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STRATEGIES AND BENEFITS OF FOSTERING INTRA-ORGANIZATIONAL COLLABORATION

By

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Abstract

Past empirical research has examined the dynamics of inter and intra-organizational collaboration and its impact on organizational outcomes. This study will focus on the benefits organizations derive from collaboration and the ways in which it can be fostered more effectively. Qualitative research involving leaders and professionals in a large professional services firm indicate the difficulty of creating a collaborative culture, even when the firm professes its value. The study findings, while supporting empirical evidence add a rich phenomenological component that recognizes the human challenges with and motivations for collaborating in a business environment. Recommendations for fostering collaboration are discussed.

Keywords: collaboration, social capital, intra-organizational cooperation

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Strategies and Benefits of Fostering Intra-Organizational Collaboration

Introduction

Our world is connected, and yet we do not collaborate well with one other. Economic problems occurring in one hemisphere threaten the security of people in another. Air and water pollution generated in one country are heedless to the political boundaries of others. Like Mother Nature, our global markets and societies have become irrevocably interconnected (Friedman, 2010). The walls have come down. Our interdependence means that we all share a common fate and must address the global issues of political instability, economic inequality, and ecological un-sustainability (Clinton, 2010).

As such, no individual political or business leader has the depth or breadth to solve these problems alone. The pace of change and the complexity of our problems defy one individual's capacity no matter how motivated or talented (Bennis & Biederman, 1997). The answer lies in building bridges and integrating different perspectives that are capable of creating workable solutions to complex problems. Our world needs more, not less collaboration. It needs more synergy and less polarity. As Gerzon (2006) ardently puts it, "We simply cannot manage a whole company, a whole community----and certainly not a whole planet ----with leaders who identify only with one part. Instead, more than ever before, we need boundary-crossing leaders who can help the parts work together to strengthen the whole" (p. 3). We can solve our global, economic, and business problems more effectively when we have the skills, values and processes for effective collaboration (Beyerlein, Freedman, McGee, & Moran, 2003). One place to start developing this capacity is in organizational settings.

The purpose of this paper is to understand how organizations foster intra-organizational collaboration, how it might be done more effectively and the type of benefits organizations derive from it. Many research studies have examined inter-organizational collaboration in the form of external strategic partnerships and alliances. Fewer studies have explored how to augment intra-organizational collaboration, even though firms stand to gain from the research. Collaboration has become critical to business success because of three major trends: (1) segmentation of customers---many customers want customized solutions requiring significant integration of knowledge, (2) information---the rate and volume of information that people need to synthesize and apply has increased dramatically, (3) competition in the marketplace---the global economy has increased competition (Beyerlein et al., 2003). Therefore this paper will focus on one large well-regarded professional services firm headquartered in the U.S. that has a stated commitment from the CEO to collaborate as “one” company. The intent of the research is to help firms optimize their own internal efforts and remove barriers to collaboration.

By definition collaboration is working “jointly with others or together especially in an intellectual endeavor”(Merriam-Webster dictionary) or “working with someone to produce or create something” (New Oxford American dictionary). In other words, it involves the sharing of resources, information, risks and responsibilities. Collaboration requires participants’ mutual engagement and trust and focuses them on the achievement of a common objective (Msanjila & Afsarmanesh, 2008). At its best it serves as a crucible through which people of differing expertise, perspectives, and backgrounds enhance each other’s capabilities to form something new. When effective, it synthesizes differences among participants in ways that deliver a competitive advantage to the organization (Weiss & Hughes, 2005).

Review of Literature

Social capital and networks. Research on collaboration has been conceptualized in scholarly literature as social capital, social networks, strong or weak ties, and inter-group cooperation. This paper will use two definitions of social capital: (1) “the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit. Social capital thus comprises both the network and the assets that may be mobilized through that network” (Nahapiet & Ghoshal, 1998, p. 243) and (2) social capital as the value that people add to their teams and organizations by knowing who, when, and how to coordinate with their contacts (Thompson 2008). Like other forms of capital, social capital is an asset that must be managed appropriately for its value to be realized. Unlike other forms of capital, it is an asset embedded in the relationships of individuals, groups, and networks (Leana & Van Buren, 1999).

If social capital is a *relational* resource between exchange partners, networks are best understood as a *structural* resource, reflecting the overall pattern of connections between exchange partners (De Clercq, Thongpapanl, & Dimov, (2009). As Hansen (2009) succinctly puts it, collaborative companies run on networks. In many organizations, and particularly knowledge-intensive firms, formal reporting structures have given way to informal social networks for getting work done. Cross, Nohria, & Parker (2002) refer to these informal networks as the “glue that holds together cross-functional process-improvement initiatives, alliances, and mergers” (p.67). These interactions between people from different organizational areas can be visualized as connecting lines that blur boundaries and build cooperative relationships.

Cross et al., (2002) suggest that leaders understand how their current networks operate, even creating network diagrams that illustrate the relationships between members. This network analysis entails plotting all connecting lines and understanding the direction of each relationship. For example in a network diagram, a person with incoming arrows serves as a source of information; outgoing arrows indicates a person seeking information. Mapping the network across functional boundaries reveals deficiencies that leaders can target for improvement. For instance, some experts who might be valuable to the network are peripheral to it because they lack networking skills. Other members may become so central to a network that they create bottlenecks and slow the flow of information. In those situations, leaders may need to re-assign network contacts to other equally capable people (Cross et al., 2002).

Often the most valuable members of networks span functional gaps, those structural holes that occur in the space between teams, divisions, or non-connected networks. According to Thompson (2008), these boundary spanners form hubs within social networks that create ties with people who would otherwise not be connected. In other words, they know more people who don't know each other and serve as important hubs for information flow. Ibarra and Hunter (2007) comment that emerging leaders must move past their operational networks (people they already know in their own departments) and master strategic networks that consist of lateral and vertical relationships outside their function or business unit.

Gratton and Erickson (2007) found evidence of this importance in their study of newly formed teams. People on these new teams who were unfamiliar with each other had a more difficult time collaborating. On the other hand, members who knew other members on the team operated as "nodes" and were able to incorporate the unfamiliar members into the network. According to their data, when 20-40% of team members were already well connected to one another, the newly formed teams experienced strong collaboration right from the start.

However more networking, even across boundaries will not necessarily lead to better collaboration. Ibarra and Hunter (2007) contend that the criteria for whom to establish networks with must be based on strategic business needs, not interpersonal chemistry. Hansen (2009) agrees that indiscriminate networking can reduce productivity without leading to improved results. He forcefully makes the case that "disciplined networking is the hallmark of disciplined collaboration" and that the whole point of a nimble network is to identify opportunities and capture value for the organization (Hansen, 2009, p.140).

To that end, Hansen (2009) lays out some practical guidelines for effective networking. Network rule number one: build outward to different parts of the enterprise, not inward. Often people's comfort with whom they know prevents them from building an effective network. This is similar to the advice given by Ibarra and Hunter (2007). Rule number two: choose diversity of needed competencies and perspectives over size of network. This rule is similar to the suggestion from Ibarra and Hunter (2007) to focus on *who knows what* in order to leverage the network's expertise. Rule number three: build many weak ties (people not well known to one). Rule number four: use these weak ties to build bridges to other parts of an organization. Look for people who have spent time in different parts of the company because they can operate as good bridges themselves. Rule number five: use the principle of reciprocity and exchange to build one's network. (This will be discussed in more depth later in the paper). Rule number six: to transfer complex knowledge, one must develop strong ties, in which people have a close working association.

Interestingly researchers of social capital and social networks do not hold monolithic views on the topic. Some researchers take the position that pursuing numerous and strategically positioned "weak ties" are the best way to develop social capital, especially if these weak ties are bridges to otherwise disconnected people that straddle structural holes. Other researchers argue for the value of "strong ties" that create cohesion and are likely to foster trust (Leana & Van

Buren, 1999).

Trust. Scholars widely acknowledge that trust can lead to cooperative behavior in organizations (Jones & George, 1998). The literature connects trust with social capital, either equating it with social capital, identifying it as a precursor of social capital, or as a result of social capital (Adler & Kwon, 2002). Moreover scholars within the behavioral sciences have characterized trust differently. Rousseau, Sitkin, Burt, and Cameron, (1998) define trust as "a psychological state comprising the intention to accept vulnerability based upon positive expectation of the intentions or behavior of another" (p. 395). Jones & George (1998) view trust as the confidence that one party will not be put at risk or harmed by the actions of the other when an exchange occurs. Still other researchers see trust as the goodwill that colleagues have towards each other, a valuable resource within social capital. If trust is the conduit of social capital, then information, influence, and solidarity are the elements that flow from it.

Leana and Van Buren (1999) theorize that social capital requires (1) the ability to interact socially with others plus the willingness to subordinate individual desires to group objectives; and (2) generalized resilient trust that anticipates ongoing norms of reciprocity and integrity throughout the organization. This type of shared organizational trust is particularly important for developing weak ties with people not well known to the member.

Rousseau et al.(1998) propose a framework for how trust evolves in organizations. Employees who have limited or transactional exchanges with other members may start out with calculus-based trust, which is the willingness to trust because the integrity of the exchange can be verified. After demonstrating repeated trustworthiness, individuals and groups may form relational trust. Unlike calculus-based trust that is simply transactional, relational trust involves the affective component of caring and concern. When highly developed, relational trust grows into identity-based trust, where the “them” of another group becomes “us”, and trust becomes the sine qua non of collaboration (Rousseau et al.,1998).

Benefits of Collaboration. The benefits of collaboration are well researched. Collaboration allows firms to leverage employees’ talents, to coordinate knowledge, and to respond more quickly to global opportunities, (Weiss & Hughes, 2005). Because customers increasingly demand more integrated and global solutions, those organizations that synchronize the activities and goals of business units and locations can excel in the marketplace (Ready, 2004). Given that corporate competitiveness depends on expertise often distributed across divisions, collaboration becomes a critical source of competitive advantage (Adler, 2001).

Empirical research suggests that collaboration can produce significant, measurable benefits for companies. Tsai and Ghoshal (1998) found that social capital facilitated product innovation. Along similar lines, Khoja (2009) found that strong intra-firm networks helped business units accrue intellectual capital. Organization-wide collaborative practices allowed complex, global cross-functional teams to share knowledge, workloads and succeed in their goals (Gratton & Erickson, 2007). According to Reed, Srinivasan, & Doty (2009), social capital positively impacted corporate financial performance when coupled with strong human capital. In manufacturing, collaborative processes lowered cycle times (Majchrzak & Wang, 1996), and collaborative interdepartmental interactions were positively linked to product quality (Menon, Jaworski, & Kohl, 1997).

As competitive pressures have forced firms to do more with less, employees who collaborate are able to share resources and get work done with and through others over whom they have no direct authority (Weiss & Hughes, 2005). Firms that collaborate internally are able to tap the knowledge, ideas and experiences of global employees at all levels (Gadman & Cooper, 2005). Social capital can make collective action more efficient and reduce transaction costs because it becomes a substitute for formal monitoring systems and mechanisms (Leana & Van Buren, 1999). Based on a study assessing 40 networks in 23 organizations, Cross et al. concluded that internal organizational networks "provided strategic and operational benefits by enabling members to collaborate effectively" (2002, p. 68). Strong inter-group social networks tend to minimize organizational conflict (Nelson, 1989). Social networks also facilitate organizational change because they enable knowledge and perspective sharing (Mohrman, Tenkasi, & Mohrman, 2003). Social capital assists the transfer of complex, tacit knowledge and instills habits of cooperation (Adler & Kwon, 2002).

In summary researchers have found that organizational capabilities accruing from internal collaboration augment a firm's value and competitive advantage (Jones & George, 1998). One clear example of this is the creation of Whitestrips, Proctor and Gamble's (P & G) answer to affordable teeth whitening. Hansen (2009) details how three separate business units combined their know-how to produce an innovative and extremely successful consumer product. The collaboration of the P & G oral-care unit (dental expertise) with the fabric-care division (bleach expertise), with the corporate R & D unit (film expertise) augmented organizational capabilities and shareholder value.

Perhaps the most extraordinary example of the benefits of collaboration involves the challenge of the upstart iPod to the Sony Walkman. Sony had invented the concept of a small portable music player and had dominated the market since the Walkman's introduction in 1979. By the time Apple introduced its iPod in 2003, Sony had all the resources necessary to trounce its new competition. The Japanese electronics giant owned the Walkman and VAIO personal computer divisions, Sony Music and Sony Electronics. It possessed the hardware, the electronics expertise and a huge music database. What Sony did not possess was a collaborative culture. Instead it had historically fostered internal rivalry where engineers were encouraged to outdo one another, not work together. At the same time, Apple had the challenging task of integrating components from outside the company with its expertise across several of its business units; but its collaboration worked. According to Jeff Robins of the iTune division, “It was just an incredible team project. There were no boundaries. The software guys, the hardware guys, the firmware guys, everybody worked together” (Robins as cited by Hansen, 2009, p.7). As a result Apple’s annual sales of iTunes and iPods increased from zero in October 2001 to $10.8 billion by 2007. In contrast Sony’s product was a technical and marketing flop. The software, user interface, and music store were so poorly integrated, that in 2007 Sony killed the project (Hansen, 2009).

Apple’s marketing triumph illustrates the extraordinary benefits of collaboration when well executed: producing innovation, creating new markets and revenue, leveraging internal talent, transferring tacit knowledge across the organization, sharing resources, making effective decisions, and working together without direct authority. In order to achieve these benefits, organizations must first find ways to foster it. The following sections will explore the essential elements that lead to more effective intra-organizational collaboration.

