# The Promise and Challenge of Collaboration: Complexities and Tensions in the Dynamics of Partnership Formation in Canadian Nonprofit Sport Organizations

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#### Introduction

"There is a fine balance to be struck between gaining the benefits of collaborating and making the situation worse" (Huxham & Macdonald, 1992, p. 50).

Partnerships and interorganizational collaborations have recently been adopted by organizations as strategies to deal with challenges and opportunities in their environment. The fine balance between reaping the benefits of collaboration while avoiding the disadvantages (Huxham & Macdonald, 1992), represents a challenge for managers involved in interorganizational relationships (IORs). With the high failure rate of partnerships (Ettore, 2000; Harrigan, 1988; Mohr & Spekman, 1994), this balance needs to be addressed. In order to achieve the promise of collaborations, the complexities and tensions associated with IORs need to be fully understood. The purpose of this paper was to examine what factors contributed to the complexities and tensions of partnership formation and development. Specifically, we focused on two areas: the institutional and structural complexities and the barriers based on attitudes and perceptions of leaders and managers (Wondolleck & Yaffee, 2000).

In Canadian nonprofit amateur sport organizations, decreased government funding, increased expectations of accountability and external pressures have led managers to consider partnerships as a strategy to remain viable while continuing to provide programs and services. Given the external and internal pressures an organization faces to establish partnerships, the different types of organizations involved in sport (e.g., public, nonprofit, & private commercial), and the recency of this strategy for sport organizations, a number of challenges associated with the formation and development of these relationships have emerged. Several questions about these complexities and tensions have also been raised in previous research in sport and leisure organizations (cf. Babiak, 2003; Frisby, Thibault, & Kikulis, in press): How did the focal organization and its partners interpret the concept of 'partnership'? What structural and institutional aspects of the sport system inhibited / facilitated partnership formation and development? This study seeks to answer some of those questions.

## **Research Methods**

We focused on the case study of one nonprofit sport organization as the focal organization and its partners composed of other nonprofit, public, and commercial organizations. The focal organization was one of seven Canadian Sport Centres (CSCs) located throughout Canada. CSCs are multi-sport organizations, created to enhance the training environment for high performance athletes. Ultimately, medal performances are the primary goals of the CSCs, with other long term objectives including the development of the athletes as individuals and community leaders and the ability to be financially 'independent' from government. CSCs represent a new form of sport organizations in Canada as they are the product of a joint venture on the part of three organizations: Sport Canada (the federal government unit responsible for Canada's sport system), the Canadian Olympic Committee, and the Coaching Association of Canada. As a prerequisite of this venture, CSCs were required to secure the involvement of other levels of governments, educational institutions, national sport federations, and commercial organizations. A qualitative research approach was used to investigate the complexities and tensions involved in partnerships of the CSC. Data were collected from three sources: 28 interviews (7 managers of the partnerships within the focal organization while the other 21 were managers of the partner-organizations); 110 organizational documents were analyzed for any reference to partnership structure, definition of the relationship, or organizational strategy related to partnership formation and field notes from organizational meetings were recorded throughout the data collection process. These three sources were analyzed using Atlas.ti, a qualitative data analysis software program. Themes related to factors that contributed to partnership complexities and tensions (institutional and structural barriers as well as perceptions and attitudes) were drawn from the data.

#### Results & Discussion

The findings from this study suggested that institutional and structural barriers as well as attitudes and perceptions of leaders and managers affected the formation and development of the partnerships. Perhaps the most apparent example of the challenges in the partnership dynamics was in the meanings and interpretations actors attributed to the relationship among organizations. Given the pressures faced by the CSC to establish partnerships, the number and types of organizations involved, and the recency of IORs as a strategy, there appeared to be multiple meanings and interpretations as to what constituted a partnership, and uncertainties as to whether the relationships in question were in fact what was frequently referred to as 'genuine' partnerships. That the term partnership became ubiquitous among sport, public, and private commercial organizations was emphasized in one informant's view that "Absolutely everybody is using the term partnership these days – but not necessarily in the way it was meant to be used." In contrast to what has been presented in the literature, the notion of partnerships was not as clear as what we had anticipated when we began this research and merits mention because of tensions that can arise from multiple interpretations. Other concerns were the institutional and structural challenges for the organizations involved. This manifested itself in various ways. There was a competitive / collaborative dichotomy among the partners – although many of the organizations were feeling 'pressure' to enter into partnerships, there was still a mentality of competition that existed amongst the organizations – particularly for the limited pool of public funds available for sport. While researchers acknowledge that different types of partnerships exist (cf. Das & Teng, 2002; Kaplan & Hurd, 2002; Oliver, 1990), none discusses the multiple forms and structures of interaction occurring within the same network of organizations working together. The analysis of the documents and interviews showed that the partnerships examined in this case functioned at different organizational levels, often concurrently. IORs among the organizations involved in this study were found on different levels, including: strategic, project specific, programs and services delivery, recognition and awareness, and benevolent or philanthropic. The complexities of partnership formation and development involved the coordination of these various IORs and the 'customization' that was required to manage each one.

The differences of opinion illustrated in this case reflected the unique context of nonprofit organizations that must balance the expectations of multiple partners that span the spectrum of sectors where different understandings of what a partnership is occurs because of different values, objectives, and experience (Austin, 2000). Complexities and tensions such as power imbalances related to control of resources, differing expectations and interests of multiple partners, and the intangible benefits IORs may provide, make it difficult for sport leaders to manage partners from different sectors. These challenges were attributed to factors such as environmental constraints, difficulties in communication and in developing joint modes of operating, managing accountability while still maintaining autonomy, and managing the logistics of working with partners who are geographically dispersed. Potential ramifications associated with some of these tensions include resource exchange issues and managerial challenges such as negotiation and communication breakdowns, conflict, and the assignment of roles and responsibilities for actionable results (Child & Faulkner, 1998; Doz & Hamel, 1998). These results are explained and future research endeavours to uncover effective strategies to overcome some of these complexities and tensions are discussed.

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