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Engesbak, V. and Ingvaldsen, J.A. (2019) "'Please use our ideas': making parallel organizations work", *Team Performance Management*, Vol. 26 No. 3/4, pp. 183-195. <https://doi.org/10.1108/TPM-01-2018-0007>

“Please use our ideas”: Making parallel organizations work

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Abstract

Purpose: Parallel organizations (POs) perform tasks that operating organizations (OOs) are not equipped or organized to perform well. However, POs rely on OOs’ goodwill for implementation of their ideas and recommendations. Little is known about how POs achieve impact in OOs; this paper examines this important topic.

Design/methodology/approach: Through the analytical lens of boundary spanning, the paper analyzes the PO–OO relationship in a manufacturing organization. Data was collected through 31 semi-structured in-depth interviews with OO managers, PO team leaders, and PO team members.

Findings: Primary PO–OO boundary dimensions were favoritism towards local practice in the OO, specialized knowledge across PO–OO contexts, and power asymmetry favoring the OO. The main boundary-spanning activities were translating, which targets specialized knowledge, and anchoring, which targets favoritism towards local practice and power asymmetry.

Research limitations/implications: The findings on PO–OO collaboration, especially PO–OO power relations, complement conventional topics in PO literature, such as POs’ purpose, structural configuration, and staffing.

Practical implications: POs should be staffed with team members, especially team leaders, who can translate effectively between the PO’s and the OO’s frames of reference, and facilitate complicated knowledge processes across these contexts. Additionally, senior managers should understand their role in anchoring the PO initiative and its results within the OO.

Originality/value: This is the first study to view the PO–OO relationship via boundary spanning, and thus to identify power asymmetry as a key challenge not previously described in PO literature, and describe how this asymmetry is overcome through anchoring.

Keywords: Parallel organizations, parallel teams, boundary spanning

Acknowledgements

The authors are grateful to master students Anniken A. Borgen, Marlene Jåsund and Sigrid S. Børve for assisting us in data collection and initial data analysis, and master student Mari Haraldsen for assisting in data analysis. The research is supported by The Research Council of Norway.

Introduction

A parallel organization (PO) is a structure within an organization that operates continuously and in parallel with the operating organization (OO) (Hawk and Zand, 2014). Since its conception and development in the 1970s (Zand, 1974), it has been well established that POs work well as an organization development tool aiming to introduce a measure of flexibility and adaptability into authority-/production-oriented organizations. The PO consists of people from the OO who are organized into teams – sometimes referred to as basic inquiry units (Hawk and Zand, 2014) – that operate under a steering committee. It is used to perform tasks that the OO is not equipped to perform well (Cohen and Bailey, 1997), such as solving nonstandard problems or facilitating intra-organizational learning (Bushe and Shani, 1991).

The PO requires significant contributions from the OO, and the ultimate goal of a PO is to induce changes in the OO. However, the PO exists outside of the formal organizational hierarchy, and cannot rely on authority to access resources and gain influence. Furthermore, the PO is always at risk of being dismissed by the OO as unimportant or redundant. Short-term orientation, risk-aversion, or failure to appreciate innovative suggestions (Benner and Tushman, 2003; Levinthal and March, 1993) are all factors that may prevent the OO from supporting the PO or acting on its recommendations. In a similar vein, Lehtonen and Martinsuo (2009, p. 154), reported that many change programs fail because the OO fails to adopt or diffuse new ways of working that the program suggests. To overcome this challenge, POs need to access necessary resources, present their findings and recommendations in proper forums, and otherwise coordinate their interdependencies with the OO. In other words, POs need to span their boundary with the OO (Birkinshaw *et al.*, 2017; Tushman, 1977). This article explores how the boundary between the PO and the OO is spanned.

To investigate how the PO–OO boundary is spanned, this paper first reviews relevant parallel organization and boundary-spanning literature. It then presents a case study of a large manufacturing company that introduced a PO with the purpose of facilitating knowledge sharing and intra-organizational learning. In the case, it is found that the boundary is made up of three main dimensions: *favoritism towards local practice* in the OO, *specialized knowledge* across the PO–OO contexts, and a *power asymmetry* favoring the OO. The boundary is overcome through two primary activities: *translating* and *anchoring*. The final part of the

article proposes implications for future research, and offer suggestions for practitioners using POs.