Collaborative Leadership

For the first time in history according to Cloke and Goldsmith (2002), it is no longer effective to lead via the old hierarchical, autocratic military model. Hierarchy, bureaucracy, and autocracy are being replaced with flatter, more flexible webs of association. In order to manage the complexity of work, organizations require flexibility that is not serviced by traditional boundaries or traditional roles (Beyerlein et al., 2003). The base from which leaders have derived their power is changing from hierarchical position and status to competence and expertise. Cloke and Goldsmith (2002) distinguish these collaborative leadership characteristics as (1) principled: motivating employees to act in the best interest of the organizations' stakeholders, not just shareholders; (2) empowering: supporting responsible self-management and developing employees' capabilities; (3) facilitative: eliciting participation and linking up teams; and (4) collaborative: building high-performance relationships, and developing mutual trust. These leadership qualities are necessary because the creativity, synergy, and motivation of knowledge workers can't be forced. They have to be encouraged, supported, and engaged. The connecting of human capabilities cannot be managed; they must be led.

This demands a different type of leader. Goleman (2002) comments "Increasingly, the best of breed lead not by virtue of power alone, but by excelling in the art of relationship, the singular expertise that the changing business climate renders indispensable. Leadership excellence is being redefined in interpersonal terms as companies strip out layers of managers, as corporations merge across national boundaries, and as companies and suppliers redefine the web of connection" (p. 248). Nohria, Joyce, and Roberson (2003) concur with this view. They studied 160 companies over a ten-year period to determine which management practices resulted in business success. They found that certain CEO skills truly mattered: the ability to spot opportunities and problems early and "the ability to build relationships with people at all levels of the organization and to inspire the rest of management to do the same" (2003, p.10). The capability to develop relationships across the firm requires that leaders operate more as equals than as masters, moving away from the model of leader/followers toward leader as inspirational player (Weynes, 2002).

Leadership behavior affects how organizations collaborate. Gratton and Erickson (2007) found evidence that teams collaborated well at companies where senior executives demonstrated highly visible, collaborative behavior. This entailed senior leaders traveling for face-to-face interaction and relationship building across units and providing frequent, open communication. Gratton and Erickson (2007) also found that executives influenced their organizations by the values they modeled. For instance, at Standard Chartered Bank, executives of the general management committee routinely demonstrated collaborate behaviors by understanding each other's business and filling in when necessary.

By contrast Hambrick (1995) who studied fragmented top management teams (TMT) reported that fragmented teams were not behaviorally integrated and lacked unity of effort. CEO's used terms like poor collaboration and information sharing, piecemeal decision making, parochialism, and separate agendas to describe this TMT fragmentation. According to this researcher, "Accustomed to independence, separateness, running their own shows, and lacking in collaborative spirit, these groups cannot mount company-wide changes on a timely basis" (Hambrick, 1995, p.121). The behavior and focus of top management teams shape organizational culture. If top management teams fail to collaborate among themselves, it is likely that the business units and departments reporting to them will also fail to do so.

According to Ibarra and Hunter (2007) leaders who do not develop their collaborative skills in the form of networks are also in danger of derailing. "When challenged to move beyond their functional specialties and address strategic issues facing the overall business, many managers do not immediately grasp that this will involve relational—not analytical---tasks. Nor do they easily understand that exchanges and interactions with a diverse array of current and potential stakeholders are not distractions from their ‘real work’ but are actually at the heart of their new leadership roles” (p. 13). Cross et al. (2002) concur with this assessment and comment that developing strategic networks is one of the most important components of a leader’s job.

In a banking study conducted by Cross, Vertucci, Cowen, and Thomas (2009), high performance leaders were able to position themselves at points in the network that bridged otherwise disconnected people. Their network, although 20% larger than low performers, was not distinguished by its size. What mattered was the quality, the select connections to people with complementary rather than similar expertise that bridged divisional and hierarchical lines. Those who got promoted more quickly were the ones to reach out to people in different regions. Because high performers invested in relationships that extended their perspectives, they were able to avoid biases, fend off insularity, and see opportunities that existed in the “white space” between functions and units. These high performers were critical to integrating the bank’s divisions and facilitating more holistic solutions for key clients.

Forces against collaborative leadership. However forces embedded in Western culture may weigh against the formation of a collaborative leadership style. According to Hofstede culture is such a profound influencer that he defines it as “the collective programming of the mind which distinguishes one group or category of people from another” (2007, p.33). After measuring the cultural dimensions of many countries in terms of power distance, individualism, masculinity, uncertainty avoidance, and long-term orientation, Hofstede (2007) found evidence that culture in the West *is* different from the East and that culture in the United States is distinct from that of other countries.

Based on Hofstede’s work the culture in the United States is low in power distance, meaning that it values egalitarianism. On the other hand, it is very high in individualism versus collectivism and high in masculinity, which relates to assertiveness, toughness, and competitiveness. The American notion of leadership has been inextricably tied up with the myth of the triumphant individual. We laud the rugged individualist, the self-reliant hero and the lone ranger (Bennis, 2003). Our national holiday is Independence Day not Interdependence Day. We forget that the pioneers who struck out on their own to conquer the Wild West with horse and rifle, survived by circling their wagon trains at night.

As Bennis and Biederman point out, “Our mythology refuses to catch up with our reality” (1997, p.2). He comments that we think in terms of the Great Man or the Great Woman versus the Great Group. We accord recognition and status to individuals, not teams. And yet the later part of the 20th century produced astonishing collaborative efforts like The Manhattan Project, Disney Feature Animation, Lockheed’s Skunk Works, and the Apple Mac. This illustrates that as individualistic as we are as a nation, we do have a unique capacity for collective action (Bennis & Biederman, 1997). However our organizational structures, culture, and systems must provide a supportive environment. Otherwise collaboration will not occur naturally.

Another force blocking collaborative leadership has been modern management practice: the tendency to decentralize business units, provide clear lines of responsibility, great autonomy, and rewards to those leaders who deliver on the numbers (Hansen, 2009). This system makes collaboration difficult because leaders are motivated to maximize the performance of their own units. Looking out for the enterprise as a whole has not been considered a criterion for leadership success (Ready, 2004).

Not surprisingly leaders with a true collaborative style are still rare. Out of 162 topperforming managers who participated in a benchmark study, only 16 percent scored high on three critical collaborative behaviors. These three behaviors include (1) redefining success from a narrow, self-interested agenda to a larger goal and getting others to transcend their own narrow agendas, (2) involving others, being open to alternatives and divergent thinking (3) being accountable and responsible, while being very clear about what people are accountable for---versus blaming others and dodging responsibility (Hansen, 2009).

Hansen (2009) posits that five personal barriers block a collaborative leadership style: power hunger, arrogance, defensiveness, fear, and ego. Of these barriers three pose the greatest threat to collaboration. Power hunger blocks the ability to define success in other than individual terms. Power hunger also encourages information hoarding because special knowledge can augment one's power. Arrogance blocks a leader from being inclusive and involving others. Defensiveness prevents leaders from holding themselves accountable. Hansen argues that while many of these characteristics may be too embedded in personality to change, some leaders can reduce these personal barriers in order to develop a more collaborative style.

Organizations can support the development of collaborative leaders with some specific interventions. Ready (2004) suggests strategies that could help organizations shape not only collaborative leaders, but also strong cross-unit networks. He counsels: (1) encourage employees to develop expertise and vision outside of their business units, functions or regions; this may pull leaders out of their comfort zones, but will add to their appreciation of different business unit contributions and perspectives (2) fill unit openings with people from other areas and reward managers for doing so; (3) create task forces that bring together high-potential leaders from across the organization; (4) refuse promotion of leaders who only focus on the success of their silos versus the broader enterprise.

Creating a Collaborative Culture

Culture refers to the deeply held values, beliefs, and assumptions of an organization's members and acts as a mechanism guiding behavior in the workplace (Rosenberg & Trevino, 2003). Therefore, an organization's culture must be conducive for collaboration to survive. If the dominant culture is bureaucratic or authoritarian, pockets of collaboration could be snuffed out like an immune system attacking a foreign body. So a culture ideally suited to collaboration would nurture: (1) open versus closed leadership processes such as freer information flows versus closed-door decision making; (2) reward individuals who voice alternative points of view versus silence them; (3) flexible structures versus rigid hierarchy; (4) clear core values versus expedient ones; (5) rewards for collaborative versus strictly individual effort (6) people who are held accountable; (7) decisions made at the lowest possible levels versus up the chain of command (Allen, Stelzner, & Wielkiewicz, 1999).

Because culture comprises the aggregate values and attitudes of an organization and influences the way work gets done, organizational collaboration cannot succeed without it. Nadler and Tushman remark "values, culture, and shared goals are replacing formal structures as the glue that holds organizations together. Organizational coherence at the enterprise level will become increasingly difficult to maintain, and will rest almost entirely on a common goal and a small number of shared values---not the formal rhetorical flourishes that are the organization's espoused values, but those few values that truly embody the way people think of themselves and their enterprise" (2007, p. 653).

Shared goals. Shared goals mean that all employees understand them and are willing to align themselves with them (Detert, Schroeder, & Mauriel, (2000). Many researchers point to the power of shared organizational goals in fostering cooperation. Pinto, Pinto, and Prescott (1993) researched the positive effects of superordinate goals on cross-functional cooperation. They defined superordinate goals as “urgent and compelling for groups involved but whose attainment requires the resources and efforts of more than one group” (p. 1284). According to their study superordinate goals positively impacted cross-functional cooperation and project task outcomes. Pinto et al. (1993) conclude that leaders who want to increase cooperation and performance among cross-functional teams should articulate, develop and champion an overarching, compelling and organization-wide goal. Tyosvold and Poon (1998) suggest that cooperative goals (goals shared by managers) support more open-mindedness even when the managers are dealing with the stress of scarce resources and budget constraints.

Rosenberg and Trevino (2003) theorize that superordinate goals can reduce levels of bias and encourage cooperation among groups, just as incongruent goals between groups can increase bias and competition. Thompson (2007) agrees that groups focused on superordinate goals are more likely to cooperate with one another than when they focus on local goals. Finally Lencioni, (2006) in his popular business book makes the case that senior management must create a thematic goal, “a rallying cry,” that provides an undeniable reason to work together across divisions. This type of goal must create a common fate where all participants understand their need to contribute to make the goal a reality. The goal must be concrete, simple, clearly understood and measurable. It must stir people’s passion and put the competition on the *outside* (Hansen, 2009).

Not only should goals be used to impel collaboration; but collaboration should be driven by the organization’s goals. Both Hansen (2009) and Beyerlein et al. (2003) emphasize that achieving business results must be the context and motivation for working together; that the purpose of collaboration should not be more collaboration but the achievement of business objectives. Likewise, the value of social capital depends on whether an organization's social networks are in sync with the company's goals (Adler & Kwon, 2002).

Shared identity. In concert with shared goals, shared identity helps foster collaboration. Social identity theory provides some of the constructs underlying organizational identity. This theory refers to the inclination of individuals to identify with group characteristics and adopt group norms as guidelines for their behavior. Researchers (Ellemers, DeGilder, and Haslam, 2004) have explored the implications that social identity theory has had on organizations. They state "identification in collective terms helps people orient their behavioral efforts toward collective goals" (p. 465). Leaders need to create a sense of shared identity among employees in order to energize effective work-related behaviors. On the other hand, if group goals are misaligned with broader organization goals, employees may identify primarily with their group and be less inclined to share information with other groups, even if doing so would benefit the organization as a whole (Ellemers et al., 2004). Houston, Walker, Hutt, and Reingen, (2001) also provide evidence of this phenomenon in their study of business units. They found that strong social ties and social identification *within* business units hampered collaboration with other business units because those units did not identify with the organization. In fact the units had developed a competitive relationship with each other, and these strong functional identities inhibited cross-functional communications, integration and knowledge flow.

Social identity theory also helps explain how reward structures can negatively impact a common identity. For example if large differences in rewards exist between leaders and group members, this could undermine the group's sense of common identity and de-motivate members' efforts on collective tasks. If members categorize themselves because of disparate rewards as competing with other internal teams, they may forgo citizenship behavior and turn to their own team goals versus the organization's broader ones (Ellemers et al., 2004). Most scholars of social capital agree that a collaborative environment requires a more egalitarian workforce, in other words a reduction in disparity between status, position and pay among members. Wide disparities in corporate pay can weaken social capital because the "winner-take-all" type of CEO compensation can signal that the firm's success was only due to the contribution of one person. This perceived inequity de-motivates cooperative behaviors (Leana & Van Buren, 1999).

Nonetheless the inequality of pay has accelerated. In 1982 the average CEO earned 42 times that of the average factory worker. By 1999 that figure climbed to $475 for every $1 earned by the average worker (Cloke & Goldsmith, 2002). These huge wage discrepancies have the potential to create loss of morale, social division and contradictory values. Pfeffer and Veiga state, "In order to help make all organizational members feel important and committed, most high commitment management systems attempt to reduce the status distinctions that separate individuals and groups and cause some to feel less valued" (2007, p. 57). Cisco has fostered its egalitarian culture with equal access to parking spaces and window-facing cubicles for non-management employees (Gulati, 2007). Other ways to foster a more egalitarian culture include flattening levels and titles, and reducing pay inequality (Pfeffer & Veiga, 2007).

