adoption." This definition develops the concept of innovation in its most general sense, taking into account not only material products, but also new organizational practices or simply even new ideas. It is also worth pointing out that Walker's definition specifies that the unit that adopts an innovation is that which establishes the creation of the innovation. In other words, to innovate does not mean to do something that has never been done in any organization, but rather to do something that has never been done within the organization being examined.

To clarify the distinct perspectives that constitute the concept of innovation, Figure 1 summarizes the primary characteristics that define an innovation. As shown in Figure 1, innovations can take the form of production of new goods or services or organizational management. Thus, innovation can be a new product or service, a new structure, a new organizational practice, or the use of some new type of resource. In each of these cases, the organization pursues a specific benefit. For example, in the case of developing new patents, the organization attempts to obtain financial benefits and increased prestige, whereas innovations in organizational management aim to optimize resources, both financial and otherwise.

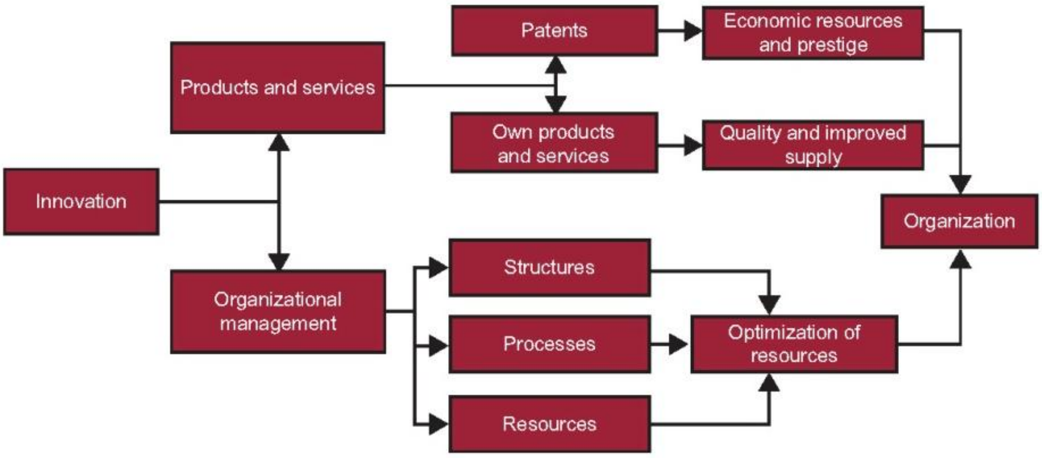


Figure 1. Types of innovation in public organizations.

TYPES OF INTERORGANIZATIONAL RELATIONSHIPS: INSTITUTIONAL AGREEMENTS

The available literature on the subject tells us that there are 2 different classical forms in which organizations can operate: working within the local resource network (in-house) or through market interactions (contracting-out).[12] In the first case, organizations produce whatever they need without requiring interactions with other organizations. In the second case, the organization decides to collaborate with another, for example, by purchasing a product or service available on the market. Starting from these 2 systems, the current complexity of the world of organizations has allowed the emergence of new organizational forms, which is the case of public-private alliances, or PPP.[13]

Within the spectrum of this third category, alliances between organizations can vary widely. In this article, the European Commission reports defining the types of PPP are taken as the reference. Specifically, the European Commission distinguishes 2 major types of PPP: contractual and institutionalized.[14]

In the case of contractual PPP, the relationship between partnering organizations in the alliance is primarily based on a hierarchical contract in which the public organization plays the leading role in the project, determines which results should be obtained, how to manage the project, how to finance the project, and what evaluation indicators to monitor. To this end, the public institution seeks the best possible partner by analyzing market competition and transparency. This type of collaboration is similar to that of making a purchase, with the difference that in this case, the product is "custom-made", both parties share the risks, and the projects are developed on a long-term basis. The sectors that most frequently use contractual PPP are those involved in large-scale infrastructure (including health care) and communications.

The second type, institutionalized PPP, show a higher level of intensity in the collaboration, as all organizations seeking to join in must create a new participatory organization. This new method of collaboration is the vehicle through which organizations combine their knowledge and multiply their efforts in order to achieve a common goal. It is thus of utmost importance that the decisions made regarding the corporate governance of a new organization respect and represent the interests of the founders. Since the classical roles of "buyer" and "seller" do not apply here, organizations must engage in cooperative production, in relationship based on equal status.

