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How to cite:

Vangen, Siv and Winchester, Nik (2014). Managing cultural diversity in collaborations: a focus on management tensions. *Public Management Review*, 16(5) pp. 686–707.

For guidance on citations see [FAQs](#).

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Version: Accepted Manuscript

Link(s) to article on publisher's website:

<http://dx.doi.org/doi:10.1080/14719037.2012.743579>

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# **MANAGING CULTURAL DIVERSITY IN COLLABORATIONS: A FOCUS ON MANAGEMENT TENSIONS**

**Siv Vangen and Nik Winchester**

## **ABSTRACT**

This paper explores the management of cultural diversity in public and not for profit collaborations spanning organizational, professional and national boundaries. Through the framing of a culture paradox, it identifies three inter-related tensions pertaining to the management of cultural diversity towards collaborative advantage. These tensions address: interactions between organizations within a collaboration; interactions between individual actors and their orientation towards the collaboration and their host organization; and the quantity and extent of cultural diversity within a collaboration. The culture paradox and its inherent management tensions provide theoretical and practical conceptualizations that are relevant to management and governance of collaboration.

## **MANAGING CULTURAL DIVERSITY IN COLLABORATIONS: A FOCUS ON MANAGEMENT TENSIONS**

### **INTRODUCTION**

Inter-organizational collaboration permeates public management (Agranoff and McGuire, 2001; Ansell and Gash, 2008; Bryson et al., 2006; McGuire, 2006; Osborne, 2000; Thomson and Perry, 2006) as an established means to seeking collaborative advantage (Huxham and Vangen, 2005; Lasker et al., 2001)<sup>1</sup>. However, collaboration is also associated with high costs, conflicts and inertia to the extent that advantage can be hard to achieve (Bryson et al., 2006; Grimshaw, et al., 2002; Huxham and Vangen, 2005; Lasker et al., 2001). In view of this intrinsic tension, recent research has emphasized the importance of acknowledging the paradoxical nature of collaboration and the subsequent management and governance tensions that arise (Clarke-Hill et al., 2003; de Rond and Bouchikihi, 2004; Das and Teng, 2000; Huxham and Beech, 2003; Huxham and Vangen, 2005; Provan and Kenis, 2008; Saz-Carranza and Ospina, 2011; Vangen and Huxham, 2003; Vlaar et al., 2007).

In research on collaboration, the notion of paradox has been used variously to highlight and describe interesting tensions, oppositions and contradictions which can be both conceptually appealing and practically useful. In this paper, we focus on management tensions that arise in culturally diverse collaborations. We use the term culture broadly to refer to partners' 'habitual ways of being and acting' that stem from the distinct professional, organizational and national cultures to which they belong. We frame the focus of the paper in terms of a 'culture paradox' which arises because cultural diversity is both a source of

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<sup>1</sup> We use the term "collaboration" to refer to formalized joint working arrangements between organizations which remain legally autonomous while they engage in coordinated collective action to achieve outcomes that none of them can achieve on their own. Such arrangements are often conceptualized as "networks" (e.g. Agranoff and McGuire, 2001; O'Toole, 1997; Provan and Milward, 2001, Provan and Kenis, 2008).

stimulation, creativity and reward (Child and Faulkner, 1998; Park and Ungson, 1997; Sheer and Chen, 2002; Shenkar and Zeira, 1992) and a source of potential conflicts of values, behaviours, practices and beliefs (Bird and Osland, 2006; Kumar and Nti, 2004; Prevot and Meschi, 2006; van Marrewijk, 2004).

This ‘culture paradox’ is noteworthy because it suggests that both similarity and diversity in culture can help *and* hinder the success of a collaboration. Similar and compatible cultures yield greater connectivity and shared understanding between partners which render the act of collaborating less problematic (Beamish and Lupton, 2009; Park and Ungson, 1997; Pothukuchi et al., 2002). Yet in practice collaborations may necessarily span organizational, professional and even national boundaries thus displaying cultural diversity that causes conflicts, misunderstandings and points of friction (Bird and Osland, 2006; Kumar and Nti, 2004; Prevot and Meschi, 2006; Shenkar et al., 2008). Diversity in partners’ expertise and resources is however essential to gaining genuine synergistic advantage from the collaborations (Huxham and Vangen, 2005; Lasker et al., 2001) – a point supported by the empirical research that informs this paper (see also Saz-Carranza and Ospina, 2011). Conversely, similarity in culture or a dominant culture among partners, may limit the potential for collaborative advantage. While this ‘culture paradox’ is implicit in the literature on the management of cultural diversity in collaboration, research has tended to focus on addressing cultural friction rather than treating culture as one of the elements or resources that may lead to synergistic gains (Saz-Carranza and Ospina, 2011). Our aim in this paper therefore, is to extend extant research through identifying implications for the management and governance of cultural diversity in collaboration which acknowledge both sides of the paradox.

## CONCEPTUAL FRAMEWORK

The research is rooted in, and aims to make a contribution to, theories on management (Agranoff, 2006; Agranoff and McGurie, 2001; Bryson et al., 2006; Huxham and Vangen, 2005; Mandell, 2001) and governance (Klijn, 2008; Osborne, 2010; Provan and Kenis, 2008; Saz-Carranza and Ospina, 2011) of public sector collaborations. Its conceptual framework is informed by the theory of collaborative advantage (TCA) (Vangen and Huxham, 2010; Huxham and Vangen, 2005) and the notions of paradox and management tensions in research on collaboration (Clarke-Hill et al., 2003; de Rond and Bouchikihi, 2004; Das and Teng, 2000; Huxham and Beech, 2003; Provan and Kenis, 2008; Saz-Carranza and Ospina, 2011; Vangen and Huxham, 2003; Vlaar et al., 2007). Five closely interlinked elements are particularly important in this conceptual framework.

