

Dynamic brokerage across socio-cognitive boundaries: external boundary spanners in South African agribusiness

By

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Society does not consist of individuals, but expresses the sum of interrelations in which individuals stand with respect to one another.

Karl Marx

ACRONYMS

CAQDAS	Computer Assisted Qualitative Content Analysis Software
CPA	Communal Property Association
EBS	External Boundary Spanner
GIBS	Gordon Institute of Business Science
GLOBALG.A.P.	A third-party standards body for the certification of agricultural products around the globe - G.A.P. stands for Good Agricultural Practices
GM	General Manager
HR	Human Resources
MFE	Mauluma Farming Enterprise
MNE	Multinational Enterprise
IB	International Business
JV	Joint Venture
SAAGA	South African Avocado Growers' Association
SAMAC	Southern African Macadamia Growers' Association (SAMAC)
SNT	Social Network Theory
SWT	Strength of Weak Ties
SH	Structural Holes
ZAR	Zuid Afrikaansche Republik

ABSTRACT

Extant brokerage literature is teeming with explanations of brokerage across structural holes (open networks), but lean on the accounting for brokerage opportunities in closed networks. Predominantly, brokerage is presented as a structural construct and brokerage opportunities that exhibit temporal dependencies are not easy to explain using extant literature. The explanation of the dynamic properties of brokerage, such as the ability of brokers to adjust their roles as the network context changes, is eschewed. This study introduces the concept of boundary spanner brokerage and defines a dynamic construct, that is able explicate temporal adjustments to brokerage roles as a consequence of cognition in the social environment.

The South African agribusiness sector presents an ideal opportunity for the exploration of this phenomenon. The network environment is characterised by small-world networks that impose cognitive boundaries between established white agribusiness and emerging black farmers. Building relationships across these socio-cognitive boundaries is a challenge for emerging agribusiness. Traditional brokerage methods have failed, but cases of successful boundary spanner brokerage have been reported. The expectation that such brokerage could be a silver bullet, for the sustainable connection of emerging agribusiness to industry value networks is, a motivation for this study.

Applying a contextualist perspective, the research design considers change dynamics at network, process and actor levels. Social network scholarship posits that any study of network change should consider the interconnectedness of context, action and change, hence the study of microfoundations of network change and in particular, how agency secures on-going brokerage returns. The longitudinal study combines historical and real-time data, spanning the period 2008 to 2018. It relies on 18 semi-structured interviews with business managers, board members and senior members of partner organisations, as well as news media reports and previous academic studies. A necessary complement to the research design is that of ethnographic observation. It allows the phenomenon of boundary spanner brokerage to be studied in its environmental context

Keywords: *social network research, knowledge transfer, social cognition, dynamic brokerage, boundary spanner brokerage*

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1 CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND

The concept of brokerage has been extensively addressed in extant literature. Gould & Fernandez (1989) provide a structurally sound typology of broker roles, whilst the definition of brokerage mechanisms by Spiro, Acton & Butts (2013) provides a theoretical foundation for the concept of dynamic brokerage. Other studies consider the role of agency, drawing on the concepts of the *tertius gaudens* and the *tertius iungens*, to explain the strategic orientation of the broker (e.g. Obstfeld, 2005; Obstfeld, Borgatti & Davis, 2014). The current definition of the concept, however, eschews the explanation of brokerage opportunities in closed networks. This study extends the concept of brokerage, by defining the construct of boundary spanner brokerage. The distinguishing feature of boundary spanner brokerage is that the broker transforms their social capital to an institutionalised form, and thus facilitates exchanges between their organisation and external parties in open as well as closed networks. A metatheoretical study of brokerage literature looks at various sub-concepts related to boundary spanner brokerage. The microfoundations of dynamic brokerage (e.g. Tasselli, Kilduff & Menges, 2015) are explored in relation to changes at the macro-level. Structural role types (e.g. Gould & Fernandez, 1989; Burt, 2002) are discussed in the context of network structures; brokerage mechanisms (e.g. Spiro, Acton & Butts, 2013; Obstfeld, Borgatti & Davis, 2014) as well as dynamic role specifications (e.g. Boari & Riboldazzi, 2014) are also considered and consolidated into a conceptual framework that is used to create a proposition for the boundary spanner brokerage concept.

Recent scholarship posits that the failure to take the dynamic nature of brokerage into consideration conceals brokerage opportunities in inter-organisational networks (Spiro et al., 2013; Obstfeld, Borgatti & Davis, 2014; Haas, 2015; Quintane & Carnabuci, 2016). This study builds on these newer insights. The emerging

scholarship recognises that brokerage is relevant in open as well as in closed exchange networks. For instance, in a study of knowledge brokerage in an Italian comic publishing business, Boari & Riboldazzi (2014) note that different brokers play different roles, but even more interestingly, the same broker may play different roles at different times. This study empirically confirms and explains the distinct ability of boundary spanners to adjust their brokerage roles as the network context changes.

Society is made up of a plurality of cultures, whose social identity constrains or facilitates the development of social relationships and inter-organisational partnerships. Social network scholarship has established that individuals negotiate their own social spaces along demographic fault lines such as race, ethnicity, or gender and attach preference for building relationships according to such cognition (Brass et al., 2004, McPherson, Smith-Lovin & Cook, 2001; Kilduff & Brass 2010; Yagi & Kleinberg, 2011; Barner-Rasmussen, Ehrnrooth, Koveshnikov & Mäkelä, 2010). This phenomenon, known as homophily, has received substantial attention in social network research and cultural anthropology (e.g. Rivera, Soderstrom & Uzzi, 2010; Ahuja, Soda & Zaheer, 2012; Mäkelä, Andersson & Seppälä, 2012; Borgatti, Brass & Halgin, 2014). DiMaggio (1997) posits that schematic cognition is germane to institutionalised culture. The culture is institutionalised through a taxonomy of institutions such as the state, family, religion and political systems (p. 277). In social network terms, homophily is an assortative mechanism that relies on some form of similarity such as gender, age, race or ethnicity to create resource access opportunity for some actors in social networks whilst closing out others (Rivera et al., 2010; Ahuja et al., 2012; Borgatti et al., 2014). Ibarra et al. (2005) argue that social networks regulate inclusion and motivate behaviours such as the acceptance of participants in industry groups, strategic alliances and other institutional relationships. Indeed, homophily is defined as the tendency to form social networks that are homogenous with regard to their sociodemographic, behavioural, and intrapersonal characteristics (McPherson et al., 2001). The context of socio-cognitive boundaries is crucial to the study of boundary spanner brokerage, because such boundaries exist in the minds of people (cognition) and are institutionalised through the social networks of individuals.

Hall & Cousins (2015) argue that the established (white) agribusiness community was rendered successful by a massive programme of state-engineered capitalisation of white commercial farming. This was the centrepiece of the National Party's platform of apartheid in the 1948 general election. It involved the construction of a complex architecture of state regulation, subsidies, and marketing channels to support the white farming community.

To explore the salience of dynamic brokerage and, in particular, boundary spanner brokerage, the study looks at a South African agribusiness organisation, Mauluma Farming Enterprise (MFE). The case of MFE is conducive to testing the theoretical assumptions relating to boundary spanner brokerage and to developing new theoretical insights. The organisation is located within a global industry whose success depends on partnerships to drive and implement technological, institutional and organisational innovations needed to access export markets. Bitzer & Bijman (2014, p. 169) explain the gap between the established agribusiness and the emerging farmers:

“Particularly in the fresh fruit sector, including citrus, the integration of emerging farmers into mainstream markets has remained far below expectations, and large commercial farmers continue to produce almost all formally marketed produce. Participation in export markets requires a high level of expertise to meet the high quality, food safety, environmental and traceability demands.”

MFE faced serious challenges of connecting to established value chains until they engaged the boundary spanner brokerage method. The history of social relations in the agribusiness district, within which MFE is located, presents a clear case of socio-cognitive boundaries. The experience garnered by the organisation, in its efforts to establish sustainable connections to industry value networks, presents a great opportunity for the empirical study of the microfoundations of boundary spanner brokerage, the mechanisms involved and the role of agency.

A brief sojourn into the history of MFE is necessary to qualify the claim made in the previous paragraph. In a quest to facilitate land reform and promote access to knowledge resources and skills, the South African government put pressure on emerging community agribusinesses, beneficiaries of the land reform programme,

to enter into formal partnerships with established agribusiness practitioners, who would facilitate access to industry value networks (Hall, 2009; Bitzer & Bijman, 2014, Davis, 2015; Basu, 2016). The organisations that were designated as 'strategic partners' were vetted and approved by state authorities in the Provincial Department of Agriculture and Regional Land Claim Commission (Basu, 2016). They were expected to broker skills, knowledge and access to industry value-networks. In brokerage literature, the type of broker, who mediates the transfer of resources between two unconnected parties, is described as a mediator (e.g. Collins-Dogrul, 2012). In their formulation of structural mediation, Gould & Fernandez, (1989) describe the role performed by such brokers as that of liaison. The liaison role envisaged for 'strategic partners' is illustrated in Figure 1 below.



Figure 1: Typical 'strategic partnership' network
 (adapted from Lahiff, Davis & Manenzhe (2012, p. 11))

The strategic partnerships were designed to run for ten years, a length of time that was seen as sufficient for the emerging agribusiness to stand on its own (Lahiff et al., 2012). This envisaged method of brokerage, also termed joint-venture brokerage in South African land reform parlance, failed spectacularly and the 'strategic partnerships' were abandoned within three years, leaving several farming

communities in serious debt and exposing their agribusiness enterprises to the threat of liquidation (Lahiff et al., 2012; Basu, 2016).

After the failure of its own strategic partnership, MFE hired a locally-based agricultural specialist to fulfil the brokerage role that had been left vacant by the exodus of the joint-venture partner (Lahiff et al., 2012, p. 51). The difference here was that the specialist was in the employ of the emerging enterprise and not an independent contractor or joint-venture partner as was the case previously. Individuals that span the external boundaries of the organisations that they belong to, connecting them to novel opportunities and resources in external social networks are referred to as boundary spanners in social network literature (Leifer & Delbecq, 1978; Tushman & Scanlan, 1981; Van Meerkerk & Edelenbos, 2014; Haas, 2015). Within two years of engaging the boundary spanner, the organisation was able to negotiate favourable terms with financial institutions, establish sustainable connections to suppliers, marketers and exporters and report positive financial results. This success, that has been credited to boundary spanner brokerage, provides the basis for this case study. Relating the success story, the executive administrator of Mauluma Farming Enterprise, tells the City Press Newspaper on the 22nd of January 2017:

“We decide to recruit (boundary spanner) ... This turned out to be the best decision because he turned things around for us in three years”.

Social network scholarship acknowledges that crossing of cultural boundaries promotes access to resources and novel information (e.g. Tortoriello & Krackhardt, 2010; Tortoriello, Reagans & McEvily, 2012; Barner-Rasmussen et al., 2010). Brokerage helps information, knowledge and opportunities flow across gaps in the social structure (Gould & Fernandez, 1989; Stovel & Shaw, 2012; Sgourev, 2015). Boundary spanner brokerage, therefore, holds great potential for the integration of emerging enterprises into established value networks. The context of socio-cognitive boundaries, however, has not been previously considered for brokerage opportunities, and boundary spanner brokerage has not been considered as a serious option for bridging across cognitive boundaries.

The study is responsive to calls for advanced empirical research on dynamic brokerage (e.g. Spiro, Acton & Butts, 2013; Quintane & Carnabuci, 2016). In doing so, it specifically addresses the call by Haas (2015) to distinguish the role and performance of boundary spanners from that of other types of brokers. It also responds to the call by Boari and Riboldazzi (2014) to look at brokerage roles in relation to the strategic orientation (*tertius gaudens, tertius iungens*) of the broker. Brokerage theory is synthesised within the domain of social networks and a conceptual framework is developed and used to define the construct for external boundary spanner brokerage and to qualify the results of a historical case study, contextualised in the South African agribusiness sector across the period 2008 to 2018.

1.2 SOCIO-COGNITIVE BOUNDARIES

The literatures of social networks and international business (IB) problematise the concept of cognitive boundaries, pointing out that the effectiveness of knowledge transfer is influenced by the characteristics of the sender, the recipient and the method of transfer (Di Marco, Taylor & Alin, 2010; Mäkelä et al., 2012). Individuals negotiate their own social spaces along demographic fault lines such as race, gender, ethnicity, culture, and attach preference for building exchange relationships according to such cognition (Brass et al., 2004, McPherson et al., 2001; Kilduff & Brass 2010; Barner-Rasmussen et al., 2010; Yagi & Kleinberg, 2011).

The concept of socio-cognitive boundaries relates to the generic tendency of actors to interact with similar others, eschewing relationships with those perceived to be different. The differences could be surface-level or deep cultural understandings and they are driven by the underlying mechanism of homophily (Barner-Rasmussen et al., 2014). Homophily is an assortative mechanism that structures networks of social relationships, resulting in similar nodes seeking to localise, amongst themselves, the sharing of information and resources, translating social distance to network distance (McPherson et al., 2001). The social identity derived from such categorisation drives

the formation of cliques and small worlds (e.g. Mäkelä et al., 2012; Borgatti et al., 2014; Dagnino, Battista, Levanti & Li Destri, 2016).

Whilst geographic and organisational boundaries may also induce homophily, cognition transcends such boundaries, creating opportunity for some and closing out others (Mäkelä et al., 2012). This study focuses on these boundaries that are based on socio-demographic, behavioural and interpersonal characteristics. It is premised on the assumption that bridging across such boundaries has to take these social psychological structuring patterns into consideration. From a cultural perspective, Levy, Lee, Jonsen & Peiperl (2019) posit that brokerage across boundaries that are less correlated with geographic proximity, requires “cultural embeddedness in one’s culture and cultural engagement with the cultural Other” (p. 419). The boundary spanner broker is positioned within the network of the first alter, the organisation that they belong to, and they facilitate connections to alters in external networks with which they (broker) share cognitive similarity. This definition of boundary spanner brokers informs this study. The context of socio-cognitive boundaries is a necessary one for the conceptualisation and for defining the boundary spanner construct.

The South African agribusiness sector is embedded in social networks of communities that have been historically separated according to the assortative mechanisms of homophily. The community of well-established (white) agribusinesses is tightly linked to global networks and is endowed with industry knowledge and other relevant resources, whilst the emerging black agribusiness has poor access to the same value networks and their resources (Davis & Lahiff, 2011; Bitzer & Bijman, 2014, Basu, 2016). The topology of established agribusiness networks resembles that of small worlds. A small world is a network in which actors are locally clustered into cliques, within which partners of partners are also frequently partners (Baum, Shipilov & Rowley, 2003). The clusters are spanned by relationships that cut across the cliques, resulting in efficient exchanges of knowledge, experience, innovation and other resources within the small world. Whilst they generate benefits for those within such networks, these small worlds create an access problem for outsiders (Baum et al., 2003).

1.3 THE STATE OF BROKERAGE THEORY

The literature on brokerage has evolved over the years. Whereas the classical perspective was structuralist, social network scholarship has criticised the paucity of the dynamic perspective (e.g. Spiro et al., 2013; Quintane & Carnabuci, 2016), as well as the failure of the structural perspective to consider the agency perspective and account for the behaviour of the broker (e.g. Boari & Riboldazzi, 2014). To capture the 'state of theory', the relevant literature from extant and current sources has been compiled into an organising framework illustrated in Figure 2. It shows that the structuralist view has been gradually exhausted and scholarship is moving towards the analysis of brokerage as a dynamic concept.

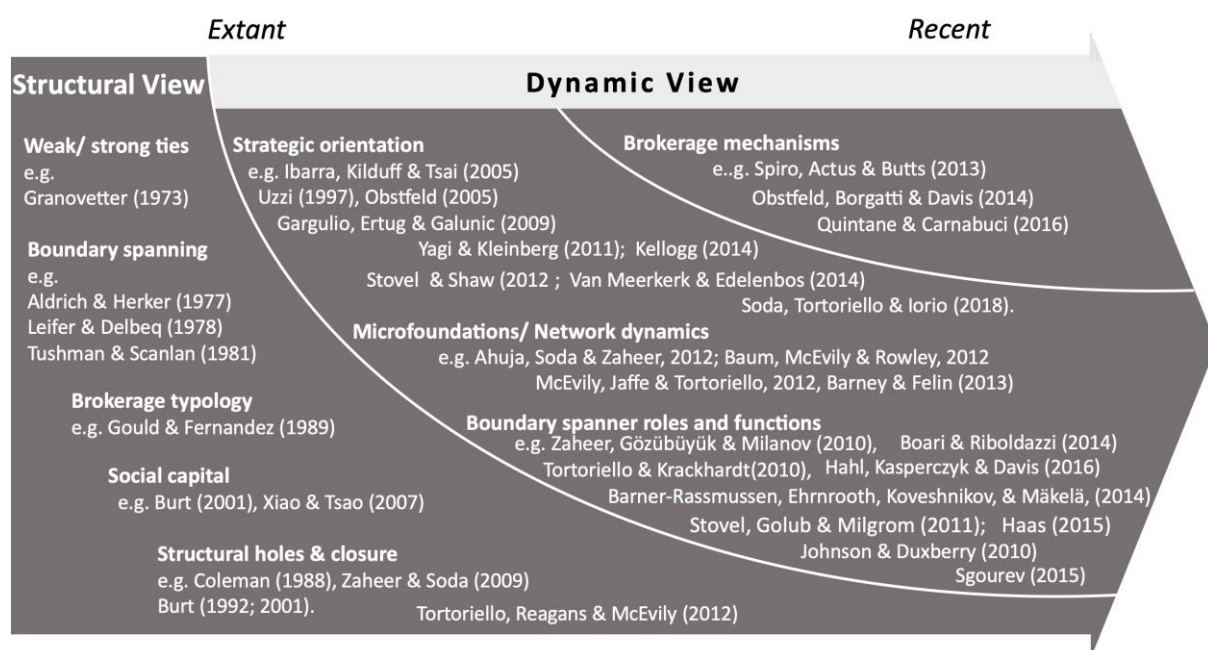


Figure 2: The Shifting Focus in Brokerage Theory

The classical perspective accounts for the structural relationship between the broker and the brokered parties, whilst the dynamic perspective considers temporal dependencies of the brokerage relationship. The classical perspective encompasses various theoretical concepts such as structural holes, social capital, cognitive structures and boundary spanners. It is the most developed theoretical perspective of brokerage (Boari & Roboldazzi, 2014). The organising logic in Figure 2 categorises

extant studies of dynamic brokerage into four areas (strategic orientation, microfoundations, broker roles and their functions, brokerage mechanisms).

In the classical perspective, brokerage opportunities are generally associated with the network context of structural holes. A structural hole denotes the lack of a direct connection, thus a relationship of non-redundancy, between nodes in a network (Burt, 1992). Hahl, Kacperczyk and Davis (2016) posit that it is the knowledge asymmetry across the structural hole that presents the opportunity for brokerage and sustains the mediation broker. Actors bridging structural holes benefit from the asymmetry embodied in the network structure. They gain brokerage and control benefits (Zaheer & Soda, 2009; Sytch, Tatarynowicz & Gulati, 2011; Hahl et al., 2016). The broker trades on gaps in social structure and builds value from the disunion of brokered parties (Burt, 2001; Stovel & Shaw, 2012). The image invoked is that of 'self-seeking and egocentric agents with little sense of obligation to others' (Adler & Kwon, 2002, p. 25).

Figure 2 shows that, from its structural foundations, brokerage theory has seen a shift towards the structural dynamics of brokerage. Dynamic concepts such as strategic orientation, microfoundations, network dynamics, boundary spanner roles, have been explored. Recent studies tackle the process dynamics of brokerage (e.g. Spiro et al., 2013). It is not so much the conceptualisation of brokerage as dynamic concept that is new, but rather, the empirical study of its dynamic properties that has not been adequately addressed in literature (Spiro et al., 2013; Quintane & Carnabuci, 2016).

This study introduces the term 'boundary spanner brokerage', to denote the theoretical construct. It locates the differentiating feature of this brokerage method in the relationship between boundary spanner and the incumbent (brokered) organisation. This network relationship is also implied in the discussion of the Representative, Gatekeeper and Coordinator triads in Gould and Fernandez' (1989) formulation of broker types as well as other sources that extend that typology. It is noteworthy that dynamic brokerage is not an alternative to the structural view, but an extension of the same theoretical concept. The structural configuration of actors in a

brokerage relationship comprising a triad of broker and two brokered parties is generally referred to as ego (broker) and alters (Gould & Fernandez, 1989). That terminology is used in this study as follows. The boundary spanner is referred to as the broker, the organisation which they belong to, is referred to as the first alter, and the external party targeted for exchanges is referred to as the second alter.

1.4 RESEARCH QUESTIONS

Whilst extant literature describes position-related advantages of brokers (e.g. Gould & Fernandez, 1989; Xiao & Tsui, 2007; Zaheer & Soda, 2009; Stovel et al., 2011) as well as the factors that moderate the threat of disintermediation (e.g. Hahl et al., 2016; Xiao & Tsui, 2007), the dynamic properties of brokerage have been underexplored (Spiro et al., 2013; Quintane & Carnabuci, 2016). The underlying assumption in this study is that the salience of boundary spanner brokerage can only be exposed through a temporal examination of the network contexts that generate brokerage opportunities. The study explores the microfoundations of brokerage, brokerage mechanisms, as well as the conscious agency of the broker, to create an understanding of the genesis and evolution of boundary spanner brokerage in an environment characterised by socio-cognitive boundaries.

Previous studies of boundary spanners have rarely contextualised boundary spanners as brokers in inter-organisational contexts. In fact, boundary spanners have not been clearly distinguished from other types of brokers, in extant literature. Aldrich and Herker's (1977) seminal study of boundary spanning roles provides a basis for the development of theory on boundary spanner brokerage, but the discussion of the concept in that study is limited to the structural position of the actors. Recent studies of boundary spanners have been focused on expatriate settings in multinational enterprises (e.g. Johnson & Duxbury, 2010; Yagi & Kleinberg, 2011; Barner-Rasmussen et al., 2010) and boundary spanning functions in intra-organisational contexts (e.g. Tortoriello et al., 2012; Zelkowicz, Iorio, & Taylor, 2015). These studies do not address themselves to the temporal dynamics and agential behaviour required to carry the brokerage function across different network contexts.

This study fills that gap. The objective of the study is to explore the ability of boundary spanners to gain and sustain preference as brokers across socio-cognitive boundaries and their ability to sustain relevance as the network contexts change. The primary research question is stated below:

What are the microfoundations of boundary spanner brokerage and how is such brokerage sustained despite changes in the network context?

To create an understanding of the concept of boundary spanner brokerage, the primary research question is dissected into three sub-questions:

- 1) What are the microfoundations of boundary spanner brokerage?
- 2) What processes and mechanisms are involved in boundary spanner brokerage?
- 3) How do boundary spanner roles and functions evolve to sustain broker relevance across changes in the network context?

1.5 MULTI-LEVEL RESEARCH DESIGN

The breakdown of the research question into three areas inspires a multi-level research design. The study of microfoundations represents a network-level analysis of structural and process dynamics. The study of brokerage mechanisms is a process-level analysis of brokering activities, whilst the study of broker roles and functions is an actor-level analysis of broker behaviour. Context, content, and processes of change are all considered together, thus promoting the development of good theory and practical research (Pettigrew, 1990).

1.5.1 Microfoundations of Brokerage

Microfoundations are the basic factors that drive or shape the formation, persistence, dissolution, and content of network ties (Ahuja et al., 2012). The study of microfoundations is a methodological approach that helps to systematically

understand the nature and origins of the macro (Barney & Felin, 2013). Placing constituent-level factors at the centre of the analysis, microfoundations provide an understanding of how and why organisational networks emerge, evolve, and change (Ahuja et al., 2012; Tasselli, Kilduff & Menges, 2015). Microfoundations are not to be confined to the traditional reference of micro-individual factors. Instead, they include the fundamental drivers of networks at all levels: interpersonal, interorganisational and intergroup (Ahuja et al., 2012; Barney & Felin, 2013).

The study of microfoundations reveals how constituent factors influence the evolution of the network and shape interorganisational relationships (Felin & Barney, 2013). It also reveals how the changing network environment shapes the behaviour of organisational actors (Tasselli et al., 2015). The co-evolution of network structures and people is a microfoundational perspective that determines the extent to which individuals can be attributed with agency for network outcomes (Tasselli et al., 2015). Whilst microfoundations (agency and other constituent factors) shape the evolution of networks (microdynamics), “structural transformations at the whole-network level create new inducements, opportunities, and constraints” for individuals and thus they in turn affect the network’s microfoundations (Ahuja et al., 2012, p. 438).

Individuals choose which relationships to pursue and which ones to forgo and by so doing, they shape the evolution of networks (Tasselli et al., 2015). Agency, therefore, denotes such a microfoundation of actors that purposefully enact their social structures. It represents motivation and ability to enact changes in network relationships (Ahuja et al., 2012). The other microfoundations found to be relevant to boundary spanner brokerage are those of opportunity and trust. They appear in social network literature as fundamental to network change (e.g. Ahuja et al., 2012; Tasselli et al., 2015). The microfoundation of opportunity drives tie formation on the basis of some common characteristic such as ethnic background, social identity or shared goal (Ahuja et al., 2012). Trust is a microfoundation that is forged at interpersonal level, and traditionally drives the conclusion of contracts (Tasselli et al., 2015) and sanctions norms of behaviour (Coleman, 1988). It is crucial that actors trust each other, for brokerage to be sustainable (Tasselli & Kilduff, 2018).

1.5.2 Brokerage Mechanisms

The study of process-level dynamics reconciles the positional and content benefits associated with brokerage (Spiro et al., 2013; Obstfeld et al., 2014). The brokerage mechanisms are viewed as emergent organisational outcomes, driven by changes in the network structure. This study shows how the macrostructural activities co-evolve with microfoundational (causal) factors such as opportunity, agency and trust. The process framework developed by Spiro et al. (2013) presents three mechanisms that form the basis of the process-level analysis for this study: transfer, matchmaking and coordination.

Transfer Mechanism

The transfer mechanism refers to brokerage activities that facilitate resource exchange between non-redundant nodes in the context of open networks (structural holes). The economic opportunity presented by heterophilous networks provides the initial driver for actors to consider brokerage, but a trust relationship between broker and alters has to be in place, and the broker has to be willing to enact the changes (agency). The boundary spanner initially assumes the broker role of Representative, establishing bridging ties, through which resource transfer occurs (Obstfeld et al., 2014). The establishment of bridging ties is a structural response to the need to access novel information and other resources between unconnected parties (Burt, 2002; McEvily, Jaffe & Tortoriello, 2012).

Matchmaking Mechanism

Matchmaking refers to the enactment of direct ties between two brokered parties (Spiro et al., 2013). The broker assumes the role of gatekeeper in this case, selectively getting other organisational actors involved in the exchange processes. Barner-Rasmussen et al. (2010) refer to this process as *linking*. The positive exchange network is associated with the creation of closer ties between the brokered parties (Spiro et al. 2013). It is postulated that, due to the *tertius iungens* orientation, the broker (boundary spanner) is not reluctant to introduce other members of the

incumbent organisation to participate in the resource exchange between the organisations.

Coordination Mechanism

Coordination is a reference to a set of brokerage processes used to manage the relationship between brokered parties that are already connected directly (Spiro et al., 2013). The processes underpinning resource exchange in closed exchange networks are different to those employed in the context of open networks. In the former context, the boundary spanner facilitates co-operation and conflict resolution between brokered parties (Tortoriello & Krackhardt, 2010; Barner-Rasmussen et al., 2010; Spiro et al., 2013). Whereas in open networks, brokers may be inclined to keep the alters apart (Burt, 2001), the boundary spanner is, by default of position within the organisational structure of the first alter, inclined towards the *tertius iungens*, and hence seeks to unite rather than separate alters. The broker, assuming the role of coordinator may also decide to revise tie configurations, to reduce dependency on certain nodes, and mitigate the information power/ advantage that such nodes may possess (Ahuja et al., 2012). In other words, the broker may apply his/her agency to maintain, dissolve or enact ties.

1.5.3 Behavioural Orientation

Spiro et al. (2013) refer to a network context whereby the interests of the actors (broker and brokered parties) are aligned as a positive exchange network. The theoretical proposition associated with that network context is that the broker, who is inclined towards the *tertius iungens*, assumes the representative role and is hence able to promote exchange between alters and facilitate the development of direct ties between them. It is implied, as a comparison case, that the traditional mediation broker would have potentially eschewed the development of a closer relationship between alters (brokered parties). Such a behavioural orientation is referred to as the *tertius gaudens*. It promotes the sustenance of broker control in the relationship between alters. *Tertius gaudens* is a Latin expression that literally translates to 'the

third who benefits' (Obstfeld, 2005). It is a contraposition to that of the *tertius iungens*. *Tertius iungens* literally translates to 'the third who joins' (Obstfeld, 2005). Kellogg (2014) refers to the broker competency related to the *tertius iungens* orientation as that of a 'connecting practice'. Work practices, repositories, specifications, and standards to support communication across boundaries, are developed as a result of the *iungens* orientation. The *tertius gaudens* orientation, on the other hand, is associated with the 'buffering practice' (p.6). Such a practice maintains the unconnectedness of alters, rather than transforming their relationship into a direct link.

Depending on the strategic orientation of the broker, they may subsequently introduce the brokered parties to each other or keep them unconnected for their own egoistic motives. Scholars refer to this phenomenon, whereby brokers facilitate exchange on the one hand and exploit the asymmetry of the brokered parties on the other, as the duality of brokerage (e.g. Stovel & Shaw, 2012; Tortoriello et al., 2012; Stovel, 2011).

In a recent study that looks at the performance of brokers in relation to their structural position and strategic orientation, Soda, Tortoriello & Iorio (2018) confirm that brokers either exploit the informational asymmetry or promote the collaboration and sharing of information between alters. They refer to the former orientation as that of arbitrage and the latter as collaborative. Obstfeld et al. (2014) note that the orientation is not simply dichotomous. For instance, the *iungens* orientation can manifest itself briefly, for discrete episodes, or in a sustained manner, suggesting that broker facilitation may be required on an on-going basis. The moderating effect can, therefore, vary in intensity. In fact, Simmel's (1950) conception of mediator or 'non-partisan' is an alternative that challenges the binary notion of *gaudens/ iungens* (Obstfeld, 2005). The term 'orientation' refers to a construct of medium specificity that varies from highly specific attitude to a more general personal trait (Obstfeld 2005, p. 104). In this study, the strategic orientation of the broker towards the alters (*tertius gaudens/ tertius iungens*) is considered a moderating effect on the roles and functions of the boundary spanner. Obstfeld et al. (2014) also make the point that a given opportunity

for brokerage may be addressed with varying intent and intensity because motivation and opportunity are separate factors. In fact, new perspectives on motivation

1.5.4 Broker Roles and their Functions

The actor-level analysis of brokerage promotes an understanding of the role of conscious agency in sustaining the relevance of brokerage across open and closed exchange network contexts (Ahuja et al., 2012; Quintane & Carnabuci, 2016). Initially, in the context of structural holes, when the parties have no connection to each other, the role of the broker can be equated to Gould and Fernandez' (1989) role of *representative*. The primary function of the broker in that network context is to act as a *conduit* that mediates resource exchange between the two brokered parties without necessarily changing their relationship towards each other (Obstfeld et al., 2014). As defined by Aldrich & Herker (1977), boundary spanning involves information processing and representation. It is for this reason that sometimes the terms 'boundary spanner' and 'broker' are used interchangeably. Fleming & Waguespack (2007), however, qualify that brokers may span boundaries, but it is not all boundary spanners that broker. This study looks at the brokerage roles and functions of the boundary spanner and proposes a theoretical construct that distinguishes this type of broker from others.

In Gould and Fernandez' (1989) typology, the network role, whereby the broker selectively grants other actors access to members of his or her own group is referred to as *gatekeeping*. The concept of gate-keeping has been addressed extensively in social network literature. Morrison (2004) relates the following functions to the gatekeeper role: searching, transcoding and transferring. Searching seeks to capture external knowledge, whilst transcoding translates that knowledge into a meaningful resource within the organisation. Transfer is a function that disseminates the internally accumulated knowledge (p. 8).

It is postulated, for this study, that the brokerage role of the boundary spanner will evolve from *representative* to *gatekeeper* to facilitate the *matchmaking* process. Another role postulated for the boundary spanner in a positive exchange network is

what Barner-Rasmussen et al. (2010) term *facilitation*. In Gould & Fernandez (1989) typology, this role is described as that of *coordinator*. According to that role specification, brokers may facilitate transactions between alters in a closed network context. Defined into the construct of boundary spanner brokerage, the role specification puts the boundary spanner as an actor that helps the brokered parties to understand each other, and also acts to interpret behavioural codes and systems of meaning between them. Burt (2004) conceptualises a framework of broker functions based on four levels of value-creation. The first two levels are concerned with creating awareness of opportunities, and the transfer of best practice. The third and fourth levels are the relatively complex functions of drawing analogies between brokered parties and synthesising activities between them. Boari & Riboldazzi (2014) use that framework, together with the Gould & Fernandez (189) typology of broker roles, to define a set of functions related to broker roles. The authors note that the functions of transcoding and knowledge transfer are pervasive across all broker roles. They also note that functions, progressively become complex for the roles at the higher levels of Burt's (2004) framework.

1.6 A PRIORI PROPOSITIONS

The foregoing theoretical discussion essentially captures the study's propositions which are summarised below and presented in the analytical framework in Figure 3.

- a) The structural position of parties across a structural hole presents an **opportunity** for parties to establish a brokered relationship. The boundary spanner assumes the role of **representative**, applies their **agency**, and uses their social capital (**trust**) to establish a link between the parties and to mediate resource transfer.
- b) The boundary spanner gradually transforms their role (from that of representative) to that of **gatekeeper**. Applying their **agency**, the boundary spanner facilitates the establishment of a direct relationship between the brokered parties (**matchmaking**). A **trust** relationship between the broker

and brokered parties is a necessary condition for this transformation.

- c) Upon successful matchmaking and establishing the closed network context, the role of the boundary spanner evolves to that of **coordinator** who applies their **agency** to **facilitate** on-going collaboration between the brokered parties. The microfoundation of **trust** is also a necessary condition for the sustenance of this relationship.

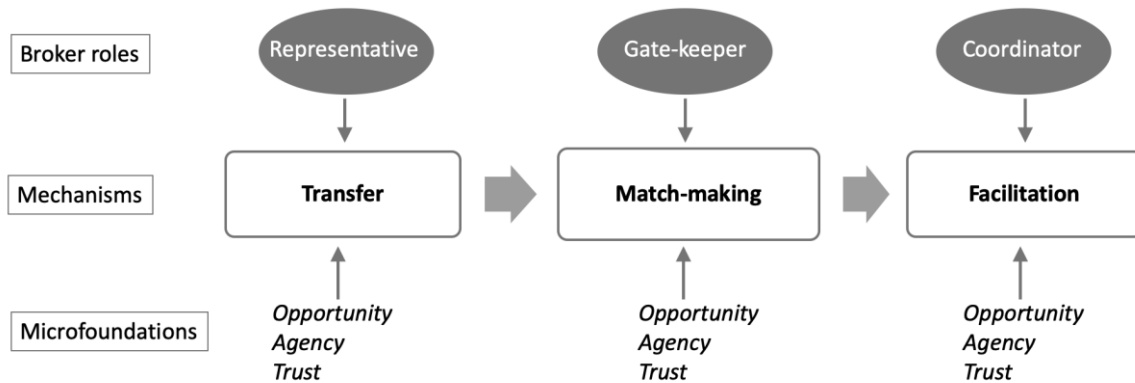


Figure 3: Dynamic Brokerage (Analytical Framework)

(postulated from Gould & Fernandez, 1989; Barner-Rasmussen, Ehrnrooth, Koveshnikov & Mäkelä, 2010; Ahuja et al., 2012; Spiro, Actus & Butts, 2013; Obstfeld, Borgatti & Davis, 2014; Boari & Riboldazzi, 2015)

1.7 METHODOLOGY AND APPROACH

A qualitative methodology, based on a single case study, and a historical/ longitudinal inquiry, has been adopted for this study. Case study research is suitable for exploratory research (Eisenhardt, 1989b; Yin, 2014). It is appropriate for the in-depth study of phenomena, especially such that has seldom been investigated and where the environmental context is crucial to the study (Eisenhardt, 1989b; Yin, 2014). Longitudinal and historic data are good for process studies, because they allow the same phenomenon to be studied at different times (Yin, 2014). Process studies are key to the study of temporal sequences of change in organisations (Van den Ven & Huber, 1990; Langley et al., 2013) and the case study method is valued for its ability

to generate an in-depth study of such phenomena and to build novel theories (Riege, 2003; Eisenhardt, 1989b).

A multi-level analysis of dynamic brokerage informs the research design. The analytical framework developed from the literature review guides data collection and analysis. Change dynamics are considered at network-level (microfoundations), process-level (microdynamics) and actor-level (broker role). The study culminates with the refinement of the theoretical framework and proposes the boundary spanner brokerage construct, an empirical utility that is useful for further theory development and practical strategy implementation.

1.7.1 Single Case Study

The study of boundary spanner brokerage is captured in a longitudinal case study of Mauluma Farming Enterprise in the Levubu agricultural district, a tropical sub-region with high levels of export agriculture and a social network environment characterised by socio-cognitive boundaries.

Whilst in-depth interviews are the primary data collection method, the study also applies ethnographic techniques such as participant observation to garner an understanding of the unfolding processes and underlying causes from the perspective of research participants. News media and other research reports related to the subject are considered for context and triangulation of the data elements.

The temporal boundaries of the case are defined as follows. The implementation of a socially embedded brokerage solution at MFE presents the temporal marker for the beginning of the longitudinal study. The achievement of relationship-driven success, as a result of boundary spanner brokerage, marks the other end of the temporal map. as well as the on-going maintenance and revision of boundary spanner-driven relationships are viewed as crucial milestones. The intention is to apply the longitudinal lens to characterise the nature of changes in the network relationships. In line with the post-positivist epistemology, *a priori* propositions are formulated as tentative explanation, to be contested if the empirical study produces divergent results. Fox (2008) points out that the post-positivist perspective is compatible with

the constructivist approach that informs most of the inquiry in this study. According to this approach, social reality is seen as emergent from individual or collaborative constructions of concepts, values, beliefs, ethics and norms, rather than as objective and independent of social actors (p. 661).

The research design requires the exploration of fully rolled out brokerage within the temporal boundaries of the longitudinal study. Two key examples of successful brokerage missions are put in the spotlight. The first involves a supplier of agricultural chemicals, Nulandis. The boundary spanner facilitated the opening of credit lines for much needed supplies, at a time when the organisation was not yet creditworthy. The second one, similarly facilitated by the boundary spanner, involves the negotiation of an advance from the nut processor/ exporter, Green Farms, for product that would be harvested and sold at a later stage. In the interviews for this study, individuals that represented the partner organisations (second alters), categorically state that it was the trust relationship they had with boundary spanner that influenced their decisions to get into partnership with MFE. The broker-facilitated exchanges demonstrate the successful connection of MFE to the value networks in the agribusiness industry and the role of cognition in economic transactions. Examples of how the boundary spanner was also able to facilitate the negotiations with financial institutions, are discussed in the study. It is noteworthy that the maintenance and revision of such relationships continues beyond the scope of this study and potentially informs opportunities for further research.

The research design also integrates the historical perspective, using the past to explain the present (Lawrence, 1984), in particular to describe the context of socio-cognitive boundaries. Previous academic studies and other historical sources are relied upon for such historical content. The processual approach, also referred to as contextualist (Pettigrew, 1990), to highlight the importance of studying change process in their contexts, is a cornerstone of the research design for this study. Longitudinal studies view change as a consequence of multiple dimensions: political, cultural, incremental, environmental, structural and rational; and 'truth as the daughter of time' (p. 271). The consideration of temporal boundaries that precede

the implementation of boundary spanner brokerage helps to reveal the temporal dynamics and factors that motivate for the adoption of boundary spanner brokerage. Qualitative content analysis is used to systematically interpret the textual data collected from the interviews, observations, archival records and other sources. The analysis is based on the propositions and the conceptual framework derived from the literature review. The theory-guided approach to data analysis is recommended for case study research involving large amounts of textual data (Kohlbacher, 2006; Mayring, 2014).

1.7.2 Empirical Context

An important criterion for the case selection is the ability to cover the perspectives contained in the theoretical propositions (e.g. Eisenhardt, 1989b; Langley & Abdallah, 2011; Yin, 2014). Although it is no longer legislatively demarcated, the separation of established (white) agribusiness from the black agribusiness, also referred to as the dualism of agriculture in South Africa (e.g. Hall, 2009; Hall & Cousins, 2015) persists as a cognitive phenomenon. Established (white) agribusiness is organised into tight clusters of cognition that are linked to each other. Such a network configuration is referred to as a small-world in social network literature (e.g. Gulati, Sytch & Tatarynowicz, 2012). Scholars of social psychology and social networks posit that the logics of cognitive homophily result in this kind of small-world clustering (e.g. Borgatti et al., 2014; Dagnino, Battista, Levanti & Li Destri, 2016).

Mauluma Farming Enterprise (MFE) was created by the Ravele Communal Property Association (CPA) to operate the agribusiness enterprise that took over the export-oriented farms, previously owned and run by white commercial farmers. This transfer of land infrastructure in 2005 was a result of the Land Restitution Programme. Land Restitution was part of a broader land reform process undertaken by the South African government upon achieving political democracy and dismantling Apartheid in 1994. The highly productive land had been a subject of a historical land claim by the Ravele community on the basis of the unfair removal of that community between

1913 and 1938 by the ZAR government. That authority established a European Irrigation Settlement in the Luvuvhu valley, with the intention of empowering 'poor whites' (De Wet, 1989; Nefale, 2000). The black communities that lived on that land were relocated to the less-fertile areas with poor rainfall and sparse vegetation (Ramudzuli, 2001).

At the time of restitution, the transaction was valued at R52 million and measured 344 hectares with plantations of citrus, bananas, macadamia and avocados (Lahiff et al., 2012). In the first few years of its existence, the organisation faced serious survival challenges. As a condition for the transfer of the land infrastructure, the Ravele community was required by the land reform authorities, to enter into a joint-venture with an experienced agribusiness organisation. The objective was to facilitate the access to skills and knowledge vested in the established value networks. Accordingly, the Ravele CPA formed a joint-venture with South African Farm Management (SAFM), which operated under the name, Imperial Crown Trading 43 (Pty) Ltd. Like similar joint-ventures in the Restitution Programme, this one failed spectacularly, leaving the organisation in debt of over R5 million and subjecting it to judicial management (Lahiff, 2012; Basu, 2016). The organisation was only able to achieve useful connection to industry value networks after abandoning the joint-venture partnership in favour of boundary spanner brokerage. These joint venture partnerships were also referred to as 'strategic partnerships' in the land reform parlance. In essence, these were mediation brokers. Mediation brokerage is defined, structurally, as a network arrangement wherein the broker facilitates exchanges between alters, but keeps them apart, does not entertain a direct connection between them (Gould & Fernandez, 1989; Collins-Dogrul, 2012).

The setting of the study at Mauluma is therefore ideal. It presents a unique opportunity to observe the effects of socio-cognitive boundaries on developing industry networks, to trace the limitations and failure of the joint-venture partnerships (mediation brokerage) and to explore the successful implementation of boundary spanner brokerage. The study reveals how socially embedded actors (boundary spanners) transform their social capital into sustainable connections for resource

transfer and collaboration between their organisations and other nodes in the value network.

1.8 CONTRIBUTIONS

The study sets out to explore the ability of boundary spanners to gain and sustain relevance as brokers in network environments characterised by socio-cognitive boundaries. Having constructed a conceptual model, based on *a priori* propositions from existing brokerage and social network literatures, the study is able to locate theoretical propositions related to boundary spanner brokerage. The empirical refinement of the theory culminates in the development of the boundary spanner brokerage construct.

The construct is developed from an integrative framework that draws primarily from the following literatures: microfoundations of network change (Ahuja et al., 2012; Felin & Barney, 2013; Tasselli et al., 2015); complementarity of bridging and closure ties (McEvily et al., 2012; Baum, McEvily & Rowley, 2012); brokerage mechanisms (Spiro et al., 2013). The study acknowledges and exploits the explanatory potential of agency behaviour. In doing so, it reconciles the literature on broker behaviour (e.g. Boari & Riboldazzi, 2014; Quintane & Carnabuci, 2016) with that of broker roles (e.g. Barner-Rasmussen et al., 2010; Obstfeld et al., 2014) to explain the salience of boundary spanner brokerage. The concomitance of these levels, to sustain the relevance of the boundary spanner mission, is articulated in the empirical model.

The Construct of Boundary Spanner Brokerage

The main theoretical contribution of the study is the proposed theoretical construct for boundary spanner brokerage. The key components of the construct are the following: 1) identification and characterisation of the microfoundations of boundary spanner brokerage; and 2) an exposition of the roles and functions relevant to boundary spanner brokerage. The empirical study confirms the theoretical formulation by Spiro et al. (2013) relating to brokerage mechanisms. According to that formulation, three brokerage mechanisms (process classes) inform the concept

of dynamic brokerage: transfer, matchmaking and coordination. The study puts these mechanisms in a logical/ temporal relationship to each other and relates them to the network and actor-level dynamics in the integrative framework.

The 'Engage' Process Class

The empirical study identifies a new process class that secures the commitment of the boundary spanner. Although this process class does not entail a brokerage mechanism, it is nevertheless, crucial to the success of boundary spanner brokerage. The term '**engage**' has been coined in this study to capture the essence of that process class. The process class is temporally located as a precursor to the transfer processes. The formal presentation of the '**Engage**' process class is necessary to highlight its pivotal role in the success of the brokerage mission. It is consistent with March's (1962) theoretical presentation of the firm as a political coalition, in which the composition of the firm is negotiated and the goals are bargained, not given. In extant studies, boundary spanning has been treated as an informal activity (e.g. Johnson & Duxbury, 2010; Stovel & Shaw, 2012). In some cases, it is not explicitly rewarded because it is perceived to be a collective activity (Xiao & Tsui, 2007). In a study of Chinese firms, Xiao and Tsui (2007) conclude that organisational culture influences the actions and outcomes of brokers. Brokers thrive in organisations with market-like cultures because their individual contribution is acknowledged and captured in formal contracts (p.6).

Agency theory substantially addresses this issue of alignment between owners and agents, suggesting that agent's preferences become more aligned with those of owners if the incentives are aligned through compensation structures or outcome-based contracts (Eisenhardt, 1989a; Nyberg, Fulmer, Gerhart & Carpenter, 2010).

The microfoundations of boundary spanner brokerage

The study reveals how the microfoundations of opportunity, trust and agency trigger and motivate boundary spanner brokerage mechanisms at different times and sometimes in combination with each other. It also shows how these microfoundations, themselves, evolve as a consequence of the macro-level change that they inspire. The dynamic relationship, between the microfoundations and

mechanisms of brokerage, provides a tentative explanation for the evolution of the broker role. It suggests that the broker has to align their role to changes in the network environment.

Although the role of agency has been illuminated in this study, emphasis is also put on the organisational and environmental context. The study goes to great lengths to describe the context of socio-cognitive boundaries. Yagi and Kleinberg's (2011) study of boundary spanners in a bicultural context of an MNE, highlights the importance of broader contexts for sense-making in social network studies.

Although the context of the study is that of socio-cognitive boundaries in the South African agribusiness sector, the theory developed should be transferrable to other brokerage situations that straddle socio-cognitive boundaries. The theory should provide useful insights for policy makers and strategic management practitioners involved in broker-facilitated resource transfer. Langley, Smallman, Tsoukas and Van de Ven (2013) underline that process studies are not just of theoretical interest because the knowledge gained is transferable to practice and satisfies the quest for "what works" (p.4).

1.9 A NOTE ON BOUNDARY SPANNER BROKERS

Whilst acknowledging that, in practice, boundary spanning roles are also assumed by other members of the organisation, this study intentionally focuses on an individual manager that initiates and oversees the relationships developed with these external parties. The role of other supplementary boundary spanners is acknowledged as an epiphenomenon. The scenario of multiple boundary spanners, initiating and driving change within the same organisation, has not been addressed in this study. The study assumes that an in-depth study of the boundary spanning activities of the primary actor provides analytical transferability to such role players, but it does not consider the additive effects. This would be an opportunity for further research, to explore how brokerage returns can be maximised by strategically deploying several boundary spanners, as brokers in the same organisation.

1.10 OUTLINE

The study is divided into seven chapters that systematically build up the understanding of the concept of boundary spanner brokerage.

Chapter 1 gives a background and summary of the study, introduces the objectives of the research and the empirical context. The shifting focus of brokerage theory from the structural to the dynamic perspective is also discussed to illuminate the significance of temporal factors in the study of networks. The research design and methodology are introduced and the results and contributions of the study are summarised in this chapter.

Chapter 2 contains the literature review. It synthesises brokerage theory from the social network perspective, the theoretical perspective. It discusses the crucial differences between the classical and dynamic views of the brokerage concept. Propositions relating to microfoundations, process mechanisms, broker roles and functions are postulated into an integrative framework that describes the construct of boundary spanner brokerage.

Chapter 3 presents the empirical setting, a description of the research site, shedding light on the context of the study. The chapter takes on a narrative form to reconstruct the social and political history that underpins the creation of the socio-cognitive boundaries, their entrenchment and the on-going attempts to bridge them through brokerage. The discussion is sourced from desktop research and anecdotes from research participants. A detailed description of the context is given as a backdrop to the process study. An understanding of the context enables the reader to make sense of the findings and its implications.

Chapter 4 presents the research design and methodology. The justification of the case study approach and the selection of MFE as a research site is given. The chapter also discusses the composition and roles of the research participants, the methods of data collection and the qualitative content analytical methods applied in the study.

Chapter 5 presents the results of the study. The themes from the qualitative content analysis are systematically compiled, to provide evidence to support some and challenge other *a priori* propositions. The presentation is supported by data displays (anecdotes, quotations and summaries of ethnographic observations) derived from the empirical study. The content represents the understanding of boundary spanner brokerage from the perspectives of the study participants as well as from other sources (news media, academic studies). Evidence of triangulation is also presented to promote the confirmability of the study results.

Chapter 6 discusses the implications of the research findings for theory and management. The findings are discussed in the context of *a priori* propositions (extant theory), highlighting areas of convergence and extensions of current theory. It positions the empirical framework developed in the study, as a tool for theory development, policy development and strategy formulation.

Chapter 7 is a conclusive summary of the research findings. It summarises the contributions of the study, offers recommendations for future research along with the limitations of the study.

2 CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

The previous chapter introduced the thesis, theoretically locating the phenomenon of interest, boundary spanner brokerage, within the social network perspective. A high-level view of the research design and a summary of the results (contributions) was presented. This chapter discusses the theoretical concepts in detail and develops a proposition for the construct of boundary spanner brokerage. The construct is presented in the form of a multi-level framework that analytically describes the co-evolution of microfoundations and the macrostructural activity (brokerage mechanisms). The literature review illustrates how previous studies contribute to addressing the research questions.

Research presents brokers as intermediaries or liaisons who trade over gaps in social structure, facilitating the transmission of knowledge and other resources in systems of social, economic and political relations (Stovel et al., 2011). It has long been established that brokers bridge structural holes in social networks (e.g. Burt, 1992; Burt 2004), especially in environments where information is scarce or difficult to interpret or where the institutional environment supporting resource exchange is poorly developed (Gould & Fernandez, 1989; Kilduff & Brass, 2010; Stovel et al., 2011; Stovel & Shaw, 2012). The salient role of brokers in closed exchange networks has not received much attention in extant literature (Spiro et al., 2013). This is due to the dominance of the structuralist perspective in brokerage theory.

The structuralist perspective characterises and measures brokerage activities on the basis of static relationships between actors in brokerage situations (Spiro et al., 2013). It fails to reconcile the structural and process views of brokerage (Quintane & Carnabuci, 2015). Static measures do not account for opportunities that span multiple time points. They fail to distinguish between once-off arrangements and

those that are repeated over time (Spiro et al., 2013). Obstfeld et al. (2014) make a crucial motivation for the consideration of dynamic brokerage. They posit that structural advantages are not easy to maintain and leverage; hence the consideration of actor behaviour provides a means of understanding how organisations adapt to temporal changes in the environment.

This study acknowledges the structuralist perspective, especially the seminal work of Gould and Fernandez (1989) as a foundation for the definition of broker roles but essentially builds on the newer insights of dynamic brokerage (e.g. Spiro et al., 2013; Obstfeld et al., 2014; Boari & Riboldazzi, 2014) to explore the dynamics of boundary spanner brokerage: microfoundations, mechanisms, broker roles and functions.

The social network perspective has been chosen as the appropriate lens to explore the temporal dynamics of brokerage. In his critique of the dearth of theory in network analysis, Salancik (1995) issues a caveat for good network theory: it should demonstrate how the presence of a particular connection affects the network; or propose how network structure affects interactions between parties. Pettigrew (1990) also argues that good theory and practical research can be derived if the processes are viewed in consideration of their context. In this study, brokerage is viewed as a dynamic concept that is driven by social relations. This study synthesizes the construct of boundary spanner brokerage within the context of socio-cognitive boundaries and thus addresses the research question that seeks to explain the ability of boundary spanner brokerage to sustain relevance in that context.

A post-positivist epistemology is adopted, favouring theory development in the form of testable propositions (Langley & Abdallah, 2011). The methodological approach is informed by the social network perspective. The structuralist view is considered a foundational theory upon which the extension to the dynamic perspective is based. The discussion of the dynamic perspective methodologically links brokerage mechanisms, their microfoundations and the evolution of the broker role. The study of microfoundations is useful for the analysis of change in network relationships (Ahuja et al., 2012; Felin & Barney, 2013; Tasselli et al., 2015). The discussion of brokerage mechanisms consolidates Burt's (2004) foundational insights into

brokerage value creation with newer perspectives of dynamic brokerage (e.g. Spiro et al., 2013; Kellogg, 2014; Boari & Riboldazzi, 2014). The discussion is used to formulate propositions related to the logic and sequence of brokerage processes. The discussion of the broker roles and functions considers open networks (e.g. Coleman, 1988; Gould & Fernandez, 1989; Burt, 1992), the transitory context of matchmaking (Obstfeld et al., 2014) and closed exchange network contexts (e.g. Barner-Rasmussen, 2010; Boari & Riboldazzi, 2014).

Context is key. The literature review discusses the context of socio-cognitive boundaries, casting a link between the microfoundations (opportunity, trust, agency) and brokerage returns. The definition and demarcation of boundaries is necessary for sense-making in studies of groups in social networks (Borgatti & Halgin, 2011). The literature review concludes with the creation of a conceptual model that describes the construct of boundary spanner brokerage. The model provides a utility for theory development and theory testing. The conceptual model also contributes to the discourse on dynamic brokerage by firming up the terminology, providing synonymic references for the key terms used in brokerage literature; and providing comprehensive descriptions of the sub-concepts: microfoundations, mechanisms, roles, functions.

2.2 THE SOCIAL NETWORK PERSPECTIVE

There is an on-going debate amongst scholars regarding the theoretical strength of the social network perspective. Salancik's (1995) argument informs the one view that the social network perspective is descriptive but not theoretical and that any theoretical references that appear in this perspective are borrowed from other domains such as resource dependence theory. Other proponents of this viewpoint argue that the social network perspective presents a methodology through which the structure of relationships can be studied and, on its own, does not constitute a theoretical lens (e.g. Zaheer, Gözübüyük & Milanov, 2010). Zaheer et al. (2010) argue that a range of theoretical mechanisms can be used to explain certain aspects of social networks, namely resource access, trust, control, signalling. These theories

sometimes overlap and, in some cases, differ significantly in their explanations of phenomena (Zaheer et al., 2010; Spiro et al., 2013).

The counter-view, championed by Borgatti and Halgin (2011), presents social network theory as a major theoretical domain. They argue that network theorising emerges in virtually all areas of organisational studies such as leadership, power, entrepreneurship, inter-organisational relationships and so on. According to this view, Granovetter's (1973) seminal work, the strength of weak ties together with Burt's (1992) structural hole theory, sets the foundations for pure network theory. In concurrence, Liu, Sidhu, Beacom and Valente (2017) argue that the highly developed theoretical perspectives presented in Granovetter's (1973) theory of weak ties clearly articulates the context of knowledge (resource) sharing and inspires a tradition of theoretical research in organisational sharing, knowledge and innovation whilst Burt's (1992; 2004) seminal work on brokerage and structural holes extended the same base to explore the theoretical concept of social capital.

Social capital theory refers to network as a means made available to an actor to access resources, based on individuals socially proximate to the actor (Burt, 1992). Some concepts of social capital theory relate very closely, and in some cases, inform the concept of dynamic brokerage. For instance, trust, a form of social capital (Coleman, 1988) emerges as a dominant microfoundation for tie formation in social networks.

This study reconciles the view espoused by Borgatti and Halgin (2011) that the social network perspective is a solid theoretical domain with that of Zaheer et al. (2010), presenting the same as a methodology. They are not incompatible. On the one hand, network theory is applied with reference to "the mechanisms and processes that interact with network structures to yield certain outcomes for individuals and groups" (Borgatti and Halgin, 2011, p.1168). On the other, it is applied as a methodology that hosts the theoretical mechanism of brokerage. Social network research distinguishes itself from other theories of the organisation by a clear shift from atomistic notions of analysis. Organisational phenomena are explained in terms of relations between network actors (Gulati et al., 2000; Borgatti & Halgin, 2011). The following discussion considers some of the relevant theoretical perspectives on social networks.

Liu et al. (2017) sum up three complementary traditions of social network theory: socio-metric analysis, a tradition concerned with the mathematical modelling of social networks; anthropology, a tradition that places focus on the structure of community relations; and interpersonal relations, a tradition that explores the formation of cliques amongst organisational actors. This study takes the cue from the last two traditions.

Granovetter's (1973) seminal work on the strength of weak ties and Burt's (1992) structural hole theory are examples of literature that describes the advantages derived from the actor's structural position in networks. According to this perspective, the structure of relationships within which the organisation is embedded has a significant bearing on its behaviour (Brass, Galaskiewicz, Greve & Tsai, 2004; Zaheer, Gözübüyük, & Milanov, 2010). Underlying the same theoretical perspectives of structural holes and the strength of weak ties is a network function that relies on information flows or conduits to deliver information to various parts of the network (Borgatti & Halgin, 2011). Implied in this flow model are attributes such as tie content, source of information and directionality. The ability to model networks as a system of flows (or pipes) provides an alternative conceptualisation of networks (Podolny, 2001), especially for network scholars wishing to generate propositions that relate to the structural position of actors within the network (Borgatti & Halgin, 2011).

Borgatti and Halgin (2011) espouse a theoretical framework that defines three fundamental features of social network theory: 1) structure and position; 2) flow of information; and 3) that the construct is a sociological construct as well as a mathematical model. The duality of the social network theory as a sociological construct and mathematical model fuels a misreading of the network concept. According to Borgatti and Halgin (2011), scholars who are not mathematically-inclined perceive the mathematical construct to be statistical rather than theoretical (p. 1174). This study applies model-based theorising and thus steers away from such misperception. Theory development is based on the modelling of testable propositions. The observed phenomenon and its outcomes are imagined to be the result of the modelled processes. With regards to developing an analytical framework for social networks, Borgatti and Halgin (2011) propose that the modelled processes

and nodal relationships be worked into a framework that can be empirically tested and used to generate new theory. The underlying model of the social system is represented by a network of pipes that act as conduits for information or resource flows. The model should be kept relatively abstract, separating analytical models from the real-world model, in order to promote the application of the logic to different empirical scenarios (p. 1176).

2.3 THE STRUCTURALIST VIEW OF BROKERAGE

Gould and Fernandez' (1989) canonical definition of brokerage serves as the structural reference for brokerage theory (Stovel & Shaw, 2012; Spiro et al., 2013). Brokerage is defined as a mechanism for bridging gaps in social structure, to help goods, information, knowledge and opportunities flow across gaps. Stovel et al. (2011) explain that this requirement arises out of the multivalence of social relationships that casts people in clusters, or dense pockets of social groupings, within the broader social structure. They argue that these social groupings, recognisable as neighbourhoods, ethnicities and so on, create gaps and chasms (structural holes) which constrain the free flow of information and goods in the social structure. Brokerage opportunities emerge out of the need to bridge across the chasms.

The discussion of the structural view of brokerage encompasses the following theoretical concepts: structural holes, the strength of weak ties, social capital, bridging and closure ties, node assortativity and brokerage typology. Figure 4 shows the key concepts of the structuralist view, deemed relevant for this study.

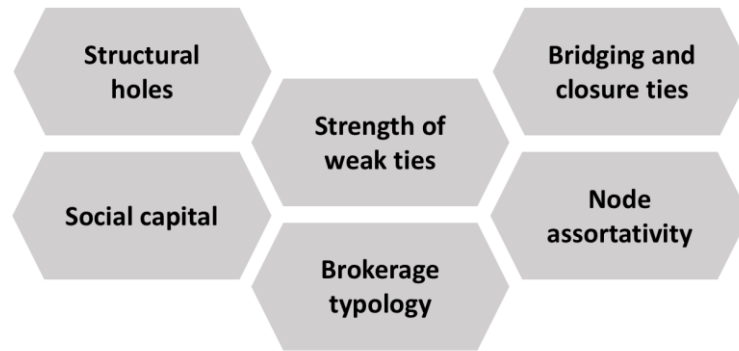


Figure 4: Key Concepts of the Structuralist View of Brokerage

The discussion of these basic concepts not only provides a foundation for the theoretical discussion of dynamic brokerage, it also helps to locate the empirical omission of temporal referents in classical brokerage literature. The classical view has been criticised for the paucity of the dynamic perspective in its theory (e.g. Spiro et al., 2013; Quintane & Carnabuci, 2016) as well as for the failure to consider the agency perspective and to account for the behaviour of the broker (e.g. Boari & Riboldazzi, 2014).

2.3.1 Structural Holes and Brokerage

A structural hole denotes a relationship of non-redundancy between nodes in a network (Burt, 1992). Figure 5 is a basic illustration of a structural hole.

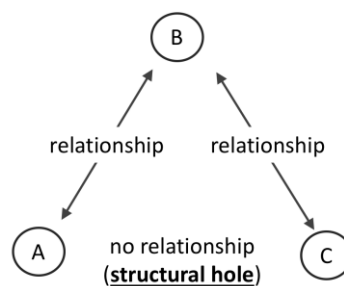


Figure 5: Illustration of a Structural Hole

Nodes A and B in Figure 5 have a relationship, and presumably share all relevant information, at their disposal, with each other. Such a relationship does not exist between nodes A and C, unless B acts as a bridge across the structural hole. Without B acting as a bridge, A and C potentially harbour non-redundant information that may be of value to either. The structural hole provides informational advantages between the two nodes. B could invoke the social capital that they share with A to bridge the structural hole, thereby brokering connections between otherwise unconnected segments. Gould & Fernandez (1989, p.96) define the relation as follows: B is said to be a broker between A and C, if and only if A and C are not directly connected. The open triad conceptualisation of brokerage informs the classical view of the concept (Obstfeld et al., 2014).

Like the related concepts of structural holes and bridging ties, brokerage has its foundation in the work of Granovetter (1973), whose seminal work on the strength of weak ties in ego networks locates opportunities for novel information in weak ties. In his seminal work, Granovetter (1973) argues that weak ties are valuable in ego networks because they contain novel, non-redundant opportunities for information or resource exchange. Granovetter's (1973) thesis posits that information that resides within strong ties is redundant to network actors in that relationship. This is because all the nodes basically have the same level of information and knowledge. There are no opportunities for novel information in such networks. Burt (1992) acknowledges the similarity of the two concepts of structural holes and the strength of weak ties. He, however, qualifies that the weak ties argument is easier to understand than that of structural holes, but it fails to capture the causal agency and it 'obscures the control benefits of structural holes' (p. 73).

The network benefits that a structural hole provides are additive, rather than overlapping (Burt, 1992). In other words, networks with an abundance of structural holes have the potential to create valuable exchange through brokerage. Structural holes are synonymous with non-redundancy and hence the network node that bridges structural holes potentially gets additional value from other non-redundant nodes in the network (Burt, 1992).

Burt (1992) argues that the causal agent in the phenomenon of structural holes is not the weakness of the tie, but the structural hole that it spans. He argues further that the weak tie should be viewed as a correlation to the phenomenon rather than a cause. Burt (1992) uses the analogy of a bridge that spans a chasm, to highlight the distinction between the two concepts. The tie can be viewed as the bridge that spans the chasm and the structural hole as the chasm. The weak-tie argument is about the strength of the bridge whereas the structural-hole argument is about the information differential between the two clusters. Information benefits are, therefore, derived from the chasm and the bridge is just collateral (p. 74). The informational advantage emanating from weak ties is therefore, derived from the position of non-redundancy between nodes that have no close relationship.

Bridging Ties

The concept of bridging ties also has its foundations in Granovetter's (1973) seminal work on the strength of weak ties and Burt's (1992) structural holes theory. The concept of bridging ties only has relevance in the presence of structural holes. Bridging ties provide a link between otherwise disconnected nodes or clusters. It is fundamentally a triad-level concept as shown in Figure 6(a). Three actors, A, B and C constitute a bridging triad for A, if A is tied to B and C, but B and C are not tied. AB and AC are termed bridging ties for A (Baum et al, 2012). In large networks, as shown in Figure 6(b), the bridging tie is the one that provides the only path between two clusters (Granovetter, 1973).

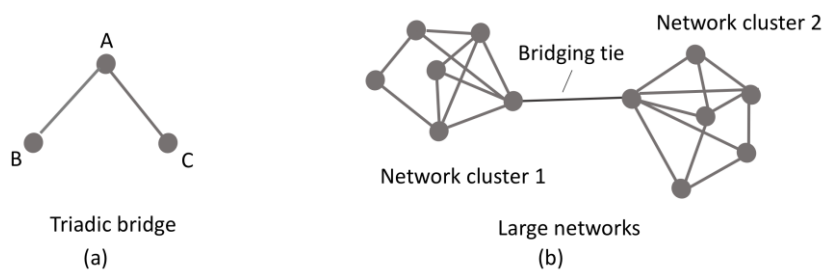


Figure 6: Illustration of Bridging Ties

Burt (1992) argues that the strategic imperative for building efficient-effective networks lies in the maintenance of bridging ties. Such ties provide timely access to novel information and other resources between unconnected parties (McEvily et al., 2012). Burt (2002) posits that bridging ties show faster rates of decay relative to non-bridging ties (closure ties) and proposes that organisations work hard to maintain the bridging ties, so as to continue accessing non-redundant information, or to acquire new ones into other resource networks.

Highlighting the dynamic nature of network ties, McEvily et al. (2012) argue that the fixation with the information benefits of bridging ties may have obscured the benefits of other kinds of ties. They challenge the view that the high rate of decay renders bridging ties obsolete within a short period of time. They also argue that bridging ties have accumulating and imprinting effects which endow the network structure with stability and durability to accumulate social capital. This view implies that other benefits, besides the ephemeral informational benefits, can be derived from networks over a longer period of time. Examples given are those of learning and redeployment of accumulated knowledge. McEvily et al. (2012) point out that the benefits of cumulative social capital accrue at different rates, depending on the conditions in which the original tie was formed. They argue that such condition has a bearing on the persistence of the 'network imprint', the ability of the network to generate long-lasting social capital (p. 548). The authors conclude that the benefits of bridging ties are long-lasting and that knowledge acquired through such 'imprinted ties' may not only be valuable, but also scarce and thus generate competitive advantage for the partner endowed with such.

Baum, McEvily & Rowley (2012) distinguish relational ties from structural ties, arguing that the value of network ties depends on the quality of ties. In that conceptualisation, nodes are either structurally or relationally embedded in a relationship. Whilst the former is concerned with the network topology and structural position of the actors, the latter is concerned with the quality of the ties. They cite richness of information, trustworthiness and stability as quality criteria. Baum et al. (2012) posit that relational ties enable network actors to anticipate problems or challenges in network relationships, to explore new opportunities for partnerships

and to negotiate favourable partnership terms. They concur with Burt's (2002) assertion that bridging ties bring immediate value, but decay faster than closure ties that develop through repeated exchanges and accrue over time. The realisation leads to a conclusion that the age of the ties has a bearing on their effectiveness, hence organisations need to consider both bridging and closure ties at different timeframes.

The argument, advanced by Baum et al. (2012), is that bridging ties become redundant in terms of information advantage within a relatively short time, and closure ties gradually deepen and increase their efficacy over time, generating such benefits as commitment and willingness to build long-lasting relationships between partners. Taking a dyadic perspective (i.e. disregarding broker intervention), the authors put into perspective the temporal dependencies of value-creation as follows. At the early stages of a relationship, parties are reluctant to commit to each other due to uncertainty about each other's competencies, conduct and reliability. Over time, the parties are able to build a history of exchanges, thus mitigating the issues of trust and reliability. Baum et al. (2012) conclude that a hybrid position of bridging and closure ties is what generates maximum value for network partnerships. Bridging ties provide ready access to novel information and other resources whilst closure ties bring efficient exchanges over time.

Closure Ties

Structural hole theory distinguishes networks featuring structural holes from those characterised by densely connected actors, referred to as closed or cohesive networks. In classical literature, actors in cohesive networks are defined as integral nodes with no broker function (Coleman, 1988; Kilduff & Bass, 2010). Recent scholarship challenges this view, pointing to the existence of brokerage opportunities in closed networks. Obstfeld et al. (2014), for instance, argue that 'unconnectedness' between alters is not a necessary condition for brokerage. In fact, they argue that, depending on context, the role of the broker may be salient in closed as well as open networks. In closed environments, the role of the broker relates to that of the *tertius iungens* ('the third who joins'), a broker who facilitates a direct collaboration between

brokered parties. In environments that feature structural holes, the broker role is normally associated with the *tertius gaudens* ('the third who manipulates and benefits'). Brokers have been known to capitalise on their structural position in such network contexts, maintaining the status quo of structural holes for their own selfish gains.

Network closure is a feature of dense networks. Control benefits such as trust, reciprocity and reputation characterise closed networks (Xiao & Tsui, 2007; Burt, 2001; Coleman, 1988). Trust sanctions the mechanisms within social structures, promoting the proliferation of obligations and expectations (Coleman, 1988). Closed networks are also valued for collaboration, innovation and the exchange of complex knowledge (p.332). They are efficient in circulating information within groups or communities, but are generally criticised for failing to relay novel information from external networks (Kilduff & Brass, 2010). Closure may be desirable in environments where trust and reputation may be an issue, but not where there is a need for novel information. Rowley et al. (2000) argue that in environments that require exploration, such as the search for new opportunities, structural holes are preferable because they provide access to unique information. Closure ties are valued for facilitating efficient exchange, collaboration and integration of information. They promote cooperative behaviour and increase partners' willingness to commit to each other (Baum et al., 2012).

This study is built on the premise that boundary spanners are uniquely positioned to facilitate brokerage mechanisms in open as well as in closed networks. Closure benefits develop through repeated exchanges and accrue over time. The discussion of bridging and closure ties locates broker returns in open as well as closed networks.

Social Capital

Social capital is a relevant concept in the discussion of brokerage from the social network perspective. It is defined as the advantage that certain people have because they are connected to certain others (Burt, 2002). It is the aggregate of the actual or potential resources linked to network membership (Bourdieu, 1986). An actor's

network of social ties, therefore, gives them the opportunity to leverage resources in that network (Adler & Kwon, 2002).

2.3.2 Node Assortativity

Social network analysis captures the patterns of social interactions between individuals using the measures of degree distribution and degree assortativity (Ahuja et al., 2012; Fricke, Finger & Lux, 2013). Degree distribution refers to the relative frequency with which ties occur in a network and has been used to indicate the distribution of status or power within the network (Ahuja et al., 2012). Ties in a network could be distributed with a bias towards some nodes or they could be evenly distributed across nodes. Of particular interest, to this study, is degree assortativity. It measures the extent to which nodes prefer links with those similar to them within a network (Fricke et al., 2013).

Positive assortativity denotes tie formation between similar nodes, a network configuration referred to as homophily in social network literature (e.g. McPherson et al., 2001; Ahuja et al., 2012). Negative assortativity, on the other end of the spectrum, denotes tie formation between complementary or heterophilous nodes (Ahuja et al., 2012). Whilst the main finding in social network literature is that social networks tend to be assortative (Fricke et al., 2013), it is not unusual in economic productive contexts, for actors to create heterophilous ties in order to exploit the complementarity of their competencies (Rivera et al., 2010). The assortative mechanism of homophily explains the emergence of small worlds and cliques (Baum et al., 2003; Gulati et al. (2012). Heterophily is normally associated with brokerage opportunities (Baum et al., 2012).

2.3.3 The Gould & Fernandez Brokerage Typology

Gould & Fernandez' (1989) canonical definition of broker roles serves as. structural reference for the study of brokerage theory (Stovel & Shaw, 2012; Spiro et al., 2013). The structural formulation of brokerage implicates three actors: the broker (ego) and

the two parties that seek to exchange resources (alters). Five forms of brokerage, shown in Figure 7, are defined: coordinator, itinerant broker, gatekeeper, representative and liaison broker.

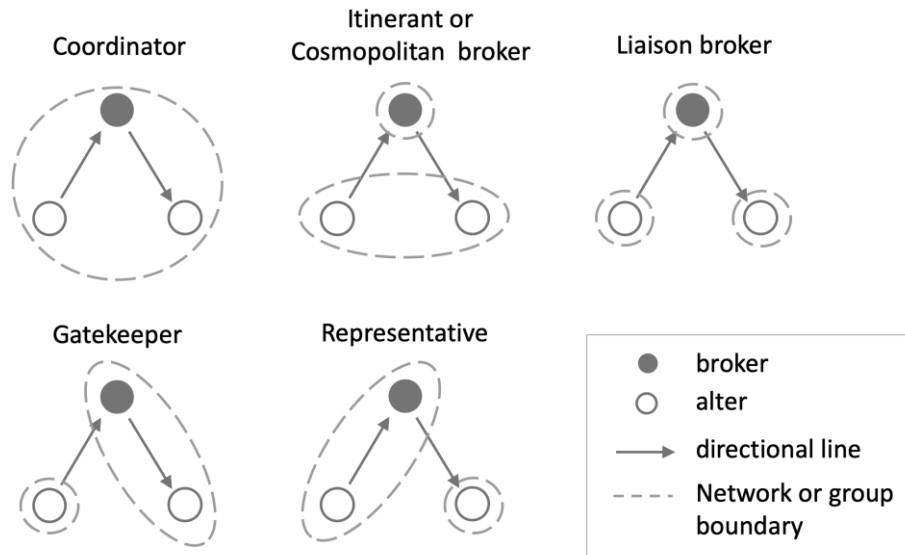


Figure 7: Classical Representation of Brokerage Types

(Source: Gould & Fernandez, 1989, p. 93)

According to this typology, some cases of brokerage may span boundaries (e.g. gatekeeper, representative), whilst in some situations, brokers share the same network boundaries as the alters (e.g. co-ordinator). In some settings, (e.g. itinerant and liaison brokers), the broker is located outside the boundaries of the alter networks. As will be shown in the study, the roles associated with boundary spanner brokerage are those of Representative, Gatekeeper and Co-ordinator in Gould and Fernandez' (1989) formulation. The Gould & Fernandez (1989) roles are defined for networks which are directed. For instance, in the case of the representative, the direction of the connection is outward, from broker to external party. That specification distinguishes the representative role from the gatekeeper. The former is externally directed. The broker is mandated to seek a connection to an external party, whereas in the case of the gatekeeper, the broker selectively grants access to incoming connections (Gould & Fernandez, 1989).

Liaison brokerage is discussed for reference and comparison only. Liaison brokerage informed the initial brokerage attempts at Mauluma Farming Enterprise (MFE), the site of the case study. Prior to engaging boundary spanner brokerage, the organisation entered into a 'strategic partnership' with SAFM, envisaging that the latter would facilitate access to industry value networks (Lahiff et al., 2012). An understanding of the challenges and shortcomings of that liaison brokerage phase provides a reference point for the analysis of boundary spanner brokerage. It also illustrates liaison brokerage, the primary role played by SAFM, the mediation broker. The itinerant broker role in Gould and Fernandez' (1989) represents a brokerage situation that is not relevant for this study and is hence not discussed further in this literature review. Traditional references to brokerage normally relate to the liaison role. The common synonymic reference to the liaison broker role is mediation brokerage (e.g. Collins-Dogrul, 2012). In this study, traditional brokerage based on the liaison role is referred to as mediation brokers.

Mediation Brokerage

Whilst this study focuses on boundary spanner brokerage, mediation brokerage is considered for historical context and to distinguish the salience of boundary spanner brokerage, in comparison to these traditional brokers. The concept of mediation brokerage is discussed by Collins-Dogrul (2012), with reference to Gould & Fernandez (1989) formulation of broker roles, as a brokerage model that keeps alters apart, in contrast to *iungens* brokerage, which seeks to unite alters. This type of broker primarily plays the liaison role as described in the Gould and Fernandez (1989) formulation of broker roles.

Figure 8 depicts the structural position of the mediation broker in the context of socio-cognitive boundaries in the South African agribusiness sector. In that context, the broker is positioned within the socio-cognitive boundaries of the target network, allowing them to use their network position to link external parties to small-world value networks.

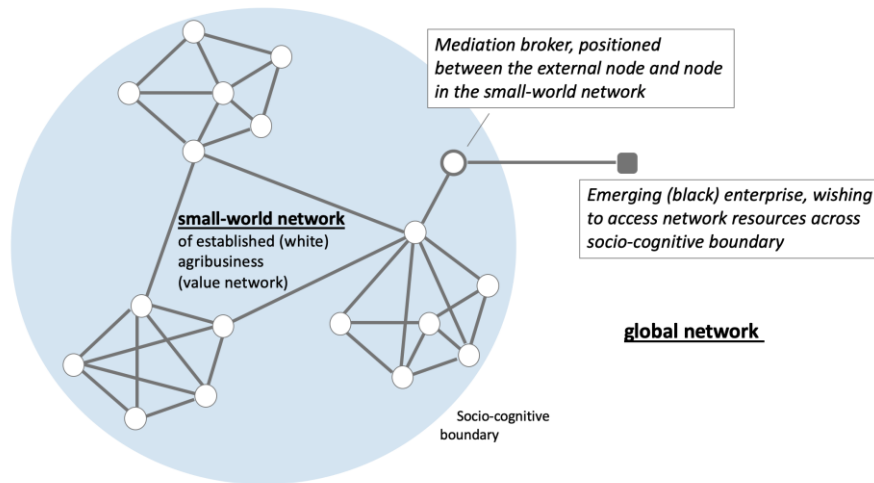


Figure 8: Mediation Brokerage in the Context of Socio-cognitive Boundaries

(adapted from Gould & Fernandez, 1989)

The intermediary role of the broker is to promote access to knowledge resources and value chain integration for the external party. Mediation brokers may suffer a lack of trust as a consequence of being viewed as outsiders by the alters whose exchange relationship they broker (Fleming & Waguespack, 2007; Van Meerkerk & Edelenbos, 2014; Haas, 2015). This structural position of mediation brokers is what distinguishes them, primarily, from boundary spanner brokers. The latter are positioned within the organisational boundaries of the first alter. Obstfeld et al. (2014) concur, pointing out that the intermediary case is an important category of brokerage but is not the only kind. They redefine brokerage broader, as behaviour by which an actor influences, manages, or facilitates interactions between other actors (p. 143). The proposed concept of boundary spanner brokerage is aligned to that definition.

2.3.4 Brokerage across Socio-cognitive Boundaries

Although the theoretical concept of boundary spanning predates Burt's (1992) concept of brokerage and structural holes, the concepts are compatible in that they have relevance in the bridging of the resource gap between organisations. Boundary spanners are defined as individual actors that operate at the boundaries of the organisations that they belong to, linking these to the external environment (Leifer &

Delbecq, 1978; Tushman & Scanlan, 1981; Van Meerkerk & Edelenbos, 2014), and processing incoming and outgoing information (Aldrich & Herker, 1977; Barner-Rasmussen et al., 2010). Even though they also serve the same purpose of facilitating resource transfer, as other types of brokers do, their location inside the organisational structure of the brokered party lends them more trust (Haas, 2015).

In a study of project collaboration across cultural boundaries, Di Marco, Taylor & Alin (2010), introduce a theoretical model of cultural boundary spanning, to describe the boundary role of resolving cross-cultural conflicts and promoting collaboration effectiveness. The authors argue that cultural boundaries can prohibit knowledge transfer. To bridge the cognitive gap between project members from different cultural backgrounds, they propose that individuals culturally related to team members across the cultural boundary be designated as boundary spanners, in order to achieve seamless co-ordination and communication across the teams. Levy et al. (2019) describe the concept of transcultural brokerage with reference to a brokerage role that transcends cultural boundaries, to connect alters on either side of such boundaries. The authors define two categories of such a broker: 'embedded' and 'disembedded'. 'Embedded' brokers are structurally positioned between the homogenous network (their cultural group network) and global networks. 'Disembedded' brokers are defined as actors whose role has relevance between and across global networks (p. 435). They maintain a lot of weak ties, are not strongly linked to cultural groups, and are hence not relevant for the study of boundary spanner brokerage. The concept of transcultural brokerage relates to that proposed for boundary spanner brokerage, but the scoping of the latter is broader, encompassing not only cultural boundaries, but other types of cognitive separation or otherness as well.

Figure 9 shows the structural position of the boundary spanner in relation to the brokered party and the target of the brokerage (external networks). The context is that of socio-cognitive boundaries.

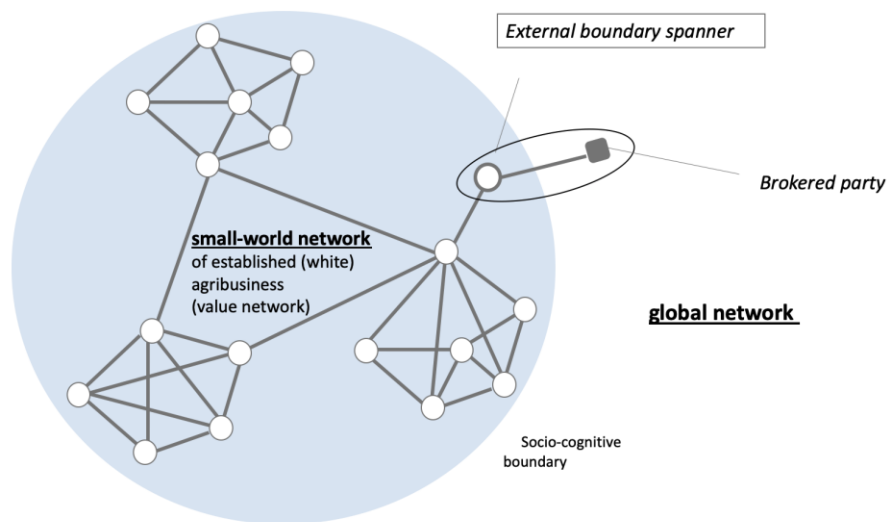


Figure 9: The Context of Socio-cognitive Boundaries

(adapted from Haas, 2015)

The term 'boundary spanner' is not used in a consistent manner in extant brokerage literature. Cohen & Levinthal (1990) use the terms 'boundary spanner' and 'gatekeeper' synonymously, to refer to actors that monitor the external environment and translate information for internal use, and thus enhance the absorptive capacity of the organisation. Long, Cunningham and Braithwaite (2013) refer to boundary spanners as brokers but do not distinguish them from other types of brokers. Similar to Cohen & Levinthal (1990), Haas (2015) uses the terms 'boundary spanner', 'knowledge broker' and 'gatekeeper' to describe actors that connect the organisation to external knowledge. The author posits that boundary spanners perform various functions, 'including information exchange and access to clients and resources, whereas gatekeepers focus on information gathering and knowledge transfer' (p. 21). This study cuts through the various overlapping and sometimes conflicting definition of the terms, and attempts to firm up brokerage terminology.

2.4 DYNAMIC BROKERAGE

The classical view of brokerage is premised on the conception of brokerage as a mechanism that facilitates the exchange of goods in open networks (e.g. Gould & Fernandez). Besides the failure of the classical framework to account for brokerage situations that exist outside the context of structural holes, Spiro et al. (2013) cite three other shortcomings of the classical view. Firstly, the concept fails to account for opportunities that are temporally distributed. Secondly, the creation of a direct connection between the alters (matchmaking) is not accounted for in the classical formulation and finally, the distinction between repeated arrangements and unique structural configurations is not discernible in that formulation.

Whilst extant literature primarily describes brokerage from the structural (static) point of view (e.g. Gould & Fernandez, 1989; Xiao & Tsui, 2007; Zaheer & Soda, 2009; Stovel et al., 2011; Haas, 2015; Hahl et al, 2016), a cogent critique of this view is that it fails to reveal certain salient features of brokerage. The empirical omission of the dynamic properties of brokerage in classical literature results in a flawed understanding of brokerage situations (Stovel & Shaw, 2012; Spiro, Acton & Butts, 2013; Obstfeld et al., 2014; Quintane & Carnabuci, 2016). Stovel & Shaw (2012) argue that extant research fails to show the changes in network relationships over time as a consequence of brokerage. This omission makes it difficult to appreciate how “returns to brokerage are increasing or decreasing and how these patterns of returns affect actors’ willingness or desire to engage with brokers subsequently” (p. 154).

The revision of the definition of brokerage to “behavior by which an actor influences, manages, or facilitates interactions between other actors.” (Obstfeld et al., 2014, p. 141) liberates the concept of brokerage from the confines of its structural origins, addresses the omission of the temporal dynamics of brokerage and characterises the behavioural orientation of the broker. It sets the scene for the definition of the boundary spanner brokerage construct. Dynamic brokerage reconciles the structural and content benefits associated with brokerage (Spiro et al., 2013; Obstfeld et al., 2014).

The conceptualisation of brokerage as a dynamic concept is not new, but the empirical study of its dynamic properties has not been adequately addressed in literature (Quintane & Carnabuci, 2016) and measures of brokerage have remained within the domain of static relationships (Spiro et al., 2013). This study subscribes to the new tradition, in brokerage literature, of acknowledging the structural definition of brokerage as a foundational basis for the definition of structural broker types, and extending the same to integrate the behavioural properties of brokers (e.g. Spiro et al., 2013; Obstfeld et al., 2014). In this way, the study is able to explain the temporal dependencies and agential behaviour required to sustain brokerage returns. The integrative approach applied in this study also considers the analytical dimension of microfoundations, and thus brings novelty to the analysis of brokerage situations. Microfoundations is a category of literature that looks at the effect of constituent factors on macro-level phenomenon (Barney & Felin, 2013) and the factors that drive brokerage mechanisms (e.g. Ibarra et al., 2005; Ahuja et al., 2012; Yagi & Kleinberg, 2011; Boari & Riboldazzi, 2014).

The construct of boundary spanner brokerage is defined on the back of the five focus areas illustrated in Figure 10: brokerage mechanisms, microfoundations, strategic orientation, broker roles and broker functions.

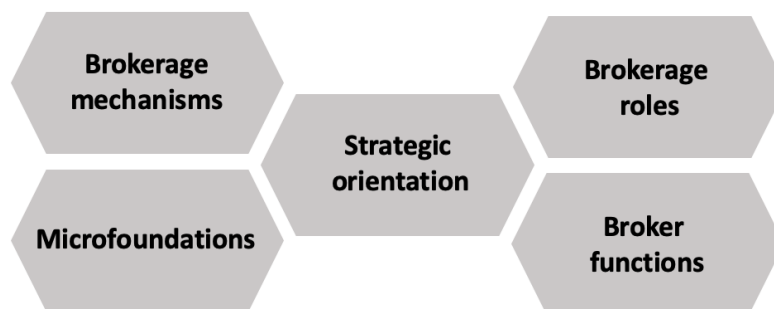


Figure 10: Key Concepts of Dynamic Brokerage

The discussion of brokerage mechanisms considers the logic and dynamics of processes involved in brokerage (e.g. Spiro et al., 2013; Obstfeld et al., 2014; Quintane & Carnabuci, 2016). Strategic orientation is a category that looks at the behavioural inclination of the broker, *tertius gaudens vs tertius iungens* and considers

other behavioural attributes such as trustworthiness and control (e.g. Obstfeld, 2005; Stovel & Shaw, 2012; Quintane & Carnabuci, 2016). Strategic orientation is presented as a moderating effect on the roles and functions of the broker. The role specification and the evolution of the broker role are best discussed in the context of their strategic orientation and the applicable mechanisms (e.g. Zaheer et al., 2010, Tortoriello & Krackhardt, 2010; Barner-Rasmussen et al., 2010).

2.4.1 Brokerage Mechanisms

Spiro et al. (2013) propose a framework for dynamic brokerage as an extension to Gould and Fernandez' (1989) classical formulation of brokerage. In that formulation of brokerage as a process, brokerage opportunities are not limited to environments with structural holes. The authors also describe cases of brokerage in closed networks. A comprehensive set of brokerage mechanisms comprising transfer, matchmaking and coordination process classes is proposed, in relation to the different network contexts.

Transfer

The transfer brokerage mechanism is a process class applicable to exchanges between unconnected parties. Spiro et al. (2013) introduce the concept, in the context of dynamic brokerage, to denote a brokerage process that is characterised by a "time-ordered two-path connecting two alters who previously could not reach each other via direct tie" (p.140). In essence, transfer takes place when bridging ties have been established between broker and the alters. The logic is that the first path connects broker to the first alter and the second path connects broker to the second alter. From that point onwards, transfer between the partners happens. This simple articulation of a time-ordered connection cannot be explained using the structural view of brokerage. Below is an illustration of how dynamic brokerage is able to account for the brokerage opportunity that arises after the second path is established t2.

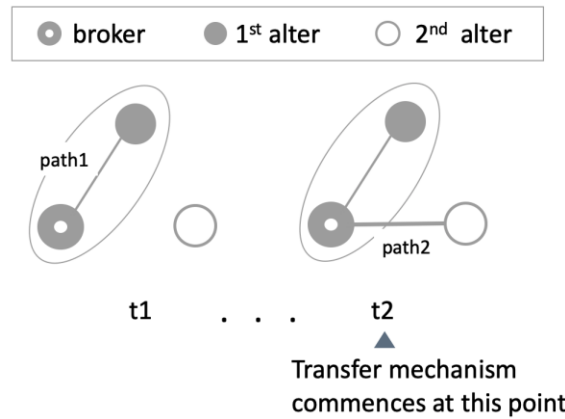


Figure 11: Time-ordered Two-path Connection for the Transfer Mechanism

(Adapted from Spiro, Actus & Butts, 2013, p. 140)

Several processes may be engaged to support this mechanism. For instance, Burt (2004) posits that the broker creates awareness of opportunities on the other side and seeks to transfer best practice from established nodes to the less resourced. Boari and Riboldazzi (2014) define the processes of transcoding and knowledge transfer between parties as a function of the gatekeeper role, whilst Gould and Fernandez (1989) attribute the role of the representative with the mediation of resource transfer. Kellogg (2014) refers to the activities related to the *tertius gaudens* as those of a buffering practice that seeks to maintain rather transform the relationship between alters, whilst Boari & Riboldazzi (2014) similarly observe that, in the role of gatekeeper.

Matchmaking

The matchmaking mechanism is indicated in the *tertius iungens* orientation, a behavioural inclination of the broker that seeks to bring parties closer, rather than keep them apart. Spiro et al. (2013) define the concept of match-making to denote a brokerage mechanism whose temporal characteristic is that of a time-ordered, two-path followed by a third party tie as shown in Figure 12.

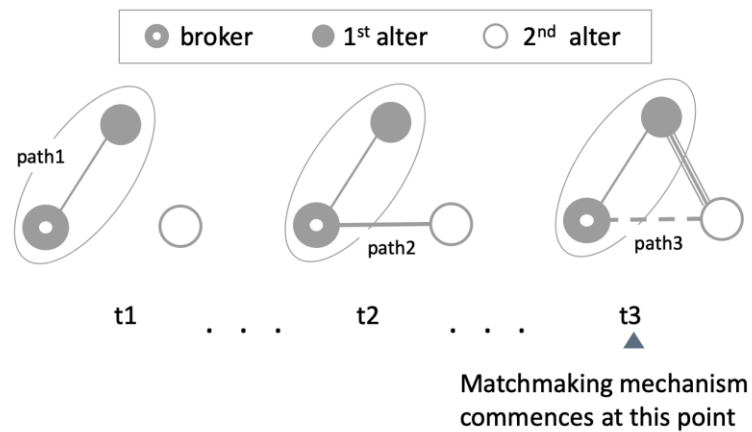


Figure 12: Emergence of Matchmaking Mechanism

(Adapted from Spiro, Actus & Butts, 2013, p. 140)

The authors refer to that network context whereby the interests of the actors (broker and brokered parties) are aligned as a positive exchange network. The positive exchange network context promotes the creation of closer ties between the brokered parties. Barner-Rasmussen et al. (2010) define a similar function that they term 'linking', whereby boundary spanners use their personal networks to enable previously disconnected actors to link up.

Obstfeld et al. (2014) posit that the *tertius iungens*, the orientation assumed for boundary spanner brokerage, actively pursues collaboration between brokered parties. Bridging ties, the initial connection enacted by the broker, are known to exhibit a fast rate of decay (Burt, 2004; Baum et al., 2012). In order to sustain partnership benefits, such as commitment, and willingness to continue trading, organisations may convert their connection to that of closure ties (Baum et al., 2012).

Facilitation

The third mechanism defined by Spiro et al. (2013) is termed 'coordination' and refers to a situation in which the broker directs alters' actions for resource exchange. The role specification is similar to that implied as highest level in Burt's (2004) four levels of value creation. In that conception, the broker synthesises the activities between alters, based on beliefs and behaviours gained in the brokerage relationship. Whilst in both cases, Burt (2004) and Spiro et al. (2013), a certain level of alter-alter

disconnection (structural hole) is implied, Obstfeld et al. (2014) extend this concept of 'facilitation' with a view that the *tertius iungens* orientation fosters collaborative action between connected alters. This conception of facilitation, as a mechanism that manages brokerage activity between alters in closed network contexts, is adapted in this study. The illustration of the temporal dynamics is similar to that of the matchmaking mechanism. Figure 13 shows the case of on-going collaboration between alters in a closed network.

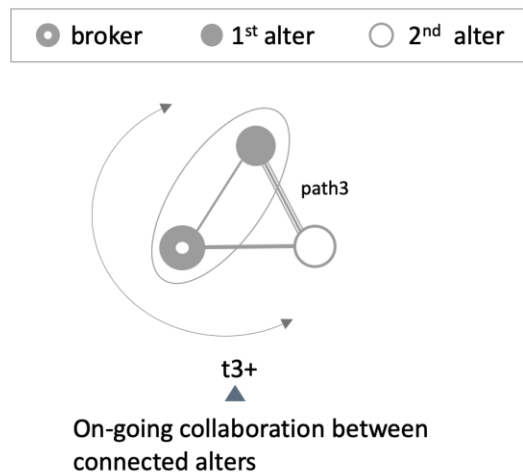


Figure 13: On-going Collaboration in Closed Networks
 (Adapted from Spiro, Actus & Butts, 2013, p. 140)

2.4.2 Microfoundations

The empirical phenomenon of interest in this study is the evolution of network relationships as the brokerage processes unfold. The contextualist perspective applied to the research design locates process dynamics within the context of changes at other levels. The core assumption of the contextualist perspective is that the causation of change is not a singular, linear function, but a complex, sum total of factors that play out at different levels (Pettigrew, 1990). The temporal dynamics at the process level are viewed as a consequence of constituent-level factors (microfoundations). In particular, the consequence of broker behaviour is explored

(conscious agency). This is very much in tune with the microfoundations programme which valorises individual-level agency (Felin et al., 2015).

To do justice to the theoretical discussion of the dynamic concept of brokerage, a distinction of the different levels, at which change occurs, is necessary. Some change occurs at the ego-network level. Such change relates to the adjustment of relations between the ego and alters (Zaheer et al., 2010) whilst other change takes place at the whole network level. It is necessary to establish the locus of change and to relate it to changes at other parts of the network. An understanding of the cause and effect relationship is what this study seeks to accomplish. The assertion in this study is that the explication of the role of conscious agency reveals the salience of boundary spanner brokerage.

Microfoundations include fundamental drivers of networks at all levels: interpersonal, interorganisational and intergroup (Ahuja et al., 2012). The study of microfoundations is informed by the concept of co-evolution, and premised on the notion that social structuring cannot be fully understood without a consideration of individual attitudes and behaviours (Tasselli et al., 2015).

Co-evolution

From a coevolution perspective, social structure emerges from a process of localised actions, relationships, and identities of individuals (Tasselli et al., 2015; Felin, Foss & Ployhart, 2015). Co-evolution talks to the reciprocal relationship between constituent factors (microfoundations) and the emerging network structures (Tasselli et al., 2015) and is illustrated in Figure 14.

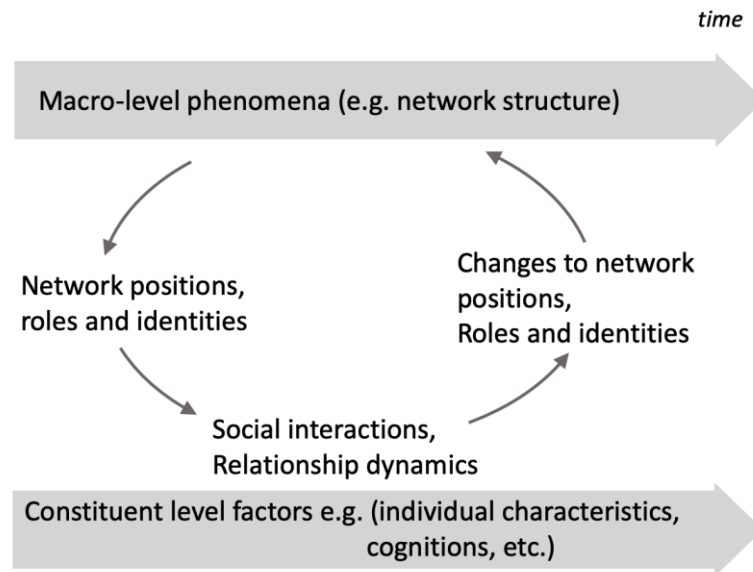


Figure 14: Co-evolution of Individuals and Social Structures

An illustration of microfoundations, adapted from Tasselli, Kilduff & Menges (2015, p. 1363)

The study of microfoundations promotes the understanding of the evolution of network structures. By looking at the constituent factors, individual actors and their social interactions, changes at macro-level can be explained (Ahuja et al., 2012; Barney & Felin, 2013; Tasselli et al., 2015). Organisational analysis should consider how individual-level factors aggregate to the collective level, how the choices and social interactions of individuals affect macro-level factors (Barney & Felin, 2013). Questions related to the genesis and evolution of brokerage can, therefore, benefit from a consideration of microdynamics and the related concepts of aggregation and emergence (Barney & Felin, 2013). Microfoundations are the ‘basic factors that drive or shape the formation, persistence, dissolution and content of ties’ in a network (Ahuja et al., 2012, p. 437). The microfoundations programme provides a set of heuristics that put a spotlight on the constituent-level factors (Felin et al., 2015).