Aligned performance management systems. Because organizational rewards are powerful levers, they must be designed thoughtfully. In his article, "On the folly of rewarding A, while hoping for B," Kerr (2007) observes the inconsistency between the behaviors that managers desire and the behaviors that are actually rewarded. Kerr points out, "For an organization to act upon its members, the formal reward system should positively reinforce desired behavior, not constitute an obstacle to be overcome" (Kerr, 2007, p. 613). In other words leaders that want to encourage collaborative effort should not reward only individual effort.

Hansen (2009) faults “modern management” for much of the disconnect between rewards and desired behavior. As organizations have increased in size and complexity, rigid centralization is no longer considered an effective management option. So businesses have developed a decentralized system with each unit having clear lines of responsibility, accountability and rewards (including bonuses, salary increases, stock options, and promotions) to those who deliver on their unit numbers. As a result managers are rewarded for maximizing their own unit’s results, with little incentive for helping other units.

A number of studies have explored the link between rewards and collaborative behavior. Khoja (2009) found that collective rewards positively moderated the relationship between strong intra-firm networks and knowledge. Majchrzak and Wang (1996) discovered that even in process-complete manufacturing departments, collaboration and cycle time suffered when members had too many different titles and no collective rewards. Menon et al. (1997) found that market-based rewards (external measures such as customer relations and customer satisfaction) increased interdepartmental connectedness and lowered conflict between departments.

Cross et al. (2002) caution that prizing individual accomplishment over collaborative endeavors results in sparse intra-firm networks. On the other hand, compensation based on collective performance alone might lead to social loafing (Leana & Van Buren, 1999). Therefore disciplined collaboration requires the reward of individual and collective efforts. Without rewarding individual performance, people may shirk their responsibilities; but without rewarding collaboration, people may not be motivated to work together (Hansen, 2009).

In order to encourage customer-centered cooperation among employees across internal boundaries, Cisco has tied all bonuses directly to customer satisfaction data (Gulati, 2007). Other companies offer stock options to motivate cross-boundary cooperation; but equity-based incentives can be indirect and long-term. Corporate wide incentives in the form of bonuses based on overall company performance may also be de-motivating. Employees may not see a connection between their efforts and their bonus. In addition corporate-wide performance may be affected by economic events outside of an employee's control.

Hansen (2009) suggests a different approach to compensation. He calls it T-shaped performance management. The "I" part of the "T" rewards individual results, the horizontal part of the "T" rewards collaborative behavior across units or departments. Hansen recommends directly linking rewards to collaboration. For example instead of a bonus based on 50% individual performance/50% corporate performance, a bonus could be 50% individual performance/50% demonstrated collaborative contributions. This T-shaped performance management extends beyond rewarding, to evaluating, promoting, and coaching these behaviors.

However before rewarding collaborative efforts, organizations must identify those behaviors it deems worthy of encouraging (Cross et al., 2009). Effective performance management systems must first identify what good performance looks like. Then these systems must integrate performance appraisals, promotions, and rewards. Performance reviews constitute the criteria used to evaluate employee performance. When reviews are aligned with rewards and recognition, these performance management systems have the potential to shape work behavior (Gratton and Erickson, 2007).

For example SAP, the German enterprise software company, uses three observable behaviors to evaluate collaborative performance. If employees miss opportunities to involve people from other SAP functions, units or locations they are evaluated at the level of "Need Development." If they involve some people from other SAP areas to accomplish goals, they are evaluated "Satisfactory." If they *ensure* the involvement of the *appropriate* people from across SAP to accomplish goals, they are rated "Highly Effective" (Hansen, 2009).

Marriott has implemented a performance review process that asks managers to describe their peer network and how their network has helped them succeed. In addition, managers must provide examples of how they have used relationship building to get things done (Gratton & Erickson, 2007). Effective systems evaluate the achievement of hard quantifiable metrics *and* "soft" process-oriented behaviors---like conflict resolution, collaborative problem-solving, communication, decision-making, and team support (Kirkman & Hartog, 2007).

Accountability. A strong performance management system sustains personal accountability, which is a requirement for successful collaboration. Members must feel accountable for meeting their own commitments, their commitments to their colleagues, and to the organization. Collaboration requires that each person fulfill his or her role effectively, add value to the process and feel responsible for contributing to organizational results. In the judgment of Beyerlein et al. (2003), desired collaborative behaviors require frequent subjugating of personal agendas for the collective good, such as taking on tasks outside of normal scope, volunteering to help colleagues, and accepting responsibility for mistakes versus blaming.

Promotion. An organization molds it culture by the kinds of people it hires, promotes and recognizes. Promotion practices affect a firm's norms and social capital by signaling to employees the kinds of behavior valued by the firm (Leana & VanBuren,1999). For example, P & G promotes from within, rotating people across countries and business units so that leaders can broaden their perspectives and build powerful cross-unit networks (Hansen, 2009). By contrast, Royal Bank Canada (RBC) that had previously filled open unit positions with its own managers, found that this strategy increased its leaders' insularity. To ensure that high potentials were capable of leading across boundaries, RBC took accountability for executive development away from the business units and built it into the individual goals of the members of the general management committee (GMC). Currently 20% of RBC's high-potential leaders are working on cross-platform/enterprise assignments where virtually none had before (Ready, 2004). Beyerlein et al. note that, "A lot of behavior is created by environment; the stimulus for a behavior, and therefore for performance, often comes from outside the individual employee, rather than independently from within the person. Changing the environment through reengineering of the support systems can enhance performance" (2003, p.70).

Hiring and on-boarding. One way to change the environment is to hire people who will be adept at networking and collaborating. Whether networking is a personality trait or a learnable skill of intentional behaviors is up for debate. Based on the Myers-Briggs test and social network analysis, Cross et al. (2002) found that one's personality and position in the network were not as correlated as one might assume; that even highly introverted people had strong networks.

Interestingly, Nauta, De Dreu, and Van Der Vaart, (2002) found evidence that pro-social behavior (as opposed to sociability) as a personality trait did increase the likelihood that employees would care for their own department's goals and also the goals and interests of other departments. Individuals with high pro-social orientation were able to engage in constructive win-win solutions when faced with dilemmas between their own and other departments and could be distinguished from those with a highly competitive or individualistic orientation.

When organizations bring new employees onboard, they have a unique opportunity to communicate and instill cultural values and norms. The literature on socialization suggests the importance of this activity for new employees---socializing them and shaping their perceptions and job-related behaviors (Leana & Van Buren, 1999). One example is Nokia's on-boarding of new employees. Managers meet with new hires to list all the veterans that the newcomers should get to know and which topics would be useful to discuss. Then the newcomers set up these meetings, even if that means traveling to other locations, in order to build these networks. An important part of Nokia's culture is that these veterans are expected to give of their time. These executives model a "gift culture" in which employees experience interactions with leaders as something valuable and generously offered. This often takes the form of informal mentoring and coaching integrated into daily activities. In fact these processes are more likely to increase collaborative behavior than formal mentoring (Gratton & Erickson, 2007).

Supporting a Collaborative Culture

Perhaps more common in organizations than a "gift culture," is the norm of generalized reciprocity. It means that a colleague would do something for another colleague in the present, expecting that sometime down the road that person would reciprocate. This norm of generalized reciprocity "transforms individuals from self-seeking and egocentric agents with little sense of obligation to others into members of a community with shared interests, a common identity, and a commitment to the common good" (Adler & Kwon, 2002, p.25). This norm is the bedrock of social capital.

Influence without authority. As more work gets done in cross-disciplinary teams and through informal networks, employees must have the skills to develop mutual influence with peers over whom they have no authority. The capacity to influence the behavior of others creates an informal source of power (Cohen & Bradford, 2007). To do this, skillful collaborators rely on certain “currencies” to obtain the resources, information, and cooperation of others. These “currencies” are all based on the law of reciprocity and exchange, meaning that people expect to be paid back in one form or another for what they do. However in order to understand what constitutes a valuable currency of exchange employees must understand what is important to the person being influenced. Currencies might be (1) inspirational---involving inclusion in a vision, in doing important work, or doing what is right; (2) task-related---providing resources, help, support, and information; (3) position-related---providing recognition, visibility, opportunities for advancement; (4) relationship-oriented---extending friendship, personal support, and understanding; or (4) personal-oriented---enhancing one’s self-esteem or expressing gratitude. Fortunately the more an influencer has created trust and built a good relationship with the other person, the easier and more effortless an exchange can be (Cohen & Bradford, 2007).

Learning systems. Learning systems can provide important support for collaborative behavior. Gratton and Erickson (2007) found that even if firms set the stage for a collaborative culture, members had to learn *how* to work well together. These trainable skills included appreciating others, engaging in purposeful conversations, and productively resolving conflicts. PricewaterhouseCoopers found that its already robust collaborative culture was strengthened with training on teamwork, emotional intelligence, networking, holding difficult conversations, and communicating shared values (Gratton & Erickson, 2007). Technical solutions like skill profiling can be useful for recording internal expertise in a searchable corporate database (Cross et al., 2002). Knowledge banks can catalogue lessons learned, problems solved, and trends anticipated. What matters most is the value that organizations place on continuous learning, both formal and informal (Beyerlein et al.,2003).

Hansen (2009) acknowledges that while learning and reward systems are important, some behaviors simply can’t be changed. So he suggests promoting T-shaped managers (those high in individual performance and collaborative behavior) and culling out those who cannot or will not develop T-shaped behaviors. Some of these ineffective members he dubs “lone wolves” because they are high individual performers, but poor collaborators. Others are “butterflies,” weak individual performers but strong collaborators. The most ineffective members are “laggards” who are low in individual performance and low in collaboration.

Knowledge sharing. Effective collaboration helps companies achieve a competitive advantage in the marketplace through disciplined exchanges of knowledge, information, and co-created solutions (Beyerlein et al, 2003). Especially in customer-centric firms that must integrate services across boundaries to satisfy customers, employees must develop a broad knowledge of the company’s expertise (Gulati, 2007). As Francis Bacon observed in 1597, “knowledge is power” and knowledge serves as a source of power to those individuals and organizations that possess it (Bundred, 2006). Employees fail to share knowledge with their peers for several reasons; employees might feel insecure about their performance or they might feel that their knowledge gives them special status and importance in the workplace (Zweig, 2006). The lack of trust between people and groups is also a factor in poor knowledge sharing. Adler contends, “trust has uniquely effective properties for the coordination of knowledge-intensive activities within and between organizations” (2001, p. 216).

In a study of 160 companies and the business practices that worked, Nohria, Joyce, and Roberson (2003) found that for large companies where divisions and departments compete for limited resources, knowledge sharing doesn’t come easy. Some of these leaders hold their technical breakthroughs and success formulas close to the vest. This hoarding behavior is a significant barrier to collaboration. Hansen (2009) comments that internal competition contributes significantly to hoarding behaviors, when business units and managers are competing for the same opportunities.

However the winning companies according to Nohria et al. (2003) invested heavily in programs and technology designed to force open the boundaries for fluid information exchange. Beyerlein et al. (2003) note that IT can provide the systems for a more accessible and efficient flow of information, but the culture must first support open communication. Knowledge management systems can’t succeed if the corporate culture is distrustful and secretive (Bundred, 2006).

If organizations want to promote knowledge sharing they need to encourage positive, trusting relationships among employees, develop collaboration norms in the workplace, and build knowledge sharing into performance appraisals (Zweig, 2006). Tsai (2002) also found empirical evidence that the level of social interaction among organizational units was positively associated with the level of organizational knowledge sharing. Such internal sharing of firm-specific knowledge can create an important competitive advantage because it can be difficult to duplicate (Tsai, 2002).

Hansen has conducted extensive empirical research on knowledge sharing and transfer within organizations. In one study regarding the knowledge transfer of 120 new-product development projects undertaken by 41 divisions in a large electronics company, he concluded that the weaker the inter-unit ties, the longer it took to transfer highly non-codified knowledge (Hansen, 1999). People who don’t know each other well (a weak tie) find it harder to transfer complex, tacit knowledge. They need strong ties---relationships where people talk often and have a close working relationship. In fact Hanson (2009) likens the effect of trying to share complex knowledge through weak ties to a molotov cocktail.

Nor is all collaborative knowledge sharing positive. Hass and Hansen (2005) sampled 182 teams in a large SAP technology consulting firm and found that the firm lost more competitive sales bids *after* increased collaborative efforts. The researchers concluded that the teams were already experienced and that additional collaboration added no value. It only created more inefficiency and a compromised product…akin to too many cooks in the kitchen.

When to collaborate. For networks to be valuable their benefits must outweigh their costs. "Too little networking dooms organizations, but so does too much: people choke on it…" (Hansen, 2009, p. 122). Beyerlein et al. (2003) provide thoughtful guidelines about when to collaborate: (1) when broader skills, knowledge, expertise are needed, (2) when tasks are interdependent, (3) when work can be accomplished faster with more people working together, (4) when the correct decision or course of action is unknown and the decision requires the active commitment of a number of people to make it work. Disciplined processes are essential in order to avoid wasted effort. Examples include rigorous enforcement of meeting agendas, clear escalation paths when collaborative groups get "stuck" on a decision, ready access to information, and members skilled in decision-making processes (Beyerlein et al, 2003).

Hansen's (2009) criteria about whether to collaborate involves three processes: (1) evaluate the opportunities, whether collaboration is likely to result in more innovation, revenue growth, or operational efficiency (2) reduce barriers for people to work together (3) tailor solutions that get the right people working on the right projects.

