No. 14: July-December 2015

Ulrich Franke

Academic Foresights

Inter-Organizational Relations

How do you analyze the present situation of inter-organizational relations?

Research on Inter-Organizational Relations (IOR) is located at the margins of International Relations (IR) only. Still, this follows from the dominance of state-centric perspectives which kept the discipline in check for many decades. State-centrism brought forward a concept of international organizations as instruments created by states to foster state goals. Bit by bit, this view was challenged by concepts of international organizations as arenas or (bureaucratic) actors (Rittberger/Zangl 2003). Increasing criticism of state-centrism notwithstanding, however, the discipline's focus remained on relations between states and international organizations. As these relations have been conceived mostly 'vertically' (with states as principals and international organizations as agents, for instance) it was only recently that a focus on the 'horizontal' dimension, that is, relations among international organizations themselves, gained considerable attention from IR scholars. This is particularly remarkable as inter-organizational relations started to become topical in other disciplines more than fifty years ago (Oliver 1990). The first to mention is sociology with its social exchange theory developing since the late 1950s as well as its turn to societal environments and an understanding of organizations as open systems in or rather since the 1970s. In other disciplines such as economics and management studies, but also in administration studies inquiries into relationships between firms and between government agencies set in during the 1960s. And even though these disciplines were and are hardly concerned with international organizations, IR scholars and all other students of world politics who share an interest in inter-organizational relations surely can learn a lot from the research experiences that their colleagues from neighbouring disciplines have made in past decades.

Correspondingly, the few (but after all rapidly increasing) pieces of work dealing with inter-organizational relations in IR are markedly (but not exclusively) inspired by the sociology of organizations. The most influential approaches to date are resource dependency, that is, a kind of extended or differentiated social exchange theory, and sociological neo-institutionalism, also referred to as the Stanford School. In terms of rationalism versus constructivism – the most successful (but far from undisputed) attempt to structure IR since the late 1980s (Fearon/Wendt 2002) – resource dependency sides with rationalism, whereas sociological neo-institutionalism sides with constructivism. Proponents of resource dependency argue that organizations not only face external constraints such as an uncertain environment and the need for resources but, in the wake of this, also a trade-off between the acquisition of resources and the



maintenance of autonomy. Hence, organizations engage with their environment (that is, other organizations) to gain or participate in others' resources; and in doing so they risk losing their autonomy (Cook 1977). Sociological neo-institutionalists, starting from the distinction between an organization and its environment as well, point to the role of institutionalized, socially legitimated elements in an environment. It is these elements, certain values, norms, expectations, or organizational forms, for instance, to which an organization adapts, integrating these elements into its own formal structure. Strategies of emulation like these bring about structural similarities (isomorphism) among organizations in similar realms of activity or rather organizational fields (Meyer/Rowan 1977; DiMaggio/Powell 1983).

In addition to approaches inspired by (rather rationalist) resource dependency and (rather constructivist) sociological neo-institutionalism two more accounts on interorganizational relations can be found somewhat prominently in IR: network as well as global governance approaches. Like resource dependency both accounts can also be qualified as rationalist. Network approaches are rooted in the sociological theory of the same name - a theory which addresses social relations located somewhere between interaction and organization (in terms of Luhmann's tripartite distinction of social systems, that is, interaction, organization, and society); global governance is rooted in regime theory (Krasner 1982) and (thus) can be grasped as an IR-specific contribution to the study of inter-organizational relations. Another (and complementary) way to distinguish between resource dependency, network approaches, global governance accounts, and sociological neo-institutionalism is not to refer to them as either rationalist (the first three of them) or constructivist (the fourth of them) but to look at what their major cognitive interest is or rather what their primary focus is on. For this purpose, (at least) three such primary foci can be separated from each other: a focus on who is interacting (organizations), a focus on how interaction takes place (as interorganizational relations), and a focus on what the result of this interaction is (contributions to global order).

