



IE UNIVERSIDAD

DOCTORAL DISSERTATION/TESIS DOCTORAL

MIDDLE MANAGERS' COLLABORATION WITH SOCIAL MOVEMENTS IN  
STRATEGY EXECUTION: ROLE OF COLLABORATIVE EMBEDDEDNESS  
AND FIRST-MOVER ADVANTAGE/ COLABORACIÓN DE CARGOS  
INTERMEDIOS CON MOVIMIENTOS SOCIALES EN EJECUCIÓN DE  
ESTRATEGIAS: PAPEL DE LA INTEGRACIÓN COLABORATIVA Y VENTAJA  
DEL PRIMERO EN LLEGAR

LEESI GABRIEL GBOROGBOSI

SEGOVIA, 2018



IE UNIVERSIDAD

DOCTORAL DISSERTATION/ TESIS DOCTORAL

MIDDLE MANAGERS' COLLABORATION WITH SOCIAL MOVEMENTS IN  
STRATEGY EXECUTION: ROLE OF COLLABORATIVE EMBEDDEDNESS  
AND FIRST-MOVER ADVANTAGE/ COLABORACIÓN DE CARGOS  
INTERMEDIOS CON MOVIMIENTOS SOCIALES EN EJECUCIÓN DE  
ESTRATEGIAS: PAPEL DE LA INTEGRACIÓN COLABORATIVA Y VENTAJA  
DEL PRIMERO EN LLEGAR

LEESI GABRIEL GBORGBOSI

DOCTORAL THESIS ADVISOR: PROFESSOR CARL KOCK

## **ABSTRACT**

Prior research has documented the engagements between firms and social movements, and how such interactions influence firm's practices, policies, and behaviour. However, there has been less focus on the collaboration between firms and social movements in the area of the strategy process. This study evolves the concept of collaborative embeddedness which, we argue, arises when trust is embedded in the collaboration between firm's managers and social movements. We test this theory within the context of the oil and gas industry in Nigeria. This study addresses the questions of: (1) whether firm's middle managers who collaborate with social movements create a higher performance for the firm compared to firms whose middle managers do not collaborate, (2) how trust in the personal ties between the parties is embedded in the collaboration between them, and (3) whether early collaboration by firms' middle managers create an early-mover advantage and improves firm performance in a non-market environment.

We use social movement, embeddedness, and first-mover advantage theoretical lenses to investigate the role of trust, repeated interaction, switching costs, entry timing and early collaboration in the relationship between social movements and firm's middle managers. Using responses from firms' middle managers and social movements, we adopt exploratory

study and regression modeling to analyze how the collaborative relationships create mutual benefits and early-mover advantages.

Our findings show that firms' middle managers who engage in collaboration with social movements and build trust in their relationship outperform firms whose middle managers take a more hostile stance and do not collaborate. Based on the trusting relationship, social movements appear more willing to provide support that enables firms' middle managers to deliver strategy implementation within costs and schedules. The findings also indicate that middle managers of firms who collaborate early with social movements add an early-mover advantage to their firms.

.

## Table of Contents

INTRODUCTION .....	8
1.1 Rationale for this study .....	13
1.2 Problem statement .....	14
1.3 Purpose of the study .....	15
1.4 Research questions.....	16
1.5 Contributions of the proposed study .....	16
1.7 Definition of terms.....	17
INTRODUCTION (Spanish version) .....	19
1.1 Razonamiento del presente estudio .....	26
1.2 Planteamiento del problema .....	27
1.3 Propósito del presente estudio .....	28
1.4 Cuestiones de la investigación .....	29
1.5 Contribuciones del estudio propuesto .....	29
1.7 Definición de los términos .....	31
LITERATURE AND THEORY DEVELOPMENT .....	33
2.1 Social movements .....	35
2.2 Middle managers as interfaces.....	38
2.3 Collaboration and embeddedness .....	46
2.4 Theoretical framework of first-mover advantage .....	54
HYPOTHESES .....	59
3.1 Trusted collaboration.....	59
3.2 Collaborative performance .....	61
3.3 Trust and repeated interaction.....	63
3.4 Switching costs .....	65
3.5 Early collaboration .....	68
METHODOLOGY .....	72

4.1 Exploratory study and regression modelling.....	72
4.2 Research setting .....	72
4.3 Study 1 – Qualitative design .....	74
4.4 Study 2 – Quantitative design.....	79
RESULTS .....	88
5.1 Qualitative findings .....	88
5.2 Quantitative findings.....	100
DISCUSSION AND CONCLUSION.....	110
6.1 Embeddedness .....	110
6.2 Early-mover Advantage .....	115
6.3 Implications for theory and research.....	116
6.4 Implications for measurement.....	118
6.5 Implications for managers .....	119
6.6 Limitations and future research .....	120
6.7 Contribution .....	122
DISCUSSION AND CONCLUSION (Spanish version).....	125
6.1 Integración .....	125
6.2 Ventaja del primero en llegar .....	131
6.3 Implicaciones para la teoría y la investigación.....	133
6.4 Implicaciones para la medición .....	135
6.5 Implicaciones para los gestores .....	136
6.6 Limitaciones e investigación futura .....	139
6.7 Contribución.....	140
Table 1. Middle managers: Means, standard deviations, minimum and maximum values and bivariate correlations.....	145
Table 2. Social movements leaders: Means, standard deviations, minimum and maximum values and bivariate correlations .....	146
Table 3. Multiple regression analyses for MM perception of project completion, interpersonal trust, and collaboration .....	147

Table 4. Multiple regression analyses for SM assessment of community development, interpersonal trust, and collaboration .....	148
Table 5. Multiple regression analyses for early collaboration, MM perception of project completion, and SM assessment of community development. ....	149
Table 6. Multiple regression analyses for repeated interaction, interpersonal trust, and switching costs.....	150
Table 7. Multiple regression analyses for collaboration and interpersonal trust.....	151
Table 8. Measurement instruments.....	152
Table 9. Semi-structured questionnaire for middle managers .....	155
Table 10. Semi-structured questionnaire for oil & gas host communities .....	156
Table 11. Semi-structured interview - Sample responses from middle managers.....	157
Table 12. Semi-structured interviews – host communities sample responses.....	159
Figure 1. Direct Ties - But no collaboration.....	160
Figure 2. Direct Ties - Collaboration but at arm's-length .....	160
Figure 3. Direct Ties - Collaborative embeddedness .....	161
Figure 4. