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Interorganizational Learning through Exploration and Exploitation Under Conditions of Goal Divergence in Private-Public Partnerships: A Case Study

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Interorganizational Learning through Exploration and Exploitation Under Conditions of Goal
Divergence in Private-Public Partnerships: A Case Study

By

Wallace Thor Fitzherbert Taylor

A Dissertation Submitted in Partial Fulfillment of the Requirements for the Degree
Of
Doctorate of Business
In the Robinson College of Business
Of
Georgia State University

GEORGIA STATE UNIVERSITY
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2015

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ACCEPTANCE

This dissertation was prepared under the direction of the WALLACE THOR FITZHERBERT TAYLOR'S Dissertation Committee. It has been approved and accepted by all members of that committee, and it has been accepted in partial fulfillment of the requirements for the degree of Doctoral of Philosophy in Business Administration in the J. Mack Robinson College of Business of Georgia State University.

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DEDICATION

To my parents, Ruby Elizabeth Taylor and Wallace Fitzherbert Taylor. Thank you for the care and protection you provided to all your children. We are everlastingly grateful and fortunate for your sacrifices and braveness. Thank you for being courageous enough to undertake the journey of immigration to The United States. Finally, thank you for instilling in us the importance of education and determination.

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ABSTRACT

Interorganizational Learning through Exploration and Exploitation Under Conditions of Goal
Divergence in Private-Public Partnerships: A Case Study

By

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May 2015

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In a time when interdependence in business becomes more prevalent and necessary to maintain and sustain competitive advantage, understanding the mechanisms by which businesses relate and collaboratively adapt become central to collaborative growth and mutual success. Learning becomes central to the adaptive process. Interorganizational learning is an often challenging result of collaborative efforts. The more different the organizations are from one another, the more challenging the adaptive process and interorganizational learning. This writing addresses some of the complexities involved in collaborative learning of organizations with divergent goals through the lens of exploration exploitation phenomena. It further addresses how interorganizational learning happens between organizations that are private and public in nature. This writing is a case study that answers the question of how organizations working in

collaboratives learn from each other to attain mutually beneficial results by examining two such entities in a government and private partnership. This study extends concepts of interorganizational learning as well as provides guidelines for business entities seeking to attain or sustain learning organizations. It also provides a framework from which government entities may work synergistically with private enterprise to provide competitive service to their respective demographic.

I CHAPTER 1: INTRODUCTION TO THE STUDY

In a time when recession and associated financial shortages challenge government units, increasing numbers of government agencies turn to private enterprise to contract operational services. Two such recessions in recent time are The Early 2000's Recession (March 2001-Nov 2001) and the Great Recession (Dec. 2007-June 2009). According to The National Bureau of Economic Research: the former recession was characterized by "the collapse of the speculative dot-com bubble, a fall in business outlays and investments, and the September 11th attacks". The latter was characterized by "the subprime mortgage crisis, the collapse of major financial institutions like Bear Stearns, Fannie Mae, Freddie Mac, Lehman Brothers, Citi Bank and AIG." This crisis led to deficiencies of public funds. The shortage of public funds caused government units to scale back and subcontract various services creating the stage for multiple business partners. The decision to use private enterprise to provide selected services has proven effective as a means for government agencies at most levels to reduce operating cost and channel scarce tax revenue. On the county level, the implementation came in the form of cutbacks to non-essential staff. One area of said cutbacks in Daphne County, GA was the Division of Parks, Recreation and Cultural Affairs. This study examines the relationship between Daphne County and its private contractors during this period.

The topic of this study is interorganizational learning. For the layman, this is can be viewed as a study of how organizations learn and adapt from being in business with each other. The main focus is on how organizations learn between each other as they collaborate. Understanding what constitutes learning is important and will be addressed. This study is more concerned with process learning than it is with production-oriented learning. The business type is

service-based and the clientele are immensely diverse. While there may be some disconnect between mission statements and actual corporate direction, it is often important to identify the stated mission in order to understand the intended direction of the enterprise it describes. The mission statement of private and government entities are functionally different. So, it is reasonable to assume that the behaviors of these two different kinds of organizations may also be functionally different. When organizations with objectives that value different intended directions collaborate, it is reasonable to assume that the differences in goals may be the source of some conflict and mutual concessions must be made in order to attain mutually beneficial outcomes.

Conflict and deficit, though unpleasant at times, can serve as motivation to improve business dealings. The resolution of conflict implies many essential elements of business success. Mutual respect of those involved, the presence of innovative ideas, and the motivation to rise above the natural limitations that occur are some abstract elements that when properly applied, benefit business process. The study needs to be done because there are very few studies address interorganizational learning. The precious few pieces of literature rarely explore the relationships of service-focused organizational partnerships and much less between organizations that have private and public partnerships. I have found none that address interorganizational learning between government and private enterprise. Hence, the study fills a gap in knowledge that may be beneficial to both academics and practitioners.

The social implications of this study will be helpful in understanding the complex nature of human interactions that may manifest themselves as organizational policy and culture. The social perception of quality of service that can be attained with government programs is likely to

be affected in a positive way, thus altering the diminished perception of government programs in their respective industries. Some elements may uncomfortably evoke feelings of taboo topics because the managers were asked to be candid about their experiences and thoughts, but it is intended to present an academic narrative of this given interaction. It is based on interviews with credible individuals with apt knowledge of the collaborative efforts of the partnership.

I.1 Positioning of the Study

This study attempts to analyze inter-organizational learning through the lens of the exploration exploitation paradigm (March 1991). This paradigm and much prior research has enriched organizational learning theory, but unfortunately the emphasis is placed on intra-organizational learning processes rather than learning that takes place between organizations. The following review of related literature selects relevant studies to both intra- and inter-organizational learning.

Organizations learn as changing situations trigger opportunity to solve problems and evolve. Changes are made to operational procedure to adapt to fluctuations in the macro and micro environment. Inter-organizational learning may be attributed to the changes that organizations experience as they work collaboratively. Some research on the topic of inter-organizational learning indicates that organizational learning is a dynamic iterative process. Important issues relative to inter-organizational learning are cross-functional. Marketing competencies affect financial performance. Financial performance affects the quality of equipment and Human Resources (level of professionalism, education, expertise) the company can afford. Financial performance also affects the ability to secure other locations in better areas.

This inter-related cycle is the organic interplay in a business. Reputation and trust also affect consumer confidence. These elements are attributed to levels of customer service and historical company performance. Organizations gain competitive competencies in their respective fields as they grow. These competencies transfer to operational efficiency and customer satisfaction.

I.2 Problem Statement

An anticipated goal of this study is filling the gap in knowledge that exists in understanding interorganizational learning. The specific problem addressed, however, explores the collaborative partnership that exists between two organizations. The names of these organizations are changed to protect the participants and business entities. The first organization is Thor Holdings International (THI) and the second is Daphne County Parks, Recreation, and Cultural Affairs (DK). THI is a private institution (C-Corporation) with a profit driven business strategy. This business entity owns Atlanta Taekwondo Center (ATC) and Thor Academy of Fine Arts (TAF). ATC, the older of the two organizations, is internationally networked and one of the most respected Taekwondo and Martial Arts training facility in Atlanta, GA. TAF, the younger of the organizations, provides dance (ballet, jazz, tap, and hip-hop), acting, and fine arts instruction the level of which has previously not been attainable to the typical customer base. DK is a government agency with an expected community service focus. These institutions have successfully shared a mutually beneficial business collaborative for three years. Officially, the partnership was initiated by contracted service agreement signed by then DK CEO and THI CEO Wallace Taylor (Participant Researcher). THI is contracted to provide Taekwondo/fitness training and TAF is contracted to provide academy-level dance and fine arts instruction.

My professional history is directly relevant to the problem statement because I was both participant and researcher in this study. I taught the globally recognized version of Taekwondo and was promoted to the coordinator of martial arts at the Alpha Recreation Center when the former occupant of this position resigned. As my client base grew, I made the decision to pursue this enterprise privately because some clients wanted more from the study of martial arts than was made available by DK. They wanted a more competitive program that reaped the internationalism of the sport. From this client base, I started a private school of martial arts. The fees were higher because of business necessity, but the instruction was more competitive. The clients were agreeable to this change. As time progressed, more students chose to attend my private school subsequently paying higher fees and aligning themselves with the new business model that governed the private school operations. I kept providing services to DK as an employee until the decision was made to use private contractors as the source of programs. Our contractual relationship came as a result of this need for DK to minimize operational costs and capitalize on the success of the martial arts program. The collaboration with DK as a county-wide supplier of services began at this point. The business model that governed the private school location was then moved into the DK program.

The success of ATC as a private entity and then as a collaborative entity brought notoriety to the business model. The opportunity arose to provide other services to DK as a private contractor (using ATC business model) and that opportunity led to the beginning of Tafa. It is widely regarded as a success. Tafa is now the largest dance/fine arts program offered by DK via private contractors. The witnessing of events from pre-collaboration to post-collaboration as well as formulating a program after the formal transition gave me years of

experience in functional management and providing service allows me to function as a data source in this study.

The problem this study addresses is understanding how THI and DK work together to attain mutually beneficial results. The problem is current in that it addresses an on-going interorganizational relationship that has existed for years and continues to overcome adversarial conditions to maintain mutually beneficial success. The stated problem is relevant because how this interorganizational relationship is managed has immediate ramifications for 20 employees of THI, 300 students who rely on THI for service, and their affected families. The problem is also relevant because the relationship between THI and DK is a source of general revenue for DK, affecting its fiscal well-being. The problem is significant because it addresses a gap in knowledge in the literature.

The intent of this study is to further knowledge of interorganizational learning between private and government partnerships. This study is also intended to assess a real-world illustration in the light of academic discipline effectively connecting the study problem with subject of the emphasis. The problem being addressed (showing how organizations with divergent purposes collaborate to attain mutually beneficial results) is explored by describing the relationship of two organizations (THI and DK) and developing insight into interorganizational learning through qualitative examination of interviews of management staff of both entities. The concept of interest is interorganizational learning as viewed through the theoretical lens of exploration and exploitation.

This research is focused on learning and specifically organizational learning. There has been much written on this topic, however, not much has been written on interorganizational

learning between public and private organizations. Engaging in relationships with private business enterprises to produce public services poses certain challenges for both county governments and contracted service providers. This writing presents a case study that attempts to highlight organizational learning observed through the collaboration between the two entities of THI and DK. Private and public institutions often have divergent goals and objectives. In this case, THI's objective is profit driven while Daphne County Government is service driven. As the two organizations cooperate, they bring different objectives and different competencies. This makes it possible to learn organically from one another. The interplay between THI and Daphne County allowed such an opportunity to occur. For example, Daphne County Parks and recreation lacked sophisticated marketing resources as well as a viable means of billing clients, while THI lacked the ability to enter the new target market of Atlanta Public Schools. This study focuses on learning that takes place in the interplay between these two entities.

The study's research question is: How do organizations with divergent goals learn from each other in generating mutually beneficial outcomes?

I.3 Theoretical Framing

The theoretical framing was built inductively over time and was based on the empirical findings of the study. However, initially, the components required to show inter-organizational learning as it pertains to a company's ability to attain and sustain a culture of learning and evolution (dynamic capabilities) were represented without regard to time sequence. Figure 2 shows the initial version of the conceptual framework. The research objective is to "unpack" the center oval to explain how inter-organizational learning occurs between disparate entities.

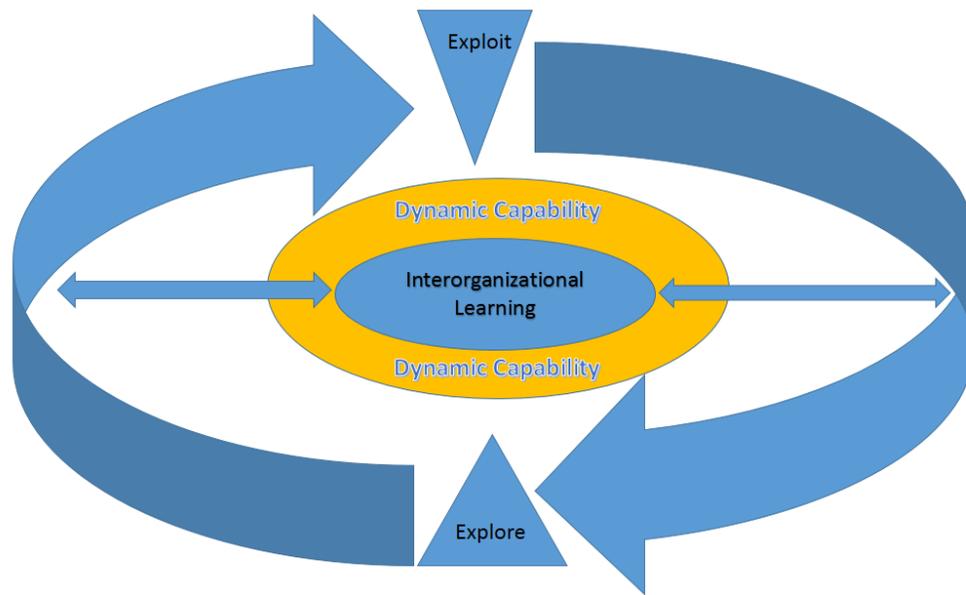


Figure 1 Initial Conceptual Framework

Identifying the elements of the conceptual framework is the aim of the following review of prior literature. Each article discussed either defines or develops various components that are useful in developing and refining the conceptual framework.

The work of March (1991) is helpful in defining generally how organizations learn. This allowed me to analyze intra-organizationally, how learning happens. Understanding how organizations learn within themselves will give a basis for comparison of how the ability to self-learn may influence the ability to learn inter-organizationally. Being knowledgeable of and using descriptor terms, such as “refinement, choice, risk-taking and search” to develop meaning as the analysis unfolded influenced the development of the conceptual framework by showing the intra-organizational learning process as it relates and is affected by the inter-organizational learning process.

The work of Slater and Narver (1995) was helpful in providing a lens through which THI and DK use new information to improve performance. Implementation of new information being the key concept. This article provided a lens through which to measure some types of organizational learning that may be utilized by each entity. The distinction between adaptive learning (being rigid) and generative learning (the questioning of long held assumptions) is useful in describing each organization (Slater et. al 1995). This may also serve to provide a method of comparison through which each organization may be evaluated to provide baseline information regarding potential conflicts. It was also helpful to utilize the process of learning highlighted by this article. Viewing each entity comparatively through the process of information acquisition, information dissemination, and shared interpretation is immensely important in understanding the inter-organizational learning process experienced by THI and DK. I used the constructs of culture and climate highlighted by Slater & Narver (1995) in a general way to capture differences between the entities relative to the origins, histories and basic assumptions. However, I do not seek to perform a cultural ethnography or use the constructs of climate or culture beyond their general meanings. Understanding and elaborating the organizations' culture and climate will also be useful in developing the stage in which each organization (with divergent goals) operates and provides the ground for inter-organizational learning. The market orientation (also referenced by Slater and Narver), is important in establishing the divergent corporate goals of THI and DK. Having different market orientations implies different operational standards and expectations. The resolution of conflicts and the operationalization of standards that evolve through shared data can be a means for achieving interorganizational learning.

Evaluating the levels across which an organization learns is also very important for the overall learning of the business entities. Individual, group, and organizational learning are linked together by the process of intuiting, interpreting, integrating, and institutionalizing (Crossan et al 1999). This process is also focused primarily on intra-organizational learning. It will be very useful in providing baseline of how THI and Daphne County learn as independent entities, which will be helpful in analyzing the potential conflicts that arise in the inter-organizational learning process. The concept of conflict and the resolution of conflicts through implementation of standards is an important element of organizational learning.

Holmqvist (2004)'s article about inter and intra organizational learning via exploration/exploitation is at the core of the conceptual framework. While product-focused, this article introduces innovation as a method of learning inter-organizationally. It addresses strategic alliance as a means of using each entity's ability to specialize and contribute to the learning process of one another. The concept of innovation may be used to evaluate change resulting from merging corporate learning capabilities. The combined capability of both entities (THI and DK) is a potentially important outcome of inter-organizational learning that may be included in the conceptual model.

Teece, Pisano, and Shuen's (1997) article contributes to the conceptual framework by defining dynamic capabilities as "the ability to achieve new forms of competitive advantage." This concept provides a lens through which to view the elements currently in place in each entity to make them competitive in their markets, but it also enables a basis from which to compare each entities' abilities. These elements may have evolved organically or through purpose, but fundamentally, they are influenced by the mission of each organization being evaluated.

I.4 Research Method

This research is an interpretive field study using a semi-structured interview methodology to collect qualitative data. The subjects come from a wide variety of backgrounds. Some have extensive experience in business and others have extensive experience in the private sector. All interviewees are chosen because of their position relative to interaction capacity with each other. DK managers interact with private contractors and private contractors interact with DK managers and staff. The private contractor managers are chosen primarily because of their direct interaction with the directors of DK and knowledge of daily operations of DK staff.

Interpretive research focuses on understanding social meanings within a specific context rather than generating universal theoretical relationships. Klein & Myers (1999) offer seven useful principles that guide the conduct of this study. These guidelines are the following: the fundamental principle of the hermeneutic circle, the principle of contextualization, the principle of interaction between the researchers and the subjects, the principle of abstraction and generalization, the principle of dialogical reasoning, the principle of multiple interpretations, and the principle of suspicion.

I.5 Engaged Scholarship

The interpretive research principles are implemented in this study through engaged scholarship. Van De Ven uses this term as a means of bridging the divide between academia and practice. (Van De Ven 2007) For many years the practices of academia have been under appreciated due to their perceived irrelevance to the working world. A main impetus to this is the length of time it takes the academic world to analyze problems of the real world and implement solutions. I became interested in this topic because I was first an employee of DK for several

years. I saw the operational inefficiencies characteristic of government operations and wondered if it could be aided by private enterprise. The opportunity to put the best practices of private enterprise to use came to fruition when DK needed to cut costs and offered to change the nature of the relationship from employer-employee to a private contractor.

As I engaged DK as a private contractor, I began implementing academic theory in policies I created to guide the business direction of THI. Sometimes there were gaps that were hard to overcome because I found that despite the best intent, DK did not utilize the best of what was readily available from the academic world. For example, the technology was generations behind and the business policies did not seem concerned with attaining and/or maintaining healthy profit margins.

This concept of Engaged Scholarship is important for this study because it blends the practices of research with the living business ecology. My background in academics and the private sector, coupled with the opportunity to collaborate with a government entity, positioned me to utilize the best practices of business and technology to help solve some of the problems that exist for the government sector.

I.6 Assumptions

For the purpose of this study, “assumptions” will be defined as a preexisting belief about the nature of something. Some important assumptions were necessary for the conduct of this study. The most important assumption is that businesses in collaborative partnerships desire to learn new ways of accomplishing objectives and adapting to a changing environment. Another assumption is that businesses are a composite of people and business learning happens through

people learning. Literature states “From the perspective of organizational behavior, individual learning happens as people continue to assimilate new knowledge through experience in their daily lives and from other sources...when the learning process is embedded among the members of an organization, a learning orientation or culture is established and organizational learning occurs.” (Yeung et al. 2007). This knowledge transfer may be explicit or tacit. Among these is the assumption that the interviewees are the agents who implement change in their organizations as they learn new ways of conducting business. Another assumption is that DK wants to create better programs for the community in a fiscally responsible manner. An additional assumption is that private contractors (including THI) want to survive, grow, and make profit from their business ventures. The final assumption is taken from published literature that states “interorganizational learning enhances the possibility of success of alliances. Although an alliance is formed as an adaptive behavior of organization, alliance itself has to adapt its surrounding environment and interorganizational learning is effective for this purpose.” (Kobashi et al. 2009)

I.7 Scope and Limitations

The focus of this study is how organizations with different corporate goals collaborate to attain mutually beneficial outcomes via exploration of new abilities and exploitation of old competencies. This specific focus was chosen out of academic interest and curiosity of the researcher. The owner of THI is also a participant observer/researcher who found interest in the real-world dynamics of exploration/exploitation theory. This research study was done by interviewing six managers, four of whom were agents of DK and two representative of THI.

The interviews were limited in time (and scope) and thus limited in the amount of data that could be collected. The unit of analysis was the relationship between private and public entities. The units of observation were director and manager level employees with knowledge of inter-business interactions. The population assessed was inclusive of the center directors of each organization. There were no regional or program managers present to bring that level of experience and perspective to this study. Alternatively, the respective managers interviewed from THI had functional knowledge of ATC's and TAFAs collaborative activities with DK, but they were not knowledgeable of the grand corporate direction of THI as an ownership entity. The study excluded, due to availability, the upper level director of THI that may have brought additional insight to this writing.

The transferability of knowledge generated by this study is limited, given its interpretive nature, but it could be relevant for small businesses interested in working collaboratively with county governments in the parks, recreation, and cultural affairs areas. However, the aim of the study is to understand local dynamics involving the process of interorganizational learning, thus contributing to theoretical understanding. Since the findings pertain only to interaction between two parties, no generalizable findings are expected.

I.8 Significance of the Study

This study is noteworthy for many reasons. Among these reasons is the lack of literature of this kind. The decision by DK to use private contractors in lieu of employees is a new one. This provides an opportunity to research this field and provide useful data. This fills a gap in literature that could be used as a guide for those entrepreneurs interested in working collaboratively with DK or other public entities. The companies evaluated (ATC and TAFAs),

owned by THI, were among the original contractors and have a unique relationship with the directors of DK. The collective input of THI managers and DK directors is important for professional application on this relationship for this reason. This unique perspective and evaluation brings useful conclusions.

There are two areas where this study brings value to practice. The first area is in commerce. The use of private contracts in place of regular employees is an expanding practice. Understanding the dynamics from the rich subset of areas explored by this study would be important for those individuals and businesses interested in collaborating in county-level partnerships. It may help to realistically guide expectations and prepare individuals for the strengths and weaknesses of partnerships such as these.

The theory inductively developed through this study is specific and contemporary. It extends theories of interorganizational learning by professionals in the field, but also brings a uniqueness in terms of the focus of interorganizational learning between private and government entities. The need to use contractor labor as a means to save on corporate expenditure as well as to be a source of revenue for a government entity is a distinctive choice that was executed in 2011. This choice is a response to an environmental need. This study may also be used to extend further studies of different levels of interorganizational partnerships in future theories of organizational behavior.

In this instance, social change is intended to revamp the employment practices of some entities through realizing some of the effects that may come through unintentional branding. The social change that is intended by this study is in changing the concept of government efficiency. It is a stigma that government agencies are inefficient and bureaucratic entities that are

megalithic, slow to react, and offer generally substandard programs and services. The recent drive of government entities to collaborate with private organizations that put high value on their brand has brought a need to collaborate services, but differentiate brands. This, however, does not necessarily have to be. If government officials become active in changing their stigma via learning from the collaborations with private businesses, it would be the beginning of a social change concept long overdue.

I.9 Summary

This chapter served as an introduction to this dissertation. It contained introductory material on the focus of the study. It presented background information and presented elements of interorganizational learning through the well-known theories of exploration/exploitation. These theories are useful and relevant given that the nature of the study is analysis of organizations that rely on each other to actualize mutually beneficial results. The two studied entities, DK and THI, experience conflict as they work collaboratively, and through the resolution of these conflicts, growth and learning results. The purpose of the study is two-fold. It serves as an academic piece and furthers the knowledge of interorganizational learning. It also serves as a guide to practical application of those interested in partnerships specific to the nature of the focus of this study. Achieving these purposes is instrumental to answering the research question: How do organizations with different corporate goals learn from each other to realize mutually beneficial results?

The following chapters contribute the following:

- Chapter 2 presents exploratory literature in the field of organizational learning, exploration/exploitation theory, and justification for dissertation structure.

- Chapter 3 presents aspects of the Method used in this research. It covers research design and rationale and role of the researcher. It also discusses instrumentation, procedures for recruitment, and participation. A detailed data analysis plan is also presented.
- Chapter 4 offers the results. Aspects of the research setting, demographics, and data collection/analysis is presented. Aspects of trustworthiness are addressed.
- Chapter 5 focuses on the discussion and conclusion of the study. This details interpretation of findings and addresses the implications of this dissertation.

II CHAPTER 2: LITERATURE REVIEW

The problem being addressed is how a private enterprise such as THI can work collaboratively with a government institution such as DK to produce mutually beneficial outcomes. This concept involves several aspects of literature. The first is the aspect of learning, which takes into consideration how learning is defined and what counts as evidence of learning. The second aspect addresses the concept of interorganizational learning. Academic authors and researchers such as Gary Klein, Yin, and O'Reilly have contributed much to the field of interorganizational learning.

This chapter will be divided into sections, including the literature search strategy, more on the theoretical foundation, developments on the conceptual framework and a summary.

II.1 Literature Search Strategy

Finding supportive literature to ground research is imperative to academic relevance. The literature search was iterative. It began initially wide then narrowed as sources became less relevant to the focus of this research. The articles were taken from top-tier journals in the fields of business, technology, and management. Among sources explored were books, articles, websites, and academic papers. These articles were found primarily using the Business and Management databases of Georgia State University Library. The search engines used were Google.com and Bing.com. Google.com gave rise to Google Scholar, a database of academic articles associated with the Google search engine.

There were a few main search terms used. Among the more general terms were “learning”, “inter organizational learning”, “Exploration and Exploitation theory in business”.

These terms revealed many sources of literature germane to scholarship. The process was iterative in the sense that it initially began to reveal these subjects as it pertained to various areas and disciplines. For example, the construct of “learning” was defined in a multitude of ways, such as learning of kindergarteners and cultural learning which are not relevant to this study. The topic had to be researched as “business learning” or “organizational learning” in order to retrieve data from the correct databases. Some articles were not considered because of their age and others were not utilized due to the credibility of the journal of which it was published. Though there was no literature on the specific focus of this dissertation, there was enough literature on the necessary terms to guide the development of this dissertation.

II.2 Organizational Learning

The theoretical foundation of this study is viewed through the lens of exploration/exploitation theory. As mentioned before, exploration is viewed as a concept of which organizations use resources to search for new ways of accomplishing a task. This would include examining innovative services or expansion through partnerships. Exploitation is when organizations capitalize on established competencies. While exploitation requires less risk, it reduces the entity’s ability to innovate in a changing environment.

This paper is based on organizational learning. There are many approaches to the definition for learning. Organizational learning may be defined as a fundamental organizational process that comes from experience and shapes organizational identity, cognition and routines (Robey & Sales, 1994). Learning generates a shared organizational memory that can be drawn upon to guide behavior directed toward the achievement of organizational goals. To ensure the

ability to adapt under new conditions, organizational memory must be revised with new cognitions and behaviors. This dual requirement for drawing from learned experience while also revising it have been termed exploitation and exploration, respectively.

The first definition that helped shape the acceptance of the definition adopted for this study was expressed by Slater et al in their writing “At its most basic level, organizational learning is the development of new knowledge or insights that have the potential to influence behavior.... Presumably, learning facilitates behavior change that leads to improved performance”. The second definition of organizational learning considered was expressed by Argyris in his defining organizational learning as “a processes whereby members of an organization act as learning agents for the organization, responding to changes in the internal and external environments of the organization by detecting and correcting errors..” (Argyris 1996) The most influential writing on learning, however, came from the writings of Klein (1999).

Klein offers many useful considerations in his literature. He begins by referencing what he calls the mental storehouse metaphor. In this metaphor he claims that initially we have a concept of learning that parallels that of a storehouse of which more data is added over time. He qualifies learning in this way as “in the storehouse model, formal education becomes a matter of loading up with the necessary facts and rules. Teachers and trainers become inventory managers. Their job is to tally the contents of a student’s storehouse, notice any important items that are missing, and fill the gaps.” According to Klein, the metaphor assumes “we categorize our knowledge into explicit facts, rules, and procedures”. The limitation of this metaphor is that it “ignores tacit knowledge-perceptual skills, workarounds, pattern matching, judging typically, mental models.”

Klein also offers introduces the concept of “cognitive rigidity” as an obstruction to organizational learning. Cognitive rigidity “refers to fixation -- holding on to our initial explanations even in the face of contrary evidence.” Explaining away rational recourse that may provide contrary understanding is characteristic of a fixation. Organizational cognitive rigidity in the form of an environment besieged with fixations often serves as impetus to organizational learning and has been responsible for conflicts that arise due to interactions between entities. Identifying and overcoming such fixations become necessary for weaving different knowledge sources into the fabric of a learning organizations.

Klein states that a process of “unlearning” must precede true learning. Klein states that “Complex learning isn’t simply a matter of adding additional beliefs, as in the storehouse metaphor. Rather, we have to revise our belief system as we experience failure and admit the inadequacy of our current ways of thinking.” This prelude of unlearning is a means of which we can abandon outdated mental models then create new ones. Leaving old mental models requires the overcoming of fixations.

Overcoming fixations is essential for interorganizational learning. The following are four of nine ways mentioned by Klein by which we can overcome fixations: “spot when it is happening to us or to others, keeping an eye on how much contradictory evidence we need to explain away in order to hold on to our beliefs, look at some comparable cases to see what typically happens and revise our estimates, and bring in a person who doesn’t have much history with the issues at hand and who thus will have a fresh perspective.” This final means of overcoming fixation, hence promoting organizational learning, is the method most definitively addressed in this study. Klein’s ninth strategy “to be curious when we encounter anomalies” is

salient more from the perspective of the private contractors than the agents of DK. It serves as a way to be conscious of elements that may not make sense and provide the opportunity to judge the consequence of modification of one's best practices (or not) for mutually beneficial outcomes of collaborative.

In addressing the research question: How do organizations with divergent goals learn from each other in generating mutually beneficial outcomes? It becomes necessary to consider the types of learning and the kinds of things individuals and subsequently organizations can learn and then find examples of these elements. Klein offers the eight types of learning and the 24 things we (as individuals and organizations) can learn. Klein (2004) states:

“Here are some major types of learning: Recognizing and applying analogies, reinforcing responses, classical conditioning to create associations, deduction, induction, imitation learning, and episodic learning. And here are some of the things we learn: Skills, connections (e.g., perceptual-motor), mental models, patterns, typically, habituation, sensitization, categories, concepts, object recognition, language, metacognition (learning about oneself), instances (episodic learning), facts (declarative knowledge), attention management, spatial mapping, generalization and discrimination, tool learning, decentering (taking the perspective of someone else), emotional control, statistical and analytic methods and sequencing of tasks. Thus the term “learning” covers a lot of ground. People trying to create learning organizations might want to pin down what kind of learning they want to foster.”

Understanding the types of learning that exists and the things we can learn gives a framework to categorize elements of my interviews. While Klein's work does well in focusing

on learning, it does not speak deeply of the lens through which this study approaches learning; the exploration and exploitation phenomenon.

Our review continues with March (1991), which is arguably one of the most influential papers written on the topic of organizational learning. This paper examines the relation between the exploration of new possibilities and the exploitation of old certainties as it relates primarily to intra-organizational learning. The strength of this writing is that it is comprehensively focused on how businesses learn in general. Definitions of exploration and exploitation were well developed. Descriptor terms such as search, variation, risk taking and experimentation were used to clearly define exploration. Descriptor terms such as refinement, choice, production, selection, and execution were used to clearly define exploitation. This article delves deeply into explanation of balance respective to resources necessary to pursue strategies of exploration and/or exploitation. It further dissects the vulnerability of exploration as being characteristic of higher uncertainty. This writing takes a close look at the social context of decision making as functions of the people within the organization. It is interesting to note the stress placed on the learning that occurs between the organization and its employees. The paper makes the point that fast learners have a higher adaptive capability to the corporate culture, hence being less contributory to the organization learning from them. It also states that an organization learns most dramatically from those needing indoctrination into the culture.

One weakness this article has is that it does not address inter organizational learning deeply. Some mention is given to the competitive ecology of the macro environment, but not much information is given about how organizations learn from each other.

Slater & Narver (1995) address the process through which organizations develop and use new information to improve performance. They extend March (1991) by adding the dimensions of market orientation and entrepreneurship. This study also makes a distinction between types of organizational learning. It stresses adaptive learning as the formal, but rigid method that occurs within established constraints. The benefit of this method is its established nature. The con of this method is in its rigidity which stifles innovation. Contrary to this method is the generative learning approach. This approach is also referenced as “double-loop” learning and is characterized by a tradition of questioning long-held assumptions about the core principles comprising the mission, customers, capabilities, or strategy of an organization. This approach is beneficial because it maximizes innovation which may or may not emerge as an important aspect to this study. Generative learning, however, tends to be slower and more resource intensive.

The process of learning is also referenced in this study. The process of organizational learning is comprised of information acquisition (the acquiring of information from direct or indirect sources or organizational memory), information dissemination (the way an organization shares lessons learned among its members), and shared interpretation (reaching agreement on the meaning of information). Shared interpretation is important because it is at this final stage when conflicts are resolved and an organization learns most effectively leading to meaningful behavior change and improvement of performance.

In another classic article, Crossan et al (1999) propose a four-level organizational learning framework. This writing presents a framework for the process of organizational learning as a process of intuiting, interpreting, integrating and institutionalizing. This “4I” framework effectively links the individual, group, and organizational levels. Again, however, the focus is

upon levels of analysis within organizations rather than between organizations. Even the concept of institutionalization references only the stabilization and feedback from institutionalized intra-organizational learning. This article is important in understanding the learned elements that may have been taken for granted (as in the intuiting component). It is also important for this study because it helps to understand the process by which lasting change is learned and eventually institutionalized.

Holmqvist (2004) is particularly important in addressing the subject of this research project. The article addresses the dynamics of exploration and exploitation in intra- and inter-organizational learning processes. The major contribution of this article is a solid explanation of how exploitation synchronizes with exploration within and between organizations. This dynamic will be very good in developing the relationships between the constructs of the conceptual model. An example of this would be the role that strategy play in corporate alliances.