The dark side of collaboration. When people work together frequently and are comfortable with each other, they may form clique networks that “fall prey to homogeneity bias” (Thompson, 2007, p 277). Strong ties may result in the development of an in-group identity that fosters parochialism (Adler & Kwon, 2002). In-group identity refers to the naturally occurring phenomenon in which individuals favor members of their own group over members of another group (Rosenberg, & Trevino, 2003). Social capital that is characterized by extremely dense and longstanding ties may lead to overly cohesive groups that discourage new approaches (Leana & Van Buren, 1999). This comfort with like-minded people may take the form of the overly embedded “good ole boy” network. Because this bias hinders exposure to diversity and may promote prejudice, it is precisely the wrong type of network to foster (Thompson, 2007). When trust is based on shared norms and the familiarity of strong ties, firms can come to look like pre-modern “clans” (Adler, 2001). Instead research suggests that healthy organizational networks rely on a mix of strong, embedded ties and weak ties in the form of exchange networks (Thompson, 2007).

Organizational Structure

A 2002 survey on internal collaboration conducted by the American Management Association (AMA) found that silos or fiefdoms existed for 83% of corporate respondents. In addition 97% of those respondents indicated that silos had a negative effect on their organization, leading to turf wars and power struggles. Silos create an environment in which the personal and departmental ambitions of managers take precedence over enterprise goals. Respondents implicated the attitudes of unit managers for these silos (81%), followed by indifference to other department needs (61%), and corporate culture that did not support collaboration (59%). In a 2003 AMA survey on collaboration and silos, 60% listed lack of collaboration as their major challenge (Stone, 2004). Beyerlein et al., would agree with these findings and state, “An assessment of most people and most organizations would provide a low score on collaborative abilities" (2003, p. 14).

Even if the right processes are in place for collaborative behavior, structural walls can impede the right connections. Gulati remarks, "While coordination mechanisms can align tasks and information around customers' needs, they don't necessarily inspire a willingness among members of competing silos to fully cooperate..." (2007, p. 4). In an attempt to overcome these structural walls, Cisco has created "voice of the customer" teams overseeing six complete processes that cut across functional boundaries. Half the battle to promote cross-silo cooperation lies in the "softer" aspects of culture, including strong values, a highly egalitarian culture and clear company communication. The other half of the battle relates to the harder aspects of power structures, metrics and incentives. For example those people who are close to the customer and who are adept at building bridges across silos should be the ones with the most power. Unfortunately leaders of silos may be less willing to give up their existing power (Gulati, 2007).

Silos arise because strong unit boundaries give leaders clear lines of authority and undisputed power to manage their P & L's, but when silos become pathological, they hinder the organization's ability to grow and respond to new market opportunities (Ready, 2004). The moment people become more interested in protecting their own turf than focusing on the organization's larger goals, they are guilty of what Herbold (2004) calls the "fiefdom syndrome." These fiefdoms constrict organizational effectiveness, become bloated with redundancies, and hoard resources. They can occur within clique networks, divisions, or teams. According to Herbold (2004), most people have a natural tendency to control and protect their own environment and focus on their own staff, resources, and responsibilities; but some managers want to build their own empires without regard to organizational needs.

To break down fiefdoms, Herbold (2004) recommends assigning two to three experts from each unit or department to manage and maintain company wide processes---with the CEO as customer. When organizations standardize their data, templates, and processes across units, firms get more knowledge sharing and less information hiding. But it takes very strong leaders to stand up to fiefdom chiefs. It takes confronting them with strong objectivity and tough questions. The other way to nip fiefdoms in the bud is to rotate people in and out of teams, departments and divisions before fiefdom mentality takes hold (Herbold, 2004).

Most organizational structures complicate the formation of collaboration. Tsai defines hierarchy as “centralization of authority relations where coordination is achieved through vertically imposed bureaucratic processes” (2002, p. 180). Although conventional wisdom has held that centralization facilitates information sharing in an organization, Tsai’s (2002) empirical research in a large multiunit company showed the opposite. The more control that headquarters exercised on its subunits, the less they were willing to share knowledge with other units. In fact the study confirmed that the level of centralization was negatively associated with the level of organizational knowledge sharing. Adler (2001) notes that as hierarchical structures *force* the dissemination of existing knowledge across divisions, such control undermines the creation of new knowledge.

Whereas vertical hierarchical structures were once thought essential for corporate effectiveness, contemporary firms are now organized around flatter, lateral processes (Cunningham & Chelladurai, 2004). The current reduction in hierarchy has created more decentralized versus centralized decision-making and organizational structure (Hansen, 2009). The benefits of decentralization give people closest to the business the ability to own their work and the freedom to run it. But the resulting business units can become silos, if a collaborative culture is not built. Over time, decentralization may turn a company into a collection of silos or fiefdoms. On the other hand there can be decentralization *and* collaboration. The CEO of PepsiCo, Indra Nooyi, refers to a collaborative but decentralized organization as "connected autonomy" (Hansen, 2009, p. 19). When using disciplined collaboration, organizations may be able to have the best of both worlds, even though this will continue to be a challenge.

In most organizations collaboration does not happen organization-wide; it only happens in pockets with the occasional network exchange or the project-specific assembling of a cross-functional team. Highly collaborative companies like Hewlett-Packard and Intel are more the exception than the rule. When companies do have organization-wide collaboration, they are structured completely around layers of teams (Beyerlein et al., 2003). By definition teams are groups of individuals who work together to produce or deliver good and services for which all members are held accountable (Thompson, 2007). In high-collaboration firms, these structures have evolved from single interdependent teams to team-based organizations (TBO) with significant interdependencies across teams, to the final stage---fluid sets of interdependencies within and across the organization. These often self-managing teams can be temporary, permanent, functional or cross-functional, local or virtual (Beyerlein, 2003). TBOs improve the flow of information and resources across the firm. Whereas control of work, decision-making and power used to reside at the top, in TBOs, they are distributed throughout teams---substituting hierarchical for peer-based control (Pfeffer & Veiga, 1999).

Cross-functional teams. Firms often assemble cross-functional teams to help them succeed in challenging projects. For example in covering the World Cup, the media must pull together writers, researchers, technicians, producers, and cameramen in a "no retake" environment. In global organizations, cross-functional teams may be composed of virtual, diverse, and highly educated specialists. The very qualities that are requisite for success can also undermine a team's ability to get tasks done. As team size increases past 20 members, the tendency to collaborate decreases. Also virtual teams spread over multiple locations tend to decline in cooperation unless the organization has established a strong collaborative culture (Gratton & Erickson, 2007). After researching 55 large complex teams, Gratton and Erickson (2007) found that the greater the diversity of background and experience and the greater the proportion of strangers due to virtual location, the less likely team members were to share knowledge. Even though the diversity and distance often inherent in cross-functional teams can inhibit collaboration, potential solutions exist.

Hewlett Packard successfully uses virtual cross-functional teams to deliver industry solutions that have cut normal R & D time in half (Legare, 2001). In the process this organization has learned some lessons. Individual members must: (1) develop a global perspective on the needs of the business and its customers; (2) be willing to take personal risks when sharing and learning from others; (3) have a nonhierarchical attitude about working with people at different levels (4) form informal networks with others within and outside of the team to achieve project goals; (5) put organizational politics and loyalties aside (Legare, 2001).

Leaders also utilize networks as a way to compensate for weaknesses in formal structures (Cross, 2009). Strong interpersonal networks not only break down silos, they help to build lateral capability. Useful ways to foster networks include physical co-location, communities of practice (networks of employees with shared work interests), annual retreats, training programs, rotational assignments and e-coordination (Galbraith, Downey, & Kates, 2002).

Conflict and Collaboration

While silos create structural barriers between people, conflict creates psychological ones. Conflict can hurt collaboration when organizations fail to address the inevitable tensions that arise (Ready, 2004). Weiss and Hughes (2005) feel that poorly handled conflict is the root cause for failures in collaboration. People may withhold information and cooperation from those with whom they have conflict, undermining the quality of organizational decisions (Runde & Flanagan (2007). Conversely organizational conflict may be positive when managed well (Tjsovold, 2008). Differences in perspective, competencies, and information can generate much of the value that comes from collaboration across organizational boundaries. Because conflict is inevitable, leaders should spend less time trying to reduce it and more time developing methods to manage it. When this is accomplished, conflict can be transformed from a serious liability into a major asset (Weiss & Hughes, 2005).

Definitions of conflict. The literature is divided about the definitions and causes of conflict. Many researchers break down conflict into two categories: task and relationship. Task conflict refers to disagreements about ideas and opinions pertaining to specific tasks. It is content-driven. Task conflict can stimulate original and divergent viewpoints. It arises from different perspectives, is less threatening to one's personal identity, and involves less intense emotions (De Clercq et al., 2009). Furthermore task conflict tends to motivate members to search for optimal solutions (DeDreu & Van Vianen, 2001).

On the other hand, relationship conflict is rooted in different personal norms, ideologies, values, and personality clashes. Relationship conflict involves negative emotions that are unrelated to tasks. This type of conflict can threaten one's personal identity and feelings of self-worth (DeDreu & Van Vianen, 2001). It is person-driven and characterized by feelings of tension, annoyance, and frustration with the other party. Because these negative emotions distract from knowledge exchanges and decision-making, they can be detrimental to innovation (De Clercq et al., 2009).

Tjsovold (2008) takes a different approach. He argues that conflict researchers have become overly enamored with categorizing conflict as to content (task or relationship) and quality (constructive versus destructive)----defining task conflict as more constructive and relationship conflict as more negative. Tjsovold (2008) challenges this framework, arguing that even discussing how to do one's job can evoke intense feelings. Because thinking and feeling are highly related, he proposes a more integrated approach. To deal effectively with conflict, people must assimilate their rational, task, emotional, and relationship sides. In fact it is not the type of conflict (task or relationship) that matters, it is how the conflict is managed that matters (Tjsovold (2008). Runde and Flanagan also make no distinction between task and relationship conflict. Conflict is "*any* situation in which interdependent people have apparently incompatible interests, goals, principles, or feelings" (2007, p. 22).

Empirical studies on task and relationship conflict. Empirical studies pertaining to conflict and collaboration have generally distinguished between task and relationship conflict. Lovelace, Shapiro, & Weingart (2001) examined task conflict within cross-functional new product teams. They found that as cross-functional team diversity increased, so did task conflict. In turn as task conflict increased, the teams were *less* innovative. However, the more collaboratively (versus contentiously) members communicated, the negative effect of task disagreement on innovation weakened. Most research suggests that when teams manage task conflict through collaborative responses, team effectiveness is enhanced; but when teams manage task conflicts through contending responses, team effectiveness suffers (DeDreu & Van

Vianen, 2001). Although cross-functional diversity seems to increase task disagreement, it is the response to the disagreement that impacts team performance (Lovelace, Shapiro, & Weingart, 2001).

One reason for cross-functional conflict is that people from different functional areas live in different thought-worlds and as a result have divergent viewpoints (De Clercq et al., 2009). For instance marketing departments may want to increase market share, while manufacturing may concentrate on operational efficiency. Even though the assembling of people with different perspectives and backgrounds can spark dissent, it can also spark insight and lead to innovation (Gratton & Erickson, 2007).

De Clercq et al. (2009) focused on task and relationship conflict in cross-functional exchanges. These researchers found that strong social ties between functional departments facilitated healthy surfacing of debate (task conflict) and a corresponding *increase* in innovation. Not surprisingly they found a negative association between relationship conflict and innovation, further amplified by close social interaction between functional departments. They found that if personal misunderstandings remain unsolved, additional interactions would be counterproductive. The researchers suggested the importance of preventing task conflict from turning into relationship conflict by avoiding win-lose tactics.

. DeDreu and Van Vianen (2001) researched relationship conflict and its impact on team effectiveness. Their sample included heterogeneous teams involved in non-routine complex tasks. The researchers studied the effect of three different types of communication responses to relationship conflict: (1) collaborative--- working with others towards a mutually satisfying solution; (2) contending--- working against the other party to obtain one’s goal in a win/lose scenario); (3) avoiding---moving away from the conflict issue and ignoring the problem. This study suggests that avoiding responses to relationship conflict were more beneficial to team effectiveness than collaborating and contending responses. Collaborating (trying to open up dialogue) amidst feuding team members exacerbated the situation. Contending produced even worse results. What distinguishes this study from the previous one is that avoiding responses did not mean avoiding the *person* with whom one had a conflict. It meant avoiding the interpersonal issues and focusing instead on accomplishing shared tasks. Lewis (2000) observes that in relationship conflict stemming from ethnic, religious, or demographic diversity, it is important to maintain a task focus, to learn to value differences, and to reduce power discrepancies. Valuing differences means appreciating varied perspectives and capabilities, rather than accentuating personal or ethnic distinctions.

Runde and Flanagan (2007) and Tjsovold (2008) do not generally recommend avoiding conflict in either task or relationship disagreements. Tjsovold (2008) believes that doing so undermines relationships and team performance. “Despite the widespread beliefs that conflict’s benefits are limited to task and rational issues, studies indicate that open-minded discussions of anger can be useful for strengthening relationships and restoring respect between persons” (Tjsovold, 2008, p. 22).

These researchers propose that both types of conflicts must be dealt with in a constructive manner and not avoided. Runde & Flanagan (2007) recommend what they call active constructive responses. These include perspective taking, creating solutions/options, expressing emotions constructively, and reaching out to the other member. Passive constructive responses include reflective thinking, delaying response, and adapting. Active destructive responses involve displaying anger, winning at all costs, demeaning others, and retaliating. Passive destructive responses involve avoiding, yielding, hiding emotions, self-criticizing.

