Abstract

Background
Alliances and networks as collaborative organizational forms constitute a more complex context – in comparison with more traditional hierarchal organizational forms – and have consequences for the management as well as for the employees in their everyday work.

The purpose
To present a research study in progress discussing the leadership role and relations in a service network, focussing on how the prerequisites and content of the leadership role is changed when working in a network form of service organizations. The study also discusses whether there is a significant difference between the leadership role within conventional industrial business network compared to leadership in service networks.

The methodology
The research is an explorative study based upon two case studies involving in-depth interviews and observations. The study is conducted from a social constructivist/interpretive tradition and draws on social network and leadership theory.

Expected findings
The study will describe and discuss important social/cultural aspects as well relational aspects of the leadership role in service networks.

Practical implications
The research will have an impact on leadership and training programmes in service firms.

Originality
Aspects of leadership are seldom discussed in the service-dominant logic literature and in the mainstream of network theories used in the service literature. This study will enrich the service literature, mostly based on a marketing perspective and seeing the network as an exchange of resources, with various dimensions of leadership. This is important for a deeper understanding of the field.

Keywords: Leadership role, Service networks, Collaborations
Introduction

During the last decade an increasing amount of private firms and public organizations choose to organize their businesses in looser organizational forms. The amount of strategic alliances, partnership and network relationships has grown. The fierce competition, the globalization, increasing technological integration and shortened product life cycles are elements that put new demands on forms to develop, maintain, and strengthen their market positions (Harrigan, 1986; Porter, 1986; Dunning, 1993; Prahalad & Hamel, 1994; Contractor & Lorange, 2002; Lorange & Chakravarthy, 2002; Sanchez, 2002) and forces organisations to consider new forms to interact and organize. Furthermore, the technological development makes firms less dependent on time and space. The increasing amount of looser organisational forms in business life and public organisations implicates a more complex and interwoven context than before. A collaborative framework embraces new possibilities but also new challenges and problems for the actors involved, and traditional concepts and arguments can be questioned, thus putting new demands not only on management but also on the actors involved at various levels in the organizations.

Strategic alliances have been seen as hybrid forms of organizations that are becoming increasingly common in business life and public organizations. Many companies are involved in several cooperative partnerships arrangements at the same time, thus belonging to one or more social networks. Forming a strategic alliance is a strategy for firms to survive and gain access to new competence within a world of globalization and growing competitive forces. The increasing costs for R&D, the fast development of technology, shorter product life cycles, the aim for industry standards, and not least the in creating new product generations, foster the choice of strategic collaborative action as a means of facing these challenges.

Actors with different background, interests, goals, and values should coordinate their efforts intentions and actions with shared goals and for mutual benefits. Beside the fact that collaborations could be quite temporary, it often involves a certain degree of uncertainty, contradictory messages and situations for actors involved. The collaborative form thus put new demands on the people working on the organizations. The prerequisites for the manager/leadership role and the practice of leadership thus have to a great extent changed compared to the situation 10 or 20 years ago.
While the amount of strategic alliances and networks is continually growing, in private businesses as well as in the public sector, it is important to enrich the knowledge, practical as well as theoretical, concerning the prerequisites and consequences for the management role of these collaborations between organizations. The identification and discussion of issues that managers face in their daily work and how to handle them – issues to deal with that could vary at between different organizational levels in the collaboration – is important in order to develop the understanding, models and tools improving the performance of leadership and cooperative processes between companies.

This paper presents a research project that will take place during 2009-2010. Thus, the project is in progress, recently started. The research project concerns the changing premises for the leadership role, focussing on leadership in collaborative arrangements between firms and organization, such as strategic alliances and networks.

The paper starts with a discussion of the contexts and characteristics of alliances and networks in general followed by a section of the actual debate of the network perspective on the service industry. Thereafter I will give a brief presentation on different debates in the leadership literature, highlighting questions related to the leadership in collaborative arrangements. Attention draws to specific problems and demands these new context put on leadership. In the following section I will discuss methodological features in the research project, and how the research design is developed. Finally, concluding remarks will point to the importance of exploring the practice of leadership in various collaborative arrangements.