The consideration of microfoundations in organisational research does not preclude the ability of higher-level phenomena to influence lower-level phenomena. It is premised on the view that micro factors can yield richer explanations of social phenomena (Felin et al., 2015). It valorises individual-level agency and also

considers the interactions of network actors, as well as the mechanisms and context underlying such interactions (p. 605).

2.4.3 Co-evolution of Microfoundations and Macrostructure

Ahuja et al. (2012) posit that networks are in a constant state of flux. The key constructs of such change are the mechanisms of *homophily*, *brokerage* and *closure*. These macro-level changes are driven by various microfoundations. Also referred to as microdynamics, these mechanisms reflect changes in network membership through the restructuring of ties and nodal attributes. Structural transformations at the whole network level, in turn, create opportunities and constraints for network actors and tie configurations, informing a self-reinforcing cycle of change between the mechanisms and the microfoundations. Figure 15 illustrates the cyclic relationship between microfoundations and the mechanisms.

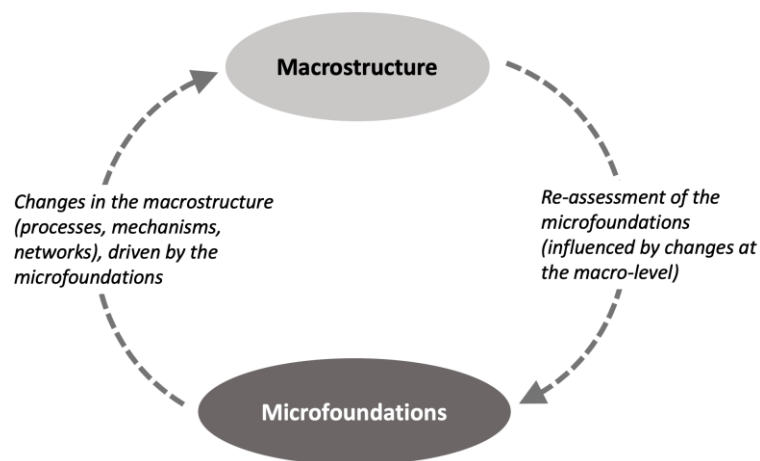


Figure 15: Co-evolution of Microfoundations and Macrostructure

Adapted from: Ahuja, Soda & Zaheer (2012, pp. 438)

Ahuja et al. (2012) posit that some change is driven by the similarity of network nodes at some level, such as homophily or proximity. Based on homophilous affiliation, such nodes may seek to establish ties that protect shared interests. In fact, the emergence of small-worlds has been explained as resulting from such affiliation. Baum et al.

(2003) posit that, under conditions of uncertainty, the likelihood of partnering increases with similarity in status and that homophilous ties amongst organisations are associated with the consolidation of power and control.

Rivera et al. (2010), however, present a counter-perspective based on recent trends, that disassortative contexts (dissimilar or heterophilous nodes in a network), also create an opportunity for brokerage. This is consistent with Burt's (1992; 2001) assertion that in their quest to access novel resources from other parts of the network, actors create a social network in which connections between otherwise unconnected parties are brokered.

In their discussion of the evolution of social networks, Zaheer & Soda (2009) describe the self-reinforcing cycle of change, as follows. Purposive action by network actors creates tie formations and structures, providing opportunities that they then exploit. From that experience, they gain knowledge that motivates them to recreate and reconfigure past network positions into future beneficial ones (p. 4).

2.4.4 Agency (motivation and ability)

The microfoundation of agency, relates to the motivation and ability of social actors to enact social structures (Ahuja et al., 2012). Actors may choose to pursue certain relationships, abandon some or strengthen the quality of certain ties and thus shape the evolution of networks (Tasselli et al., 2015). This microfoundation, therefore, speaks to the conscious pursuit of personal or group advantage, self-interest and utility reasoning by network actors, resulting in the emergence of network structures (Ahuja et al., 2012). Extant research tended to conflate opportunity with motivation (e.g. Burt, 1992), and view motivation as a consequence of network position. Recent perspectives overturn that view and acknowledge that individuals bring idiosyncratic motivations into social networks (e.g. Adler & Kwon, 2002; Tasselli et al, 2015). This perspective deviates from the standard rational actor model that assumes all actors are identically motivated by self-interest (Adler & Kwon, 2002).

Reinholt, Pedersen & Foss (2011) posit that the opportunity to engage in social networks is impaired by the lack of motivation and ability. The authors distinguish two types of motivation, autonomous and controlled, and conclude that autonomous motivation is superior. Adler & Kwon (2002) make a similar point, with reference to what they term 'consummatory' motivation. They note that this kind of motivation is engendered through socialisation and the notion of a shared destiny. Controlled motivation, on the other hand, is associated with external triggers such as rewards and remuneration. Its effect is minimal, but more importantly, it leads to focus on short-term gains.

Reinholt et al. (2011) argue that motivation enables actors to take better advantage of their network position. It is an individual factor that is driven by psychological and cognitive processes. Tasselli et al. (2015) concur with the view that individuals purposefully strive towards desired goals, if their psychological make-up and the characteristics of the social context are in order (p. 1374).

2.4.5 Opportunity

Obstfeld et al. (2014) define opportunity as the relative availability of complementary actors and resources. Williams (2002) flags opportunity as one of the triggers for organisations to seek interorganisational partnerships. The enactment of ties to external nodes endows the organisation with the opportunity to leverage resources of the target connection (Adler & Kwon, 2002) Changes in assortativity may be an indicator of a shift in resource requirements (Ahuja et al., 2012). The opportunity microfoundation is a driver of assortative mechanisms. It is based on convenience, such as sharing the same ethnic background, having common identity or goals and other dimensions of proximity. Ahuja et al. (2012) posit that the natural outcome of this microfoundation is the assortative mechanism of homophily and the formation of cliques.

Rivera et al. (2010), however, dispel the notion that similarity in actors' attributes automatically characterises social connections. They argue that the microfoundation of opportunity can also motivate heterophilous tie formation. Heterophily is an

assortative mechanism based on dissimilarities or complementarities of network nodes, rather than similarities. The view is consistent with Obstfeld's (2005) view that actors located across a structural hole may decide to collaborate if they share a need.

2.4.6 Trust

Whilst the opportunity microfoundation may suffice to trigger the enactment of bridging ties (Ahuja et al., 2012), it is not sufficient for the formation of closure ties (Baum et al., 2012). Obstfeld (2005) posits that the lack of trust is an issue that hinders the parties from acting on the opportunity to develop closure ties. Trust has been presented in literature as an important determinant of economic phenomena. Cooperative behaviour has been known to be driven by trust (Kale & Singh, 2009; Thöni et al., 2010). Kale & Singh (2009) capture the essence of trust in organisational alliance as follows. Trust has a structural as well as a behavioural component. The former obliges parties to act in a trustworthy manner due to a mutual hostage situation and the latter relates to knowledge-based trust that develops through repeated exchanges. During the formation stages of a relationship, the structural form of trust comes to play. It can be simply attributed to the location of the broker within the organisational structure of the incumbent firm and their membership of the social world of the target organisation. Behavioural trust, on the other hand, plays a bigger role in post-formation relationships, the context of network closure.

Coleman (1988) posits that trustworthiness, within social structures, is a form of social capital that allows the proliferation of obligations and expectations. Norms arise out of the need to limit negative external effects and to encourage positive ones. Based on the norms of trust and reciprocity, closure ties are known to facilitate transactions in the marketplace. The quality of the ties relates to trustworthiness and allows the proliferation of transactions with ease and without invoking high transaction costs to secure such transactions (p. S99).

Social network scholars argue that trust, not only sanctions norms of behaviour, it also creates an opportunity for more sensitive and richer information, because it engenders solidarity between network actors. Tasselli et al. (2015) posit that trust, at

interpersonal level, is antecedent to the conclusion of formal agreements. In fact, they argue that when dealing with demographically similar others, people tend to develop shared values and trust, leading to tie formation and adjustment of higher-level network structures.

2.4.7 Strategic Orientation of the Broker

Extant literature has cast a link between the strategic orientation of the broker and the scope of exchange activities that the broker may be willing to facilitate (e.g. Burt, 1992; Burt, 1997; Obstfeld, 2005; Obstfeld et al., 2014). In the analytical framework developed for this study, strategic orientation is presented as a moderating effect on broker roles. Social network literature generally presents strategic orientation as if it were a dichotomy of the *tertius gaudens* (literally, 'the third who benefits') and the *tertius iungens* (literally, 'the third who joins'). *Tertius gaudens* relates to the configuration of the brokerage relationship in such a way that the broker plays the alters against each other for own benefit, whilst *tertius iungens* brokerage relates to the social behaviour of the broker as a facilitator of a relationship between the alters (Obstfeld, 2005). According to this view the extent to which some of the broker functions are exercised depends on the strategic orientation of the broker. Figure 16 illustrates the structural dynamics of strategic orientation.

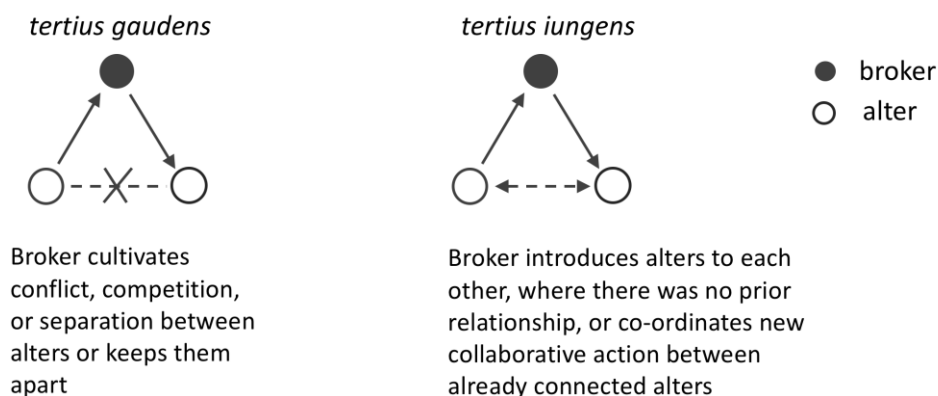


Figure 16: Strategic Orientation of the Broker

(Source: Obstfeld, Borgatti & Davis, 2014)

Whilst strategic orientation has been presented as a dichotomy of the two conditions (*iungens/ gaudens*), in a stricter sense, that conceptualisation is inaccurate. It is conceptually cogent to refer to this concept as a continuum between the two extremes rather than a binary relationship. In other words, there will be varying degrees of *tertius iungens* or *tertius gaudens*. Obstfeld (2005) explains that *iungens* brokerage may be brief or sustained. This observation shows that the broker will champion varying degrees of coordination between alters. In some cases, the broker may unite the alters and leave them to collaborate with minimum broker intervention. In other cases, the broker may be actively involved in fostering deep collaboration between connected alters. The strategic orientation, therefore, has a moderating effect on the roles and functions of the broker. A moderating factor is one that strengthens or diminishes the strength of another variable or function.

Tertius Gaudens

Extant brokerage literature presents the *tertius gaudens* orientation as a key attribute of mediation brokers. Burt (1992) presents the *tertius gaudens* as a seller who bids one or more buyers against one another in order to get a higher price. The *tertius gaudens* uses uncertainty to sustain their position as broker (Burt, 1992). As long as the brokered parties are uncertain 'about whose preferences should dominate a relationship, there's an opportunity for the broker *tertius* to a relationship' (p.78). Such brokers thrive in imperfect markets, where there are holes in the structure of the market, leaving people unaware of benefits they could offer one another (Burt, 1997). The *tertius gaudens*, therefore, seeks access to assets locked in suboptimal exchanges. The broker capitalises on their position within the network to maximise control and ultimately, profits. Structural holes provide an ideal setting for this type of brokerage (pp. 340-342).

Tertius Iungens

The counter-position to the *tertius gaudens* is that of *tertius iungens* (literally, 'the third who joins'). Obstfeld (2005) introduces this concept to denote the orientation of a broker who seeks to facilitate the strengthening of ties between alters and may either continue facilitating the relationship or step away upon establishing the direct

link. Obstfeld (2005) argues that the *tertius iungens* is implied in Simmel's (1950) type of impartial mediator and that this type is often overlooked in the discussion of Simmel's (1950) seminal essay on triads. Although Simmel's (1950) text puts emphasis on the tension between the brokered parties, describing the broker as one who produces concord or reconciles the adversarial positions of the parties, Obstfeld (2005) argues that the *iungens* orientation has relevance in the context of parties that are not adversarial and have no competing claims. Parties may be indifferent to each other's interests or not aware of the other's interest, hence the *tertius iungens* facilitates that information adjustment.

In a study of the inclination of brokers in embedded contexts, Quintane & Carnabuci, (2015) posit that the broker, in such a context, is likely to assume the *tertius iungens* orientation and thus create closer co-operation between brokered parties. The gatekeeper role in the Gould and Fernandez' (1989) typology is attributed with the same behavioural orientation, seeking to selectively grant other organisational actors access to the brokered party. Collins-Drogul (2012) refers to two complementary roles in closed networks that allow organisations to enact brokerage missions: architect and caretaker. The architect role is concerned with creating the network ties between alters and the caretaker role is focused on sustaining existing relationships. The roles require social skills to engage in cultural-cognitive work that promotes co-operation (p. 1009).

Stovel & Shaw (2012) distinguish the middleman role, mediation, from the catalyst broker role. The catalyst is an *iungens* broker (Sgourev, 2015) who seeks to connect previously unconnected alters in a direct and sustainable manner. Stovel & Shaw (2015) argue that the catalyst role enhances the broker's reputation and value through incremental brokerage missions. The brokerage missions tend to have a finite lifespan and the broker has to continually seek new opportunities to span (p. 146) and thus keep themselves relevant in the brokerage relationship.

Building on the formulations of the dynamic properties of brokerage, Quintane & Carnabuci (2016) distinguish broker activities in open networks from those in closed networks. They denote the two contexts as 'unembedded' and 'embedded' brokerage respectively. 'Embedded' brokerage relates to a situation where brokerage happens

via the long-term ties of the broker, and 'unembedded' brokerage is when interactions are with parties that the broker is not very familiar with (p. 1347). According to that conception, 'unembedded' brokerage is associated with the *tertius gaudens* behaviour, and *tertius iungens* behaviour is prevalent in the context of embedded brokerage. Collins-Dogrul (2012) define this type of brokerage as *iungens* brokerage, denoting a type of broker that fosters relationships rather than controlling access to brokered parties as in the case of the *tertius gaudens*. In this orientation, embedded actors facilitate a direct connection between brokered parties, whilst unembedded brokers perceive their role to be that of intermediating between the parties and are therefore unlikely to facilitate a direct connection between the brokered parties.

Referring to the concept of Simmelian bridges, Tortoriello and Krackhardt (2010) posit that the role of the broker is relevant in closed networks and that it facilitates the integration of knowledge and innovation. Ties are defined as Simmelian when the actors are reciprocally tied to another and each is also reciprocally tied to a common third party (p. 170). Simmel's (1950) seminal work on triads positions the potential inclination of brokers in relation to alters. In that study, the structural position of the broker is presented as an opportunity for positive contribution as well as a source of anomie.

2.4.8 Broker Roles

Brokerage terminology is not consistent when it comes to sub-concepts, such as processes, roles and functions. In some cases, these sub-concepts are used interchangeably. A secondary objective of this study is to propose a standardisation of brokerage terminology for the sub-concepts of dynamic brokerage. In this section, a mapping of roles relevant to enact brokerage processes is performed from a metatheoretical study of broker roles.

It is not the intention of this exercise to generate an exhaustive set of references for broker roles. The purpose is to propose a reasonable standard for the terminology of dynamic brokerage that can be used to define the construct of boundary spanner brokerage. The ensuing discussion of brokerage processes concluded that the

process classes formulation of the transfer and matchmaking mechanisms covers the cases for brokerage in open networks as well as linking up alters. The discussion proposed that the third mechanism (facilitation/ coordination) be extended with Obstfeld's (2014) conception of coordination, which assumes an iungens orientation and caters for collaboration of alters in a closed network, whereas the conception of coordination by Spiro et al. (2013) In this section, broker roles are placed in relation to these mechanisms based on logical grouping of identified roles from a metatheoretical study. Whilst broker roles have been defined structurally in classical brokerage literature (e.g. Gould & Fernandez, 1989), more recent studies define them according to the behavioural activity of the broker (e.g. Obstfeld, 2005; Obstfeld et al., 2014; Collins-Dogrul, 2012; Spiro et al., 2013; Sgourev, 2015). Table 1 provides a mapping of the roles to the brokerage mechanisms. The discussion of the roles that follows serves as input for the definition of the boundary spanner brokerage construct.

Table 1: Mapping of Roles to Brokerage Mechanisms

Mechanism	Broker Roles
<p><u>Transfer</u></p> <p>Spiro et al. (2013): Transfer refers to a process class in which the broker enables exchange between unconnected parties.</p>	<p>Gould & Fernandez (1989): the role of the broker in the context of open exchange networks is that of representative</p> <p>Obstfeld et al. (2014): Broker is used as a conduit for resource transfer between un-connected parties.</p>
<p><u>Matchmaking</u></p> <p>Spiro et al. (2013): Matchmaking refers to a process class in which the broker makes possible a direct tie between brokered parties.</p>	<p>Gould & Fernandez (1989): The gatekeeper selectively grants other organisational actors access to brokered party.</p> <p>Boari & Riboldazzi (2014): In the role of gatekeeper, the broker is concerned with transcoding and knowledge transfer between brokered parties.</p> <p>Sgourev (2015): As catalysts, brokers also connect actors in a way oriented toward the sustenance of networks over time.</p> <p>Collins-Dogrul (2012): Architect refers to a broker role focused on network creation.</p>

Mechanism	Broker Roles
<p data-bbox="225 271 555 300"><u>Facilitation/ Coordination</u></p> <p data-bbox="225 333 560 546">Spiro et al. (2013): Coordination refers to a process class in which the broker directs alters' actions for resource exchange.</p>	<p data-bbox="624 333 1337 412">Obstfeld (2005): The <i>tertius iungens</i> facilitates coordination between connected alters.</p> <p data-bbox="624 445 1378 568">Barner-Rasmussen et al. (2010): Facilitation is referred to as a function that seeks to get members of the brokered organisations to understand each other.</p> <p data-bbox="624 602 1337 680">Collins-Drogul (2012): Caretaker refers to a broker role that maintains and enhances relations in a closed network.</p>

The foregoing discussion, of the strategic orientation of the broker, indicates that brokers may be inclined to fulfil certain roles and forgo others, depending on network context and own orientation. The discussion of broker roles is an actor-level analysis of broker behaviour (that puts a spotlight on the differentiating role of agency in sustaining boundary spanner brokerage and triangulates the complementary levels of microfoundations and brokerage mechanisms.

Broker roles have traditionally been discussed from the structural perspective, looking at the positional determinants of those roles. Dynamic brokerage takes into consideration that brokerage roles differ for various actors and for the same actor at different times (Boari & Riboldazzi, 2014). They also differ according to the network context (e.g. Obstfeld et al., 2014).

The consideration of broker roles in the context of closed networks is a departure from classical studies that are premised solely on the open exchange network context. Obstfeld et al. (2014) challenge the traditional assumption that 'unconnectedness' between alters (structural hole) is a necessary condition for brokerage. They argue that the role of the broker is relevant in open as well as closed networks. Whilst open networks (structural holes) are predisposed to the *tertius gaudens* behaviour of mediation brokerage, closed networks may also be subjected to *tertius gaudens* behaviour if, for instance, the alters require special skills or

knowledge transfer from a broker who may not be willing to share such connection (Obstfeld et al., 2014).

The foundational discussion of roles in this study is informed by Gould & Fernandez' (1989) structural role types. The consideration of other sources and perspectives, relating to dynamic brokerage, secures a harmonisation of the terminology and contributes to firming up brokerage literature. The discussion of broker roles is deliberately tailored for the boundary spanner brokerage construct. It considers the broker as an individual actor and traces the broker functions associated to the roles that the broker plays. The roles, derived from extant literature and found to be relevant for boundary spanner brokerage, are those of representative, gatekeeper and coordinator. The liaison role is considered for comparative context. It relates to the primary role of the traditional broker, the mediator. In the empirical setting for this study, that role specification relates to that performed by the 'strategic partner'.

Liaison

Gould & Fernandez (1989) describe the liaison role as one where the broker mediates exchange between parties that have no prior allegiance to each other. The primary function for the broker in such contexts is that of conduit, providing a bridge for such parties to exchange resources without having a direct relationship (Obstfeld et al., 2014). Soda et al. (2018) refer to the role of arbitrage broker to denote the tendency of the broker, in open networks, to capitalise on the resource/ information asymmetries between the alters. Liaison brokerage relates closely to Spiro's et al. (2013) transfer mechanism. It is concerned with transferring information or knowledge from one alter to the other with the broker as mediator rather than moderator of the exchange (Obstfeld et al., 2014). In other words, the broker in that case facilitates resource exchange without wanting to change the relationship between the alters.

Representative

In the Gould & Fernandez (1989) formulation, the representative role is identified by the direction of the connection. The representative role emerges when members of a group delegate one of their own to communicate information or to represent them

in exchange negotiations (p. 92). Disregarding the structural position of the broker within the incumbent organisation, and the directionality of the tie, the representative role is quite similar to that of liaison. Both are concerned with resource transfer in a context where alters (brokered parties) have no direct relationship. The difference is that the liaison role is performed by a broker located outside of the organisational boundaries of the alters, whereas, the representative role is performed by an actor located within the network of a group or organisation.

Gatekeeper

Gould & Fernandez (1989) define the role of gatekeeper as one performed by an actor located within one of the brokered groups, who selectively grants other organisational actors access to that group. In their structural formulation, Gould & Fernandez (1989) do not ascribe strategic or behavioural orientation to this role. Associating this role to structural dynamics, this study relates the role to an actor that seeks to unite their own organisation with an external party. Barner-Rasmussen et al. (2010) refer to a function that they term '**linking up**', to describe how boundary spanners use their social capital to enable previously disconnected actors to link up. The mechanism of linking-up alters is driven by the microfoundations of agency and trust. Out of the logic of utility and self-interest, brokers may apply conscious and deliberate agency to enact network structures favourable to them (Ahuja et al., 2012).

Coordinator

In the Gould & Fernandez' (1989) formulation of broker roles, the co-ordinator role relates to brokerage activities between actors in the same closed network as the broker. Whilst such actors may not have a direct relationship amongst themselves they may rely on the broker to assist them to understand each other better and intervene to solve misunderstandings and conflicts (Gould & Fernandez, 1989; Barner-Rasmussen et al., 2010). The role requires that brokers apply their social capital to interpret the different behavioural codes and systems of meaning, allowing them to exert a strong influence on inter-unit relations (Barner-Rasmussen et al., 2010, p. 2).

Whilst Gould & Fernandez' (1989) definition of the coordinator role implies a level of disconnectedness between the alters, Obstfeld et al. (2014) posit that in the orientation of the *tertius iungens*, the broker role facilitates on-going collaboration between connected parties. According to this role, boundary spanners may facilitate transactions across boundaries by assisting other organisational actors to participate more effectively in the exchange processes. In that way, they exert a strong influence on inter-group relations.

2.4.9 Broker Functions

Burt (2004) conceptualises four broker functions as progressive levels of value creation. The first two levels of Burt's (2004) framework of broker value-creation relate to the functions of creating awareness of the opportunities on the other side and transfer of best practice. The third level of broker value-creation in Burt's (2004) framework relates to drawing analogies between groups that would otherwise be unconnected and seeking to connect them sustainably. The highest level of broker value creation in that framework relates to synthesising the activities of the alters based on beliefs and behaviours gained in the brokered relationship.

The foregoing discussion of broker roles provides the frame and taxonomy for the categorising boundary spanner brokerage roles and associating them to the functions. In a study of an Italian comics publishing house, Boari & Riboldazzi (2014) relate Gould & Fernandez' (1989) typology of broker roles to Burt's (2004) framework of value creation. Acknowledging that the same broker may assume different roles at different times, they characterise broker roles by linking related functions to such roles. The study posits that all broker roles involve the transcoding function. The transcoding function, implied in the first level of Burt's (2004) framework, and the knowledge transfer function, implied in the second level, are attributed to the role of gatekeeper, whilst the more complex functions of drawing analogies and combining knowledge are attributed to the representative, coordinator and liaison roles. The functions are more complex because brokers have to familiarise themselves with

both alters or groups, a feat that gets more demanding with the heterogeneity of the alters (Boari & Riboldazzi, 2014).

As argued by Obstfeld et al. (2014), in the context of open networks, a broker with the *tertius gaudens* orientation may intentionally keep alters apart for own egoistic agenda. Soda et al. (2018) describe the broker role as that of arbitrating, denoting the tendency of the broker to exploit asymmetries emanating from the broker's structural position. The broker role associated with that kind of behaviour, despite its crucial role of mediating resource transfer, is that of liaison.

The following discussion qualifies the association of certain functions to certain roles as shown in Table 1. Collins-Dogrul (2012) explains that brokers have to be socially skilled to facilitate matchmaking and to maintain closure ties between brokered parties. In both roles, the broker performs the function of 'translating differences and promoting common understandings' (p. 994). The author describes a function relevant to creating network emergence as that of 'architect'. Sgourev (2015) describes as 'catalyst' the function associated with connecting actors in a way oriented towards sustenance of closed networks.

Broker functions within closed networks relate to the broker role of co-ordination. Soda et al. (2018) refer to the role of **collaboration**, denoting the tendency of the broker to cooperate and integrate resources. Quintane & Carnabuci (2015) refer to this context as 'embedded' brokerage and argue that brokers with a *tertius iungens* orientation are inclined to facilitate collaboration between brokered parties. The function is similar to Obstfeld's (2005) description of the broker role facilitating coordination between connected alters. Collins-Drogul (2012), refers to a similar function of **caretaker**, one that is concerned with maintaining and enhancing existing networks.

Table 1 below summarises the theoretical discussion of broker functions, placing them in relation to the broker roles discussed in extant literature. The summary does not pretend to be comprehensive, but it captures the commonly used synonymic references to the various roles and functions.

Table 2: Taxonomy of Broker Roles and Functions

Roles	Functions	Behavioural orientation
Liaison*	<p>Broker with no prior allegiance mediates exchange between alters (Gould & Fernandez, 1989)</p> <p>Creates awareness of the opportunities on the other side (Burt, 2004)</p> <p>Mediates resource transfer between brokered parties (e.g. Boari & Riboldazzi, 2014; Levy, Lee, Jonsen & Peiperl, 2019)</p> <p>Transcodes external knowledge (e.g. Morrison, 2008, Boari & Riboldazzi 2014)</p>	<p><i>tertius gaudens</i></p> <p><i>tertius iungens</i></p>
Representative	<p>Represents organisation in exchanges with external parties (Gould & Fernandez, 1989)</p> <p>Creates awareness of the opportunities on the other side (Burt, 2004)</p> <p>Mediates resource transfer between brokered parties (e.g. Boari & Riboldazzi, 2014; Levy, Lee, Jonsen & Peiperl, 2019)</p> <p>Transcodes external knowledge (e.g. Morrison, 2008, Boari & Riboldazzi 2014)</p>	<p><i>tertius iungens</i></p>
Gatekeeper	<p>Grants selective access to external parties (Gould & Fernandez, 1989)</p> <p>Mediates resource transfer between brokered parties (e.g. Boari & Riboldazzi, 2014)</p> <p>Enables previously disconnected alters to link up (Barner-Rasmussen, 2010)</p> <p>Draws analogies between otherwise unconnected groups and seeking to connect them sustainably (Burt 2004)</p> <p>Transcodes external knowledge (e.g. Morrison, 2008; Boari & Riboldazzi 2014; Levy, Lee, Jonsen & Peiperl, 2018)</p> <p>Searches for external knowledge (Morrison, 2008)</p> <p>Transfers best practices (Burt, 2004)</p>	<p><i>tertius gaudens</i></p> <p><i>tertius iungens</i></p>
Coordinator	<p>Coordinates brokerage activity within a closed network (Gould & Fernandez, 1989)</p> <p>Facilitates collaboration between connected alters (Obstfeld et al., 2014)</p> <p>Transforms, explicates deeply held cultural values (Levy, Lee, Jonsen & Peiperl, 2019)</p> <p>Synthesises the activities of brokered parties based on beliefs/ behaviours gained in the brokered relationship (Burt, 2004)</p>	<p><i>tertius iungens</i></p>

*) All roles are postulated for boundary spanner brokerage, except for the liaison role. It is only considered for comparative purpose.

2.5 THE CONTEXT OF SOCIO-COGNITIVE BOUNDARIES

Sometimes, I say I'm a Ravele but I'm white, but when I get into meetings where people are fighting about useless things, I get frustrated. We must all work together, regardless of skin colour. It's not ok to vilify each other, black and white.

- Boundary Spanner Broker (MFE)

So, what are socio-cognitive boundaries?

Lamont & Molnár (2002, p. 168) define social boundaries as “objectified forms of social differences” that are apparent in stable behavioural patterns of association. They associate social boundaries with cognition, social identity, racial and ethnic positioning and argue that the consideration of these boundaries in network research may generate new insights into social processes that relate to boundary work. Studies of social embeddedness acknowledge the crucial role of social structure in the success of economic transactions (e.g. Granovetter, 1985; Zukin & Dimaggio, 1990; Burt, 1992; Sytch et al., 2011). The concept of social embeddedness relates the success of economic transactions to their social context (Granovetter, 1985). In fact, Zukin and Dimaggio (1990) define cultural and cognitive embeddedness as ways in which ‘structured regularities of mental processes limit the exercise of economic reasoning’, (p.15). According to this view, embeddedness affects the rationality of social actors in economic transactions, causing them to behave in an

institutionalised, culturally specific way (p. 17). To understand the concept of cognition in relation to social networks, it is necessary to unpack the concepts of cognitive diversity, cognitive similarity and small-world networks.

Cognitive Diversity

The definition of cognitive diversity applied for this study aligns to that of Kilduff, Angelmar & Meyra (2000, p. 22): 'variability concerning relatively unobservable attributes such as attitudes, values, and beliefs'. Mello & Rentsch (2015) note that competing definitions of cognitive diversity define different constructs such as attitudes, strategic beliefs, values, perspectives, perceptions, work styles, thinking styles, cognitive styles, learning styles, problem-solving strategies, personality, goal orientation, need for cognition, knowledge, skills, cognitive ability, expertise, expertness, experience, functional background, educational background, preferences, and assumptions. The constructs of interest for this study are those of strategic beliefs, values, perspectives, perceptions, preferences, and assumptions. Studies of cognitive schemas show that social networks socialise their members into clusters of exclusion, setting normative expectations about roles, acting as social referents for each other on the basis of common social characteristics such as race, ethnicity and gender (Ibarra et al., 2005; Brass et al., 2004, McPherson et al., 2001; Kilduff & Brass 2010; Barner-Rasmussen et al., 2010; Yagi & Kleinberg, 2011).

The paucity of literary engagement with issues of cognitive diversity has been widely criticised (e.g. Kilduff et al., 2000; Bender & Beller, 2011). Such neglect has been partly attributed to epistemological disagreements amongst scholars, but primarily to the fact that most anthropologists have shied away from the related controversy emanating from colonial, imperialistic and racist periods in modern history. The unfortunate consequence of this neglect is that cognitive sciences were left with the view that their universalistic assumptions were valid (Bender & Beller, 2011). The scholars posit that studies of cognitive diversity provide valuable information for correcting and refining existing models of cognitive phenomena.

Cognitive Similarity

Cognitive similarity, also referred to as homophily (e.g. McPherson et al., 2001; Ibarra et al., 2005; Borgatti et al., 2014), potentially constrains the accessibility of certain nodes in social networks (Gulati et al., 2012). McPherson et al. (2001) conceptualise homophily as an organising principle that groups together individuals with social similarities such as age, sex, race/ ethnicity, and education. They distinguish two types of homophily, status homophily and value homophily. The former refers to the major socio-demographic stratifications like race, ethnicity, sex, or age, and acquired cognitions like religion, education and occupation, whilst value homophily is concerned with attitudes, abilities, beliefs and aspirations (p. 428). In plural societies, race and ethnicity play the biggest part in the structuring of networks (Zukin & DiMaggio, 1990). In essence, cognitive social network research views networks as prisms through which the reputation of others and the assessment of their potential is gauged, and as pipes through which resources flow (Podolny, 2001; Kilduff & Brass, 2010). In their study of brokerage in closed networks, Quintane and Carnabuci (2016) also put the spotlight on cognitive boundaries and posit that brokerage interactions are highly path dependent: actors prefer to interact within familiar networks and are reluctant to interact outside of that familiarity.

Small-world Networks

Networks that exhibit local clustering and global reachability are referred to as small-worlds in social network literature (e.g. Watts, 1999; Baum et al., 2003; Sytch & Tatarynowicz, 2012; Dagnino et al., 2016). The small world network topology is characterised by local clusters of dense sub-networks (cliques) that are connected by a small number of spanning ties that link the clusters (Baum et al., 2003). Gulati et al. (2012) explain that the development of such clusters is driven by the search for partners and selecting them on the basis of some form of familiarity. Organisations tend to overcome the challenge of evaluating potential partners by limiting their search to the boundaries of the familiar. In a study of partner selection tendencies of investment banks, Li & Rowley (2002) found that organisations repetitively engage with those that they know from past interactions also due to inertia, which they describe as repetitive patterns of behaviour or path dependent routines.

Small-world networks are also characterised by the presence of a limited number of spanning ties that run between clusters. These provide members with nonredundant information and novel resources that are typically unavailable through local ties (Burt 2004, Granovetter 1982; Gulati et al., 2012). Figure 17 shows an illustration of socio-cognitive boundaries as a structural barrier (structural hole) for nodes wishing to connect to the small world.

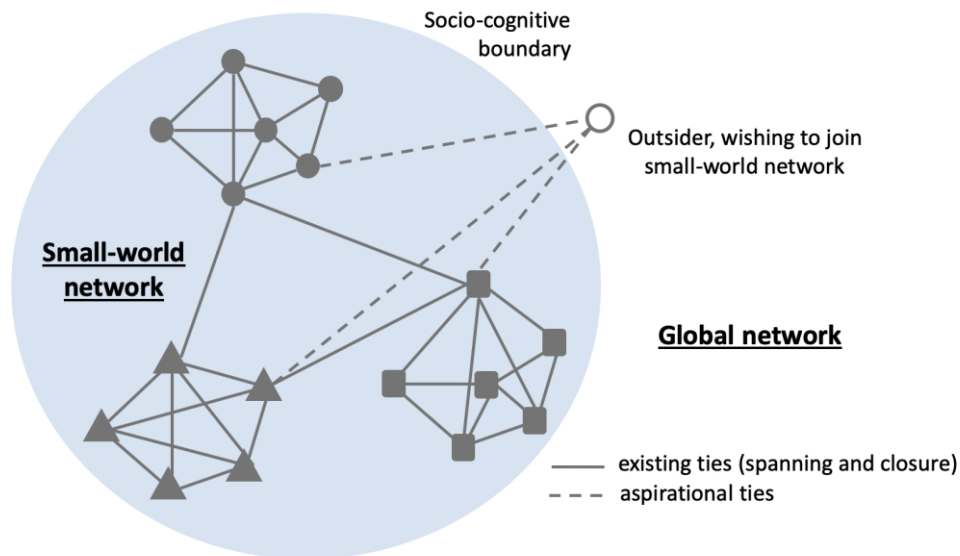


Figure 17: Illustration of Access Constraints in Small-world Network

Extant research on boundary work is predicated on the structural boundaries of MNEs and nations but gives scant attention to small-worlds (Yagi & Kleinberg, 2011; Mäkelä et al., 2012). The context of this study is that of socio-cognitive bounded networks resulting from the small world configuration of established agribusiness network affiliations. Network membership is defined along racial and cultural lines. Culture imposes different behavioural norms, tacit meanings and codes that make communication across such boundaries arduous (e.g. Mäkelä et al., 2012). Infusing network research with the notion of cognition has the potential to deepen the understanding of causal processes at the macrostructural and individual levels (Ibarra et al., 2005). In fact, Ibarra et al. (2005) posit that “networks of relationships are networks of perceptions” (p. 360). Van Meerkerk & Edelenbos (2014) call for the

consideration of the macro-structural context in the study of boundary spanners as such context affects their performance.

In a historical reconstruction of the Russian ballet company, *Ballets Russes* (1909–1929), Sgourev (2015) explains how its founder Diaghilev was able to apply his agency to create a platform for the interpenetration of previously disconnected networks. As an intermediary, Diaghilev was able to get the conservative cultural mainstream in Russia to embrace the artistic repertoire of the *avantgarde*, that was driven from Paris. Sgourev (2015) cogently notes that social identity drives the creation of social networks and that the multi-dimensional identity and agency of the intermediary is crucial to the match-making process. ‘His aristocratic origin and upbringing enabled him to operate smoothly in high society; his homosexuality connected him to the *demi-monde*, where categories of any kind were habitually transgressed; his artistic achievements made him credible to the members of the *avantgarde*; while his Russian origin allowed him to capitalize on a network of supremely talented Russian artists and performers, being driven abroad by the conservative Imperial regime and by revolutionary societal changes’ (p. 354).

The concept of boundary spanner brokerage recognises the ability of individuals such as Diaghilev, to create brokerage networks across the cognitive divide. The study seeks to create a clearer understanding of the network dynamics at play, the brokerage mechanisms that lead to such success and the motivations of the actors that drive the individuals that enact such networks. The context of socio-cognitive boundaries, is, therefore, crucial to the development of the boundary spanner construct. The definition of socio-cognitive boundaries is kept broad enough to create a theoretical construct that addresses brokerage opportunity for different kinds of social identity: race, culture, ethnicity, gender, sexual orientation, political affiliation, age.

2.6 TOWARDS A CONSTRUCT FOR BOUNDARY SPANNER BROKERAGE

2.6.1 Introduction

To clearly frame the contribution of this study to the extension of brokerage literature, the theoretical construct of boundary spanner brokerage is defined along the three dimensions of microfoundations, mechanisms and role agency. Constructs and concepts are two terms that are sometimes used interchangeably in literature. For instance, Morgeson & Hoffman (1999) define constructs as hypothetical concepts that are used to explain phenomena. Markus (2008) describes constructs as theoretical claims that extend over actual cases, distinguishing them from concepts, claims that extend over both actual and possible cases. It is necessary to delimit the validity of a construct to a specified context, in order to specify its confirmability (test validation) and to distinguish related constructs from one another (p. 62).

Lynham (2002) describes the notion of a concept as one where initial ideas are developed to depict the best and current understanding of a phenomenon. Constructs on the other hand are defined in accordance with dimensions of empirical variation, and can be viewed as broad mental configurations of a given phenomenon (Bacharach, 1989). The theory development approach adopted for this study considers the distinction between the notions of concept and construct. Defining concepts independently from the actual instances to which they extend 'plays an essential role in the use of concepts to imagine things differently' (Markus, 2008, p. 67).

Bacharach (1989, p. 496) defines theory as 'a statement of relations among concepts within a set of boundary assumptions and constraints'. Corley & Gioia (2011) concur, highlighting the need to define appropriate boundary conditions of the theoretical contribution. The primary goal is to understand *why*, *how* and *when* things happen, rather than simply *what* they are. (description). According to that perspective, the tenets of good theory are parsimony and clear communication. In organisational theory, metaphors are used to achieve that. Metaphors are used to derive specific propositions about the phenomenon being studied. The imagery contained in the

metaphor is a useful heuristic that goes beyond the description of theoretical elements (Bacharach, 1989). The theory definition for this study adopts the following metaphors, used extensively in social network studies: structural hole, to denote a chasm between two nodes in a network; conduit/ bridge to denote structural ties; and closure to denote relational ties. The study draws on these heuristics, to define the theoretical boundary spanner construct.

Theories are bounded by such factors as time and space. Whilst the former specifies the historical applicability of a theory, spatial boundaries delineate the use of specific units of analysis (Bacharach, 1989). The theoretical dimensions specified for this study are based on cognitive elements. The applicability of the construct of boundary spanner brokerage is, therefore, limited to cognitive boundaries. The assumption is that the assortative mechanism of homophily informs the behaviour of social networks in a similar way, regardless of the type of cognitive element (ethnicity, gender, sexual orientation, politics and age). Barner-Rasmussen et al. (2014) posit that the understanding of such behavioural codes and systems of meaning is derived from such cognitive ground.

2.6.2 The Concept of Boundary Spanner Brokerage

This study is not the first to relate boundary spanning to brokering, but it is the first to propose a theoretical construct for boundary spanner brokerage and to present empirical support for this theoretical extension of the brokerage concept. Williams (2002) posits that brokering epitomises the essence of a successful boundary spanner and argues that interorganisational experience, transdisciplinary knowledge and cognitive capability are the requisite qualities for the role expectation. The author puts emphasis on the need for the boundary spanner to be entrepreneurial and innovative and to use the power of knowledge to gain legitimacy in other organisations. In a study of transnational organising, Collins-Dogrul (2012, p. 990) introduces the concept of *iungens* brokerage, 'essentially boundary spanning to link unconnected or insufficiently connected people and organizations'. This conception of brokerage as the facilitation of a direct relationship between alters is similar to the

one discussed in this study. The concepts differ in their structural positioning of the broker in the brokerage network. Whilst boundary spanner brokerage refers to an individual actor spanning organisational boundaries, but located within the internal network of one of the alters, *iungens* brokerage locates the broker, conceptualised as an independent broker organisation, outside the boundaries of the brokered parties. The distinction between the *iungens* broker and the traditional concept of a broker is not necessarily a structural one, but one also based on their orientation to connect alters and to adjust their role to changes in the network relationships (Collins-Drogul, 2012). Similar to *iungens* brokerage, boundary spanner brokerage returns are derived from joining alters rather than keeping them apart. The crucial role specification attributed to boundary spanners in *iungens* brokerage is that of translating differences between alters, processing the different sets of symbols, in essence transcoding knowledge, to create an understanding between the alters (Collins-Drogul, 2012). This cultural dimension of the brokerage concept is also given particular attention in this study of boundary spanner brokerage.

Levy et al. (2019) look at the personal characteristics of a broker, that they refer to as the 'cosmopolitan', signifying that actor's ability to transcend cultural boundaries. The use of the term is, however, different from the way that Gould & Fernandez (1989) use the term as a synonym for itinerant broker, one who mediates between alters in the same group, whilst they are externally positioned to that group. Levy et al. (2019) refer to transcultural brokerage to describe the activities associated with this type of actor. According to this conception, cosmopolitans are likely to maintain a network of strong ties and deep involvement with a specific cultural group, whilst cultivating a private and professional set of transcultural weak ties. The term 'bridging practice' is used as reference for the broker role. Three functions are associated with this role: transfer, translate and transform. The transfer function referred to in that conception, is the basic function of mediation, associated with several typologies of brokerage (e.g. Gould & Fernandez, 1989; Boari & Riboldazzi, 2014), and is concerned with facilitating exchange without seeking a deeper understanding of the different codes that set the alters apart. As explained by Boari & Riboldazzi (2014), this function is relatively easy to enact. Translation relates to transcoding external

knowledge (e.g. Morrison, 2008). The broker has to translate the meaning of observable forms in such a way that alters are able to understand each other. Transformation is a more complex function that involves translating deeply-held cultural values and recontextualising them for the benefit of the other party.

Levy et al. (2019) posit that cosmopolitans draw on the variety of their cultural experiences to bridge simple and complex cultural holes. They argue that cosmopolitans develop a repertoire of skills, varying from transfer to transformation and draw on them as and when necessary. Levy et al. (2019) define a typology for brokerage that compares 'embedded brokers' and 'disembedded brokers'. The former grouping refers to brokers who are structurally positioned between their tight-knit cultural network and the global networks. They are able to bridge between their culturally homogenous group and global actors who may be culturally diverse. Two types are associated with this group: the root operator and the rooted coordinator. The differences between these two is their level of embeddedness. The rooted operator performs basic functions of (transfer, translate), whereas the rooted coordinator's spectrum of functions extends to transformation. The category of 'disembedded brokers' relates to global networks and is hence not directly relevant for this study which focuses on the embedded broker. The concept of boundary spanner broker proposed in this study is that of an embedded actor who facilitates exchanges between their organisation and subgroups with which he/she (broker) shares cognitive affiliation or demographic similarity. The opportunity for brokerage is derived from the cognitive separation of the alters.

Whilst transcultural brokerage is related to boundary spanner brokerage, it is not the same thing, conceptually. Boundary spanner brokerage is broader in its scoping of the boundaries that the broker transcends. They include all types of cognitive boundaries and assortative mechanisms of homophily such as ethnicity, gender, sexual orientation, politics and age. A preliminary comparison of transcultural brokerage to boundary spanner brokerage therefore is that the former is a sub-category of the latter, only as far as embedded brokerage is concerned. Stadtler & Pabst (2012) define a boundary spanner broker as a manager that promotes a partnership between their organisation and external partners. That conception of the

broker relates to the formulation of the boundary spanner brokerage construct described in this study. Stadtler & Pabst (2012) distinguish this type of broker from external ('disembedded' brokers), independent professionals that are mandated to facilitate partnership between parties. 'Disembedded' brokers, in that conception, possess cultural skills to mediate between alters situated across cultural boundaries, but they have no relationship with the alters except for the brokerage relationship. Unlike boundary spanner brokers, they are not 'embedded'.

From a nodal perspective, the revised definition of brokerage, by Obstfeld et al. (2014) informs the definition of the concept of boundary spanner brokerage. The proposed concept of boundary spanner brokerage should explain **how individual actors (brokers) that span boundaries of their organisation, connect it to external nodes, with which the broker shares cognitive affiliation or demographic similarity, to derive brokerage returns in open and closed network contexts**. The concept aligns to the definition of brokerage as a behaviour by which an actor influences, manages, or facilitates exchanges between alters (Obstfeld et al., 2014). The focus is on the behaviour of these individuals, hence agency receives prominence in the study. It is also for this reason that the study of the microfoundations of brokerage is methodologically appropriate to anchor the causal and agential factors that inform boundary spanner brokerage (e.g. Felin et al., 2015; Ahuja et al., 2015).

The foregoing definition of boundary spanner brokerage is novel. The study is the first to propose a formal definition of this important phenomenon and to present a comprehensive theoretical construct related to the phenomenon.

2.6.3 Propositions Relating to Brokerage Mechanisms

The foregoing discussion of brokerage mechanisms considers the applicability of the process framework proposed by Spiro et al. (2013) for boundary spanner brokerage. The framework is parsimonious and is also corroborated in other studies of brokerage dynamics (e.g. Obstfeld, 2014). The content and sequence of the mechanisms is postulated below.

In the context of structural holes, the broker will enact bridging ties and set the basic exchange processes (transfer) going between alters. Bridging ties are quick to enact (Baum et al., 2012). In a study of how the network context of the ties affects innovation, Tortoriello & Krackhardt (2010) establish that bridging ties, embedded in a dense social structure, promote closer cooperation and coordination of activities that take advantage of diverse knowledge opportunities. It follows from this realisation, and taking the *iungens* orientation of the broker in perspective, that upon establishing the initial resource transfer, the broker (boundary spanner) will likely introduce other members of the incumbent organisation to participate in resource exchanges between the organisations.

It is further postulated that the boundary spanner will monitor the benefits deriving from that relationship and apply their agency to either strengthen the ties, reduce the dependency on certain ties or abandon them altogether in favour of alternatives (Ahuja et al., 2012; Tasselli et al., 2015). Once the matchmaking has been accomplished, the coordination class can be introduced, through the agency of the broker. The *iungens* orientation of the boundary spanner broker suggests that the elevation of the alter-to-alter relationship to that higher level will be the next logical step. The coordination process class is a collection of processes that are applied to deepen the relationship between the parties (Spiro et al., 2013). According to Burt (2004), this is the highest level of partnering between organisations and involves synthesising activities based on beliefs/ behaviours gained in the brokered relationship. Whilst Obstfeld et al. (2014) posits that the *tertius iungens* orientation fosters sustained collaboration between connected alters, it has also been established that the pursuit of structural advantage may lead to the dissolution of ties in favour of alternatives that improve the structural advantage of the node (Ahuja et al., 2012; Tasselli et al., 2015). In the case that the facilitation process results in tie dissolution between the first alter and a certain other, the broker will potentially generate another cycle of transfer or matchmaking activities with alternative alters (Tasselli et al., 2015).

The discussion of the brokerage mechanisms gives rise to the formulation of the logical relationship between the process classes as follows.

Proposition 1:

Boundary spanner brokerage kicks off with the transfer mechanism. The relationship between brokered parties is transformed through the match-making mechanism to include other members of the organisation in exchange processes. Upon successful matchmaking, the facilitation mechanism is engaged to maintain and continually review the closed network relationships

Figure 18 summarises the proposition for the brokerage mechanisms and their logical sequence.

