

From A Clash Of Cultures To Developing Communities Of Practices: Managing Problematic Inter-Organisational Learning Relationships

Karen Legge,

Professor of Organisational Behaviour

Bridgette Sullivan-Taylor

ESRC Researcher, WBS.

IROB Group

Warwick Business School

Warwick University

Coventry CV4 7AL.

Ph: 00 44 (0) 24 765 233 19

Karen.Legge@wbs.ac.uk

oxfordpjt@aol.com

Track: Academic

Abstract

The focus of this paper is on the inter-organisational relationships (IORs) between business schools and corporate MBA sponsoring organisations. The paper examines the extent to which organisations learn from each other within partnership arrangements, enabling communities of practice (CP) networks to be formed, with the aim of achieving sustainable competitive advantage (SCA). SCA may rely on cost reduction strategies focus or differentiation of products and services in the marketplace (Porter, 1991). This paper will examine the role of CP networks in promoting perceived SCA. Communities of practice are defined as *'the grouping of people who belong to the same occupational group and who through their common experience of work create a culture, a language and rites, as well as practical routines, technical knowledge and coping strategies -all aspects which can be summed up in the word 'practices' (Gherardi et al.,1995).*

As a result of the value of organisational learning and the importance of SCA, many organisations have tried to embed corporate cultures that embody learning organisation notions. One approach is through IORs. Many organisations want to forge IORs with business schools in order to develop their intellectual capital to achieve SCA. Both parties to these IORs are hoping to engage in mutually beneficial learning. Managing this on-going relationship is crucial for both parties, in the face of competitive threats in the new economy, for example, from corporate and cyber universities (Meister, 1998). Burack et al. (1999) observed an unprecedented change in the relationships between corporations and business schools, for example, organisations sponsoring MBA programs to meet their own learning needs, seeking to dictate the structure and content of the course curriculum. One consequence of this change is that new forms of learning partnerships in the globalizing economy are forcing schools to change and discard outmoded ideas of the academic role and protocols. This paper discusses findings from a recent pilot study that showed that IORs face many obstacles, due to differences in the nature and expectations of each party. Public sector organisations are likely to be more constrained than those that are privately owned (Child, 2000) and their respective cultures may not be

completely compatible, due to power imbalances, the nature of the firms and their history (Mintzberg, 1983). The clash of academic and corporate organisational cultures, assumptions and agendas, can lead to considerable tensions between the provider, the commercial organisation and the latter's employees regarding the perceived value of the program ((Rynes et al., 2001; Johns 1993; Powell and Owen Smith 1998; Thomas and Tymon 1982)). Given the importance of these inter-organisational relationships and the mutual dependence of the partners in the pursuit of new knowledge, they need to be carefully managed and nurtured to achieve the desired learning benefits.

This paper examines several key questions; to what extent and why do corporate MBA inter-organisational relationships promote or impede inter and intra-organisation learning and to what extent and why do these relationships facilitate or inhibit the development of communities of practice within and between organisations? The empirical findings provide insights into the nature of these inter and intra-organisational relationships that exist between and within business schools and corporate MBA sponsoring organisations as found in an empirical study. The management of corporate MBA program relationships and the extent of cultural differences between private and public sector organisations as found in this research are explored in this paper.

This paper therefore examines the nature of communities of practice development in inter-organisational relationships, engaged in management education programs. This paper will provide both practical and academic insights.