

# United we stand...

**David Archer and Alex Cameron, Socia Ltd, present the case for collaborative leadership when resources are tight.**

There is little doubt that in the second decade of the 21st century the business world is becoming increasingly interconnected. Companies now rely on global networks of suppliers for all aspects of their value chain and even in the public sector long-term partnerships with private sector service providers are becoming the norm in the delivery of core services such as refuse collection or road maintenance. More innovative collaborative arrangements are being set up to bring commercial and third sector expertise to bear on complex social issues such as probation services or drug rehabilitation, often with the added uncertainty of payment-by-results type contracts.

Leaders increasingly find themselves having to manage many of these relationships, each with their own demands and risks. And entering any kind of long-term business relationship means you're going to need to collaborate. But just how much collaboration do you need, and when? Some leaders may be attracted to the idea of always working in close collaboration with their partners just because that is their preferred leadership style, but if you try to manage your partners as you would a team of direct reports, you'll quickly run into problems.

On the other hand, if you treat a collaborative

relationship as purely transactional – where you're the customer and your partners are the suppliers – that's that is exactly what it will become: you'll miss out on the potential value and innovation that could have been created in the space between the two organisations.

But collaboration costs. Aside from financial considerations, it also costs in leadership time and commitment. So as a leader, you should only invest in collaboration in proportion to what you see as the potential return. In times when resources are tight, is this the time for leaders to look for opportunities to collaborate? Successful collaboration is all about sharing and making the most of limited resources, so it is in these difficult times that collaboration between businesses can really deliver the savings and innovation that we all need. But it is also worth noting that not all business relationships need to be highly collaborative. The trick for leaders is to identify the relationships that can genuinely deliver through effective collaboration.

#### **The collaboration spectrum**

To help work out how much collaboration is needed in a particular relationship, it's useful to look at the number (and significance) of the points of interdependence

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between the different parties. These points of interdependence are the key places in the overall business processes where the action (or inaction) of one partner can have a critical impact on the work of others: at these points alignment is essential.

In starting a discussion with your partners about the amount of collaboration that you are each looking for in a relationship, you may want to employ a simple tool – we call it the collaboration spectrum. This shows relationships ranging from the ‘symbiotic’ (with many points of interdependence and therefore a high degree of collaboration) at one end, to the ‘transactional’ (with relatively few points of interdependence and therefore a low degree of collaboration) at the other. Partnerships and mutually

beneficial relationships sit somewhere in between in the middle of the spectrum

As a rule, the more points of interdependence in a relationship, the more collaborative that relationship needs to be and the further to the left it will lie on the collaboration spectrum. Clearly the objective is to ensure that limited resources are focused on sustaining those business relationships which require the highest level of collaboration.

Using the collaboration spectrum, it is possible to plot the characteristics of each relationship at a moment in time, examine how those characteristics are likely to change in the future, and explore where the relationship needs to be in order to deliver its business goals.