Seen from this angle, (rationalist) resource dependency and (constructivist) sociological neo-institutionalism have in common that their major cognitive interest or primary focus is on organizations and the action ascribable to them. Besides, it becomes possible to distinguish the three rationalist versions of analyzing inter-organizational relations by means of their primary foci on who is interacting (resource dependency: organizations), on how this interaction takes place (network accounts: as or in networks), and on what the result of this interaction is (global governance accounts/regime theory: contributions to global order).

Ji dol J.					-
Approach	Resource	Network	Global	Sociological Neo-	
	Dependency	Accounts	Governance	Institutionalism	
			Accounts/Regime		
			Theory		
Primary Focus					
Who is	primary focus is	network analysis	no particular	primary focus is	
interacting?	on organizations	requires	interest of the	on organizations	
Organizations		(minimum)	approach in this		
	1	information on	auastián	I	. 1

		how many organizations are involved and how they relate to each other	question	
How does interaction among organizations take place? As inter- organizational relations (IOR)	IOR as a consequence of mutual dependence among organizations	primary focus is on IOR as networks	global governance as the result of interacting organizations (and other units of action)	IOR as a consequence of mutual dependence among organizations (grasped as relation between organization and environment)
What is the result of inter- organizational interaction? Contributions to global order	no particular interest of the approach in this question	no particular interest of the approach in this question	primary focus is on contributions to global order (patterns, negotiations, competences, responsibilities)	no particular interest of the approach in this question – global order is grasped and (always already) presumed as world polity

As far as the situation in IR is concerned most accounts to grasp inter-organizational relations appear in more or less 'pure' forms or exhibit rather clear theoretical priorities at least. See, for instance, Hensell (2015) and Dingwerth/Pattberg (2009) for sociological neo-institutionalism; Brosig (2014, 2011) for resource dependency; Biermann (2008) for a network account; or Gehring/Faude (2013) and Gehring/Oberthür (2009) for global governance/regime theory. Compared to the heydays of paradigmatic debates in IR, however, scholars with a research interest in inter-organizational relations, for better or for worse, do not (yet) seem to worry about demarcating their approaches from others too strictly or as an end in itself. Be this as it may, what can also be observed in this context is that security issues figure most prominently among IR accounts on inter-organizational relations so far (Hensell 2015; Brosig 2014, 2011; Varwick/Koops 2009; Koops 2009; Biermann 2009, 2008).

In your opinion, how will the situation likely evolve over the next five years?

Given that studying inter-organizational relations in IR, still, is in its 'infancy' a minimum expectation for the next five years might be that a kind of consolidation of this research area will take place. Such a consolidation could contain a noticeable increase in the visibility of inter-organizational relations due to a rise of corresponding conference papers, journal articles, dissertations and other kinds of monographs, as well as edited volumes. In terms of content, compatibility and plausibility checks of the assumptions guiding the various approaches to analyze inter-organizational relations

would surely be good to have. Scholars might ask: How do specific combinations of assumptions differ from those that are guiding other IOR approaches? What do these assumptions enable researchers to see, and what do they preclude them from seeing? Along similar lines, the consolidation hoped for could particularly be advanced by an increase in the levels of reflection and explication of the above-mentioned accounts' socio-theoretical and methodological premises as well as their political and societal implications. To wit: Upon what kind of pictures of (world) society are the approaches built? What kind of knowledge do they produce, how, and to the benefit and detriment of whom?

Given that IR scholars have traditionally 'imported' knowledge from other disciplines on a grand scale the next five years in studying IOR will likely be characterized by a continuation of this trend. After resource dependency, sociological neo-institutionalism, and network accounts have already been applied to IR the potential of some other approaches for the study of world politics waits to be fully explored, among them trustbased accounts (MacDuffie 2011; Isett/Provan 2005) and inter-organizational learning (Dahl 2014), but also several attempts to bring various approaches together such as institutionalism and Bourdieu's theory of the habitus (Emirbayer/Johnson 2008); resource dependency, institutionalism, and network accounts (Guo/Acar 2005); transaction cost economics and organization theory (Dekker 2004); or resource dependency and network accounts (Gulati/Gargiulo 1999). In light of these manifold opportunities to be seized students of world politics could critically observe what kind of discussions on IOR are going on in economics and management studies, administration studies and sociology. In so doing they should not only ask how their research might benefit from these discussions and alternative approaches but also, as stated above, reflect on how the knowledge they are about to 'import' fits with (the) other assumptions they rely on.