Table 1 shows the differences between the 2 types of PPP. The level of commitment of the partner organizations is greater in the case of institutionalized PPP. In the following sections, we will elaborate on the methodology used to test how these different organizational structures affect innovation.

METHODS

The evidence presented in this article was extracted from the case study of BST, a public organization that stood out in its sector for its ability to interact with other organizations with the objective of becoming an industry leader in the processing of blood, tissue, breast milk, and umbilical cord donations in Spain.

Case studies are commonly used in studies of public organizations.[15] This type of study has been proposed as the optimal source of information for understanding how innovation is developed in public organizations,[16] largely due to the advantages provided by qualitative methods for analyzing concepts that occur in specific contexts,[17] such as in the case of health care organizations. The concept examined in this case study is innovation, and the context is the various interorganizational relationships that can exist between a public institution and the private enterprises it collaborates with.

Table 1
Comparison Between Contractual and Institutionalized Public-private Partnerships (Based on the European Commission Report[14])

Contractual public-private partnerships	Institutionalized public-private partnerships
Based on hierarchical relationships (*Ley de Contratos del Sector Público* [public sector contract law])	Require the creation of a new organization (normally in the sphere of private law)
The public organization determines the objectives of the contract to be implemented by the contractor	More general objectives that the new organization must achieve
Hierarchical relationship between public and private organizations: buyer-seller relationship	Public and private parties work as equals: organizational structure is one of equality, a network
Example: concessions	Example: joint venture

One of the requirements for a case study is that it be relevant to the objectives of the research. Borins[16] insists on taking special care in selecting a case for analysis, reminding us that the major issue in case studies is the possibility of extrapolating the results obtained to infer conclusions for the general population. However, Siggelkow[18] mentions that the objective of a case study is not to generalize its results, but rather to facilitate the understanding of a specific phenomenon. This author argues that, in many cases, case studies are selected for being an appropriate example in which the phenomenon under examination can be observed.

With this in mind, we chose the case of BST for this study for 3 reasons (these criteria coincide with those used for previous case studies of public organizations[19]):

- Collaboration with other organizations and innovation are 2 of the major objectives of this institution, as reflected in its mission statement and business strategies.
- BST has an impressive record of innovation through the process of research, which has facilitated the production of patents while managing the provision of blood and tissues.
- BST is an example of a successful public enterprise. In the last decade, BST has experienced major growth, evolving from a small organization to one capable of including all blood and tissue banks currently functioning in Catalonia (both public and private), and currently has a monopoly on the process of blood donation in the region. In 2009, BST was awarded the entrepreneurial competitiveness prize by the Department of Innovation, Universities, and Business of the Government of Catalonia. In the following section, we will describe the characteristics of BST in detail.

Case Study: The Blood and Tissue Bank

BST is a public enterprise belonging to the Catalonian government. Created in 1995 to ensure the proper use and provision of blood and tissue, it has become a reference authority in immunological diagnosis and advanced therapies. In 2006, BST concluded the long process of unifying the 12 blood banks located in Catalonia. Since then, BST has been responsible for planning the coverage of existing needs at all Catalonian health centers, both public and private. To carry out its activity, BST manages a 73.8 million euro budget (2010) and a total of 640 employees. In terms of organizational structure, BST has the following corporate divisions: quality assurance, management control, and projects and innovation.

BST is geared toward fostering knowledge, with a strong emphasis on public service. It is an innovative organization, not only with regard to its main activities, but in all areas of management. One example is that the new headquarters was one of the 4 finalists for the Sustainable Europe Energy Awards 2011 in the category of "LIVING," from amongst a total of 309 projects presented for the European prize of the most sustainable building of the year. The annual BST report emphasizes the values of coherence, excellence, innovation and research, service to society, and transparency, among others. Similarly, the company's vision and mission statement are focused on innovation and optimizing the image of BST in the international community.