Conflict management mechanisms. The previous discussion has centered on the micro conflicts between individuals within heterogeneous or cross-functional teams. Firms must apply a different approach when dealing with conflicts across units. Often the root cause has to do with units' different and often competing priorities. Senior leaders can help resolve cross-unit conflict by giving people the criteria for making tradeoffs when the needs of different parts of the business are at odds with each other. Weiss & Hughes (2005) counsels that top management provide people with clear criteria for making trade-offs that benefit the overall enterprise; for example, clarifying the relative importance of cost versus quality; speed versus thoroughness, market share versus customer satisfaction. Often collaboration requires integrating complex information that has important consequences. The following processes can go a long way in preventing conflict between groups. These include (1) clear, shared understanding of the criteria on which to make decisions; (2) understanding the overall ethical principles of the organization; (3) a defined process for collecting and reviewing information; (4) a respect for differing expertise and (5) clear escalation process for decisions when the team lacks the necessary information (Beyerlein at al, 2003).

Blue Cross and Blue Shield Florida has developed a template that helps multiple parties analyze the trade-offs associated with different options and helps to create a criteria-based dialogue for making effective decisions. IBM's template forces people to document and analyze disputes before participating in conference calls focused on resolving them. Parties view these conferences as an opportunity to resolve high-stakes, high-visibility issues. As a result of this process, IBM has closed significant sales (Weiss & Hughes). Royal Bank Canada has created leader-facilitated discussions call RBC Leadership Dialogues so that executives can understand the tough choices and dilemmas faced by the bank as a whole. These dialogues help leaders flush out conflicting priorities and broaden their thinking about what is best for the organization (Ready, 2004). Intel provides managers with extensive conflict management training for handling disagreements so that little time is wasted on personal accusations. Instead time and energy are spent on evaluating alternatives. Transparent discussion of the reasoning behind decision criteria prevents speculation about who won and who lost---that breeds mistrust, sparks turf battles, and otherwise impedes cross-organizational collaboration (Weiss & Hughes, 2005).

When disagreements do occur, organizations need clear policies regarding escalation. What doesn't work is kicking conflict up to one's manager, where the manager only gets the perspective of the direct report. What does work is establishing and enforcing a requirement of joint escalation. Some organizations require that two people with a disagreement send a joint write-up of the situation to each of their bosses and stand ready to appear together and answer questions when those bosses meet to work through a solution. In many cases, the requirements to systematically document the conflict and start to propose solutions results in a resolution before the concern is ever escalated (Weiss & Hughes, 2005).

Johnson & Johnson takes an unusual, but effective, approach. A small internal group is charged with facilitating the collaboration among J & J's operating companies, tracking and analyzing disagreements about issues such as if and when to outsource, or which suppliers to use and how much to spend with them. This internal group hosts a council comprising representatives from different operating companies that meet regularly to discuss differences and explore strategic options (Weiss & Hughes, 2005).

The leader's role. A number of scholars point to the essential role that leaders play in resolving conflict in support of collaboration. Role modeling by leaders can foster a culture that values good-faith dissent and encourages resolution of conflicts through direct negotiation (Runde & Flanagan (2007). Leaders should encourage team members to express whatever differences they have in task-productive ways (Lovelace et al., 2001). Successful leaders learn to identify and manage the sometimes competing interests of colleagues, which can strengthen relationships, increase productivity and renew enthusiasm (Dreachslin & Kiddy, 2006). Team leaders can help members manage divergence---the surfacing of different perspectives, working through alternatives, and then convergence---reaching agreement (Beyerlein et al., 2003).

Gerzon (2006) makes the case that the most effective organizational leaders serve the role of mediator. That means that leaders are capable of integral vision---holding all sides of a disagreement in its complexity while not being trapped or limited by these sides. These leader-mediators can see the whole and integrate competing approaches. They build dialogue and trust, improve communication around them, and lay the foundation for breakthrough ideas. They build cross-boundary alliances and a shared sense of ownership so that stakeholders not only buy into plans; they share the outcome.

Methodology

Most researchers have examined collaboration from an empirical perspective, sometimes forgetting that collaboration is a phenomenon that occurs between people and is distinctively experienced by them. In order to address this gap, the study will rely on the phenomenological method of qualitative research. This method is particularly appropriate because it “describes the meaning for several individuals of their lived experiences of a phenomenon” (Creswell, 2007, p. 57). Moreover the phenomenological approach may also be particularly suitable to organizational research. Sanders (1982) posits that phenomenology is uniquely capable of probing the deep structures of organizations by uncovering people's honest views about the systems in which they work. In the same vein, Trochim (2006) recommends this approach to "achieve a deep understanding of how people think about these topics" (p.2).

Creswell (2007) cautions that in qualitative research, the investigator must consciously set aside any previous notions and listen carefully and openly to the stories and perspectives of each respondent. The researcher works consciously to (1) set aside personal notions about the topic and her experience with it; (2) allow the respondents to voice their own views; and (3) provide an accurate context in which to convey their perspectives.

Interview Protocol

Based on the recommendations from Rubin and Rubin (2005), the researcher used the following interview protocol (1) thanked participants for agreeing to be interviewed; (2) discussed purpose of interview: (a) for leadership studies Capstone; (b) to explore research topic; (c) to understand perspectives and experiences of professionals who collaborate; (3) asked for their consent (seven who were interviewed by phone provided oral consent after receiving emailed consent form and one participant interviewed face-to-face provided written consent); and (4) emphasized the confidentiality of their remarks. After receiving consent, the researcher proceeded to record all interviews with participants to ensure accuracy of content. After the interview, the researcher thanked participants again, asked permission to follow-up with additional questions if needed, and asked where to email a summary of their comments. The summary provided an important member check. Most participants chose to have the summary sent to their personal email.

Interview Questions

Interviews were the main tool for data collection. Semi-structured interview questions and related follow-up questions were formulated to focus the conversation on the main research topic and still allow flexibility in pursuing other tangents of conversation (Interviewing in Qualitative Research, n.d.). In practice, the order of these questions depended on the lines of thought pursued by the respondent. Follow-up questions provided more detail and clarification on the topic and when possible probing questions were used to elicit more depth (Rubin & Rubin, 2005). The following open-ended questions served as a guide for the interview process:

1. Could you tell me a little about your role in the organization and what you do?
2. What types of collaboration are typical in your organization? What types are most effective?
3. Has your organization implemented any processes, systems, or training that enhances collaboration? What kinds? How have they worked?
4. Could you tell me about a work effort that required a lot of collaboration that turned out to be a success? What made it work? How did leadership contribute to this?
5. Where was an endeavor less successful because of a break down in collaboration? What contributed to this? What could have been done differently?
6. What do you think it takes for people to be successful at collaborating? How do you look for these characteristics when hiring?
7. How has your organization benefited from collaboration overall?
8. What suggestions would you have for improving it?

Sample and Data Collection

The company is headquartered in the United States and is a large global provider of infrastructure solutions. It was chosen because its CEO has consistently conveyed the importance of working as “one” organization. In its public communications, the firm views itself as an integrated workforce providing seamless multi-disciplinary resources. One of its stated values is collaboration and doing what is best for the enterprise as a whole.

The sample included eight professionals all of whom live in the United States. The method of sampling was non-probability purposive whereby each participant had to have direct experience collaborating or leading collaborative efforts within the organization. The sample also employed a snowballing technique in that a few professionals known to the researcher were able to make introductions.

All of the respondents worked in one of the newer divisions (Division A). Two were mid-level professionals; the rest were at the officer level. This division includes three main solution groups. Half of the respondents came from the largest group in that division. Only one participant was local and could be interviewed in person. The other seven participants were involved in projects throughout the U.S. and were interviewed by phone. Interview lengths ranged from 50 - 60 minutes each. The phone interviews had built-in limitations because the investigator missed the additional depth of non-verbal cues. Nonetheless the digital recorder adequately captured all the interviews conducted over the phone.

Although the researcher took some notes during the interviews, she relied on the recorder throughout each interview. This allowed her the freedom to concentrate on the insights and experiences of the participants, follow up with relevant questions, and ensure that the interview had thoroughly covered the topic. The researcher transcribed each recorded interview herself and sent summaries of each interview to the respective participants for their review.

Data Analysis Procedures

This study relied on guidelines developed by Moustakas (1994) and Creswell (2007) for the organization and analysis of data. Moustakas (1994) states, “The procedures include *horizonalizing* the data and regarding every horizon or statement relevant to the topic and question as having equal value. From the horizonalized statements, the *meaning* or *meaning units* are listed. These are *clustered* into common categories or *themes*, removing overlapping and repetitive statements" (p.118).

Based on this approach, the investigator organized participant's statements into meaning units that included: (1) their experiences with collaboration (2) the predominant collaborative issues for the division and company in which the participant worked, (3) how the company's leadership, culture, structure, and systems affected collaboration, (4) the benefits the company derived from collaboration, and (5) ideas and suggestions for fostering more collaboration within the organization.

From these meaning units emerged several main themes: (1) the impact of the company's structure, culture, and systems on inter-divisional collaboration; (2) the gap between the top leader's vision of collaboration and it's reality (3) the benefits that could be derived if there were more cross-divisional collaboration.

To ensure the confidentiality of the research, this paper uses pseudonyms for the company, the divisions, and the participants. The company will be called Global Solutions. Its divisions will be referred to alphabetically. The pseudonyms for the respondents are John, Terry, Sam, Paul, Darrell, Tim, Frank and Joe. Although everyone's comments were influenced by their unique experience, background and position, there was tremendous consistency regarding the main themes.

Findings and Discussion

For a company whose corporate values include "collaboration" and "doing what is best for the company as a whole" the interview data came as a surprise. The respondents experienced a definite *lack* of inter-divisional collaboration. Nonetheless, they remarked that top management recognizes the value of collaboration for growing the firm's business. It understands the enterprise must leverage its internal capabilities. No problems are simple anymore; clients have complex projects requiring expertise from multiple disciplines. Top management also grasps that the company could do a better job of bringing disciplines together through inter-divisional sales efforts and service offerings. So to remedy this situation the CEO is constantly "preaching" the need to operate as "one" Global Solutions. All respondents mentioned the CEO's effort and indicated the company is making some progress in this direction. For example most employees understand that collaborating within and across divisions is "the right thing to do" and will engage cooperatively when asked. However, as one person put it, "collaboration across the company is important to the top leaders. They talk about it a lot, but they haven't found ways to make it happen."

Background

Prior to the formation of Division A, not much overlap existed between divisions and their projects. Each division had distinct capabilities, services, and clients. Years of operating as separate entities with separate P & Ls had turned the divisions into silos. When top leadership saw the value of providing consulting services to augment its engineering and infrastructure work, it created Division A. In fact the original purpose for this division was to develop CEO relationships with the client base and "funnel large projects to the rest of the organization."

This new division generated a need and an opportunity for collaboration that had previously not existed, because its client base now extended across divisions. When Division A was formed, "early on it [collaboration] was less than 5% until people had to." Inter-divisional collaboration has grown steadily since then; but based on all the interviews, not nearly enough has occurred to move the business forward.

Division A seems to have acceptable collaboration within its solution groups, even though its professionals operate in a virtual environment. Technology has certainly facilitated the ability to work together. “For organizational collaboration, not the touchy-feely of working together, but the nuts and bolts of collaboration: documenting things and being able to edit and update them…the MS Sharepoint is amazing. It really facilitates collaboration. I have people working from every corner of North American. We’re all online together, all looking at the same document, we’re pinning it up. We just couldn’t do that five years ago.” John mentioned how his colleagues in Division A tend to work very collaboratively together when physically located at client sites and working virtually from home offices.

By contrast collaboration across divisions seemed far more limited. Tim mentioned that several times a year, he would find opportunities to give other divisions some work, but “there aren’t many occasions when that will get reciprocated.” In fact he felt that “across divisions the most typical collaboration is none.” Joe was aware of only three active cross-divisional projects, compared to the 66 active projects within his solution group alone. One senior level professional remarked, “I see almost no collaboration across divisions. I really don’t like the silos that we’ve created. There is way too much focus on protecting a client relationship or perception of owning a client and virtually blocking off other opportunities.” The collaboration that does occur falls into the category (Beyerlein et al.) called collaborative “pockets”: the occasional network exchange or the project-specific assembling of a cross-functional team.

Benefits

While acknowledging the dearth of cross-divisional efforts, respondents also recognized (in qualitative terms) great value when it happened and significant loss when it didn't. Most of the comments in Table 1 refer to benefits from collaboration within Division A, while most of the comments in Table 2 refer to the lack of collaboration at the enterprise level.

Table 1.

Benefits of Collaboration

Joe	"It is really fundamental to our business and for adding value to our clients."
Sam	"We've grown as a company and as a division financially. Hard to tell the amount that can be attributed to synergies but it is significant."
Paul	"I think it has significantly contributed and allowed me to run a much more efficient organization…"
John	"The value we deliver to our clients would be diminished. Through collaboration we are able to design better solutions."

Table 2

Loss Due to Lack of Collaboration

Tim	"I think we could be doing 25% better if we did a better job of collaborating. Of course in our daily work if we collaborated two heads are better than one. But it is especially important in creating new markets."
Darrell	"I think we've lost millions of dollars of opportunity over the years because of a lack of collaboration."
Terry	"If we could learn to collaborate better, we could reap the benefits more than we do today in terms of sales and productivity. Also better collaboration would help morale because people would feel their voice was heard and would have an incentive to work harder and sell more work."
Frank	"We would hold on to better people more and keep them from competing against us and taking work away when they left….our revenue would grow."