What are the structural long-term perspectives?

The structural long term perspectives for the study of inter-organizational relations' establishment as a cornerstone of IR might – to a substantial degree – depend on how convincingly its protagonists will respond to core questions in the course of the next decades. Prominently among these questions might figure the following:

- What kinds of concepts of relations guide inter-organizational relations in IR and the study of world politics, and how are these concepts related to the concepts of cooperation, conflict, and competition?
- Is it possible to systematize or typify inter-organizational relations (like students of management, for instance, do when distinguishing between joint ventures, networks, and consortia as tightly coupled as well as alliances, trade associations, and interlocking directorates as less tightly coupled; Barringer/Harrison 2000)? And if so, are concepts such as co-operative, competitive, conflict-ridden, legitimizing or recognition-promoting instructive in this matter? Moreover in this

Have You Written A Book? authorhouse.co.uk

Talk to a Publishing Advisor on How to Get Published. Get a Free Guide! context, under what conditions does a specific form of inter-organizational relations emerge, and how is this form reproduced or transformed in the course of time?

- How do inter-organizational relations in various policy areas or 'organizational fields' such as security, human rights, economy and finance, development, religion, and sports, for instance, differ from each other and what commonalities among them can be seen?
- Correspondingly, what do commonalities and differences among interorganizational relations within the same policy field look like?
- Does it make sense to differentiate between a declaratory level (of interorganizational contracting and memoranda of understanding) on the one hand and a level of specific working relations on the other, and if so, what kinds of commonalities and differences can be seen between these levels?

What kinds of contributions to world order are made by inter-organizational relations, and how do they take place? Which kinds of inter-organizational relations weaken or strengthen the meaning and power of certain ideas with relevance for world politics and world order such as peace, security, human rights, sovereignty, or the maximization of profits?

In diligently elaborating on this agenda of questions students of inter-organizational relations might be on the right track to successfully establish this still rather novel branch of research (as far as politics and order beyond states is concerned) as an accepted and (widely) acknowledged academic activity. Besides, they will surely contribute to the transformation of International Relations in this way – a transformation to a discipline which more adequately will be termed World Politics Research or similar. Such a discipline will not only be concerned with relations among states but also with relations among all other structures of corporate practice (Franke/Roos 2010) with relevance for world politics and world order, be it international organizations, informal fora, nongovernmental organizations, business enterprises, or else. The focus of this discipline, however, will simultaneously be on who is interacting, on how this interaction takes place, and on what this interaction brings about.

References:

Barringer, Bruce R. and Jeffrey S. Harrison 2000: Walking a Tightrope: Creating Value through Interorganizational Relationships, *Journal of Management* 26(3): 367-403.

Biermann, Rafael 2009: Inter-Organizationalism in Theory and Practice, *Studia Diplomatica: The Brussels Journal of International Relations* 62(3): 7-12.

Biermann, Rafael 2008: Towards a Theory of Inter-Organizational Networking, *The Review of International Organizations* 3(2): 151-177.

Brosig, Malte 2014: EU Peacekeeping in Africa: From Functional Niches to Interlocking Security, *International Peacekeeping* 21(1): 74-90.

▼ Start Free Download

P3000s@132.99€

Formation Design

d'Espace

Elephone

Download Free Software

Network Management Software & IT Tools for Free. Download Now! Brosig, Malte 2011: Overlap and Interplay between International Organisations: Theories and Approaches, *South African Journal of International Affairs* 18(2): 147-167

Cook, Karen S. 1977: Exchange and Power in Networks of Interorganizational Relations, *The Sociological Quarterly* 18(1): 62-82.

Dahl, Johanna 2014: Conceptualizing coopetition as a process: An outline of change in cooperative and competitive interactions, *Industrial Marketing Management* 43(2): 272-279.

Dekker, Henri C. 2004: Control of inter-organizational relationships: evidence on appropriation concerns and coordination requirements, *Accounting, Organizations and Society* 29(1): 27-49.