Teece, Pisano, and Shuen (1997) define dynamic capabilities as “the ability to achieve new forms of competitive advantage”. It is divided into the terms “dynamic” (defined as the capacity to renew competencies so as to achieve congruence with the changing business environment) and “capabilities” as emphasizing the key role of strategic management in appropriately adapting, integrating and reconfiguring internal and external organizational skills, resources and functional competences to match the requirements of a changing environment. Defining clearly what dynamic capabilities are will help us to understand the ability to learn inter-organizationally as a potential dynamic capability. Dynamic capabilities is a large field that is beyond the scope of this study, however, the resources balancing act that exists between exploration and exploitation is a dynamic capability and consequently relevant to this study. The

connection between the concept of dynamic capabilities and exploration/exploitation theory is best exemplified through ambidexterity (as a dynamic capability) in the writings of O'Reilly & Tushman (2007) "In organizational terms, dynamic capabilities are at the heart of the ability of a business to be ambidextrous-to compete simultaneously in both mature and emerging markets—to explore and exploit." I do not believe it is possible to address the concepts of exploration/exploitation theory in a competitive environment without topically addressing ambidexterity.

II.3 Definitions

It is important to understand and define key concepts on constructs significant for understanding results. Following is a list of important definitions that will be referenced in the course of the findings.

Table 1 Definitions

Exploration	Use of new strategies to discover competitive advantage.
Exploitation	Refinement of attained skill sets to maintain competitive advantage.
Learning	A social process in which multiple actors come to understand how to relate in new ways.
Dynamic Capability	Dynamic Capability – “The ability to achieve new forms of competitive advantage.” (Teece, Pisano, and Shuen (1997).
Mutually Beneficial Outcome	State of which companies synergize to attain positive and productive results.

The framework that will be used to structure arguments in this research comes out of the work of Mathiassen et al (2012). This work organizes elements used in action research according to the Problem (P), Area of Concern (A), Conceptual Framing (F), Method of investigation (M), and contributions to practice and theory (C). According to Mathiassen et al (2012) “the problem setting presents people’s concerns in a problematic situation, the area of concern represents some body of knowledge within the literature, the conceptual framing helps to structure actions and analyses, the adopted methods of investigation, and the contributions to P, A, F, and M.” Figure one graphically represents this data as it pertains to this research.

Table 2 Action Research Framework

Area of concern (A)	Learning collaborative efforts between private/public organizations
Real Problem (P)	Understanding how THI collaborated with Daphne County as they learn from each other
Framework (F)	Explore Exploitation Theory
Methodology (M)	Single Case Study
Research Question (RQ)	How do organizations with divergent goals learn from each other in generating mutually beneficial outcomes?
Contribution (C)	C (P) Provide description of specific areas where collaboration inspired changed in business process for participants C (A) Extends theoretical knowledge of interorganizational learning and provides guidance for practice

The gap in knowledge addressed in this study exists in understanding the inter-organizational learning processes. It is intended to specifically address the way learning happens between Private and Government entities with collaborative partnerships.

This study is necessary because there is little organized studies with this focus and intent. There appears to be much literature on production focused organizations as well as intra-organizational learning, but precious little on private/public collaborative inter-organizational learning.

II.4 Summary

This study combines two prominent elements: organizational learning and exploration/exploitation theory. The literature on learning is vast. Much is written on the different ways individuals learn and the learning process from birth to death. There is also much explored with organizational learning. This topic is expectedly less explored than the general topic of learning as it is more specific. Even less explored is the topic of interorganizational learning. The literature becomes sparser when addressing organizational learning in terms of service-related companies. Many of the studies I have found focus on product-based commerce. Even sparser is the literature on interorganizational learning between private and public companies. This niche is made even rarer by the absence of literature on interorganizational learning in service-based companies of private and public functionalities.

Understanding the dynamics of exploration/exploitation theory is salient in the quest to prove its interacting mechanisms. In more common business terms, exploration and exploitation may be linked to research and development. The mechanisms that govern exploration (experimentation/innovation) is paralleled with research and the mechanisms that govern exploitation (refinement/implementation) are paralleled with development.

When combined in one study, the gap in knowledge becomes realized. This research attempts to qualitatively fill this gap and extend knowledge in this area. Understanding organizational learning between private and public organizations in collaborative relationships via the lens of exploration/exploitation theory is an area of which there is precious little

literature. This study provides qualitative research using the interpretive paradigm to find out how organizations with divergent goals collaborate for mutually beneficial results.

III CHAPTER 3: RESEARCH METHOD

To reiterate from chapter one: the purpose of this study is to further knowledge in the arena of interorganizational learning between private and government partnerships. This study is also intended to assess a real-world illustration in the light of academic discipline effectively connecting the study problem with subject of the emphasis. The problem being addressed (showing how companies with divergent corporate purposes collaborate to attain mutually beneficial results) is explored by describing the relationship of two organizations THI and DK and contributes to the body of knowledge of interorganizational learning through a qualitative examination of interviews of management staff of both entities. The concept of interest is examined through an interpretive research paradigm using exploration and exploitation as theoretical starting points.

There were six participants, besides the participant observer, in this study. Four of them were from Daphne County Parks, Recreation, and Cultural Affairs and two of them from Thor Holdings, Int. (THI). The two participants from THI were representative of different companies owned by THI. These companies are The Atlanta Taekwondo Center (ATC) and Thor Academy of Fine Arts (TAFA). These participants contributed information primarily in the form of interviews. This information focused on perception of corporate goals, organizational learning, and mutually beneficial outcomes of the relationship. Evidence of exploration/exploitation phenomena would be extrapolated based on evidence described in the interviews. Triangulatory data was collected via websites and archival data supplied by both Daphne County Parks, Recreation and Cultural Affairs (DK) and Thor Holdings International Inc. (THI). Interview data was collected within the allotted interview time of 1.5 hours. Triangulatory data was collected

overtime and as it was available. The interviews for DK participants were held in offices of each DK director. The interviews for THI managers were held at the corporate location of this organization.

III.1 Philosophical Assumptions

An interpretive study makes particular ontological and epistemological assumptions. Ontological assumptions concern the researcher's construal of social reality, and the interpretive approach assumes reality to be socially constructed rather than objectively independent of social meanings. In other words, learning is assumed to be a socially constructed notion, created through intersubjective understandings of a relevant social group (Klein & Myers 1999). Thus, if participants in a study report that learning has occurred, or that outcomes from an interorganizational relationship mutually benefit both parties, it is sufficient to assert that learning has occurred without more objective corroboration. This does not imply that objective evidence could not be presented to support subjective understandings, but rather that objective evidence itself is open to interpretation and not definitive in its own right.

Epistemological assumptions concern the issue of what counts as evidence of a socially constructed reality. The design of this study was chosen to reveal this evidence via explicit statements of the participants, the researcher's own experience, and corroborating archival material (typed documents, marketing flyers, old video files). The study needs to empirically assess several central concepts. Explicitly showing whether or not learning has occurred is of the highest importance. This requirement may be more difficult in this study because it relies on qualitative accounts of how learning occurred between the studied organizations. A second set of central concepts is that of exploration and exploitation. Much of what determines exploration and

exploitation is inferred from the evidence, since these terms (and their mechanisms) are unfamiliar to the participants of the study. Therefore, evidence for this phenomena was interpreted from interview narratives and supporting documentary sources. If it can be shown that there is some evidence of these elements within the interactions of these organizations, the question of ambidexterity (as a dynamic capability) can be addressed. The final concept central to this study is that of mutually beneficial outcomes. This is evidenced by activities that explicitly or implicitly show a positive reciprocal relationship between the studied organizations in the form of value creation.

III.2 Data Sources

The chosen methodology is a case study that uses data from interviews, participant observation, and archival documents.

III.2.1 Interviews.

Data collection consisted of an interview guide administered in an interview format. The respondents were asked to respond to a series of questions over a one-hour period. Care was taken to assure proper data collection techniques. The interview protocol was established beforehand, but mainly as a guide to get the information required to answer the research question. Each participant was scheduled a day and time convenient to their availability. Instrumentation requirements can be classified into arguments for “little”, “much”, or “it depends” amounts of instrumentation. The instrumentation for this study followed the “it depends” argument. (Miles and Huberman 1994) This argument is important for explanatory studies of which this was intended.

The interview protocol consisted of an introduction and four sections of questions. The introduction set the tone of the interview and introduced the interviewer. Instructions were given to define the subsequent four sections of the interview. The definition of learning was read prior to proceeding with the exploratory questions.

In section one, questions were asked about the participant's job description and their relationship with and understanding of their respective organization. This section was primarily intended to establish qualifications of the interviewee. Section two was intended to provide baseline data if available. Having an understanding of how policy shifted over time may be a measurable factor to gauge the result of interaction with the collaborating organization. Inquiries of time frames of which private contractors/DK interaction established the foundation while inquiries about the factors that may have caused this shift exposed potential reasons for initiating this relationship. This was intended to provide some evidence of exploration/exploitation theory if it was present. This section was also intended to understand if the interviewee viewed the shift to collaborate interorganizationally as in the best interest of the organization. Section three allowed the interviewee the opportunity to provide data about the current financial and political situation and provide input on whether these areas saw improvement due to the collaborative decision. Section four of the interview protocol focused on organizational learning. This section allowed the interviewee to explicitly state whether or not inter organizational learning happened under their administration. The participant was then asked about learning in specific areas of business, including operational efficiency, marketing, conflict resolution, strategy, and information systems. The interviewee was then given opportunity to provide input about mutually beneficial effects of collaborative work.

Semi-structured open ended questions were used allow free flow of information. More directive probes were used if the interviewer deemed it necessary to understand more clearly any given topic. The interviews were recorded and notes were taken on a separate sheet of paper.

The content validity of this method of instrumentation is addressed specifically in the concepts measured by the study and the sections of the questionnaire. The concepts involved in this study and related areas of the questionnaire are the following: organizational learning (addressed in section four), exploration exploitation theory (addressed in section two), establishing corporations with divergent goals (explored in section one), discussion of mutually beneficial outcomes (explored in section four).

Four directors of Daphne County Government were questioned about administrative protocols that existed before and during the initiated relationship between private contractors and Daphne County Government. In an attempt to overcome my personal bias, interorganizational learning was not targeted at the relationship between THI and DK but between DK and contracting organizations in general. Thus, two of the four directors interviewed did not have direct dealings with THI and would therefore not be inappropriately influenced by the researcher's affiliation with THI. This design choice reflects the interpretive research principle of confessing and accounting for possible researcher bias (Klein & Myers 1999).

Participants were chosen for their expertise, managerial authority, and direct understanding of relationships between THI, Daphne County Government, and other private contractor groups.

It was required that participants held their current position, of decision making manager, for a minimum of three years. The reason for this is that the interview guide was designed to get

data from two years of interaction between contractors and directors. The participants were also chosen because they are able to implement policy on their level of responsibility to reflect change that may occur as a consequence of interaction and subsequent learning between private contractors and directors. Participants were approached initially via informal conversation. As this was considered and eventually granted, a more formal request was made via email to explain questionnaire procedure and acquire relative upper-level executive approval necessary to participate in this study. Once access was granted on the executive level of DK, the interviews were scheduled. Two directors were recruited via referrals.

An important strategic requirement was that daily interaction exist between the participants (DK directors and private contractors). This provided many opportunities for said participants to share information and understand the culture of the collaborating organizations and to institutionalize methods of interacting that will best suit the instance and undertaking. Each manager had several years of experience in the relevant industry and multiple years of experience working with directors of DK as private contractors. Of the 12 DK recreational facilities functioning, 4 qualified for this study.

Directors of DK had an average of 16.5 years work experience and an average of 6.75 years working experience in their present position. These directors interacted with an average of 23 private contractors in the last two years in their position.

Each private contractor manager had an average of 10.5 years working in their field and 4 years working experience in their current position. Each manager oversaw an average of 10.5 employees and interacted with an average of 13.5 members of DK workforce including directors.

Table 3 Participant Profile

Manager	Entity (Private/Public)	Years Exp	Years Exp In Position	Number of Employees	Number of Con/DK(2 Years)	Authority to make decisions
DK Director	DK (Public)	12	4	12	60	Yes
DK Director	DK (Public)	28	4	12	10	Yes
DK Director	DK (Public)	7	4	16	15	Yes
DK Director	DK (Public)	19	15	9	7	Yes
THI Manager-ATC	Private (ATC)	6	4	12	13	Yes
THI Manager-TAFA	Private(TAFA)	15	4	7	14	Yes

A precautionary objective was to retrieve data from directors having interactions with four or more contractors. In the recreation centers, it was sometimes necessary to have multiple contractors provide similar services. Participating centers offered interactions with private contractors according to the following:

Table 4 Programs By Center

CENTER	CONTRACTOR SUPPLIED PROGRAM (S) OFFERED
A1 (Public)	Gymnastics, Boxing, Taekwondo, Dance, Pottery, Yoga, Tutoring, Music Lessons, Voice Lessons, Mahjong, Bingo, Wrestling, After School Programs
B2 (Public)	Taekwondo, Dance, Exercise (General), Math & Reading Tutorial, After School Programs
G3 (Public)	Zumba, African Dance, Soul Line, Karate, Yoga, Aerobics
E4 (Public)	Line Dancing, Aerobics, Dance (Spiritual), Zumba
T1 (Private)	Taekwondo, Self Defense, Sword Instruction, Staff Instruction, Special Needs Fitness, Nutrition Consulting, Fitness Training, Summer Camps
T2 (Private)	Dance, Acting, Musical Theater, Summer Camps

At the conclusion of each interview, each participant was asked to give a final general comment about the purpose of the interview (interorganizational learning and mutually beneficial outcomes). Once this was recorded, the participant was thanked and a request was made for a follow-up interviews if it was necessary. All participants were receptive to this request. This established formalized debriefing.

III.2.2 Archival documents.

I provided supportive archival documents (three full length video files of programs before and after collaborations with private contractors, 7 emails, letters, 7 examples of collaborative marketing documents, 5 letters of community support and communication

correspondence) as supplementary qualitative data sources. The interviewees from DK provided examples of marketing which included Microsoft word documents and descriptive data for each center. Two VHS videos from DK archives were found and examined for quality. This being an interpretive study, the focus is on the subjective understanding of such documents and other data retrieved. Examining and interpreting rich data that arise from archival documents and interviews is advantageous to this study because they may validate key occasions that provide evidence of the social process of learning. I therefore triangulated various kinds of data to progress toward the rich representation of information characteristic of the interpretive tradition.

During interviews, respondents provided archival data such as examples of marketing pieces, technologies, and community interaction. Marketing pieces were in the form of word files found in DK archive, magazine ads, billboards, theater advertisements, and collaborative ads with Daphne County Schools. Technologies employed were demonstrated in website form and Facebook ads. Community interaction was in the form of letters of appreciation for various projects throughout the years.

III.2.3 Participant observation.

My role of researcher will take the form of participant observer. My relationship with DK began prior to the decision to use private contractors to provide programs. I was hired to teach Taekwondo as an employee of DK. I interacted with the clients, management, and employees of the county as I provided Taekwondo training to them. This interaction allowed me exposure to the culture of DK as an insider. I was also exposed to management of all levels including limited interaction with the CEO of DK. I was given access to marketing materials and systems of

operation as deemed appropriate by DK management. I experienced the prosperities and limitations of DK as an employee. I saw the consequences of said limitations manifest itself in poor programming and poor business practice. As it relates to participant observation, this study is “insider action research”, a variety of engaged scholarship that “...involves change experiments on real problems in social systems. It focuses on a particular problem and seeks to provide assistance to the client system.” (Coghlan 2001).

Being a participant observer is ideal for me in this study. This is appropriate because of the following requirements:

- The researcher must be able to perform the requirements of data management: enter context, collect and store field notes, and analyze field data. This requirement is satisfied by my exposure to the collaborative operations of DK with my businesses as private contractors before, during, and after the transition was made.
- The researcher “must become a participant in the culture or context being observed” (Trochim & Donnelly 2008). This stipulation was accomplished when I was immersed in the culture of DK as an employee. I understood the perspective of DK during this time. I was also among the first private contractors to qualify for and become a full contractor of DK.
- The situation “requires years of intensive work because the researcher needs to become accepted as part of the culture to ensure that the observations are of the natural phenomena” (Trochim & Donnelly 2008). This relationship began in

2009. This affords me six years of collective experience in this position and allows me the ability to produce observations of this natural phenomena.

- Participant researcher bias is addressed in two key ways. Dr. Dan Robey (advisor) was used as a check on my interpretation. This was done through in-person meetings as well as communication via email and telephone. The second way participant researcher bias was addressed was by using an outside interviewer. Dr. Paula Gable was used to perform the interviews for the participants that were my employees. She also contributed interpretation which gave a different perspective to the interview process. Special care was taken to address the participant's challenges of "preunderstanding (participant's knowledge, insight and experience before engaging in research), role duality (merging normal role of manager and new role of researcher), and organizational politics (managing perceived intent)." (Coghlan 2001).