First, the TCA is a practice based theory about the management of collaborations. It is structured in *themes* representing issues identified repeatedly by practitioners as causing anxiety or reward. This paper develops a theme on culture with a focus on managing cultural diversity as opposed to conceptualizing about culture *per se*. In this respect, the account of culture incorporates practitioners' articulations and operative accounts of what culture is. Second, consistent with the TCA, the complexity that underlies collaborative situations is depicted in a holistic manner which recognizes the idiosyncratic nature of actual collaborative situations. For example, each collaboration will have a unique blend of professional, organizational and national cultures operating concurrently so a clear distinction between different accounts of culture may not be appropriate. Third, the TCA is also structured around the tension between advantage and inertia; collaboration provides the means to achieve something that could not be achieved without it *yet* in practice progress is slow and successful outcomes involve pain and hard grind. In this respect, the research treats cultural diversity as both a source of advantage and inertia. Fourth, we conceptualize collaboration as a

paradoxical<sup>2</sup> phenomenon with the collaboration (as opposed to the organization) as the level of analysis. This approach asserts the existence of contradictions and mutually exclusive elements caused by differences between partners that are necessary for the collaboration to be successful and which therefore cannot and should not be resolved or managed away. The focus in this paper is on acknowledging the ‘culture paradox’, appreciating the contradictions and contrasts that it highlights and using this constructively to theorize about the management of culture in collaborations. This is in contrast with organization research where the use of paradox has focused on resolving or removing the existence of paradox (Lewis, 2000). Fifth, the identification and description of implications for practice are regarded as an integral part of the emerging theoretical conceptualizations and are presented in a non-prescriptive manner that informs both theory and practice. These agree with the paradoxical nature of collaboration in that they explicitly acknowledge practical tensions between positive and negative sides to alternative ways of managing and governing (Huxham and Beech, 2003; Provan and Kenis, 2008).

This conceptual framework with its inherent elements informed the design and execution of the research and the subsequent conceptualizations of the findings. In what follows, we ask the question: What are the specific management tensions that should inform management and governance if the existence of cultural diversity within collaboration is to yield advantage rather than inertia? Using data gathered from individuals who managed and led collaborations at a time when grappling with cultural diversity was important to them, we identify the kind of issues that arise, show how they lead to collaborative inertia and highlight the management tensions that arise. We propose that managing cultural diversity toward collaborative advantage, as opposed to simply ameliorating ‘cultural friction’ (Shenkar et al., 2008), involve managing tensions in three areas of collaborative interaction. We begin with a

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<sup>2</sup> A paradox is defined as something that involves contradictory, mutually exclusive elements that are present and operate equally at the same time (Quinn and Cameron 1988).

brief discussion of the relevant literature and the research approach of the paper. Subsequently we develop the management tensions and conclude with an assessment of the relevance and validity of a culture paradox.

## **RESEARCHING CULTURE AND COLLABORATION**

Culture, broadly understood as the ‘patterns of behaviour and beliefs’ (Marglin, 2008, 245) shared by a group, has received substantive attention in the literature on inter-organizational working. Within collaboration, these patterns are revealed in both idealist and materialist forms (Cray and Mallory, 1998; Martin, 2002, Schein, 2004) including norms and values as well as standards of inter-personal behaviour, organizational practices, language and symbolic representations, all of which influence individuals’ ‘ways of being and acting’. The basic proposition is that within a collaboration there may be a set of distinct cultures. The characteristics of these cultures may be expressed in ‘stereotypical’ manners to convey, for example, differences in the operational and decision making procedures of an organization, the values and language of a profession or the etiquettes and norms of a nation. Such diversity has the potential to cause ‘cultural friction’ (Shenkar et al., 2008). If these points of friction are either not anticipated or appropriately managed this may lead to diminished performance, early exit, or, even, actively destructive forms of behaviour.

The literature offers a dour view of the impact of cultural diversity on achieving collaborative advantage (or indeed any measure of success). Studies have shown that in general cultural diversity diminishes collaborative success relative to cultural similarity (Barkema and Vermeulen 1997; Hennart and Zeng 2002; Sirmon and Lane 2003; Sillars and Kangari 2004). In recognition of such findings, researchers have focused on management practices designed to ameliorate cultural friction (Buckley et al., 2002; Brahy, 2006; Hampden-Turner & Trompenaars, 2000; Osland and Bird, 2000; Schneider & Barsoux, 2003;

Steers et al.,2010; van Marrewijk, 2004). These studies offer a variety of insights but depend on a broad explanatory and normative paradigm which we conceptualize as a three stage process, namely:

- Recognition – demonstrate awareness of the cultural friction and diagnose its source
- Research – engage in a process of cultural learning through detailed study of practice and/or existing models of culture
- Reconciliation – put in place practices and structures that address the points of cultural friction

Whilst focusing on the key aspects relevant to managing cultural diversity, we acknowledge that such a simplifying model cannot capture the subtleties and the variation present in the literature. However, it does capture the basic explanatory and intervention framework and importantly allows us to point out some key lacunae. First, management action is restricted to a facilitative role, second, there is only limited recognition of the impact of contextual and multiple interrelated cultural factors operative within a specific collaboration, third, there is an assumption that all points of cultural friction are tractable and fourth, there is limited recognition of the value of cultural diversity as a potential source of collaborative advantage. In this paper, we draw on empirical research with the aim to provide a more rigorous and relevant insight into the management of cultural diversity in collaborations.

