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Creating Cross-business Collaboration: A Recombinative View of Organizational Form

ABSTRACT

This inductive study of 12 cross-business collaborations in six multi-business organizations examines the emergence of high- and low-performing collaborations high-dynamic environments. We find that cross-business collaborations are an important source of innovation and adaptation in complex organizations that has until now remained largely unexplored. Thus this study provides a complement to studies of innovation at the level of products, business-units, portfolios of business, and firms. By illuminating the process by which cross-business collaborations emerge in high-dynamic environments, we also contribute to emerging organizational research on corporate level dynamic capabilities and, likewise, adaptation in multi-business organizations. In doing this, we highlight the entrepreneurial nature of the emergence of cross-business collaborations, and the self-organizing processes by which multi-business organization coevolves with the environment. Understanding the emergence of cross-business collaboration also highlights realigned managerial roles, especially the team business-unit general managers that we call the multi-business team. In particular, we observe that the multi-business team is as an unanticipated locus of corporate entrepreneurship, strategy and governance. Most important, this study provides a recombinative perspective of organizational form that extends understanding of multi-business organization beyond the prevailing perspectives of efficiency, bounded rationality and agency. Because no general theory exists to specify the nature of environmental conditions and organizational characteristics that are most important to young firms' survival, this research is exploratory.