In terms of management, BST is a public enterprise, with a high level of autonomy, attached to the Health Department. This autonomy has allowed BST to adapt well in a dynamic business sector and has also allowed it to decide its own model of corporate management (decision-making bodies). This structure is highly professional, which, together with the combination of public and private sectors in its governance (the president of the company is a leading industry figure) and strong executive leadership, has protected BST from possible political interference. This combination of strengths has been essential for providing the organizational stability that has allowed BST to achieve its objectives.

The organizational model of BST, which received the 2010 Excellence Award of the European Foundation for Quality Management, is based on 3 premises: sustainability (guaranteeing the availability and safety of transfusions, ensuring results and an end-user approach), professional management, and the support of research and development (R+D). The prize emphasizes 4 different pillars that reinforce the management of this organization: the legal framework (a public enterprise within the Health Department), integrated management of the blood donation process, commitment to scientific innovation and the creation of new products and services, and a dynamic atmosphere with dedicated professionals.

In promoting R+D activities, BST is committed to research as a strategy for providing high-quality services and incorporating improvements into the company's framework, at the same time as developing new therapeutic and diagnostic tools. The results of these efforts are the patents registered, as well as the start of spin-offs for the development of more new products, together with private, national, and international partners.

Data Collection

This research was carried out using some of the qualitative methods proposed by Marshall et al.[20] for data collection: in-depth interviews, document analysis, and triangulation of the information obtained.[17] Data triangulation is generated by using several sources, theories, and studies.[20] Triangulation aids in generating explanatory factors for the different subjects under investigation,[21] which reduces the probability of interpretations arising that may not be truly representative of the phenomenon under examination.[22]

The data were collected through several visits to BST. During these visits, face-to-face, in-depth interviews were also held with the entire managerial team. The authors of this article personally administered the 14 interviews. Each interview included 10 primary questions related to collaboration and innovation. These questions were used as guidelines for the interview, but were adapted to each interviewee and redesigned for the sake of obtaining new information and the specific dynamics of each interview. The interviews lasted 60-90 min and were recorded for later coding of the information contained.

To ensure the reliability of the results, the authors analyzed each interview separately, following the theoretical principles of the methodology proposed.[23] Thus, the interviews were assessed without a pre-established set of parameters, which allowed the results to express themselves from the raw data contained within each interview, with special attention placed on the interorganizational relationships that favor innovation. After several rounds of data coding, the researchers combined their results and discussed each case in order to draw up a definitive list of parameters.

At the same time, we compiled internal documents from the organization related to the interactions between BST and other organizations, as well as documents on the strategies, mission, and articles of association.

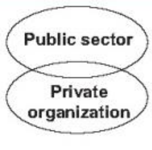
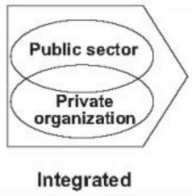
RESULTS

BST has established an alliance portfolio (Table 2) with organizations stemming from public and private sectors, as well as civil interest groups (primarily associations that promote blood donation and schools), and BST regards these relationships as essential for proper project development. As a result, BST directives actively promote the creation of alliances with laboratories, universities, businesses, hospitals, and transfusion centers, among other entities, in an attempt to capitalize on the benefits of synergy. These advantages include sharing project risks, making the project a feasible endeavor, and knowledge exchange with partners in other areas.

An example of the benefits of first case is one of the main alliances of BST, which was developed in the Advanced Therapies Division: a spin-off company "XCelia," which is focused on health promotion through stem cell therapy. The benefits of information exchange can be observed in the results of meetings on the management of information technology systems used by the association of European blood banks. This sector has specific key needs for information management (in terms of product, immediate stock removal or recall of potentially contaminated samples), and experience can only be provided by other blood banks with similar needs.