**Collaborative efforts – alliances and networks as organisational forms - the debate**

Parallel to the increasing amount of collaborative arrangements between organizations in society, the research field has experience an increasing amount of contributions in the 1990’s and 2000’s. A great amount of research concerning different forms of collaborations have emerged. Collaborative arrangements take on different organizational forms such as joint
venture, partnership, franchising, consortiums, alliances, networks etc. In both private businesses and public businesses, firms often choose a more collaborative forms of organizing, hence sticking to the core products. The dilemmas of managing a collaboration is widely known. A lot of literature and research is written and conducted, from a lot of perspectives. While joint ventures, partnership, alliances and networks mostly have been discussed in the industry sector, more recently the debate in the service sector also embrace the notion of organizing their business in a more network-like way.

Hence, a large variety of strategic cooperative arrangements can be found, and strategic cooperations have been studied from many different theories, e.g. the network perspective (Johansson & Mattsson, 1985; Ebers, 1997; Gulati, 1998), game theories (Parkh, 1996), transaction cost theories (Thorelli, 1986; Beamish & Banks, 1987) as well as strategic management (Harrigan, 1985, 1986, 1988, 2002; Porter, 1986; Lorange & Roos, 1992; Child & Faulkner, 1998; Lorange & Chakravarthy, 2002) and organizational learning theories (Hamel, 1991; Inkpen & Beamish, 1997; Inkpen, 2002; Kandemi, Ghauri & Cavusgil, 2002). Despite different theoretical perspectives, strategic alliances show some common characteristics, such as the involvement of heterogeneous partners, multi-parents effects on the parent companies, instability, flexibility and the reduction of autonomy, etc. Additionally, the social context of a strategic alliance often could be characterized as complex and contradictory (Planander, 2002), especially cooperations of R&D character, often named competitive alliances (Sheth & Parvatiyar, 1990; Rao & Reddy, 1995) which are characterised by an intense rivalry outside the actual cooperation between the firms.

Furthermore, cooperative and competitive strategies are often used simultaneously (Lado, Boyd & Hanlon, 1997), and it is not a question of either cooperative or competitive relationship, but it varies over time and within different parts of the companies intermittently. A cooperation is seldom clear cut, instead it comprises a combination of different forces and motives (Rao & Reddy, 1995; Planander, 2002, 2003, 2004), and where the partners not always have completely complementary motives. Besides the fact that cooperative arrangements often involve several partners, and that the companies organize several cooperations in parallel, the companies often are a part of several networks implying consequences, interdependence, risks and insecurities that the partners have to put attention to.
Thus, the complexity of organizing and developing a successful strategic alliance is widely recognized. These collaborative inter-firm relationships represent a form of organizing which does not rest on well-established hierarchical norm structure. The administrative coordination and control are dissolved, instead trust is seen as the mechanism of coordination (Bradach & Eccles, 1989; Ring & Van de Ven, 1992, 1994; Bachmann, 2001). This situation implies increasing demands on leadership and management and also means that the responsibility needs to be, and has been, dispersed in the organization to the employees at the operative level. To cooperate could be seen, however paradoxical, as a way to compete, and traditional organizational concepts and principles are challenged.

Many obstacles in collaborative processes are argued to appear depending on aspects as unintentional dispersion of information to partners (Bresser, 1988; Hamel, 1992) inappropriate organizational structures and governments principles (Killing 1983; Parkhe, 1993; Gray, 1996) or even the actors’ unfamiliarity to deal with a strategic collaboration. However it is mostly general management aspects that are discussed. The prevailing studies are mainly of normative character, and deals above all with practical advices about how to perform in the organizing of collaborations. Deeper problematization of the leadership role and investigations concerning how management perceive the prerequisites for the role - expectations and implementation – and what kind of means that could be found to execute these collaborations and their dilemmas is of minor degree.

Many of these aspects concerns collaborations in traditional industry sector. More recently also collaborative forms in the service sector is being analyzed preferably from the network perspective. Of course there are a lot of common features concerning the arrangements and government of collaborations, but a lot of aspects that differ could also be noticed, thus having consequences for the leadership involved. The contexts in which the firms are embedded differ, hence the logics of collaboration in these different sectors probably differs significantly. This is important while discussing the phenomenon – the change of the leadership role. Let us look at little closer to the debate of networking in the service sector while reflecting on the prerequisites for the leadership role.
The network perspective on the service sector

Evidently, a wide range of network theories has evolved, the work of Granovetter (1992) and Castells (1996) are important and influential contributions on the application of networks and relational thinking. Gulati (1998, 2007) discusses networks in businesses based upon the idea of social networks based upon the idea of nodes linked by a set of relations (Burt, 1997). Burt’s discussion on social capital and the use of structural holes, stems from the idea of that access to information, skills and resources increase the social capital – in exploiting relationships with others in a network. Much of the idea concerning business networks, are based upon the same logic - access to resources and information is a platform above all for the learning organisation and fosters innovation.