Interestingly all the statements (sometime directly, sometime obliquely) fall into Hansen's (2009) guidelines for collaborating: (1) to promote innovation, (2) to grow revenue, and (3) to increase operational efficiency. The comments about "design better solutions" and "creating new markets" speak to collaboration's value in promoting innovative. The references to "revenue would grow" or conversely "lost millions of dollars of opportunity" address the impact collaboration has on top line growth. The remarks about "run a much more efficient organization" and gains in "productivity" point to collaboration's potential for increasing operational efficiency.

These perceived benefits also correspond to findings from the empirical literature on social capital. Tsai and Ghoshal (1998) found that social capital facilitated innovation. Reed, Srinivasan, & Doty (2009) found that strong social capital, when augmented by strong human capital, positively impacted corporate financial performance. Respondents alluded to how leveraging the firm's human capital had benefited the company, particularly the division. Even so, more opportunities were lost due to its failure. One leader noted "We have skills and capabilities within our organization that are unmatchable in the industry. We execute like a piece of s*** against it."

Two trends in the industry have necessitated more cross-division collaboration: cyber security and the huge game changer called smart grid. The utility industry is now subject to government regulations intended to prevent cyber attacks on the nation's electric grids. Global Solutions knew its clients needed help responding to these regulations, but the company didn't have a cyber security practice. One person identified eight people from four divisions who could combine their expertise to build these innovative new service offerings. This effort involved finding people with expertise in IT, substations, telecommunications, and physical security.

Although the revenue generated by this practice is still small (several million versus the several billion generated by the corporation), the practice is thriving. Tim remarked how collaborative the experience has been, even though he had to "fly under the radar" to assemble the team. Although the *people* in this practice are collaborating well, the *systems* are getting in the way. While this practice resides in Division A, its professionals come from different divisions, and sometimes that puts them into conflict with the priorities of their "mother" divisions.

Smart grid initiatives have the potential to provide significant future revenue streams for the company. Both the industry and the federal government have recognized the need to conserve resources and utilize electricity more efficiently. Many utilities have received smart grid grant money from the federal stimulus package and need help executing these very complex project plans. Smart grid projects require expertise from many disciplines. Even though smart grid projects are good opportunities for cross-divisional involvement, Paul believes "we don't do a good job of bringing those disciplines together."

Initially, the efforts to "own" the smart grid space entailed more of an internal than an external battle. According to John "Everyone had their own little turf. There were very real obstacles, like certain groups wanting to sell their services to create more revenue for themselves and therefore more bonus money." Tim agreed that, "Addressing smart grid effectively requires collaboration within our company. We need to draw on expertise from within our different divisions. But everybody is out there trying to put the biggest stake in the sand---which hurts us in the market. Although the market may not be aware of it, our lack of collaboration prohibits us from gaining momentum."

Many of the leaders in this research have worked to build cross-divisional collaboration despite the structural barriers. One leader was involved in a task force with a university, to help it develop a consortium between the local energy company and the local hospital. The consortium's purpose was to develop a micro-grid for more efficiently managing electricity in that area. This leader brought together a multi-disciplinary team from across Global Solution's divisions to assist in this effort. He intentionally did not invite some people regardless of their role or expertise, if he didn't think they were team players. Instead he chose people who were "oriented towards winning as a part of the team versus winning at the expense of other team members." He also chose people who were capable of "thinking out of the box." As a result, the task force helped the consortium envision viable new approaches for managing its electricity.

In another example Sam received a request for a client study that would require skill sets beyond the capabilities of Division A. Sam needed the cooperation from Division B to secure the business. He succeeded because he was flexible and listened patiently to their issues and concerns, but as he remarked, "There were a lot of challenges. It was very difficult because people were territorial. Some people didn't want others to be successful." The core issue revolved around whether this engagement would preclude Division B from doing future work for the client. Sam resolved this issue to the satisfaction of all parties, including the client. But the first response from Division B was not positive, because they feared it might negatively impact their bottom line. To succeed, Sam had to build trust with the people in Division B. He had to convince them that "I wasn't just looking out for my division."

Barriers to Collaboration

Lack of trust. Some participants alluded to the lack of interdivisional trust characterized by (1) concern about making one's division vulnerable (2) questions about the intentions or competence of people in other divisions, or (3) concerns about reciprocity. These issues sometimes surfaced when the company was trying to win and deliver inter-divisional projects or create new inter-divisional market solutions. One leader recounted how he found an opportunity to bring people from Division D into a project, but Division D vacillated in its commitment because the project didn't precisely fit its business model. He tried to renegotiate the deliverables to their satisfaction and "naively" thought he had an agreement with them. When Division D still hadn't responded in time for the proposal, he was forced to seek expertise outside the company because "we weren't willing to risk a client relationship and we wanted to look good as a company". The experience left both divisions upset with each other, and Division A had to push money outside the company for expertise that was available within.

Many individuals mentioned the concern that bringing in another division might "mess up a relationship." For example Division C might hear from a client about a "once-in-a-five-year" opportunity that Division B could work on, but might be reluctant to bring it to their attention for fear that the other division might not deliver well. In other words each division was invested in protecting its ownership of and relationship with its clients. One leader reflected that this kind of culture has been allowed "to breed here forever". He is trying to break it down by developing a network of trust between divisions, which involves building trust through one-on-one relationships.

Structural barriers to knowledge sharing. Not only do divisions operate as silo-ed structures, with little lateral integration occurring across them; the expertise within them is "very compartmentalized." One person is currently assembling a proposal and project team for a smart grid initiative requested by a U.S. island territory. The island's power authority has asked for a total solution to its power problem; electricity on the island goes down once a day. The scope of the project encompasses everything from substation automation to back office system replacement. The grid is so unreliable, that the hotels have taken matters into their own hands and have purchased generators. The company's professionals on the island have even noticed electric "wires strung on trees."

While trying to coordinate this project, he observed that people from different areas were defining the client's problems in terms of their own expertise. People who laid electric wires for a living thought the main issue was a wire problem. People with telecommunications expertise, thought it was a network issue. While all of these difficulties contributed to the island's electric problems, the "core issue was supply." The island had no energy resources and was importing all oil. This leader was frustrated by how compartmentalized thinking got in the way of an integrated solution. This situation reminded him of the old adage that, "where you stand depends on where you sit."

Global Solutions is (predominantly) an engineering company with tremendous vertical depth and specialization of expertise. Joe joked that if you go to an engineer, he might say, "I own a left-handed smoke shifter and if you need that, I'm the guy to see. But for a right-handed smoke shifter, that guy sits down the hall." The ongoing challenge is to *locate* the right expertise. Apparently considerable time gets wasted trying to bring the correct resources together for cross-divisional opportunities. Joe calls this a "dialing exercise" of getting a name, calling the person up and hoping he has the knowledge you need. There is no online knowledge library. The organization's knowledge capital "is in people's heads."

Terry indicated a similar concern about knowledge transfer. A lot of hard-core subject matter experts will be retiring soon and taking their knowledge with them. One of the older respondents said, "I do my best to share my years of failures, successes and lessons learned with others, but there is no mechanism to capture this kind of knowledge." Joe mentioned that organizations very good at knowledge transfer schedule a workday around it; but with the constant pressure to meet productivity and profitability targets, his group doesn't have the time. Another person sounded the same theme. Although the company has a mentoring program, few people seemed to have the time for it. "There's so many things to do, fill out our expense report, do your project, keep the client happy, and by the way, have a life. Mentoring falls pretty low on the list and doesn't enter into anyone's scorecard."

The literature connects knowledge exchange with increased competitive advantage and collaboration with increased knowledge exchange. Beyerlein et al. (2003) note that collaboration can increase a company's competitive advantage through firm-specific co-created solutions. Tsai (2002) found empirical evidence that social interaction among organizational units was positively related to knowledge sharing, and that when leveraged could be difficult to duplicate in the marketplace. One respondent suggested that the best way to encourage inter-divisional collaboration and knowledge sharing is to go after projects that require different disciplines to work together, to solve problems together and then after a long day, to share a meal together. Tsai would agree.

Performance management systems. As the literature indicates, organization-wide collaboration will not flourish if it is not supported by the enterprise's systems, structures, and culture. The firm's performance management systems revolve around intensely managed individual scorecards. Each professional's scorecard involves achieving challenging *individual* goals specific to one's role. "You get all these reports about how you are doing, about how your goals were set or why your goals aren't being achieved in some metric. And you are so caught up in all of that, that there is really no time to step back from that to see the forest for the trees and look at the bigger picture." These scorecards drive individual and divisional performance; but they seem to negatively affect inter-divisional cooperation. Paul remarked, "There is no financial benefit to collaborating across divisions." Tim observed, "Everyone has their own metrics that align to bringing business into their own specific division. There is no cross divisional credit of any sort." According to Sam, there are three level of metrics, (1) the "god" level: what is good for the company, (2) the "kingdom" level: what is good for the division, and (2) the "king" level, what is good for the professional. Although employees benefit from the company's overall success through company stock in their retirement accounts, that "god" incentive is viewed as very indirect. Sam states, "We are paid 100% of our time to focus on our division and our own personal metrics within the division." The calculation of a professional's bonus is based mostly on the "king" level, achieving one's performance metrics and goals within the division. The remainder of a professional's bonus is based on the division's performance.

All the respondents acknowledged that scorecard metrics drive behavior. The firm operates in an intensely competitive environment, and the soft economy has reduced its clients' budgets. So in order to aggressively manage its revenue, profit and productivity, management pays considerable attention to scorecard results. Scorecards affect individual bonuses, promotion opportunities, (and frankly in this economy) continued employment. Because annual bonuses can comprise a significant part of a professional's compensation, most people naturally do what they can to maximize it. For many professionals, bonuses edge up what they may achieve in their lifestyles: sending their children to a better school, taking a trip, or buying a car.

Paul states, "I find most people will collaborate *if asked* and they know it's the right thing to do. But if you don't articulate it or bring it to light, they will do what their scorecard says." Sam estimates that only one-fourth to one-third of the people at Global Solutions will forget their metrics and do the right thing, which is to collaborate to serve the client. According to Frank, "Most people are so engrossed with getting projects, doing projects in their own sphere, that this "one" [Global Solutions] concept has very little impact".

Several leaders talked about being penalized by being collaborative. Said one person, "A contributing factor to my success is that I have often sacrificed my own metrics for the good of the company and was told I was doing that and knew that my metric wouldn't be adjusted for doing the right thing and took a hit for it financially." Darrell talked about believing in a collaborative spirit even without incentives. He wanted to improve the whole company by bringing business opportunities to other divisions even if that meant taking "a back seat as to personal reward." Frank mentioned bringing in a $20 million dollar deal for another division without any reward, recognition or compensation. Meanwhile the time and effort he spent helping that division may have negatively impacted his own metrics.

Another thread that ran through the research was the *fear* of collaborating. One leader said, "Unfortunately we tend to create incentives that in terms of compensation programs that tend to make you not want to take the risk of exposing yourself, or your client, or your business to other opportunities, to play it safe, to play it well so that at the end of the year you get whatever points or dollars or promotions, whatever. And I think that's detrimental." Especially after the recent layoffs and furloughs, people are less inclined to collaborate when they feel it might risk their results and maybe even their jobs. Darrell didn't think that most people would step out and take a risk unless they were rewarded for collaborating.

Respondents commented that the CEO constantly preached, exhorted, and "mandated" everyone work as "one" Global Solutions; but until the metrics were aligned to support collaborative behavior, these efforts were (as one respondent called it) "naïve." This brings to mind Kerr's (2007) article "On the folly of rewarding A, while hoping for B." Kerr advises that formal reward systems should positively reinforce desired behavior rather than create barriers to be surmounted.

The theme of metrics entered into every conversation. They were perceived as counterproductive, rigid, broken, and unfair.

Table 3

Metrics

Terry	There is a perception that management only cares about productivity and numbers and that's it.
Frank	Our metrics encourage focusing on one's own projects. We don't compensate people for selling or delivering across divisions. We don't reward them with positions or status either.
Joe	That structure [regarding the metrics] is completely broken.
Darrell	The rigidity and administration of the scorecards need to be improved so that the goal posts don't move if you happen to win the day.
John	If my division isn't doing well, my bonus will suffer, even if the company overall is doing well.
Sam	"The metrics do end up encouraging a lot of short-term focus."
Tim	Our metrics are counterproductive. If the metrics were such that you needed to collaborate to succeed, that would help.
Paul	We need to better align our metrics to drive collaborative behavior.

Even an initiative the CEO launched seemed to flounder because of the metrics. The CEO assembled teams of high-level people from across divisions. Their purpose was: (1) to identify needs at selected clients that might benefit all divisions and (2) to create cross-divisional service offerings that could benefit clients. Although the team members met regularly, they understood their metrics would not be changed to support this initiative. According to one respondent, this project was doomed from the beginning because 100% of the team members' metrics were still focused on their own divisions. As a result the teams didn't identify any meaningful cross-divisional opportunities and the "goals for the initiative failed miserably."

The success of divisional Presidents is based on their own division's performance. These leaders are under immense pressure to make their numbers and therefore maximize their division's results. Within each division, billable hours for projects are managed "to the nth degree". So the compensation system motivates professionals and their leaders to maximize their division's results, sometimes to the detriment of other divisions. As one senior officer put it, our "internal metrics pit one group against another."