The relationship between BST and interest groups in the health system is also redefined by the company's entry into a new market setting: the management of a public umbilical cord bank. BST participates in 2 different alliances in this sector: the Concordia program and the NetCord program. The former is a project that has facilitated the allogeneic use of umbilical cord blood. This initiative, headed by BST, unites the efforts of the health administrations of 5 different Spanish regions and Andorra. The objective is to facilitate the donation of umbilical cords and increase the efficiency of the management process. BST claims that this initiative arose in response to a growing demand from society for high-quality umbilical cord blood for transplants. Through this collaboration between different institutions, the network shares procedural knowledge and experience in order to continue

Table 2
Types of Possible Alliances and Examples From the Blood and Tissue Bank

Organizational agreement	In-house	Traditional contract	Contractual PPP	Institutionalized PPP
Blood and Tissue Bank example	Integrated management of the blood donation process	Construction of the new organizational headquarters: sustainable building	Automation of the blood bag management process	XCelia (stem cells)
Advantages	• Structuring of the transfusion network in Catalonia • Economies of scale • Standardized process and quality assurance (improved quality and efficiency) • Compilation of knowledge from multiple sectors into a single organization, facilitating the development of services and products with implications for new markets (blood, umbilical cords, immunobiology, tissues, transfusions) • Collaboration with third parties in the region • Autonomy for management and responsibility for results	• Cohesion of the entire team within a single building: management, research, and donations • Environmental and energy efficiency, clean rooms, and the possibility of storing new products • Intelligent building • Extensive knowledge base of the public sector in this type of temporary contract	• Development of new technologies in the sector of blood donations • Automation of the process: reducing human error, providing real-time updates, increased final quality of the product • Allows for the parallel development of processes that previously took place consecutively • Introduction of new derivatives	• Advancements not previously seen in the scientific field, which would be difficult or impossible without partners • Shared risks and benefits • Allows for long-term planning; partners are involved in the project strategy
Intensity of the collaboration	–	 One-off	 Strategic	 Integrated
Risks	• Resistance to change management • Creation of a single organizational culture and exportation of management models • Creation of a single framework that encompasses the entire process • Time required for developing the entire process and simultaneous changes in political leadership (regional and local)	• Transportation without incident • Correct functioning of the new equipment • Risk scenarios and plan B • Deviations in cost and time	• Investment required to create new products (tailor made) • Dependence on the partner • A single or few clients • A step backwards means a loss in quality • Relocation of surplus staff	• Distribution of royalties (copyright) • Relationship with partners is key • Type of law applicable in the case of conflict (national/ international) • Relationship between the partner company (regional department) and new spin-offs • Relationship with the media • Management of ideological conflicts
Innovation (organizational or output)	Organizational: in the form of structures, processes, and resources, with the objective of optimizing resources and increasing quality	Output: the building itself, with direct effects on the management of units and processes	Output: improved efficiency of the value chain and increased quality of the end product; alignment with the organization's mission statement: guaranteed quality (zero risk)	• Organizational: creation of a new organization that is appropriate for this type of business venture • Output: the patents generated through spin-offs

PPP, public-private partnership.

carrying out clinical and biological research in this field, while reducing the costs and risks inherent to the procedures and installations involved. Each organization plays its role based on its particular experience and ability to contribute to each project phase.

NetCord, a worldwide organization, works with the objective of creating a forum for discussion and learning amongst all umbilical cord banks, both public and private. A result of this collaboration has been the creation of an international registry of available blood units from umbilical cord donations that can be used in transplantations. Most participating banks are located in the European Union, but there are also partner institutions in the United States, South Korea, and Japan, among other countries. As a result of the success of this partnership, the network is in the process of expansion to include a further 16 banks, which are currently registered as provisional members. The involvement of BST in this collaborative project led to the election of the director of the BST Advanced Therapies Division as the NetCord president (2008-2010).

The innovative capacity of BST has also resulted in the improvement of its production chain. One example is the automation of the blood component elaboration unit. The production line automation process was developed in collaboration with Caridian, a private American enterprise dedicated to the application and development of technological products in the field of blood donation. The close collaboration between these 2 organizations has led to a strategic change in BST's production line, which switched from being a manual process to an automated one. Thus, BST has increased its control over the entry of blood bags, as well as other factors such as bag weight and storage temperature. The overall productivity of the production chain has increased significantly, as well as the quality of the end product.

BST has therefore generated a spectrum of innovations in several fields (both in terms of management and output) thanks to its collaborations with other organizations. Table 2 displays the different types of organizational agreements used in the development of innovation. In some cases, BST decided to operate autonomously (in-house), and in others, it conveyed certain specific responsibilities to other organizations (classical contractual relationship). However, whenever the product or service to be provided was not clearly defined or did not currently exist in the market, BST opted to collaborate more intensely with other organizations through contractual or institutionalized PPP.