Boundary spanning in parallel organizations

POs were first described by Zand (1974). According to Zand, organizations that are authority-/production-centered work best with well-structured problems, while organizations that are knowledge-/problem-centered work best with poorly structured problems. Since the problems that organizations face vary in structure, organizations should be able to operate in two different modes. These two modes are early conceptualizations of what March (1991) later popularized as exploitation and exploration in organizational learning. The PO is a tool that, through the creation of a new team-based structure, gives the organization a secondary mode of working. However, creating a new structure also creates a new boundary in the organization – between the PO and the OO – across which the units must manage their interdependencies.

Boundaries between organizational units have been conceptualized in different ways. For example, Carlile (2004) posited boundaries as syntactic, semantic, and pragmatic, while Schotter *et al.* (2017) listed cultural, psychological and institutional incompatibilities as important boundary dimensions. These studies also alluded to two broader dimensions of boundaries: cognitive and political (e.g. Kaplan *et al.*, 2017). Cognitive differences arise when the common vocabulary or models of reality are not sufficient to transfer knowledge. To overcome the cognitive boundary, researchers have stressed building shared meaning and a common language (Dougherty, 1992; Nonaka and Takeuchi, 1995). This boundary dimension is particularly important for POs attempting to create knowledge across contexts, as knowledge may be tacit or highly situated (Tyre and Von Hippel, 1997), such that understanding the other party may be more time consuming and difficult than actors expect, and may require significant efforts of externalization (Nonaka and Takeuchi, 1995). Political boundaries arise where the interests of parties differ. Differences in goals and territorial concerns create costs for the actors involved (Carlile, 2004). Actors are invested in their practice, so the knowledge that goes into the practice can be at stake for the actors that have invested time, effort, and pride into developing it (Carlile, 2002).

Spanning the PO–OO boundary becomes central to PO–OO collaboration. Boundary spanning is a well-established concept that has been applied to investigate topics such as special boundary roles in R&D (e.g., Tushman, 1977), team boundary spanning (e.g., Ancona and Caldwell, 1992), coordination in dynamic environments (Kellogg *et al.*, 2006), and how organizational units perform boundary-spanning functions, for instance by acting as “buffers” or “bridges” between the organization and the outside environment (Meznar and Nigh, 1995). Throughout its widespread application, Birkinshaw *et al.* (2017) found that boundary spanning, even when viewed from different perspectives, has a consistent definition as “a specialized function that seeks opportunities to mediate the flow of information between relevant actors in a focal organizational unit and its task environment” (p. 424).

Carlile (2004) described three categories of boundary spanning activities: (1) transferring knowledge, which works well across syntactic boundaries where everyone understands the differences between the actors and can adapt easily; (2) translating knowledge across semantic boundaries, where dependencies and differences are unclear and common knowledge needs to be developed, and (3) transforming knowledge across pragmatic boundaries, where differences in interests inhibit actors' ability to share and develop knowledge. Birkinshaw *et al.* (2017) found four categories of boundary-spanning activities in multinational corporations (MNCs). Two of these, termed spearheading and facilitating, are focused on making connections across boundaries, while the other two, termed reconciling and lubricating, are focused on overcoming the specialization barriers stemming from differences in frames of reference. In the team boundary-spanning literature, representing the team, coordinating task activities, and seeking information have been highlighted as important boundary-spanning activities (Ancona and Caldwell, 1992; Marrone, 2010).

The boundary-spanning activities described in previous literature may all be relevant to the special case of PO–OO collaboration. However, to understand how the boundary between the PO and the OO is spanned, it is necessary to first understand the specific nature of the PO–OO boundary and the challenges it presents to the actors involved. Since PO–OO collaboration has received very limited attention in the PO literature (see Bushe and Shani, 1991; Hawk and Zand, 2014), this paper adopts an inductive, theory-building research design (Eisenhardt, 1989).