If we more closely look at the service sector, the appearance of the network perspective and analysis of the service field has evolved quite significantly. What kind of issues are discussed if we take a brief look?

As mentioned above a central aspect while discussing networks is the access to skills and different types of resources. In the discussions on managing networks Ford, Gadde, Håkansson and Snehota (2003) underline the process of building, managing and exploiting relationships with others, especially suppliers, in the effort of getting access to the skills and resources of suppliers. The goal with the network is to reduce uncertainties, achieve efficiency, innovation and influence. The importance of customer and suppliers relationships is put attention to while discussing the network as the result of complex interactions within and between companies over time. The embedment and intertwinement of the relations could be stated as “no single relationship could be understood without the reference to the relationship of which it is a part” (Ford et al, 2003:18).

In his discussion on the customer focussed organisation, Grönroos (2008) underlines the importance of the service process and service management, and argues that the marketing aspects is not a separate function but must be taken care of by the leadership and also be leavened throughout all different parts of the organisation. There is a shift from short term aspects and core product to the long term relationship with the customer, underlining the importance of total perceived quality in the customer relation. Not only the internal processes
but also the external processes with the customers is put attention to. Here the leadership role is seen as a support to the front line, in a rather flat organisation. Korczynski (2002) follow this idea in the discussion of the three part-relationship between the leadership, frontline and customer.

Also Gummesson (2007) deeply involves the customer in the service offer, when he discuss about the network of the service firm and the organisations, hence extending the CRM and marketing relational perspective. The firm has no definitive border in the service offer and production, but other stakeholders are also involved – like suppliers and co-partners in creating the service offer and co-creation of value (like in more traditional industrial firms). An inherent and important aspect in the service offer is the involvement and co-production with the customer. Here, the marketing aspects is central, in-compassing the managerial aspects.

The discussions of these business relationships above are mainly on a firm level – it does not handle the everyday possibilities and hinder of managerial aspects. The focus in the discussions is of instrumental character – how to develop a network and analysing the strategic position. Marketing aspects is held within a marketing tradition. Underlying this discussion is the RBV view – that a network is evolved on a resource basis.

In the tourism sector the network perspective has been quite prominent. Fyall & Garrod (2005) discuss tourism marketing with a collaborative approach – alliances, hotel consortia, travel industry alliances, tourism destination partnership – the business is formed by networks and collaborations and take on different collaborative forms, rhetorics and logics. In the tourism sector you also find a lot of collaborative efforts between public organisations and private industries. How to handle a collaboration is debated, hence underlining effectiveness and inter-organizational governance.

Scott, Baggio and Cooper (2008) also discuss the tourism sector form a network perspective. Partnerships and destination networks are analyzed from a social network perspective where information, knowledge, and knowledge transfer is a part of the social capital. The discussion concerning the government of the social network, is focussed on the structural, relational and embedment dimensions, related to issues whether the relation could be characterised as tense and deep. Tourism as a network governed business is acknowledged.
Discussion around governance styles, life cycle and key issues are found in these tourism networks, but the leadership role is not accentuated. The effect on the leadership role is absent in the discussion – a black box.

Altogether, the service literature, grounded in the marketing theories, still focus on relational aspects mainly from a marketing perspective. That means that it is not so obvious that the complexity of the variety of different actors in the network – management, workers and customers are involved in a complex web of relations. The network theories, as social network theories, study relational aspects but at a very general level and with an instrumental focus. Network studies often focus on the structure of the network - who are involved in the network processes and what are the relationships between different actors. While discussing more processual aspects you learn about the kind of collaborations, what actors are involved, with what kind of resources, how dense is the network and how strong it is on an organisational, inter-organisational level – all very important aspects. It is not only marketing personnel that are involved in network relationships, a lot of persons are involved in these interactions – taking place at the micro level with a quite complex structure, interaction and context. It is a complex web of interconnected aspects which could be hard to grasp.

One problem with existing research on leadership/management is that it has seldom discussed the impact of organisational forms on the practice and dimensions of leadership. Changing organizational forms impact on leadership, knowledge based organisation, teams and project organization. We have to learn more about this leadership role in order to further expand the knowledge concerning new organizational forms. In order to better understand the organizing processes, the conditions in organisations and the society we live in. At different organizational levels in society and businesses you find different logics of organizing and reasoning.