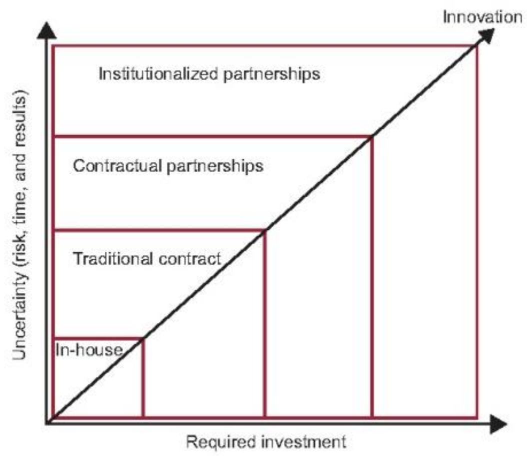


Figure 2. Continuum of organizational agreements that facilitate innovation according to uncertainty and required investment.

Relationship Between Institutional Agreements and Innovation

In the interviews, we observed consistent responses from the management team citing the institutional agreement selected for developing a new project as one of the key factors in the success of innovation. We can deduce that the tighter the relationship between the different organizations, the higher the level of interaction and the greater the capacity for innovation. In this sense, the organizational agreement that generates the closest interaction between both parties—stable in time, with few ideal partners available in the market, aimed toward long-term social impacts (outcomes) rather than mere products resulting from their activities (outputs), in which the partner organizations risk part of their business strategies—would be institutionalized PPPs, as they allow for 2 or more organizations to develop a project together under a unified legal framework.

The academic literature on public management has traditionally analyzed the functioning of specific alliances for an organization. In this study, we have highlighted the relevance of analyzing alliance portfolios constructed by an organization, based on the needs of the company, the degree of maturity of the market, the relevance of the project, and the capacities inherent to each party. A strategic management of this portfolio takes into account the overall impact of the alliances held by the organization and the innovations produced therein, and not just the partial vision supplied by a single specific alliance. Therefore, the organizational agreement elaborated for a project and the possibilities of achieving innovative results must be viewed as a continuum of possible alternatives (Fig. 2). At one end, we would have the execution of a project solely using the company's own resources. In these cases, the potential for innovation may be limited due to the absence of external input that could break the mould imposed by the organization. At the same time, this option would have the advantage of avoiding transaction costs and the complexity of negotiations (with internal clients and partners).

As we advance along this continuum, we come to traditional contracts, the first level of a collaborative relationship. In this case, the company establishes temporary contracts with other organizations to implement a project. This project can be carried out by several organizations in the market (competition), it has defined start and end parameters, and involves specific objectives with measurable results. In this case, a one-off interaction is created between the organizations (client-supplier relationship) although it may be more or less intense based on the magnitude of the project. One of the innovation advantages that stems from this type of organizational agreement is the inclusion of other organizations in the development of the project, since this introduces a hybridization between the collaborating partners. This type of public-private relationship is the most commonly used form in the public sector, since it provides many advantages (such as legal security, backing by the public sector, and the possibility of seeking out alternative partners in a competitive marketplace should changes be needed).

In the case of BST, one example of this type of collaborative agreement is that which was signed for the task of designing new headquarters for the bank. The result was an exemplary building developed by the SAAS (*Sabaté Asociados Arquitectura y Sostenibilidad*) architectural group in collaboration with the engineering firms *Consorcio de la Zona Franca* and *Grupo JG Ingenieros*, which designed one of the most energy-efficient buildings to be found in Mediterranean countries. Through innovative technology, the BST building in Catalonia is designed to drastically reduce energy demands both for heating and cooling, thus reducing costs. The building received an A grade for energy efficiency, with a heating, ventilating, and air conditioning system that saves more than 72%

in energy consumption in comparison to a conventional building. This saving is reflected in energy bills: the additional costs for the building (1 million euros from a total budget of 29 million euros) generate a savings of 0.25 million euros/year, saving almost 1.5 GWh/year in energy, and preventing the emission of 963 t of CO_2/year. As mentioned previously, this building was a finalist for the European prize for the most sustainable building of the year.