Research context

Nordic Process Production (anonymized) is the national branch of a MNC that delivers a particular commodity, and products related to it, worldwide. The national branch operates five plants (also anonymized) in a Nordic country, producing mostly similar products based on similar technologies. A central organization manages sales, strategic purchasing, and R&D, and makes other, nonoperational, decisions. Each plant is led by a plant manager, and unit managers run the different units at each particular plant. The unit managers oversee a set of technical managers that are responsible for certain key technical processes, and operators perform most of the routine work according to standard operating procedures that they themselves have created with advice and support from the technical managers. Over time, this has led to the plants having different ways of doing similar tasks, sometimes with good reason (for instance, if a particular machine differs depending on the plant, or if buildings are laid out differently), and sometimes with no clear reason.

Around 2015, the central management and the R&D division identified potential for inter-plant learning around technological solutions and operational practices. Working on these issues would complement local, continuous improvement activities at the plants (cf. Bessant and Francis, 1999). To facilitate learning across the plants, the company introduced a PO initiative that they termed “Core Teams” (CTs). Twenty CTs were created, each of which addressed one of the key technical processes that was shared across the plants. Each CT ideally consisted of a technical manager from each plant, and was led by a research engineer

from the R&D department. The mandate they were given was to analyze how work was done at each plant so as to define the best available practice for each process, and to support the plants in implementing the best practice.

Research design

The research design is an explorative case study using an inductive approach (Eisenhardt, 1989). In order to maintain rigor, the methodology outlined by Gioia *et al.* (2013) is followed.

Data collection

To attain multiple perspectives on the use of PO in the case company, 31 in-depth interviews were performed across 28 informants. Of these, 23 were conducted in an initial round, and an additional eight were carried out 10 months later. The sample included both members of the PO and OO managers. Three of the interviews were with senior managers in the central organization, one was with a senior manager of the R&D department, six were with unit managers, 10 were with core team leaders, and 11 were with core team members. Hence, PO–OO collaboration could be explored from the perspective of both the PO and the OO.

Interviews were semi-structured; they typically lasted around an hour, but were sometimes as long as two hours or as short as 30 minutes, depending on the informants' talkativeness and willingness to share. All interviews were recorded and transcribed. Interviews began with questions about the informants' background in the company and their involvement with the PO initiative. Follow-up questions were adapted to the topics brought up during the interviews, and when no clear topic was brought up by the informants the researchers asked about areas such as actions and perceptions related to parallel teams, relationships between plants, staff functions, central management, R&D, and the CTs.

Analytical approach

After data collection, a first-order analysis (a data-near analysis) of the transcripts was performed (Gioia *et al.*, 2013), in which many terms, concepts, and categories that the informants used became apparent. After a first work-through, 74 data-near categories were identified, many of which related to the PO–OO relationship, while others pertained to issues beyond the scope of this article. Through a lengthy process of comparing and reworking they were reduced to a manageable 27 categories, and they were then given labels, which used informants' terms where possible. To further order these categories into more theoretical and explanatory second-order categories, the literature on POs was revisited. This led to the conclusion that the PO literature has not adequately addressed the issues that were interesting in this case, but that boundary spanning was a promising frame for shedding light on it. Using the new theoretical concepts of boundaries and boundary spanning, the first-order categories were reworked, while second-order categories were simultaneously shaped that described the

dimensions of the PO–OO boundary and which boundary-spanning activities were performed. Finally, an emergent model of boundary spanning in PO–OO collaboration was built (see Figure 1), which shows which boundary-spanning activities target which boundary dimensions.

The findings are presented in two main parts. First the constituents of the PO–OO boundary in the case company are demonstrated, followed by how the boundary-spanning function is attended to in the case organization.

The PO–OO boundary

The PO–OO boundary in Nordic Process Production is best understood as being constituted of three dimensions:

- (1) *Favoritism towards local practice*, which causes the actors in the OO to be content with the way things are.
- (2) *Specialized knowledge*, which makes it difficult to understand points of view other than the one the actor is immersed in daily, and therefore also obscures the need to change, adapt, and learn.
- (3) *Power asymmetry*, which causes the PO and its allies to devote significant effort to gaining acceptance in the OO.