The literature on collaboration emphasizes the importance of aligned performance management systems. In the case of Global Solutions, performance metrics seem to encourage not just divisional focus and lack of cooperation, but (sometimes) divisional competition for client ownership and service offerings. Rosenberg and Trevino (2003) argue that incongruent goals between groups increase competition. Kerr (2007) cautions leaders about rewarding one type of behavior while desiring another. Ready (2004) notes that when looking out for the enterprise as a whole is not considered a criterion for leadership success, cooperation will suffer. Hansen (2009) warns about the perils of individual rewards and recommends rewarding bonuses based 50% on individual performance and 50% on demonstrated collaborative behaviors.

It would be a complex and costly undertaking to change the performance management systems of this large organization. The challenge would involve motivating enterprise-wide cooperation without jeopardizing divisional performance. Meanwhile Frank summarized the feelings of many respondents, "Either top management should stop preaching about "one" organization or do something about it."

Culture. The company's culture also plays a significant role in the lack of interplay between divisions. One factor is the intense and disciplined focus on division-specific projects. "What do we focus on? ...delivering projects in that particular area and division. And what do we do very well?...delivering projects in that particular area." Frank talked about the company's reputation for successfully managing very complex client engagements. Its laser focus on superb project execution has distinguished it in the marketplace. Because of that strong *intra-*divisional project focus, we are “perfectly designed to fail at collaboration.” According to Frank “our leadership works wonderfully for projects where the scope is very well defined within each division. It works very poorly for inter-divisional collaborative scope-building projects.” This strong divisional project focus prevents professionals from growing project scope, from questioning how the current project might interact with other projects, and from looking for places where other division services could be sold to a client. It also plays into managers’ possessiveness of their people resources when leaders from other projects try to tap into their talent pool. One respondent said, “It’s one of the things that really bugs me about the way [our company] works. People are very protective of their people. They don’t want to lose resources.”

In broad terms, the older divisions could be characterized as more hierarchical and the newer division as flatter and more entrepreneurial. Also in broad terms, the older divisions are much more engineering oriented, while the newer division concentrates on consulting services. Paul discussed how the education and disciplines of consultants and engineers lead to different mind-sets and dissimilar cultures. Emphasizing that one group was not better than the other, he characterized hard-core engineers as “sort of inwardly or desk-focused,” “analytical, design and report oriented.” So “that creates jumps because they may not communicate in the same style we do which means that (and in my opinion communication is a big part of collaboration) we don’t hit on all cylinders.” For example engineers are trained to ask “why-not” questions. Paul illustrated his point. “If I’m flying in an airplane, I want the engineers to have carefully thought about the ‘why not’ from every possible angle”… about why the plane might fail. By contrast, consultants are trained in business school to ask “yes-if” questions: to employ a creative outward-focused approach, to ask what would make an endeavor succeed, not what would make it fail. Because these two groups approach problems differently, “when you bring those folks together from business and engineering backgrounds, you can end up with some pretty frustrated people, if not handled well.” Paul talked about the challenge of leading and leveraging this diversity so that their different skills and capabilities could be brought “to the table in a fruitful manner.”

The legacy culture of the enterprise is male-dominated, task-oriented, and client-focused. Frank cited the organizational culture of taking care of the client even when personally inconvenient, of flying out Sunday evening because a client wanted to meet early Monday morning, and not charging for travel time if the budget wouldn’t cover it. He pointed out that professionals come to work for the company to do tasks and do them well. Because they are more task-based than relationship-based, engineers aren’t much attuned to personal niceties or sensitivities. “When I look at the characteristics of feeling, emotion, and understanding, we have little of those and are challenged in that area within our organization, because we are task-oriented. We will get the job done. There may be some bodies, that’s tough, live and learn, move on.” Therefore “we are predisposed to not do interpersonal collaboration as well as we should.” On the other hand, he pointed out that engineers, as aggressive problem-solvers would willingly “book learn” interpersonal skills if they thought it would help them get a job done more effectively. Paul joked that where consultants were naturally good at collaboration, engineers were good at slide-rules.

The respondents painted a complex picture of the culture. Several of them mentioned what they loved about working at the company. Three specifically stated the friendly, down-to-earth atmosphere. Others enjoyed the chance to interface with different professionals on projects. A majority valued the inherent challenge of their work and the opportunity to develop professionally and grow in their roles. Sam reflected, “It is a rewarding place to work because we aren’t painted into a box that we only do certain things. There is a lot of opportunity to do not only what we know, but also learn to do other things that lead to more career paths.”

One senior-level respondent provided another view. “Over the last five years, we have become a little harder, a little colder. We have become more process and performance driven and less about people.” He told a heartbreaking story of a man with leukemia whose treatment prevented him from keeping up with the volume of work, even though the quality was fine. Because this man couldn’t meet his scorecard metrics, “we gave him a low performance rating six months before he died. What’s the purpose of that?” Darrell discussed the lack of work-life balance, of the company expecting 195% from everyone. Tim cited one professional with metrics that called for a level of productivity so high that “he couldn’t take his vacation or sick days.” Terry felt “…when the perception is that you don’t care about your people, then what incentive do they have to really produce for you? They’re going to look for something else. So we are losing good people right now, because that is the perception.” In the same vein, another individual mentioned that some long-term employees were looking for an early retirement buy-out because they felt that their contributions were no longer valued, that all the company seemed to care about was its bottom line.

Joe mentioned that the company needs to invest more in training, systems and processes that encourage collaboration, but it isn’t willing to forgo its profit margins. One person remarked that when things are going poorly, top management views training as an expense item not an investment. When things are going well, top management views training as unnecessary. Frank stated, “We have not had effective interpersonal training of any kind for about the last eight to ten years.”

Respondents discussed that top management's focus on the short-term could hinder the firm's long-term capabilities. This thread permeated many discussions. Respondents recognized the value of investing in the firm's human and social capital. When concluding his interview, the highest-level respondent provided a worthy perspective. "At the end of the day, it's all about the team. The physics of electricity or water are what they are. Steel is steel. We might put them together differently but we're not going to change those things. It's all about the people that make the project successful."

The literature identifies several factors that may have contributed to Global Solution's culture. Allen, Stelzer, and Wielkiewicz (1999) indicate that (1) flexible (versus rigid structures) and (2) rewards for collaborative (versus individual effort) create a culture ideally suited to collaboration. Yet the company's older divisions are more hierarchical and compartmentalized, versus flexible. Performance metrics and most of the resulting rewards are geared towards individual effort.

Nor do the professionals in one group seem to identify with professionals in other groups, whether consultant versus engineer, or one division versus another. Ellemers, DeGilder, and Haslam (2004) examine the effect of shared identity on collective efforts. If employees identify mainly with their group, they may be less inclined to share information and cooperate with other groups.

Finally learning systems can provide important support for collaborative behavior. Gratton and Erickson (2007) discuss that even in a collaborative culture, people must still learn *how* to work well together and note that these skills are trainable. However the company has no such training programs for developing the interpersonal skills that might benefit more task-oriented professionals.

Networks. Hansen (2009) asserts that collaborative companies run on networks, and the networks in this organization appear to be sparse. Many senior level respondents had mounted impressive, collaborative efforts. They knew with whom to network in other divisions for increased business opportunity and were boundary spanners who connected people unknown to each other. But their efforts appeared to be isolated cases. Respondents provided examples of a sparse network evidenced by lack of communication, collaboration and connection across divisions. Cross et al. (2002) caution that when individual efforts are prized over collaborative ones, networks tend to be sparse. Conversely collective rewards positively moderate the relationship between inter-organizational networks and knowledge (Khoja, 2009).

Table 4

Signs of Sparse Networks

Terry	“When collaboration happens across divisions, it’s at higher levels…but many people are still working individually in their silos, sitting at their desks, putting blinders on. There needs to be more collaboration across divisions at a lower level.”
Tim	“Most of our work is focused within our division. Consultants responsible for delivery tend to get very vertically focused. When you do give an opportunity to a person in another division, what tends to happen is that you never hear back from them. It becomes a hand-off.
Darrell	“Less than 5% of our people have migrated around the company.
Frank	“Most of our employees just don’t know about what other divisions do. If you took a ten year picture of our leadership teams, and tell me who came from different divisions within company, I could name three.”
Paul	“Our current divisional structure might actually be the right one. It’s not that our structure is suboptimal, it’s that we have suboptimal behaviors within that structure.
Sam	“His (the CEO) message is that we aren’t seeing enough leverage among the divisions---that we are still invested in getting our own projects, but not working with other divisions in any cohesive or coordinated fashion.”
Joe	If you try to ferret out who can do certain things, there is no place to go and get that.

These sparse networks affect knowledge sharing and lateral cooperation. The lack of cross-division assignments affects the development of networks. Ready (2004) and Hansen (2009) note the value of assigning high potential leaders to cross-platform enterprise assignments. These rotations can fend off insularity and help leaders facilitate more holistic solutions. Most importantly systematic rotations can build powerful organization-wide networks that leverage relationships across the enterprise.

Leadership. The CEO of Global Solutions came from one of the company's oldest and in some ways most traditional divisions. Many respondents feel that he was the right man for the job when he successfully brought the company back from the brink of financial distress ten years ago, but is not the right man for the job now. "First off we've got a CEO that is 62ish. To make changes we've been talking about requires a lot of work…there is the attitude that things are going fine, let's not mess this up too much. But business is changing dramatically and we need to think about how we stay effective at that."

Even though the CEO preaches collaboration, it "isn't much practiced by [him]." Many respondents describe his management style as "top down," "more of a carrot and stick guy," and overly conservative with cash, when the company requires investments in systems that would improve collaboration. Although the respondents give the CEO credit for wanting to leverage the organization's capabilities, he has not been able to "inspire it." He is viewed more as an excellent financial manager exhorting employees to trim expenses, sell more work, and excel at project execution in order to increase the company's stock price. "If I were the CEO I would try to get down to the people and understand what they are feeling and seeing. He tries the trickle down approach. He talks to 200 and those 200 talk to 200 and so on. They call it the cascade program. It's a fine idea but it doesn't reach to the heart and souls of the people. Lets get the hearts and souls of the company marching in the same direction."

The theme of top-down decision-making was voiced several times. For example the scorecard targets are set top down rather than bottom up. Top management determines what it wants next year, divides it up and pushes it down to the division and individual level. "There's really not a reality check like the bottom up approach that asks does this make sense---like gleaning what X amount of dollars we will get from the client base, or a region."

Some respondents didn't give high marks on collaboration to division Presidents either. One remarked it would be helpful if the senior levels of the divisions had a "more collaborative spirit…to provide that example for those folks below." He commented that when you get to the level of division president, it becomes a political game, an individual competition and race to the top. Because division success takes precedence over enterprise goals, these leaders are less inclined to "see the walls come down." In fact "the higher you go, the progressively less cooperative it gets." As Hambrick (1995) found in his research, the behavior of top management teams affects organizational culture. Significantly many respondents reported that at the next executive level down within Division A, collaboration was taking root. Leaders there seemed pro-active in putting people and projects together that defied the silo-ed culture.

When asked what kind of leadership would take the company forward one person said "different, outside the company. We need to figure out that cliff to walk on, that allows us to bring in very revolutionary thinkers without destroying the backbone of moral rightness and get the job doneness, which are our strengths." Another respondent agreed. He thought that the company needed to move past its traditional hierarchy because "I don't believe that's what the company needs to make its 2020---to continue to grow. [The company] needs more creativity, flair, outside the square thinking."

Recommendations and Conclusion

The companies that leverage their capabilities will gain a competitive advantage in the marketplace. Respondents from Division A understand this quite well because their division is tasked with creating many of the needed synergies. These professionals see the potential that collaboration could generate in terms of new service offerings. They realize the firm's future success will be impacted by how well it leverages its human and social capital. The respondents also recognize that the company is at a critical juncture; that it is time for the CEO to step away from the corporate bully pulpit, stop constantly exhorting collaboration and start removing the barriers that block it.

Smart grid opportunities may serve as a litmus test for this. If the firm can develop an integrated cross-divisional smart grid strategy and seamlessly execute on smart grid projects, it will command crucial industry respect and market share. If Global Solutions cannot mount this collaborative effort, its competitors will jockey to own that market space. Currently too many groups within and between divisions are putting their "stakes in the sand" regarding their own smart grid offerings; and the company's culture, structure and reward systems are driving this behavior. The following recommendations for fostering collaboration are delineated in order of urgency and achievability.

Smart grid. Create a smart grid product team that cuts across all divisions with expertise in this offering. Hold this team accountable for developing an integrated go-to-market strategy and executing successfully on smart grid client engagements. One respondent suggested that the company "buy" a few cross-divisional projects (offer to do them for discounted amounts) arguing that collaboration happens when projects get different "troops" to work together. There is urgency for creating a smart grid product team. Clients have received smart grid grant money from the U.S government as part of its economic stimulus package and need assistance implementing these projects now.

Sales efforts. Currently each division has its own sale force representing its services to clients. Create an organization-wide sales force whose goal is to produce inter-divisional sales.

This effort will encourage a more global perspective on the needs of clients and offset the current mind-set of each division “owning” its own clients.

Performance management system. Reward bonuses to professionals based 50% on individual performance and 50% on demonstrated collaborative behaviors within and across divisions. Depending on one’s role, these collaborative behaviors could include, (1) involving the *right* people from across the company to accomplish goals, (2) offering to work on cross-divisional task forces and project teams, (3) supporting sales efforts (regardless of division) by opening doors, uncovering client needs, and if appropriate writing proposals, (4) developing relationships and sharing knowledge outside of one’s group to get things done. Reward bonuses to division presidents based on 50% division performance, 50% enterprise performance. This bonus structure for division presidents will then create incentives for them to support inter-divisional sales efforts.