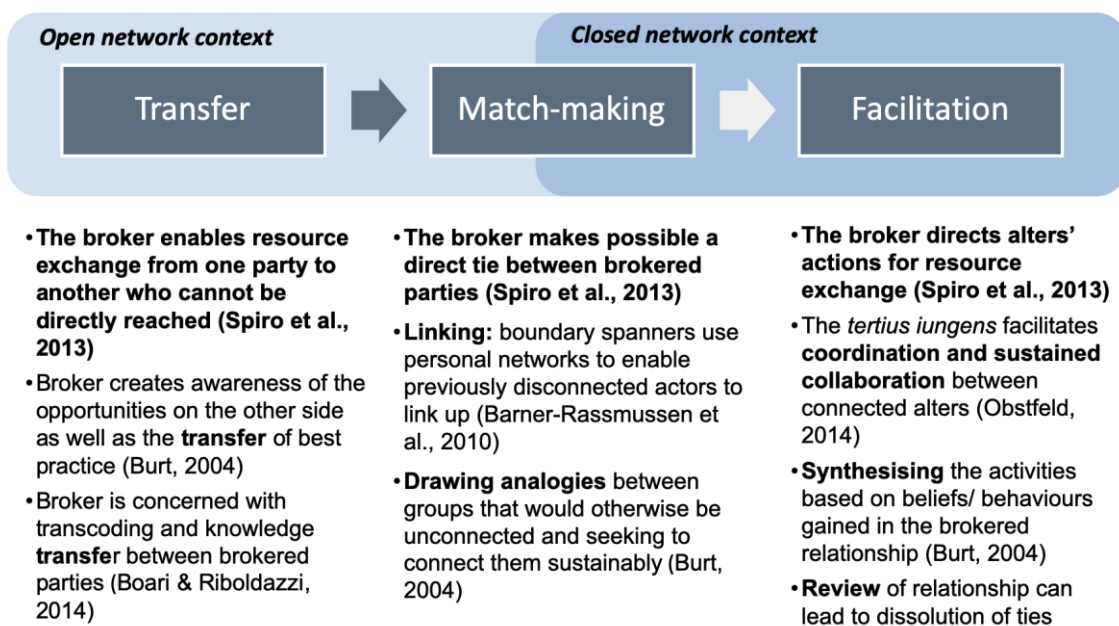


Figure 18: Brokerage Process Logic (tentative)

2.6.4 Propositions Relating to Microfoundations

Positioning the concept of the *tertius iungens*, Obstfeld (2005) posits that actors located across a structural hole may decide to collaborate if they share a need. Taking a similar view, Rivera et al. (2010), refer to a recent trend which indicates that, in economic productive contexts, actors may be driven by the complementarity of their competencies to create heterophilous ties. It is postulated that the establishment of a boundary spanner brokerage mission is driven by the existence of a resource gap, an opportunity for exchange, between the potential partners, situated across

socio-cognitive boundaries. It is, however, argued that the existence of an opportunity on its own is not sufficient to result in the formation of bridging ties. Lack of trust is an issue that hinders the parties from acting on the opportunity (Obstfeld, 2005), hence the microfoundation of trust is presented as a necessary condition for the establishment of a sustainable relationship between the focal organisation and the boundary spanner. Upon engagement as a broker, it is postulated that the boundary spanner will negotiate an exchange relationship between the first alter and external parties. This, he/she does out of the logic of utility reasoning, agency behaviour (Ahuja et al, 2012). Characteristically, bridging ties are enacted within a relatively short time (Burt, 2002; Baum et al., 2012), allowing the parties to commence the resource exchange via the mediation efforts of the broker. The proposition for the establishment of bridging ties is formulated as follows:

Proposition 2a:

The formation of bridging ties between the first alter and external parties requires the existence of a shared need (opportunity) and a trust relationship between the broker and alters. The enactment of ties also requires that the broker is sufficiently motivated (agency).

The establishment of bridging ties is eventually followed by the development of closure ties; other organisational actors become involved in the exchange processes. Without changing the structural relationship between the broker and the brokered parties, the content (or quality) of the ties change. Whilst the establishment of the initial bridging ties is motivated by opportunity, the subsequent network change is driven primarily by the agency of the actors and the existence of a trust relationship. In fact, Baum et al. (2012) posit that value-creation is also a function of time. Upon establishing bridging ties, it is likely that issues of trust and reliability are mitigated by growing familiarity with the new partnership. In other words, the establishment of bridging ties leads to the proliferation of a trust relationship between alters. This gives way to the introduction of other organisational actors to participate in the exchange relationships.

Proposition 2b:

The enactment of closure ties between the alters is driven by the agency of the broker. The opportunity for matchmaking and the existence of a trust between the alters has to be in place.

Obstfeld (2014) proposes that further brokerage returns can be extracted from the *tertius iungens* through facilitating the coordination between connected alters. Soda et al. (2018) refer to the role of collaboration broker, denoting the tendency of the broker to cooperate and integrate resources. The following proposition is therefore postulated for the sustenance of an on-going collaboration between brokered parties.

Proposition 2c:

The coordination of a relationship between connected alters is premised on the existence of an opportunity for on-going collaboration. It is driven by the agency of the broker and the proliferation of the trust relationship.

Baum et al. (2012) posit that closure benefits accrue through repeated exchanges and over time. They are valued for facilitating efficient exchange and collaboration. Figure 19 illustrates the postulated relationship between microfoundations and macrostructural activities (brokerage mechanisms).

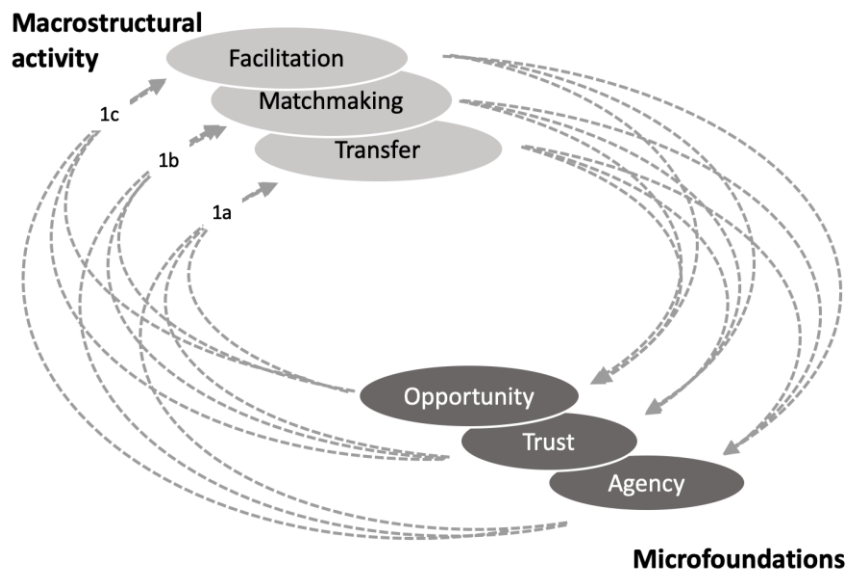


Figure 19: Microfoundations and Brokerage Mechanisms

As shown in Figure 19, the microfoundations of opportunity agency and trust, drive the brokerage mechanisms. In each case of brokerage, the microfoundations conspire to create a macrostructural activity that serves the purpose of generating on-going returns for the alters. Repeated exchanges reinforce the microfoundations (Baum et al., 2012), but the experience of trading may also disqualify other nodes (Ahuja et al., 2012; Tasselli et al., 2015), thus the opportunity microfoundation is influenced by the macrostructural activity. Similarly, repeated exchanges, at the macro-structural level may either strengthen or weaken the trust relationship, thus leading to an adjustment of the trust microfoundation. At all times, the broker has to be willing, able and motivated to implement changes in the network. A key role of brokerage is to assess the performance of relationships and decide which ties to nurture and which ones to forgo (Ahuja et al., 2012). Thus the microfoundation of agency similarly gets influenced by macrostructural activity. The broker may decide to 'dissolve an unprofitable tie or to shape an advantageous structure (p. 438).

2.6.5 Propositions Relating to Broker Roles and Functions

The network arrangement that facilitates resource transfer in the absence of a direct relationship between the parties (Obstfeld et al., 2014) relies on the conduit function of the broker. Gould and Fernandez (1989) refer to that brokerage role as that of the representative, who acts on behalf of their principal, the brokered party to bridge the resource asymmetry between the parties. The proposition relating to the representative role is postulated below and illustrated in Figure 20.

Proposition 3a:

In the context of unconnected parties with a potential for resource exchange, the boundary spanner initially assumes the role of representative, acting as a conduit to the external party, to mediate the resource transfer processes between their organisation and the target network node(s).

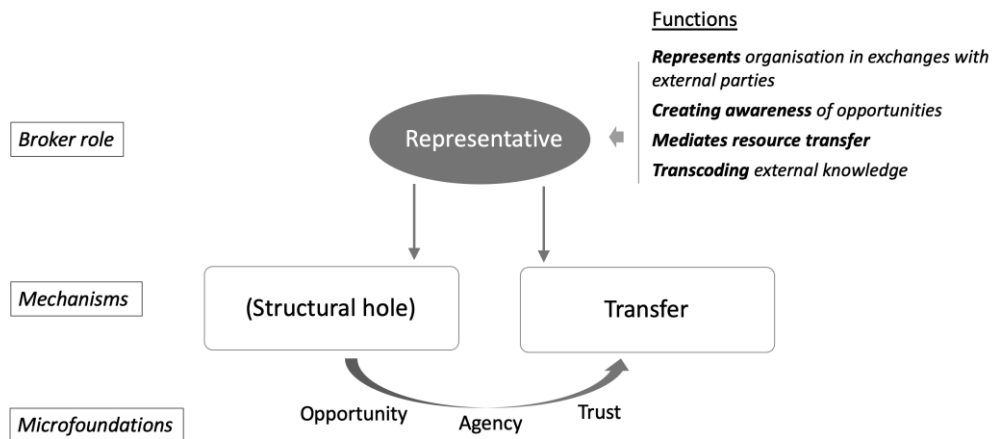


Figure 20: Boundary Spanner in the Role of Representative

The assumption in this study is that the boundary spanner assumes the *tertius iungens* orientation to establish a closer relationship between the brokered parties (Obstfeld., 2014). Barner-Rasmussen et al., 2010) refer to this function as *linking-up*. In Gould and Fernandez' (1989) typology, the network role whereby the broker selectively grants other actors access to members of his or her own group is referred to as *gatekeeping*. It is hence postulated further that the role of the boundary spanner will evolve from *representative* to *gatekeeper* to facilitate the *matchmaking* process. The proposition relating to the gatekeeping role and its functions is postulated below and illustrated in Figure 21.

Proposition 3b:

The boundary spanner gradually transforms their role (from that of representative) to that of gatekeeper. In that role, the boundary spanner is able to facilitate the establishment of a direct relationship between the brokered parties (matchmaking), enabling other organisational actors to participate in the exchange processes.

As discussed above, structural hole theory holds that network closure also 'facilitates sanctions that make it less risky for people in the network to trust one another' (Burt (2001, p. 8). Consistent with the formulation of the gatekeeper role (Spiro et al., 2013), it is reasonable to assume that the role of the boundary spanner transforms to that of linking up alters on the basis of a trust relationship between broker and the alters.

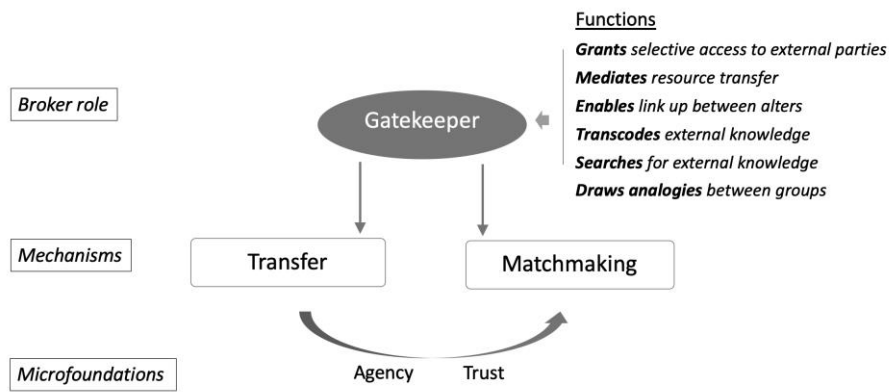


Figure 21: Boundary Spanner in the Role of Gatekeeper

Obstfeld et al. (2014) posit that the *tertius iungens* 'actively pursues coordination' whilst the *tertius gaudens* 'leverages disconnection' (p. 147). As discussed earlier, Sgourev (2015) explains that brokers not only bridge gaps for the purpose of information transfer but in some cases, orient their role towards the sustenance of networks for the purpose of synthesising ideas. These arguments lead to the formulation of a proposition that sees the evolution of the broker role towards the facilitation of a deeper relationship between brokered parties.

Proposition 3c:

Upon successful matchmaking between the brokered parties, the role of the boundary spanner evolves to 'facilitate' on-going collaboration between the brokered parties.

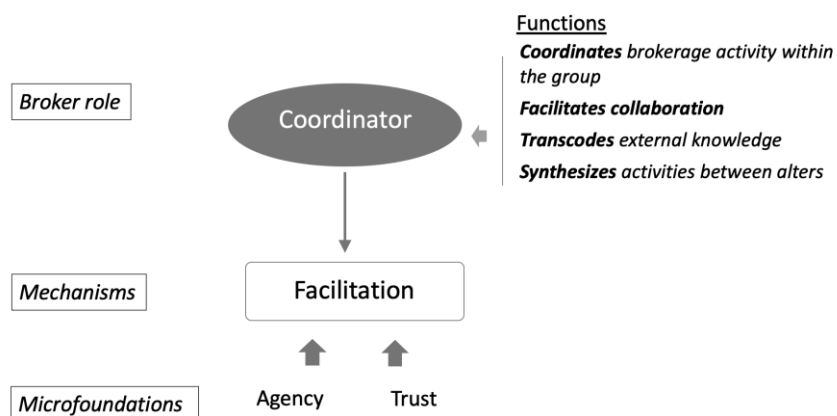


Figure 22: Boundary Spanner in the Role of Coordinator

2.7 CONCEPTUAL MODEL OF BOUNDARY SPANNER BROKERAGE

The conceptual model in Figure 23 is postulated from the propositions discussed above. The presentation of the relationship between the mechanisms as a progressive linear function is for heuristic purposes. In reality, the sequence is not necessarily linear. The broker may enact brokerage mechanisms as they see fit to respond to contextual factors. For instance, some relationships may be maintained via the representative role and not transform towards closure (matchmaking). A relationship may be revised from 'facilitation' to 'transfer', or dissolved completely based on the perceived value of that node. The sequencing does not, however, affect logical relationship between the three analytical levels of microfoundations, mechanisms and roles. The conceptual model distinguishes processes that relate to the open exchange network context and those relating to the closed exchange network context. Network change is initially driven by economic opportunity and the trust relationship between the broker and brokered parties. The open exchange network context provides the antecedent condition for the establishment of bridging ties (structural holes) between the brokered parties. The broker is engaged to bridge the resource gap. They apply their social capital, trustworthiness, to establish a resource transfer relationship. Subsequent change is driven, primarily, by the agency behaviour of the broker and the trust relationship between broker and alters, to foster a direct connection between the brokered parties and to maintain a stronger relationship by improving the quality of the ties (relational ties).

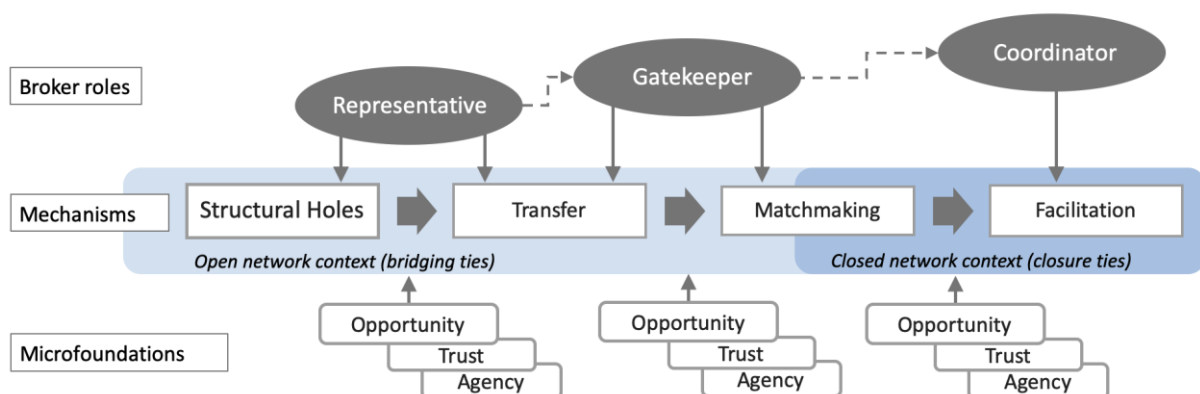


Figure 23: Boundary Spanner Brokerage (Conceptual Model)

From the propositions formulated and discussed above, boundary spanner brokerage emerges out of the resource asymmetry between two nodes (Sytych et al., 2011; Hahl et al., 2016) and evolves to promote and sustain a direct relationship between the brokered parties. The sustenance of the brokerage relationship is premised on value creation beyond the initial bridging phase.

2.8 CONCLUDING REMARKS

The theoretical underpinnings of this study are to be found in the concept of dynamic brokerage (e.g. Spiro et al., 2013; Obstfeld et al., 2014; Quintane & Carnabuci, 2016). The social network perspective has been applied as a methodology for the analysis of network relationships. Structuralist concepts, such as structural holes (Burt, 1992), strength of weak ties (Granovetter, 1985) play a foundational role in the development of the boundary spanner brokerage construct. They present a base for the discussion of the dynamic concepts: brokerage mechanisms, microfoundations, strategic orientation and broker roles. This literature review problematises the omission of the dynamic properties in the analysis of brokerage situations. It draws on the insights formulated by Spiro et al. (2013), relating to brokerage mechanisms, sets an empirical test for the theoretical framework of the microfoundations of network change (e.g. Ahuja et al., 2012; Baum et al., 2012; Tasselli et al., 2015) and puts into context broker roles and their respective functions (e.g. Barner- Rasmussen et al., 2010; Obstfeld et al., 2014; Boari & Riboldazzi, 2014).

The multi-level approach provides an opportunity to garner a holistic understanding of the salience of boundary spanner brokerage. The conceptual model tentatively describes the sequence of the brokerage mechanisms and their microfoundations, traces the evolution of the broker role, and proposes that conscious agency and trust are the primary drivers of boundary spanner brokerage. The conceptual model represents a tentative framework for the construct of boundary spanner brokerage. The empirical refinement, the subject of the field study, is used to qualify these assumptions that were derived from the literature review.

3 CHAPTER THREE

EMPIRICAL SETTING

One cannot know the future, but by examining the past one can get some idea of whether one is watching a mountain stream or a glacier.

Barbara S. Lawrence

3.1 INTRODUCTION

The previous chapter dealt with the literature review, a discussion that helped to identify the gaps in the current understanding of dynamic brokerage. The theoretical propositions as well as the conceptual model for the study were developed from the literature review, and the theoretical construct of boundary spanner brokerage was introduced. This chapter looks at the empirical setting for the study. It puts a spotlight on the socio-cognitive boundaries, giving a historical outline of their genesis in colonial times to the current state of social relations in South African agribusiness. The historical sojourn provides an appreciation of the effects of the assortative mechanisms of homophily and heterophily in shaping the business landscape and the challenge of developing interorganisational ties in those network contexts.

Since the end of Apartheid in 1994, South Africa has embarked on a range of state, community and private sector initiatives aimed at addressing the access gap and extend economic opportunities to previously disadvantaged communities (Lahiff et al., 2012). It is in this context that the concept of 'strategic partnerships' was conceptualised, to facilitate resource exchanges between the new (black) landowning communities and (mostly white) partners from the large-scale commercial sector (p. 4). The remuneration structure for strategic partners comprised

management fees and profit linked remuneration (Lahiff et al., 2012). The structuring of the imposed relationship between the 'strategic partners' and the community businesses was experimental and complicated (Lahiff et al., 2012). It assumed that a heterogenous set of individuals could be easily and rationally organised into a non-voluntary association (community property association) for the purpose of business ownership and operation. Social challenges related to this assumption are comprehensively discussed in land reform and social conflict literatures (e.g. Basu, 2016; Lahiff et al., 2012; Hall, 2009; Davis). This study focuses on the opportunity presented by boundary spanner brokerage to elevate the connectivity of new entrants into established value networks.

Although Mauluma Farming Enterprise produces a diversity of agricultural products such as bananas, sweet potatoes and litchi, the core business is driven by two products: macadamia and avocados. South Africa is the biggest exporter of Macadamia nuts in the world. According to the Department of Agriculture, Forestry and Fisheries, in 2016, 90% of the produce was destined for export. This represents 12% of the world production and 36.78% of the world's macadamia nuts exports. The USA is the biggest consumer of the nuts exported from South Africa, followed by China and Western Europe. Industry accreditation is crucial for the participation in export markets. In a report on Macadamia farming in South Africa (2016), the Department of Agriculture, Forestry and Fisheries posits that most growers have attained GLOBALG.A.P. and ISO 9001 accreditation. Like ISO 9001, GLOBALG.A.P. is a third-party standards body for the certification of agricultural products around the globe - G.A.P. stands for Good Agricultural Practices (Lahiff et al., 2012). This de facto requirement for access to European markets was preferred over the 'less stringent and less comprehensive South African public standard SAGAP' (Bitzer & Bijman, 2014, p. 179).

According to the website of the South African Avocado Grower's Association, of the 170,000 tonnes of avocado produced in South Africa in 2017, about half were exported and the remainder consumed locally. According to the WTEEx website (World's Top Exports), South Africa was ranked 11th in terms of dollar exports of avocado, accounting for 1.1% of global exports in 2018. According to the same

source, the bigger competitors for South African avocados are in Latin America, with Mexico dominating the market with an export share of 48.5%. South African avocados are exported mainly to Europe and the UK.

Agribusiness in South Africa is characterised by the poor integration of emerging black farming enterprises into the established industry value networks, dominated by white commercial agribusiness (Bitzer & Bijman, 2014). The small-world networks, within which established white agribusiness is organised, co-exist next to less systematic networks of emerging black farmers with inadequate resources, industry knowledge and skills (Hall & Cousins, 2015). In fact, there has been a growing trend in South African agribusiness towards the consolidation of agribusiness value chains (Hall, 2009; Hall & Cousins, 2015). The dualistic agrarian structure comprises 35,000 mostly white-owned commercial farms on the one hand, producing almost all of the marketed output (Hall & Cousins, 2015) and occupying approximately 65% of the territory of South Africa (Hall, 2009), whilst the participation of emerging black agribusiness hardly goes beyond subsistence.

The historical context of socio-cognitive boundaries in the Levubu area in particular, and generally in South Africa, has been the subject of a few academic studies. Earlier studies have been primarily situated in theology and sociology literature (e.g. De Wet, 1989; Bosch, 1991; Khoroombi, 2001) whilst later studies are embedded in land reform literature (e.g. Nefale, 2000; Ramudzuli, 2001; Lahiff et al., 2006). More recent studies focus specifically on the land restitution process, the institutional frameworks related to that as well as the social implications of that process (e.g. Lahiff et al., 2012; Davis & Lahiff, 2011; Hall, 2009; Hall & Cousins, 2015; Bitzer & Bijman, 2014; Basu, 2016).

Researchers (e.g. Basu, 2016; Lahiff et al., 2012; Davis & Lahiff, 2011) explain that the joint-venture partnerships that had been imposed as a brokerage solution by land reform authorities, have been largely abandoned because of their failure to facilitate the transfer of knowledge, skills and other resources from established agribusiness networks to the emerging enterprises. Alternative methods have been adopted instead. Lahiff et al. (2012) note that individuals with extensive networks in the established (white) agribusiness sector have been co-opted into the organisational

structures of the emerging black farming enterprises to facilitate access to knowledge and other resources. This development presents an interesting opportunity that has been underexplored in organisation literature. It holds great potential for bridging across socio-cognitive boundaries.

A combination of desktop research and interview data was used to shed light on this phenomenon that has characterised the network environment of the agribusiness sector in South Africa. ‘Thick descriptions’ of the context are provided to enable users of this study to make a judgement as to the transferability of the findings to their contexts. This is crucial for qualitative case study research because, unlike quantitative studies where generalisability is a standard expectation, transferability is contingent on a deeper understanding of the phenomenon and its context (Riege, 2003; Bitsch, 2005; Lauckner et al., 2012).

3.2 MAULUMA, THE RESEARCH SITE



Figure 24: Location of the Research Site (Mauluma in Levubu)

Mauluma is an area that is named after a mountain situated between Tshakhuma and Tshidzivhani. According to the online resource, Luonde – VhaVenda History,

after the Luvuvhu river valley was scheduled as a white area in terms of 2 of the Land Act, No.27 of 1913, Old Mauluma was divided into different farms and given different colonial names by the settlers. These farms were Klein Australie, Entabeni, Levubu No.15LT, Nooitgedacht, Appelsfontein and Barotta 17 LT, where the Ravele royal graves are located. The Raveles have successfully claimed back these lands and are productively engaged in agribusiness under the operating company, Mauluma Farming Enterprise.

Mauluma is part of a region known as the Zoutspansberg (Salt pan mountains), with reference to the mountain range that runs across the area. The Zoutspansberg creates slopes and valleys mainly along the Luvuvhu river, but also with a network of other rivers such as the Lutanandwa, Goholwe and Muunga rivers to the westerly side, the Vumbani rivulet to the South, and the Luvhungwe river with Tshamukuyu on the eastern side (Ramudzuli, 2001). The soil is alluvial and the rainfall is heaviest in the northern part of South Africa. The general manager of the Ravele farms, whose boundary spanning role pitches him at the centre of this study, describes it as follows:

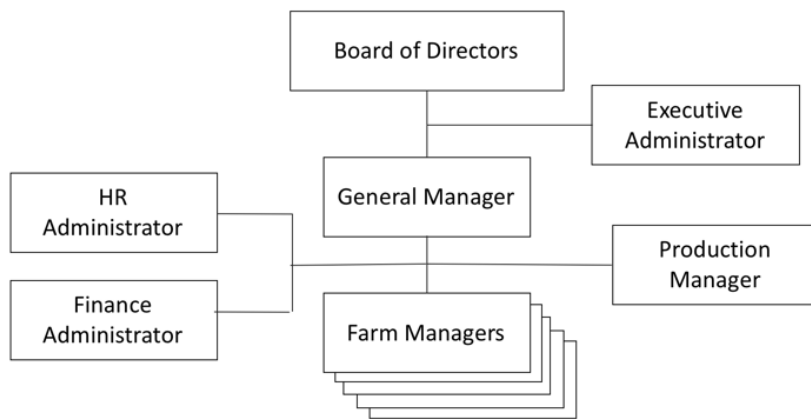
“In agriculture, Levubu has the richest soil in South Africa. Soil fertility is measured against the benchmark set at the Rhine Valley in Germany. Levubu is the only (true) tropical area in the whole of South Africa. If you move away 5 kilometres from the mountains it's no longer there, its sub-tropical. It's only 7000 hectares land and it is a part of Levubu that has been claimed”

According to Nefale (2000), the Ravele community that settled there was founded by Denga, a descendant of the Ramabulana royal family, in 1864. The Raveles were sent to Mauluma by Chief Makhado in the 1860's as a strategic consideration after the defeat of Davhana by the former in a succession battle. They lived and utilised the land productively until the forced evictions by the ZAR government between 1921 and 1938.

The land infrastructure operated by the company, Mauluma Farming Enterprise 1938 (Pty) Ltd, was transferred to the ownership of the Ravele community in 2005 in accordance with the Restitution of Land Rights Act of 1994, following decades of contestations. The Department of Rural Development and Land Reform reports in the newspaper, Agrifood News Network of 17 June 2017, that the Ravele Farms

successfully plant an area of 460 hectares. Part of the land is rented out to the general manager as part of the employment contract.

The operating company, Mauluma Farming Enterprise, is structured into six business units (farms), each with its own manager reporting to the general manager and supported by administrators for human resources and finance, also reporting to the general manager. Operationally, the business units are supported by a production manager who also reports to the general manager. The general manager reports directly to the board of directors and works closely with the executive administrator, who not only sits on the board but also shares offices with the general manager. Figure 25 is an illustration of the corporate structure of Mauluma Farming Enterprise.



Source: Mauluma Farming Enterprise

Figure 25: Corporate Structure of MFE

The business units vary in size, in product focus as well as in the experience of the managers. Table 2 gives a summary of the business units.

At Farm Unit 1, where the head office is located, the focus is on macadamia and avocado whilst farm Unit 2, next to it, focuses on bananas. Farm Unit 3 also focuses on macadamia; Unit 4 does avocado, Unit 5, bananas, avocados and litchi trees and at farm fields in Unit 6, they do bananas and sweet potatoes.

Table 3: MFE Business Units

Mauluma Farming Enterprise 1938 (Pty) Ltd Business Units				
Business Unit	Product Focus	Size (hectares)	Size (employees)	Experience of Farm Manager
Unit 1	Macadamia, avocado	149 Ha	45 permanent workers and 35 seasonal	1994: General manager Supervisory experience 2008: Manager
Unit 2	Banana	11.6 Ha		
Unit 3	Macadamia	78 Ha	28 permanent workers and 10 casuals	2006: General worker 2007: Supervisor 2009: Manager
Unit 4	Banana, avocado, litchi	57 Ha	24 permanent workers and 6 casuals	2009: Casual worker 2010: General worker 2015: Supervisor 2018: Manager-designate
Unit 5	Avocado	5.7 Ha	5 permanent workers and 7 casuals	2007: General worker 2008: Supervisor 2017: Manager
Unit 6	Banana, sweet potato	70 Ha under irrigation	22 permanent workers and varying number of casuals	2006: General worker 2008: Supervisor 2009: Manager

Source: Mauluma Farming Enterprise

The financial administrator at Mauluma Farming Enterprise has this to say about the current state of progress:

“We have three pack-houses: at Unit 1, Unit 2 and at Unit 4 and we have two dehusking facilities: at Unit1 and at Unit 3. We used to have one dehusking facility at Unit 1 and two or so years ago, we built another at Unit 5. Our production was going up, the growth of trees increasing and we saw the need to add that facility. We keep expanding the plantations. You must remember, we keep planting more. If a tree gets old, we replace it with a new one. Within a short time, the new one exceeds the productivity of the old one.”

The City Press Newspaper of 22 January, 2017 commented on the progress made at the MFE farms as follows:

“While much prime agricultural land lies untilled across the country and once-prosperous farms lie in ruin, dead along with the jobs they once sustained, the Ravele Community Property Association’s (CPA’s) land is lush and fertile.

For the 344 families who are members of the association, there are no tales of skills shortages and ruin that often follow the transfer of land from white commercial farmers to the communities from which it was taken.”

Having gone through difficult times in its early years the company is in a healthy state, posting good financial results despite two successive years of bad weather (hail and drought) that affected most of the region negatively. Table 3 summarises the financial state of the business as at 2017/18.

Table 4: MFE Key Indicators

Mauluma Farming Enterprise 1938 (Pty) Ltd Key Indicators (2017/18)							
Turnover	R38 million	Gross Margin	R15 million	Total Employees	187	Total Hectares	362

Source: Mauluma Farming Enterprise

The prevalence of socio-cognitive boundaries in the South African agribusiness sector in general and particularly in the Levubu region, where Mauluma Enterprise is located, presents an ideal opportunity for the study of boundary spanner brokerage. To make sense of the socio-cognitive boundaries, the historical perspective is applied. Lawrence (1984) posits that the historical perspective frames theory and research within time-related boundaries by identifying elements that are transhistorical.

The historical context of the South African agribusiness sector is dominated by the politics of race and land dispossessions. That history has shaped the knowledge distribution patterns, the access opportunities and the social relations that prevail today. A sojourn into that historical past is necessary to explain the creation of the socio-cognitive boundaries that challenge the creation of strategic relationships between established white agribusiness and the emerging black farming enterprise. The historical perspective is compatible with the social network perspective. It is different from history in that its objective is to “sharpen one’s vision of the present, not the past” (Lawrence, 1984, p. 307).

3.3 THE CREATION OF SOCIO-COGNITIVE BOUNDARIES

The historical context is crucial to create an understanding and appreciation of the impact of socio-cognitive boundaries on current network configurations and the negotiation of network membership. Figure 26 illustrates the historical timeline and events that shaped the agribusiness sector in South Africa, with a focus on the case study setting in the Levubu area. Although the main focus of the longitudinal study is the period of boundary spanner brokerage, it is necessary to locate the context of socio-cognitive boundaries by tracing their evolution.

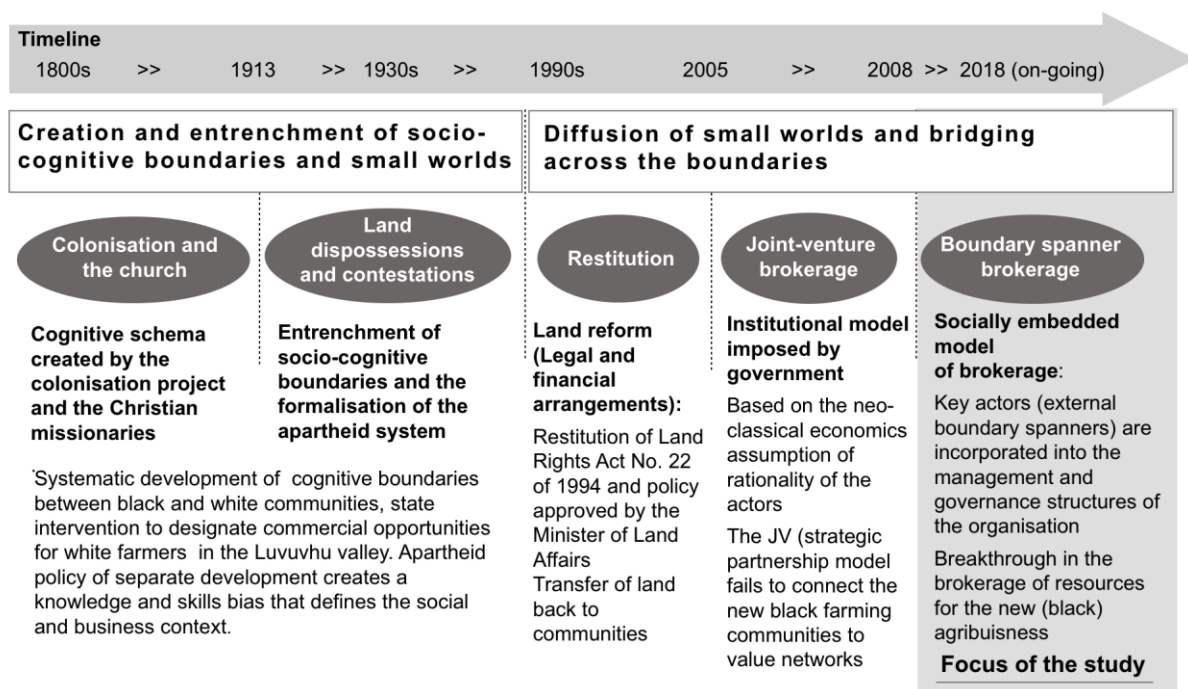


Figure 26: Historical Context of Socio-cognitive Boundaries

3.3.1 Colonisation and the Role of the Church

The creation of socio-cognitive boundaries in the social and business sectors of South Africa dates back to the early days of colonisation and Christian missions into the sub-continent. In his study entitled, 'Lutherans and Pentecostals in Mission amongst the VhaVenda', Khorommbi (2001) notes that Christian missionaries

considered themselves as called upon to propagate the superiority of Western civilisation and to denigrate 'heathen' societies as morally degraded. In their view, the preaching of the gospel was an attempt to thaw African societies 'frozen in an ice age of primitivism' (p. 82). Specifically, on the VhaVenda, the German missionaries who came to work with them from the 19th century classified them as 'lacking in philosophy' and exhibiting no 'strength of character' (p. 83). Missionaries were key agents in the colonisation process because they were considered by the colonial powers to be better equipped to persuade 'the natives' to submit to the colonial master (Bosch, 1991).

Khorommbi (2001) underlines that European Christians translated the difference in appearance, culture, language and physique of the Africans to be an indicator of inferiority. Bosch (1991) writes that the Christian church was co-opted into the colonisation project to the extent that the statement by the German Colonial Secretary, Dr W.H. Solf that 'to colonize is to missionize' was turned around by Catholic missiologist, J. Schmidlin in 1913 into 'to missionize is to colonize' (p. 306). The emphasis sought to shift missionary work from simply being an accessory to colonisation and position it as the driver of the 'deeper aim of colonial policy, the inner colonization' (Bosch, 1991, p. 306).

The VhaVenda, on the other hand, rejected the invasion by the foreigners into their cultural and physical spaces. Notable, is Chief Makhado, who took over the reigns as paramount chief in 1864 and took a menacing attitude towards Christians. The attitudes stiffened even further after Chief Makhado successfully led a battle and defeated the Boers in 1867 (Khorommbi, 2001). The Boers, who had settled in what had been renamed Schoemansdal, previously called Thivalalwe, according to the online resource, Luonde – VhaVenda History, were forced to leave after that. Those that remained paid tribute to the African chiefs rather than the Transvaal government (p. 37). Thivalalwe was a trade centre for Ivory at the time,

The primary concern attached to this attitude against the missionaries was the suspicion, by the VhaVenda that the missionaries were used as a tool by the Boers to take their land. The threat to the Venda independence and land was to be resumed as Boers came back, armed with superior weapons, to settle in the area bordering

the Transvaal and Venda. At the time, the Venda resistance had been weakened by the disputes between Makhado and two other chiefs, Tshivase and Mphaphuli (p. 37).

When the German missionary, Carl Beuster, pioneered missionary work in Venda in 1872, he and his teachings were resisted as alien because his concept of God did not have anything in common with their concept of *Nwali*, God (Khorommbi, 2001). Even though the missionaries were resolute, it took a while to get converts. In 1874, they established a mission in Tshakhuma, not very far from Mauluma, the site of the case study. Attempts to establish a mission in Mauluma were resisted because Chief Makhado did not approve (p. 98). It was only later with the involvement of African converts and the attraction of European education that the missionary church was able to get traction. Khorommbi (2001) points out that the Berlin missionaries betrayed the trust of the VhaVenda chiefs by conspiring against them with the Zuid Afrikaansche Republiek (ZAR).

The land invasions continued though, and eventually led to land dispossessions that were formalised after the Anglo-Boer war. The VhaVenda lost most of their land to white farmers. They were driven away from the fertile Zoutspansberg Mountains to an arid region in the Nzhelele valley (Khorommbi, 2001). This development has affected the social dynamics of the VhaVenda up to this day. Their social structures were broken down as most men were forced into migrant labour in order to support their families. Bosch (1991, p. 317) aptly describes the cognitive processes that defined the social relations in the colonial era as follows:

“Colonial domination activated the missionaries’ latent racism and made them extremely sceptical of the aptitudes of the blacks. The missionaries that went to South Africa after 1884 were brought up in the consciousness of the superiority of the white race in general and the German people in particular.”

Khorommbi (2001, p. 81) exposes the cognitive mapping of indigenous communities by the Christian missionaries against their conception of western civilisation:

“Missionaries regarded Western clothing as a mark of civilization and were shocked at what they considered the inhabitants’ immodesty of dress. Western dressing ultimately became a symbol of prestige and social advancement.”

De Wet (1989) explains that culture played a crucial role in the selective hermeneutics of the Christian church in South Africa. He underlines that the church, specifically the Dutch Reformed Church (Nederlandse Gereformeerde Kerk, NGK) sought to justify racial segregation by interpreting scriptures in a way that condoned the Apartheid policies of the Nationalist Party. In fact, he argues that the NGK led the thought leadership relating to Apartheid and had in 1935 already, adopted a mission policy that explicitly defined ecclesiastic Apartheid, refusing to accept the equality of Africans and Europeans.

3.3.2 Land Dispossessions in Levubu

1913-1948 Land Dynamics

In the interview for this study, the executive administrator of the Ravele CPA explains that the appropriation of the Ravele land was enacted using the Land Act, No.27 of 1913:

“The Luvuvhu river valley was scheduled as a white area and Old Mauluma was split into different farms and given new names: Barotta, Klein Australie, Entabeni, Levubu No.15LT, Nooitgedacht, and Appelsfontein. Besides the Ravele community, the following communities in the area were similarly dispossessed of their land in the Luvuvhu river valley: Ratombo, Mashau, Masakona, Makatu, Matidze, Mukwevho and Davhana.”

According to the online resource, Luonde - VhaVenda History, the renaming of Luvuvhu to Levubu was a European corruption of the former name, ‘Luvuvhu’, which means a river full of hippopotamus (*mvuvhu*). The river, however, retained the name Luvuvhu. Ramudzuli (2001) notes that these communities were forcibly removed to make way for the settlement of white farmers and to solve the ‘poor white problem’ of South Africa. In the 1930s, a considerable number of European families that were classified as ‘poor whites’ co-existed alongside a few wealthy landowners, who sublet land to VhaVhenda, including the Raveles. The term ‘poor whites’ was a cognitive separation of this class of white people from what was seen as the norm. Nefale (2000) posits that it had "a derogatory ring to it" (p. 121) because wealthy white urban

dwellers looked down with disdain, and dislike at these whites from the farms, who they perceived to be letting down the white race. According to De Wet (1989), the phenomenon of 'poor whites' soared after the Anglo-Boer war (1899-1902). When the Afrikaners, who were mostly farmers, came back from that war, they had been 'disinherited' of their stocks, their property in the farms and some had lost their wives and children in the British concentration camps (p. 39).

The ZAR government cemented both ethnic solidarity and racial superiority by intervening to give these white families an opportunity to 'start afresh' at the expense of the Raveles (Ramudzuli, 2001). The Land Settlement Act of 1912 was aimed at helping poor white farmers pull themselves out of poverty by increasing their production (Nefale, 2000; Ramudzuli, 2001; Hall & Cousins, 2015).

In fact, the social relations in the Luvuvhu valley had been exacerbated by the deliberate polarisation of the ethnic groups. The ZAR government also sought to destabilise the social relations between the three main ethnic groups in the region (Venda, Sotho-Pedi and Tsonga-Shangaan). A controversial figure that fuelled ethnic tensions in the Zoutpansberg region was Joao Albasini (Khorommbi, 2001). Albasini negotiated with Schoeman to collect taxes (*opgaaf*) on behalf of the ZAR government in 1959 and was officially confirmed as *Superintendent van Kafferstammen* (Superintendent of Kaffir Tribes) by the Executive Council of the ZAR in 1963 (Van Rynefeld, 1998). The online resource, *Luonde - VhaVenda History*, has this to say about him:

"The arrival of Joao Albasini also posed a threat to the Luvuvhu communities. Albasini was a Native Commissioner and a white chief of Tsonga- Shangaans. He was hated by VhaVenda because he collected tax from them using his Tsonga-Shangaan followers as policemen and tax collectors"

Prior to the ethnic tensions that prevail up to today (Khorommbi, 2001), there was relative harmony between the ethnic groups in that area (Nefale, 2000; Ramudzuli, 2001). For instance, Venda headman, Mukhakhedzwa, oversaw an area that had Sotho, Shangaan and Venda communities living next to each other for a long time (p. 8).

According to Ramudzuli (2001), the arrival of whites in the early part of the 19th century disrupted the age-old tradition of communal land ownership in Venda. When Khosi Mpofo Ramabulana granted the right of land use to the controversial hunter and trekker, Coenraad du Buys and his sons, one of the first white people to settle in the Zoutpansberg area around 1820 (Van Ryneveld, 1998; Khorommbi, 2001), it was on the understanding that ownership of the land remained with the community as was customary in VhaVenda culture. They also provided them with wives from the royal homestead (Van Ryneveld, 1998). Khosi Mpofo would not have been aware that their concept of land ownership and tenure was different. Similarly, when Khosi Ramabulana 'gave land' to *Luvhisi* (Louis Trichardt) in 1837 and *Jiwawa* (Joao Albasini) in the 1850s, it was also on the same basis (Ramudzuli, 2001). Ramudzuli (2001, p. 18) explains that in the African concept of land ownership and tenure, "membership of the tribe was a qualification to obtain sufficient land to support the family", hence the system of individual land ownership through the market system was foreign to them.

Afforestation, the Irrigation Project and the Removal of the Raveles

The initial removal of the Raveles from Luvuvhu valley in 1921 was linked to the Forestry Act, 1913, Land Settlement Act, 1912 and the 1913 Land Act. It took place during the reign of Khosi Vele Ravele (Ramudzuli, 2001). The fertile spots in the valley were taken by the government for forestry purposes and others given to white settlers, leaving the Raveles in a state of dependency. There was a deliberate attempt to create a dependency that would avail labourers for the forestry project and for settler farms. Although it was couched as an upliftment programme, Ramudzuli (2001) argues that the irrigation scheme was designed to alienate the black communities from their lands and to bring in white farmers. At that time, the Ravele community was moved from Tshingani to Klein Australie (Solomela/Sudimela), within the same Luvuvhu valley (p. 35).

In 1936, the Lands Department purchased the farms in the Luvuvhu valley to set up a European Irrigation Settlement. This move sealed the final removal of the Raveles and other black communities from the fertile Luvuvhu valley (Ramudzuli, 2001).

Despite resistance and attempts to be included in the irrigation scheme, the Raveles were moved to “New Mauluma’ in the Nzhelele valley, an area that the ZAR committee responsible for white settlement stamped as equal in agricultural value to the Luvuvhu valley (p. 39). Still, the Department of Lands did not push for the immediate and complete eviction of all black people from the area. Instead, they imposed a tax system for those that remained to pay rent to the Department of Lands, grazing fees for their stock. This was done to ensure that the labour pool would be available for the white farms (p.40).

After the proclamation of the Valley as a white settlement in 1937, Additional District Commissioner Louis Trichardt was requested to commence with the collection of rents and grazing fees, Ramudzuli (2001) explains. About 800 tax payers were identified. These payments drained the economic resources of the VhaVenda and other Tsonga-Shangaan communities that had lived next to each other for centuries. Very few of these people were prepared to work on the settler farms, so by March 1938, provision had to be made for the resettlement of the 800 families: 300 of these were VhaVenda families falling under *Induna Ravele*; 500 Tsonga-Shangaan families falling under *Indunas Shigalo, Masakona, Ngwandhla and Gwangkoti* (p. 40). The removal from Luvuvhu valley destined them to different areas on the basis of ethnicity. The Masakona and Shigalo communities (Tsonga-Shangaan ethnic groups) were to be moved to the Pietersburg district and, only when necessary, also to the Duivelskloof area. The ZAR re-settled the Ravele community (Venda ethnic group) in the Nzhelele valley, distant from these other communities and without any Sothos or Shangaans (p. 41), entrenching divisions between the communities.

Between 1920 and 1940, about 3000 Ravele community members were forcibly moved out of Luvuvhu valley (Ramudzuli, 2001). A few were absorbed into the Department of Forestry as labourers and some sought jobs as rent paying tenants of the new white farmers. In line with chapter 4 of the Native Trust and Land Act of 1936, the rent payments were defined in terms of the number of labour days that the tenants had to give the white farm owners. In Lydenburg, for instance, the norm was 180 days per year, but in Levubu the farmers decided that the tenants should only

perform 90 days of labour and this concession was given to mitigate the exodus of labour from the area (Nefale, 2000).

The Raveles were moved to the barren Beaconsfield group of farms (Beaconsfield 212 MT, Diepkloof 211MT, Chiffside 225MT, Baobab 210MT, Mapela 205MT and Setoni). New Mauluma ward was re-established in this area under Chief Mphephu. Even though, they were given administrative control over the land, it was barren and it was removed from their spiritual sites, the habitat of their ancestors, that they believed protected them.

In respect of the ancestral graves of the ruling Ravele family, the members of the family were allowed to stay on as custodians of the graveyard from 23 November 1938 for a period of five years. That period could be extended on a year-to-year basis (p. 42). Acting *Induna* Tshivhase, tribal Makhadzi (late Ravele's sister), Tshivhase's mother, two wives, Aunt, two widows of the deceased *Induna* Nanga Ravele, Nanga's mother, Frank Ndwakhulu Ravele (the son and heir of the late *Induna* Nanga Ravele, who passed away in 1937), stayed in the old Mauluma village that was then situated on the forestry portion, on the farm Barotta17LT. Later, the family was to be moved to the adjacent farm, Klein Australie 13LT. They continued the custodianship of the graveyard and to observe annual rituals until they were moved to Beaconsfield (p. 43).

Ramudzuli (2001) concludes that the eviction of the Raveles from their ancestral land left them in a state of cultural and psychological poverty. For instance, they could no longer practice some of their traditions such as the rite of passage, '*murundu*', in the desert landscape of Nzhelele, because this required a proper forest. VhaVenda had a spiritual attachment to their ancestors and the access to their ancestral graveyard, that was then denied after the evictions, deprived them of that connection. As a form of spiritual connection, many Raveles and other Venda communities, turned to Christianity, despite the inherent paradox emanating from the suppression of their traditional ways of worship. Christianity provided social mobility, access to education and opportunity access in the 'white man's world' (p. 52).

Apartheid and the Failed Experiment of Homelands (1948 – 1994)

When the National Party gained power under the leadership of Dr D.F. Malan in 1948, Apartheid became the official party policy. Although discrimination against blacks had been there long before then, with the advent of Apartheid, the social arrangements were “restructured in accordance with the ideology of apartheid, the constitutive doctrine of which was the maintenance of white supremacy in all areas of life” (De Wet, 1989). As argued earlier, the Apartheid system formalised and entrenched socio-cognitive boundaries that had a foundation in colonial policies and Christian missionary attitudes.