DiMaggio, Paul J. and Walter W. Powell 1983: The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields, *American Sociological Review* 48(2): 147-160.

Dingwerth, Klaus and Philipp Pattberg 2009: World Politics and Organizational Fields: The Case of Transnational Sustainability Governance, *European Journal of International Relations* 15(4): 707-744.

Emirbayer, Mustafa and Victoria Johnson 2008: Bourdieu and Organizational Analysis, *Theory and Society* 37(1): 1-44.

Fearon, James and Alexander Wendt 2002: Rationalism v. Constructivism: A Skeptical View. In: Walter Carlsnaes and Thomas Risse and Beth Simmons (eds.): *Handbook of International Relations*. London, Sage Publications: 52-72.

Franke, Ulrich and Ulrich Roos 2010: Actor, Structure, Process: Transcending the State Personhood Debate by Means of a Pragmatist Ontological Model for International Relations Theory, *Review of International Studies* 36(4): 1057-1077.

Gehring, Thomas and Benjamin Faude 2013: The Dynamics of Regime Complexes: Microfoundations and Systemic Effects, *Global Governance* 19(1): 119-130.

Gehring, Thomas and Sebastian Oberthür 2009: The Causal Mechanisms of Interaction between International Institutions, *European Journal of International Relations* 15(1): 125-156.

Gulati, Ranjay and Martin Gargiulo 1999: Where Do Interorganizational Networks Come From? American Journal of Sociology 104(5): 1439-1493.

Guo, Chao and Muhittin Acar 2005: Understanding Collaboration Among Nonprofit Organizations: Combining Resource Dependency, Institutional, and Network Perspectives, *Nonprofit and Voluntary Sector Quarterly* 34(3), 340-361.

Hensell, Stephan 2015: Coordinating Intervention: International Actors and Local 'Partners' between Ritual and Decoupling, *Journal of Intervention and Statebuilding* 9 (1): 89-111.

Isett, Kimberley R. and Keith G. Provan 2005: The Evolution of Dyadic Interorganizational Relationships in a Network of Publicly Funded Nonprofit Agencies, *Journal of Public Administration Research and Theory* 15(1): 149-165.

Koops, Joachim A. 2009: Introduction, *Studia Diplomatica: The Brussels Journal of International Relations* 62(3): 3-5.

Krasner, Stephen D. 1982: Structural causes and regime consequences: Regimes as intervening variables, *International Organization* 36(2): 185-205.

MacDuffie, John P. 2011: Inter-organizational Trust and the Dynamics of Distrust, *Journal of International Business Studies* 42(1): 35-47.

How To Publish A Book Talk to a Publishing Advisor on How to Get Published. Get a Free Guide!

 \square

Written A

Advisor on

How to Get

Published.

Get a Free

Guide!

Meyer, John W. and Brian Rowan 1977: Institutionalized Organizations: Formal Structure as Myth and Ceremony, *American Journal of Sociology* 83(2): 340-363.

Oliver, Christine 1990: Determinants of Interorganizational Relationships: Integration and Future Directions, *The Academy of Management Review* 15(2): 241-265.

Rittberger, Volker and Bernhard Zangl 2003: *Internationale Organisationen: Politik und Geschichte*. Wiesbaden, Verlag für Sozialwissenschaften (3rd ed.).

Varwick, Johannes and Joachim A. Koops 2009: The European Union and NATO: 'Shrewd Interorganizationalism' in the Making? In: Knud E. Jørgensen (ed.): *The European Union and International Organizations*. Milton Park, Routledge: 101-130

- - -

Ulrich Franke currently works as an assistant professor at the University of Bremen's Institute for Intercultural and International Studies (InIIS). He received his doctorate from the University of St. Gallen in 2008, writing about NATO's persistence after the end of superpower rivalry. Inspired by the philosophy and social theory of Classical Pragmatism his main research interest is on reconstructing both the core beliefs that guide the action of central figures in world politics – be it representatives of states, international organizations, or else – and their contributions to world order.

© <u>Copyright: click here</u>

Join our discussion group on LinkedIn