The literature would benefit of considering more social aspects on relations instead of sticking to an administrative and economic stance at a superior level. We could be better prepared to examine Harrigan (1986) argument of “alliances fail because operating managers do not make them work, not because contracts are poorly written”. It is of importance to more deeply explore the consequences of the new organizing forms for the leadership role and execution.
The premises of leadership: New organizational forms – new leadership roles

Leadership has attained a lot of attention and fascination throughout the years, and an immense amount of literature could be found. It could be argued that leadership is practiced not only in business life but in many other parts of society. People participate also in their free time in different organisations sometimes taking on a leadership role. This means that leadership is not only a business matter, but something that people continually practice in different contexts. In this section I will present a brief overview of the research field, without any claim of fully cover the whole spectra of contributions. For a deeper discussion of leadership theories and research, Yukl (1989) present a solid overview.

Carlsson (1951/1991), Selznick (1957), Mintzberg (1973), Tengblad (2003, 2006) are important contributions concerning the knowledge about the leaders´ working situations in general, in their discussions on CEO´s daily life. The work of managers has been studied at different organisational levels (see Hales, 1986) even though sometimes it is quite obscure what kind of context and at what organisational levels the work of management takes place. That the work of leaders has changed a lot during the last decades is evident (Kanter, 1989) and that the working situation for middle management has been the object for various interpretation. Some argues that the working situation has been more stressful for the middle management, while a lot of hierarchal levels has been erased because of rationality purpose, and the work content has been reduced because of the technology development (Kira & Forslin, 2008). On the other hand some researchers claim that the middle management positions have been more important, while the information amount and complexity in knowledge and expertise not can be concentrated to the top management (Pettigrew & Fenton, 2000; Dopson & Stewart 1993). The middle management position could be seen as extremely strategic parallel to the fact that society and the products and services produced and consumed are getting more and more complicated and complex.

Several studies discuss the relation between the leader and employees and the culture effect in these relations (Dalton, 1959 ; Kunda, 1992) and also the unintended dimensions in the execution of management (Tyrstrup, 2005). Discussions on management as complex and social and symbolic processes (Linstead, Grafton Small & Jeffcut, 1996) and discussions of
management from a critical perspective (Alvesson & Willmott, 1996; Alvesson & Svenningson, 2003) contribute to a richness of perspectives that is important in the understandings of the prerequisites for the management in relation to the management discourse that has evolved.

Concerning the leadership role in collaborating contexts there are still very few studies. As mentioned in the beginning of this paper, many problems in collaborative processes are argued to evolve related to aspects as unintentional dispersion of information to partners (Bresser, 1988; Hamel, 1991) inappropriate organizational structures and governments principles (Killing, 1983; Parkhe 1993; Gray 1996) and also the actors unfamiliarity to deal with a strategic collaboration. Child (1998) discusses the many key and overlapping roles and leadership issues of a manager from different perspectives, but on a general basis. Hence, it’s mostly general management aspects that are discussed. The studies is mainly of normative character, and deals primarily with practical advices about how to proceed in the organizing of collaborations. The last decades the prerequisites of working life has to a great deal changed, due to the globalization, technology development, democratic values etc. Together with the trend of looser organizing forms, such as networks, partnership, alliances the working premises and content have been transformed. Deeper problematization of the leadership role and investigations concerning how management perceive the prerequisites for the role - expectations and implementation – and what kind of means that could be found to execute these collaborations and their dilemmas is of minor degree. As Child (1998) argues that little attention is paid to the day to day management of alliances and network, instead mostly attention is drawn to the creation of alliance handled a the top level, than to the day to day general management work. Hence the differences between networks compared to alliances are not recognized.

The teaching at business schools and universities concerning management is to a great part dominated but rational techniques, and instrumental aspects, focusing on the efficiency in leadership. Deeper discussions and problematization of the complex demands, tensions and relations that the everyday life of leaders consist of and aspects as trust, responsibility, moral dilemmas are marginal (Czarniawska & Gagliardi, 2006). From the discussion above the importance of further deepen of the understandings of the working situation for the leadership and the consequences for their working practices is evident, especially since society to a greater extent is embedded in a context of collaborative, network-like relations. These new
organizing forms to a great extent is based upon trust and poses big demands on moral responsibility, cultural understandings and negotiation skills, and involves many situations of uncertainties and tensions.

Leadership does matter – having consequences for the overall results of the organization including the motivation and wellbeing of the employees.