## **RESEARCH APPROACH**

We used a Research Oriented Action Research methodology in which data are gathered from organizational interventions on matters that are of genuine concern to participants and over which they need to act (Eden and Huxham, 2006). In this approach,



theoretical insight is derived emergently (Eisenhardt, 1989) in a manner that has some similarities to grounded theory (Glaser and Strauss, 1967; Strauss and Corbin, 1998). Consistent with the conceptual framework outlined above, we focused on developing descriptive conceptualizations suitable for supporting practice through highlighting issues and tensions rather than through generating synthetic explanatory variables or propositions.

The interventions took place in a large British organization that engages in many collaborations with public, private and not-for profit organizations throughout the world. Its goal is to distribute its educational products and services worldwide, a goal it cannot achieve without collaboration. The collaborations, which vary in governance mode and purpose, include individuals with different professional expertise, located in diverse organizations including government and non-government organizations, universities and colleges, construction industry organizations and a major multi-national organization. Most involve more than two organizations and some as many as nine. All but two of the collaborations spanned national boundaries with organizations in Eastern Europe, Russia, Germany, Latin America, Saudi Arabia, Tanzania, Ethiopia, Zimbabwe, South Africa, India, Singapore, China, Hong Kong, Japan and the US. These collaborations thus provided a good source for data gathering on managing cultural diversity across organizational, professional and national cultures.

The research involved 35 individuals who participated in a series of four in-house management development events designed and facilitated by one of the authors. The topics for these events were decided by the participants and focused on exploring ways of understanding and managing key challenges pertaining to divergent goals, power and trust, structural ambiguity and cultural diversity in collaborations that they managed. Only the event on culture involved formal research because the author felt that no extant conceptual model on managing cultural diversity would yield useful insight for these managers. Viz, in

preparation to this event, we conducted in-depth interviews with individuals about their experiences of culture in the collaborations that they manage. We used an open-ended, unstructured format thus adhering to the principle that initial temporary suppression of pre-understanding will allow for new and alternative ways of understanding a phenomenon which in turn may facilitate the extension of theory (Gummesson, 1991). It thus allowed us to incorporate participants' views of what culture is and what role it plays in the collaborations that they manage. During the interviews, which lasted between 60 to 90 minutes, individuals talked freely about their current experiences at a time when it was necessary for them to take action rather than purely reflecting on events of the past. This resulted in a large amount of reliable, detailed and subtle data – including examples of practices they use to address the demands associated with cultural diversity – suitable to a grounded approach to theory development.

The interviews were digitally recorded, transcribed, stored and analyzed using the Decision Explorer software which lends itself to the analysis of large amounts of unstructured, qualitative data (Eden and Ackermann, 1998). The text of each transcript was entered into the software in the form of key concepts (typically 10 – 20 words each) and causal links. Similar views and experiences expressed by different individuals were merged or linked together thus allowing subsequent analysis to detect clusters of themes and key issues. Individuals' own words and narratives were retained to preserve the authenticity of the data. For illustrative purposes, a small section of the aggregated model is shown in Figure 1.

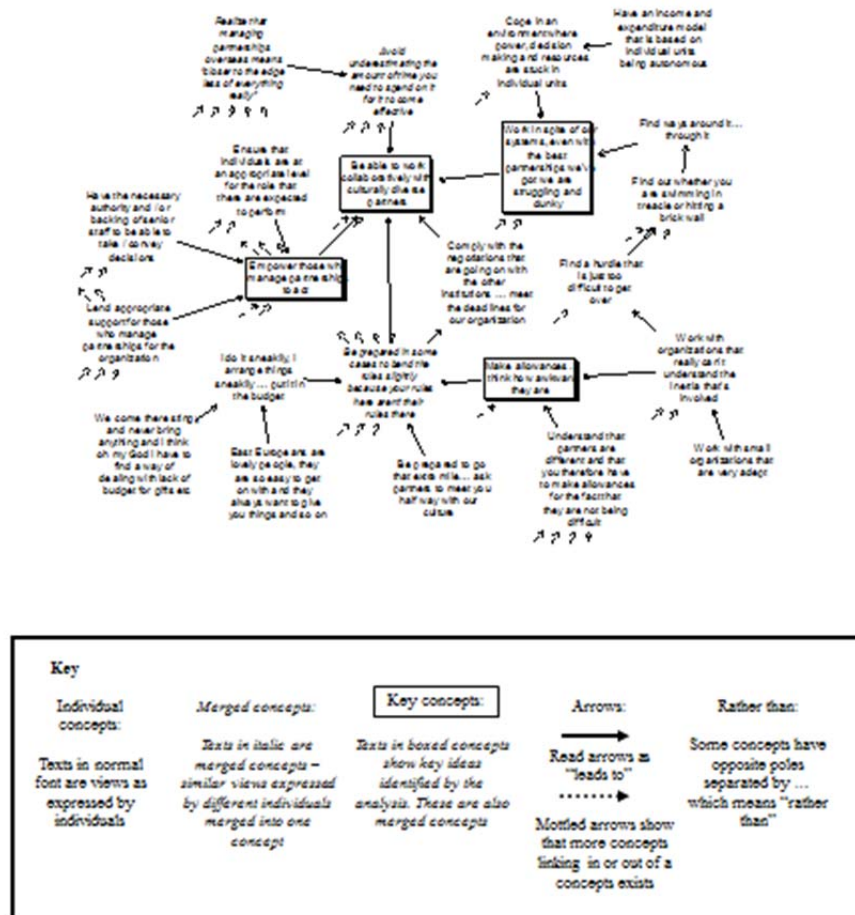


FIGURE 1: A section of the Decision Explorer Map

Data analysis identified key challenges and issues pertaining to management and governance of cultural diversity. These were explored and elaborated upon with the participants during the development event and served to corroborate the data upon which the conceptualizations in the next section are built. These include the explicit articulation of inertia generating properties of cultural diversity and the delineation of the three management tensions. As we present our conceptualizations, we intertwine our articulation with quotes from the data, which, as suggested by Eisenhardt and Graebner (2007), help illustrate the close connection between the empirical evidence and the emergent theory. It is not our intention to suggest that isolated statements in themselves represent a generic ‘truth’; they are merely a selection of perceptions which help illustrate our account.