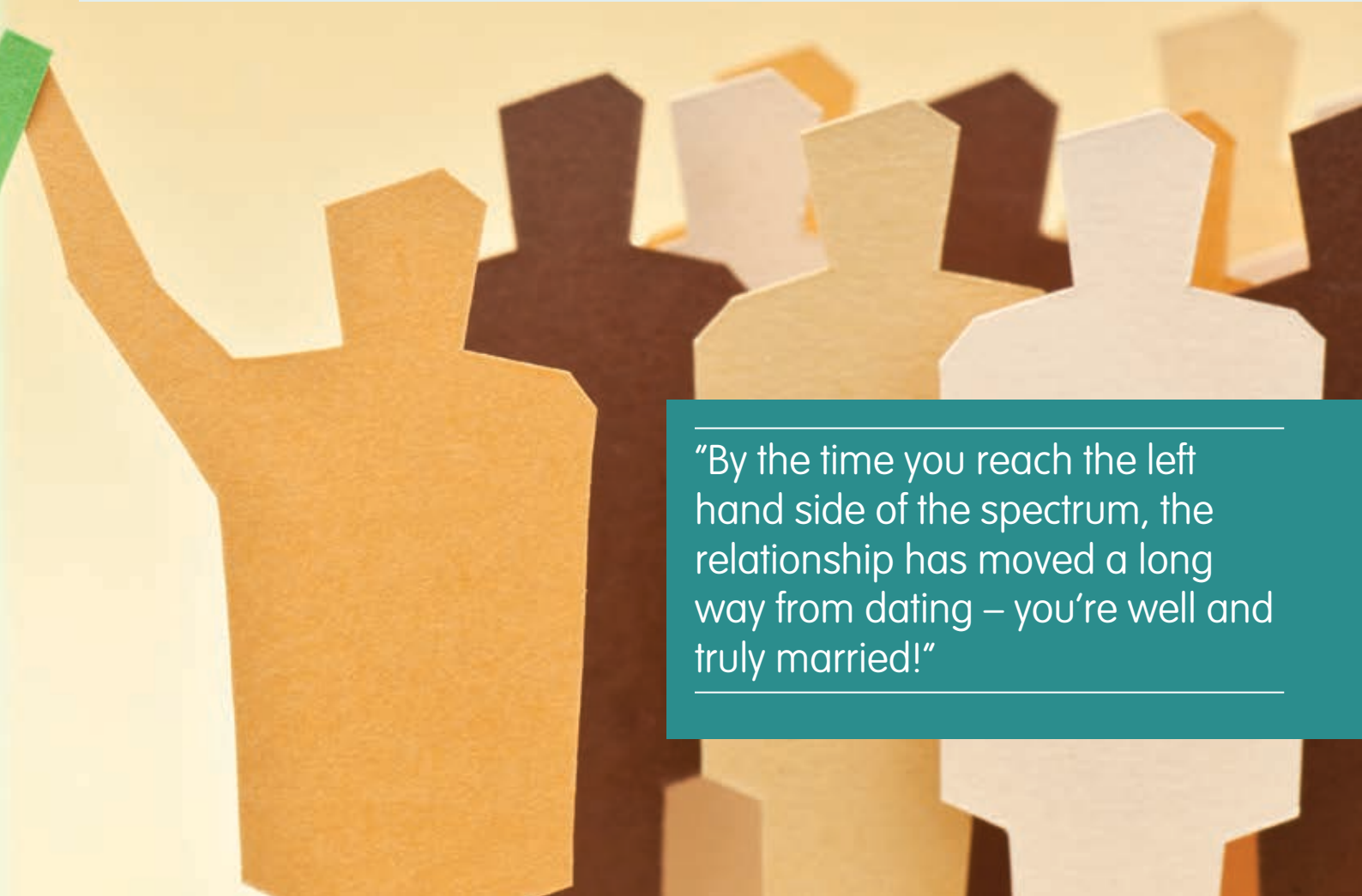
### Establishing your relationship

Working out where each partner thinks the relationship needs to be positioned on the spectrum can usually help to resolve initial differences in perspective and approach. For example:

- How much does each party want to collaborate? Do they want to operate as independently as possible or to interact closely?
- Where do parties disagree about the ways of working?
- Are there potential areas of conflict that are easy to predict?
- Are answers to the first three questions driven by an understanding of the needs of the joint enterprise or by the preferences of each of the partners?

At the right hand side of the spectrum, leaders are working with

straightforward transactions with low interdependence and a minimal need for collaboration. These may be quite short-lived relationships where each side takes what they need and moves on, ie, efficient transactions. As you move along the spectrum, from right to left, interdependence and the demand for collaboration increase. Each step along the way represents greater involvement and commitment. By the time you reach the left hand side of the spectrum, the relationship has moved a long way from dating – you’re well and truly married! And while this commitment can pay huge dividends, at the same time the amount of choice available in the relationship decreases. The consequences of changing your partner are far greater, more disruptive and costly. Divorces are rarely anything but messy.



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### Some lessons for collaborative leaders

- Ask yourself if you are balancing your time appropriately between the different business relationships you are involved in. Are you giving those that require a higher degree of collaboration the time they require?
- Collaborative groups or partnerships are not conventional teams, even if they sit at the symbiotic end of the spectrum. People in collaborative groups have different loyalties and have to be led and motivated accordingly.
- Ask your partners where they think your relationship needs to sit on the

collaboration spectrum. Is this different from your own view?

- Where do you both think the relationship has been in the past and is at the moment on the collaboration spectrum? And what does that tell you about the necessary direction of travel for the future?
- Don't send mixed messages. If you are used to running customer-supplier relationships, are you falling into the trap of using this language to describe a more collaborative partnership? Or if you are used to leading and building close teams, does your style confuse suppliers who expect to work more at arm's length?

### About the authors

David Archer and Alex Cameron are co-directors of Socia ([www.socia.co.uk](http://www.socia.co.uk)), a consultancy specialising in advising private and public sector leaders, leadership teams and Boards on managing critical business relationships.

Their clients include

Premier Oil, Transport for London, The Ministry of Justice, and the Olympic Delivery Authority.

They are co-authors of *Collaborative Leadership – Building relationships, handling conflict and sharing control* (Routledge, March 2013). See page xxxx for a review

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