The introduction of the Apartheid system, in 1948, coincided with the end of the second world war. The Lands Department opened the Levubu settlement to white demobilised soldiers from the war, who were given priority for settlement (Nefale, 2000). This group of settlers were provided with better means compared to the ‘poor whites’. They came with their own capital in cash of between 105 to 300 pounds, oxen, cows, implements, motor cars and the 250 pound they got from the Directorate of Demobilisation (Nefale 2000). On top of that, they were entitled to advances in terms of the Land Settlement Act of 1912.

Another concern for the authorities and an inhibiting factor for white settlers into the Levubu valley prior to the establishment of the settlement, had been the high incidence of malaria. In the 1940s, the Health Department intervened actively to mitigate this problem. Dr Annecke, from Tzaneen, was engaged to study the situation and make recommendations to improve the safety of the white settlers. The recommendation was that all houses should be adequately gazed, and reliable insecticides should be provided. The Department of Lands was then forced to build houses according to the recommended standard and offer them to the white settlers for free. The insecticides were given at subsidised prices, but only to the white settler community (Nefale, 2000; Ramudzuli, 2001). The black communities were not included in any of these safety and health schemes. Nefale (2000) reports that ‘natives in the Transvaal were dying like flies’ from malaria (p. 32).

After 1948, a series of statutory instruments were passed by the National Party government to denationalise Africans in South Africa and to control their movements, so that they would provide labour at the farms. For instance, the Bantu Authorities

Act of 1951 co-opted chiefs into salaried officials of the government and required of them to control the movement of people to towns, so that they would be available to work in the farms (Nefale, 2000). The Bantu Self Government Act of 1959 exacerbated the social relations between the black communities at a time where the competition for land and other resources was intense. It stipulated that black people of South Africa did not constitute a homogeneous people and had to be separated on the basis of their language and culture. Before 1962, VhaVenda and Tsonga-Shangaans were subjected to the same territorial authority and the ethnic differences were not an issue (Nefale, 2000). The new laws practically made Tsonga-Shangaans foreigners in Vendaland. They were forced to move from Driefontein/ Borchers in Levubu to 'their homeland' in Gazankulu. Additional laws such as the Bantu Homelands Citizenship Act of 1970 and the Bantu Laws Amendment Act of 1978 sought to strip Africans of their citizenship in "white South Africa", and to restrict it to their 'homelands' (Khorommbi, 2001).

After the second world war, farming in Levubu became more commercialised and capitalised as the demand for agricultural produce rose to meet the growing urbanisation in South Africa. From 1959, Barclays Bank and Standard Bank started to offer loans to farmers in the area, to mechanise the production and to increase production through weed control systems and chemical fertilisers (Nefale, 2000). This led to less dependency on the quantum of workers as was the case during the oxen-drawn ploughing of previous years. The commercialisation also came with a shift from maize and vegetable farming to fruit trees that required less permanent labour. The employment patterns therefore shifted towards seasonal labour during harvest season, consequently reducing the number of labour tenants in the Levubu farms (Nefale, 2000). The shift in labour patterns from labour tenancy to wage labour also came with a shift in gender preferences for farm labour. White farmers increasingly preferred women to do the harvest work. Women from Venda and Gazankulu bantustans were ferried on a daily and weekly basis to Levubu for this purpose (Nefale, 2000). Ramudzuli (2001) argues that it was actually the preference of the men to seek opportunities in the urban areas and mines in Johannesburg and Kimberly rather than be subjected to the poorly paying farm work, hence the scarcity

of male labour in the farms. The net effect, however, is that the social structures of the black communities were seriously destabilised by the removals from the Luvuvhu valley and the subsequent migrations.

On the other hand, the white settlement in Levubu continued to develop successfully. Nefale (2000) notes that efforts were made from the onset to link the Levubu farming area with the major urban markets in South Africa. Rail transportation of fresh produce was provisioned. Railway buses would carry the produce from Sibasa to Louis Trichardt on a daily basis, from whence the produce would be transported by train to Johannesburg. Later, other forms of transportation would also be engaged. Notable is Landman Vervoer, a transportation company situated at Beaufort, which became the primary transporter of fruits and vegetable to Johannesburg (p. 68).

3.4 BRIDGING ACROSS THE COMMUNITIES

The removal of the socio-cognitive boundaries that had been created at the time of colonisation and entrenched during the era of apartheid can be seen as the ultimate objective of the land reform and restitution processes. The brokerage initiatives, that ensued the land restitution process, are testimony to the efforts of government and the dispossessed communities to redress the historical injustice. Besides undoing the social injustices of the past, the primary purpose of the instruments and mechanisms undertaken by government and the affected communities was to connect the emerging agribusiness to established value networks dominated by white agribusiness.

3.4.1 Restitution

The land reform programme in South Africa comprises three main elements: Restitution, Redistribution and Tenure reform (Lahiff et al., 2006; Hall, 2009). Restitution, the context of this study, is a rights-based process that was set in terms of section 25 (7) of the Constitution of South Africa and the Restitution of Land Rights Act of 1994. The statutory instrument was meant to restore land rights or provide

other equitable redress to those unfairly dispossessed of their land rights after 19 June 1913, the date when the Native Land Act 27 of 1913 became law (Lahiff et al., 2006). Besides the Ravele, various other communities in the Levubu area put in claims for restitution on the basis that they had been dispossessed of their ancestral homes: Matumba, Ratombo, Mashau, Shigalo, Matidza, Makatu and Masakona (Nefale, 2000). It was mostly the chiefs that championed the claims. They organised themselves into groups with other community members as direct dependants of the dispossessed. The Ravele claim was led by Frank Ndwakhulu Ravele, the former president of the 'independent' Venda homeland government in 1988/90 (Fraser, 2007). The claim was lodged in 1998 under the terms of the Restitution of Land Rights Act, 1994

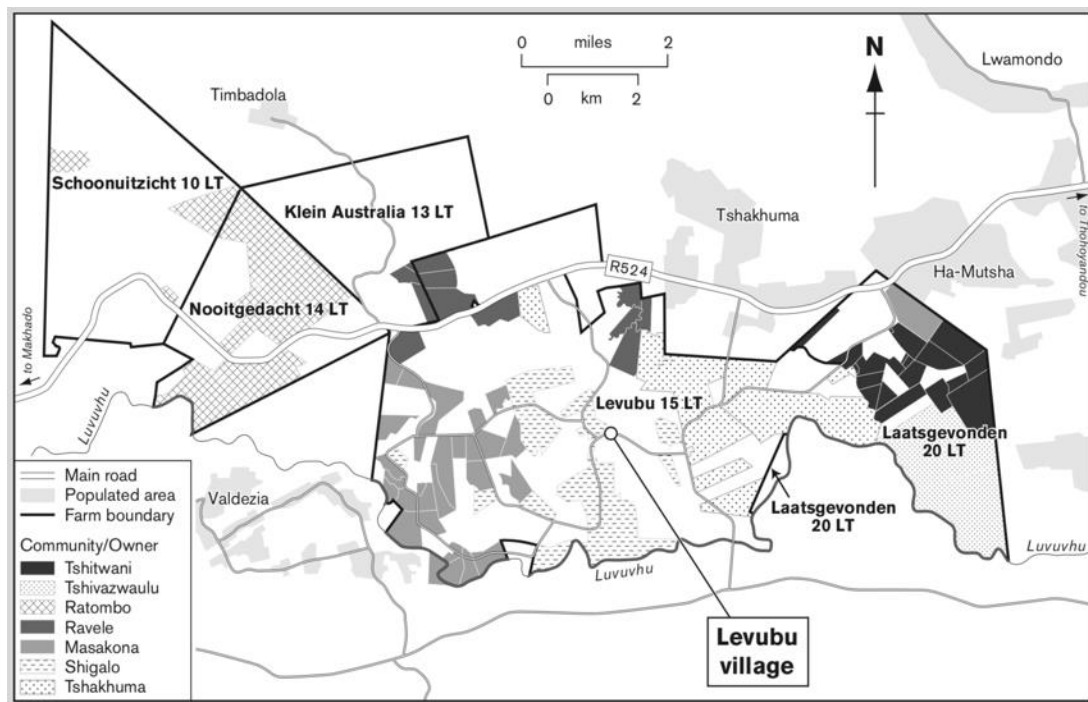


Figure 27: Map of Land Claims in Levubu

(Source: Lahiff, Davis & Manenzhe, 2012)

To mitigate the risk of productivity loss, due to the implementation of land reform, state authorities imposed conditions for the restitution process. The objective was to secure continuity of the productivity sector whilst gradually implementing the change

in land ownership (Hall 2009; Davis & Lahiff, 2011; Bitzer & Bijman, 2014, Basu, 2016). One condition was that the land would not be used for anything else either than agribusiness (Basu, 2009). The other key condition was that the 'restituted' beneficiary communities would form communal property associations (CPAs) that would enter into joint ventures (JV) with established agribusiness. These special purpose partnerships were also referred to as "strategic partnerships" (Lahiff et al., 2012).

Hall (2009) explains that the authorities were ideologically aligned to the economic view that large-scale agriculture was more efficient, hence land reform should not disrupt that model. Instead, they prescribed that land reform had to fit in with this model (p. 194). The state would fund the land transfer and provide start-up support with the expectation that, over a period of ten years, the "strategic partner" would bring technical and managerial expertise, working capital, access to resources and skills transfer to the emerging (black) agribusiness communities (Basu, 2016). Essentially, the role of the "strategic partner" was to broker resources from the established agribusiness to the emerging (black) farming community on a remunerative basis. Lahiff et al. (2012, p. 1) explain:

"In return, the strategic partners expect to benefit from a share of profits, a management fee and opportunities for additional upstream and downstream activities. Communities stand to benefit from land rentals and a share of operating profits, as well as jobs and training opportunities for their members."

In some cases, the strategic partners were the previous farm owners. The failure of these partnerships, across the whole country, was quite spectacular (Hall, 2009; Aliber & Maluleke, 2010). It was highlighted in national media as an economic problem.

On the 13th of March, 2004, the Ravele CPA was formally constituted in terms of a written constitution (Lahiff et al., 2012). The total value of land transfers and other benefits for that transaction was R52.5 million, made up of R41 million land cost, a development assistance grant of R10.3 million, settlement planning grants of R470,000 and restitution discretionary grants of R970,000 (p. 18). The strategic partner proposed for the Ravele CPA was South African Farm Management (SAFM),

a consortium of white agribusiness practitioners and new black empowerment partners, controlled by the Boyes Group. Although the proposal was for SAFM to partner with all the Levubu communities, this was rejected by some communities, such as Shigalo and Ratombo. These opted for a different strategic partner, Mavu and then later Umlimi. All of these partnerships collapsed within a period of three years (Lahiff et al., 2012).

The operating company, Imperial Crown Trading 43 (Pty) Ltd, was formed in 2005 and the shareholders' agreement, signed on the 8th of December 2007, allocated 52% of the shares to the Ravele CPA and designated a ten-year period for the CPA to buy out the 'strategic partner', South African Farms Management (Pty) Ltd (Lahiff et al., 2012).

3.5 MEDIATION BROKERAGE, THE FAILED ALTERNATIVE

The mediation brokerage envisaged through the joint-venture arrangement between SAFM and the Ravele CPA did not last long. From the time the partnership was signed into contract in June, 2005, the business operation was operating at a loss. Lahiff et al. (2012) note that at the end of February 2007, the first full financial year of the SAFM managed operation, the Ravele farms made a net loss of R2.306 million, reporting sales of R567,000 against an expenditure of R2.874 million. By September 2007, the debt had accumulated to just over R4 million. In September 2008, SAFM sent a letter to the CPA, via the Department of Agriculture stating that they were terminating their participation in the strategic partnership. At that point the community became fully aware of the quantum of the bank overdraft incurred by the operating company, and that farm crops had been ceded as collateral. The bank then froze the company's account, leaving Imperial Crown Trading 43 (Pty) Ltd in an untenable position.

Various reasons have been cited for the failure of the joint ventures: the inability of the strategic partners to generate funding for the projects (Davis & Lahiff, 2011); the failure of government grants to materialise (Davis & Lahiff, 2011; Basu, 2016) and the failure to integrate social factors into the land restitution process (Ruth Hall, 2009;

Lahiff et al., 2012; Aliber & Cousins, 2013). Lahiff et al. (2012, p. 32) make an unambiguous observation relating to the failure of the joint-venture partnerships:

“Without exception, the communities’ experience of strategic partnerships was negative in the extreme: productive capacity on the farms was severely run down, jobs were lost, massive state grants were expended with little or no lasting benefit, material benefits to the members were virtually nil and communities were saddled with large debts and unflattering credit records. While it is difficult to apportion blame for such a catastrophe, there can be little doubt that the communities were poorly served in their choice of strategic partners”.

The reasons discussed highlight what is already known in the brokerage literature. The orientation of the *tertius gaudens* is described as the tendency of brokers to engage in opportunistic behaviour that benefits them and not the brokered parties (Simmel, 1950; Obstfeld et al., 2014).

Basu (2016) offers another explanation that characterises the extent of the opportunistic behaviour on the part of the mediation broker, the strategic partner. In serving multiple communities, the joint-venture partner attempted to convert the business into a mono-cropping enterprise, which reduced their logistics costs, but led to the loss of bio-diversity and the long-term viability of the community enterprises. The joint-venture partner also wanted to cut down all forest trees at the farms to make space for more fruit crops, against the wishes of the community. In a non-transparent manner, they proceeded to cut down and sell several trees. Lahiff et al. (2012, p. 25) note that when the joint-venture partnership was initiated, the farms were in reasonably good order, but the focus on harvesting and selling the produce, rather than investing in replanting and pest-control subsequently reduced productivity to below the industry standard.

When Imperial Crown Trading 43 (Pty) Ltd was released from judicial management, the Ravele community representatives engaged a new general manager with the role of boundary spanner cut out for him. Their business was then renamed to Mauluma Farming Enterprises 1938 (Pty) Ltd, an enterprise fully owned by the community. The joint-venture had been dissolved. The new enterprise inherited a precarious financial position from SAFM, the joint-venture partner. At the start of this new relationship

with the new general manager, in October 2008, the level of debt was R5 million, of which R3.1 million was owed to ABSA bank, R2.1 million to various suppliers and R170,000 to the CPA in rent arrears (Lahiff et al., 2012).

In his thesis, Basu (2009) explains that the failure of the joint-venture partnership was partly due to the fact that the 'trust and comfort' between MFE and the 'strategic partner' was absent. He explains that the imposition of the partner by government authorities was not conducive to creating a trust relationship. The executive administrator describes the errant behaviour of the strategic partner in even stronger terms:

"They were siphoning money, by whatever means" ensuring that the business would not make a profit. e.g. the purchase price of equipment was deliberately inflated to divert funds from the business to the strategic partner. The KPMG forensic audit exposed this behaviour."

And continues to highlight the poor governance at the time:

"The partner created a central account, whereby all monies from produce That came from other CPAs was put in the same basket and managed as if there was a consortium. This was improper, since all these businesses were independent, except that they were brokered by the same strategic partner."

Other managers and board members interviewed for this study also attest to the dissonance between SAFM and the Ravele CPA. Board member #1 explains that the interests were in conflict.

"Whilst the Ravele CPA viewed the land infrastructure as a community heritage and took a long-term view of business development that factored environmental sustainability, SAFM was interested in short-term gains. For instance, they would use chemical fertilisers to excess rather than explore organic options of farming. The resultant degradation of the soils was not a consideration on the part of SAFM."

The manager of Green Farms, a processor and exporter of macadamia nuts, makes a similar observation regarding 'strategic partnerships' in the Levubu area:

"Strategic partners were very sceptical about investing funds into a project which did not guarantee a positive yield. According to the CPA, strategic partners were short-

term profit oriented which meant that they used the fastest but not the most efficient ways of realising higher output. This would have been partly due the fact that they had a short-term contract which could have forced them to use less efficient ways of increasing production to counter for the short time at their disposal.”

Board member #2 explains that one of the key problems with the ‘strategic partner’ was the lack of honesty.

“SAFM was not honest with regards to the disbursement of government funds. The SAFM board members were not members of this community, and therefore had no interest in the development of the community. They had been hand-picked, and even though we tried to sneak in, we were not able to.”

The situation got to a head-on when SAFM failed to deliver ratified financial statements at the end of February 2008. According to Lahiff et al. (2012, p. 2), this was due to what community leaders perceived to be “‘serious discrepancies’ relating to accumulated losses, non-availability of audited financial statements for the previous two years and lack of clarity around the amount of money to be invested by SAFM in terms of the Shareholders’ Agreement.” The community leaders put partial blame on the government. Board member #1 explains as follows:

“SAFM worked with the support from some government officials because they are the ones who had selected the board members. There was no transparency in the selection process of the board members. It is rumoured that the people who had been chosen as directors were getting some bribes. When the SAFM could no longer get government grants, and were asked to make some financial contributions, they argued that they could not inject funds into a business venture that was not viable. Even though it was a prerequisite that SAFM makes some financial contribution, this was never adhered to. In a meeting that was held in Polokwane, all communities came to a unanimous decision that the partnership with the SAFM was not beneficial at all.”

As the dissatisfaction with SAFM intensified, the community representatives were informed by government officials in March 2008 that the provincial Department of Agriculture Government had already transferred R5.8 million worth of development grants directly to Imperial Crown Trading 43 (Pty) Ltd (Lahiff et al., 2012). Looking at the issue from a social conflict perspective, Basu (2016) argues that the lack of

community involvement and the failure of the institutions dealing with land issues to gain the trust of the community, contributed to the failure of the mediation brokerage model. The financial administrator at Mauluma Enterprises sums up the situation left behind by SAFM as follows:

“Actually, the way I understand is that SAFM incurred a lot of debt in the name of the company. So, that debt was consolidated and paid off on a yearly basis. There was a lot of debt involved: bakkies, tractors, loose tools.”

Following their withdrawal from Levubu, SAFM themselves went into liquidation, leaving the communities responsible for the accumulated debts. Imperial Crown Trading 43 (Pty) Ltd was put under judicial management by government. The interim manager appointed during the judicial process would later become engaged as general manager and perform boundary spanning functions on behalf of MFE. The boundary spanner describes his experience of managing MFE out of liquidation as follows:

“Well, they (SAFM) just left, said they are no longer involved, then the Department of Agriculture asked me to stand-in on a month to month basis for 3 months. They gave me 3-6 months to turn them around, to prove to the master of the court that these businesses were viable. I had to do everything for the community farms and I turned them around, all of them, within 3 months. At the rate that I was paying back the debt, the master of the court said, ‘but this is viable business, why put them under liquidation?’”

Lahiff et al. (2012) explain that the engagement of the boundary spanner, employed at the level of general manager, removed the conflict of interest between broker and alter. Unlike the previous joint-venture partnership, the boundary spanner was not personally linked to any downstream processing or marketing ventures (p. 30). This arrangement made it possible for the relationship between focal organisation and broker to develop without mistrust.

The researcher’s observation throughout the field study was that the boundary spanner enjoyed the trust of the board members as well as that of his management team. The weekly management meeting held on the 1st of February, 2018 that included representation from board, exhibited ample evidence of a trust relationship

between all the stakeholders. Research participants unanimously attributed the failure of the joint-venture model to the lack of trustworthiness on the part of the joint-venture partner

3.6 BOUNDARY SPANNER BROKERAGE, THE SUCCESS STORY

The appointment of the boundary spanner at MFE heralded a new era of social connections for the organisation. In social network scholarship, individuals who operate at the boundary of their organisations, linking the same to external network resources, are referred to as boundary spanners (Leifer & Delbecq, 1978; Tushman & Scanlan, 1981). Using his social relationships and experience, the boundary spanner was able to fulfil the role of brokering resources for the emerging enterprise. The crucial difference to the mediation broker such as SAFM, was that the boundary spanner was employed by MFE. His network position and strategic inclination was different to the former. This unique positioning in the network structure enabled him to gain trust within the Ravele community and endear him to the management team as well as the board. In contrast to the *tertius gaudens* behaviour of SAFM, the boundary spanner's inclination was that of the *tertius iungens* (literally, 'the third who joins'). As discussed in Chapter 2, the *tertius iungens* denotes the orientation of a broker who seeks to facilitate the strengthening of ties between brokered parties, unlike the *tertius gaudens*, that seeks to manipulate the relationship for own selfish gains (Obstfeld, 2005).

3.6.1 Value Networks

The agribusiness environment, within which MFE operates, is one of value networks that conspire to maximise output to global markets. Based on the interviews and desktop research, the formal business networks at play are illustrated in Figure 28. The key partners in the value-chain are the suppliers of agricultural inputs, the marketers and exporters of the agricultural products, financial institutions and government agencies. The company sources agricultural chemicals (fertilisers,

insecticides) from Nulandis in Levubu and, according to the DLRD communique of 15 July 2015, on their website, MFE supplies macadamias and avocados to three factories in the area: Macridge, Green Farm Nut Company and Royal Macadamia. The land infrastructure belongs to the community, represented by the Ravele CPA and is made available to MFE on a rental basis.

The small world networks and value networks of the main products at MFE, macadamia nuts and avocados are discussed below.

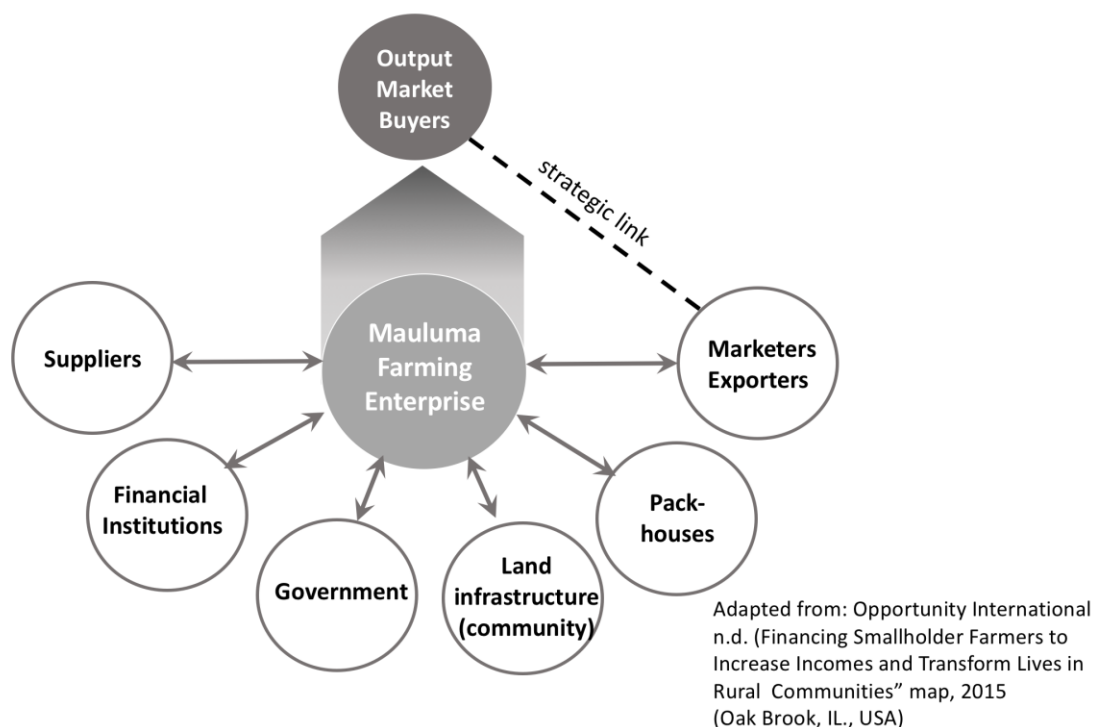


Figure 28: Agribusiness Value Network (Macadamia and Avocados)

The small world network of macadamia agribusiness comprises growers, process and marketers that are linked to the Southern African Macadamia Growers Association (SAMAC) through the spanning ties of processing nodes. According to their website, the association is funded by growers, who pay a levy, which is collected by the processors.

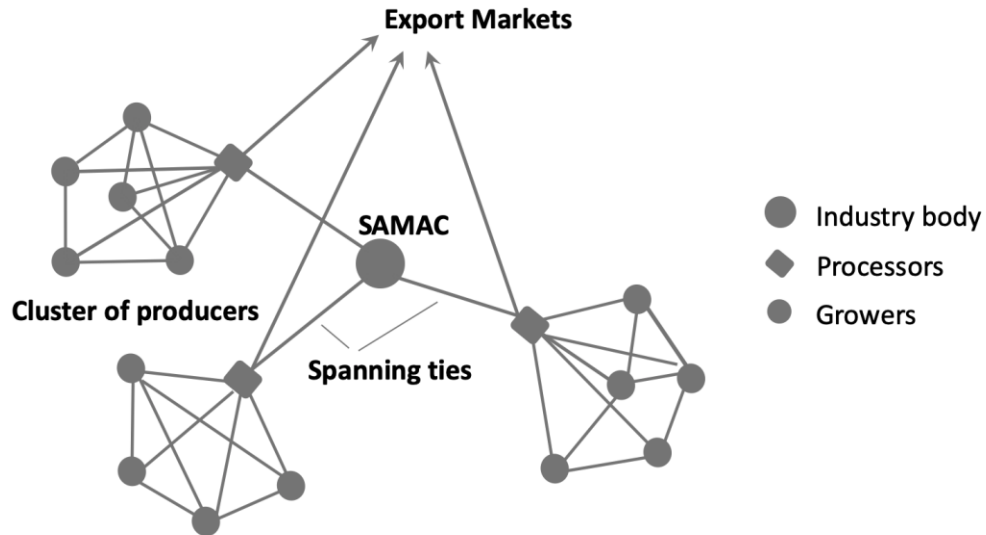


Figure 29: An Example of the Small World Network of Macadamia Producers

Figure 29 is an illustration of the small world network of macadamia producers. According to the Department of Agriculture, Fisheries & Forestry, in their 2016 publication, 'A Profile of South African Macadamia Value Chains', there were about 700 growers in South Africa, of which 650 were clustered around 12 processors/exporters. The clusters are distributed geographically across the country.

Similar to the network structures of the macadamia producers, avocado producers are clustered around the South African Avocado Grower's Association (SAAGA). The ties to the handful of exporters span the clusters, forming typical small world network structures that define the avocado network topology.

Upon successfully navigating out of judicial management, MFE set on a path of achieving global accreditations to improve their chances of accessing global market opportunities. In 2009, they embarked on the Fair-Trade certification, a world-renowned standard for accreditation. They went on to certify with GLOBALG.A.P. (Lahiff et al., 2012). The boundary spanner explains that they have had to do yet another accreditation, SIZA (Sustainability Initiative of South Africa), a local standards body that assures ethical labour and environmental practice compliance in the agricultural sector.

3.6.2 The Turnaround at MFE

The success of the MFE, upon adoption of boundary spanner brokerage, is well chronicled. Whereas the JV partnership had brought debt and misery to the Ravele CPA, the change to boundary spanner relationship yielded results within a relatively short period of time. At the time of the joint-venture partnership, the agribusiness specialist that would later fulfil the role of boundary spanner as general manager at MFE, had been working as a consultant for SAFM, responsible for the Ravele farms. Technically, his role was the same as the one that he went on to do when the paradigm shifted to boundary spanner brokerage. The role effectiveness changed significantly. The core assumption of this study is that the role effectiveness changed because the broker orientation changed from that of *tertius gaudens* (literally, the third that benefits) to that of *tertius iungens* (literally, the third that joins). The post-JV success confirms this assumption. Whereas SAFM, sought to derive selfish, short-term benefits from the brokerage mission that had been entrusted to them, the boundary spanner was motivated by mutual benefit and a long-term view of the relationship with the Ravele community.

Through the facilitative efforts of the boundary spanner, ABSA Bank agreed to wipe out some of the debt owed from the SAFM partnership in May 2010 and to offer the new company 'a compromise arrangement' to pay the balance over a five-year period (Lahiff et al., 2012). In June 2010, the Ravele community was approached by Green Farms Nut Company, to enter into a joint-venture for dehusking, drying and storage of nuts for farmers in the area, with MFE as 'preferred supplier' to the factory (Lahiff et al., 2012).

The success of MFE did not go unnoticed in government circles and industry associations. The Department of Rural Development and Land Reform (DRDLR) reports on the 15th of July, 2015 on their website:

"In 2010, Mauluma Business Enterprise received an unqualified audit since the company was established in 2005, and this led to high profit margin between 2011 and 2014. In 2013 the company made a profit of R3,590,746 while 2014 saw the company increase its profits to R5,118,319. This is a perfect sign indicating that the

community project is slowly but systematically breaking new ground in its quest to become a commercial farming entity.

The Company has employed 187 workers and 122 of these employees are employed on a permanent basis while 65 are seasonal workers. The Company has also budgeted R400,000 this year to fund 40 students who are the children of beneficiaries studying at tertiary institutions across the country in the form a bursary.”

In 2015, MFE was given the Limpopo Productivity Award, for outstanding achievement in the Corporate Sector. In 2017, Green Farms Nut Company, the processor and marketer of macadamia nuts in Levubu recognised MFE at second position in the sector for the quality of their product.

On 2 April, 2017, the then Minister of Rural Development and Land Reform, Gugile Nkwinti, attended the Ravele CPA’s celebration of their land restitution in Levubu and commended them for the successful integration of community leadership into the structures of the business operation:

“Unlike some projects that fail the sustainability test, Ravele CPA rose above challenges which make similar projects unsuccessful. Part of the success derives from the direct participation of the traditional leadership in the management structure. Elders who are part of the broader management also helped bring stability”

On the 11th of May 2018, the Minister of Rural Development and Land Reform, Maite Nkoana-Mashabane invited representatives of the Ravele community to 2018/19 budget vote at the national parliament in Cape Town and recognised the community for its achievements:

“Another one of earliest and largest land restitution claims settled is that of the Ravele community in Limpopo province. The transfer of this land was done in 2005. The Communal Property Association has since made great strides in making the land productive and thus contributing to food security in our country. The CPA continues to record profits and has been exporting their produce, macadamia and avocados amongst others, to Europe, China and other markets.”

In the study interviews, the farm managers that work with the boundary spanner at Mauluma Farming Enterprise echo what their production manager says about the changes that have taken place since the boundary spanner was engaged.

“It’s much better now. That time things were difficult. There was only one tractor shared across the farms. The production has improved since the departure of SAFM. My own responsibilities have grown. We used to share sprays and slashers but now we have equipment dedicated to each of our seven farms.”

Despite hail and drought conditions that prevailed in the years 2016 and 2017 respectively, Mauluma Farming Enterprise showed resilience in business terms. The general manager explains how the company has managed to keep well afloat, despite these natural challenges.

“From the R20 million income from Macadamia in 2016, we bought four brand new tractors and four brand new spraying rigs. Hence our income went down to R14 million. In 2016 we had hail, so even with all the capital expenditure we still survived. We lost 70% of our avocados. In 2017 we had the heat, but we still survived, we got to make a small profit in 2017.”

The successful turnaround of the Ravele Farms after the failure of the joint-venture partnership (mediation brokerage) has two distinct features: the crucial role of the general manager as the boundary spanner and the wisdom of the Ravele community leadership to engage and support the same.

3.7 CONCLUDING REMARKS

As shown through the historical narrative above, the research site, MFE, is located in an environment with an interesting history of socio-cognitive boundaries. This represents a common feature of agribusiness networks in South Africa. In the past few years, MFE managed to break into established value chains using boundary spanner brokerage. The socio-cognitive boundaries still prevail but brokerage presents an opportunity for organisations on one side to connect to networks across the boundary. Boundary spanning seeks to fulfil the requirement to connect to a variety of external parties (suppliers, marketers/ exporters, pack houses, financial

institutions, government and the community). The scope of this study was limited to the connections brokered between MFE and marketers/ exporters, as well as suppliers and financial institutions.

4 CHAPTER FOUR

RESEARCH DESIGN AND METHODOLOGY

4.1 INTRODUCTION

The previous chapter looked at the research site. It described the history of the focal organisation and its environment from a historical perspective. It also described the geo-physical, business and social contexts of the research site. This chapter looks at the research design and methodology, provides a justification for applying the case study method, and discusses the key considerations for qualitative content analysis.

The philosophical approach to the inquiry frames and justifies the methods adapted for the study. The interview instruments are discussed as well as the ethnographic data collection methods and the triangulation of the analysis with data from third party sources. Temporal bracketing and subject-oriented coding techniques are discussed. The chapter concludes with a discussion of the quality standards applied to establish confidence in the results of the study.

The research is based on a single case study of the evolution of boundary spanner brokerage. It is a longitudinal process study that considers historical and current data to create an understanding of the temporal dynamics of boundary spanner brokerage. Yin (2014) defines a case study as “an empirical inquiry that investigates a contemporary phenomenon (the “case”) in depth and within its real-world context, especially when the boundaries between phenomenon and context may not be clearly evident” (p. 16). Scholars posit that case study is suitable for such exploratory research (e.g. Eisenhardt, 1989b; Kohlbacher, 2006; Creswell, 2013; Yin, 2014). Longitudinal studies are particularly suited to case study research because they allow for the study of the same case at different time intervals (Yin, 2014). Langley et al. (2013) similarly underline the need for longitudinal data (whether obtained through archival, historical, or real-time field observations) for the study of process dynamics. Boari & Riboldazzi, 2014 apply the case study strategy to explore the evolution of the roles of knowledge brokers and argue that the longitudinal study improves the

internal validity of case studies whilst the historical case study bestows an account of cause and effect.

4.2 RESEARCH DESIGN, APPROACH AND STRATEGY OF ENQUIRY

Although insights into case study research are gleaned from various scholars (e.g. Eisenhardt, 1989b; Yin, 2014), this research design leans towards the so-called “Gioia Method”, a template for case-based theory induction (Langley & Abdallah, 2011). The template is named after Dennis Gioia, who together with his students and colleagues, championed the approach for ‘both doing and successfully publishing single in-depth interpretive case studies’ (p.116). The sense-making and sense-giving inquiry relates to how people understand the changes around them and how those meanings evolve. The method involves real-time interviews and observation and building a “data structure” based on the coding of raw data. The template is suitable for the single case study, valued for its revelatory potential (Langley & Abdallah, 2011). The method was customised for this study as follows.

- Data collection relies on real-time interviews and ethnographic observation.
- An interview guide was designed with the purview of the conceptual model and structured according to that model.
- The analytical process involved the creation of a coding structure with a three-step abstraction process. First-order codes were derived from *a priori* propositions and the research participants. Second-order themes involved an interpretation of the data by the researcher, and aggregate dimensions were abstracted from the second-order codes with a consideration of the *a priori* themes. The combination of insider and outsider perspectives enriches the research and contributes towards its trustworthiness (Gioia, Price, Hamilton, & Thomas, 2010).

The approach is also suitable where little is known about a phenomenon and case study evidence can be seen to contribute new insights. The slight variation to the ‘Gioia method’ is that the latter generally applies the grounded theory approach whereas this study adopts the post-positivist orientation. As a result of the post-positivist orientation, the study generated first-order codes not only from the

participants, but also from *a priori* theoretical propositions. The research process is outlined in Figure 30 and discussed below.

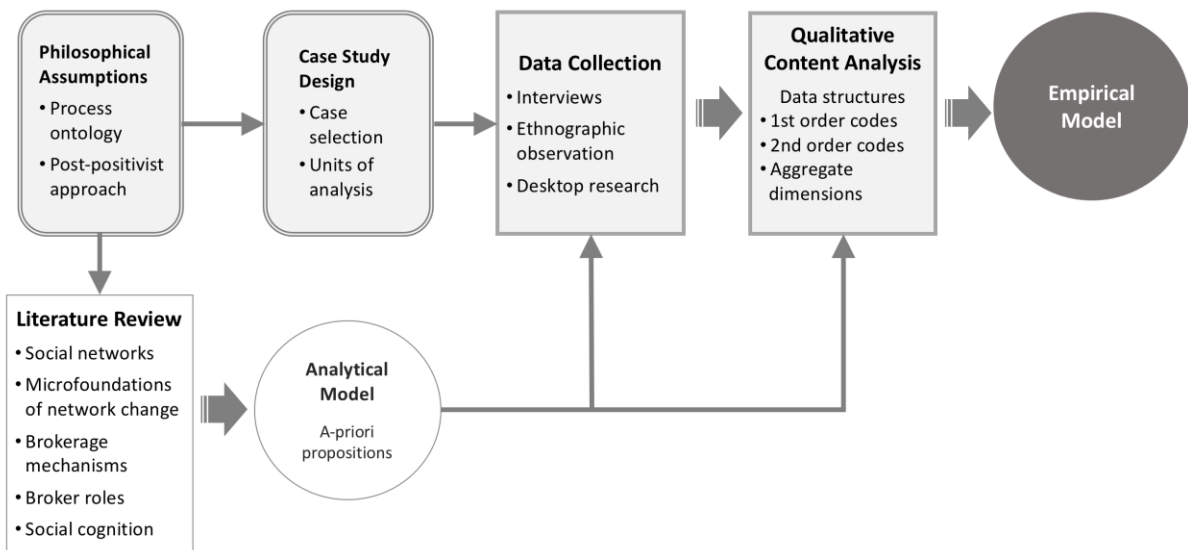


Figure 30: Research Process

A priori propositions generated from the literature review informed the development of the conceptual model and guided the data collection and analysis. The generic strategy of using theoretical propositions in this way is recommended when the research questions originate from theory (Eisenhardt, 1989b; Yin, 2014). The constructs generated from *a priori* propositions represent tentative theory that was adjusted at the end of the study (Eisenhardt, 1989b; Yin, 2014). Case data was collected through semi structured in-depth interviews, ethnographic observations (meetings, conversations, events and shadowing), and from desktop research (previous studies of the organisation and news media articles).

Atlas ti software was used to collate the data structures. By fixing anchor points that help to structure the data, the overwhelming nature of boundaryless, dynamic, and multi-level process data can be tamed (Langley et al., 1999). The narrative strategy was used in combination with temporal bracketing to map the chronology of events and to conceptually relate them to causal factors (microfoundations). Temporal

bracketing is an organising strategy that seeks to link the logical process sequences and role transformations into the chronological episodes.

The contextual detail in the narrative promotes the transferability of the research findings to other settings (Langley et al., 1999). It is for this reason that the context is described with a lot of detail in Chapter 3. The results were then used to revise the analytical models and draw further conclusions regarding the temporal dynamics of boundary spanner brokerage.

4.3 PHILOSOPHICAL ASSUMPTIONS

The philosophical approach to the study is based on process ontology. Process and temporality are central to the proposed inquiry. Process ontology views things as reifications of processes (Langley et al., 2013; Sawyer, 2002). Agency is afforded the central role in change, to the exclusion of everything else. Entities, structures, or patterns are viewed as temporary instantiations of processes and do not really exist. According to this view, change emanates from on-going interactions among different individuals, between individuals and organisations, and between multiple levels across the organisation (Langley & Abdallah, 2011). Social structures are viewed as socially constructed by human agents, and hence incapable of existing independent of social agents. Post-structuralists confer sense-making to human agents and “conclude that there are no real structures that give order to human affairs”, (Fleetwood & Ackroyd, 2004). Langley et al. (2013) concur with this view and uphold the ontological view of an organisation that comprises a dynamic bundle of qualities, of which none persist unchanged. Research questions that focus on how processes evolve are compatible with this ontological orientation (Langley et al., 2013).

The ontology dovetails with the post-positivist epistemology. Theory is developed in the form of testable propositions (Langley & Abdallah, 2011). It is also compatible with the constructivist approach applied to synthesize the views of the research participants. Truth is constructed through dialogue; knowledge claims emerge as diverse interpretations of the phenomena are discussed and negotiated with research participants (Ryan, 2006). Qualitatively oriented theory-building research

methods typically begin with inquiry and then use the results of such inquiry to inform the development of a conceptual framework of the theory (Eisenhardt, 1989, Lynham, 2002). The development of an informed conceptual framework is crucial to theory-building research (Lynham, 2002) and the 'theoretical framework is essentially the core explanatory container of any theory', p. 232).

The theory building process is not merely a confirmation or rejection of the theoretical propositions, it is an engagement with research participants to share their views, build new insights and be reflexive about one's own assumptions (Ryan, 2006). Hence, the *a priori* conceptual model developed from the theory is later revised with insight from the empirical study.

Process studies are best suited to explore how and why things emerge, develop, grow, or terminate over time (Langley et al., 2013). They deal with sequences of events and normally involve multiple levels and units of analysis with ambiguous boundaries (Langley, 1999). The processual view considers the sequential connectedness of phenomena, the process relationships over time. Pettigrew (1990) posits that good theory and practical research can be derived if the processes are viewed in consideration of their context. The multi-level analysis combines the processual view with an analysis of the impact of broader socio-economic factors. This approach is termed the contextualist perspective. It also explores how the subjective learnings and sense-making of organisational actors contributes to changes that shape process and context (Pettigrew, 1990). In fact, as will be later discussed in the dynamic framework proposed by Ahuja et al. (2012), context not only constrains or stimulates processes, it is also shaped by processes.

Process data are difficult to analyse and manipulate (Langley et al., 1999). They deal with conceptual entities that researchers are not very familiar with, sequential events. These often involve multiple units of analysis and ambiguous boundaries; their temporal embeddedness exhibits varying levels of precision and relevance and despite the focus on events, they tend to be eclectic. They are made up of relational data, thoughts, emotions and interpretations (p. 692).

4.4 CASE STUDY DESIGN

The single case study approach is an appropriate design for longitudinal studies (Yin, 2014). It allows the change in the circumstances of the same case to be observed over different time intervals and contexts, and allows for the study of process phenomena at more than a superficial level (Langley, 1999; Langley et al., 2013; Yin, 2014). Process studies are concerned with time sequences. They expose “the role of tensions and contradictions in driving patterns of change” and the dynamic activity underlying relational stability (Langley et al., 2013, p. 1). Process data also enable observed phenomenon to be explained on the basis of “underlying generative mechanisms” (Van de Ven & Huber, 1999, p. 213), revealing the causal effects that play out in the real world.

Unlike quantitative research, which is concerned with statistical generalisability of the research findings, qualitative case study research is concerned with the transferability of such findings to different contexts (e.g. Riege, 2003; Kohlbacher, 2006). Transferability denotes the extent to which research findings can be applied in other contexts (Bitsch, 2005). Although it is comparable to external validity and generalisability in quantitative research, the main difference is that transferability requires a detailed description (“thick descriptions”) of the context and a clear connection to prior theory. External validity and generalisability on the other hand, are concepts that have relevance in quantitative studies because they are based on statistical significance. Yin (2014) refers to transferability as analytic generalisability, because unlike statistical generalisation that extrapolates probabilities, transferability is about generalising theoretical concepts.

In making a case for qualitative methods in the study of dynamic constructs, O'Donnell and Cummins (1999, p. 83) posit that an understanding of the social context is necessary. They also argue that quantitative studies fail to capture the dynamics and content of network relationships. The consensus is that qualitative data are particularly suitable to address ‘how’ questions of processes, because they capture and understand temporally evolving phenomena in rich detail (e.g. Van de Ven & Huber, 1999; Langley, 1999; Langley & Abdallah, 2011). Because the purpose

of this research was to build theory, a qualitative design was applied. It is the preferred design for developing and testing theories of organisational adaptation and change. The context of socio-cognitive boundaries is described to detail in this study in order to promote the transferability criteria and thus enable the analytical relationship of the study results to other scenarios.

Case Selection

Yin (2014) argues that the reference to sampling is a misnomer for case study research because the case does not represent a sample of a larger population or universe as in statistical generalisations. Instead, it represents an “opportunity to shed empirical light about some theoretical concepts” (p. 40). Hence, the case is ‘selected’, not ‘sampled’, based on its potential to explain the *a priori* theoretical propositions (Eisenhardt, 1989b; Yin, 2014).

In their motivation for case study research in situations where little is known about the phenomenon, scholars emphasise that the selected case should ensure coverage of the theoretical perspectives contained in the theoretical propositions (e.g. Eisenhardt, 1989b; Langley & Abdallah, 2011; Yin, 2014). The selection of MFE as the research site was justified by two factors: 1) the experience with boundary spanner brokerage from inception to a recorded level of success; and 2) the location of the business organisation within the land restitution programme, a context that characteristically represents socio-cognitive boundaries.

The study of the boundary spanner brokerage mission was inspired by the on-going search for socially compatible solutions for bridging knowledge gaps in the South African agribusiness sector. The temporal boundaries of the case are defined as follows.

The longitudinal timeframe is from 2008 to 2018. In 2008, the organisation abandoned mediation brokerage in favour of boundary spanner brokerage. The historical study of transitions before that cutover is provided for context. The context was characterised by structural holes. The organisation had poor connections to the agribusiness value networks (suppliers, marketers, buyers). The empirical study considers the process of co-opting the boundary spanner, the establishment of

brokered relationships by the same author and the transfer of such relationship to other organisational actors. As shown in the study, the process of co-opting the boundary spanner is crucial to the success of the brokerage mission. It establishes the trust relationship between broker and organisation, a crucial difference between this method of brokerage and mediation brokerage. The study considers the brokerage mechanisms, their microfoundations and broker role evolution.

Unit(s) of Analysis

Process studies are used to explore the relationship between context and action (Pettigrew, 1990) or, in terms of the microfoundation programme, they need to explore the reciprocal relationship between constituent factors (microfoundations) and the emerging network structures (Tasselli et al., 2015). Pettigrew (1990) explains that analyses should be carried out at vertical and horizontal levels. The vertical levels refer to the analysis of the phenomenon in terms of its embeddedness in different levels of context. It is with this in mind that the study integrates network-, process-, and actor-levels of analysis. The horizontal levels relate to the temporal episodes of the phenomenon (pp. 269 – 270). Process studies need to look for “continuity and change, patterns and idiosyncrasies” as well as the role of contexts and structures to explain process phenomena (p. 270). Explanations of dynamic processes are bound to be multi-faceted and the units of analysis distributed across the levels of analysis.

The macro-level analysis explores the relationship between broker and brokered parties over time and across different network contexts. The following units of analysis were considered at the different levels of analysis:

- 1) Brokerage mechanisms (process-level/ network-level)
- 2) Microfoundations of EBS brokerage (network-level)
- 3) Broker role evolution (actor-level)

The study of brokerage mechanisms is a horizontal analysis that explains the temporal interconnectedness of the brokerage processes (Pettigrew, 1990; Spiro et al., 2013), whilst the study of microfoundations is a vertical analysis that traces the

co-evolution of micro-level factors and network structure (Tasselli et al., 2015). The broker role evolution is another case for horizontal analysis. It specifically looks at the behaviour of network actors for an explanation of change and continuity in brokerage situations (Ahuja et al., 2012; Quintane & Carnabuci, 2016).

This multi-level analysis of brokerage is a deviation from classical studies that focus on the static relationships between network actors. Gulati (1998) posits that the static view of network relationships presents an under-socialised account of organisational behaviour. The social network perspective provides a theoretical base for the research, focussing the study “on relationships among actors as an explanation of actor and network outcomes” (Borgatti et al., 2014, p.4). Pettigrew’s (1990) contextualist perspective provides a methodological guide. According to this design consideration, longitudinal studies should locate the focal unit of analysis within the context of changes at other levels. The core assumption of the contextualist perspective is that the causation of change is not a singular, linear function. It is a complex, sum total of factors that play out at different levels. The temporal interconnectedness of the brokerage processes is thus viewed in the context of changes in the broader social network and also as a consequence of the behaviour of key organisational actors.

4.5 DATA COLLECTION

The study relied on semi-structured interviews as the main source of data, with ethnographic observation and desktop research as important triangulation and supplementary sources for understanding events and temporal bracketing. A total of 18 in-depth interviews were conducted with various stakeholders involved in the brokerage processes. The interviews were mostly done on-site at the workplace of the research participant. This promoted the study of the phenomenon in its context and enabled the ethnographic observations to be combined with the interview method.

4.5.1 Participants and Methods

The target participants for this study comprised executive managers, farm managers, board members and partner representatives. The primary role of the latter was to give a view of the value network relationships and to corroborate some of the data contributed at the main research site at Ravele Farms. The general manager of Mauluma Enterprise, the boundary spanner of focus in the study, and the executive administrator were the primary sources of information relating to the strategic operations and the brokerage arrangements. The farm managers, board members and representatives of partner organisations were viewed as sources of triangulation for the data provided by the two main contributors. Secondary data sources were also used as sources of triangulation. Studies of land reform in South Africa provided contextual data relevant for the study (e.g. Lahiff et al., 2012; Khorommbi, 2001; Ramudzuli, 2001; Hall, 2009). A great deal of information on the creation of socio-cognitive boundaries was gleaned from the latter sources. Table 4 shows a summary of the participants and their contributions to the study. Table 5 gives a view of the secondary data sources.