## **THE CULTURAL DIVERSITY MANAGEMENT TENSIONS**

Before describing the management tensions in more detail, we note that the data supports a culture paradox as an appropriate metaphor for analysing cultural diversity in collaborations. Participants described cultural diversity as stimulating and inspiring and hence a source of collaborative advantage. Yet they also perceived this same diversity as challenging – both in terms of their individual skills and their organizations' capabilities to accommodate it – and hence potentially a source of collaborative inertia.

The research also corroborated the process of Recognition, Research and Reconciliation as one that reflects managers' attempts to understand and address frictions that arise as a result of cultural diversity (attributed to organizational, professional and national levels). Their discourses suggest that they adopt facilitative approaches that emphasize building awareness and working sensitively with cultural diversity.

Our research provides insight into managerial interventions at each stage of the process of collaboration – such as visiting respective partners, altering communication procedures, attending to misunderstandings and misinterpretations - aimed at reconciling points of friction. The research provides ample evidence that cultural diversity may cause frictions that, if left unresolved, can yield collaborative inertia (i.e. slow progress, pain and hard grind). However – and in congruence with the culture paradox – actions taken to address points of friction can in themselves trigger inertia. Our research therefore challenges the idea that managing it should focus solely on reconciliation. By contrast, realizing advantage through cultural diversity will involve considerable compromises and tradeoffs and a matter of addressing contrary management prescriptions between equally valid forms of action

(Huxham and Beech 2003); understanding how to do so relies on understanding the inherent management tensions.

Our findings point to three inter-related management tensions in this respect, each of which focus on a particular interaction within collaboration (figure 2). The first, termed ‘accommodation’, explores the intersection between organizations as they act within a collaboration. The second, ‘agency’, focuses on the individual actor and the quality of their orientation towards the collaboration and their host organization. The third, ‘quantity’, analyses the constitution of the collaboration in respect of the quantity and extent of cultural diversity within it (through the involvement and mobilization of additional partners). Whilst the unit of analysis remains the collaboration, each interaction offers complementary yet distinct insight into the character of management interventions. In the ensuing discussion we delineate a management tension within each interaction; we do this by identifying extreme opposite, yet equally valid, forms of action that highlight pertinent tradeoffs and compromises that should inform managerial judgement.

In addition to the tensions themselves, we also identify intermediate positions as further practical guidance - noting that these are designed to inform management judgement rather than prescribe it. These offer non-prescriptive insight into possible practices in response to the underlying tension – we note that they do not ‘solve’ the underlying tension. These intermediate positions are context dependent (what may work well in one collaboration may be ineffective in another) and not exhaustive (there may be other positions that operate across these tensions). Hence, they are not intended to replace managerial judgement within a specific collaboration.

Focus of management tensions:	
Accommodation tension	Focuses on the interaction between organisations within the collaboration
Agency tension	Focuses on the orientation of participants at the level of the collaboration and their organization.
Quantity tension	Focuses on the quantity and extent of cultural diversity within the collaboration.

FIGURE 2: Management tensions and cultural diversity

### Accommodation tension

In an ideal scenario, the intersection between collaboration partners would be defined by processes which enable the simultaneous protection and integration of partners' distinct patterns of cultural diversity. In practice however, the need to preserve these whilst generating effective collaborative practice at their intersection, gives rise to an 'accommodation tension'.

The tension arises because in collaborations characterized by cultural diversity, flexibility at the organizational level (and its enactment through the individual) is necessary to accommodate different operational procedures, different ways of being, interacting and working. Typically, partners have different cultural resources (expressed through the organization but constituted additionally through professional practices or idiosyncrasies rooted in national cultures) that they deploy to meet their own remits and goals. When such distinct resources can be deployed jointly, they can be used to pursue collaborative goals. This joint pursuit usually requires some flexibility as partners' cultural resources are oriented towards internal purposes rather than the goals of the collaboration and so are not designed to accommodate collaborative partners.

Our data includes many examples where culturally embedded ways of working are not in harmony with those extant within other organizations. Hence the need arises for partners to be flexible with their structures and procedures to accommodate the needs of the collaboration. However, this flexibility is often in conflict with their need to protect those

cultural resources that enable them to deliver their core business which, paradoxically, enabled them to make a contribution to the goals of the collaboration in the first place.

**Example:**

*I think there also has to be recognition that we are a very large organization that has a very large systems-infrastructure that needs to be there in order for us to create the sort of [products] that we create. Our business model requires this infrastructure and therefore if you work for this organization you have to accept that that is the model and that small, very flexible deals with external partners are not going to fit, it's just going to be too expensive for them to do business with us, sadly. (Business Development Accountant).*

A key mission for the organization in the example is to distribute affordable educational products and services throughout the world. Its organizational culture – including its large systems infra-structure and standardized materials - enable this. However, collaborations with smaller, local organizations enable it to penetrate important niche markets (for example, addressing the needs of different ethnic groups across different international locations). The large scale approach of the organization is not suitable for the niche markets and vice versa but the achievement of the collaborative goals relies on both. Managing the issues that arise as a result of the organizations' incompatible cultures (in respect of their structures and processes) is therefore not straightforward in practice. Note that whilst the focus here is on the partners' organizational cultures our data suggests that this is influenced by both dominant professional cultures (e.g. education versus law) and the organization's country of origin.