The following looks more closely at each of the three.

Favoritism towards local practice

The first dimension of the PO–OO boundary was the strong sense of favoritism that the plants showed towards their local practice. In addition to having done things in a certain way for a long time, people at plants had been involved in developing the practice; therefore, the current system, which was largely perceived as working well, was in a sense a monument to the competence and skills of people at the local plant. Upsetting the practice was akin to upsetting the people there:

[...] the mass factory at Plant West has been run in such a way that it is exceptionally ticklish, and if you then use your finger to stir the coffee mug of the guy who's kept it running steadily, you are going to upset that person a little. (CT Leader)

Getting acceptance for core team results therefore became more challenging than one might expect, as having a good solution did not necessarily equate to getting acceptance for the new solution. Thus, generating acceptance became a key goal for the CTs:

Yes, well, the purpose is of course to ensure good solutions, rooted in the organization, but there's something with... to get the effect of something... One thing is a great solution, but acceptance of the solution, that's what you always have to keep in mind. (CT Member)

Between the CTs and acceptance stood a general skepticism as to whether those outside plants – be they central management, the R&D division, or CTs – actually understood what was important in production. Plant personnel expressed skepticism towards the work forms outside the plants and did not want to take part in anything they deemed unnecessary, unproductive, or in any sense not in line with the focus inside the plants, which they saw as fast paced and important work.

If it's just another arena for tick-talk and coffee drinking, then clearly there's not going to be much interest, so it's important that we fill this with something that gives value back to the factory. (CT Member)

Specialized knowledge

Different knowledge was relevant across the CT context and the plant context, and creating understanding across these contexts was a difficult challenge for those involved. This made up the second important dimension of the PO–OO boundary. The CT members represented the plants in the CTs, and often had a different frame of reference than did the CT leaders, who represented the R&D division. Thus, the context of the CTs that were created to fulfill a function envisioned by the central management and the R&D division, and the context of CT members' daily life at the plants, differed. This led to some frustration:

It's easy to talk about best practice when you sit in an office in [the HQ city], and sure, do it like this and that, but in practice it's so difficult... to make it actually work, and across different technologies as well. (CT Member)

Different ways of understanding problems was one thing, but another aspect of this boundary dimension was that communication across formal competence levels was challenging. CT members with trade certificates but little or no formal education beyond high school, and research scientists who did not have much experience in operations, did not always see eye to eye. They used different vocabularies, understood concepts in different terms, and valued different things. Sometimes this added to the challenge:

[...] there was an operator from Plant North representing [a core process], but then there was a doctor engineer from Plant South that... right? So that was hard to make work... Now we try to only have engineers in our team, so we are a little more theoretically oriented, while the practical is more removed from the core team. As far as I can see, this should give better results, because those who meet are more similarly minded, and have more similar problems that they want to solve. (CT Leader)

Further reducing their ability to overcome this barrier was plant personnel's strong sense of not having sufficient time to think about the issues being discussed in the CTs. Their days were packed, and sitting down to reflect on local practice did not fit in with the otherwise hectic activities, which were often described as putting out fires, and were always prioritized above "staff-generated initiatives" like the CTs.

Because it's in a sense, it is production that is their primary focus all the time, it's an enormous focus on the moment. It's typical, if you ask operations people "How was it

three weeks ago? What happened back then?” They don’t know, if it’s not in the computer system, they won’t know. They have zero horizon, that’s how you become... Actually, I don’t know if they’re made in production, or if we just gather them up there – but you have to make some allowances for that. (CT Leader)

Power asymmetry

Decision-makers at the plants had the majority of power in the PO–OO collaboration. Ultimately, whatever the CTs came up with comprised suggestions, as decisions on what was to be implemented rested with the plants.

To implement work process improvements, the CTs needed support from the local improvement groups, as they were the ones actually responsible for creating operating procedures. These groups consisted of operators and technical managers, who might or might not also be CT members. For improvements that required investments, the decision ultimately rested with the plant management. To them, ideas from the CTs were not necessarily favored compared to other proposals, and needed to be evaluated in the same way. This meant that there at least had to be a well-defined business case, showing good return on investment, that plant management could use in its budgeting process.