Table 5: Primary Data Sources

Sources Research elements	General manager (external boundary spanner)	Executive administrator/ Board secretariat	Farm managers/ Business administrators	Board representatives	Supplier/ Customer representatives
Research Question 1	Brokerage mechanisms	Brokerage mechanisms	Brokerage mechanisms	Process linkages/ transitions	Trade finance Trade terms
Research Question 2	Microfoundations	Microfoundations	Microfoundations	Microfoundations	Microfoundations
Research Question 3	Broker role evolution	Broker role evolution	Broker role evolution	Other roles and transitions	Other roles and transitions
Context and background information	Management relationships Resource gap Network patterns Socio-cognitive boundaries	Community relationships Resource gap Network patterns Socio-cognitive boundaries	Management relationships Resource gap	Community relationships Resource gap Socio-cognitive boundaries	Value-network dynamics Industry perspective Socio-cognitive boundaries

Table 6: Secondary Data Sources

Research element \ Sources	Media reports	Academic articles	On-site observations
Historical context	Creation of socio-cognitive boundaries Community subversions Role of government Triangulation of primary data sources	Creation of socio-cognitive boundaries Cultural context Political history Land reform Triangulation of primary data sources	
Current context	Socio-cognitive boundaries Government interventions Triangulation of primary data sources	Geo-physical context Socio-economic context	Management relationships Skills transfer Triangulation of primary data sources

4.5.2 Audio Recordings, Transcriptions and Visual Data

Permission was sought from the participants to do audio recordings of the interview to enable the researcher to focus on the task at hand. The challenge for the qualitative researcher is to relate to the ‘now’ during the interview session, to pick up leads that may not be in the semi-structured schedule, and to think on one’s feet. There is also the ever-present danger of ‘leading’ the participant to the answers that the researcher expects to hear. The use of audio recording equipment enabled the researcher to focus on the ‘now’ and to balance the challenges of accurate transcription and ‘directing’ the discussion. There were two cases in which the conditions on-site, at the farm fields, made it impossible to use the audio-recording equipment. In that case, the interviews were manually captured into a notebook.

Two digital audio recording devices were used: an iPhone with voice memo application and a Samsung phone device with a similar application. The purpose of this duplication was to cater for the instances where one device might not work. The loss of an audio transcript of an interview is irreversible and can compromise the research process. For this reason, the fail-over measure was provisioned. Upon the completion of the interview, the recordings were immediately transferred to an online

library (Dropbox application). The advantage of audio recordings is that they capture the emphasis, speed, tone of voice, timing and pauses, elements that can be used for interpreting data.

The transcription of audio recording to text was performed in one of two ways. For recordings, where the participant spoke English fluently, a voice -to-text application was used to do the preliminary transcripts, upon which the researcher did a quality check and removed what was considered unnecessary and irrelevant. For recordings where a mixture of languages was used and language translation was necessary, the transcription from voice to text would be done manually. In the very few cases where the participants expressed themselves in Venda, the language translation was facilitated by the production manager, who accompanied the researcher to most of the interviews. The text transcriptions were also filed in the online library on Dropbox. The transfer to the online library was an additional security measure to protect the data from possible losses of mobile devices and to clear the memory space on the devices for further recordings. It was also useful for sharing the data in the few cases where the researcher solicited the help of third parties for audio-to-text transcriptions.

Visual data, in the form of digital video and photo images, were captured using the iPhone camera. The images represent some of the observations that the researcher made relating to the business operations, social relations and the physical environment around MFE. The data were similarly stored in the online library. Some of the digital images were used to discuss the case study with cohorts at the business school and to reflect on the context of the case study. The researcher also kept a diary of field notes to record any thoughts, reflections and ideas relevant to the study.

4.5.3 Interview Schedule

The interview schedule was the main tool used for the collection of primary data. Its design was guided by the *a priori* propositions from the literature review. It was structured according to the conceptual model designed for the study and aligned to the research questions. The tool sought to create an understanding of the genesis and evolution of the brokerage mission, the mechanisms, their microfoundations and

the role of agency. It also sought to understand the impact of socio-cognitive boundaries on the business and social relationships in the agribusiness district of Levubu. The semi-structured format ensures that all questions are delivered to respondents without neglecting important data, and ensures that the precise instrument used in the study is available for inspection by those who might want to use the findings.

The instrument was designed to be sufficiently flexible to allow the researcher to add or reword questions and present probes as needed. This flexibility is important to theory-building research, where unanticipated responses may generate the need for additional questions or clarification. In respect of respondents' time demands, the interviews were structured to take about an hour. In some cases, depending on the enthusiasm of the participant and their information potential, the interviews were allowed to run for a longer period. A copy of the interview guide is provided in Appendix A. An overview of the interview guide is given below.

Structure and design

Four different types of respondents were targeted to create a triangulated view of the brokerage process and the roles of the boundary spanner (EBS): executive management, EBS, the peers of the EBS and persons responsible for relationship management in the partner organisation.

1. Management interview schedule
2. EBS interview schedule
3. Peer interview schedule
4. Partner interview schedule

The interview schedules were further categorised according to the theoretical propositions generated from the literature review. The process classes summarised below provided a tentative construct to guide the interview.

- a) Transfer – the boundary spanner engages his personal relationships to facilitate relationship building. The boundary spanner acts as a representative (role) to facilitate these initial activities.
- b) Matchmaking – the resource exchanges happen with growing participation of other organisational actors. The boundary spanner role is that of gatekeeper who selectively qualifies organisational actors for other exchange roles.
- c) Coordination – the research exchanges are performed primarily by other organisational actors, whilst the boundary spanner is concerned with the coordination of such activities and relationship management. Their primary role transforms to that of facilitator.

From the perspective of board members, executive and operational management, the interviews sought to understand the microfoundations underlying boundary spanner brokerage, brokerage mechanisms and the evolution of broker roles associated with them. The interview guide provided a reference facility to ensure that the interview process addressed the research questions to saturation. It was deliberately semi-structured to allow the researcher to direct the interview in accordance with the participant's area of knowledge and their responsiveness to the interview process.

The interview schedule was divided into three sections:

- Microfoundations
- Process questions
- Role transitions

Background and microfoundations

This section was concerned with understanding the microfoundations of boundary spanner brokerage as well as the strategy and methods used by the organisation to establish and drive the exchanges with external parties.

Process-level questions

This section solicited examples of successful exchange relationships or partnerships of a strategic nature that have been established as a result of the facilitation by the EBS. The following prods guided the interview.

- i. What was the success attributable to?
- ii. Which individuals played key roles in establishing a new relationship?
- iii. How was the relationship formalised and operationalised into the organisation?
- iv. Which other organisational actors were involved and in what way?

A set of questions was designed specifically for the boundary spanner to describe the brokerage processes as they perceived them to be unfolding. The questions were mapped and categorised according to the process classes in the conceptual model that was designed for the study.

a) Transfer process class

- i. How was a new relationship established with potential partners?
 - Explain how you got knowledge of potential opportunities for partnership
 - What steps / formal and informal processes / events are involved in the proposal of a new relationship?
- ii. How did you negotiate the role complementarity with the potential partner?
- iii. Which other organisational actors were involved during the proposal stages of relationship building and how were they involved?

b) Matchmaking

- i. In that relationship that you initiated, how did you handover to other organisational actors to operationalise the relationship?
- ii. Which other organisational actors were involved during the handover stages of relationship building and how are they involved?

c) Coordination

- i. What role did you play in the on-going relationship with the new partner/ supplier/ customer/etc. when the relationship had been formalised and other organisational actors had taken over the operationalisation of the relationship?
- ii. Describe the intersection with other organisational processes in your role at that stage of the relationship

Role definitions

The section sought to understand the evolving role of the broker. The scope encompassed the historical (mediation) brokerage/ strategic partnership with South African Farms Management (SAFM) as well as the different roles that the boundary spanner played in turning around the organisation.

The following points were interrogated:

- i. The challenges relating to their role as facilitators of access to knowledge and other resources
- ii. The challenge of establishing and maintaining business partnerships after the exit of the SAFM
- iii. The circumstances around the decision of the organisation to consider an employment relationship with individual manager(s) to basically drive the same objectives as was expected from the 'strategic partner'
- iv. The key differences in the way the individual (EBS) facilitated access to the network resources and the way that the 'strategic partner' would approach the same
- v. Other boundary spanning roles within the organisation

A set of questions was designed specifically for the boundary spanner to describe their role as facilitator transfer of knowledge and other resources between the organisation and external parties (suppliers, government, financial institutions, customers, partners). The purpose was to understand from their point of view the

different roles that they played and the evolution of those roles in relation to other organisational events and strategies. The following prods guided the interview.

- i. What stages/ phases/ events were involved in the development of that relationship?
- ii. Who else was involved (external as well as internal individuals) and how did you intersect with them?
- iii. What in your experience were the challenges and how did you overcome them?
- iv. How do external parties involved in this relationship (e.g. negotiation partners, potential partners, etc.) perceive your role during the process?

Checkpoints (for the researcher)

The key points of study relate to the following:

- Establishing a relationship where none existed before
- Transition points when other people within the organisation got involved
- Formalisation of the roles of the EBS and other organisational actors throughout the development of the relationship and on an on-going basis

4.5.4 Ethnographic Methods

In a study of boundary spanners in the context of a bicultural MNE setting, Yagi & Kleinberg (2011) provide 'thick descriptions' of the context in which boundary spanning activity takes place. Their approach to the study is interesting, if not instructive. Epistemologically and methodologically, they anchor the study within ethnography. They argue that boundary spanning processes can only be understood if the cultural context is understood from the perspective of the actors. This justifies the use of interpretive ethnography as a research methodology in their study. This

study has similarities to that of Yagi & Kleinberg (2011) in that it considers boundary spanning within the context of culturally defined or socially constructed reality (socio-cognitive boundaries). The prevailing context of socio-cognitively separated communities is traced back to its genesis in the ethnographic interpretations of colonisers and Christian missionaries.

The following techniques were applied in this study: participant observation, ethnographic interviews and 'thick descriptions'. Participant observation is a technique used by ethnographers for listening to people whilst watching them in their natural settings. It is most effective when done in conjunction with interviews, and helps the researcher make sense of the observed actions and behaviours (Spradley, 1979). 'Thick descriptions' create an understanding of the unfolding processes from the perspective of the actors and enable potential users of the research to make a judgment as to the applicability of the research findings in other settings (Riege, 2003; Bitsch, 2005; Lauckner et al., 2012).

Spradley (1979) proposes that ethnographic interviews be viewed as if they were friendly conversations without too much structure and formality. In this way participants volunteer to share more than if they feel they are being interrogated. This technique was applied for most of the interviews in this study. As a result, some interviews lasted over an hour and with key participants, such as the boundary spanner and the executive administrator, a series of interviews were undertaken.

In some cases, the ethnographic observation was done independent of the interviews. For example, the observation of management meetings at the head office was conducted without interviews and similarly, the following were observed without interviews: interactions between the production manager and external parties (suppliers, marketers, exporters); interactions or discussions between managers; interactions between managers and workers; social dynamics at the agro-processing facilities.

Other ethnographic methods applied in this study included the explicit statement (and re-statement) of the purpose of the study and repeatedly offering explanations. Spradley (1979) points out that the purpose of the study is normally hazy in the mind

of the participant, hence the researcher needs to make it clear. Similarly, the researcher must repeatedly offer explanations on all aspects of the process: broad statements about the project, why recordings are being undertaken, why consent forms have to be signed, confidentiality considerations and so on. For periods of up to one week at a time, the researcher would be embedded in the operations of the organisation, shadowing the boundary spanner and the production manager, who took him around, introducing him to various stakeholders (farm managers, suppliers, processors and exporters). This embeddedness in the research site enabled the researcher to observe the relationships between the stakeholders, to gain their trust, thereby facilitating data collection.

4.5.5 Desktop Research (News Media and Academic Articles)

The data collection project included desktop research. Previous academic studies related to the Ravele community (historical, social, political) provided an invaluable source of contextual data. For example, Khorommbi's (2001) study of the impact of religion and colonisation on the Ravele social structure provided a clear view of the creation and context of socio-cognitive boundaries, whilst Ramudzuli's (2001) study of the history and impact of land dispossessions of the Ravele community greatly contributed to the understanding of the political and socio-economic environment within which the community and organisation are historically embedded. Similarly, Basu's (2009) thesis on the failure of the JV brokerage and the study of joint-venture partnerships in the context of land restitution in the Levubu region by Lahiff et al. (2012), provided useful insights into the challenges in the social environment of the Ravele community and helped to create a good understanding of the factors that led to the option of boundary spanner brokerage.

News media articles were used to corroborate some of the detail of the historical events. The restitution of the Ravele land attracted a lot of media interest within the local environment of the Limpopo province as well as across the country of South Africa. The media articles chronicle the challenges of the strategic partnerships

(mediation brokerage) as well as the eventual success stories of Mauluma Farming Enterprise.

4.6 QUALITATIVE CONTENT ANALYSIS

The interpretation and analysis of the textual data collected from the diverse sources was subjected to structured analysis and summarised to draw valid inferences. The analytical approach was based on the 'Gioia method' which focuses on single case research designs (Goia et al., 2010; Langley & Abdallah, 2011). Raw data from the interviews, observation and desktop research were subjected to a coding exercise that considered *a priori* codes and participant contributions. The first-level codes were further abstracted to higher level categories that describe the salience of boundary spanner brokerage and the context of socio-cognitive boundaries. The categories were further summarised into aggregate dimensions that represent changes in the network contexts (network-level changes) and the broker role evolution (actor-level changes). Summarising the collected data reduces the quantum, but seeks to preserve the essential content and create a manageable body of data through paraphrasing, generalisation and abstraction (Kohlbacher, 2006). Yin (2014) recommends that the researcher "plays" with the data at the start of the analytical process to search "for patterns, insights, or concepts that seem promising" (p. 135).

Structuring involved the coding and categorisation of the text according to content and relevance. The analytical techniques of pattern matching and logic models, discussed by Yin (2014), were used to make a comparison between the case findings and the behaviour predicted from the theoretical propositions.

The narrative and temporal bracketing strategies (Langley et al., 1999) were

combined with Kohlbacher's (2006) techniques of summarisation, explication and structuring to generate first and second order codes. Temporal bracketing established a 3-step timeline, shown in Figure 31, that describes the organisational experience relating to boundary spanner brokerage. The temporal brackets relate to the changes in the business performance. They are mapped longitudinally onto the study, to relate the brokerage intervention to business outcomes. The breakdown of the data into temporal brackets (successive adjacent periods) helps to link the relationship between actions in one period with those in subsequent periods with a consideration for the context of each action (Langley et al., 1999). The study considers the logical phases of recovery, build up and stabilisation as temporal brackets. The mediation brokerage phase is presented for historical context and to highlight the differentiating features of boundary spanner brokerage by presenting a comparative base.

Explication involved the generation of explanations, clarifications and annotations of the material in its context as suggested by Kohlbacher (2006). It relates to Yin's (2014) concept of explanation building. Explanation building is an iterative process that compares a stipulated theoretical proposition against the research findings. It refines the proposition by re-examining further evidence from the details of the case and thus eliminates plausible or rival explanations (Yin, 2014). It improves the credibility of the research findings as well as the internal validity of the research (Riege, 2003). This iterative combination of data collection with data analysis is recommended when building theory from case studies (Eisenhardt, 1989b).

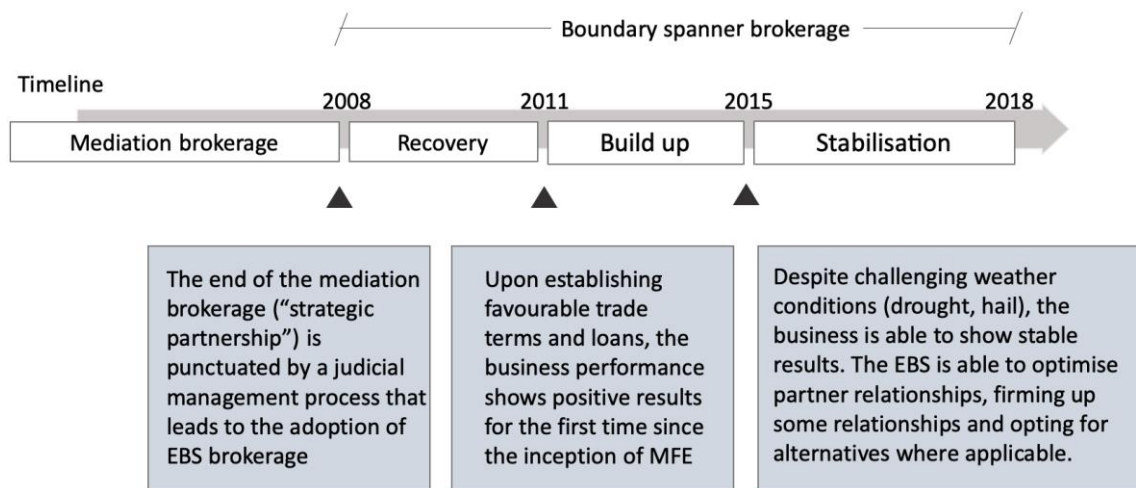


Figure 31: Temporal Bracketing (Temporal Episodes)

To a big extent the results of the empirical study matched the theoretical proposition. Yin (2014) posits that if the findings are similar to the theoretical propositions, then the internal validity of the study is considered to be strong (Yin, 2014). Also recommended by Yin (2014) is the use of logic models to abstract the complex chain of temporally related occurrences from the textual data. This was carried out to depict activities as well as transitions in processes of change.

Throughout the process of qualitative content analysis, the computer assisted qualitative content analysis software application (CAQDAS), Atlas ti, was used. Upon defining the initial set of codes and categories for the textual data collected in the interviews and archival records, the application was used to locate words and phrases matching the codes in the textual data and to conduct search for data patterns using the conceptual model as a point of reference. CAQDAS has gained preference over manual techniques because of the efficiency with which it supports the coding and categorisation of verbatim content (Zakaria & Zakaria, 2016).

4.7 QUALITY ASSURANCE AND ETHICS

4.7.1 Quality Assurance

Case study research has received an unfair amount of criticism from quantitative research scholars regarding rigour (Eisenhardt, 1989b; Riege, 2003; Kohlbacher, 2006). Social research studies generally apply four design tests to determine the empirical quality of the research: construct validity, internal validity, external validity and reliability (e.g. Yin, 2014; Riege, 2006). Construct validity tests the alignment between the theoretical concept and its operational measures (Riege, 2003; Yin, 2014). Internal validity tests the confidence with which inferences from the research can be made about real-life scenarios, whilst external validity is concerned with the generalisability of the research findings (Riege, 2003; Yin, 2014). Reliability refers to the possibility of the research to yield the same results if repeated under the same conditions (Riege, 2006).

A criticism of the case study research method concerns construct validity. It is generally perceived that the proximity of the researcher to the subject leads to subjectivity of findings and hence compromises the construct validity of case study research (Riege, 2003). Another criticism of case study research relates to internal validity. Critics of the case study methodology argue that inferences made by the researcher, based on textual data from interviews and other sources, may not be accurately taking other casual factors into consideration (Yin, 2014). Critics also argue that case study research is prone to external validity challenges because of the lack of statistical generalisability of its research findings (Yin, 2014). In essence, validity is a precondition for reliability, hence the criticism applies to both criteria (Kohlbacher, 2006; Mayring, 2014).

As recommended by qualitative research scholars (e.g. Riege, 2006; Yin, 2014) to enhance the quality of case study research, four corresponding design tests were considered for the study: confirmability, credibility, transferability and dependability. The difference between this corresponding set of design tests and the traditional criteria, described above, is mostly semantic. Table 7 shows how the corresponding

design tests relate to the traditional criteria. The table also shows the techniques that will be applied, during different phases of the research process, to address potential quality concerns.

Table 7: Tests and Techniques for Enhancing the Quality of Case Studies

(adapted from Riege, 2003, p. 78-79)

Design tests	Techniques	Phase
Confirmability (Construct validity)	Use of multiple sources of evidence	Data collection
	Establishing the chain of evidence	Content analysis
	Key participants review the draft case study report	Content analysis
Credibility (Internal validity)	Explanation-building	Content analysis
	Aligning the findings to the theoretical concepts	Content analysis
	Triangulation across sources	Data collection
Transferability (External validity)	Definition of scope and boundaries of reasonable analytical generalisation for the research	Research design
	Compilation of 'thick' descriptions	Content analysis
Dependability (Reliability)	Full account of theories and ideas	Data collection
	Assurance of the congruence between research issues and research design	Research design
	Recording the observations and actions as concrete as possible	Data collection
	Use of the case study protocol/ interview schedule	Data collection
	Good recording and transcription devices	Data collection
	Mapping parallelism of findings across multiple data sources	Content analysis

4.7.2 Ethical Issues

The consideration of ethical issues permeates the whole lifecycle of the research project. In accordance with the ethical standards stipulated in the Blue Book of the Gordon Institute of Business Science (GIBS)/ University of Pretoria, and in consultation with the ethics committee, the guidelines stated in Table 8 below were used. The guidelines correspond to Creswell's (2013, p. 58 - 59) tabulation of ethical issues in academic research.

Table 8: Ethical Issues for Consideration Across the Project Phases

Phase	Ethical considerations
Prior to conducting the research	<p>Formal permission was issued by the executive administrator of Mauluma Farming Enterprises (Ravele CPA) for the organisation to be the site of the case study.</p> <p>Formal ethical clearance was received from the GIBS Ethics Committee after review of the interview schedule and the specification of the target participants. Clearance was received to conduct interviews at the focal site and with participants from partner organisations.</p>
Beginning to conduct the study	<p>Participants received an explanation of the purpose of the study as well as a consent letter that they signed to indicate voluntary acceptance to participate in the study.</p>
Collecting data	<p>The formal systems of the organisation were considered in the request for access to members of the organisation that participated in the study. The management granted permission and encouraged the target employees to contribute to the study.</p> <p>As the excitement about the research increases in the organisation, each participant forms and sometimes imposes their own expectations on the research outcomes. These may be aligned to the study but sometimes not. The skill of persuasion (facilitation) to keep the focus is crucial in the face of the temptation to issue incentives for participants to dig deeper and apply their minds to the interview questions was exercised. Drawing the ethical line has to be a clear and reflexive process throughout the data gathering and analysis phases.</p>

Phase	Ethical considerations
	The transcripts were shared with the participants to check if any misrepresentations could have emerged.
Data analysis phase	<p>The challenge for the qualitative researcher is to relate to the 'now' during the interview session, to pick up leads that may not be in the semi-structured schedule, to think on one's feet. There's also the ever-present danger of 'leading' the participant to the answers that the researcher expects to hear. It is a balancing act that needs vigilance.</p> <p>With the exception of two cases where the environmental noise levels were too high, all the interviews were recorded using two digital recording devices. The use of two devices was to be sure that any device malfunction would not compromise the study. The recording allowed the interviewer to focus on the moment (to be fully present), and keep up with the flow of the conversation and direct as necessary.</p>
Data reporting phase	All the codes and codes were generated from the interview data as well as other sources of data (news media articles, academic reports). Where secondary sources of data were used they were credited.
Publishing the study	All the consent forms for the interviews as well as the data were lodged at the GIBS library in accordance with the ethical clearance stipulations.

4.8 CONCLUDING REMARKS

The research design is rooted in the process ontology and the post-positivist epistemology. The propositions that have been generated from the literature review represent tentative theory. They do not pretend to represent an exhaustive set of themes that apply in boundary spanner brokerage. The research was designed to generate rich detail through interviews, ethnographic observation, desktop research and other secondary sources of data. The data was used to confirm some elements of the conceptual model (theoretical propositions) and to revise others.

The overall research challenge is to relate the content, contexts, and processes of change over time to explain how boundary spanners sustain relevance as brokers. The research design recognises that change is multifaceted, involving socio-cultural factors, the dynamics of network structure, business opportunity and the conscious agency of network actors.

5 CHAPTER FIVE

RESULTS

5.1 INTRODUCTION

The previous chapter looked at the research design and methodology for the study. The philosophical assumptions, the design and rationale of the qualitative case study were discussed together with the data collection and analysis strategies and methods. Chapter 5 is a presentation of the results. It is important that this chapter is read in conjunction with Chapter 4 (Empirical Setting) to provide further context to the results.

In line with the 'Gioia method' discussed in Chapter 4, the coding of the raw data was executed in three cycles. The first-order codes were assigned *a priori*, from the literature review, and some emerged from the data. These were then abstracted by the researcher, in consideration of the literature review, into sub-themes or second-order codes. The third-cycle involved an aggregation of the second-order codes into higher level themes.

The codebook was systematically split into two top-level categories, labelled: 'Dynamic Brokerage' and 'Contextual Factors'. 'Dynamic Brokerage' is a grouping of codes that capture the dynamic concepts of boundary spanner brokerage: mechanisms, microfoundations, broker roles and functions. It represents the core of the inquiry. 'Contextual Factors' is a grouping of categories and codes that describe the environment and context within which boundary spanner brokerage is embedded. The key contextual factors relate to socio-cognitive boundaries and the factors that inform the longitudinal study, aptly referred to as temporal bracketing. They are used for that purpose in the analysis (ref 4.5. Qualitative Content Analysis).

The discussion of the results, in the subsequent sections, is structured according to the research questions and addresses the following levels of analysis: brokerage mechanisms, microfoundations, broker roles and functions. The theoretical propositions relating to each research question are presented and their match with

the empirical model, or lack thereof, is considered for the summarisation and discussion of the results. The supporting data displays and anecdotes are then provided to lay the chain of evidence around the claims given in the summary. Unlike quantitative research which summarises complex statistical analyses in a few displays, qualitative research requires a breakdown of the chain of evidence in several displays accompanied by the explanation and qualification of each display.

5.1.1 Data Coding Structures

Dynamic Brokerage

Figure 32 displays the coding structure for dynamic brokerage. The first-order codes characterise the study themes of process-level changes (mechanisms), their microfoundations, as well as broker roles and functions in open and closed network contexts.

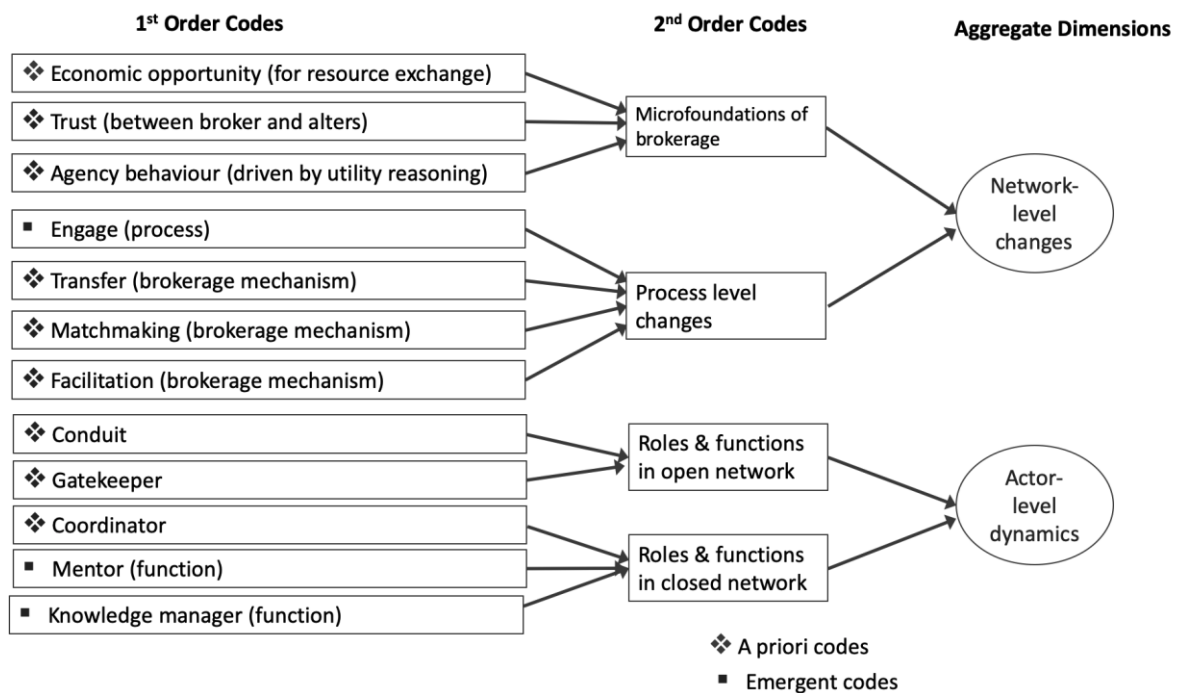


Figure 32: Data Structure (Dynamic Brokerage)

Except for the code 'Engage' that emerges from the data, the process-level analysis confirms the relevance of the three mechanisms proposed by Spiro et al. (2013) and

extended by Obstfeld et al. (2014): transfer, matchmaking, facilitation. With reference to the microfoundations, the data indicates that opportunity, trust and agency are relevant drivers of change and resilience of the brokerage mission. The actor-level dynamics confirm the *a priori* codes for the representative, transfer, gatekeeper and coordinator roles. In the main, the empirical study confirms the functions derived from the metatheoretical study in Chapter Two (Literature Review). The codes for functions relating to 'mentor' and 'knowledge manager' emerge prominently from the data. For that reason, these are discussed in more detail later in this chapter.

Contextual Factors

Figure 33 presents the data structure for the contextual factors. The codes aggregate to two main categories of temporal bracketing and socio-cognitive boundaries. The former characterises the chronological sequences within which the boundary spanner brokerage mission was rolled out, whilst the latter characterises the social environment within which the study is located. With the exception of the high-level coding for socio-cognitive boundaries, all the categories and codes in this group emerged from the data. The codes also relate to the 'thick descriptions' that capture the context of the case study in Chapter 4.

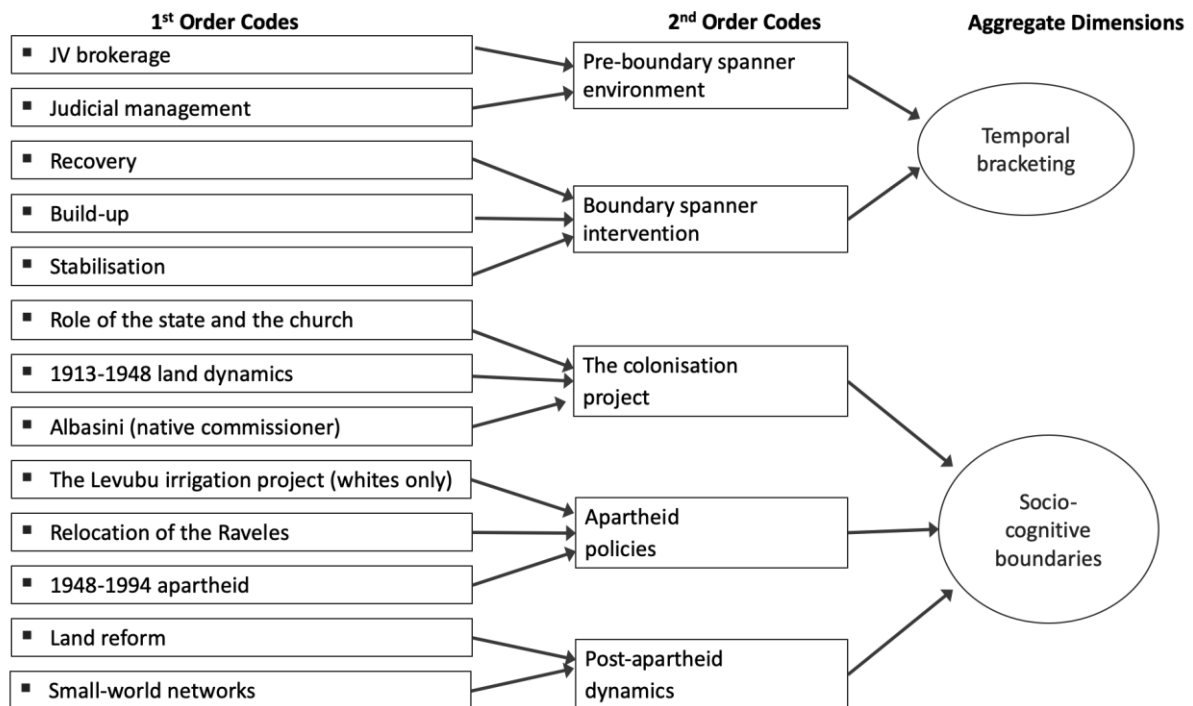


Figure 33: Data Structure (Context, Empirical Setting)

The second-order codes relating to the temporal bracketing mark the temporal phases of brokerage activity before and after the formal engagement of the boundary spanner. The second-order codes for the creation and entrenchment of socio-cognitive boundaries trace the evolution and effects of social cognition in the social networks within which MFE operates.

5.1.2 Triangulation across Data Sources

Riege (2003) proposes that the confirmability of research findings is likely to be enhanced if based on several sources of data, used in a corroborative mode. Tables 9 - 11 illustrate the triangulation of data sources in this study. The primary sources of data interviews, observation and desktop research (academic studies and media reports) are placed in relation to each other in the presentation of the chain of evidence. Yin (2014) emphasises that it is important in triangulating data that the data converge on the same construct. The tables identify the relevant sub-constructs (mechanisms, microfoundations, roles & functions) and the triangulation of data sources, discussed later in this section. The corresponding research question,

related to the subconstruct, is implied in the title of each presentation in the tables below.

Table 9: Triangulation of Data Sources for the Brokerage Mechanisms

Mechanism	Interviews	Desktop Research	Observation
Co-option	EBS (1/2/2018)	Lahiff et al. (2012)	Despite the fact that his contract is outcome-based, EBS is easily accessible on-site at the office and at the farms, sharing knowledge.
	EBS (5/3/2018)	Basu (2016)	
	Supplier of agricultural chemicals (27/6/2016)		
Transfer	EBS (5/3/2018)		
	Production manager (6/3/2018)		
	Finance administrator (24/5/2018)		
	Supplier of agricultural chemicals (27/6/2016)		
Matchmaking	Marketer/ export partner (26/6/2018)		
	Production manager (6/3/2018)	City Press Newspaper (22/1/2017)	
	Executive administrator (7/12/2017)		
Co-ordination	Finance administrator (24/5/2018)		
	EBS (1/2/2018)	Vuk'uzenzele Government Journal (April 2017 Edition)	Knowledge sharing at Thursday management meetings (1/2/2018).
	EBS (8/3/2018)	Zoutnet Online Newspaper (24/4/2017)	
	Finance administrator (24/5/2018)		Production manager and finance administrator regularly pop into the office of the EBS for consultation and updates.
	Production manager (6/3/2018)		
	Farm manager #2 (6/3/2018)		
	Farm manager #5 (6/3/2018)		
Farm manager #6 (7/3/2018)			

Table 10: Triangulation of Data Sources for the Microfoundations Construct

Microfoundation	Interviews	Desktop Research	Observation
Economic opportunity	EBS (5/3/2018) Board member #1 (24/5/2018) Marketer/ export partner (26/6/2018)	Lahiff et al. (2012) Basu (2009) City Press Newspaper (22/1/2017) Vuk'uzenzele Government Journal (April 2017 Edition)	14/3/2018: Discussion between executive administrator and boundary spanner on the virtues of complementarity (Researcher)
Trust	EBS (5/3/2018) Board member #1 (24/5/2018) Marketer/ export partner (26/6/2018) Executive administrator (7/12/2017)	Lahiff et al. (2012) Basu (2009) Basu (2016)	1/2/2018: Trust and respect observed in relationship between EBS, Board members and farm managers in management meeting (Researcher)
Agency behaviour of the broker	EBS (5/3/2018) Executive administrator (7/12/2017) Farm manager #1 (6/3/2018)	Lahiff et al. (2012)	22/5/2018: Exchange between EBS and Executive Administrator where the recognition of the reciprocal role of board and EBS was acknowledged.
Agency behaviour of the board	HR administrator (6/3/2018) Finance administrator (24/5/2018) Executive administrator (7/12/2017) Board member #2 (28/6/2018) Board member #1 (24/5/2018)	Basu (2016)	Board members attached to the management meeting spend a lot of time on-site at MFE, especially board member #1 and are very supportive of the EBS

Table 11: Triangulation of Data Sources for the Broker Role Construct

Role	Interviews	Desktop Research	Observation
Conduit	EBS (1/2/2018) Marketer/ export partner (26/6/2018) Supplier of agricultural chemicals (27/6/2018)		
Gatekeeper	Production manager (6/3/2018) HR administrator (6/3/2018) Finance administrator (24/5/2018)		EBS continually reviews existing partnerships and extending the marketing channels (Researcher)
Mentor	Production manager (6/3/2018) Executive administrator (7/12/2017) HR administrator (6/3/2018) Farm manager #4 (6/3/2018)	Lahiff et al. (2012)	14/3/2018: Discussion between executive administrator and boundary spanner on the virtues of complementarity (Researcher)
Facilitator	Production manager (6/3/2018) HR administrator (6/3/2018) Finance administrator (24/5/2018)		26/6/2018: Production manager warmly received at Nulandis (supplier) and reference made to the EBS (Researcher)
Knowledge manager	EBS (1/2/2018) EBS (5/3/2018) Board member #2 (28/6/2018) Farm manager #2 (7/3/2018) Finance administrator (24/5/2018) Production manager (6/3/2018)		The value of the boundary spanner is not only his ability to connect the business to external knowledge. His own knowledge and experience are equally valued.

5.2 MICROFOUNDATIONS OF BOUNDARY SPANNER BROKERAGE

What are the microfoundations of boundary spanner brokerage?

For clarity, the research question above can be worded in various ways: What drives organisations to engage in boundary spanner brokerage? What factors in the environment lead to the adoption of boundary spanner brokerage? What motivates individual actors to decide, in the way they do, to implement boundary spanner brokerage?

The study of microfoundations provides a view of the factors that drive networks at all levels: interpersonal, interorganisational and intergroup (Ahuja et al., 2012). Questions related to the genesis and evolution of networks benefit from a consideration of microfoundations (Ahuja et al., 2012; Felin & Barney, 2013). This study identifies three dominant microfoundations of boundary spanner brokerage: opportunity, agency and trust. Before discussing each one of them in detail, the following discussion puts context to their relevance in the study of the different brokerage processes and mechanisms.

5.2.1 Emergence and Sustenance of the Brokerage Network

Before embarking on boundary spanner brokerage, MFE went through a 'failed experimentation' with mediation brokerage, an arrangement based on a form of joint-venture, referred to as 'strategic partnerships' in land reform parlance. 'Strategic partnerships' were imposed by state authorities to secure knowledge and skills transfer from the industry to the emerging agribusiness. They were meant to achieve the same objectives as what boundary spanner brokerage eventually managed to do, hence study participants were required to explain what they thought were issues that rendered mediation brokerage untenable and were resolved in the context of boundary spanner brokerage.

The results are illustrated in Figure 34 and a summary is presented before the detailed discussion of the evidence, with data displays. The initial driver of change is the economic opportunity that presents itself between potential broker, focal

organisation and other nodes in the value network. The lack of skills, knowledge and industry relationships forces the focal organisation to seek access to established value networks and to connect to people with good industry knowledge. The other nodes in the value networks also recognise the economic value of the potential relationship and respond favourably to a connection with MFE. Whilst the opportunity on its own is not sufficient to drive the decision towards boundary spanner brokerage, two other key contributing factors are cited by the respondents as crucial to the establishment of the brokerage mission: the trust relationship between the brokered parties and the broker as well as the agency behaviour of the broker.

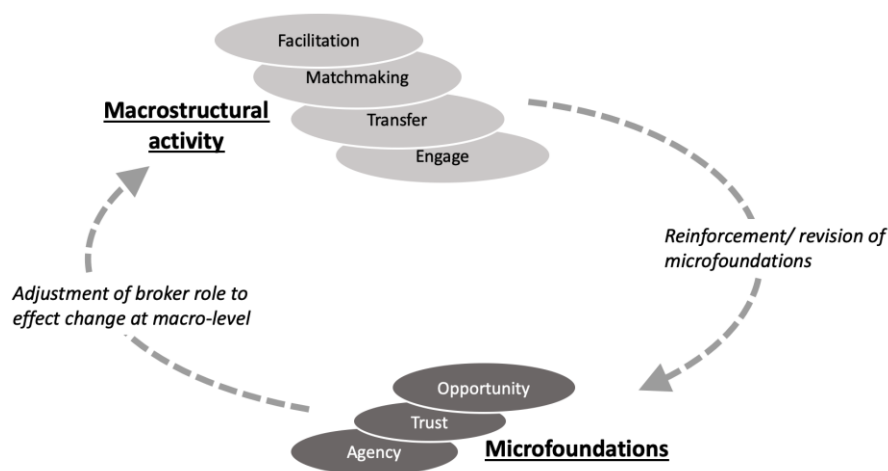


Figure 34: Analytical Model of Microfoundations and Macrostructural Activity

As discussed in the conceptual model, the proposition for microfoundations is that they co-evolve with the changes at the macrolevel (mechanisms). In a cyclic manner, the changes also inform adjustments to the broker roles (e.g. Ahuja et al., 2012). The changes at the macro-level can in turn cause a revision of the microfoundations as illustrated in Figure 34. The logic of the cycle is described below. For obvious reasons, the discussion kicks off with the ‘Engage’ process, the precursor to the exchange processes.

Engage

- a) The genesis of the boundary spanner brokerage mission is triggered by the microfoundation of opportunity. The opportunity for mutual benefit

between the organisation (first alter) and the broker (boundary spanner) provides a causal effect for the creation of a brokerage relationship. The existence of structural holes between the established (white) agribusiness community and the emerging (black) agribusiness organisation gives rise to the opportunity. As discussed in the literature review, negative assortativity, tie formation between heterophilous nodes, provides an opportunity for brokerage (Baum et al., 2012; Rivera et al., 2010).

- b) The microfoundation of trust is a *sine qua non* for the enactment of bridging ties (Obstfeld, 2005; Williams, 2002). The broker is engaged on the basis of the existence of an economic opportunity for all the actors and a trust relationship between broker and alters.
- c) By virtue of being embedded, 'representing' the first alter, the boundary spanner is able to institutionalise his personal social capital (trust). Williams (2002) posits that trust formed at interpersonal level can be transformed to an institutionalised form of trust. The engagement of the boundary spanner as a broker enhances the trust relationship between the alters.

Transfer

- a) The boundary spanner assumes the role of 'representative', applies his agency to negotiate terms of trade with the alters across the cognitive boundary. For instance, favourable terms are successfully negotiated for the supply of agricultural chemicals, an advance loan from the processor/exporter, as well as favourable debt repayment with the financial services partner.
- b) Closure benefits develop through repeated exchanges and accrue over time (Baum et al., 2012). The trading activities between the partners and the fulfilment of the network obligations leads to a deepening of the trust relationship.

Matchmaking

- a) With time, the *iungens* oriented broker, applies his agency and gets other organisational actors involved in the exchange relationships. The broker role associated with that macrostructural activity is that of 'gatekeeper'.
- b) The trust relationship has to be intact in order to enact closure ties. Baum et al. (2012) posit that relational ties enhance the richness of information, trustworthiness and stability of the relationship.

Facilitation

- a) The involvement of other actors in the exchange relationship deepens the trust and leads to deeper collaboration between the alters. Whereas brokers are traditionally known to 'protect' their power position by making sure that a direct relationship between brokered parties is eschewed, the boundary spanner broker actively facilitates closure ties between the brokered parties
- b) The closure of ties in turn creates further agential opportunities. For instance, upon the handing over the operational exchanges to other organisational actors, the boundary spanner is able to move on to create new bridging opportunities elsewhere. The production manager and the finance administrator explained in the interviews that, over time, the boundary spanner allowed them the latitude to drive established relationships whilst he went on to seek other relationship opportunities.

5.2.2 Opportunity

The manager at Green Farms, processor and exporter of macadamia nuts, puts into context the mutual economic interest between emerging farmers and the value chain partners:

“At the end of the day we all live here. We all live amongst each other. If they succeed, I succeed. So, I'll do what I can to try and get these guys to succeed. As long as it has no negative implications for my business. Whether it's helping them with technical advice, to try and get them to farm better or whether it's helping them with

cashflow, or whether it's trying to link them up with funders, those are all the things that we try and do.”

Reporting on MFE, the Government journal, *Vuk'uzenzele* (April 2017 Edition), attributes the success of the organisation to the wisdom of engaging a 'managing agent', who helped turn around the fortunes of the organisation. The City Press newspaper (22/1/2017) also lauds the decision to engage the boundary spanner brokerage. They report that, upon the failure of the joint-venture partnership with SAFM, the organisation recognised the skills and competencies of the boundary spanner and engaged him directly, heralding a new era of success for the farming enterprise.

As explained in the introduction and description of the empirical setting, MFE's primary requirement was to access knowledge and other resources from established agribusiness. Besides the cultural and social considerations, the main driver of the partnership strategies was the economic opportunity that could be drawn from brokerage. The restitution programme was meant to redress the economic imbalance in the agribusiness sector. In his thesis, Basu (2009) explains that the expectation of large-scale employment creation and economic development, in the Limpopo province, was a key driver of the land reform process. The objective of the joint-venture partnerships was to mediate the transfer of knowledge and other resources between established agribusiness and the emerging farming enterprise (Lahiff et al., 2012). This was the role designated for the strategic partner, to secure access to the agribusiness value networks and its resources. The objective of the boundary spanner, in this regard, is not any different. Whilst seeking economic opportunity for himself, it is the mutual need, between alters as well as between broker and alters, to access resources that creates opportunity for a relationship. The boundary spanner explains how he ended up working at MFE.

“How did I get to help Ravele? I'm a farmer, I didn't own land. My father was a poor man, he died, but he was the best farmer that I ever knew. I moved to Levubu from 1996 to 2001. Then my father had a heart attack, so I had to go back to Munnik (around 1997/8) to rescue our farm. The farm had been in our family since 1886. My father had bought a piece from my mother's family farm. My great-grandfather was

the first receiver of the title deed from Paul Kruger. I moved back there and worked like a slave, farming on the tractor myself doing everything with only three people – we did passion fruit to get some turnover, mangoes and cattle riding on the back of my animal science education. We had hail 3 years in a row! The area is not really hail-prone. We have a family bible, where the incidents of hailstorm are recorded. Since 1886 we had 5 hail storms, I had 3!

The boundary spanner explains how his personal circumstances forced him to seek opportunities outside of his comfort zone. His experience and social relationships in the Levubu region were to find their complement in the opportunity emanating from the land reform programme.

After the first hailstorm, I had to replant, went a little smaller, we reduced from 7 to 5 hectares. Just when the passion fruit were about to be harvested, the second hailstorm hit us. We had to replant, went even smaller, 3 hectares, because our finances were dwindling. And again, the hailstorm hit us. Our finances were depleted by then. So, I had to go and look for work as a consultant in Levubu. I knew a lot of farmers here because I had been one of the top 2 producers of macadamias when I worked there earlier. I got to know a lot of the farms. Then the land claims came. I was a consultant for the owner of this farm.”

The board of Mauluma Enterprise had to be quite innovative to find remunerative solutions that were both sustainable for the business and sufficiently incentivising for the boundary spanner. The boundary spanner explains how this has been achieved at MFE.

“I lease a farm from them, which the profits go to my pockets, otherwise I wouldn't have been working here. I'd work for a company like Hans Merensky. I worked for them, they wanted me to come back. The lease enables me to incubate farming techniques and ideas. It's a good farm. I wouldn't take a farm that's crap. I use it to demonstrate how to do things like scouting, spraying, etc. which then benefits the Ravele Farms. I need to do this. I must look at my future. I'm fifty-five years old and I have a maximum of ten years in which I must accumulate enough. I took all my pension money to start off the farm and I bought equipment and had to make sure I can pay the rental. I had to make sure that I can run this farm for the first one and a half to two years. I didn't receive my salary into my pocket. It went into that farm. My

service contract with the Ravele Farms also allows me to do consultations on the side. It keeps me sharp.”

Beyond the farm lease, the board also tied some of the remuneration of the boundary spanner and other members of the management team to a profit share scheme.

Board member #1 explains:

“There has been notable change in the behaviour of the GM. Since he is now employed by us, he must work harder in order to get some profit shares, or a salary increase. We have better control over that as the government connection is no longer there.”

The government connection referred to by the board member is the joint-venture arrangement that was imposed by Government. In his view, that arrangement with SAFM made it difficult for the CPA leadership to take control of the performance management and reward systems.

The opportunity microfoundation also influenced the decision of the industry partners. The boundary spanner was able to persuade them to see and act on the opportunity to extend their business across the cognitive boundary.

The manager at Green Farms (export partner) confirms that the boundary spanner came to them to request an advance. Because of the confidence in him, they agreed to grant Mauluma Farming Enterprise the advance. Asked if he had no fears that they might not recover their money, the manager explains:

“Yes, but when a guy like (boundary spanner), with the MFE board comes and sits with you and says, ‘Look, let’s look at this from a strategic point of view. I’m gonna get the nuts coming anyway, I’m going to send them to you anyway. I can send you poor rubbish quality or we can look at a business model to make sure we are providing the factory with good quality.’ I also want good quality at my factory. At the same time, it bails them out, allows them to get some funding. It’s a mutual benefit to both parties.”

5.2.3 Trust

A key microfoundation of boundary spanner brokerage is trust. A reason given for the failure of the mediation brokerage at Mauluma Farming Enterprise, is the lack of trust between the community business owners and the 'strategic partners', who were tasked with brokering the connection to the value networks (e.g. Hall, 2009; Lahiff et al., 2012; Basu, 2016). In the interview responses for this study, the trading partners emphasise that the decision to get into a trading relationship with MFE was motivated by the trust relationship between them and the boundary spanner. It is assumed, for the purposes of this study, that the trust relationship, a consequence of the social capital of the boundary spanner, is derived from the cognitive affiliation of the broker to the target partners.

To illustrate the effect of cognition on the social and business relations in the Levubu agribusiness district, a brief discussion of the perceptions across the cognitive divide, is necessary. The researcher observes during the field research, that the tension prevalent between established (white) farmers and the emerging (black) agribusiness, is informed by historic bias, a consequence of cognition as described in Chapter Three (Empirical Setting). The manager at Green Farms, processor and exporter of Macadamia nuts is quite involved in the activities of the Macadamia Grower's Association, an industry body that is concerned with industry growth and producer protection. Citing the challenge of conducting knowledge sharing sessions, he gives an example of the dissonance between established (white) agribusiness and emerging (black) agribusiness:

"The problem I also see is you have these group of commercial farmers (experienced) and the emerging growers, now the commercial farmers have greater knowledge in farming than the emerging group of farmers. So to run a study group with both the farmers with knowledge, skill and experience and the emerging farmers, will not give good results because the other 90% of the experienced farmers will feel like they are not gaining much as they know the basics already whilst the emerging farmers still need to learn the basics. The same applies when the emerging farmers have to attend study groups run in Afrikaans, by experienced farmers, 90% will also not come because they will not understand the issues the advanced farmers are facing. So

there is a big bridge between the commercial farmers and the emerging farmers and it's not easy."