III.3 Data Analysis

The software package, NVivo, was used to organize transcribed interview data to support analysis of corporate goals, interorganizational learning, and mutually beneficial outcomes. As mentioned prior, the level of analysis is the relationship between the two organizations. Data were managed and organized immediately following interviews. Segments of data were coded and easily retrieved using the features provided by the NVivo software. Basic constructs of measurement (Motivation- MOT, Marketing (MAR), Operational (OPE), Cultural (CUL) were pre-coded and new constructs were formulated inductively as patterns emerged. Descriptive

sub-constructs were necessary in order to properly link areas where inter-organizational learning were noted. MAR-WB (Marketing Website), MAR-BRO (Marketing brochures), MAR-MOV (Marketing at movie theaters), MAR-APS (Marketing at Atlanta Public Schools), and MAR-ART (Marketing via articles) are among a few areas where marketing efforts may be tracked via source documents.

As the transcripts were reviewed, relevant themes began to emerge. Answers began to relate to one another which enabled me to group them into categories. One example is when I noted explicit and implicit references to the goals of each organization. These goals were both self-evaluating and evaluating of the collaborating partner. This led to a classification of nodes relating to corporate characteristics. This new node was also self-evaluating and evaluative of the partnering organization. The node construction process was both nested and iterative. There were several references to organizational learning. This allowed me to use organizational learning as a parent category and list sub-categories relating to different examples of learning for each sub segment. An unexpected category arose in these interviews. This category began to amass sensitive and opinionated data. This node collected complaints from both entities about the protocols of Daphne County. Excerpts from this node were useful in providing evidence of collaborative learning that had to be overcome. This node became a storehouse for quotes that indicated issues sourcing conflict in terms of business processes and management of resources. Less active nodes emerged, but were significant enough to make notes.

As transcripts progressed, sub-categories became necessary to store specific events. Examples of this were the following sub-categories of operational learning that became needed to store data: OPE-FIN (the operationalization of payment), OPE-PRO (the operations of running

the programs themselves), OPE-COM (the success of programs in competition). Not all codes were extrapolated from aforementioned literature. New codes were applied to capture important concepts not presented in the literature. Initially these codes were descriptive, but as the research progressed, grouped to create interpretive codes.

Steps involved in the coding process is as follows:

1. Interview data were read through and compared with the recordings to catch general meaning and to correct transcription errors primarily in the form of missed words. Other data sources (participant observations and documentary evidence) were compared and noted in the 'annotations' section of NVivo. Documented evidence was reviewed and scanned for use. As the transcripts were reviewed, memos were recorded in the 'memos' section of the software and referred to as necessary.
2. Existing codes were applied to text segments and codes were added as the transcripts and recordings were reviewed. This resulted in the formulation of 30 total main nodes. 4 nodes (CORPORATE_CLIMATE, ORG-LEARNING, EXPLORATION_EXPLOITATION, and CORP-CHAR) were assigned as parent nodes and subsequently given child nodes to classify segments of data relevant to specific sub-categories. This arrangement resulted in 6 memos, 20 annotations, and 43 nodes storing 1,729 individual quotes.
3. In a second round, populous codes were collapsed into subcategories, reflecting more nuanced and detailed interpretations. The following table shows the main nodes and subcategories:

Table 5 Main Nodes

Main (Parent) Nodes	Child Nodes
CORPORATE_CLIMATE	CORPORATE CLIMATE_PRIOR CORPORATE_CLIMATE_CURRENT
ORG-LEARNING	ORG_LEARN_HR, ORGLEARN_OPR, ORG_LEARN_MAR, ORG_LEARN_IS, ORG_LEARN_CONFLICT, ORG_LEARN_STRAT
EXPLORATION_EXPLOITATION	EXPLOIT, EXPLOR
CORP_CHAR	CHAR_PC, CHAR_DK

4. In the final round of categories were aligned in relation to each other, effectively elaborating and unpacking the concepts and their interrelationships in the original conceptual model. Evidence of exploration and exploitation was extrapolated from the interviews and categorized. Some of the effects of exploration (such as PK bringing their own clients) were coded accordingly. Alternatively, exploiting old competencies (such as keeping a core set of programs offered directly via the county) were also coded accordingly. Evidence of dynamic capabilities was implied by the mutually beneficial node. This study sees ambidexterity (balancing resources for both exploration and exploitation) as a dynamic capability. Interorganizational learning was directly unpacked into sub-categories of learning (operations, finance, marketing, information systems, strategy, and human resources) as well as a node that references types of learning.

The following eight main nodes and related meanings were used in this study:

Table 6 Main Nodes And Definitions

BIZ_LEARN_DECISION	Encapsulates perception by DK on topic of biz learning
ORG-LEARNING	Identifies areas where learning is perceived.
LEARNING_TYPES	References types of learning
EXPLORATION_EXPLITATION	Identifies areas where each phenomena presents itself
MUTUALLY BENEFICIAL	Elements that are associated with mutually beneficial outcomes.
PC_LEARNING_FR_DK	Identifies where PC learn from DK
PC_PROG	Cites programs managed by PC
DK_LEARN_FR_PC	Identifies where DK learn from PC

III.4 Criteria for Evaluation

Internal Credibility is important to establish when causation is the primary focus of research. This research is more concerned with explanatory ability as opposed to causation. Triangulation of data (including archival data) was used. Peer review procedures were used to get a second opinion about the credibility of the questionnaire. Using email, letters received from the community, and comparing examples of marketing from each organization pre and post collaboration gives richness and depth to the study. Peer reviews were supplied by Dr. Paula Gable as she interviewed the two THI managers. She offered commentary and produced depth in the questionnaire.

One of the stated purposes of this study is to provide a guide to other practitioners interested in engaging in contractor/client relations with government agencies. This is not to be

confused with generalization, which is a quantitative technique defined as “a description of a population based on an observation of a sample drawn from that population.” (Burns & Burns 2008). Ultimately, transferability is dependent on the judgment of the reader. Using four government directors and two contractor participants as sources of data should reveal patterns that the reader should find useful if his intent is to engage in a similar collaborative venture with a government agency.

The explanation of this research seeks to make it verifiable via clear explanation of chain of events. Instrumentation protocol was explained in detail in the prior section. The questionnaire used and the complete codebook are provided as appendixes at the end of this study.

Institutional Review Board (IRB) procedures were followed to protect human subjects. The two areas of concern from the IRB were: confidentiality and treatment of human subjects. Both confidentiality and the potential for coercion were addressed by the informed consent form. In this form, participants were informed that their data will be kept confidential and used only for purposes of this study. Only members of the research team (Dr. Dan Robey and Wallace Taylor) would be allowed access to source data. The consent form also informed participants that their involvement in the study was voluntary and could be refused or discontinued at any time without penalty to them. Data was protected by password protected files in a password protected computer belonging to the researcher. Transcriptions and recordings were only handled by the researcher. It was agreed upon that upon completion of this study, all data would be properly disposed of.

IV CHAPTER 4: RESULTS

As data is presented as findings, I grouped them according to themes relative to elements of the research question. There are four areas for which evidence is necessary before inferences may be drawn: establishing divergent goals of each entity, evidence of interorganizational learning, evidence of exploration/exploitation phenomena, and demonstrating mutually beneficial outcomes. Each section gives direct quotes and/or supportive archival documents to corroborate the evidence. The sections on discovering evidence of divergent goals, interorganizational learning, and mutually beneficial outcomes will be addressed directly while evidence of exploration/exploitation phenomenon will be sought throughout the interview process. The main interview format progressed according to the following graphic:

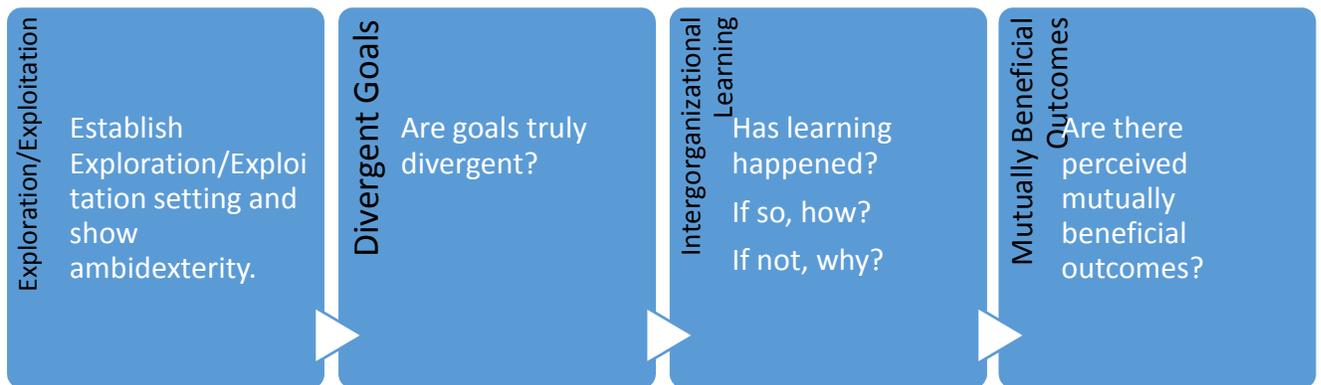


Figure 2 Concept Progression

IV.1 Research Setting

According to its website, Daphne County GA (one of Georgia's most culturally diverse communities) is the third largest county in Georgia with more than 700,000 residents. The county consists of a portion of Atlanta, Avondale Estates, Clarkston, Decatur, Doraville, Dunwoody, Lithonia, Stone Mountain and Atlanta. The county is home to prominent businesses and educational facilities such as the Center for Disease Control, Emory University, and The American Cancer Society.

A prominent division of Daphne County Government is The Department of Recreation, Parks and Cultural Affairs which services this community. This department includes 113 parks, 6,770 acres of parkland and open space, 82 playgrounds, 2 golf courses, 77 tennis courts, 54 pavilions, 92 ball fields and 12 recreation facilities. It is within these recreation facilities that the research for this writing was conducted. All private contractors provide services within the government controlled buildings of DK. All programs run by contractors use DK facilities and resources to deliver their services. Some resources are contractor produced, but the physical space and utilities are provided by DK. The private contractors provide programs to the diverse population and businesses of Daphne County.

The research began in spring of 2014 at the Alpha Recreation Center. This location is the largest center and uses more contractors than all other recreation centers combined. At this time marketing archival documents were consulted to provide examples of differences in professionalism of advertisement between DK and PC. Research was then extended to Beta Recreation Center in Lithonia, GA. Referrals were requested and then subsequently granted for Gamma Recreation Center and Epsilon Recreation Center.

Each recreation center had different demographics. Alpha Recreation Center (AREC) is the largest and most active of the centers in Daphne County. The director of TRC handed me a two-year-old, type-written paper that provided the following information:

Alpha Recreation Center was built in 1957 and used as a school until 1984. The building features 21 rooms including a 726 square foot dance room and a 12,144 sq. ft. gymnastics arena. This location's major use includes children's programs, adult programs, senior programs, special needs, and rental rooms. It is bordered by St. Paul's Presbyterian Church and Mill's Courthouse. The number of participants by programs is 1,108. The number of classes offered is 200 and has 700 volunteers. It services 11 schools within a 3-mile radius including 7 elementary schools, 3 middle schools, and 1 high school.

IV.2 Exploration/Exploitation and Ambidexterity

The exploration and exploitation phenomena is shown by DK. Learning new ways of doing things is characteristic of exploration. Most learning was part of the exploration process enacted by DK. The county placed financial and time resources into transforming salaried positions into contractor positions. Extra training of directors had to be done so that the directors could guide the center employees through the adaptation process. Ongoing training and consulting was also implemented by the county as support for their directors and some front-line staff. These came in the form of time and resource investment.

Another characteristic of exploration is risk management. One risk was that the county had to undergo a learning process and the eventual outcome was uncertain. New skills had to be learned which included contractual agreements, interpersonal communication, and a new

demographic of client associations had to be made. The director of Gamma Recreation Center elaborates on how important the investment in training the center directors were to the exploration process.

“...The most learning I experienced was in contractual agreement. I learned a lot in that...definitely the most [in] contractual agreement and inter-relational or inter-personal skills...”

When contractors are vetted, they must satisfy three requirements. They must have a business licenses, insurance, and they must agree to the stipulations of the contractual agreement. According to this director, the most learning he experienced in the process was learning contractual agreements and interpersonal skills. This prove to be a substantial exploration investment on behalf of DK.

Another risk encountered by the county as a result of the exploration process was the dramatic increase in prices for services that were being outsourced to private contractors. The director of the Alpha Recreation Center stated:

“...there's still some people [clients and instructors] who are resistant to the change...if you pay \$6.00 for a gymnastics class one week and then next week, I'm telling you you're going to have to pay \$60.00 for that same class, you kind of lose the people. So, the contractors are fighting to hold on to that same cliental and generate that revenue because of price difference...”

The initial stages of this was characterized by resistance of many employees who felt slighted by the decision and long-time county clients who felt cheated. Many employees chose to leave the county to pursue employment elsewhere. Some underwent transitions when they tried to be private contractors but were unwilling to undertake the business aspect of this direction. The learning experienced by DK required a learning curve with an investment of cost and time that had to be overcome to reap the returns on this decision to pursue exploration as a strategy.

The county also held onto some aspects of exploitation. These aspects were evident in two marketing areas, fee processing, and some program areas. DK retained its old competencies of word of mouth advertising to keep its current demographic.

When asked what his center's current means of marketing was, the Gamma Recreation Center director replied:

"...We have flyers and word of mouth, that's it..."

The recreation centers also maintain signup sheets and some on site forms of marketing at each location as a method of engaging, retaining, and marketing to their regular clients. In this they demonstrated exploitation of old competencies. The final way they exhibited exploitation tendencies was that they offered some programs that they did prior to the collaboration at similar prices. Programs such as some summer camps and afterschool activities are still maintained by the county and staffed with county employees. The director of Beta Recreation Center comments about his DK retained and sponsored year-round programs:

"...I oversee a year calendar where we look at it in 4 parts: we have a winter program, a spring program, a fall program, and a summer program. Summer being our strongest program because that's when the kids are out of school, we have a lot of 9-week programs where we feature things that we do on a daily basis and the kids are here from 7 a.m. until about 7 p.m.... we deal with swimming and field trips and all kind of interactions as far as having fun, different [county sponsored] activities..."

The county also retained elements of processing fees for their in-house services that often results in missed opportunity. Charging customers remained the same against the recommendations of some directors. The director of Epsilon Recreation Center stated:

“...there's a whole lot of revenue making opportunities that we have that we can't take because the county would not allow...such as basketball (DK program)...that's revenue coming into the department, coming into the center... we do not have a membership [fee]...we should be able to charge for a lot of events like the contractors using credit cards and we're not allowed to do that. So, we lose money...then it puts us in a position that we can't get the supplies and materials we need for the [in-house] programs at the facility...that's major issues I have [with the county]...”

Private contractors have modern methods of charging for services. These methods include a full line of credit card processing options, automatic account debit, on-line processing as well as the old-fashioned cash, cashier's check, and money order options. DK alternatively chose to exploit only their traditional methods of cashier's check, money order, or cash.

Successfully balancing these two states of exploration and exploitation is evidence of ambidexterity. The main areas where this was shown were in marketing, operations, and finance/billing. While the county explored new ways of managing their budget crisis by outsourcing some of their programs (Martial Arts, Dance, Exercise, etc...), they also retained a core curriculum of programs and activities and continued to offer this core curriculum staffed by DK employees at a similar price. This allowed them to retain their accustomed clientele. The county allowed the contractors to implement their current method of payments while they maintained their own for their in-house programs. The objective being to exploit old clientele while exploring the new demographic of clients (comfortable with current methods of billing) brought in by the contractors. The county allowed the contractors to use their methods of marketing to attract new clientele as they maintained their traditional forms of advertising to retain their familiar clientele.

IV.3 Divergent Goals

Goals and mission statements are a good place to begin understanding what the stated priorities of organizations are. The mission statement for Atlanta Taekwondo Center reads: “ATC is committed to implementing the best practices of business and health science to improve the wellness of our clients through the study of martial discipline and contemporary exercise science.” This mission statement declares commitment to best practices of *business*, which is primarily concerned with making profit. It is a companywide expectation that without a well-defined business strategy, a corporation is destined for failure. The second component is commitment to customer wellbeing through our area of proficiency.

Similarly, the mission statement for Thor Academy of Fine Arts is as follows: “TAFE is committed to implementing the best practices of business to provide academy level instruction and performance in areas of fine arts.” The acceptance of business as the top of the hierarchy is also present in this organization. Both companies have hiring policies designed to recruit and retain the best people for each position.

Despite these apparent similarities, additional evidence supports the conclusion that DK and contractors’ goals diverged in important ways. Even within DK, different statements about mission appeared to contradict each other. For example, according to DK’s website, is: “The Department of Recreation, Parks and Cultural Affairs’ mission is to provide safe parks and facilities, enhance the quality of life as a provider of recreation and cultural experiences and ensure a customer focused parks system.” The absence of any statement about business practices belies the focus on business within the Atlanta Center. Additional evidence of divergent goals is drawn from the interview data, as reported below.

When asked about the general mission of DK, the director of Gamma Recreation Center emphasized the importance of

“Quality programming and safe facilities, service to the community...”

The Beta Recreation Center director added that

“Our system is more service based because we don't look to earn revenue here. We look more at the service end and working with – so our thing is more like, more numbers (as in participation) as opposed to the bottom line of the revenue.”