Progressing further along the continuum, we find the cases in which a project is developed through a shared risk partnership (risk and venture). There are many potential advantages of establishing a partnership.[24] Das et al.[25] emphasized that organizations that build partnerships can benefit from entry into new markets[26] and from obtaining new abilities or capacities. [27] They can also increase their share of the market,[28] and more importantly, create innovation and transmit, acquire, and exchange information with other organizations.[29]

In contractual PPP, the organization leading the project is aware of the benefits that can be obtained by strategically working in a long-term partnership with other organizations, since this multiplies the possibilities for finding innovative solutions to the problems at hand. In many cases, these possible solutions (for management or production issues) did not exist before the advent of the collaboration, not only for the organization discussed, but also in the market as a whole. The novel result is the sum of innovations in R+D, productive processes, and the development of new products and services.

In keeping with the discussion on the benefits of intensive collaborations, one of the primary impressions garnered from the interviews in this case was that, in order to produce innovation, a close working relationship with other organizations is essential. This observation is explained by a quotation from an executive director we interviewed who commented on the difference between developing a project alone or in a strategic collaboration with another organization. She explained that "when someone from outside the organization works together with you and is well acquainted with the internal workings of your institution, this is when they can really help you. This person can warn you that you may be wasting your time or doing things inefficiently. If they know your needs and work methods, they can build alongside you, from their own experience and knowledge, and reach solutions for your specific needs. Let's say they see you trying to toast bread in a frying pan and explain to you how an electric toaster works. Although the final result is fairly similar, since either way you end up with toast, the process has improved, because now you control the final result, with standardized production times and procedures." In this case, the person interviewed referred to the collaboration between BST and Caridian in automating the process for separating blood components before storage.

The result of the partnership with Caridian was internally valued as a major organizational innovation in the process of handling blood donations. This innovation would not have been possible if BST had attempted to undertake the project alone, not even if the company had bought predesigned machines currently available in the market, since this possibility did not exist for blood banks. This innovation has been recognized by the market, with the result that many blood banks all over the world have implemented similar procedures for separating blood components.

Another finding from this case, which supports the theoretical perspective of this article, is that the level of interaction is much more intense in institutionalized PPP than in contractual PPP. This is because, if contractual PPP already produce developments considered to be strategic for all parties, institutionalized PPP have the added value of integrating the capacity of all partner organizations into the creation of a single organization. Therefore, maximum development is reached by institutionalized PPP, which provide the ideal platform for tackling the most complex development issues. When science still fails to provide proven models of causality for complex problems–in which the evolution of society and its perception of the issues can have an impact on far-reaching long-term solutions and, therefore, on the involvement of partner organizations in objectives with social impacts (outcomes) rather than indicators of product results (outputs)–we need a firm agreement that brings third parties into the public sphere by creating a new organization.

In this type of partnership, results are not clearly established before they occur and the rules of the game are therefore difficult to determine. This makes flexibility in the creation of a new organization a key factor for stepping outside of the box in terms of organizational structure. During the interviews, the human resources director of BST used the example of XCelia. In his view, the decision to develop the XCelia project as an institutionalized PPP was based on the goal of achieving "a wider range of flexibility in which to work, not only in terms of human resources, but in terms of the whole enterprise." One of the benefits in the case of XCelia is that operating under the legislative framework of a company instead of a public contracting firm allowed for a much more streamlined process for managing donations provided for research purposes.

Figure 2 shows the relationship between the institutional agreement chosen and the possibility for innovation. The 2 axes provide an guide for managers when choosing the most appropriate model for undertaking a project based on 2 key variables: required investment and uncertainty. In the words of the BST executive directors, innovation has associated costs and risks. As the interaction level with third parties increases through more open interorganizational forms of collaboration, the capacity to enforce direct control over the process diminishes, since this no longer depends on a single organization. Management shifts from direct process to a process carried out with and through third parties, with obvious advantages, but also with traditional transaction costs (different organizational cultures, distinct methodology for creating and understanding projects, etc.). In addition, the capabilities necessary for supervising a project are not the same as those for implementing one. This may entail possible deviations between what is planned and what is finally carried out, along with the associated risks, which are key factors in managing the success of collaborative projects.