As mentioned in the findings section, not only are the current scorecard metrics and reward systems not aligned with collaborative behavior, they may actually discourage it. Fournies (as cited by Branham, 2005) outlines the 16 reasons why employees do not do what leaders want them to. The reasons applicable to this situation include: (1) There is no positive consequence to employees for doing it, (2) There is a negative consequence to employees for doing it, (3) There is no negative consequence to employees for not doing it. The current reward system plays into all three reasons. Aligning the performance management system to motivate high individual performance and high collaboration would markedly improve the firm’s ability to leverage its capabilities and achieve the CEO’s vision of “one” Global Solutions. Furthermore this alignment would mitigate professionals’ cynicism and frustration over what the CEO constantly urges people to do and what the organization pays people to do.

Rotational assignments. Assign good leaders to other divisions and hold division presidents accountable for doing so. Rotating only a hand full of leaders throughout an organization with thousands of employees has resulted in sparse networks and vertical perspectives. For example one respondent remarked that the CEO (who came from Division C) isn't particularly comfortable or familiar with the work in the other divisions. While appreciating the role of Division A, he doesn't really understand what they do. Consistently rotating up to 20% of leaders throughout the organization will expose professionals to a larger enterprise-wide perspective, engage them in expertise beyond their area, and help them build more robust networks. This practice will also build the organization's bench strength of broad-minded leaders. Conversely refuse to promote leaders who only focus on the success of their areas at the expense of the broader enterprise. Refusing to promote people who fail to demonstrate collaborative behavior sends a strong signal to employees about the norms it values.

Hiring. Currently Global Solutions hires professionals based predominantly on their engineering and technical skills with scant attention to interpersonal and collaborative skills. Start hiring people with these "hard" and "soft" skill sets. The respondents provided excellent suggestions as to what these collaborative characteristics would look like:

Table 5

Characteristics for Successful Collaboration

1	Capable of taking constructive criticism, open about one's own strengths and weaknesses
2	Flexible, willing to see different perspectives
3	Understands the bigger picture or realizes there could be one
4	Willing to share knowledge and information, versus fearing that sharing makes one less powerful or valuable
5	Comfortable with dissent, but not so comfortable as to be belligerent
6	Humble, check one's ego at the door, willing to say "I don't know"
7	Good listener
8	Interact respectfully, communicate "above the line versus below the line"
9	Nurturing, encourage people by saying here's what's right about that, here's how it has to be a little different
10	Problem-solver, figure out how something can come together for the benefit of the client.
11	Team player; someone who thinks in terms of "our" win versus "my" win

Interestingly these collaborative characteristics (humility, flexibility, nurturing others, listening, willing to share knowledge, communicating respectfully, being a team player, and taking constructive criticism) represent the opposite and perhaps the *antidote* to Hansen's (2009) five barriers to a collaborative leadership style: power hunger, arrogance, defensiveness, fear, and ego. If Global Solutions wants to build a collaborative culture, it must start with people who have the potential to support and flourish in one.

Process improvements, technology and training. As several respondents pointed out, the company has historically devalued training. In many cases it is also working with outdated or dysfunctional technology. John called its outsourced IT help desk the "unhelpful desk." Many commented on the burden of filling out reports that add no value to the business, waste their time, and never get read. Terry talked about the "red tape" she had to cut through to get things done. But this state of affairs is really a symptom of a much larger issue. Ten years ago the CEO rescued the firm from serious financial straights. His disciplined financial management guaranteed the survival of the firm. However as the market landscape has changed and the firm's prospects have significantly improved, many respondents feel it is time to invest more money into internal process improvements, technology and training.

When Nokria et al. (2003) completed a groundbreaking study examining the key leadership practices that produced superior corporate results, one of their recommendations relate directly to this issue. They state:

> Procedures and protocols are necessary for any organization to function well. But too much red tape can impede progress, dampen employee's enthusiasm, and leach their energy. Winning companies trim every possible vestige of unnecessary bureaucracy…they strive to make their structures and processes as simple as possible, not only for their employees but also for their vendors and customers. (p.7)

The organization needs to take a hard look at processes that may have become over-engineered and technology applications that are cumbersome to use. It would help to streamline and standardize processes across the enterprise. Many leaders in this study indicated that it was time to invest for the long-term versus focusing almost exclusively on achieving short-term gains.

One important area for investment that would produce a long-term payoff is improved knowledge sharing. This could take the form of implementing better knowledge-capture databases as well as giving people the time to share best internal practices and lessons learned. On a practical note, Joe mentioned it would be helpful if each division had a designated go-to person to whom professionals could contact in order to find the right resource for upcoming projects. This would prevent the wasteful “dialing exercise” of trying to locate the right expertise. Joe also remarked that firms excelling at knowledge sharing devote specific time for it. One gets the impression that Global Solutions professionals are so overwhelmed with sales efforts, billable hours and filling out reports, there is limited opportunity and incentive for sharing expertise internally. Most professionals focus their efforts based on their rewards. If 50% of professionals’ bonuses included meeting performance goals through collaborative efforts, knowledge sharing would happen more frequently.

Hansen (2009) and Nohria (2003) also remind us of the dampening effect of knowledge hoarding on collaboration. The winning companies in the Nohria et al. study spent considerable resources on programs and technologies “designed to force open the boundaries and get divisions and departments cooperating and exchanging information---and it paid off” (2003, p. 8). The firm’s investment in knowledge sharing will depend on its willingness to balance long-term organizational growth with short-term profits. By investing in programs that capture knowledge and by motivating employees to share it, the organization will leverage more of its capabilities.

Another important area for investment that would produce a long-term payoff is interpersonal and collaborative skills training. Although the firm provides computer-based training on “hard” skills, it provides little in the way of interpersonal training. The few companies that have built robust collaborative cultures develop their employees’ skills. For example PricewaterhouseCoopers trains it professionals on teamwork, developing emotional intelligence, networking, holding difficult conversations, and understanding shared values. Intel provides extensive conflict management training to employees so that when people from different backgrounds and viewpoints work together, little time is wasted on personal accusations.

Significantly, the theme of conflict was rarely brought up during interviews. Some respondents referenced the different problem-solving styles of engineers and consultants, but these challenges seemed more related to communication than conflict. The absence of conflict may be one more indication of the general lack of enterprise-wide collaboration. Conflict often accompanies collaboration, when people with different vantage points and from different areas work together. The key is how conflict is handled (Weiss & Hughes 2005). Only one respondent mentioned a distinct interpersonal conflict. This occurred between several individuals from two divisions that were trying to develop a *joint* service offering. As more professionals work inter-divisionally on service offerings and projects, the opportunity for conflict and the need to deal with it will increase. Conflict management training will equip professionals with the skills to manage it constructively.

Structure. Changing the corporate structure right now might destabilize the organization and jeopardize the firm's remarkable ability to execute projects within each division. Nohria et al. (2003) found that no particular organizational structure separated the winning companies from the least successful in their study. "What did matter was whether the organizational structure simplified the work" (p. 8). Global Solution's vertical focus has helped it excel at intra-divisional project delivery. Now that clients require expertise transcending divisional boundaries, it makes sense to put in place more permanent lateral, cross-divisional teams. These lateral teams would give the enterprise the flexibility it needs without compromising its strengths. As Paul noted, the divisional structure might be the right one for now; it's the behavior within the structure that isn't working. Once the performance management systems are re-aligned to promote strong individual performance and collaborative behavior and lateral teams cut across divisions, the vertical silos might not present as much of a challenge. However the older more hierarchical divisions would eventually need to evolve into an enterprise-wide team based organization (TBO).

Leadership. Of all the recommended changes the most important is the change at the top. The individuals who participated in this study admire the CEO for putting the company on a solid financial footing, but they do not feel he is the right leader to move the organization forward. This man was a product of a more hierarchical tradition and still manages top-down. It is unlikely that any of the aforementioned initiatives would happen under his watch. The CEO recognizes the importance of collaboration but appears unwilling or unable to make the changes that would support it.

Some respondents stated the need for bringing in fresh, new leadership from outside the company. To remain competitive in the marketplace and unleash the full potential of the organization, this leader would need the following characteristics: (1) Visionary. Capable of articulating a compelling vision where people feel inspired rather than lectured, (2) Track record of leading organizational change that produced exceptional financial results, (3) Experienced at building collaborative cultures and developing flatter, flexible organizations, (4) Willing to position the organization for long-term growth and invest in it accordingly.

Likewise the company's Board of Directors would have to establish an incentive plan that rewarded achievement of short-term results *and* long-term growth. Global Solutions has a proud history of stellar engineering accomplishments. It has "unmatchable" internal capabilities. Now is the time to make collaboration a reality instead of a slogan. The company's future will depend on it.

Research Limitations and Implications

This research has several limitations. The perspectives voiced in this study came only from professionals and leaders within Division A. Unfortunately individuals from other divisions declined to participate in the study. In addition, the respondents' comments must be understood within the context of the economic recession with which they are dealing. Client spending has been down. The division has had to lay people off. Bonus payouts have been greatly reduced or nonexistent. All of the respondents are working exceptionally long hours to recoup lost revenue and profits. Therefore morale is down in the Division, and this might have influenced some of the respondents' perspectives.

The second limitation involves the need to protect the confidentiality of the organization and its respondents. The researcher was privy to information that would have shed more light on how the firm's governance, politics, and history have shaped this lack of collaboration. However providing greater details in the findings and recommendations section might have compromised the identity of the respondents and the organization.

The third limitation has to do with the nature of qualitative research. Findings from phenomenological research cannot be generalized to other organizations. On the other hand, the study corroborates the findings from empirical literature, while adding rich insight into the human factors that must be taken into account for collaboration to succeed. The study also substantiates the literature's contention that intra-organizational collaboration will not flourish without the leadership, culture, systems and structure to support it. Future extensions of this research would benefit from a case study approach, going inside the organization to accumulate numerous data points, and conducting multiple interviews with leaders and professionals in other divisions within the firm.

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Appendix A: Consent Form

MARQUETTE UNIVERSITY
AGREEMENT OF CONSENT FOR RESEARCH PARTICIPANTS

Strategies and Benefits of Fostering Intra-Organizational Collaboration
Katherine S. Dean
College of Professional Studies

You have been invited to participate in this research study. Before you agree to participate, it is important that you read and understand the following information. Participation is completely voluntary. Please ask questions about anything you do not understand before deciding whether or not to participate.

PURPOSE: The purpose of this research study is to understand how leaders foster collaboration within their organizations and the type of benefits that organizations gain from collaboration. There will be approximately 9 participants in this research study.

PROCEDURES: You will be asked to participate in one interview, and possibly one follow-up email or phone call for this study. You will be audio taped during the interview to ensure accuracy. The recording will be erased after transcription and the transcription will be destroyed three years after the completion of the study. For confidentiality purposes, your name will not be recorded. If you are asked any questions that make you uncomfortable, you do not need to answer them. When possible you will receive summaries of your interview to ensure that the data was understood correctly. If you agree, I may also email or phone you after the initial interview with follow-up questions. Your responses to my questions will form the basis of the data that will be collected and analyzed. Your answers will be aggregated into general themes that emerge from the data of all participants.

DURATION: Your participation will consist of one 45-60 minute interview with possible follow-up questions via phone or email.

RISKS: The risks associated with participation in this study are minimal. In other words they would be no more than you would encounter in everyday life. You will be discussing professional topics familiar to you and I will be guaranteeing that your comments are kept confidential. Whenever possible I will meet with you outside your workplace, at a neutral setting, if you feel that this gives you more privacy. In addition you are free to skip questions if you feel uncomfortable answering them.

BENEFITS: The benefits associated with participation in this study are direct. Research participants may gain clarity on the benefits they derive and the strategies they use to foster collaboration within their organizations. Society may benefit from the research because collaboration often results in more productive, innovative, and rewarding work environments.

CONFIDENTIALITY: All information you reveal in this study will be kept confidential. All your data will be assigned an arbitrary code number rather than using your name or other information that could identify you as an individual. Direct quotations may be used in presentations or publications, but the quotations would not be associated with your name. If the results of the study are presented or published, you will not be identified by name, nor will your organization be identified by name. The data will be kept in a password-protected computer file at the researcher's home office. All paper documents and recordings will be destroyed upon completion of the study. All electronic files including all transcriptions will be deleted after three years. However the confidential data from the interview may be used for future research purposes prior to that time.

VOLUNTARY NATURE OF PARTICIPATION: Participating in this study is completely voluntary and you may withdraw from the interview and study at any time without penalty. If you have participated in some portion of the interview before withdrawing, your confidential responses will be included in the study if you agree.

CONTACT INFORMATION: If you have any questions about this research p
Katherine Dean at katherine.dean@marquette.edu or phone (414) 763-0539.
If you have any questions or concerns about your rights as a research participant, you can contact Marquette University's Office of Research Compliance at (414) 288-7570.

Initials:___________

Date:____________

I HAVE HAD THE OPPORTUNITY TO READ THIS CONSENT FORM, ASK QUESTIONS ABOUT THE RESEARCH PROJECT AND AM PREPARED TO PARTICIPATE IN THIS PROJECT.

____ ________________________
Participant's Signature Date

____
Participant's Name

____ ________________________
Researcher's Signature Date