The agenda for each CT was set by the CT itself. CT members and leaders had the same opportunity to come up with topics, and plant managers could also suggest topics through the plant’s CT representative. However, agreeing on a common agenda of interest to everyone was not always easy. What was attractive at one plant was not necessarily so at another. Likewise, what was of interest to CT leaders, who were R&D representatives, might not be as interesting to every plant.

Spanning the boundary

As seen above, the OO was not especially attentive to the need to span the PO–OO boundary. Therefore, the task of boundary spanning fell to the CTs’ representatives and supporters. Through the analysis two main activities used to span the boundary were identified. These are now described, along with how CTs dealt with the particular challenges of each of the PO–OO boundary dimensions. The two main activities are *translating* and *anchoring*. Translating is primarily concerned with overcoming the *specialized knowledge* boundary dimension, while anchoring targets favoritism towards local practice and the power asymmetry dimension.

	Translating	Anchoring
Favoritism towards local practice		X
Specialized knowledge	X	
Power asymmetry		X

Figure 1: PO–OO boundary dimensions, and the related boundary-spanning activities

Translating

Translating is undertaken by PO members and leaders, and entails using the vocabulary, knowledge, or frame of reference of the PO and OO to help actors across those contexts understand each other’s perspectives, thereby overcoming the specialized knowledge dimension of the PO–OO boundary. Translating can be further divided into *bridging* and *selling*.

Bridging. Having the ability to act as a bridge between actors from operations and actors from R&D was seen as an important skill for both CT members and CT leaders. This meant having knowledge of the operational context, as well as subject-matter knowledge, or “having one leg in [Plant West] and one leg in technology”, as one CT leader put it, describing how he himself strove to maintain these skills. CT members valued this kind of dual knowledge highly:

[CT Leader], is a very comfortable type, incredibly skilled in his subject matter. Kind of both theoretical and practical. (...) his manner instills respect. (CT Member)

People with knowledge of both contexts were in a sense a precondition for successfully facilitating good discussions and reaching conclusions; however, such people were not readily available:

In our field, there’s actually kind of a limited supply of people with enough senior capacity to be able to do this work. I did a quick count, and we are, I guess, about five or six people who both know [a key process], and that have the insight and experience from management, and are “heavy” enough to facilitate, and that understand operations. There are a lot of very skilled people on top of that group, but it’s about having the right approach and being able to land discussions. (CT Leader)

For the R&D department, this was a key dimension when selecting CT leaders. They wanted leaders that, in addition to having the technical knowledge, had operational

knowledge and a set of management or communicative skills that allowed them to effectively translate between the OO and the PO. This enabled these leaders to facilitate the fairly advanced discussions needed in the CTs:

Leading this kind of team is a form of competence, and it's not given that everyone eligible for CT leader roles has that competence. We select people specifically because they are able to communicate between research and operations. Because over the years they have demonstrated a competence like that. We use those people that we see communicate well with plants, and that are capable of facilitating these discussions. (R&D Manager)

CT members also had to translate the meaning gained when they came back to their plants, where they were expected to be able to implement the results. Individual members spent a lot of effort making sure that the operators in the core process groups – that is, those responsible for defining standard procedures – understood what the CTs were and what they were doing, and also understood the concrete results that the CT wished to have implemented. In this work, it was also valuable to have people that understood both contexts. Having people with high theoretical knowledge at the plants helped span the boundary, because it was easier for knowledgeable people to see what the rationale for a change was, and what the implications were, and translate those aspects into terms that could be understood locally.