When collaborative practice reveals organization cultures that are incompatible or ill fit for the purpose of the whole collaboration, inertia is caused in a number of ways. Typically, delays and frustrations relate to incompatible administrative and decision making procedures. Managers who work in organizations that are flexible, outward looking and able to act swiftly can find working with individuals representing large, bureaucratic organizations very frustrating - similar frictions are also perceived through the lens of national culture, for

example when certain cultures are seen as more hierarchical than others (e.g. Chinese versus British). These features impact among other things on how decisions are made, for example when decision making authority lies with organizational committees rather than key individuals the time lapsed to gain approval for relatively straightforward decisions can be very significant. In large bureaucratic organizations, integration between different specialist units typically involves written documentation and committees. When such procedures are not adapted to accommodate external partners' culturally embedded ways of working they can cause not only delay but sheer frustration.

**Example:**

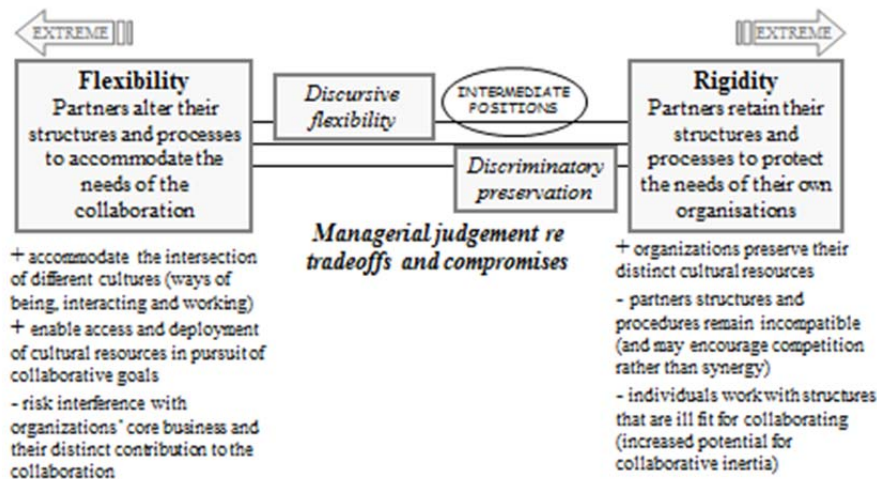
*So, anyway, we did actually have a big clash on that [re different standards of quality]. We invited them to a meeting and explained all the processes and got people from our organization to explain it to them and give them all the details. And, there's this form that they're asked to fill in and Bob had a little tantrum then, and said, I now think you're treating me like a customer, not a partner, I am not going to fill in this form. So, we said, okay. And it went round and round and there were various discussions and absolutely not, no way, you'll have to find some other mechanism. And, there have been some preliminary discussions but that's the stumbling block... (Business Development Accountant, Collaborative Projects).*

In culturally diverse collaborations, managers routinely have to grapple with challenges associated with ill-fitting organization specific structures and procedures which at best adds to their workload and at worst jeopardizes the progress of the collaboration (e.g. helping partners find the information to complete the necessary forms and nurturing their relationship with partners to maintain their respect and trust). Successfully accommodating cultural diversity thus requires an understanding of necessary compromises and tradeoffs and a passion for finding ways of responding appropriately.

We thus identify an accommodation tension defined in terms of the poles of flexibility versus rigidity. Flexibility in structures and processes, working through - and sometimes in spite of - difference, is necessary to accommodate diverse cultures. Yet, a partner's established culture may be what enables them to make a contribution to the joint agenda in the



first place; there is a need for a certain rigidity to preserve this resource. Hence, the exercise of flexibility as a way of accommodating the intersection of cultures may itself have a negative effect of the desired pooling of partners' cultural resources. We illustrate this tension in Figure 3 below.



**FIGURE 3: Accommodation management tension**

We identify two intermediate positions. The first 'discursive flexibility' errs on the side of flexibility but recognizes the value of rigidity. In this position the initial orientation is towards accommodating culture; however where points of accommodation are apparently friction laden, these are raised explicitly within the collaboration - with a view to agreeing the limits of flexibility at a particular intersection of cultural diversity. The second, 'discriminatory preservation' is initially oriented towards rigidity in terms of retaining structures and processes, however, such a position is tempered by a degree of reflexivity – an explicit recognition that a degree of flexibility is necessary. Managers therefore seek to identify points of accommodation in a discriminate manner in which flexibility is approached and practiced in an explicit and tempered way.

### **Agency tension**

Cultural diversity may entail working with systems that are ill fit for the purpose of the collaboration. In this respect, individuals within a collaboration are required to look both inwards and outwards, as both participants in a collaboration and representatives of an organization. To achieve the goals of the collaboration, managers may have to adapt their actions and act contrary to established organizational procedures. However an excessive focus on the goals of the collaboration may bypass necessary forms of accountability towards their organization, we term this the ‘agency tension’.

The tension arises because organizational representatives have to respond to cultural frictions at the inter-personal level within structures that are ill fit for that purpose. Typically, cultural frictions arise because individuals come to the collaboration with different expectations of what can be achieved within an organizational or collaborative context, with different ways of communicating and different etiquettes and norms. In order to anticipate or overcome these frictions, individuals need to employ appropriately their understanding of partners’ culture – i.e. their partners’ culturally embedded perceptions, behavioural characteristics and professional expertise. However, managers express much frustration about not being in control of operational and strategic matters pertaining to the collaboration and the perception that they lack power, authority or discretion to respond appropriately. In this context, it appears reasonable that representatives should be supported and empowered to act on behalf of their organizations for the purpose of the collaboration. However, this individual autonomy needs to be exercised without leaving the individuals vulnerable and organizations at risk. The following example hints at both sides of the argument.