According to the manager at agricultural chemical supply company, Nulandis, white farmers were disillusioned by the land reform programme.

"There has been an exodus. 60% of the farmers in Lebuvu have left the region. There is nothing going on the farms in the eastern border, for instance. People are even looting stuff from these farms. You can see for yourself what has happened on one of the best banana farms here, in Levubu at a farm situated 2 km from here. I was there two weeks ago, and I was distraught at what I saw."

The same supplier explains that they have a strict 'cash only' basis of trade with the community businesses. The preference to engage with similar others is indicated in the same company's willingness to engage with another (white) boundary spanner that was recently engaged by a community business. Cognitive effects and the social capital that members of the same socio-demographic community vest in each other, are apparent in this example of selective access to network resources.

"Yes, for instance in the Ratombo community there is an advisor who is helping them. If he asks for help at a time when they do not have the money to pay for their purchases, I do extend some help to them. We enter into a payment arrangement where they would pay in instalments."

The microfoundation of trust has broad implications for the sustenance of relationships. The lack of trust is also prevalent on the other side of the cognitive boundary, where emerging (black) agribusiness practitioners hold a suspicious view of their white counterparts. The boundary spanner explains how lack of trust culminated in a break-down of a relationship, similar to the one he had successfully established with MFE.

"Trust comes to play. I used to also manage another community farm in the neighbourhood. They were making profit, but now they are facing liquidation because when they changed the CPA leadership, the new chairperson of the CPA came into this office making demands on how I should make a plan B for them to run the farm. I said here's my resignation, there is your plan B!"

The manager of Green Farms, the nut processor and partner to MFE, also sheds light on the trust issue in the agribusiness district:

“Above all, trust relationships are important such that if the community is having problems with the broker, they should be able to communicate the problem and find a solution which makes it equally important for the board of MFE to also trust the management team to manage the business.”

The finance administrator explains how the boundary spanner applied his agency to unlock resource exchange processes between MFE and the processors/ exporters.

“At that time (after the judicial process), there was no history, no good product, no money, nothing. But, he has a good relationship with the guys we give our products to, the pack houses. And I think that’s why they gave us the advance. He has a great relationship with Potgieter Boerdery, the name they trade under is Macrige & Avoridge. They give an advance based on their assessment of that farmer or business. They are the pack houses: Avoridge for the avocados and Macridge for the macadamia. They deal with exporters that take the products from them.”

The manager of Green Nuts Farms, a processor and exporter of macadamia nuts confirms this historical intervention.

“I know Mauluma experienced difficulties some years back. They ran into cashflow issues. My mother, who is the CEO of the company, bailed them out at that time. (Boundary spanner) negotiated on behalf of the board of Mauluma and put in place a plan that enabled them to purchase chemicals and fertilisers. We provided the funding for that. So, it gave them the first foot up. So, of course with fertilisers and chemicals, the crop did better than it would have done, which put them in a position to pay back the loan and get them into a cash positive cycle.”

The supplier of agricultural chemicals agreed to provide MFE with favourable terms for trade finance at the request of the boundary spanner. The basis upon which the advance was made is explained below, putting emphasis on the microfoundation of trust and the role of the boundary spanner as a conduit for such access.

“Good relations are very important, but it is also very important to understand the problems that people in the community might be faced with. Not knowing what is going on is the reason why some communities are not successful. If these issues are

sorted out and they get a very good consultant and a manager, the situation can improve. “

The boundary spanner explains how trust was restored and strengthened in the organisation, on the back of repeated exchanges with external parties.

“As we got confidence from our marketers and the processing facilities, there was more money available for inputs. That’s where the confidence came from. What you see is what you believe. As they saw the progress, individuals started changing.”

5.2.4 Agency (motivation and ability)

The employment agreement reached between boundary spanner and Mauluma Farming Enterprises incentivised the former to pursue strategic goals that benefit the organisation and ultimately himself. The crafting of such an agreement is discussed in more detail in the process-level presentation of the results. It represents a key antecedent for the successful implementation of the boundary spanner role and relates to what, in microfoundations literature, is referred to as ‘controlled’ motivation. It is a necessary condition for the enactment of ties, but as explained in the literature review and corroborated here, it is autonomous motivation that pushes the broker to strongly pursue the accomplishment of relationship obligations. The boundary spanner had this to say about the genesis of the brokerage mission

“The first thing is that no one was willing to help the community. I was willing to help them even use my equipment to help them. A certain amount of trust was built that way. You don't build trust in one day. There's always very little trust here in the community. People don't trust each other. I see it differently, if I do something well I would like everybody to do it well with me. If you are my competition, I'll strive to do better than you. If you're better than me, I'll learn from you. For me, I made a decision. I had so much confidence in what Levubu had to offer, I bought a farm here.”

The following conversation observed between the executive administrator (EA) and the boundary spanner (BS) captures the crucial role agency in the successful implementation of the boundary spanner mission. From the discussion it becomes

clear that the agency of the boundary spanner was instrumental in establishing the boundary spanner mission.

“EA: We owe our success to you (pointing at boundary spanner). You have guided us well.

BS (interjecting): No, it’s because of your leadership that I was able to contribute this way. Not all communities have the wisdom to embrace diversity. But you and the board have done so.

EA: I remember in 2011 or so when we made our first profit of R18 million, the Chief said our business was too liquid. Without understanding our strategy. We jokingly told him he had a problem.

BS: Diversity is key. I contribute through my experience and my relationships, (HR administrator) contributes by passing on to the organisation her understanding of the diverse cultures. The board sets the parameters for our activities. Diversity is crucial to our success.”

The reference to the R18 million in 2011 is that of a cumulative value. The boundary spanner was able to advise the board of MFE, based on his industry knowledge and experience, that the business needs to put aside cash for contingencies rather than buy expensive insurance for a farming enterprise. According to him, this best practice is one of those industry wisdoms that saved MFE a considerable amount of money.

Lahiff et al. (2012) explain that, immediately upon engagement, the boundary spanner successfully negotiated with banks, suppliers and marketers. For instance, in May 2010 already, he had managed to reach a ‘compromise agreement’ with ABSA bank to wipe out a debt of R865,000 (p. 28). This was a part of the debt left behind by the joint-venture partner. This successful negotiation removed the threat of liquidation and allowed the company to trade normally.

All the business unit managers interviewed attest to the positive attitude of the boundary spanner and how that has turned the business around and allowed them to grow.

The researcher observed the energy and demeanour with which the boundary spanner expresses his confidence in the MFE operations and his leading role in

getting the trading to work better. Autonomous motivation is evident in the following statement.

“I can tell you that I have been offered positions in both Botswana and Chile. They pay well in dollars not Rands and that will pay 3 times more than I get here. But I decide to stay here. I need to do this. I must look at my future I'm 55 years old and I have a maximum of 10 years in which I must accumulate enough. When the contract ends in 2019, I'll ask if it can be extended.”

The boundary spanner applied his agency to set up the relationships with the suppliers and as explained in the discussion of the broker roles, the trading relationships with partners (processors, exporter and suppliers) were driven by the broker and voluntarily converted to an institutional form. The boundary spanner explains this very important aspect of agency, the willingness to share.

“You must be open to share what you know with the people you work with because if they understand why you do certain things they will not just think that you just pushing them around.”

5.3 BOUNDARY SPANNER BROKERAGE PROCESSES AND MECHANISMS

What processes and mechanisms are involved in boundary spanner brokerage?

The presentation of the results of the research study is contextualised using the temporal bracketing of the chronological transitions that took place at Mauluma Farming Enterprise. Temporal bracketing encompasses the time of the strategic partnership, even though the mediation brokerage engaged at the time is outside the scope of this study, it presents a baseline for the discussion of the salient features of boundary spanner brokerage.

For heuristic purposes, a linear process sequence for boundary spanner brokerage has been implied in the discussion of the brokerage mechanisms. Figure 35 consolidates interview and desktop research data to provide a logical map the brokerage processes onto the longitudinal transitions that inform the progression of the brokerage mission. The changes that were taking place at Mauluma Farming Enterprise are described in relation to the brokerage activities.

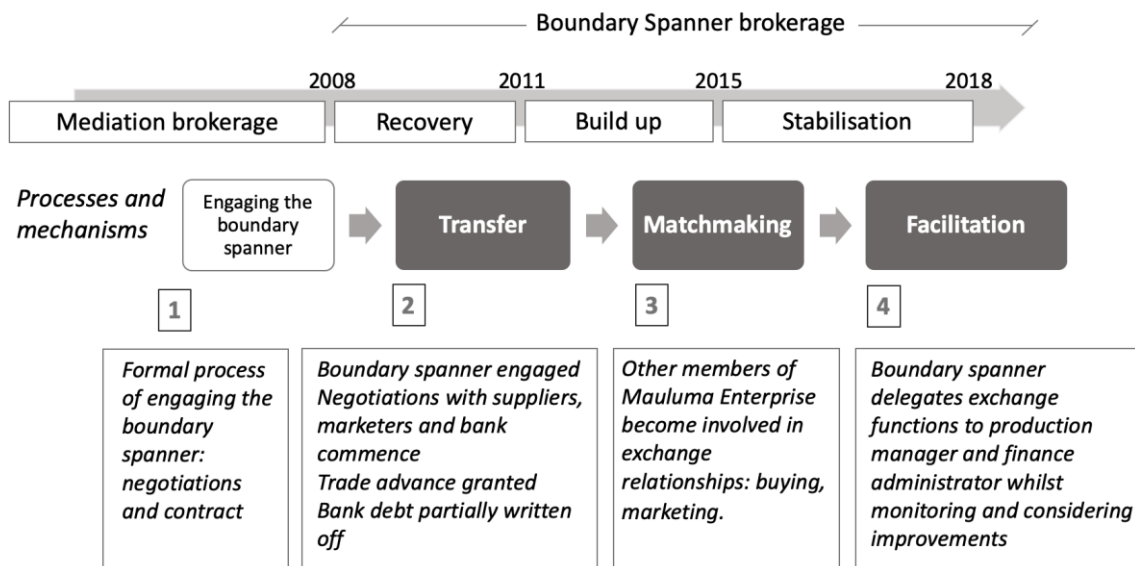


Figure 35: Analytical Model of Brokerage Processes and Mechanisms

The propositions for the brokerage mechanisms, presented in the analytical model, were confirmed in the empirical study. A minor, but necessary addition to the

analytical model above is that the 'Engage' process has been appended. Although it is not a brokerage mechanism, the success of the brokerage mission has a dependency on the successful conclusion of that process. The process sequences and changes in the network relationships are explained below, in the context of their setting.

5.3.1 Engaging the Boundary Spanner as Broker

The engagement of the boundary spanner as a broker, has to be formally addressed. Interview responses point out to the prominence of this process in the success of the brokerage mission. Lahiff et al. (2012) explain that the community-based land claim lodged in 1994 with the Regional Land Claim Committee (RLCC) was only processed in 2001. The RLCC and the Provincial Department of Agriculture proposed that land transfer would only be possible if the community agreed to enter into a 'strategic partnership' with a commercial partner. SAFM was appointed as an interim arrangement to look after the farms until a 'strategic partnership', essentially a joint-venture contract' was signed in June 2005. The agreement with the state authorities and the joint-venture partner to establish the board of directors for the operating company, Imperial Crown Trading 43 Pty (Ltd), was only signed in December 2007 (Basu, 2016). From the time the joint-venture contract was signed until the termination of the contract in September, 2008, the business operation was operating at a loss. Lahiff et al. (2012) explain that the company was put under judicial management, with a debt position of R5 million and a virtually non-existent relationship with suppliers. The engagement of the boundary spanner was undertaken upon the failure of the joint-venture (p.28).

Although not a brokerage mechanism *per se*, the process of engaging the boundary spanner is a necessary precursor to the brokerage process mechanisms. Getting the boundary spanner to volunteer and commit to share their personal relationships for the benefit of their organisation, is a contract negotiation that takes into account the role of agency. Bourdieu (1986) posits that the existence of social networks is not a natural given or a social given for that matter, but a result of deliberate institutional

efforts to produce and reproduce beneficial relationships. This view is important in that it elevates the initiation of brokerage to a strategic level.

The engagement of the boundary spanner at MFE was initiated and implemented by the corporate board. The negotiation processes culminated in the formal contract signature. The study, however, notes that underlying the formal contract is a trust relationship that is expressed throughout the contract negotiation process, the discussion of incentives and the support arrangements between the actor and other organisational actors such as the management team and the corporate board.

The contract negotiated between MFE and the boundary spanner comprised a salary complement, leasing of a farm and profit share. Outcome-based contracts shift the risk to the agent (Eisenhardt, 1989a) and are less-concerned with monitoring the behaviour of the agent. In the case of the boundary spanner, the relative seniority of that actor justifies such compensation structure. It is not the intention of this study to go into depth with regards to agency theory, save to say that the engagement process is an important part of the explanation for the resilience of the relationship between broker and first alter. The presentation of the boundary spanner function as a deliberate strategic intervention is an important human resource management consideration.

The external boundary spanner explains that to sign-up and make himself available took a while. Certain conditions had to be negotiated to 'sweeten' the deal. For instance, the remuneration had to include the lease of a farm unit to supplement the below-market rate salary. The leased farm unit also allowed the boundary spanner to incubate solutions, a benefit that accrues mutually to the broker and the first alter. The boundary spanner explains why the deal was attractive:

"Primarily, it's the farm that I'm leasing from Ravele. I wanted to buy the farm from the previous owner but it was sold to Ravele before I could buy it. When the community agreed to lease that farm to me, everything changed, they got my commitment to make it a success."

5.3.2 Transfer Mechanism

The coveted access to value networks had eluded Mauluma Farming Enterprise, prior to engaging boundary spanner brokerage. The organisation had been left in a state where no one was willing to lend them any money or advance payments for forecast harvest, a standard practice in established agribusiness (Lahiff et al., 2012). From the onset, the boundary spanner got his relationships and experience to work in favour of MFE. The biggest game-changer in the supply relationships was the ability to negotiate terms of payment based on future harvest returns with the suppliers. Ordinarily, such terms would not have been easily afforded the emerging agribusiness. The ability of the boundary spanner to bridge into established networks to connect the emerging enterprise is a most salient feature of this brokerage mechanism. The boundary spanner explains:

“I went to my marketers. We didn't have money, we had the trees. I showed them the crops and I negotiated with them that as surety with the community I would deliver the nuts to them if they gave me an advance of money to spray. Remember, I showed you that (macadamia) nuts are the biggest portion of my turnover. So, we signed a contract. We sprayed ...

So that's how we started - without money, and to give you an idea, the guys from the avocado export company gave us R130,000 and said 'spray, we will deduct it from the export'.”

That was how the transfer mechanism was triggered. The period from 2008 to 2011 marked what, in this study, has been termed the build-up phase. The production manager's comment on the turn-around of the supplier relationships, in favour of MFE, corroborates the statement made by the boundary spanner:

“He was able to convince them that we would be good for that and they were able to give us time to recover our debt situation. I was not involved in that negotiation at the time. My job was to ensure that the production was on point to complement his efforts, so that when we go out to negotiate with potential partners, our products would be good.”

The finance administrator also corroborates the same account, indicating that this arrangement was not something to be taken for granted:

“The exporters agreed to give us an advance which committed us to sell through them for some years and that way they gave us an advance to carry on and the repayment would be by way of product. Some kind of trade finance. I have heard of cases where some communities have been to the exporter (Green Farm) and they requested an advance but were turned down.”

5.3.3 Matchmaking Mechanism

The successful negotiation of terms with suppliers and exporters brought in financial benefits for Mauluma Farming Enterprise. The build-up phase punctuated the end of the recovery phase. The business was able to increase its operations and profit margins. The success was reported in the media as follows:

“Their profit margins have been rising. In 2014, the CPA made R3.5 million, improving to R5.1 million in 2015. And in the past financial year, they have exported 279 334 tons of macadamia and 52 722 tons of avocados to Europe, China, Canada and the US. Its 1.2 million tons of bananas were sold locally.” (City Press, 22/1/2017)

By 2011/12, the productivity had already improved significantly. The executive administrator notes:

“The new GM started in October 2008 and the turnaround happened in 2012.”

With increased economic success, boundary spanning functions were extended to other managers in the organisation. The general manager started to involve the production manager in some of the supply-side tasks like quotations and price negotiations. The finance administrator became more involved on the sales side, negotiating with marketers and comparing marketing deals. The production manager explains how the general manager started to delegate more and more boundary spanning work to him.

“During the time of SAFM, it was difficult. After SAFM, it became easier. We were able to go out there and negotiate with companies who pack and market our product. I have been doing quotations since I became production manager in 2010. So, I used

to always drive out to the suppliers, until he (boundary spanner) advised that I needed to call the suppliers and they would either send the quotations or come up to present. I could do all of that from the office.”

The finance administrator at Mauluma Farming Enterprise, explains her role in the value chain networks that have been made accessible to the organisation since the inception of boundary spanner brokerage. The data shows how the finance administrator was able to take over the responsibility for the financial negotiations with the partners after the bridging connections had been established.

“For avocados we just have one partner. I understand (boundary spanner) switched to Avorigde when he arrived here. They are good, the prices are good. We know the exporter like I said. The owner, comes around, gives us market sheets on a daily basis. His staff will submit to us, if there’s a problem. It’s a partnership, it’s like being part of a family. Same with Green Farms. We take about 90% of our nuts to them. We tried to keep it 50:50, but we need to see who’s paying the most.

The finance administrator goes to great lengths to explain her growing involvement in the complex exchange processes. She explains that the boundary spanner introduced her to the nut processors and exporters, monitors how she manages that relationship and intervenes only when necessary. She explains the need for a close relationship to ensure transparency in the exchange transactions.

There’s something called an ‘*achterskot*’. It makes a difference in that decision. This is how it works. Your product has been submitted, then it’s been packed and then it’s been exported. When it lands that side (Europe or wherever), it can be sold immediately or a price has been pre-determined. But the price that you’ll actually get is the price on the day it arrives. So, they’d have offered you a price for your product before the export, paid you 70% of the price (30-day terms), given you an invoice that you could use for tax. In 90 days, when, they have exported, they calculate and pay-back something based on that *achterskot*. So, it works like this: you get 70% at delivery (30-day terms), 20% in November, based on what was paid and in February you get 10% and in March you get your *achterskot*. The factory also makes a decision at the end of the year to pay out a little bit extra if the profit was good, like a bonus. All the factories around here work on that principle: Royal, Macridge, Green Farms. They give you a spreadsheet how they get to your money. That’s also where the differences come in.”

From 2015, the confidence levels within members of management soared. The production manager confirms the additional responsibility that was being transferred to him as from 2015.

“For quotations, I do negotiate. I have been doing that better since 2015 or thereabouts, but I have had to do it since I started as a production manager.”

5.3.4 Facilitation Mechanism

The stabilisation of the relationships with external parties has reshaped the boundary spanning role of the general manager. The on-going improvement of the relationships has become an institutionalised responsibility that includes several managers. Asked to explain his growing involvement in negotiating with suppliers, the production manager puts into perspective how the boundary spanner delegated most of the work to him, but continues to monitor and advise.

“From about 2015/16, he (boundary spanner) had more confidence in what I do. I was able to fulfil most of my tasks independently and reliably. We use standard suppliers, especially for fertiliser and chemicals. We now get standard discounts e.g. P&L Boerdery give us 15% discount for fertiliser.

Last year, I had to go and negotiate with them because after they had revised their management and sales staff, they were no longer giving us discounts. I was able to secure appropriate discount levels. I wasn't always confident doing price negotiations. One day I came with a quotation and when I asked (boundary spanner) for approval, he sent me back to negotiate on the basis that the price was too high. I went back and couldn't believe it when they cut down the price substantially! That was last year.”

All the managers interviewed attest to the effective knowledge sharing systems that were put in place since the change from joint-venture brokerage. The farm manager at Unit #2 explains how he has benefited from this knowledge sharing:

“I'd say from 2014/15, I was adequately confident with my work as a farm manager. I also started to share with my supervisor some elements of management training. From 2017, I also started to get more involved in budgeting (fertilisers, chemicals, etc.) working together with the production manager.”

Facilitation also involves the review of current practices and adjusting them where necessary. This might culminate in the dissolution of some ties and enactment of others. The farm manager at Unit #6 talks to the decision to move away from citrus fruits and the value of the Thursday meetings:

“Unit 6 used to be a citrus farm, but we have since moved to bananas and sweet potatoes. We have been planting more tree since 2013. The support that I get from the general manager and the production manager makes it easier for me to do my job and to increase the productivity.”

The general manager describes how the achievement of 2014/15 endowed the company with resilience that helped them survive the subsequent years of bad weather.

“From macadamia income of R20m, in 2016 I bought four brand new tractors, four brand new spraying rigs. Hence our income went down to R14m. In 2016, we had hail so even with all the capital expenditure we still survived. We lost 70% of our avocados. In 2017 we had heat, but we still survived and got to make a small profit.”

5.4 BOUNDARY SPANNER ROLES AND FUNCTIONS

How does the role of the boundary spanner evolve to sustain relevance as the network context changes?

The research question ponders the following role-related sub-questions: What roles does the broker assume throughout the brokerage mission? How do these roles respond to changes in the network context? How do these roles relate to the brokerage mechanisms? What functions are associated with the broker roles?

The actor-level inquiry, confirms that the boundary spanner assumes various roles that relate to the strength and extent of his social capital and the network context. The broker performs a combination of functions from the set of functions that relate to a role, as shown in Figure 36 below. As described here, the value proposition of the roles is both incremental and recursive depending on the lifecycle stage of the brokered relationship. Although these roles have been drawn out rather neatly in this discussion, in reality they are fuzzy, occasionally overlapping and sometimes co-existing. It is for heuristic purposes that the role sequence has been drawn out in a linear form, to highlight the causal relationships and incremental value proposition of the three roles. The chain of evidence relating to the individual roles and related functions is discussed below.

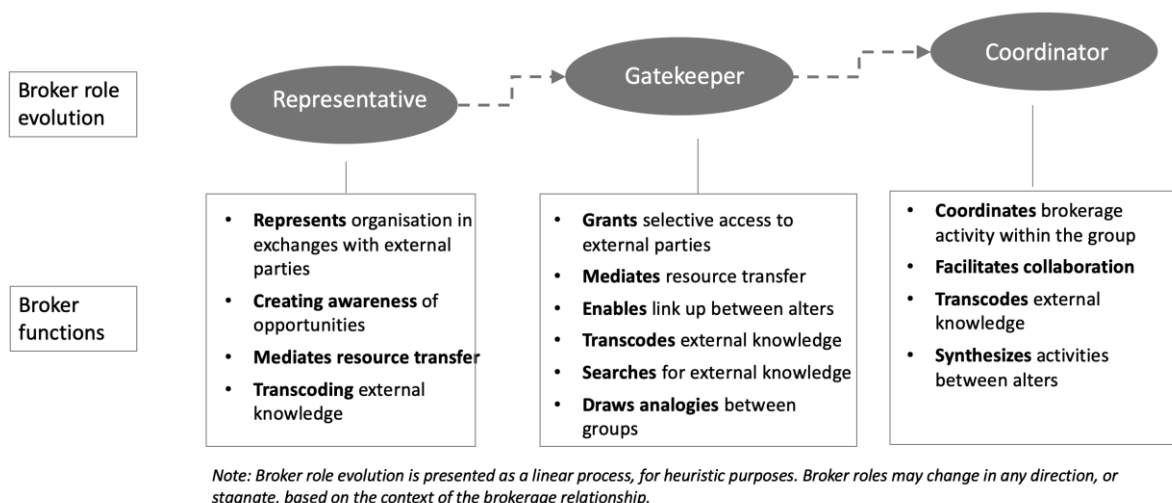


Figure 36: Analytical Model of Brokerage Roles and Functions

5.4.1 Representative

The analogy of a conduit is made in the literature to underscore the broker role of representative. The primary function performed by the broker in that role, is that of mediating resource transfer between parties in open exchange networks (Gould & Fernandez, 1989; Boari & Riboldazzi, 2014). The role matches that which the boundary spanner assumed when he took over as general manager at Mauluma Farming Enterprise in 2008 and started negotiating with various external stakeholders on behalf of the organisation. The boundary spanner explains how he applied his agency, 'put my neck on the block', negotiating with the marketer/ exporter for macadamia, Green Nuts Farm. All that the suppliers had, besides the assurance that the Mauluma Board had indeed mandated him, was his word that things would work out fine and they would get their money from future harvest.

"It was in 2008 when I started and put my neck on the block as explained, and it worked. When we harvested, we could pay back what we owed and we had enough money for the following year's input costs. They came back to me, remember nobody gives you anything for free. There was interest rate coupled to that advance. Also remember that no banks will touch you when you just out of liquidation."

The boundary spanner explains how he proceeded to approach other partners who were also able to extend their support to Mauluma Enterprise. These are the typical functions of representing the organisation, mediating exchanges between brokered parties. Their simple condition was that the boundary spanner should be the one 'driving' the business, another indicator of the trust microfoundation as a driver of social relations. The search function performed by the boundary spanner in the role of representative is evident in his statement below.

"I then went to the avocado exporters called Tavonelli and negotiated similarly. They agreed to give us the money. They knew me from when I was working for Westfalia. The factory knew me because of the nuts I had delivered there whilst I was working for another guy. They said ok, if it's you driving we'll give you the money."

5.4.2 Gatekeeper

In literature, the gatekeeper is described as one that selectively grants other organisational actors access to the brokered party (Gould & Fernandez, 1989). The gatekeeper also draws analogies between the brokered parties to build a case for sustained connection (Quintane & Carnabuci, 2016). The key characteristic of this role is that it establishes a closed network between the organisation and the external party. The broker assumes a *tertius iungens* orientation and has no agenda of keeping the alters apart (Obstfeld, 2014).

The HR administrator explains the involvement of other members of her management team in the boundary spanning activities of Mauluma Enterprise.

“On the financial side, (finance admin) is involved. But, (production manager) is also involved. He is always there as a recipient of skills transfer. He does the orders and so forth. For all supplier related stuff, (boundary spanner) makes sure that they are involved. He doesn't hide anything from them.”

Asked to specifically explain how he, as production manager, had become increasingly involved in boundary spanning activities, the production manager echoes what the finance administrator articulated regarding the supportive role of the boundary spanner after the initial phase of establishing a brokered relationship. Both participants underline the fact that the boundary spanner continues to monitor the partnerships, switch partnerships where necessary or revise the ratio of the business apportioned to that partner.

“Well, (boundary spanner) established these relationships with the different suppliers, but now when they see me, it's like they see (boundary spanner). All of them. So, the connections have been successfully transferred or shared with the organisation in that way. (Boundary spanner) makes sure that all the supplier representatives are introduced to me and other relevant people, whether we meet them here or outside in their premises.”

One of the broker functions observed, in the role of gatekeeper, is how the boundary spanner draw analogies between trading partners. The board endorsed his proposals to link their product mix to maximise the unique positioning of Levubu as a tropical

'island' in the region. Board member #2 explains how the boundary spanner helps to match the product to the markets.

“He is very knowledgeable about the kind of products that will have a ready market, and always gives advice to that effect. For instance, he dissuaded us from growing bananas, as they would have fared badly on the market against bananas from Brazil and Mozambique.”

5.4.3 Coordinator

According to Barner-Rasmussen et al. (2010), facilitation refers to a function that seeks to get members of the brokered organisations to understand each other. The broker role, also referred to as that of a caretaker (Collins-Drogul, 2012) is to maintain and enhance existing networks. As explained in the discussion of the coordination process class, the role of maintaining relationships with partners got elevated to an institutional level upon the stabilisation of the relationships. The production manager and finance administrator, specifically, started to get more involved in boundary spanning activities. The production manager explains that the boundary spanner would take him around and introduce him to the suppliers and then delegate functions such as buying and discount negotiations to him. The context of these activities is that of a closed network.

Asked how the GM's role had changed over the years, the HR administrator says:

“It's changed significantly over the years. Now that he has transferred skills and empowered many of us, his role is different. He monitors what we do. He would say to the production manager, 'If I die today, do you think this business should fall?'”

The HR administrator emphasises the facilitative role of the general managers and the empowerment that comes with that.

“When he works with us, he also empowers us. He gives us an opportunity to try out things and when we hit a snag, we can always go to him. He's supportive.”

With regards to the selection of partners, the boundary spanner selectively guides which partners to involve according to commercial interests at the time (utility reasoning). The HR administrator explains:

“Even outside, with the suppliers, he has good relationships. He makes sure that they are treated the same and we can choose which one to do business with, based on the commercial advantages for this organisation. So, he could decide that this year we’ll take the nuts to Green farm because there the price is good. The following year, he could take that to different partners.”

The finance administrator similarly explains that the boundary spanner introduced her to the different marketers/ exporters and continues to advise on the ratio of the product that goes to the different partners. The ratio gets revised by the boundary spanner, according to the commercial interests of MFE.

Accompanying the production manager to the supplier of chemicals, Nulandis in Levubu, where the purpose was to enquire on some of his orders, the researcher was able to observe what seemed like a great relationship between the production manager and the staff that were at the supplier premises. Jokingly, they acknowledge that delays might not be acceptable for the general manager (boundary spanner) but that they think everything will be there in time. The concern with what the boundary spanner might think, was a clear indicator of how that actor continued to be relevant in the facilitation of the relationship, despite transferring the operational responsibility to the production manager.

5.4.4 Emergent Functions

The two functions of mentor and knowledge emerge prominently in the empirical study, and deserve further explication.

Mentor

As the relationships with external partners (suppliers, marketers, exporters) stabilised and other members of the management team were becoming operationally

involved in exchange relationships, the boundary spanner performed the function of mentor. The production manager explains how he benefited from that mentorship.

“When (boundary spanner) took me under his wing, things changed. He is like a father. He taught me a lot of things. At first, I lacked confidence. He showed me the way, what to do and how to do it. I would walk around with him or sit in his office and discuss the best ways of doing things. I was able to develop confidence and understand a lot of things inside the business and outside. It’s an on-going learning process.”

The executive administrator articulates the advisory role of the boundary spanner as follows:

“(Boundary spanner) was also given the role to mentor and advise the board, taking into consideration his experience of working for big agribusiness, Hans Merensky, etc.”

The HR administrator reinforces the attribute of a knowledge sharing mentor as crucial to the success of the boundary spanner role:

“To me, he is one person that doesn't believe in working alone. We work as a team. He is interested to know what one is doing and what challenges there are.”

Lahiff et al. (2012, p. 30) explain that the boundary spanner facilitated the establishment of a mentorship programme after the exit of SAFM.

“The Ravele community has instituted new arrangements for management of the farms, which includes an active programme of mentoring and training, along with transfer of substantial responsibility to community members and an active role for the CPA committee.”

Farm manager #4 confirms the benefits of mentorship from the boundary spanner.

“Since (boundary spanner) took over, all these problems have been resolved. Farm unit #4 used to be a citrus farm, but we have since moved to bananas and sweet potatoes. We have been planting more trees since 2013. The support that I get from (boundary spanner) and the production manager makes it easier for me to do my job and to increase the productivity. Learning happens at the Thursday meetings as well as during the visits to the farm by boundary spanner, production manager, HR admin and Finance admin.”

Knowledge Manager

The 'Thursday meeting' has become the primary platform for knowledge exchange. The role of the boundary spanner as a knowledge manager comes to the fore. The participant observation made at one of the meetings is evidence of this role.

"The management team is made up of a diverse age group, ranging from about 30 to 60. There about twelve people in the room: farm managers, administrators and two board representatives. The atmosphere is relaxed and the discussions are constructive. The general manager leads the discussions, probing the state of each farm and the ability of the manager to appraise the situational challenges. His experience and the appreciation of the managers is evident in the deliberations. In essence, it is a knowledge sharing workshop. English is the main language of communication. In a few cases Afrikaans and Venda are used where the incumbent is not comfortable with the English language. The administrators (HR/ finance) as well as the production manager chip in when necessary to also put emphasis on specific issues. The clear purpose of the meeting is to build up confidence amongst the team"

The farm manager at unit #3 explains the value of the knowledge received from the boundary spanner as follows:

"The production has improved since the departure of SAFM. I have received training at Appelfontein (management skills) from 2013/14 with refresher training. (Boundary spanner) is a great teacher. He is not harassing."

The finance administrator explains how the knowledge embedded in the experience of the boundary spanner differentiates MFE from other community agribusinesses

"You can't buy bakkies, cars, stuff that can't be used for production and expect success. They'll buy a tractor because a salesman says it's good. But they do not check whether the tractor can do spraying work. This is important. That's the difference that boundary spanner makes. He has knowledge that is crucial for that: type of slashers that you use, spraying machines. Without the right tools, you can't farm."

Asked to explain how the knowledge transfer happens, the production manager explains:

“Normally it happens here in all kinds of ways. Sometimes it is informal. We don't really go out together to do the negotiations. It's when I report back that I get advice and knowledge transfer.”

The management and board representatives are represented at the Thursday 'knowledge sharing' workshop. The general manager explains the concept and purpose of the weekly meeting:

“In the meeting, there's a report prepared for me that shows what's going on in the farms. There are two directors that sit in the same meeting; they also have to go to the farms to see what's happening in preparation for this meeting. I want them to report it to me because I can't be everywhere every day. Now its budget time, I'm back in the office focusing on budget. We're starting to harvest avocados on Monday, so in the meeting you'll hear things like: 'Are your crates ready? Are your picking bags ready? Are your ready ...?'

In the management meetings on Thursdays, I then interrogate their level of confidence and knowledge and we continue to share and build knowledge in that forum. Depending on the level of mathematical education, some pick up these things faster than others. In general, I like it when people are empowered with knowledge.”

It is clear from this observation that the value of the boundary spanner is not only his ability to connect the business to external knowledge. The boundary spanner's own knowledge and experience are equally valued. In fact, the access to such knowledge can be unlocked on the condition of mutual appreciation. Talking about his personal experience and life history as a farmer, the boundary spanner articulates the value of prior knowledge as follows:

“So, I had to go and look for work as a consultant in Levubu. I knew a lot of farmers here because I had been one of the top two producers of macadamias when I worked there earlier. I got to know a lot of the farms. Then the land claims came. I was a consultant for the owner of this farm. I consulted for Defreyes, Redbank, Matshikire, ... When I came to work with the Ravele community they said, 'citrus we've got the citrus' and I told them citrus doesn't make money, the input costs are too high to do citrus in Levubu. That was why the previous farmer sold his citrus farm but kept the macadamia farm (Next to Ratonga). It's too expensive, susceptible to blackspot and that's difficult to control because the fields become inaccessible in January, February,

March because of the rainfall. If you get a 500mm of rain over the weekend, you won't be able to cope because of the slopes. Initially they didn't believe me when I told them citrus was not a good choice, they insisted that I spray. I showed them that it was not economically viable because even though I produced a good citrus crop, the cost of production was too high. At a cost of R1.2 million and we made an income of R1.8 million. For the risk that you were running, if I took R1.2 million and I invested it in (macadamia) nuts I would have brought in R12 million. That's the difference!"

5.5 SUMMARY OF THE RESULTS

This study set out to explore the conditions that lead to the emergence of boundary spanner brokerage and how such brokerage is sustained despite changes in the network context. A key methodological assumption was that the dynamic perspective of brokerage reveals the salient features of boundary spanner brokerage. The research project integrated the following areas of inquiry: brokerage mechanisms, microfoundations, roles and responsibilities. The research questions framed for each of these areas of inquiry, were adequately addressed.

The three brokerage mechanisms (transfer, matchmaking and coordination) postulated from the theoretical framework developed by Spiro et al. (2013) were empirically confirmed. Research participants conformed the logical progression of the processes and brokerage mechanisms, drawing out elements that were prevalent in their experiences. A process, termed 'Engage', emerged from the data, as a precursor to the transfer processes. The emergence of this process in the empirical inquiry helped to further highlight the crucial role of conscious agency in structuring brokerage transactions. The data indicated that the microfoundations of opportunity, trust and agency underpin the roll-out of boundary spanner brokerage. The interviews and ethnographic observations not only confirmed the primary role of the boundary spanner, but also the systematic evolution of the broker role as the network context changed. Research data on the roles of the boundary spanner indicated that this actor is looked upon as a reservoir of knowledge. Two functions that rarely get a mention in extant studies of brokerage, knowledge manager and mentor, emerged as key attributes of the boundary spanner activity in closed exchanged networks.

A secondary objective of the study was to distinguish boundary spanner brokerage from other types of brokers. The historical study presented a unique opportunity to compare the strategic orientation of the mediation broker to that of the boundary spanner and to show the crucial differences in their attitudes towards bringing brokered parties closer. Data that was sourced from previous studies, relating to the failed 'experimentation with mediation brokers (strategic partners), was corroborated by the interview data. The data indicated that the strategic inclination of the *tertius gaudens*, or the existence of a trust relationship between broker and brokered parties, was a necessary condition for boundary spanner brokerage.

Key events, cited by the boundary spanner and other organisational actors to punctuate the changes in network relationships, were corroborated by interview data from external sources (suppliers and marketers). The key decision moments that led to the integration of MFE into the value networks were identified on both sides of the brokerage relationships. The triangulation of four data sources: interviews with internal actors, media reports, previous studies relating to land reform in the Levubu area, and ethnographic observation were used to confirm the theoretical assumptions relating to the logic of brokerage mechanisms, their microfoundations, broker roles and functions.

6 CHAPTER SIX

DISCUSSION AND FINDINGS

6.1 INTRODUCTION

The previous chapter presented the results of the study. This chapter places the results in the larger context of extant literature and emerging theory. It presents the empirical model of the boundary spanner brokerage construct, a utility that can be used as reference for theory building and practical strategy formulation. The empirical model comprehensively addresses the primary research question: **What are the microfoundations of boundary spanner brokerage and how is such brokerage sustained despite changes in the network context?**

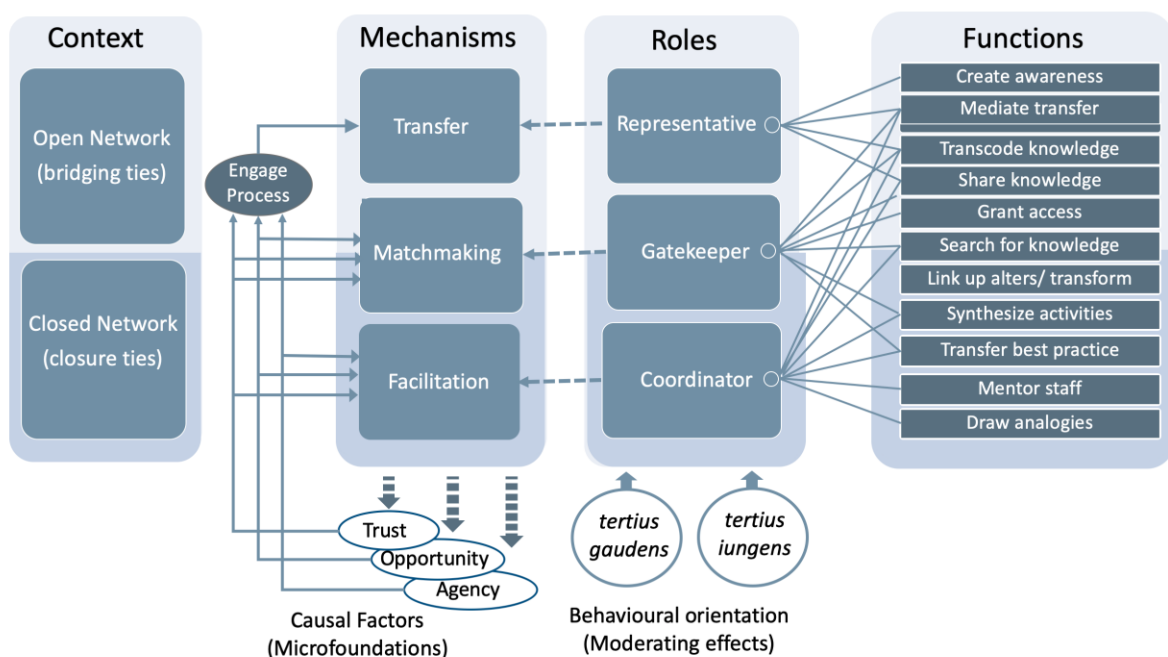


Figure 37: Empirical Model for Boundary Spanner Brokerage

Illustrated in Figure 37, the model addresses the following sub-questions of the research study and is described below:

- 1) What are the microfoundations of boundary spanner brokerage?
- 2) What processes and mechanisms are involved in boundary spanner brokerage?
- 3) How do boundary spanner roles and functions evolve to sustain broker relevance across changes in the network context?

In summary, the model illustrates that the microfoundations of trust (social capital), opportunity and agency are antecedent to the engage process as well as the brokerage mechanisms of transfer, match-making and facilitation. It shows that the network context determines the applicable brokerage mechanisms, whilst the sustainability of the brokerage mission is driven by the same microfoundations. The roles performed by the broker are moderated by the strategic orientation of the broker (*tertius gaudens/ iungens*). Broker roles are characterised by the relevant functions, that take into consideration the network context, the maturity of the relationship and the on-going interests of the incumbent organisation. The model shows how the broker is able to steer different brokerage mechanisms and assume different roles to ensure brokerage returns across changes in the network context. The discussion in this chapter relates the engagement of the boundary spanner broker and the sustainability of the brokerage mission, based on opportunity, trust and conscious agency.

6.2 MICROFOUNDATIONS AND CONTEXT, THE ANTECEDENTS OF BOUNDARY SPANNER BROKERAGE

6.2.1 Microfoundations and Context

Underlying the boundary spanner brokerage mechanisms are two key dimensions through which change is applied: bridging ties and closure ties. Motivated by the microfoundation of opportunity and the existence of a trust relationship between the broker and the alters, in the open network context, the broker applies his agency to

enact bridging ties. To get the exchanges between the alters going, the broker assumes the representative role. The role requires that the broker performs basic brokerage functions such as creating awareness of opportunities across the cognitive divide, mediating transfer, transcoding and knowledge sharing. It's a good thing that bridging ties can be enacted relatively fast, but they also exhibit faster rates of decay (Burt, 2002; Baum et al., 2012). Whilst the fast enactment of bridging ties allows for the exchange processes to kick in without delay, the ephemeral rate of decay means that they have to be closely managed and revised when they become redundant (Baum et al., 2012). This empirical result confirms proposition 2a and confirms the assumption made for the conceptual model:

The formation of bridging ties between the first alter and external parties alter is motivated by the existence of a shared need and a trust relationship between the broker and alters. The broker applies their agency to enact ties.

Over time, a broker with an *iungens* orientation is likely to involve other organisational actors in boundary activities. In social network terms, the broker establishes closure ties between the alters. The broker role associated with the transformation of the alter-alter relationship is that of gatekeeper (Gould & Fernandez, 1989). In that role the broker performs unifying functions such as granting selective access to others, synthesising activities and transfer of best practice. The brokerage mechanism applied to link up the alters is that of matchmaking. For this transformation to be achieved, a willingness on the part of the alters is necessary. Such willingness is implied in the opportunity microfoundation. The microfoundation of trust is also a necessary condition for the process to roll out.

The transformation of the network context from structural holes to closure indicates a change in the quality of ties from structural to relational. It represents a deepening of the relationship between brokered parties. Baum et al. (2012) posit that relational ties enhance the richness of information, trustworthiness and stability of the relationship. Relationally embedded ties denote the willingness of partners to commit to each other and make themselves vulnerable to the other (p. 529). The empirical

result confirming the establishment of closure ties confirms the proposition 2b and the assumptions made for the conceptual model.

The enactment of closure ties between the alters is driven by the of agency of the broker and the existence of a trust relationship between broker and alters

In the closed network context, defined as a one where a direct relationship between the parties has been established, the boundary spanner continues to champion the maintenance of the brokered relationship by facilitating collaboration between parties. The involvement of other organisational actors gives opportunity for the boundary spanner to refine the relationships with existing partners. The role of the broker transforms to that of coordinator, performing the additional functions of drawing analogies between alters and synthesising their activities, mentoring and knowledge management. The existence of a trust relationship is also necessary here, as well as the willingness of the broker to apply his agency to sustain closure ties. The broker may also advise that certain ties be dissolved in favour of others. Also, depending on their inclination (behavioural orientation), the extent to which the broker sponsors closure ties may be limited. The empirical result confirming ongoing brokerage activity in closed networks confirms proposition 2c and the assumptions made for the conceptual model.

The on-going collaboration between brokered parties is driven by the agency of the broker and the proliferation of the trust relationship

According to this empirical study, the boundary spanner is not only valued for the connections that s/he facilitates but also for the knowledge and experience that he brings to the focal organisation. Hence the key functions of mentor and knowledge manager are also associated to the facilitator role. Closed networks are valued for collaboration, innovation and the exchange of complex knowledge (Coleman, 1988). So, whilst the structural relationship may not seem to be changing, the quality of ties change substantively as other organisational actors integrate the knowledge reserves of the boundary spanner into the exchange relationships.

Depending on the resource gap and the satisfaction with current partners, the boundary spanner may seek alternative opportunities to improve the economic

position of the enterprise. In the study, the finance administrator explains that at his discretion, the boundary spanner determines the level of trading that happens with a particular partner and continually searches the environment for alternative opportunities. This is consistent with Quintane & Carnabuci's (2016) observation that in the long-term 'brokers become aware of, and involved in information and opportunities circulating within different and mutually unconnected social groups.' (p. 29). Ahuja et al. (2012) posit that networks are in a state of flux. The network environment motivates change of network mechanisms (processes) and is in turn shaped by changes in the processes. The quest to improve the economic output of the organisation is the primary driver of the self-reinforcing change. The on-going restructuring of the network ties is therefore consistent with extant theoretical views.

Figure 38 illustrates the empirical relationship between microfoundations and tie formations during the boundary spanner brokerage mission.

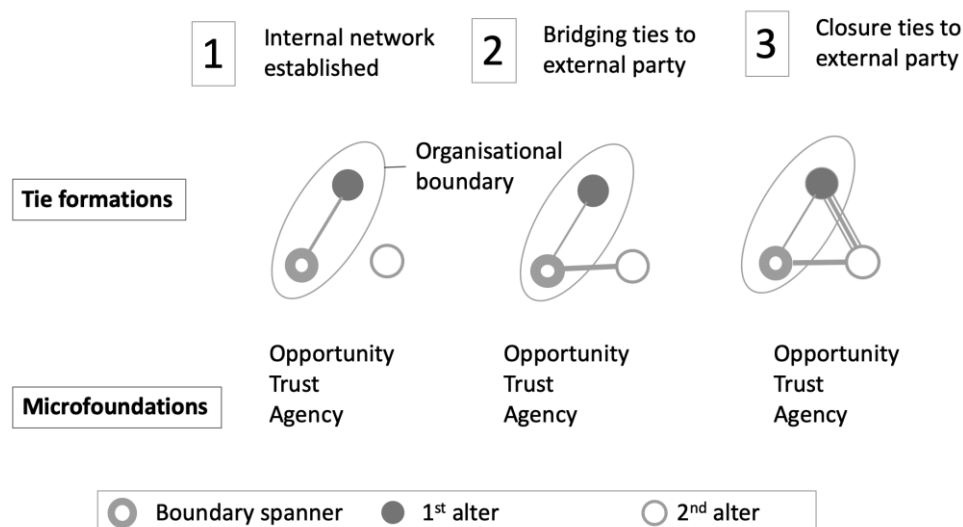


Figure 38: Microfoundations and Tie Formation

6.2.2 Engaging the Boundary Spanner Broker

The 'Engage' process is defined in this study as a necessary precursor to the transfer processes. It is driven by the opportunity microfoundation. The 'Engage' process is

motivated by the need to access resources across the socio-cognitive boundaries. Rivera et al. (2010) posit that a disassortative relationship between parties may motivate a connection on the basis of complementarity. The theory is also in tune with Granovetter's (1973) thesis of weak ties, which posits that organisations that do not share strong ties have more to gain from each other, incrementally, than those that are in the same network. The theory talks to the motivation of nodes that have non-redundant network ties to establish a relationship in order to access novel opportunities. In the case of MFE, the engagement of the boundary spanner into the organisation was a game-changer. Within a relatively short time and for the first time in the history of the emerging agribusiness organisation, the connection to value networks was achieved and trading was elevated to a high level.

Ahuja et al. (2012) posit that agency behaviour shapes the change in networks through instruments or 'constructed engagements' that are driven by self-interest and utility reasoning (p. 438). The 'Engage' process, therefore, is concerned with the construction of the engagement that will restructure the network relationships in favour of the organisation. In essence, the broker (boundary spanner) has to consciously commit to the arrangement. A clear understanding of the commitment of the organisation to support and incentivise the implementation of the boundary spanner role is also required. A trust relationship is also necessary between broker and incumbent organisation. This cannot be taken for granted, even though the broker (boundary spanner) is a member of the incumbent organisation. It is up to them to share their social capital for the benefit of the brokerage process.

In his seminal work on the theory of the organisation as a political coalition, March (1962) posits that the roles in an organisation are negotiated, not given, and the organisational goals are bargained, not given. The theory is that potential participants in a business organisation, just like in a political setting, impose certain demands. These demands represent the price for participation in the coalition. They maybe in the form of remuneration or non-monetary items, such as commitment and personal treatment. The demands of the potential participants shifts according to their experience and the attention they get depends on the organisation's perception of the relevance of the demands to the problems at hand (p. 673).

