Networking design in inter-organisation setting - thesis proposal example

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Networking Design in Inter-Organisation Setting Current working environment, dictated by fast-paced production lines, symmetry across organisational lines, and large scale collaborations, necessitates development of formal interfaces for seamless operations. These formal interfaces are the springboard for network adaptations of inter-organisational relationships. But what form does this network take? And what are the in-built check and balances to ensure win-win outcomes? These are the questions this paper intends to answer. Research Methodology This study will be looking at network design in inter-organisational setting through the lens of secondary research efforts and anecdotal evidence. Reviewing current body of work and will give us a head start to know the challenges and quickly learn from failed practices of old. Conflicting issues will be resolved with anecdotal references and further research work to derive best practices. The Need for Networking In their paper on " Understanding Cooperation in Inter-Organisational Systems", Ponisio et al identified cooperation among autonomous business units as the main driver of networking (Ponisio et al 2007). The nature of this cooperation is to achieve a common goal requiring the participation of two or more players. This suggests: 1. The limited capability of a single player; 2. The synergistic effect of multiple players in achieving the goals; and 3. Success is predicated on an even mix of attributes of fair play, given the competing interests of the players Challenges to Networking in Inter-Organisation Setting With the above as a guide, several challenges to inter-organisational networking are obvious (Akkermans, 2001): 1. Fostering Trust and Understanding: The

pernicious role unguarded information flow across organizations can play in withering down a collaborating party's market share creates room for distrust. Paradoxically, unimpeded flow of information allows a network to thrive. The challenge then lies in creating the best mechanism that will take account of each party's fears and augment for it in a way that will generate the trust level required for optimal network-wide (Sviokla, et al). 2. Designing seamless collaborative work flows: With the inter-play of proprietary software and applications, achieving seamless collaborative work flows is a mirage. The challenge is not so much in the technologies, but the hurdles the work processes portend. This was corroborated in a paper on " Building an inter-organizational communication network and challenges for interoperability" (Pirnejad et al, 2007), wherein researchers evaluated the integration process in a project that involved medication data communication between primary and secondary healthcare providers. They reported integration issues which were traceable to non-alignment of work processes. 3. Appreciating counter-intuitive behaviour: Pair-wise networks come with certain people-related complexities. Such complexities are easily magnified in inter-organisational settings where each cooperating entity may have different response to the same event. Critical Success Factors in Designing Inter-Organisational Networks Inter-organisational networks are a mixed success story. There exist no guarantees of success, and there many networks that have failed to produce desired values for their participants (Sherer, 2003). My immediate goal then would be to identify key variables that aid in the design of efficient networks that will deliver on collaboration goals. Identified variables include: Network size: The size and character of the network epitomised by attributes such as honesty and reliability provide

the enabling block for design of successful networks (Sherer, 2003; Thorgren, 2009). While a large network size supports variety and innovation, organisation integrity is needed to mitigate communication complexities. Formation Process: The formation process is also a pointer to how successful a network will be. While top-down and bottom-up formation models both have their advantages and disadvantages, more research is needed to show the individual route through which each formation process can achieve success. Present research efforts favours bottom-up (Thorgren, 2009) but ignores the role top management support and fiat can play in networks success. Network Governance: This relates to the size of the administrative function. While Thorgren (2009) maintains that " larger administrative functions (e. g. network board sizes) positively influence network innovative performance", it is my considered view that large administrative bodies could be unwieldy and prone to in-fighting. Large organisations may override the interests of smaller parties forcing the network to be unevenly tilted and used as an appendage of the large organisation. Contractor et? al. (2011) seek to uncover what factors influence the degree of inter-organisational interaction among alliance partners and what the optimal level of this interaction should be. They argue that there exists a curvilinear correlation in this relationship. There are obviously multiple costs of interaction (i. e., coordination, information leakage, risk partner opportunism, etc.), as well as costs of lack of interaction (i. e., miscommunication, lost opportunities, transaction costs, etc.). Hence, finding the point of inflection is imperative to the success of (global) alliances. Conclusion My efforts in this paper has been geared towards directing attention to the yet burning issue of inter-organisational networks, and how it is that various research findings are yet

to uncover the path to success in network design. Clearly, these posers demand answers as we moved towards closer collaboration and networking.

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