These comments indicate one of the distinct differences that DK directors saw between themselves and the private contractors. To them, contractors were *“70% revenue focused while the county was only 45% revenue focused.”*

This distinction was confirmed by one THI (TAFA) manager, who said

“...I think their (DK) mission is to have a holding place for the community and by me saying "the community," and I'm going to speak from personal experience with Alph Recreation Center, is giving the seniors a place... to hang...a holding place as far as students being able to go their afterschool programs...”

This comment implies that there is a lack of substance to what is offered as activities/programs in that place. By characterizing DK's recreation facilities as a holding place, the expectation to the quality of programs that are offered is implied to be low.

Contractors aired doubts about the competence of DK management. An unexpected difference was mentioned by a THI (ATC) manager who said:

“I honestly believe that the mission of Daphne Parks and Rec is to maintain a select group of people empowered and be under links abiding to a central sort of rule.”

This comment points to perceived inadequacy at a higher level of DK, which was seen to favor a group of elites. This manager felt that many of the problems attributed to DK were due to nepotism and intentional ambiguity. This ATC manager ascribes to the belief that DK intentionally hires substandard employees and maintains low-quality protocols to keep performance expectations low. She feels that ambiguity is a strategy by which upper management keeps control.

The comments of the director of Epsilon Recreation Center echoed some degree of ambiguity about the mission of DK:

“I got to be honest, the mission is very difficult for Daphne County because it seems like it’s always changing. You really don’t know because a lot of times they drill in our heads program, program, program, program and then other times they throw down revenue, revenue, revenue. So, it’s very difficult.”

The input of this director was particularly important because he was the longest serving director in this study. He mentioned times when DK attempted such collaborations with contractors before, but shifted back to using county employees for reasons unknown to him.

The director of the Alpha Recreation Center subscribed to the notion that the county was primarily interested in community service:

“...I really do believe that the general mission is to – I think to provide an outlet. I think generating revenue, yes, is in there a little bit but I don't think it's the driving force in the county's mission. I think they really do just want to provide an outlet and services to the county residents and if I could say I personally don't always agree in the way they do but that's what I think it is...”

While acknowledging the necessity to generate revenue, this is clearly a goal of lesser importance. This director also voices his opposition to this mind frame primarily because of his experience in other industries that recognize the importance of maintaining sufficient cash flow.

The statements about DK's goals and mission contrast with those of THI as a private business competing in its respective industries. When asked about the general mission of the Atlanta Taekwondo Center, the director stated "...to make money...pure and simple..." She also recognizes that hiring educated motivated people are worth the investment to the end of increasing profit. Another THI (TAFAs) manager states:

"...our company personal goals are and hopefully for others (contractors)...hopefully they will have some type of similar agenda but I definitely think one major goal is to build (grow). I've been a business owner myself before and it was not through the government and it takes a lot of blood, sweat – sweat and tears...and money."

This undoubtedly shows a sense of personal responsibility for the expectation of higher gain in terms of profit and corporate growth. Having growth as a prime goal of business implies a revenue-based mission.

The directors of DK also corroborated this view of contractors' goals. The director of Gamma Recreation Center stated

"...for my contractors, its customer focused but its more practical (financial) where the customer focus is based on their service. How the service can enhance their (the private contractor's) quality of life, be therapeutic..."

According to this director, the prime motive is financial:

“...It's all money based. It's driven off of money and if the money's not there, I'm (contractor) out of there. Where this is a government facility, money's big but it's not going to be the driving force as it would be a private sector...”

This also tells of the perspective of DK. The acknowledgement that money is necessary is present, but it does not qualify as a driving force. Money, for contractors, are the driving force because they must maintain profit to exist. From this we find that the main goal of the private contractors is centered on revenue generating activities and the associated consequence of such. The following table summarizes the aforementioned findings.

Table 7 Summary of main mission/goals of Daphne County vs. Private Contractors

Agency	Primary Focus (DK)	Primary Focus (PC)
DK Director	Community Service	Financial
DK Director	Service-Based	Offer Quality
DK Director	Uncertain	Financial
DK Director	Community Based	Financial
THI Manager-ATC	Power/Control	Financial
THI Manager- TAFE	Community Service	Financial

Further evidence supports the conclusion that differences in goals led to DK's use of contractors to begin to solve this problem of financial shortage. When asked the reason why DK chose to use private contractors to supply programs, one director stated:

"...it (using contractors) was because of a budget cut...but also they saw it as a better way to service the community as well..."

Another DK director stated:

"...when that happens it's strictly revenue..."

This implies that DK saw the strategy of replacing their employees with private contractors as a means of not only saving money, but also providing better and more competitive programs for their community.

It is my belief that DK use of private contractors is an exploratory means of addressing the financial problems that faced the county. Organizational learning is the effect of this exploration process. The conflict of balancing exploration and exploitation will be cited in key areas of the coming results.

IV.4 Organizational Learning

Organizations learn from each other when they work together. This happens when they see and experience new procedures as they perform daily operations. They share the same space, time, and equipment. The shared existence leads to exposure to operational differences that promote understanding of various ways of conducting business. Collaborations as with DK and THI provide instances for the organizations to learn. The following results provide evidence of

some of the three main ways that DK and private contractors learn from each other. The main ways learning happen are interaction (e.g. structured training), observation (e.g. mimicry) and conflict resolution.

IV.4.1 Learning through Interaction

Interaction as it is defined in this study is learning through reciprocal action or influence. The different activities that result from executing the primary corporate goals created the environment in which each entity was able to formally interact and learn from each other.

Learning at The Alpha Recreation Center begins as an active process of instruction of which the employees are taught specific details about each contractor. The director requires interaction between staff and private contractors in an introductory meeting which discloses pertinent information. The director states:

“...my people have to learn whose program it is. Who's running that program? What's the hierarchy in that program? Who can they go to...who makes the decisions within that program. They also need to know something about that program. So, for each one of the programs that we have here...I try to get all of my staff to know a little bit about all of them...so, I think they have to learn more...”

This gives the employees of DK and the contractors the opportunity to understand the basics of each other's operations. This is helpful in understanding each other's business requirements and allows each entity to ask questions of the other. Learning via structured interaction, though not quite as structured, was present in other centers. When asked about how

learning happened between DK and private contractors, the director of Gamma Recreation Center stated:

“Yes.... we have to meet for one...we try and have a meeting of the minds, make sure that we're on the same page as far as the service being provided in the facility. So I get to learn their ins and their outs...We get to build a good relationship. We're like business partners to some extent instead of a manager-staff type of thing...”

The “meeting of the minds” and attempts to “be on the same page” is interaction directed at aligning corporate direction and initiating a synergistic environment. The director, knowing that contractors are profit-driven, seemed open to learning and realized that the private contractor brings a level of expertise that is helpful for his objectives. How learning happens in this center has thought-provoking implications. The director seeing the collaborative as a business partner challenges the strict separation of entities. One specific example of learning happening via interaction was offered by this director as the following:

“Okay. I got one contractor. She does yoga and she also does hiking...she's also from the community and also the target group that she addresses, which is mature adults, she's a mature adult as well and so hiking, you know, for the demographic I work in, you would think wouldn't be a big seller here but her coming to me – because we get to socialize on a regular basis – she had the comfort to come to me then with different ideas and different things like that...”

Socializing on a regular basis is the key to this example. The director learned different ideas, learned about different demographics, and about a program he would not normally see as an important activity from his contractor. All of this learning was done via interaction. A sense of equality in partnership and mutual respect emerged as the director identifies the difference between how he views the relationship between him and the contractors and him and his employees. Additionally, further evidence corroborating interaction being how this director learned is apparent in his quote:

“...she (the contractor) has educated me and sold me on hiking and different things like that and so the benefit was I was more able to listen. When it's (my) staff sometimes, you're (as a director) not always open to listen. Not all the time. So, she educated me on hiking and the benefits of it and how mature adults are interested in it. So, I had an open mind to sit with her and talk to her regarding offering that service here...”

Seeing the contractor more as a partner than an employee opened the director to new ideas that he would have otherwise been unaware. Sitting and talking (interacting socially) was the means of which knowledge was transmitted and learning accomplished.

As he continued to address how learning happens and describe the interaction between DK and private contractors, this director states:

“...if they (contractors) want their business to flourish within the vicinity, I think that we have to learn...some contractors, bring their own audience...they just need a building. They already got a following. I can feed off their people...some contractors, they don't have a large following...so, they're really going to feed off the people that frequent here. So, those I'm going

to have to really have to teach what type of audience and target group that we have here and what they're looking for...so you can market to them..."

According to this director, he has to actively teach and learn the circumstance in which a contractor will be collaborating. This implies reciprocal action. In this example, the variable is whether or not the audience/clients will be brought with the private contractor or gained through the relationship with DK.

Learning through interaction requires an exchange of information. There are instances when this exchange flows from DK to contractors. The director of Gamma Recreation Center cites important ways in which private contractors learn from interaction with DK. He states:

"...our marketing strategy is flyers and word of mouth, and word of mouth is huge in marketing for us...most contractors, their marketing scheme are social media, flyers, not really word of mouth. So, I'm more teaching them about word of mouth marketing..."

This implies that the county has an established relationship of trust with their demographic that is actively taught to private contractors. The private contractors capitalize on this trust relationship and learn how to target this demographic using DK as the initiator of the relationship. All of this happens through formal interaction.

Learning through interaction occurred differently for the Beta Recreation Center. This center was an important site for identifying reciprocal learning between both entities because the director did not have a history in the private sector. The director of this center stated:

“... from the interaction with contractors we get to have an understanding of what happens in the private sector. They get to understand what's happening in the service sector and so therefore, it's always in collaboration of us learning from one another and then that helps us provide what we do.... and so now I can make better decisions on who I need to go out and attract because they're telling me and I'm not guessing ...I can ask the contractors...”

The collaboration provided an opportunity for this director to learn internally, but it also provided an opportunity to learn about what happens in the private sector as well. Here the director gets direct knowledge about target markets and how to attract them to his center from the private contractors. This knowledge subsequently limits guess work and allows resources to be more efficiently allocated. Direct conversations shared details of such knowledge and each person becomes a reference source for knowledge in his field.

Daily interaction also permits time when learning happens through structuring of collaborative programs. The director of Epsilon Recreation Center credited learning through understanding gained through daily interaction with program structure. He stated that:

“...getting more information on exactly how their (private contract's) programs are structured [allows] better learning of the overall program...when you have [a] dance instructor, think of...a modern dance program...I have one expectation...but once I start dealing [interacting] with this contractor, I learned a lot, the different aspects of dance and the progression (of classes) from the start to the end of it (structure of program)...

This is one incidence of which multiple contractors provide different types of the same program form. The centers offer different kinds of dance (jazz, ballet, tap, etc.) that are taught by different contractors and have different requirements. According to this director, understanding the structure and requirements of each dance form gives him insight of what is necessary for the program and teaches him about the dance itself. This affirms the value of interaction to learning specific program requirements.

This sort of learning was accomplished through daily interaction and the knowledge acquired with such. This information may be used to recommend programs to best meet the needs and interests of the client (fitness, performance, private evolution) of each program.

Daily interaction also gives an opportunity for learning to happen on various levels of each organization. Most recreation centers have three levels of employees, directors, assistants (mid-organizational), and maintenance crew. Learning through structuring of action related to programs occurs predominantly at the mid-organizational level. The Beta Center director acknowledged that substantial learning occurs on the level of the center's assistants. The director of this center states:

“...significant learning happens at the recreation center assistants level because they get an opportunity to see how private business does business, how they do things, their organization, and then they can compare from the way we do things and that's where our collaborations come in because we all have to help each other. There's going to be times that my rec assistants have to help out to make sure that the private program is going well...”

Learning via observation is embedded in this quote, but the key aspect is in helping each other. Interaction is necessary to understand what it means when a private program is “going well” and respond appropriately if it is not. The director of Alpha Recreation Center affirms the importance of interactive learning to the assistant level of the organization. Most organizational learning via interaction appears to happen on the level of the recreation assistants. The director states:

“...I see it (organizational learning) at all levels, but the most would probably be at the rec assistant level and I say that because...they’re here when I hire someone to the end...”

He implies that his assistant staff interacts with the private contractors from the moment they are hired with the county through fulfillment of contractual obligations. The most organizational learning happens at this level as a consequence of his staff’s long-term interaction with the private contractors.

On the job interaction exposes participants to a different procedures (ways of doing things). Not only is it important to see how business is done, but also to see the positive results of good business management. Direct experience at the assistant level was itself a learning process that benefitted this center. A specific area where daily interaction facilitates learning is in sharing physical space and accommodating each other (private contractors and DK) in the daily operations of the center. The Beta Recreation Center director stated:

“...we ask what we need to do to help out? Now, we may need to rotate some kids in there (specific areas of the center) to make sure that this program is building up or we may have to make sure that we help set up this area before they (the private contractors) get here so that

when they come in, ... they just come in and they can go to work. ... it starts from the bottom all the way to the top, and the learning is great...

This quote also reiterates how preparation for the contractors improves understanding of the structural needs of the programs the contractors offer. Preparation is preemptive interaction. There are times when such knowledge can tell a lot about a program. For example the dimensional requirements necessary for the study of Taekwondo are that each student must have a 6'x6' space for optimal practice. Knowledge of this requirement makes the learner understand that TKD is a sport which requires much physical space for safety. This knowledge could be used in discussing program safety with potential clients.

IV.4.2 Learning through Observation

Interorganizational learning happened through direct observation. Observation in this instance is defined as learning through watching, noticing, or perceiving. Opportunities to learn via watching, noticing, or perceiving are plentiful as DK functions synergistically with private contractors. When asked how he sees learning happen, the director replies:

“...I really think it (learning) is a visual. I mean, I think – I was going to say monkey see, monkey do but that wouldn't be appropriate – but for lack of a more eloquent analogy, that's basically what it is... seeing the way the program is run...”

In a subsequent conversation, this director said that observation was a very important way private contractors learn from DK and vice versa, but it also a way private contractors learn from other private contractors. He noticed when one private contractor

implements a strategy that works, other contractors notice and implement similar strategies to keep pace. This is most apparent in marketing and service price.

Specific areas learning via observation was noted was in marketing, operations, and information technology. One director supported this as he stated

“...if you think about it contractors are here so they (DK employees) get to see how they (contractors) do business and why they do business the way they do business...”

He states that understanding what makes each program successful is important for learning at his center and believes that much of this knowledge is attained through direct observation. In order to facilitate learning, the director asks his employees to observe the contractors with specific questions in mind. He tells his employees to observe private contractors to answer:

“...why are these (contractor) programs successful? What is it that they're doing that we're not doing? How can we benefit from asking questions and being a part of what they do and getting to know them that will help us...I think I've got a pretty good staff...most of them are very open minded and so they're not afraid or threatened when someone else brings a program in...they're not afraid to ask questions...”

This system of learning has elements of proactivity based on observations. These questions imply a learning style based on primarily observation, but it also initiates self-reflection about applying what was observed as part of the learning process.

The learning at this center appeared to be more targeted than at other centers. The “open-mindedness” of the staff makes learning more engaged and purposeful but primarily observation-based. It requires examining ways to merge the different ways observed variances may be leveraged for maximum learning.

The director of Epsilon Recreation Center also professed the benefits of reciprocal learning through direct observation. He stated:

“...it has been beneficial for both parties because the contractors get to see how the county operates and then we as employees, we get a better understanding of the contractor themselves and the way they do business through [observation of] the program itself...it's been pretty good for me...”

Two-way knowledge gained through observation helps acclimate each partner to the culture of the other. Each entity gets insight into how the other operates and subsequently gains a better understanding of each other generally. Observing each program provides such an opportunity to learn what is required for successful merger of procedures.

Generative learning is characterized by questioning long-standing assumptions as new ways of doing things are applied. One area where generative learning emerged as the learning method via observation is in the field of technology. The implementation of social media is very natural and unavoidable for those interesting in marketing their services. DK has been slow in adopting these technologies for unknown reasons. It can be argued that this area strongly exemplifies generative learning because the marked lack of information systems use is a strong

and long held practice of the DK business model.

Since the collaboration with private contractors, employees of DK have seen the value of social media marketing and became aware that benefit is worth potential risk. The interaction caused DK employees to question their long held belief system. One director states:

“...we've definitely seen learning with (social media) because I'd say in the past, what...4 or 5 years or whatever with Facebook and all those different social media ways out there that a lot of contractors are using it and now the county has even gone to that also as – even Facebook, each rec center has their own Facebook page and at one time, the county wouldn't dare get involved with that because they kind of saw that as – for whatever reason, I don't know, kind of negative or whatever...”

In other words, observing private contractors using technology diminished the county's hesitation to utilize social media technologies and accelerated the launching of the county's social media programs. This consequently allowed the county to engage the community in a different manner and reach demographics otherwise neglected.

Other technologies were important for the operations of contractors. Business information systems and software applications, such as Microsoft Excel, have benefitted THI since its beginning. THI and other contractors see technology not as optional but as a necessity of business. The county employees have seen the benefit of information systems as it is utilized by contractors and subsequently began utilization of such. One director stated:

“...one way (contractors’ use of technology has influenced DK) is from a few years back a lot of the contractors that we’re bringing in now, they’re more computer savvy, more technology savvy. They have a better understanding of how to use computers and different machines to help them out in their business. So, like...business information systems ...began to be used more in the county...”