The new contexts, implies other prerequisites for practicing leadership, where traditional management principles do not properly serve as guidelines. Strategic collaborations to a great extent involve negotiations between partners at different organisational levels, negotiations that is accomplished of actors that has to pay attention to its own parent company as well as to the collaborating companies. This could a complex situation where aspects of conflicts, tensions, identity and leadership could be substantial. It forces us to reconsider traditional patterns of action and thinking.

Let us take a closer look at the characteristics of collaborative arrangements. Central issues concern the complexity in the collaboration, dual roles and loyalties. How is this management role changed? How do managers deal with the ambiguity and paradoxes that a collaboration often involves? What impact has the blurring of borders, vagueness, indistinctiveness in, and the change between, various organisational belongings for the manager and the treatment of different organisational issues? Evidently, the organisational form composes different prerequisites, compared to traditional hierarchal organisations for the concrete managerial work situation, and where the big amount of contradictions, complexities and temporal character of a collaboration are aspects that could be supposed having impact on actions and conceptions/representations.

The prerequisites for the leadership role and its consequences on managerial practices are central, but neglected aspects in the understanding of collaborative efforts in alliances and networks. The growing amount of cooperative /network relations in society raises questions concerning the nature of managerial work, work behaviour and tools, eg routines, distribution of work and delegation of tasks. Various HR aspects concerning careers and training, education and leadership philosophies as well as the relation between the leader an employees in the collaboration are other dimensions, that is drawn attention to.
Setting the scene

As stated in Tengblad, Solli and Czarniawska (2005) the main issue for a leader is “mobilizing a network of resources”. In order to further explore the way leadership has changed during the last three decades, with focus on the demands that are highlighted by the new organisational forms as alliances and networks, the design of the research project is as follows.

The study will discuss the leadership role in alliances and networks both within the traditional industry sector (high-technology firms) and within the service industry (tourism). The research is an explorative study based upon two case studies involving in-depth interviews and observations of managers and other actors at different organizational levels. Each case study involves 10-12 interviews and each of the interviews will last for about two hours. These interviews will take place during spring and autumn 2009. After the termination of these interviews it could be of interest having a focus group meeting (where some of the interviewed persons participate) to discuss certain aspects of interest that has evolved during the interviews. Compilations of empirical findings, analysis/ comparisons, interpretations and report of results will take place during 2010. The study is conducted from a social constructivist/interpretive tradition and draws on social network and leadership theories.

The aim is to contribute to the understandings of strategic collaborative processes, such as alliances and networks, between firms and organisations focussing on how the prerequisites and content of the leadership/management role is changed when collaborating in inter-organisational relationships in different contexts within the industry and service sector. Expectations on the manager’s role and consequences for the everyday work of managers is discussed as well as aspects concerning the content, conditions and relations in managerial work. Important social/cultural aspects as well as relational aspects the demands and practices in the leadership role. A basic assumption is that the role emerge in the interaction between people, in the relation between individuals. The leadership role is developed in relation to other persons and varies in different contextual settings which means that the relational aspects are of significant importance. The relational perspective accentuates the recognition, shared understandings, interpretation, different perspectives, culture (norms and values), communication etc.
The project has both practical and theoretical implications – the aim is to develop the theoretical field and through discussions and reports disperse the conclusions and recommendations to firms and organizations, valuable in their planning and implementation of a variety of collaborations.

The result of the research project concerns consequences on the cooperative work processes at the operational level as well as aspects that are of special concern for the HR functions such as planning, recruiting, training, career and appraisal aspects - important dimensions to consider in the overall management of a collaboration. The research is expected to be of value in leadership programmes and support in firms involved in inter-organizational cooperations.

**Concluding remarks**

The practice of leadership is something that any individual would experience in various extent, in business or in private life. The practice of leadership is an important feature having consequences on the overall result of the organizations involved, the efficiency of the firms and the productivity as well as the well-being of the employees in the organizations. Alliances and networks as collaborative organizational forms constitute a more complex context – in comparison with more traditional hierarchal organizational forms – having consequences for the management as well as for the employees both strategically and operationally. As the paper discuss, collaborating forms as networks and alliances between companies often offer a lot of challenges for the organizations involved and also new prerequisites for the leadership role. This implicate a need for further exploration at the micro level of the practicing of leadership in their everyday work and the leadership role, putting attention to the interactions between actors and relational aspects. This embodies social/cultural issues in a dynamic and emergent process.
References


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