Agency theorists have comprehensively addressed the need for the alignment between owner and agent (e.g. Eisenhardt, 1989; Nyberg et al., 2010). The goal is to ensure that preferences and actions of the agent, though motivated by self-interest, are consistent with those of the owner. This is achieved by the negotiation of a compensation structure or outcome-based contract that incentivises the agent accordingly (Nyberg et al., 2010). It sets the scene for the representative role of the broker. It also highlights the role of conscious agency in the enactment of bridging ties. The broker is sufficiently incentivised to volunteer his/her personal relationships to connect the organisation to vital external resources.

6.2.3 Institutionalising the Trust Relationship

Trust is a microfoundation that is forged at interpersonal level (Tasselli et al., 2015), and the implication is that the aggregate of individual trust in that organisation results in an institutionalised form of trust (Williams, 2002). Organisations build and benefit from interpersonal trust, also referred to as relational or social capital, developed between their staff members and members of the target organisation. Kale & Singh (2009) explain that trust comprises structural and behavioural components. Structural trust, in contrast to behavioural or knowledge-based trust, is derived from a position of mutual hostage between parties. In the case of boundary spanner brokerage, the mutual hostage situation is provisioned by the existence of a shared opportunity between the two alters, as well as the strategic location of the broker in the organisational structure of the first alter, whilst belonging to the social world of the second alter. Whilst the microfoundation of trust sanctions norms of behaviour (Coleman, 1988; Burt, 2001), trust is also strengthened by repeated exchanges between parties (Kale & Singh, 2009; Baum et al., 2012). Kale & Singh (2009) refer to that sub-phenomenon as behavioural or knowledge-based trust, a trust relationship that deepens with repeated exchanges between parties.

The trust relationship not only deepens with time and repeated use, the trust relationship is also institutionalised. Brattström, Faems & Mähring (2019) posit that two mechanisms are involved in the institutionalisation of trust: objectification and

habitualisation. Objectification is defined as a mechanism that promotes the building of a common understanding between boundary spanner and fellow organisational members regarding the trustworthiness of a partner. Habitualisation is a mechanism that embeds the common understanding in organisational structures and routines. They argue that such institutionalisation of the trust relationship further stimulates interpersonal trust, thus creating a resilience in the structure of inter-organisational relations. The distinguishing feature of boundary spanner brokerage is that the social capital (trust) of the broker is transformed to an institutionalised form, and thus facilitates exchanges between their organisation and external parties.

6.3 THE LOGIC OF BROKER MECHANISMS

The three brokerage mechanisms (transfer, matchmaking, facilitation), implicated in the process framework developed by Spiro et al. (2013), underlie the process logic of boundary spanner brokerage. The roll-out of the brokerage mechanisms is preceded by a formal arrangement, a process class that has been aptly termed 'Engage' in this study. The 'Engage' process is discussed separately, in this chapter (6.1.3 Agency and Behavioural Orientation, Engaging Boundary Spanner Brokerage). The process class did not surface in the discussion of the a-priori propositions and is not a brokerage mechanism. It is, however, crucial for the success of the brokerage mission. The foregoing discussion confirms proposition1 and the assumptions regarding brokerage mechanisms.

Boundary spanner brokerage kicks off with the transfer mechanism. The relationship between brokered parties is transformed through the matchmaking mechanism to include other members of the organisation in exchange processes. Upon successful matchmaking, the facilitation mechanism is engaged to maintain and continually review the closed network relationships.

Transfer

The transfer mechanism encompasses all the processes that enable resource exchange between the incumbent organisation and external parties, initially in an

open exchange network context (Spiro et al., 2013). The processes of negotiating with suppliers, marketers/ exporters and the bank on behalf of the organisation fall within this class.

The organisation empowers the boundary spanner to represent them in external negotiations and relies on the social capital of the boundary spanner to establish resource exchange. In the case of MFE, the boundary spanner was able to extract favourable terms for the organisation, based on his own previous relationships with the suppliers and marketers and despite the fact that the organisation, MFE, had no good record of trading to ordinarily qualify for the terms that were extended to them.

The transfer mechanism is driven by the agency behaviour of the boundary spanner (broker). Ahuja et al. (2012) posit that, out of self-interest and utility reasoning, brokers may decide which relationships to form or strengthen. In the case of MFE, the boundary spanner identified the key relationships and 'put his neck on the block' on behalf of the organisation, to ensure that exchange relationships commence at the earliest opportunity. The partners confirmed their willingness to extend favourable terms to the organisation on the condition that boundary spanner was 'driving'.

Matchmaking

The matchmaking process class was identified as a feature of the *tertius iungens* orientation in the literature review. The process class is concerned with bringing the brokered parties closer (Spiro et al., 2013) and enabling them to link-up directly, using the personal connections of the broker (Barner-Rasmussen et al., 2010). It involves the extension of the boundary spanning role to other organisational actors. In the role of the gatekeeper, the boundary spanner selectively grants other organisational actors access to brokered party (Gould & Fernandez, 1989). The study established that other members of the organisation were indeed introduced into the boundary spanning processes of procurement and selling, as the network relationships stabilised. The production manager was able to entrench his newly acquired skills of negotiating prices, discounts and other terms on the back of the boundary spanner's social capital. In the interview, the production manager explains that due to the good relations of the boundary spanner, he was also afforded the same treatment and

privilege to negotiate and achieve improved terms for the organisation. Similarly, the finance administrator was able to negotiate with markers/ exporters and exercise her prerogative with regards to the distribution of the product amongst the supplier shortlist established by the boundary spanner.

The administrators and the production manager individually confirmed that the boundary spanner established a shortlist of partners that the other actors were able to shuffle according to the commercial value that they would attach to a transaction at any point in time. Burt (2004) explains that brokers draw analogies between the brokered parties and build a case for sustained connection. The preference for trade with Green Farm seems to be also motivated by the reciprocity of that partner to grant excellent terms to MFE and to use them as a supplier of choice for macadamia nuts. In fact, as early as 2010, when MFE was still just turning the corner on their recovery programme, Green Farms Nut Company had approached them to enter into a joint-venture for dehusking, drying and storage of nuts for farmers in the area, with MFE as 'preferred supplier' to the factory (Lahiff et al., 2012). Collins-Drogul (2012) refer to the role orientation that seeks to maintain and enhance existing relationships as that of caretaker, whilst Stovel & Shaw (2012) refers to the role of catalyst, seeking to sustain networks over time.

Facilitation

The facilitation mechanism was also identified in the analytical model and confirmed empirically in the study. In this mechanism, the broker role of coordinator is concerned with strategic direction of the relationships (Spiro et al., 2013). Burt (2004) positions the processes in this class as the highest in value-creation. A process within this class involves the selection of partners with synergies that justify a sustained synthesis of activities between the organisation and such partners. Evidence of such selection is given by the preferred supplier status achieved with Green Nut Farm, who according to finance administrator, were receiving 90% of the macadamia produce from MFE, because of their favourable terms and long-term perspective. An example of a key process of this mechanism is the transfer of best practice between nodes (Burt, 2004; Boari & Riboldazzi, 2014). This study shows how the boundary spanner was able to influence the organisation to engage in industry best practice of

supplier accreditations such as Fair Trade, Global G.A.P. and SIZA. The accreditations were intended to elevate the organisation to the levels of peers in the established agribusiness sector, positioning it favourably for the export market.

6.4 HOW AGENCY AND BEHAVIOURAL ORIENTATION SUSTAIN BROKER RELEVANCE

The study shows that the relevance of the boundary spanner as a broker is sustained by two salient features of the brokerage method: the *iungens* orientation of the boundary spanner and the ability of the boundary spanner to transform their role as the network context changes. The *tertius iungens* orientation endears this broker to the brokered organisation, without presenting a conflict of interest. It is manifest in the trust relationship between broker and brokered party and endures throughout the lifecycle of the brokerage relationship. The ability of the boundary spanner to transform their role as the network context changes is a powerful feature of this method of brokerage. It endows the boundary spanner with a resilience that other types of broker (e.g. mediation broker) do not possess. The empirical results of the study are supported by the theoretical proposition relating to broker roles.

The *iungens* orientation of the boundary spanner endows this actor with the ability to transform its role and deliver brokerage returns as changes occur in the network. At the commencement of the brokerage mission, assumed to be within the context of structural holes (open network), the role of representative enables the boundary spanner to enact bridging ties. This empirical observation corroborates proposition 3a and confirms the assumptions made for the conceptual model.

In the context of unconnected parties with a potential for resource exchange (structural holes), the boundary spanner initially assumes the role of representative, establishing a link with the external party and subsequently mediating the resource transfer processes between the parties.

As the bridging ties start to decay, the broker transforms his role to that of gatekeeper. In that role, he champions the enactment of closure ties. In the role of

gatekeeper, the broker delegates some of the operational exchanges that would otherwise overwhelm him to other organisational actors. This promotes the operational efficiency of the brokerage mission whilst enabling the boundary spanner to keep a focus on the strategic elements of the brokerage relationship. This empirical observation corroborates proposition 3b and the assumptions made for the conceptual model.

The boundary spanner gradually transforms their role (from that of representative) to that of gatekeeper. In that role, the boundary spanner is able to facilitate the establishment of a direct relationship between the brokered parties (matchmaking).

Upon reaching what Burt (2004) referred to as the highest level of value creation in one relationship, the boundary spanner is able to turn his attention to other alternatives, keeping in mind the need to optimise the economic opportunities for the focal organisation. As indicated in the conceptual model, the boundary spanner reduces their operational involvement in the exchanges with the brokered party, but still keeps an eye on the relationship and continually seeks ways to improve or to replace the relationship. This empirical observation corroborates proposition 3c and confirms the assumptions made for the conceptual model.

Upon successful matchmaking between the brokered parties, the role of the boundary spanner evolves to 'facilitate' on-going collaboration between the brokered parties.

Another key finding of this study is that boundary spanners are valued, not only for their social capital, the connections that they enable to other nodes in the value networks, but also for their own accumulated knowledge. They draw on knowledge resources from the past. This is consistent with the concept of network imprinting, the ability of networks of relations to draw on knowledge that organisational actors accumulate over time (Ahuja et al., 2012; McEvily et al., 2012). They refer to such accumulation as a 'shadow of the past' that influences future action in the network (Ahuja et al., 2012, p. 442). In the emergent role of knowledge manager, for instance, the boundary spanner links the organisation to knowledge resources that are

accumulated from past relations and past experience. The effects of bridging persist long after the decay of the bridge (McEvily et al., 2012). Boari & Riboldazzi (2014) also emphasise the significance of shared imprinting between broker and brokered parties. This property of brokerage enables the broker to rely on past experience (capabilities), linkages, cognition and trust to facilitate new brokerage situations.

Although the empirical model presents the broker roles as systematically and sequentially neatly cut-out, the reality is that they sometimes overlap and co-occur. For instance, during the matchmaking phase of the brokerage mission, the broker also assumes the function of mentor. In that way, he is able to appraise the organisational actors that are being selectively deployed to partake in certain boundary spanning activities. The production manager and the finance administrator explained how they relied on the advice of the boundary spanner to tackle their boundary spanning responsibilities.

7 CHAPTER SEVEN

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

7.1 INTRODUCTION

The previous chapter discussed the study findings in the broader context of brokerage literature and the social network lens. It discussed the empirical model developed in this study, positioning it as a utility for theory development and practice management. At the centre of the inquiry were the microfoundations of boundary spanner brokerage as well as the ability of boundary spanners to sustain relevance as brokers despite changes in the network context. Having constructed a conceptual model (*a priori* propositions) from existing brokerage and social network literatures, the study was able to identify similarities and points of departure from the literature. The refinement of the theory derived from the study culminated in the development of the empirical model, essentially a proposition for the construct of boundary spanner brokerage. This chapter summarises the findings, and considers implications for theory, methodology, and practice. The contributions of the study to theory and practice are discussed together with the limitations. Suggestions for future research are proffered.

7.2 THEORETICAL CONTRIBUTIONS AND CONCLUSIONS

The study integrates extant knowledge from social network research and dynamic brokerage in a multi-level empirical inquiry, to develop a construct for boundary spanner brokerage. It considers changes in network contexts to explain the emergence and resilience of boundary spanner brokerage, from microfoundational and agential perspectives. The key finding that the evolution of the broker role sustains the relevance of the boundary spanner has to be understood in the context of the global environment within which the brokerage mission is embedded.

Consistent with the dynamic framework developed by Ahuja et al. (2012), the study confirms that the brokerage process is motivated by both exogenous and endogenous factors. The initial driver, opportunity, can only be exploited if there is a trust relationship existing within the triad of actors in the brokerage relationship and a willingness to engage (agency behaviour).

It has long been established that bridging ties exhibit a relatively fast rate of decay (Burt, 2002; Baum et al., 2012). In order to stay relevant after bridge decay, the broker has to transform their role to that of gatekeeper. In this role, they are able to deepen the relationship between parties (matchmaking), involve other organisational actors, and where necessary, to revise tie formations with external parties. The evolution of the role to that of coordinator spreads out the boundary work, presumably creating opportunities for closer collaboration, innovation and conflict resolution (Tortoriello & Krackhardt, 2010; Barner-Rasmussen et al., 2010; Spiro et al., 2013).

The Construct of Boundary Spanner Brokerage

The main theoretical contribution of this study is the definition of a construct for boundary spanner brokerage. There have been no previous studies that characterise boundary spanner brokerage. The key elements of the theory relate to the following: 1) the identification and characterisation of the microfoundations of boundary spanner brokerage; and 2) the role of conscious agency as an explanation for the resilience of boundary spanner brokerage. This study is responsive to recent calls for advanced empirical research on dynamic brokerage (e.g. Spiro et al., 2013; Quintane & Carnabuci, 2016). It applies the social network perspective and specifically addresses the call by Haas (2015) to distinguish the role and performance of boundary spanners from that of other types of brokers as well as the call by Boari & Riboldazzi (2014) to look at brokerage roles in relation to the strategic orientation (*tertius gaudens, tertius iungens*) of the broker. The study also provides an empirical test for the microfoundations programme. Theoretical studies of microfoundations place the assumption of a coevolving relationship between microfoundations and macro-level structures (e.g. Ahuja et al., 2012; Felin et al., 2015).

In summary, trust (social capital), opportunity and agency are antecedent to the emergence of boundary spanner brokerage. The resilience of boundary spanner brokerage is incumbent on the conscious agency of the *tertius iungens* inclined broker. Also implicit in the model is the cyclic relationship between microfoundations and macrostructural activity (mechanisms and tie formations). Whilst microfoundations can be seen as antecedent factors to the brokerage mechanisms, the latter also, in turn, inspire changes at the microfoundational level. The enactment of closure ties, for example, can lead to the deepening of the trust relationship, a microfoundational change. That microfoundational change may also lead to change at macrostructural level. For instance, the organisation could increase trade with one partner and a revision of other relationships with others, as a result of such change. The changes could be driven by any of the microfoundations identified in the model. For instance, opportunity for other types of exchanges may be discovered at any time during the on-going brokerage mission. That microfoundational change may lead to a restructuring of relationships at macro-level. The agency of the broker is a microfoundational element that accounts for most of the changes at macrostructural level. As defined by Ahuja yet al. (2012), the microfoundation of agency relates to the motivation and ability of social actors to enact social structures. Certain macrostructural activities may motivate or demotivate the agential actor. The on-going cyclic activity between microfoundations and macrostructure (quantitative and qualitative changes in tie formations) inform the dynamics of the brokerage mission. The broker roles adjust to such changes by engaging broker functions relevant to the demands of the macrostructural activity.

The empirical framework also promotes a holistic understanding of dynamic brokerage. Although conceptually acknowledging the interconnectedness of the actor-, process- and network-levels levels, previous research has examined these features separately. For instance, Spiro et al. (2013) look at the process classes as independent mechanisms that may be temporally connected but are motivated by different contexts. They do not link causal factors and agential action to the mechanisms. Boari & Riboldazzi (2012) look at the broker roles, also as independently motivated and applying to different empirical settings. They, however,

suggest the possibility of a sequence in the evolution of the broker roles and recommend that future studies should explore that possibility.

Whilst numerous studies have addressed network dynamics, the theoretical framing of network microfoundations by Ahuja et al. (2012) and the study of bridging ties and network imprinting by McEvily et al. (2012) and Baum et al. (2012) have provided this study with a sound basis for the building of integrative network theory for dynamic brokerage. Quintane & Carnabuci's (2016) study of broker behaviour in open exchange networks (unembedded brokerage) and closed exchange networks (embedded brokerage) inspired the study of the longitudinal effects of network change on broker role orientation. Their study suggests that brokers who may be inclined towards the *tertius gaudens* when they engage in unembedded brokerage may switch to the *tertius iungens* when engaged in embedded brokerage.

Linkages: Network-level Drivers, Process Changes and Broker Evolution

The study is, therefore, able to provide new insights into the linkages between network-level drivers, process changes and broker role evolution. It provides an unambiguous explanation of the ability of the boundary spanner to sustain relevance as a broker despite changes in the network contexts. The study is also able to provide an empirical distinction between mediation brokers and boundary spanner brokers. This conceptual clarity is an important break from the dominant stereotypes of brokerage as a phenomenon that only has relevance in contexts of structural holes. Mediation brokerage was implemented unsuccessfully and subsequently abandoned and replaced with boundary spanner brokerage at MFE. This brokerage model has proven to be sustainably successful. Explaining the *tertius gaudens* orientation of the broker, Sytch & Tatarynovicz (2014) point out that the cognitive tensions permeating unbalanced triads provide ground for the broker to manipulate the relationships to their selfish advantage.

The Engage Process

The findings suggest that the role of the boundary spanner has to be formally engaged and motivated by a consideration of long-term shared benefits. It is for this reason that the 'Engage' process, that has previously not been included in studies of

brokerage, is crucial to the successful accomplishment of the brokerage mission. The initial difference between boundary spanner broker and the traditional mediation broker, pertains to their structural position. The former is necessarily positioned within the internal organisational network of the first alter and is, by default, predisposed to the *iungens* orientation. The mediation broker, on the other hand, is positioned between the two alters and mediates transfer from that position, making them generally more susceptible to the *gaudens* orientation. The primary driver of economic opportunity, rests on the logic of reciprocity. If the boundary spanner does not perceive that their long-term interests have been put into consideration, they may not be motivated to extend their social capital to benefit the brokered party.

Network Imprinting and Accumulation

The study reveals how the effects of network imprinting and accumulation (McEvily et al., 2012) apply and contribute to the salience of the boundary spanner mission. Brokers are valued, not only for their social capital, but also for the knowledge that they have accumulated over time. The two functions of mentor and knowledge manager, that emerge from the study, are in essence powered by the accumulation and imprinting of prior knowledge. The broker, therefore, not only connects the focal organisation to resources vested in current nodes, but also to that knowledge vested in past relationships of the boundary spanner.

Although corroboration of these findings awaits future research in other brokerage contexts, the boundary spanner brokerage construct developed in this study provides a methodological guide for future research. The concomitance of network change drivers (microfoundations) and agency behaviour as primary drivers of process changes should provide a methodological approach for the analysis of other brokerage situations.

7.3 PRACTICAL CONTRIBUTIONS

From a practical point of view, the study should be useful to policy-makers and organisational strategists. Policy-makers in government seeking to facilitate

economic integration of emerging enterprises can benefit from the insight into the limitation of institutional models of brokerage. The key consideration relates to the bounded rationality of network actors. In the context of South African land reform, government imposed an institutional model of brokerage that hinged on the rationality of the joint-venture partner to connect the emerging enterprise to established value networks. The highly anticipated model of so-called 'strategic partnerships' was expected to broker connections between the emerging agribusiness and the industry value networks. This objective was not achievable because of the *tertius gaudens* behaviour of the 'strategic partner'. Economic theory refers to the concept of bounded rationality to disclaim the neo-classical assumption that economic actors are rational (Williamson, 1981). The concept of bounded rationality in economic theory is similar to that of the *tertius gaudens* in social network literature. It is considered in transaction cost economic theory, to highlight the limited competence of human agents to drive economic relationships, their propensity to seek self-interest and to occasionally act opportunistically. Similarly, the concept of the *tertius gaudens* denotes an actor (broker) who places their own egoistic agenda over that of the alters (Obstfeld, 2005). The strategic partnerships that the state authorities imposed on the new land owners were based on the neo-classical assumption that brokers would act rationally to broker such connections, but that failed to happen across the whole land restitution programme (e.g. Hall et al., 2009; Lahiff et al., 2012; Basu, 2016).

7.4 LIMITATIONS AND OPPORTUNITIES FOR FUTURE RESEARCH

In spite of its contributions, this research is subject to some limitations. The first pertains to the fact that it is a single case study. Although this has afforded the research some necessary depth, other contexts may present other network dynamics that do not feature in this study. For instance, the context where one primary boundary spanner dominates all boundary spanning activities may not be representative of all brokerage situations. In other settings, there may be several, equally or differently positioned boundary spanners. The aggregate effect of their roles on the roll-out of brokerage processes may be different to the one observed in

this study. The additive perspective of collectives stipulates that organisations are a function of the set of individuals that constitute them (Barney & Felin, 2013). Brattström et al. (2019) posit that interorganisational relationships involve a multiplicity of boundary spanning individuals, who differ in the way they interact with the alter organisation. The aggregate effect of multiple boundary spanners might be a worthwhile enquiry, to carefully determine the emergent interactional effects of these organisational actors.

The boundary spanner in this study occupied a senior official position of general manager. In other contexts, boundary spanners may not occupy such a senior level in the organisational structure. Their influence on organisational strategies related to boundary spanning activities may be limited. From a structural perspective, the network position occupied by an actor represents the quality and potential level of knowledge expected of them, so their agency depends on the structural positions that they occupy (Tasselli et al., 2015). Individual agency benefits from the duality of network position and hierarchical position in the organisation (Paruchuri, 2010). It might be of future research value to determine the effect of positional seniority on the role effectiveness of the boundary spanner and their ability to shape brokerage processes.

The other limitation of the study is that it did not explore the long-term consequences of the facilitator role and the coordination mechanism. The temporal scope was limited to the current progression of the brokerage mission. That temporal boundary of the case was a practical consideration, given that the study was bounded in the present. It would benefit future research to consider the long-term effects of the coordination process on the broker role evolution. It is plausible that, after a period of time, the role evolution hits its limits and that decay effects could manifest in closure ties as observed for bridging ties. Such a long-term temporal effect was not explored in this study.

Another potential limitation is that the study was situated in a community business. The selection of the case study site was motivated by the existence of brokerage opportunities, the prior history of brokerage and a clear case of socio-cognitive boundaries. The key elements of brokerage: resource access and social capital may

present contextual variations in privately or publicly owned businesses. The context of a community business also comes with a complication relating to boundary specification. The socio-cognitive boundaries referred to in this study are, in essence, community boundaries. They are amorphous. In reality such boundaries may demarcate cultural groups or other homophilous assortativity (intergroup boundaries) or they may relate to organisational boundaries. To the extent that these microfoundations are shared across different types of organisations and boundaries, the empirical model developed from this research should have sufficient transferability to other contexts.

Considering the limitations and findings of this study, the direction for future research could be informed by the need to test the transferability of the empirical model developed in this study into other contexts. At the most basic level, this could be achieved by replicating the study in the context of a privately-owned enterprise in a different industry sector. Sytch, Tatarynowicz and Gulati (2011) conducted studies of determinants of brokerage in the hi-tech sector and concluded that the industry context was crucial to the understanding of the salient features of boundary spanners. It is plausible that the nature of the industry draws out or compresses some of the process classes. It is also likely that hi-tech industries, for instance, are driven by other industry dynamics, and norms that spell different roles for boundary spanners.

To explore the effects of additive effects of collectives, it might be worthwhile to consider the exact nature of key actors in the organisation, the aggregate effect of their personalities, abilities, and skills. In fact, Barney and Felin (2013) argue that a reductionist perspective that explains organisational outcomes based on individuals may fail to capture the emergent outcomes resulting from the social interactions of organisational actors and represents a “micro” perspective rather than a microfoundational one.

7.5 BOUNDARY CONDITIONS

Finally, it is necessary to discuss the boundary conditions for the contributions of this study. According to Busse, Kach & Wagner (2017), boundary conditions specify the contexts for which the truth statements represented in the theoretical model or framework have a high prediction. Whetten (1989) posits that theoretical contributions are bounded by context. Whilst the What and How questions describe the theoretical contribution, Who, Where, When, are conditions that place limitations on the applicability of the theoretical propositions, and as such, constitute the range of the theory (p. 492-4).

As discussed in 2.6 (Towards a Construct for Boundary Spanner Brokerage), the boundary conditions for the contributions of this study are derived from cognitive ground and network variability. The Who boundary condition for this study relates to the type of actors (brokers, alter organisations) for which the predictions of this study are accurate. As discussed in the theory sections of this study, the type of boundary spanner considered for this construct is one who possesses enough social capital to connect their organisation to those external parties that share cognitive commonality with the boundary spanner. In essence, these are actors that inhabit more than one social world. They exploit the membership of different social worlds to connect organisations that are located in these different worlds. The boundary spanner brokerage construct has no validity in boundary transactions that are performed without the leverage of social capital or brokerage situations that are not influenced by cognitive factors. This also means that the Where boundary condition is defined as a social context of small-worlds, whose network affiliations separate nodes according to the cognitive mappings of homophily. In cases where the boundary spanner facilitates relationships in the absence of cognitive diversity in the network, the predictions of this study may not be accurate. These could be cases of spatial or geographic boundaries without a substantial element of cognitive diversity.

The When boundary condition for the theoretical contribution relates to the lifecycle stages of the brokerage mission as well as the dimensions of cognition, for which the predictions of the theory will be valid. The boundary spanner brokerage construct

assumes that the boundary spanner will be formally engaged. The theoretical model, therefore, has validity in the context of the normative brokerage mechanisms of transfer, match-making and facilitation. The antecedence of the 'engage' process has been highlighted in order to explain the role of conscious agency and the formalisation of the brokerage functions. Knowledge, skill, expertise and experience of the broker are factors that have been considered in the empirical model, but personality traits such as work styles, thinking styles, learning styles, problem-solving strategies have not been specified for the boundary spanner brokerage construct.

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8.3 ORAL INTERVIEWS

Table 12: Interview Calendar

Participant	Designation	Date
EA	Executive administrator	7/12/2017
EBS	Boundary spanner (General manager)	1/2/2018
EBS	Boundary spanner (General manager)	5/3/2018
Manager #1	Farm Manager	6/3/2018
Manager #2	Farm Manager	6/3/2018
ProdM	Production Manager	6/3/2018
HR Admin	Human Resource Manager	6/3/2018
Manager #3	Farm Manager	6/3/2018
Manager #4	Farm Manager	7/3/2018
Manager #5	Farm Manager	7/3/2018
EBS	Boundary spanner (General manager)	8/3/2018
Admin #2	Finance administrator	24/5/2018
Board member #1	MFE Board member	24/5/2018
Marketer #1	Manager of Green Farms (Business partner/ Nut processing and export)	26/6/2018
EBS	Boundary spanner (General manager)	26/6/2018
Supplier #1	Manager of Nulandis (Business partner/ supplier of agricultural chemicals)	27/6/2018
Board member #2	Board member	28/6/2018
EA	Executive administrator	28/6/2018

APPENDIX A

9 APPENDIX A – INTERVIEW GUIDES

9.1 INTERVIEW GUIDE OVERVIEW

Objective

To gather data that will be used to create an understanding of the following:

Factors that motivated the adoption of boundary spanner brokerage mechanisms (microfoundations).

Factors that contributed to the success of boundary spanner brokerage in the organisation

Evolution of the roles and processes involved in the brokerage of knowledge and other resources between the organisation and external parties (suppliers, marketers, exporters, financial institutions, et.) in the context of the land restitution programme

Acronyms

EBS – external boundary spanner

Terminology

The terminology used for the interview categories is derived from literature on brokerage and the theoretical propositions generated for this study.

- a) Conduit – the proposal stages of the relationship
- b) Resource transfer – the incipient stage of a new exchange relationship
- c) Matchmaking – the involvement of other members of the organisation in the exchange processes to operationalise the new or revised relationship

Structure

The interview schedules have been structured as follows.

Four different types of respondents have been targeted to create a triangulated view of the brokerage processes and roles: management, EBS, the peers of the EBS and persons responsible for relationship management in the partner organisation.

- A. Management interview schedule

- B. EBS interview schedule
- C. Peer interview schedule
- D. Partner interview schedule

9.2 MANAGEMENT INTERVIEW GUIDE

Objective

The interviews seek to understand the ways in which the role of boundary spanners and the processes related to that role of facilitating resource exchange are perceived from a strategic point of view (executive managers).

A1. Background question(s)

- A1a. Please describe your role in the organisation and the business that you manage
- A1b. Please describe the strategy and methods used by the organisation to establish and drive the exchange of knowledge and other resources with external parties
- A1c. Please explain what in your view are the factors that contributed to the success of boundary spanner brokerage?
- A1d. I am aware from publicly available documentation and other research relating to strategic partnerships in the land restitution programme, that the organisation terminated the joint-venture relationship with the strategic partner, around 2009.
 - i. Could you describe the challenges relating to their role as facilitators of access to knowledge and other resources?
 - ii. What are the key differences in the way the individual (EBS) facilitates the exchange and the way that the 'strategic partner' would approach the same?

A2. Longitudinal study questions

Please give a historical account of developments that took place in the organisation, with specific reference to external partnerships and the value they created for the organisation ever since the general manager was appointed.

- i. Please state if changes yielded positive results and explain why you think they worked.
- ii. Please state if changes yielded negative results and explain why you think they failed to work.
- iii. Which individuals played key roles in establishing new relationships or revising old ones?
- iv. How was the relationship formalised and operationalised into the organisation?
- v. Please provide relevant documentation relating to such partnership/relationship and its evolution (if available)

9.3 BOUNDARY SPANNER INTERVIEW SCHEDULE

Objective

The interview seeks to understand the ways in which the role of boundary spanners and the processes related to that role of facilitating resource exchange are perceived by the EBS.

B1. Background question(s)

- B1a. Please describe your role in the organisation and the business that you manage

B2. Longitudinal study questions

- B2a. Please describe your role(s) as a facilitator of transfer of knowledge and other resources between the organisation and external parties (suppliers, government, financial institutions, customers, partners)
- B2b. Please take us through existing or past exchange relationships or partnerships that you facilitated.
- i. What stages/ phases/ events were involved in the development of that relationship?
 - ii. Who else was involved (external as well as internal individuals) and how did you intersect with them?
 - iii. What in your experience were the challenges and how did you overcome them?
 - iv. How do external parties involved in this relationship (e.g. negotiation partners, potential partners, etc.) perceive your role during the process?
 - v. Please provide documentation that relate to the development of such a partnership (if available)

B3. Processes and roles

B3a. Resource transfer

- i. Explain how new partnerships were negotiated or old ones re-negotiated to access opportunities (with suppliers, marketers, exporters, financial institutions and other relevant organisations in the value networks)
- ii. What was your specific role during the initial stages of the relationship?
- iii. Which other organisational actors were involved during the initial stages of relationship building and how were they involved?

B3b. Matchmaking

- i. After the establishment of the new relationships/ partnerships or revival of old ones, how were other members of the organisation involved?
- ii. Which other organisational actors were involved during the handover stages of relationship building and how were they involved?

B3c. Coordination

- i. What role did you play in the on-going relationship with the new partner/ supplier/ customer/etc. when the relationship had been formalised and other organisational actors had taken over the operationalisation of the relationship?
- ii. Describe the intersection with other organisational processes in your role at that stage of the relationship

Checkpoint (for the interviewer)

The role should be explained according to the following stages:

- Establishing a relationship where none existed before
- Transition points when other people within the organisation get involved
- Formalisation of the roles of the EBS and other organisational actors throughout the development of the relationship and on an on-going basis

9.4 EBS PEER INTERVIEW SCHEDULE

Objective

The interview seeks to understand the ways in which the role of boundary spanners and the processes related to that role of facilitating resource exchange are perceived by their peers within the organisation

C1. Background question(s)

- C1a. Please describe your role in the organisation and the business that you manage

C2. Role transitions

- C2a. How do you understand the role of (EBS name) as a facilitator of transfer of knowledge and other resources between the organisation and external parties (suppliers, government, financial institutions, customers, partners)?
- C2b. Please take us through your experience of being part of the team as a new relationship/ partnership is being established (The partnership/ relationship should be the same as identified by EBS)
 - i. What in your experience were the challenges and how were they addressed?
 - ii. What were the key stages of that development? (cite events and dates where possible)
 - iii. How did the role of EBS change during that process?
 - iv. Please provide documentation that relate to the development of such a partnership if possible

C3. Process and roles

C3a. Conduit process class

Based on the events and time-frames cited by the EBS (named person) for the incipient relationship, describe your understanding of the process, the role that they (EBS) played and how other individuals or business units contributed to that.

C3b. Resource transfer

Based on the events and time-frames cited by the EBS (named person) for the establishment of the initial resource exchange, describe your understanding of the process, the role that they (EBS) played and how other individuals or business units contributed to that.

C3c. Matchmaking

Based on the events and time-frames cited by the EBS (named person) for the formal operationalisation of the relationship, describe your understanding of the process, the role that they (EBS) played and how other individuals or business units contributed to that.

C3d. Coordination

Based on the events and time-frames cited by the EBS (named person), describe your understanding of the process, the role that they (EBS) played or continue to play after the formal operationalisation of the relationship and how other individuals or business units contributed to that.

9.5 PARTNER INTERVIEW SCHEDULE

The interview seeks to understand the ways in which the role of boundary spanners and the processes related to that role of facilitating resource exchange are perceived by external parties (e.g. supplier/ customer/ government agency/ financial institution).

D1. Background question(s)

- D1a. Please describe your role in the organisation and the business that you manage

D2. Role transitions

- D2a. How do you understand the role of (EBS name) as a facilitator of transfer of knowledge and other resources between your organisation and his organisation?
- D2b. Please take us through your experience of being part of the team as a new relationship/ partnership was being established (The partnership/ relationship should be the same as identified by EBS)
- i. What in your view were the challenges facing the process and how were they addressed?
 - ii. What were the key stages of that development? (cite events and dates where possible)

D3. Process questions

D3a. Conduit process class

Based on the events and time-frames cited by the EBS (named person) for the incipient relationship, describe your understanding of the process, the role that they (EBS) played and how individuals within your organisation participated in the process.

D3b. Resource transfer

Based on the events and time-frames cited by the EBS (named person) for the initial resource exchange, describe your understanding of the process, the role that they (EBS) played and how individuals within your organisation participated in the process.

D3c. Matchmaking

Based on the events and time-frames cited by the EBS (named person) for the formal operationalisation of the relationship, describe your understanding of the process, the role that they (EBS) played and how individuals within your organisation participated in the process.

D3d. Coordination

Based on the events and time-frames cited by the EBS (named person), describe your understanding of the process, the role that they (EBS) played or continue to play after the formal operationalisation of the relationship and how other individuals in your organisation participate in the on-going processes.

APPENDIX B

10 APPENDIX B – CONSENT FORMS

10.1 CONSENT FORMS OVERVIEW

Four types of consent forms were used for the study interviews. A copy of the organisational permission letter is attached hereto (10.2). The templates for the other consent letters are also appended to this section whereas the signed consent letters were filed separately.

- Permission letter for the organisation (Research site)
- Individual consent letters for members of the organisation that were interviewed
- Organisational consent letter for partner organisations
- Permission letter for the organisation (Research site)

10.2 PERMISSION LETTER



Ravele Communal Property Association

Reg. No. CPA/04/0690/A
A holding Entity for Mauluma Farming Enterprise 1938 (Pty) Ltd.

P.O. Box 363, LEVUBU, 0929, RSA.

Khosi Nndwayamiomva II Building, Appelfontein 8(3) 35 LT, B1, Road D1806, LEVUBU, 0929, RSA

Contact Details: Tel: + 27 (0) 79 205 0377; Fax: 086 562 9562
E-mail: info.ravelecpa@gmail.com Website: <http://www.ravelecpa.co.za>

Enquiries: Executive Administrator

Cell: 072 423 4012/082 357 1154

Date: 15 November 2017

PERMISSION TO CONDUCT RESEARCH FOR PHD THESIS

TO WHOM IT MAY CONFIRM

This letter confirms that Khanyiso Mguni (a PhD candidate at the Gordon Institute of Business Science, University of Pretoria, GIBS Student # 15393420) has sought and received permission to use our organisation as a case study for his PhD research entitled:

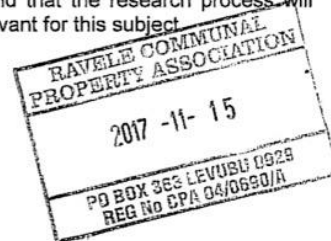
Dynamic brokerage across socio-cognitive boundaries: external boundary spanners in South African agribusiness

We understand that the study is about the transfer of knowledge and other resources between established agribusinesses and new entrants, the successful land claimants in the context of the land restitution programme. Specifically, it is about the role and processes of knowledge brokerage through the relationships of management as an alternative to the strategic partnership model that was imposed by the Department of Land Affairs (later the Department of Rural Development and Land Reform) and the Commission on Restitution of Land Rights in South Africa.

We will give access to the relevant records to Mr. Mguni on the condition that data confidentiality is applied as follows:

- No names will be recorded without authorisation from ourselves
- Data will be stored without identifiers for the purpose of protecting certain confidential records
- Direct data or quotes, where used, will be reported anonymously unless expressly authorised otherwise by ourselves.

We understand that the records that apply for this study relate to company records that date back from the time of the termination of the strategic partnership with SAFM (the strategic partner) around 2009 up to the present. We also understand that the research process will entail interviews, questionnaires and on-site observations relevant for this subject.



10.3 INDIVIDUAL CONSENT LETTER TEMPLATE (MFE)



Individual Consent to Participate in Research for PhD Thesis

I am conducting case study research on the processes and mechanisms used to facilitate the transfer of knowledge and other resources between established agribusinesses and emerging agribusinesses in the context of the land restitution programme. Specifically, the research is about the role and processes of individuals in management who facilitate such relationships, as an alternative to the strategic partnership model that was introduced by the Department of Land Affairs (later, the Department of Rural Development and Land Reform) and the Commission on Restitution of Land Rights in South Africa. The Ravele Communal Property Association (CPA) is the primary site of the case study. The purpose is to get an understanding of the development of the relationship between the Ravele CPA, its operating company and external parties (customers, suppliers, government agencies). The interviews will be limited to the development of such relationships, the sequence of events, activities and processes involved in the evolution of such relationships. It is envisaged that such research will contribute to the understanding of the exchange of knowledge and other resources in the context of land reform.

Your participation is voluntary and at any stage, you may withdraw from the interview without any penalty. Please be assured of the confidentiality of the data collected during this study. All data will be used without name identifiers, unless explicit permission for name disclosure has been granted by your organisation. If there are any concerns regarding this research, they may be directed to me or my supervisor. Our details are provided below.

Researcher name: Khanyiso Mguni Research Supervisor: Dr Albert Wöcke
Email: kmguni@sword-sa.com Email: wockea@gibs.co.za
Phone: 082 498 8611 Phone: 011 771 4000

Signature of participant _____ Date: _____

Name: _____ Designation: _____

Signature of researcher _____ Date: _____

10.4 PARTNER ORGANISATION CONSENT LETTER TEMPLATE



Organisational Consent to Conduct Research for PhD Thesis

I am conducting case study research on the transfer of knowledge and other resources between established agribusinesses and emerging agribusinesses in the context of the land restitution programme. Specifically, the research is about the role and processes involved in the facilitation of such relationships through the individual connections of management, as an alternative to the strategic partnership model that was introduced by the Department of Land Affairs (later, the Department of Rural Development and Land Reform) and the Commission on Restitution of Land Rights in South Africa. The participation of your organisation is based on a referral from the Ravele Communal Property Association (CPA), the primary site of the case study. The purpose is to get an understanding of the development of the relationship between your organisation and the Ravele CPA from the perspective of individuals within your organisation. The interviews will be limited to the development of the relationship with the latter. They seek to corroborate events and timelines as well as any information that illuminates the roles and processes involved in the development of such relationship.

The participation of individuals is subject to organisational consent, sought herewith. The individual interviews are voluntary and at any stage, individuals may withdraw from the interview without any penalty. Please be assured of the confidentiality of data collected within this study. All data will be used without name identifiers, unless explicit permission for name disclosure has been granted by your organisation. If there are any concerns regarding this research, they may be directed to me or my supervisor. Our details are provided below.

Researcher name: Khanyiso Mguni	Research Supervisor: Dr Albert Wöcke
Email: kmguni@sword-sa.com	Email: wockea@gibs.co.za
Phone: 082 498 8611	Phone: 011 771 4000

Consent given on behalf of organisation (name of organisation) _____

Signature _____ Date: _____

Name: _____ Designation: _____

10.5 PARTNER INDIVIDUAL CONSENT LETTER TEMPLATE



Individual Consent to Participate in Research for PhD Thesis (for Partner Interviews)

I am conducting case study research on the transfer of knowledge and other resources between established agribusinesses and emerging agribusinesses in the context of the land restitution programme. Specifically, the research is about the role and processes involved in the facilitation of such relationships through the individual connections of management, as an alternative to the strategic partnership model that was introduced by the Department of Land Affairs (later, the Department of Rural Development and Land Reform) and the Commission on Restitution of Land Rights in South Africa. The participation of your organisation is based on a referral from the Ravele Communal Property Association (CPA), the primary site of the case study. The purpose is to get an understanding of the development of the relationship between your organisation and the Ravele CPA from the perspective of individuals within your organisation. The interviews will be limited to the development of the relationship with the latter. They seek to corroborate events and timelines as well as any information that illuminates the roles and processes involved in the development of such relationship.

Your participation is voluntary and at any stage, you may withdraw from the interview without any penalty. Please be assured of the confidentiality of the data collected during this study. All data will be used without name identifiers, unless explicit permission for name disclosure has been granted by your organisation. If there are any concerns regarding this research, they may be directed to me or my supervisor. Our details are provided below.

Researcher name: Khanyiso Mguni Research Supervisor: Dr Albert Wöcke
Email: kmguni@sword-sa.com Email: wockea@gibs.co.za
Phone: 082 498 8611 Phone: 011 771 4000

Signature of participant _____ Date: _____

Name: _____ Designation: _____

Signature of researcher _____ Date: _____

APPENDIX C

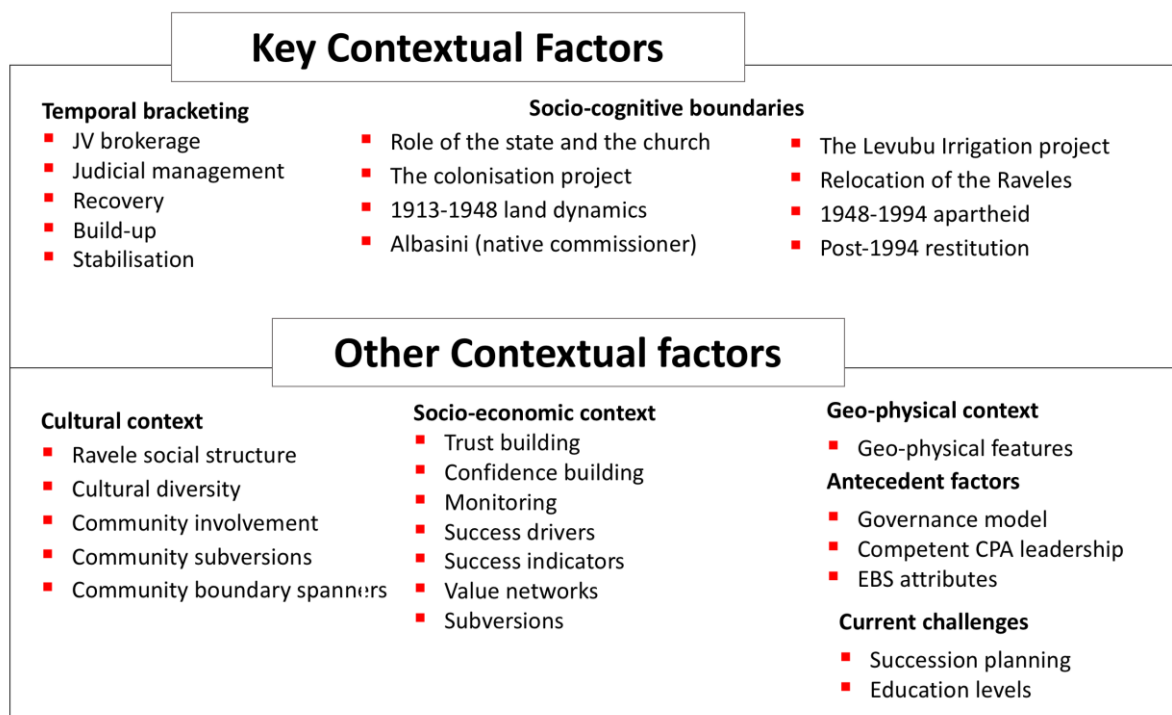
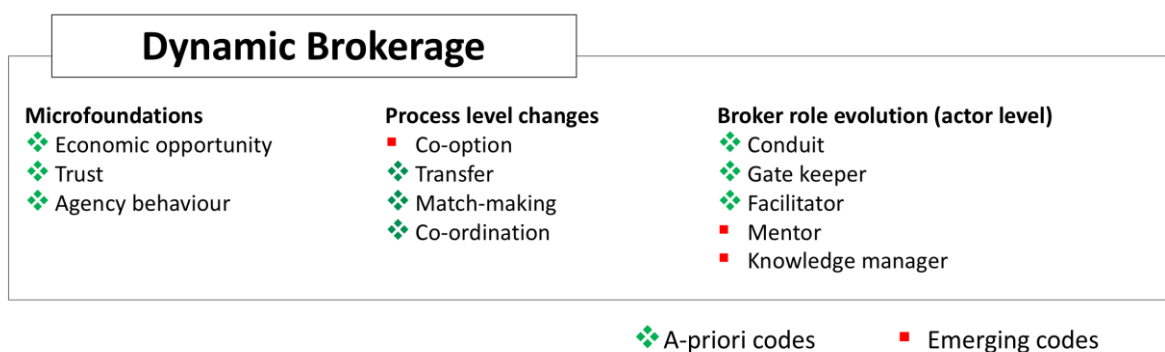
11 APPENDIX C – QUALITATIVE ANALYSIS CODEBOOK

11.1 SUMMARY OF CODEBOOK

The codebook is structured into two areas:

Dynamic brokerage – codes that relate to the dynamic elements of the study

Contextual factors – codes that relate to the context (temporal, socio-cognitive, other contextual factors).



11.2 LIST OF CODES AND CATEGORIES

Table 13: Codebook by Group (exported from Atlas ti.)



Antecedent factors

13 Codes:

- antecedent factors
- community involvement
- competent CPA leadership
- diversity management
- EBS attributes
- EBS experience
- EBS incentivisation
- EBS knowledge
- EBS personal connections
- governance system
- sound administration
- sound business principle
- trust relationship



Boundary spanner roles

7 Codes:

- Conduit
- gatekeeper
- knowledge manager
- mentor
- mentorship
- relationship manager
- representative



Process level changes

4 Codes:

- Co-option
- Coordination
- Matchmaking
- Transfer



Microfoundations

4 Codes:

- agency behaviour of broker
- agency behaviour of the board
- agency behaviour of partner actors

- economic opportunity
- trust relationship



Context

12 Codes:

- Cultural context
- Current business challenges
- facts in figures
- Future scenarios
- Geo-physical features (case setting)
- Restitution
- small world network
- Socio-cognitive boundaries
- Socio-economic context
- succession planning
- success indicators
- Temporal bracketing



EBS brokerage

6 Codes:

- boundary spanner roles
- brokerage processes
- fair trade
- knowledge sharing
- temporal bracketing
- tertius iungens



Historical Context

25 Codes:

- 1913 -1948 land dynamics
- 1948-1994 apartheid (official)
- Albassini - Native Commissioner
- Christian missionary biases
- creation of cognitive boundaries
- forestry demarcation
- governance system
- Government manipulation
- Inferior education
- initial removal of the Ravele community 1921-1925
- irrigation scheme
- land dispossession

- land ownership and use
- poor whites problem
- Post-1994 restitution
- post-restitution community issues
- Pre-1913 land dynamics
- pre-1948 resistance
- Ravele social structure
- Relocation of the Raveles
- state and church conspiracy
- taxes and rentals
- Venda community issues
- Venda-Shangaan-Sotho divisions
- youth/ student revolts



JV brokerage

8 Codes:

- broker selfishness
- HR issues
- institutional approaches
- JV brokerage
- knowledge gap
- poor consultation
- tertius gaudens - conflict of interest
- trust issue with government



Temporal bracketing

6 Codes:

- brokerage subversions
- build-up
- judicial management
- JV brokerage
- recovery
- stabilisation



Tie formations

2 Codes:

- bridging ties
- closure ties



Process study

3 Codes:

- boundary spanner roles

- brokerage processes
- microfoundations



Socio-cognitive boundaries

5 Codes:

- contestations
- creation of cognitive boundaries
- knowledge gap
- small world network
- white agribusiness successfully entrenched



Socio-economic context

13 Codes:

- community involvement
- community subversions
- Cultural context
- diversity management
- education levels
- executive committee issues
- network partners
- other boundary spanners
- Reclaimed land
- trust issue with government
- trust relationship
- value chains
- Venda community issues