In the past, each recreation center had a few computers that were several generations behind in terms of hardware and software. These computers were primarily used to print word documents used in unsophisticated marketing and dissemination of information. There was one computer per center with internet access. Now, the centers are equipped with Wi-Fi networks of different contractors and networks of their own. DK itself has invested in more computers per center (with flat screens vs. CRT screens) and many centers now have computer labs for public use and offer classes to teach information systems to the community. With this evidence, it is reasonable to surmise that interaction with private contractors has modernized the county’s perception of how to use information system.

The county has since implemented new technologies to promote programs targeted at helping their employees and private contractors to market programs. The director stated:

“...we have software called ACTIVE Net. It is a form of advertisement, I’m learning that and then I also let the contractors know about the process. So I need a lot of the information that I can put on there (ACTIVE Net.) so when people look on the website they can see it. Also, I don’t know social media, we do a lot of sign-up sheets and it’s mostly for contractors where we

have it for use and they (clients) put in their name, the email address, and their phone number then a contractor go about sending them mass email or mass text or something like that.”

This suggests that DK works collaboratively with private contractors to leverage competencies of both as they exploit old competencies of lead generation and explore new methods of information management and distribution with help of the private contractors. DK uses old-fashioned methods to gather data (sign-up sheets) and allows the contractors to utilize more technical means of reaching the clients and distributing information via mass text and email.

While there has been much technological learning and progress since the collaboration began, it is important to note that the ongoing use of ACTIVE Net is not consistently implemented. Training of directors and updating of program information remains an elusive issue. ACTIVE Net has been described in meetings, via email correspondence, and intranet demonstrations. When it was launched, contractors were required to furnish descriptions and cost for each program they offered for publication. Since then, feedback was given by contractors to improve performance of this interface. As of this date, however, ACTIVE Net remains underutilized and many programs go unpublished on this network. This suggests that interorganizational learning is incomplete. The contractors provided the information for publication on ACTIVE NET, the county, however, has failed to properly update the information regularly. This incomplete commitment to the programs have caused conflict and through the resolution of conflict there are opportunities to learn.

IV.4.3 Learning through Conflict

Conflict resulted when business processes of THI and DK were merged. This conflict existed since the start of the partnership and continues. The source of this conflict is the divergent nature of the factions involved. Contractors generally do whatever it takes, within the confines of the law, to earn profits on their efforts. DK has no competitors and are interested in serving the community. This makes private contractors more pro-risk than DK. Reciprocal learning in the form of conflict resolution was noted by contractors and directors of DK in this relationship. The director of Gamma Recreation Center noted:

“...I think one issue [problem] that we do face with contractors is them understanding how the county operates...sometimes you'll come across a contractor that think they can do this and that and really they can't. So, that's left up to myself...the director..., to kind of educate them on the things that they can and can't do... the county, they're going to cover their behind regardless of whatever that goes on (legally). So, you got to kind of stress that to the contractors themselves so that they don't go outside of their realm, get themselves in a sticky situation...to stay out of the newspapers and all that kind of stuff...”

This implies that DK is concerned with protecting itself against fallout. The conflict arises as contractors implement strategies that they would implement to create value in their businesses and these strategies are seen as high risk by DK. One area where this conflict was prominent was in marketing. Initially marketing pieces were monitored by DK to ensure nothing was advertised that could implicate the county. Educating private contractors about what they can't do is one way conflict is overcome and a new way of behaving is agreed upon. Private

contractors learn the comfort zone of the county and enact new ways of overcoming these limitations. With time and negotiation, restrictions on marketing were reduced by the county and both benefitted from the result.

Learning through conflict was also noted by the private contractors more than by the directors of DK. They experienced the overcoming of said conflict as a means to bridge the perceived incompetence of DK. The ATC manager was asked how she saw learning happen. Her response was:

“...Usually it's [interorganizational learning] through conflict of some sort. They are very scattered about scheduling... they do everything last minute, very, very last minute. So, it's usually through conflict resolution of some sort...when something goes devastatingly wrong...the Atlanta Taekwondo Center and the Thor Holdings Organization has to pick up slack and make a change on the spot and so as much as I wish it would be a progressive change and they would notice that this makes a difference, that having certain protocols in place make a difference, it's usually because they mess up big time and so it's through conflict and very rarely it's through implementation of a program...you can't ignore the success of certain things...”

This quote cited perceived flaws in DK’s lack of formalized procedure to drive day to day routine while emphasizing conflict as the source of her learning. Another complaint that has been voiced by patrons of DK programs is the large quantity of children to the small quantity of instructors. This was the circumstance that result in the ‘devastatingly wrong’ occurrence referenced of occasionally losing children in the course of DK program activates. This manager also cited dissatisfaction with the value system and general culture of DK of which she has found

conflict provoking. She stated that nature of ATC is far more business-minded and the apparent lack of concern characteristic of DK employees has forced ATC to learn in order to compensate. In reference to collaborating with some DK employees, the ATC manager stated:

“...indeed, indeed. Incompetent would be the word that I would use...very unmotivated...because they don't share our sense of urgency...we are very much go-getters...and it's difficult to relate to somebody who does not worry because their position is secure through a hierarchy that is established generationally, socially, economically or otherwise and so it's very difficult. We've had to learn how to send our message of progress to a group of people who don't have their own definition of progress or whom progress is now, it's kept in a very small space, in a very limited space, and who have a sort of disturbed loyalty or just blind loyalty to somebody, whoever's in power at that time...”

The blind loyalty was how this manager chose to describe the bureaucracy that exists with some procedures of Daphne County. She feels that some decisions need to be made quickly by a presiding manager, but DK rarely works in this fashion. Private contractors' ability to make urgent decisions quickly clashed with DK's bureaucracy, often resulting in frustration and conflict.

An example of learning by overcoming conflicts related to bureaucracy is demonstrated in the area of marketing. The managers of THI have the autonomy to approve advertisements as they need for the demands of their location. The conflict arises when the DK directors are unable to make an urgent decision. This bureaucracy was mentioned by the director of Alpha Recreation Center as he explains the procedure to get an advertisement to publication:

“...for us with the county, I have to go through my supervisor. She then has to go to her

supervisor, who is the deputy director. He then has to go to his supervisor who's the director of the department. Then it has to go to our marketing person within the department to look over and clean it up somewhere in that link. Then it has to go to legal to see if everything looks good and then if it's something where you want to put the seal on it (Official Daphne County Seal), then it has to go back to Legal and then goes to the CEO's office for him or her to look at it. Then it has to come all the way back down before I get a flyer... [contractors can produce a] whole nice stack of flyers and posters and all these pretty signs and yard signs and banners in the course of a day or 2, where I have to start planning 3 weeks ahead to just get a flyer..."

This quote references two important aspects learned via the resolution of conflict of marketing pieces, the importance of quality and return on investment. According to this director, the way DK marketed was to create a simple word document to advertise (exemplified later in this chapter). The gains in marketing quality, and subsequent return on investment, have been made possible through resolution of conflict and concession by DK to the superior ability of the contractors. Prior to collaboration, the DK advertisements were made with black and white word documents and elementary clip art. The resolution of bureaucratic conflict has made it possible for reciprocal learning to transpire. DK learned to trust and capitalize on the proficiencies of the private contractors in order to attain higher financial returns. They relaxed their long-held protocols about marketing. This has resulted in the learning that speed, quality, and professionalism results in higher returns on investment. The Alpha Recreation Center director stated:

“...the most (learning) is really on the marketing side of it... when you see a program that takes their brand and market it to a new clientele to make money and then broaden that marketing so you can really see how it's paying dividends...you can really tell that the quality of a flyer really does dictate how much business you're going to get as opposed to me sitting down and banging out a Word document and hitting "Print" and hanging it on the wall, whereas someone who's trained in that, this nice, pretty glossy flyer where you can see the pimple on someone's face, that's how great the picture is. It really does affect your bottom line. It really does bring people to you....”

Since the conflict in marketing was resolved and the benefits of collaborative marketing resulting in improved revenue, DK has shown significant improvement in the quality of their marketing pieces. Advertisements are showing more complexity in design. Picture resolution and color quality is also improved.

Learning through conflict was also present in the area of operations. Overcoming conflict triggered by procedural differences played an important part in how these organizations learn to work as partners. When asked what she feels DK learns from their contractors operationally, the ATC manager responds

“...Right. They learn many things from us (contractors). They (Daphne County) learn how to not tremendously screw over their contractors especially those willing to argue. Not everybody will argue but we certainly will because we have things to do and goals to be met...areas they (Daphne County) learn the most are business operations, marketing, communications, and program management. They learn the least in their hiring

practices...they're very sketchy if not incredibly inappropriate relations between the employees..."

When forced to function in the same space at the same time, procedural difference often lead to instances where decisions must favor one system over the next. Both organizations experience levels of success using their old system, but in partnerships, clashing systems must be merged to the satisfaction of both parties. These clashing of ways resolve differences for the benefit of both organizations. These resolutions lead to new ways of doing things that combine elements of both organizations. When asked if she has seen learning happen, the manager of ATC added:

"...certainly, the Atlanta Taekwondo Center has had to learn how to interact with a group of people very different from the people who run this organization who have different definitions of success, who have different ideals, who have different mannerisms and I mean that at a very basic level, who have different protocols, who live their lives at work very differently from the rest of us and so learning has had to occur in order for there to be a symbiotic relationship of any sort. It's at times been parasitic but it has to happen. We have to learn how to interact with each other on a very basic level in order to get anything done..."

This implies a deep dissatisfaction with some procedures of DK. Getting things done is the result of resolution of procedures that are often incompatible.

Other contractors have also expressed learning due to conflict related to dissatisfaction

with the operational procedure of DK. Learning via conflict happens through instances when the inappropriate path was taken. A major conflict private contractors have with the county is that they believe that the county has learned to survive doing the wrong things. Frustration has been a common theme among contractors engaged in collaborative relationships with DK. When asked if general learning has happened, the manager of TAFAs stated:

“...oh yes...you can learn in a positive way and you can learn in a negative way...I definitely think we can learn (from DK) as an independent business of what not to do...”

This indicated that private contractors have learned but not in the traditional sense. Learning new ways of doing things by interpreting what is perceived as the wrong way is a system of learning, but it expresses discontent with the way things are done. In resolving this conflict, the real process of learning became visible. When asked for specific ways he saw learning happen, the TAFAs manager said

“...in operations...it's allowed me to see issues [conflicting problems]... to make me go and research these issues to see how can we as contractors could come to a solution [with DK]...”

This passage was interesting because it shows how contractors step beyond what they know to enact research-driven problem-solving to solve conflicts encountered from collaboration with DK. This shows skills of learning how to learn about things that cause conflict in order to resolve the conflict and find new ways to do things that is satisfactory to both entities.

Table 8 Summary of learning (main areas and ways of)

Agency	Has Learning Happened?	Main Areas Witnessed	Main Ways Learning Happened
DK Director	Yes	Marketing, Program Structure	Direct instruction/Socialization
DK Director	Yes	Operations, Programming, Marketing	Direct Observation, Self-reflection, aligning of purpose, comparing, satisfaction of needs, shared understanding
DK Director	Yes	Marketing, Information Systems, Social Media	Understanding program structure, Direct Observation
DK Director	Yes	Marketing, Information Systems	Mimicry, Client Feedback, Observation of outcome, Discussion and Brainstorming
THI Manager-ATC	Yes	Operations, Marketing, Communications, Program Management, Technology	Conflict and resolution
THI Manager-TAFA	Yes	Marketing, expense strategies, supply chain, Learned what NOT to do from DK.	Conflict and resolution of differences

Marketing and operations were the two most widely viewed areas where learning was witnessed. According to this segment of research, the main area of learning happens through marketing, the second was operations. Examples of the difference between marketing pieces before and after collaboration began is demonstrated by the archival documents (graphics) in

both area of marketing and operations presented in Appendix A. These examples show before and after images of improvement in operations and marketing once collaborative efforts began.

IV.5 Mutually Beneficial Outcomes

THI and DK have learned many things from each other and have synergized enough to produce quality programs at a cost that is supportive of business. This synergizing seems to have bridged the primary concerns of each organization to both accept that the relationship is worth continued partnership. This characterizes mutually beneficial results.

Creating value is a common theme for both entities. Using each other to satisfy corporate objectives is how value is created and mutually beneficial results are realized. All evidence states that these collaborations are in a state of balance and mutual prosperity. When asked if he has seen mutually beneficial results as a result of the collaboration with private contractors, the director of Gamma Recreation Center stated:

“...Yes...the contractors that really have a dream to start something [a business]...they've been able to start that without having a huge overhead and Daphne County – have provided that at low cost for them...they (the private contractors) can perform their own dream or it may benefit them in whatever service they provide...”

According to this director, both entities are benefiting. The private contractors are able to start businesses at low cost while DK serves them as members of the community in starting their business. This has proven to be true in the case of THI. ATC was able to launch a private school location and become completely independent of DK. TAFE is also scheduled to establish a private school location in 2016.

When questioned about mutually beneficial results, the director of The Beta Recreation Center stated:

“... we both want the same things. We want (mutual) success. How do you succeed...collaborating together...we're really one entity...help is ensured [by DK] with our marketing and we're getting more people involved in our programs, so that means we're going to benefit...it's going to benefit his organization, because we're giving them something...we can provide...space...”

Visualizing the collaboration as one entity, a business separate from both DK and PC, has major advantages. This new entity has the potential to reshape the thinking of both organizations as they collaborate and learn to leverage the strengths of both and overcome the weaknesses. The director sees mutual benefit in providing the private contractor with an environment supportive of his business while the private contractor provides quality programs and brings more services to the community the director oversees.

The director of Epsilon Recreation Center also agreed that there is a sense of mutually beneficial outcomes. When asked specifically about this, he said:

“...Yes. For one, it's networking (benefit). You're networking with the contractors and by networking with some of the contractors, you meet other people, other contractors and just other people in general...with my interactions (with private contractors), it's been pretty positive. I think we both learn from each other in all aspects...marketing...software...ways that the county has that kind of help to structure some of the contractors with their business. So, it's been good for me...”

When asked how he sees mutually beneficial outcomes by working with private contractors, the director of The Alpha Recreation center answered:

“..Yes...increased user ship of the center. When all is said, my job is really 2 parts: provide programs, and 2, put people in the building.., and if I have quality programming then people are in the building...”

This demonstrates mutually beneficial results defined by fulfilment of his prime objectives. The director continues:

“...If I have people in the building, for example, if I have a great Taekwondo program, dance program on this hallway, half of the building, tutoring program, I've got all these parents whose standing outside waiting for their kid for an hour, hour and a half, literally doing nothing but I have them in the building. If I can see the opportunity to get their child enrolled in my summer camp, that means I don't have to go pound the pavement and do anything more. I can increase my revenue by getting more people into my programs...”

This demonstrates mutually beneficial outcomes by increased revenue and capitalization on a captive market. The county offers summer camp programs to the community of which they are the full sponsor. These government sponsored programs find a potential market in the clients brought into the centers by the private contractors. The director also states:

“...I don't have to rely on the lack of marketing that the county provides for me because the contractors do it for me...once you (contractors) get them here, I'll let you do your thing but

on the way out, now I got them....' So, inevitably, either they're going to stop up front and ask questions or they're going to take a walk around the building and see what else we (DK) have going on and that's when I get them..."

This exemplifies mutually beneficial results by increased awareness and marketing.

There is a 70/30 revenue split that is part of the contractual agreement. The majority goes to the private contractors because it is understood that they must market their own businesses. This split allows each entity to grow together and prosper from a successful program while not being punished by the growing challenges of a new business or being a less successful program.

Daphne county recreation centers have often suffered from lack of funding. They were frequently out of supplies and unable to function optimally. As a benefit to DK, the symbiotic relationship may take the form help as needed. The director The Alpha Recreation Center says:

"...if we need this or the building needs this. Can we contribute?' Because if the building [is not kept up] it's just a matter of time before you lose (clients) because of the condition of the building...if I can bring everyone together and say, hey, let's spruce up the building because it's going to increase your money, which will increase my money, which then keeps the county happy, then it'll all work..."

This is evidence of a mutually beneficial state. In the relationship, DK benefits by having a supportive system to help maintain physical infrastructure and private contractors pool finances to better the infrastructure to expand their client base. Both entities benefit from the resulting financial reward.

Mutually beneficial success was defined differently from the perspective of the private contractors. As a business-focused contractor, growth is among the prime directives of the entity. When asked if there was mutually beneficial results, the manager of ATC responded:

“Yes...the county and Atlanta Taekwondo have very different definitions of success and I think within their own definition...they have both succeeded. The county has survived [financially] and it has implemented positive change...it has grown and Atlanta Taekwondo Center has expanded...it (ATC) exists mostly autonomously and it's an entity that has control of the majority of its operations, so by their own definitions, which are completely separate, they have both reached...mutual success...”