I have had members that have taken recommendations straight back home with them... but that's about understanding the subject matter. One, he was a technical manager, who took it home with him directly, and just said "We're doing this!" We just agreed to do it [...] and then it was done. But that was someone who understood what we were talking about. (CT Leader)

Selling. A lot of energy was devoted to getting relevant people in the OO – typically those that were needed to implement CT results – to see the benefits of a particular solution, or of the CT work form in general. This was achieved through selling:

Obviously, he who comes back to his own plant has to sell it there (R&D Manager)

Because, as one operator put it:

Creating a best practice is nothing if you can't implement it in the daily work at the ground level, or the operator level. That's its own activity, and it's not sufficiently in place. (CT Member)

Selling targeted all levels of the OO hierarchy. Ideally, the appropriate level was determined by what the CT wanted to achieve, but in practice it depended more on the personal network of the individual CT member or leader. One CT leader, for instance, reflected that, because of his long time in the organization, he had good access to unit managers and was able to sell the results there, while other CT leaders worked at lower levels, often struggling to get acceptance of their results. Therefore, personal networks became important for successful selling.

I see that some CT leaders work towards technical managers, but that I, with my background, easily operate at the unit manager level and above. I actually own the unit manager meeting, so it's not so terrifyingly new, or [full of] strange people, when I seek approval for our best practices. I'm actually the one who calls the meeting anyway. (CT Leader)

Furthermore, good selling points and a clear message that the OO personnel understood were important. Concrete, simple, understandable, and short-term CT results were therefore preferred, and when line personnel talked positively about CTs, which they often did, it was frequently based on such results:

I think results are received positively, so long as we show clearly how it is going to give a better result. It's possible that changes we make, make us have to work in a different way than we have done before, which can be seen as a bit bothersome and backwards. So long as you can make visible the positive results, and link [them] to product quality, as well as the cost, then it's going to be experienced positively. (CT Member)

This impacted the types of results that the CTs were able to achieve, and while the ambition that the central management and the R&D division had for CTs was more oriented towards long-term development and improvement, what came out of the teams was often short-term and easy-to-understand projects that could be sold to the plants.

Anchoring

Anchoring is undertaken by influencers outside the plants (central management and the R&D department) and concerns the placement of ownership of the PO and its results, formally or informally, in the OO. Thus, it seeks to overcome the favoritism towards local practice and the power asymmetry. After all, if the OO itself is positive about what it has created, and skeptical about aspects coming from the outside, one way to create acceptance is to have the initiatives come from (or seem to come from) the OO.

Plant management was a central gatekeeper and opinion leader at the local plants. This was certainly linked to their formal authority to direct effort towards the plants, but was also in large part because they defined what was seen as important by others at the plants.

It's like this, if I express that the core teams are nonsense, then I think that the technical managers [...] it wouldn't take long before they felt the same way. (Unit Manager)

And not [...] least, it's important locally that leaders request the work that is done in the core team; if you don't have that in place, then I don't believe we'll get a well-functioning team. (CT Member)

Therefore, making sure that the plant management was on board with the CT initiative became important to those forces in the organization that were advocating CTs. This was not

only CT members, but also those that initiated CTs, and who spent energy trying to get them to work:

It has to be the plant that's concerned about what's going on [in the CTs], and if we can't reach that point... and we're not there yet, that's where I spend a lot of my time – getting the plants and their administrations to request this. (R&D Manager)

An effective way to ensure plant management used their influence to benefit CTs – by, for instance requesting results from it – was to ensure that they felt ownership, and understood that the formal responsibility had been placed with them. Therefore, anchoring was an activity that the PO did not primarily undertake itself, but where allies from other places in the organization stepped in. People that had some influence from staff functions and from the senior management level were instrumental in anchoring the CTs and their results in the plant managements.

What we're trying to do is that if something like a best practice is formulated, [then] that formally is approved by the unit managers, and then we'll get... Well, what I'm trying to say is, by signing a document, that's not just accepting the content, but [by] signing a document you accept the responsibility for taking it further. (R&D Manager)

That means, that when I say, when I ask, "What's the agenda now?" then the answer should be "Core teams." It is to be prioritized. And I'm making it work. I am. So I've managed to anchor it where it matters, so now it's up to me to make sure this stays on the agenda. (Performance Manager – Central Management)

Placing the formal ownership was seen as an important part of anchoring, but it also involved informal ownership, or something akin to personal commitment. For instance, as the CT initiative progressed, line managers were given a more active role in defining the tasks that CTs worked on, the expectation being that they would then also have a more active role in making sure results were implemented.

