

Alliance capabilities, knowledge management practices and Non-Governmental Organisations (NGOs)

Abstract for OLKC 2009 conference

Paper objective

In our paper we will research potential synergies between alliance capabilities research and knowledge management practices. In addition, our paper will indicate the field of international development cooperation as particularly inviting for exploring relations between alliance capabilities and knowledge management.

Paper rationale

Upsurge of research on strategic alliances over the past two decades (Shenkar and Reurs, 2006) reflects substantially increased propensity for organisations to make use of alliances in their operations (Gulati, 1995; Zajac, 1998; Dyer and Singh, 1998; Doz and Hamel, 1998; Gulati et al, 2000; Das and Teng, 2000).

Early alliance research was relying on perspectives such as transaction cost economic and industrial organisation theory to understand drivers of alliance performance heterogeneity (Coase, 1937; Williamson, 1993; Madhok, 2002; David and Han, 2004). Typically, studies building on these theories focus on critical success and failure factors related to competitive issues between the partners (Kogut, 1988; Bleeke and Ernst, 1991; Parkhe, 1998).

More recently, research on inter-firm factors for success or failure has been complemented by focus on firm-specific or intra-firm factors to explain alliance performance differentials. These studies highlight the requirement for alliance capabilities (Kale and Singh, 1999; Anand and Khanna, 2000) that can catalyse alliance performance heterogeneity (De Man, 2001).

In our paper we research the underexplored link between knowledge management and strategic alliance research, bringing together two lines of research that we believe are synergistic.

On the alliance capabilities side, Heimeriks and Duysters (2003) show how alliance capabilities act as learning mechanisms, mediating between alliance experience and alliance performance. However, although the concept of learning is intrinsic in the research on alliance capabilities, the relationship between alliance capabilities and other organisational learning mechanisms has so far been mainly left unexplored.

On the knowledge management side, there has been significant focus on alliances as specific environment for studying knowledge transfer, asking how collaborative processes can contribute to knowledge acquisition. Focus is on dominantly on joint ventures, as research shows that equity joint ventures are more effective for interfirm transfer of capabilities than contract-based alliances (Mowery et al, 1996). However, this research focuses mainly on "uniqueness" of alliances environment for knowledge management, while we propose to investigate the role of knowledge management for alliances.

We will advocate that, in order to bring the two lines of research together, the starting point should be knowledge management practices. We propose, in line with Coombs and Hull (1998) to study knowledge management as a set of practices. This is complementary to studies on alliance capabilities that studies micro-mechanisms and groups of mechanisms that enhance and catalyse alliance performance.

In our paper we further indicate the field of international development cooperation, and Non-Governmental Organisations (NGOs) in particular -- as particularly interesting for research on alliance capabilities and knowledge management practices. Over the past two decades, a

new type of NGO that aims to create linkages between local issues and global institutions has emerged (Sanyal, 2006). In their effort, making the right linkages between their work at the grassroots level and the larger sociopolitical systems and institutional structures in which they are embedded is crucial (Edwards and Hulme, 1992).

Given that NGOs partner with a wide range of organisations – community organisations, bilateral and multilateral donors, private sector – heterogeneity of resources their partners bring to the table is very high, asking for elaborate knowledge management practices. We hence believe that investigating alliance capabilities and knowledge management practices in such setting could be very important. In addition, it would add to emergent research of “non-traditional alliances” -- alliances that have not been widespread in the past and have not been considered, let alone studied, in terms of their potentially unique features (Shenkar and Reurs, 2006).

This paper is part of research on NGOs, alliance capabilities, knowledge management and alliance portfolio complexity.

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