The interviewees agreed that the process of developing a product or a new management strategy with a private partner normally concludes with highly positive results. However, they also stated that such a relationship is inevitably more costly than buying the service or product directly from the open market: the issue is that, on certain occasions, the planned developments are still not available as a product for mass consumption. One interviewee concluded that "we are suffering a great deal with some projects because innovation has its costs; it's not the same as going to the supermarket and buying a product that already exists." It truly is difficult to foresee what sort of investment will be needed in terms of resources (not just the financial cost) for a product or service that must be developed in collaboration with other organizations. Over the course of the interviews, we listened to several accounts of failures in which the desired results were not obtained. With this in mind, and even though this type of organizational agreement provides major advantages for generating innovation (Fig. 2), it also involves substantial investment and a high level of uncertainty regarding the final results.

CONCLUSIONS

Previous studies of the relationship between innovation and interorganizational collaborations have focused on describing the organizational structure of collaborations as an innovation.[2,7] In this approach, a public organization is considered innovative when it decides to form an alliance with another organization. However, in this article, collaborations are not labelled as innovative simply because they exist, but are rather viewed as a vehicle through which innovation can be generated in the form of developing not only new products and services, but also new processes for organizational management. This study theorizes on the different impacts of a variety of institutional agreements that allow organizations in the public sector to collaborate with other businesses and institutions. Collaboration facilitates a hybridization of capacities that are conducive to innovation. However, we also highlight the costs and risks that can be inherent to collaborations, due to the increased resource requirement and the possibility of losing control of the process. As such, we find it essential that public decision makers choose the most appropriate organizational forms to establish a collaboration, based on the complexity of the innovation pursued and the capacities inherent to each organization.

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CONFLICTS OF INTEREST

None declared.

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General Conclusions and Avenues for Future Research

The conclusion of this thesis is a reflection of our findings discussed above. The most important conclusion is that, when studying inter-organizational collaboration, managers do matter. They matter when deciding if collaboration is the best institutional choice, when overseeing varying interests of the stakeholders during the process of collaboration, and when deciding which organizational form is best to develop collaborative ventures.

Researchers have only recently begun investigating the characteristics and impact of managers and management in the context of inter-organizational collaborations involving public organizations. Few prior studies shed some light on this topic (see, for instance, O'Leary and Blomgren 2009; Agranoff and McGuire 2003; Agranoff 2007). The arguments developed in this thesis provide an initial outline for future research. Future studies on public management should consider the role of chief executives in the success of collaborations. In addition, the effects of different management styles on the development of collaborations are inadequately examined. The role of managers within collaborations should be a topic of intense academic debate.

Researchers should consider existing works in other fields that address similar problems and use psychological, sociological, and core managerial theories to empirically test how these works could explain inter-organizational collaborations. One of the primary arguments of the present thesis is that, by using Upper Echelons Theory, the personal characteristics of chief executives can explain why some organizations collaborate. However, a major criticism of this approach is that it only considers proxy variables, for example, age, gender, or tenure of chief executives. Future studies in this field should consider how core psychological variables could facilitate in understanding why, for example, younger managers are more collaborative than the older ones.

Future studies on this topic could benefit from employing theories commonly used in other fields, thus allowing researchers to adopt a different methodological approach. This thesis has presented some qualitative and quantitative evidences on the collaboration topic; however, in each of the studies it has been extremely difficult to isolate the relation between the problem to be explained and the variables that might explain it. Therefore, I believe that several works in the future will benefit from the use of experimental designs to draw causalities between a dependent variable and a subset of explanatory variables. The results of such studies might enable us to better grasp the complex reality of collaborations.

As empirical evidence emerges on this important new field of enquiry, new propositions and hypotheses will undoubtedly be developed on how public management theory and practice can best respond to and shape the growing use of inter-organizational collaborations. Thus, as governments seek new ways to deliver services and projects in times of fiscal austerity, studies which systematically examine how best to make a success of these emerging organizational forms will undoubtedly be of immense theoretical and practical value.

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