***Example:***

*Our organization actually has a very strong line on quality because we have to do whatever needs doing for quality assurance reasons. It’s a terrible way of putting it but our representatives kind of get there and because they’re there face to face, they’re much more easily persuaded by the partner as to the partner’s point of view, the partner’s argument than you are with someone based in the UK. There are encounters in negative terms but actually you need to encounter in positive terms as well. It’s important that you have someone who understands the culture and the*

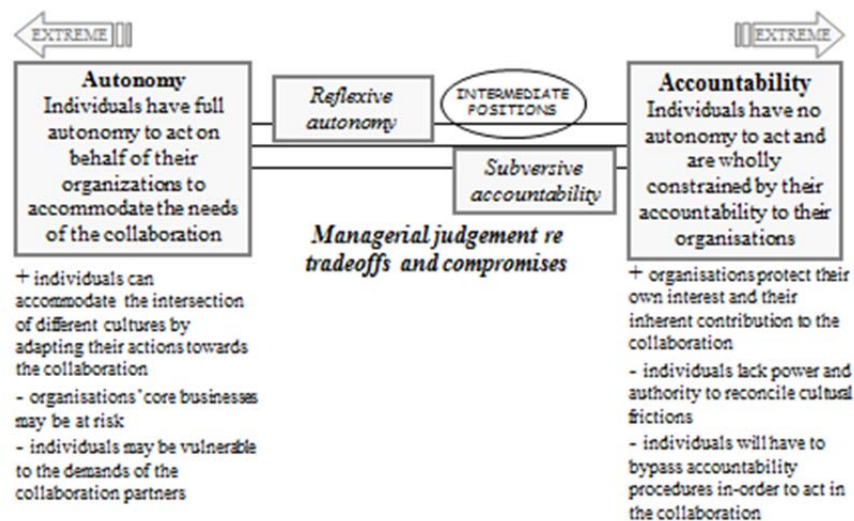
*perspective of the partner at a 'hands on' level. Without that the partnership would never function, but that can cause problems in terms of consistently applying policy or interpretations of contracts. And it becomes like an issue of empowerment. (Director of Strategy, Planning and Resources).*

This opposition between protecting the organization and nurturing the collaboration, can result in collaborative inertia in a number of ways. Typically, managers reflect on the sheer time and effort necessary to enable them to act in permissible ways. They also articulate the need to 'bend the rules' and 'operate contrary to established procedures' if they are to act on behalf of their organization in ways that serve it and the collaboration. There will almost inevitably be occasions when individuals' power and authority conflict with their need to be accountable back to their organizations. On occasions, what is expected in one culture is not permissible in another, leaving representatives with competing options.

***Example***

*East Europeans are lovely people, they are so easy to get on with and they always want to give you things and so on. We come there stingy and never bring anything and I think oh my God ... so I do it sneakily; I arrange things sneakily rather than put it in the budget. (Manager of cross-national collaborations in Russia, Rumania, Hungary, the Czech Republic, Slovakia and Bulgaria.)*

The agency tension is defined by the poles of autonomy and accountability - which can play out in a number of ways. In terms of generating advantage through cultural diversity, managers undoubtedly need enough individual autonomy to act on behalf of their organizations even to the extent of deviating from established organizational procedures. Yet protecting the organizations' interest and their inherent contribution to the collaboration requires individuals maintaining accountability toward their organization. Collaboration managers are faced with contrary prescriptions, nurturing autonomy is required in order to create the conditions for generating advantage, however excessive autonomy or an over-identification with the collaboration can threaten accountability – which is, itself, a condition for a continued contribution to the collaboration. We illustrate this tension in Figure 4 below.



**FIGURE 4: Agency management tension**

We identify two intermediate positions. The first, ‘reflexive autonomy’ underlines autonomy, but in a nuanced manner, explicitly recognizing the need for a degree of accountability. As collaborative action occurs, critical points requiring reference back to the host organization are recognized and enacted – thus accountability is selectively discriminate. The second, ‘subversive accountability’ errs on the side of accountability; however points can occur where the organization seeks to impose accountability in a manner that stymies substantive contributions to the collaboration; in this mode individuals have to operate outside of established procedures and processes in order to secure their contribution and/or reconcile extant frictions.

### **Quantity tension**

Culturally diverse collaborations are inherently complex, demanding significant investment of time and resources. The greater the cultural diversity the greater is the challenge. In the midst of this complexity the quantity tension arises. It captures the sense in which increasing levels of complexity need to be embraced to secure advantage from cultural diversity present in the collaboration. However such complexity requires an increasing level of control (and simplification) in order to militate against complexity induced inertia.

When collaborations span sector and / or national boundaries, the context within which partners operate and the organizational cultures and professional practices enacted in the collaboration can be very diverse. Gaining advantage from such cultural diversity usually entails changes to organizations' and individuals' practices – it may involve being lead by or giving away power to another organization or individuals within it and/or trusting the intentions and ability of organizations and individuals who are culturally at distance. It certainly entails managing the compromises and tradeoffs inherent in the accommodation and agency tensions discussed above.

In our research, the complexity of the contexts in which the collaborations took place presented itself in different ways but the main issue centred on the large number and diversity of stakeholders involved. It also highlighted, for example, that in public and not-for-profit collaborations spanning national boundaries, collaboration frequently requires the additional involvement of institutions in a facilitative or administrative role to help interpret legislative rules and regulations and protect the interests of the partners.