As this progresses, we hope that [line managers] will delegate tasks, and be explicit about their expectations for the core teams, so that core teams get feedback from the line leaders about what it is they want the teams to work on. That way, when the results from the core teams come, it is wanted input. And then the line leaders will say "This looks good, we're going to take this forward," and then they'll be responsible for implementation. In practice we're not there yet. (R&D Manager)

Central management and the R&D department expended significant effort to make sure plant management did not lose focus on CTs. They arranged steering committee meetings, and appropriated existing meetings to get and keep CTs on the agenda, making sure that plant management understood CTs as an important part of their job. Representatives from central management used their network in the OO to assess what was going on at various levels of the organization, and secured commitment from unit managers – in one case by getting "handshakes" and promises that they would see to implementation of CT results.

Discussion and conclusion

This article is the first to apply a boundary-spanning perspective to understand POs. This new perspective brings the power dimension of PO–OO collaboration into the forefront of the analysis, showing how the PO and its supporters have to constantly strive to translate their purpose and anchor their activities in the OO. Despite the assertion that “[t]he value and effectiveness of the PO depends on successfully linking it to the OO, so its outputs are used” (Hawk and Zand, 2014, p. 309), the power dimension has not been thoroughly explored and theorized in previous studies of POs (e.g., Bushe and Shani, 1991; Hawk and Zand, 2014). Hence, this article suggests that a concern within PO–OO collaboration, and specifically the power relation between the PO and the OO, should complement conventional topics in the PO literature, such as the purpose, structural configuration, and staffing of POs (Hawk and Zand, 2014)

The boundary between the PO and the OO is comprised of dimensions that make coordination across it challenging. Which boundary dimensions are the most important will be context specific (Carlile, 2004; Kellogg *et al.*, 2006). It is expected that specialized knowledge is an important boundary dimension in organizations with dispersed knowledge bases – for example, medical organizations that integrate a wide range of scientific, technical, and medical specialties (Barley, 1996). Favoritism towards local practice may be salient in organizations where practices have been strongly institutionalized beyond their instrumental value, such as under craft-like arrangements or community-based work forms (Kilskar *et al.*, 2018).

Nevertheless, the power asymmetry is a general dimension of the PO–OO boundary that will always be present to some extent. It follows directly from the conceptualization of POs as coexisting with, and operating beside, the OO, where formal authority resides (Hawk and Zand, 2014). The power asymmetry may exacerbate difficulties in overcoming the other boundary dimensions, because there will always be a risk that PO activities are deprioritized in favor of more pressing, production-related matters. It is therefore expected that, in general, PO members or their supporters will be the ones to initiate and give priority to boundary-spanning activities.

Our findings have highlighted anchoring as a boundary-spanning activity targeting the power asymmetry. The concept of anchoring extends Hawk and Zand’s (2014, p. 328) idea of the top executive as a key sponsor of PO initiatives. Top executives’ commitment is probably crucial, but commitment from other OO managers is also highly important, and multiple actors, both within and outside the PO, are involved in gaining that commitment. In this case study, in addition to the formal placement of ownership, senior managers and others supporting the PO implementation used their personal connections and relations to gain social commitment from managers to keep focus on the parallel teams, and to make them work. Thus, a key insight from this study is that POs cannot be expected to work by themselves, but require broad senior management support to be prioritized.

Anchoring represents one way to tackle the power asymmetry, but it is possible that other methods exist and are being experimented with in practice. An avenue for further

research could therefore be to explore alternative strategies to overcome the power asymmetry. Another, related question is what happens if the PO is given formal authority to make decisions regarding, for instance, work processes or technological choices. While such redistribution of authority may solve some of the issues relating to power asymmetry, it may very well also introduce new problems – for instance, issues pertaining to hierarchical accountability in the OO.

As organizations, including production-oriented bureaucracies, increasingly need to develop new knowledge and adapt to changing environments, POs remain a powerful change intervention. Hopefully, raising the issues of boundaries and boundary spanning in PO–OO collaboration will inspire practical experiments that will help this organizational form to deliver its promise of organizational learning and adaptation.

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