According to this manager, both entities have attained mutually beneficial success. ATC has grown to be an independent entity and a very successful autonomous business. This has happened because it has realized financial rewards initialized by the relationship with DK. The county has implemented positive change by offering quality programs. The county has also benefitted by averting the financial deficit that it experienced prior to replacing its employees with private contractors.

The manager of TAFE affirms similar mutually beneficial success when he was asked if he thought it was present. He answers:

“Yes...I definitely see some (mutual benefit)...especially with the centers. The main benefit for them [DK] is they're getting extra income...they're receiving funds outside of government funds...supplement income...I definitely think that's a good benefit...there's definitely a mutual benefit with us...it's allowing us to build... to utilize our resources better...it

allows us publicity because you have people coming in and out of the recreation centers 6 days of a week and it's bringing them more attention because we're actually inside their facility...as far as a marketing strategy...I definitely think there is a mutual benefit...I think both of us can say, 'we both benefit...'

The manager has cited mutual financial benefits to the collaborative. According to him, DK receives revenue in addition to government funds and TAFE receives money to fulfil its business directive of growth. TAFE also benefits by the relationship because it is able to allocate resources more efficiently. He sees benefit to both entities in the form of mutual marketing.

Table 9 Summary of Mutually Beneficial Outcomes

Agency	Is the relationship Mutually Beneficial?	Main Benefit to Private Contractors	Main Benefits to Daphne County Parks, Recreation, and Cultural Affairs
DK Director	Yes	Low Cost to Operate Business	Help Contractors as Citizens
DK Director	Yes	Place to do Business	Can offer quality programs
DK Director	Yes		Networking
DK Director	Yes	Affordable place to do business. Overhead as percent of Revenue only	Gets access to customers of PC. Gets quality programs. Gets credit if programs work well.
THI-ATC	Yes	Great opportunity to expand.	County reduces their overhead and increases

Manager			revenue
THI-TAFA Manager	Yes	Allows business to build financial cushion. Utilize resources better. Increased publicity.	Gets extra income

According to this segment of research there are definite advantages to collaborative partnerships. Specific examples have been discovered by the interview data. For Private Contractors, the cost of doing business is reduced. They get the opportunity to expand and the extra notoriety of being a contractor of a major entity. For Daphne County, the benefit is in the ability to offer high quality programs. This can be accomplished while earning extra revenue and deleting employee costs for the same services. Both organizations have learned new ways of doing things from each other, even though they have divergent goals that have resulted in them working effectively with each other to accomplish both of their stated objectives.

IV.6 Summary

In this chapter we addressed the results of the study according to the stated sections of focus. First, evidence of exploration and exploitation were shown. Second, the divergent nature of the firms in collaboration was ascertained. Third, it was shown that interorganizational learning happened and specific ways of which learning happened were revealed. Finally, it was established that the relationship was mutually beneficial.

According to the results of this study, the nature of the entities involved are fundamentally different. Most participants recognized that the goal of Daphne County Parks,

Recreation, and Cultural Affairs is not primarily concerned with profit. The interviews make it clear that this side of the relationship is concerned with community service. They want quality programs to augment the standard of living for the members of the community they serve. Offering great programs to their after school care and senior citizens were high-priority.

The Private Contractors were motivated by revenue. While the intent was to offer high-quality programs, it seems that this is based in their desire to maximize profit and realize maximum market share. They want to offer high quality programs because they want more customers. The private contractors are governed by the same forces that govern businesses not in contractual relationships with private entities. Their primary motivate is to survive, make profit, and grow. This well establishes the divergent goals of each entity.

Respective to organizational learning, the participants agree unanimously that it happened. All directors and managers agree that learning happens in both directions: from DK to PC and vice-versa. It is recognized also that most participants believe that learning happens to a greater extent, by agents of DK. The innovative marketing, cutting edge information systems, and competitive operational/program management standards of which private contractors run their establishments are among the areas where the county learns the most.

A vast majority of learning happens through interaction and day to day functioning. During the events of daily interaction, agents of each organization learn through a variety of ways. Mimicry, meetings, observation, and participation in programs and management of specific programs are among the ways revealed through this research. There is also learning done on the administrative level. DK agents learn how to start and market business (business

licensing/insurance). They are also exposed to business legalities in terms of contracts and the elements that make up these documents.

All participants unanimously agree that the collaboration results in mutually beneficial outcomes. The most obvious benefit for Daphne County is the ability to offer high-quality programs (satisfying its desire to provide for the community) that bring acclaim and attention to their establishments. The other benefits are increased revenue and savings of revenue normally associated with paying employees for the services offered by the contractors. The contractors benefit from this relationship in several key ways. They are allowed use of the establishment for low cost. They are also allowed a captive market of those people who enter the establishment seeking services offered by the county. Private contractors are allowed a rare opportunity to grow and expand from one center to the next or from one center to private location.

In chapter 5 we will present conclusions and discuss the implications of these findings. We will also reveal some limitations of this study and provide recommendations for future study.

V CHAPTER 5: DISCUSSION, CONCLUSIONS, AND RECOMMENDATIONS

This study investigates interorganizational learning and the elements that define and support it. Interorganizational learning becomes more complex when the organizations involved have fundamentally divergent goals and missions, but this type of learning relationship has not been studied much in prior literature. To fill the gap in this field, this interpretive study investigates interorganizational learning in private and public partnerships using qualitative data sources and analysis techniques. The study was also conducted to provide a guide or useful tool for managers contemplating or currently engaged in collaborative partnerships with organizations that have goals divergent from their own. To that end, this study contributes to both theory and practice.

V.1 Interpretation of Findings

In providing evidence of engaged scholarship, it becomes necessary to link the results of this study to the current literature and to show where this writing offers a theoretical contribution. Among the most important aspects in deciding if an academic work constitutes a theoretical contribution is answering the questions “What’s new?” and “Does the paper make a significant, value-added contribution to current thinking?” (Whetten 2001). Current literature also stipulates that “...organizational theorists have pointed to the importance of contribution and have focused primarily on novelty or uniqueness as a major component of what comes to be regarded as contribution.” (Locke & Biddle 1997). This study contributes to theory in that it studies a specific niche area. It focuses on interorganizational learning between private and public entities. It also addresses a new phenomenon of outsourcing programs of county

government to private contractors. Findings from this study can be used to extend theories of interorganizational learning.

As a contribution to practice, I argue that the transition to an interorganizational partnership began in 2011 and, as the participant researcher, a successful contractor, and among the first contractors of Daphne County, I have experienced the transition and successfully adapted to the policies implemented by DK. THI owns the companies that are the largest and most successful in the division of Parks and Recreation Services. This position allows me a unique insight into the development of this transition as well as first-hand experience of exploring this development from its inception. The knowledge presented in this writing did not exist before this point and is a result of years of experience and interaction with entities involved. If this writing existed prior to this point, the transition and adaptation to the new opportunity would have been substantially expedited. This qualifies as 'newness' as well as a contribution to practice. Additionally, my aptitude as a manager and scholar has been reformed due to this study. I further understand the importance of information, positioning, and perspective and how these concepts coalesce to influence a participant's decision making and effectiveness in academics and corporate management.

This work also has a strong background in current theory. The findings of this research is directly related to what has been written in the topic of exploration exploitation theory and organizational learning. Searching for new ways of accomplishing a task is characteristic of exploration, When Daphne County was faced with a budgetary shortfall that was unsustainable, it became necessary to find a solution to this problem. One of the proposed solutions that was implemented was to use contractors to supply the services previously rendered by employees.

This decision to use resources to search for a solution that may or may not be beneficial is characteristic of the exploration process. There was high risk involved because employees had to be replaced by contractors with an uncertain result. DK was unsure of their ability to acquire qualified professionals who were also interested in managing their own businesses. DK also had to prepare itself for the consequence of price increases that were anticipated by the shift to a contractor-driven business model. The typical constituent of DK grew accustomed to paying low fees for services. Contractors had to increase fees in order to make a successful business. Many older clients were lost because of this. These two uncertainties increased risk of failure and made approximations of success difficult to anticipate. Additionally, many previous employees did not want to be contractors and chose to seek employment elsewhere. Employee dissatisfaction had to be managed and the consequence of using contractors were unknown to the executive body implementing this new direction. Applicable terms related to this decision to use private contractors, such as “search, risk-taking, and experimentation”, are typical of the exploration processes and were instrumental in the writings of March (1991). The decision proved to be beneficial for DK. They succeeded in conserving revenue by not carrying the burden of payroll services and compensating employees, while bringing in new revenue generated by the technical expertise, business savvy, and diverse clientele of the private contractors.

Another important concept validated with this study is that managers from both entities agreed that most interorganizational learning happens by agents of DK as opposed to agents of the private contractors. March reasons this as “...an organization learns most dramatically from those needing indoctrination into the culture.” (March 1991). DK, though a much larger entity, were the ones “catching up” to the culture of competitive business programming...the culture of

the private contractors. DK became aware of areas that they must improve in order to compete within the business-savvy culture of the private contractors.

Daphne County also used exploitation in their strategy. While using resources to find new ways of doing business, DK also kept resources in their old competencies. Finances were channeled into maintaining their recreation centers and maintaining some programs from their old business model. Much of the marketing done by Daphne County (word of mouth mainly) remained the same as the county placed emphasis on their contractor relationships. This balancing act of searching for new ways to maintain market advantage while developing current competencies is defined by O'Reilly & Tushman (2007) as "ambidexterity". This is business ambidexterity and a dynamic capability because it served as a way to achieve competitive advantage. While one might question the relevance of competitive advantage to a county government, DK's programs needed to compete with any number of privately owned and operated schools offering similar programs. In this way, competitive advantage is achieved by offering higher quality programs to patrons. Competing in the dimension of quality of program as determined by the recreation activity result in recruiting more students from businesses offering similar services. Given that budget shortfalls eroded DK's ability to maintain the quality and low price of their traditional offerings, becoming ambidextrous through their contractor partnerships was essential to respond to the competition. This is further supported and defined by Teece, Pisano, and Shuen's (1997) article which defined dynamic capabilities as "the ability to achieve new forms of competitive advantage." In this instance, new forms of competitive advantage were achieved by learning how to combine resources in new ways.

This study extends exploration exploitation theory and conceptual corporate ambidexterity because it demonstrates that it can be applied to niche segments and new market opportunities. This study focused specifically on private/public partnerships at the county level of government within the division of Parks, Recreation, and Cultural Affairs. It has been made clear that learning happens between organizations with divergent goals in partnerships. The study also uses triangulation of multiple data sources to substantiate knowledge about the specific ways that learning happens: observation, interaction, and conflict resolution.

The offering of (Klein 2009) was validated in the findings of this study. From the interviews I can infer that the lower level employees of DK tend to demonstrate learning parallel with the snakeskin model mentioned by Klein. This method of learning refers to learning to shed an old system of belief and relearn new ways of doing things much like a snake learns to live in a new skin after the old one is shed. Much of the conflict referenced by the private contractors seemed to be due to the cognitive rigidity of some DK employees as referenced by one director as the 'closed-mindedness' that obstructs learning. Klein offers different ways of which cognitive rigidity can be overcome. In order to unlearn/relearn better methods of marketing, operations, supply chain, and other segments of business, the process of unlearning had to happen. This involved the "abandonment of old metal models and the acceptance of new ones". Using Facebook as a means of marketing and customer interaction is one example of unlearning and relearning (overcoming fixations) reported in this study.

Of the nine ways to overcome fixation offered by Klein, the most relevant in this study was "bring in a person who doesn't have much history with the issues at hand and who thus will have a fresh perspective." Bringing in private contractors accomplished this well as they brought

with them contemporary methods of running businesses specific to each field. Additionally, the interviews also mentioned incidences where “look at some comparable cases to see what typically happens and revise our estimates.” In this sense, the employees of DK began to understand what makes a particular contractor successful and according to the interviewees, develop some predictive ability of the likelihood of this success. From the perspective of the contractors, their willingness to use self-motivation to research new ways of solving problems, hence promoting mutual success, demonstrate elements of being “curious when encountering anomalies” (offered by Klein) as another means of which organizational learning was promoted through the overcoming of fixation.

Respective to Slater and Narver (1995), and judging from things participants learned in this study, it appears that generative learning is the most apparent kind of learning. While much of the learning was structured as in the formal meetings described by the directors, it appears that more of the learning was done through the relaxation of strict company protocols that allowed participants to “question long-held assumptions about the core principles comprising the mission, customers, capabilities, and strategy of” DK. (Slater & Narver 1995). This “slower and more resource intensive” form of learning developed as a consequence of constant interaction of the entities. The areas where this form of learning seemed most apparent were marketing and use of information systems.

V.2 Limitations of the Study

A limitation of this study is its restricted transferability. Under similar conditions (size of companies, service industries, and circumstances) it is my expectation that this study produces data that is transferable to other industries particularly with respect to how organizations in

collaboratives learn. The concepts were intentionally general and the choice of The Division of Parks, Recreation, and Cultural Affairs was based on both suitability and opportuneness. DK has many divisions and many of those divisions use contractors to fulfill duties assigned. Whether the results of the current study would transfer to these division, or to other public-private partnerships, is unknown. This is another opportunity where further study in this area would be prudent.

Another limitation of this study is this study could have benefitted from interviewing clients of each entity. There are long-term clients of these recreation centers. Some of which were clients of DK then transferred to the private schools of Atlanta Taekwondo Center (ATC). Qualitative input from these clients could further validate the perceived quality of programs, facility, quality of personnel/instruction, and overall satisfaction of businesses operations from the perspective of the customer.

From the perspective of DK, a limitation worth mentioning is that the interviewees only occupied one level of management. While the director level of management is the unit responsible for decisions regarding who to hire as private contractors, there are various levels of management involved in the decision to initiate the corporate plan to use contractors instead of hiring regular employees. The input of these individuals may have produced more detailed answers that were above the level of those interviewed. Another limitation is that the study was conducted only in the division of Parks and Recreation. Daphne County has several divisions. Analysis of these different divisions exposed to the commissioning of private contractors might realize different results.

From the perspective of THI, there were also important limitations. Though there were two contractors interviewed, they were both under the same corporate entity of THI. It would stand to reason that the executive corporate mindset of THI would trickle down into the functional management levels of both organizations. Getting the perspective of private contractors that were not a part of THI would have likely produced an interesting set of data.

There are things to be learned from both success and failure. The study could have also benefitted from getting the perspective of those private contractors who were not successful in their relationship with DK. There are many issues cited in the interviews, but none of these were actually from those that experienced failure. Indeed, where conflict was referenced in the interviews, it led to constructive learning and success rather than failure.

V.3 Recommendations

I recommend that learning from each other can be a means by which quality and notoriety of programs can improve simultaneously. If DK uses elements of this study to prepare their current employees to interact with private contractors, the process will be more formal and streamlined, and the benefits realized will be expedited. Creating formal orientations (structured learning) targeted on merging marketing and structuring programs will prepare the minds of DK employees for collaborative work. Then learning is not circumstantial but deliberate.

One of the main points of this research is that learning can happen and mutually beneficial results can be attained between organizations even though the corporate missions are different. To realize more benefits, it would behoove each organization to devise more proactive and intentional ways of learning from each other. From the perspective of DK, it would be better

to focus on internalizing and retaining the lessons demonstrated by the private contractors. One instance of which this could be done is by ongoing training and utilization of ACTIVE NET. From the perspective of the private contractors, I would recommend learning through a targeted attempt to routinize and formalize meeting times of which knowledge can be actively Gamma between entities and checks can be made on mutual institutionalization of shared data.

I would also recommend to DK that more investment in business-related infrastructure is necessary to fully reap the benefits of interorganizational collaboration. It became clear that technology and marketing were major areas where change was visible and needed. All directors agreed that these two areas were several generations behind with no clear explanation of why. The benefits of using contemporary technology were understood and supported, but not fully implemented. The same for marketing methods. The use of higher grade cameras and software can dramatically improve the quality of marketing. Using open-source software programs and the Internet can bring high-value elements to DK success for low-cost. Developing these areas opens new opportunities to learn about higher level procedures. Learning about target markets, the importance of competition, and social structures could be the next level of organizational learning and can contribute to a higher degree of mutually beneficial results.

For private enterprises contemplating doing business with county entities, I recommend some foreknowledge of what would be expected. It would be prudent to be proactive in their own marketing and technology. Many of the buildings of DK are not formatted with Internet. Be prepared to bring wireless technology, printing ability, and other 'routine' necessities of business management. Additionally, I recommend private contractors to depend fully on their own reconnaissance and business savvy in the initial phases of collaborative interaction. A couple of

areas where this is most needed is telephone and front-level interaction with clients. While the county's physical facilities are suitable, there is never a second chance to make a first impression and this research has uncovered a sub-standard trend in front end client interaction that may discourage potential clients.

Finally, I would recommend that private contractors be knowledgeable of the advantages available as contractors of a government entity. Among these are access to neighboring school systems, transportation from these schools to the locations, grant opportunities, and a somewhat captive market where clients can be found by using internal and external methods of marketing. The county is often willing to shuttle potential clients to and from local school systems. This opens much potential for new clientele. The ability to advertise in public schools is very difficult to attain as an independent entity, but once a collaborative relationship is established with DK, such marketing becomes a useful tool.