***Example***

*In Ethiopia I think one of the complexities is the number of stakeholders that are involved, the Ministry of Education and you've also got the British Council, then you've also got [partner organization], who take the lead on things but really don't have much power because everything has to go back to the Ministry of Education. I think the biggest problem there was - and I think it's quite characteristic of Ethiopia - that quite often there are lots of different stakeholders. And particularly being a poor country, normally there's a funder involved, somebody who's funding the project. There's more people with more interests, which makes it more complex in its nature. (Manager of cross-national collaborations in Ethiopia, South Africa and India)*

Two common responses to handling complexity are suggested by our research. Firstly, organizations seek to find partners with a similar culture or who are able and willing to compromise. This will yield connectivity and understanding between the partners and hence be easier to manage. Secondly, managers may adopt practices which seek to control the

impact that the activities of the collaboration have on their organizations' cultures. Typically they achieve such control by seeking to be the lead partner thus effectively imposing their culture upon the collaboration or by controlling the channels of communication between partners (for example, many suggest having one channel of communication between the various organizations).

Notwithstanding the pragmatic need to control the complexity of collaborations, there is nevertheless a real opportunity cost associated with simplifying cultural diversity. The potential for collaborative advantage rests on the ability to draw synergy from distinct forms of expertise. Selecting partners that are culturally similar or insisting on being the lead partner may constrain the aspirations of the collaboration. Similarly, simplifying communication channels thus limiting the number of individuals involved may effectively limit the potential for stimulation, creativity and reward. Our data shows many examples of managers reflecting on the value of communication in 'avoiding thinking traditionally' and 'gaining a richness of discussion' thereby genuinely tapping into partners' expertise. Similarly, they reflected on how greater diversity between their own organization and their partners would lead to greater opportunities to diversify rather than simply expanding their core business.

**Example**

*I think it would be very useful if partnerships could help us with a bit more creative thinking, what are things we can't do? What are the things we've always shied away from? And what opportunities are there in partnerships to note these new ways of doing things. ...I learnt the other day to my surprise, that all of our plans are for us to be the senior institution. I couldn't believe that. ... I think there's so much potential and so much talent here that we're just missing out because if we looked at partnerships to do with things we can't do, rather than just add a little bit of extra income to the things we can do, we're just starting from the wrong point. (Director of Corporate Strategic Partnerships).*

Managing complexity is undoubtedly an important aspect of gaining advantage from diversity though it is challenging both in term of organizations' collaborative capability and individuals' scope to manage it. Despite the obvious benefits of reconciling issues inherent in

the intersection of cultural diversity, making progress towards collaborative advantage also suggests a need to simplify and control complexity in practice. Managers thus have to adjudge the tradeoffs and compromises associated with complexity versus the need for simplification. Collaborative inertia relates to managers having to spend additional time, energy and resources to effectively address the shortcomings of organizational structures and find compromises that will enable the collaboration to move forward. Indeed, there is a sense of muddling through that explicitly recognizes both compromise and subtle forms of suasion.

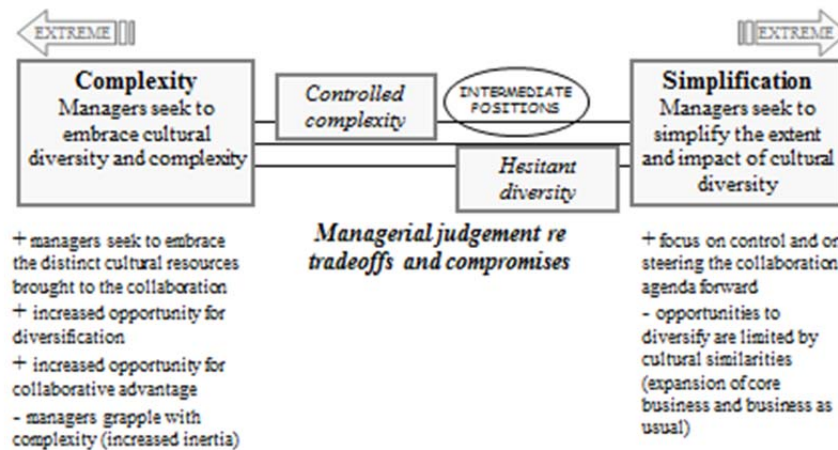
**Example**

*I think we're always working in spite of our systems, even with the best partnership we've got, we're struggling and clunky. Obviously if you've got synergies of scale and reach and ethos it's helpful. National commitment to personal development and worker progression routes and equal opportunities, then you're much more likely to have successful working together because there's a natural bridge or link between the organizations. But I think you have to look for organizations where there is that kind of connectivity. (Head of Business Development).*

**Example**

*My way of managing communication issues to do with hierarchy, status, age and gender has been to respect and to accept that it can be difficult to keep everybody up to speed. You need to try to maintain your own involvement, to ensure that all the key people are involved but you're always there as well so you can subtly be present. (Manager for cross-national collaborations in Ethiopia, South Africa and India).*

The quantity tension is defined by the poles of complexity and simplification. The essence of the tension lies in dealing with the complexities stemming from the number and cultural diversity of the partners that are involved. Retaining control is a necessary element of steering the joint agenda forward, however embracing complexity is necessary if the collaboration is to generate advantage through cultural diversity. We illustrate this tension in Figure 5 below.



**FIGURE 5: Quantity management tension**

The intermediate positions reflect this tension. The first ‘controlled complexity’ recognizes the value of embracing cultural diversity and seeks to enlarge the opportunities associated with it. However, this diversity is controlled to some degree, e.g. by reflecting on the rationale for increasing diversity through bringing in additional partners, or simplifying communication to a degree where deemed necessary – the basic orientation continues to place a positive gloss on embracing cultural diversity. The second tension, ‘hesitant diversity’ places more emphasis on control issues associated with complexity. However, rather than denying the value of diversity (as the extreme of simplification suggests) this practice seeks to include diversity in a cautious manner; allowing cultural diversity into the collaboration and enabling space for its expression whilst actively monitoring its effects on collaborative process with a view to active intervention where necessary.