V.4 Implications

This study offers many important suggestions. Elements to positive social change can be attained from applying the recommendations of this study. The shift of expectation of what a government entity is able to offer the community can be significantly improved by getting, better qualified employees, more competitive programs (offered by private contractors), instilling an active system of learning based on the ways organizations learn and the kinds of learning referenced in this study, and an expectation of what defines mutual success (associated with this study) could change the perception of government-sponsored programs in the Department of Recreation and Cultural Affairs.

The impact of this social change could be felt throughout industries. As the quality of programs improve and competition shows that the programs offered by county-sponsored departments gain recognition, more clients will see the potential of government programs and enroll. This influx of a higher socio-economic demographic will bring more revenue to the government programs and increase their resources to complete their mission of safer community-centered programs. Government programs are in a unique position to reach many more people that would otherwise not have access to this quality and diversity of programs. Supporting private commerce via private contractors and providing infrastructure to support the business operations of these contractors will allow government clients (who often are from a lower-socioeconomic backgrounds) to have access to traditionally elite programs (ballet, art, gymnastics, Taekwondo) and widen their exposure to art, culture, and internationalism. The physical, social, and ethical teachings often attributed to these art forms may potentially produce higher level citizens and raise awareness of elements that would otherwise go unappreciated by the traditional clients of government-sponsored programs. As the clients of the community benefit from the effects of these programs, the individual, family, and society changes slowly. Such changes can be seen in a more physically fit demographic of practitioners, an increase in social networking that crosses economic barriers, and a wider expectation beyond the boundaries of basketball, football, and other activities most commonly associated with recreation center program.

Organizational learning between private and public institutions via the collaborative goal of attaining mutually beneficial outcomes can serve as such a catalyst for enormous social change. Improved quality of technology, marketing, and private contractor collaborative

programming lifts the public expectation of government sponsored programs while widening the cultural exposure to the large and diverse clientele of Daphne County Citizens by offering a level of instruction and exposure often attainable only by the privileged.

In conclusion, the purpose of this research was to answer the research question. How do organizations with divergent goals learn from each other in generating mutually beneficial outcomes? This question was answered by studying the relationship of two different organizations working together in a successful business partnership. It was shown that learning, defined as a social process in which multiple actors come to understand how to relate in new ways, has happened through direct and indirect means. DK has learned from its private contractors and contractors have learned from DK. It has been shown that the entities studied are working together in a symbiotic relation that is characterized by a willingness to overcome obstacles and learn new ways of doing things due to the interaction with one another. Finally, this study has bridged a gap between academia and practice and functionally serves as an example of engaged scholarship.

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APPENDICES

Appendix A: Comparison of Marketing and Operations Before and After Collaboration

Marketing.

Marketing Before (DK Archival Word File)

TUCKER RECREATION CENTER



INTERMEDIATE DANCE LESSON

The Cha-Cha, Tango, Samba and swing along with the continuation of the beginning dance lesson class. Singles and Couples are welcome!

Level: Intermediate and Advanced

Ages: 50+

Tuesdays

12-1pm

\$29 for 6wks session

BEGINNING DANCE LESSONS

Learn the fundamentals of the Waltz, Fox Trot, Country Western, Salsa, Ballroom and East & West Coast Swing. Singles and Couples are welcome!

Level: Beginner

Ages: 18+

Tuesdays

11am-12pm

\$29 for 6wks session

Marketing After (ATC and DK Collaborative Project)

TAYLOR ACADEMY OF FINE ARTS code# 001

- CREATIVE MOVEMENT
- CONDITIONING
- BALLET
- TAP
- HIP HOP

3 Y/O - up

FALL SPECIAL

770-896-8107

Info@TaylorFineArts.com
TaylorFineArts.com

Tucker Location:
4898 Lavista Rd.,
Tucker, GA 30084

20% off Total Tuition + 35% off Reg. Fee
+ FREE DANCE COMPANY T - SHIRT

Operations. The following archival images shows two representations of operational improvement. The first is in standards of professionalism in performance, the second is in standard of photography and pose.



Before



After

Marketing Before (DK Archival Word File)

TUCKER RECREATION CENTER



KARATE

Children build self-confidence, develop and learn self-defense as well as improve their cardio fitness and stretching.

Ages: 5-12
 Tuesday & Thursday
 4:30pm- 5:30pm
 \$50

KARATE (Extra Class)

Children build self-confidence, develop and learn self-defense as well as improve their cardio fitness and stretching.

Ages: 5 – 12
 Saturday
 10:30am-1:00pm
 \$50

Marketing After (ATC and DK Collaborative Community Appreciation Project)

TUCKER TAEKWONDO CENTER



VALID AT THESE PARTICIPATING LOCATIONS:

<p>TUCKER TAEKWONDO CENTER Presidential Commons 3781 Presidential Pkwy., Ste.138 Atlanta, GA 30340 770-630-2995 Info@TuckerTaekwondo.com</p>	 <p>TUCKER RECREATION CENTER 4898 LaVista Rd. Tucker, GA 30084 TRC@TuckerTaekwondo.com</p>
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TERMS AND CONDITIONS: www.TuckerTaekwondo.com

- Valid only at participating locations
- Must be a new member.
- May not be combined with any other discount or offer.
- Appointment is required for initial visit.
- Card may only be purchased from an existing Tucker Taekwondo Center member.
- Card not valid unless completed/verified by referring member.

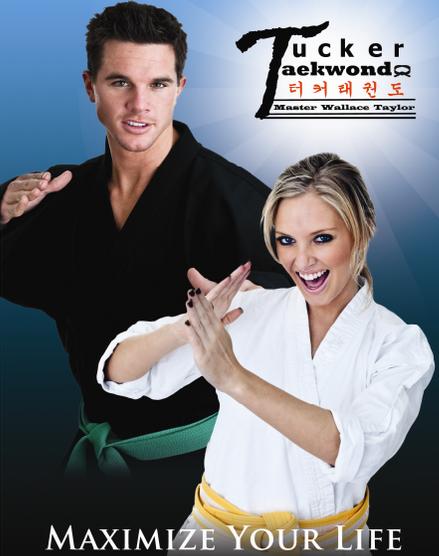


30 Day Money Back Guarantee:
 If you are not happy with this certificate, we will refund any unused certificate within 30 days of purchase. Simply call or visit your local Tucker Taekwondo Center.


 4078976000

ITEM #4078976000-001 JR11 www.TuckerTaekwondo.com

TUCKER TAEKWONDO CENTER





MAXIMIZE YOUR LIFE

COMMUNITY APPRECIATION PROGRAM

www.TuckerTaekwondo.com

Operations: Class instruction in marital arts.

Before



After



Appendix B: IRB Letter of Approval

INSTITUTIONAL REVIEW BOARD

Mail: P.O. Box 3999
Atlanta, Georgia 30302-3999
Phone: 404-413-3500
Fax: 404-413-3504

In Person: Dahlberg Hall
30 Courtland St., Suite 217



September 22, 2014

Principal Investigator: Daniel Robey

Key Personnel: Ramesh, Balasubramaniam; Robey, Daniel; Taylor, Wallace

Study Department: GSU - Georgia State University, GSU - Executive Doctorate in Business

Study Title: ORGANIZATIONAL LEARNING THROUGH
EXPLORATION/EXPLOITATION BETWEEN PRIVATE AND GOVERNMENT
PARTNERSHIPS

Review Type: Expedited 7

IRB Number: H15086

Reference Number: 329481

Approval Date: 09/22/2014

Expiration Date: 09/21/2015

The Georgia State University Institutional Review Board (IRB) reviewed and approved the above referenced study in accordance with 45 CFR 46.111. The IRB has reviewed and approved the study and any informed consent forms, recruitment materials, and other research materials that are marked as approved in the application. The approval period is listed above. Research that has been approved by the IRB may be subject to further appropriate review and approval or disapproval by officials of the Institution.

Federal regulations require researchers to follow specific procedures in a timely manner. For the protection of all concerned, the IRB calls your attention to the following obligations that you have as Principal Investigator of this study.

1. For any changes to the study (except to protect the safety of participants), an Amendment Application must be submitted to the IRB. The Amendment Application must be reviewed and approved before any changes can take place.
2. Any unanticipated/adverse events or problems occurring as a result of participation in this study must be reported immediately to the IRB using the Unanticipated/Adverse Event Form.
3. Principal investigators are responsible for ensuring that informed consent is properly documented in accordance with 45 CFR 46.116.
 - The Informed Consent Form (ICF) used must be the one reviewed and approved by the IRB with the approval dates stamped on each page.
4. For any research that is conducted beyond the approval period, a Renewal Application must be submitted at least 30 days prior to the expiration date. The Renewal Application must be approved by the IRB before the expiration date else automatic termination of this study will occur. If the study expires, all research activities associated with the study must cease and a new application must be approved before any work can continue.
5. When the study is completed, a Study Closure Report must be submitted to the IRB.

All of the above referenced forms are available online at <http://protocol.gsu.edu>. Please do not hesitate to contact the Office of Research Integrity (404-413-3500) if you have any questions or concerns.

Sincerely,


Ann Kruger, IRB Chair

Federal Wide Assurance Number: 00000129

Appendix C: IRB Interview Protocol



This Wallace Taylor, Executive Doctoral Student of Georgia State University's Robinson College of Business. Today is December 19, 2014 and I am interviewing, _____ the (Insert Position) for THI. Good morning (Mr. /Ms. Manager/Director). (Wait for Response)

The purpose of this interview is to understand inter organizational learning. To accomplish this, you will be asked multiple questions in a free flow format. We begin first with a definition of learning, then I will ask topical questions about you and your position, some past protocols, current protocols, and then specific questions about inter-organizational learning.

Definition of learning: A social process in which multiple actors come to understand how to relate in new way.

About the interviewee and Relationships (20 Mins)

1. What is your job description and how long have you held this position?
2. What is the purpose of this Entity? (Stated vs. Actual)
3. What is your background in the private sector or government?
4. What programs do you oversee at this center?
5. How many private contractors/employees do you currently work with to staff your programs?
6. How many employees have you worked with in the last two years?
7. How many employees do you manage? What are the different levels?
(Make notes here for later)
8. What kind of programs do you oversee here? How many and what type?
9. What is the relative experience/professionalism of your employees? What do you look for in deciding who to work with?
10. What is your connection/interaction with DeKalb County Parks and Recreation?
11. What do you think is the general mission of DK and what would you say is the general business goal of contractors?

Past Protocol:

1. When did DeKalb County Parks and Recreation change from an Employee driven service to a contractor driven service?
2. What were the factors that caused this?
3. Please describe the corporate environment prior to this change.
4. In what areas do you feel that DeKalb County could have been better before this change?

Current Protocol:

1. How is the financial and political situation changed for DeKalb County (Taylor Academy of Fine Arts) since the change was made to use contractors?
2. In what areas have you seen improvement?
3. Do you see a downside?

Organizational Learning:

1. **Reference Learning DEFINITION: A social process in which multiple actors come to understand how to relate in new way.** Do you feel that business learning has happened through your relationships with DeKalb County?
2. If yes, in which areas do you see the most learning? The least?
3. **(Reference to Q 8 at the first segment).** At what levels do you see the most learning (transfer of and utilization of knowledge)? What is the most common way you see learning happen? Why do you think that is?
4. Do you think that DK has learned from the relationship with THI?
....If yes, in which areas do you think DK have learned the most? The least?
5. How have you seen learning/adaptation in the following fields? If so, please use examples from current contractors.
 - a. Operational efficiency
 - b. Marketing
 - c. Management of Human Resources
 - d. Financial Management
 - e. Conflict Resolution
 - f. Strategy
 - f. Information Systems
6. In which of these areas do you feel that DK from you in each of these areas? How do you see this happen (WRITE DOWN THE MAIN WAYS)?
7. **(OPTIONAL)** Have you witnessed any failures in terms of DK relations? If so, what do you think could have caused it?
8. How have you seen mutually beneficial outcomes due to your interaction between THI and DK?
If so, what were they?
 - a. What was the PLANNED mutual benefit? (Optional)
 - b. What was the ACTUAL mutual benefit? (Optional)

This concluded this interview. I would to thank Mr. /Ms. (Manager/Director) for his/her participation and wish him/her continued success.

Appendix D: Codebook

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Code Book

Description	Hierarchical Name
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Description	Hierarchical Name
A list of sources including summary coding statistics for each source (based on coding at hierarchical nodes and/or relationships)	Extracts\Source Summary Extract
Does this imply a characteristic of public service in general?	Memos\Char
This encapsulates the actual perception by DeKalb County directors on the topic of whether or not business learning actually happens between DK and PC.	Nodes\BIZ_LEARN_DECISION
Overtly stated differences b/t government and private entities.	Nodes\CITED_DIFFERENCES

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Description	Hierarchical Name
This references comments on collaborative work, but also gives input to mutually beneficial outcomes.	Nodes\COLLABORATIVE_WORK
Programs now offered via contractor collaboratives.	Nodes\CON_PROG_DK
Describes the experience of relevant Private Contractors.	Nodes\CONTR_EXP
This node represents the mentioned and implied characteristics entities involved.	Nodes\CORP_CHAR
Identifies characteristics of DeKalb County	Nodes\CORP_CHAR\CHAR_DK
Identifies characteristics of Private Contractors.	Nodes\CORP_CHAR\CHAR_PC
Corporate climate is described. Sub nodes will include before and after.	Nodes\CORPORATE_CLIMATE
Corporate climate after change.	Nodes\CORPORATE_CLIMATE\CORPORATE_CLIMATE_CURRENT
Corporate Climate Before Change.	Nodes\CORPORATE_CLIMATE\CORPORATE_CLIMATE_PRIOR

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Description	Hierarchical Name
Describes different levels of employees.	Nodes\DK_EMP_LEV
This defines the overall purpose of DeKalb County.	Nodes\DK-GOALS
Evidence of distressed economy that may have contributed to the decision to use private contractors.	Nodes\ECO_DISTRESS
Presents areas of interviews where evidence of Exploration of new abilities and Exploitation of old certainties are presented.	Nodes\EXPLORATION_EXPLOITATION
Identifies areas where exploitation of old certainties are directly or indirectly identified.	Nodes\EXPLORATION_EXPLOITATION\EXPLOIT
Identifies areas of Exploration of New Ideas.	Nodes\EXPLORATION_EXPLOITATION\EXPLOR
Tells how DeKalb Director sees improvement. Also, mutually beneficial outcome.	Nodes\IMPROVEMENT_DK
This is a garbage can node to show elements of incompetencies of PC and DK.	Nodes\INCOMPETENCIES
Parent node to types of learning witnessed.	Nodes\LEARNING_TYPES

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Identifies area where there is least learning.	Nodes\LEAST_LEARNING
1. Rec Assitant	Nodes\LEVELS_LEARNING_MOST_APPARENT
This node identifies the relevant experience of the interviewee.	Nodes\MAN_EXP_DK
Elements that are associated with mutually beneficial outcomes.	Nodes\MUTUALLY_BENEFICIAL
Identifies areas where learning is perceived.	Nodes\ORG-LEARNING
Identifies if organizational learning happens through conflict or the management of conflict.	Nodes\ORG-LEARNING\ORG_LEARN_CONFLICT
Organizational learning in financial management.	Nodes\ORG-LEARNING\ORG_LEARN_FIN
Identifies if organizational learning happened through Human Resource Management.	Nodes\ORG-LEARNING\ORG_LEARN_HR
Identifies if learning has happened through use of Information Systems.	Nodes\ORG-LEARNING\ORG_LEARN_IS

Reports\Code Book	
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Description	Hierarchical Name
Marketing Learning	Nodes\ORG-LEARNING\ORG_LEARN_MAR
Operational Learning	Nodes\ORG-LEARNING\ORG_LEARN_OPR
Identifies areas where learning is observed through strategy.	Nodes\ORG-LEARNING\ORG_LEARN_STRAT
Elements responsible for failures of private contractors.	Nodes\PC-FAILURES
This addresses whether private contractors learned from DK.	Nodes\PC_LEARNING_FR_DK
This identifies the goals of private contractor	Nodes\PC-GOALS
Identifies the reasons cited for using contractors.	Nodes\RES_CON_USE
	Relationship Types\Associated
List of Nodes and descriptions.	Reports\Code Book

Reports\Code Book	
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Description	Hierarchical Name
This report summarizes coding, grouped by Node then Source	Reports\Coding Summary By Node Report
This report summarizes coding, grouped by Source then Node	Reports\Coding Summary By Source Report
This report shows how many nodes there are within each classification, including a breakdown by attribute value for each attribute in the classification	Reports\Node Classification Summary Report
This report lists nodes by type, in their hierarchical order. It includes nicknames and user-assigned colors	Reports\Node Structure Report
This report provides a list of nodes, including summary information about the sources coded at each node	Reports\Node Summary Report
This report lists folders in a project and the items they contain	Reports\Project Summary Report
This report shows how many sources there are within each classification, including a breakdown by attribute value for each attribute in the classification	Reports\Source Classification Summary Report
This report summarizes the coding for sources by node	Reports\Source Summary Report
	Search Folders\All Nodes

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