## DISCUSSION

This paper addresses the management of cultural diversity in inter-organizational collaboration by focusing on a culture paradox which suggests that cultural diversity is both a source of stimulation, creativity and reward and a source of potential conflicts of values, behaviours, practices and beliefs. This focus allows us to extend current accounts by



acknowledging both sides of the paradox. By treating culture in this manner, the challenge is not only directed at addressing friction (i.e. via the process of recognizing, researching and reconciling difference) but also at generating collaborative advantage through cultural diversity.

In respect of managing cultural diversity, the accommodation, agency and quantity tensions offer specific handles for reflective practice. However, whilst they concern discrete interactions within collaboration the tensions offer an underlying shared narrative in respect of the basic evaluation or assessment of cultural diversity as an element within collaborative practice. The extremes on the left pole of the tensions (for a summary see figure 6) treat cultural diversity as an inherent benefit to collaborative practice, in this mode managers tend to embrace diversity. Through organizations and individuals increasingly orienting themselves to the collaboration (through enhanced autonomy and flexibility), it is presumed that cultural diversity will flourish towards advantage. By contrast the right pole of the tensions operate from an alternate world-view which suggests that for cultural diversity to lead to advantage there needs to be substantial control and intervention (if not carefully managed such diversity will lead to inertia). Here, the response is to simplify the extent and impact of diversity - organizations and individuals similarly show a bias outwith the collaboration in order to maintain their contributions. We suggest, however, that management practice should not be constrained by such rigid evaluations but embrace the culture paradox at the heart of our account. In so doing responding to these tensions necessitates adopting practices and interventions in a context specific manner; monitoring, adapting and refining practice throughout the life of a particular collaboration. Hence managers operate *through* tension as they seek collaborative advantage.

<b>Extreme</b>	<b>Intermediate Position</b>	<b>Management Tension</b>	<b>Intermediate Position</b>	<b>Extreme</b>
Flexibility	<i>Discursive Flexibility</i>	<b>Accommodation</b>	<i>Discriminatory Preservation</i>	Rigidity
Autonomy	<i>Reflexive Autonomy</i>	<b>Agency</b>	<i>Subversive Accountability</i>	Accountability
Complexity	<i>Controlled Complexity</i>	<b>Quantity</b>	<i>Hesitant Diversity</i>	Simplification

**FIGURE 6: Management tension - summary**

In terms of their contribution to theories on public sector collaboration, we note that the tensions have the potential to inform management and governance both *in* and *of* collaborations (Provan and Kenis 2008; Saz-Carranza and Ospina 2011). The distinction here is between focusing on the perspectives of partners (and their idiosyncratic cultures with respect to the collaboration) and the whole collaboration (and the overall ability to gain advantage from cultural diversity). For example, managers who focus on managing *in* collaborations, on behalf of their organizations, may intuitively put too much emphasis on ‘rigidity, accountability and simplification’ (the right pole of the tensions) whereas those concerned with the management *of* collaborations, e.g. in the role of partnership managers (Vangen and Huxham, 2003) may intuitively overemphasize ‘flexibility, autonomy and complexity’ (the left pole of the tensions). Similarly, in terms of different modes of governance, managers employed by an external administrative organization (Provan and Kenis 2008) may focus on achievement at the level of the collaboration (the left pole of the tensions) whereas a shared governance structure whereby every organization interacts with every other organization, may emphasize the perspectives of the individual organizations (the right pole of the tensions). Any such skewed emphasis may impede the potential inherent in cultural diversity. These three management tensions – whether considered individually or as a

set - can help illuminate tradeoffs and compromises associated with different modes of governance, allowing decisions to be informed by the extent to which specific governance structures are likely to favour one pole over another or give managers enough scope to address the particular tensions inherent in culturally diverse collaborations.

## CONCLUDING COMMENTS

While these three tensions emerged from empirical research focusing on managing cultural diversity in collaboration, they are not exclusive to this particular challenge. A number of tensions – which may appear similar in nature – have been identified in relation to other collaboration issues, challenges and contexts (see e.g. Clarke-Hill et al., 2003; Das and Teng, 2000; de Rond and Bouchikhi, 2004; Vangen and Huxham, 2003; Provan and Kenis, 2008; Ospina and Saz-Carranza, 2010). In this sense, our research corroborates that of others who argue that a focus on paradoxes and their inherent tensions enhance the understanding of collaboration in ways that mainstream theories can not (Clarke-Hill et al., 2003; Das and Teng, 2000). The unique focus of this paper allows us to theorise about the management of cultural diversity in ways that overcome some of the lacunae of extant research in this respect. In particular, our research emphasizes specific management tensions relevant to culturally diverse collaborations and offer specific insights as ‘handles’ to support reflective practice (Huxham and Beech 2003). By their very nature, tensions cannot be resolved by favouring one pole over another but they can inform individuals’ judgment about possible courses of action – the intermediate positions offer additional insight (although we note that they are not designed to be exhaustive). For practice therefore, the important message is to avoid searching for ‘the right answer’ but rather to embrace both the principle of a culture paradox and the

accommodation, agency and quantity management tensions. Such an approach emphasizes the critical role of managerial judgment (Ospina and Saz-Carranza 2010; Provan and Kenis, 2008; Vlaar et al., 2007) with the view to enable managers to make good enough decisions and ultimately collaborate well enough to generate collaborative advantage through cultural diversity.

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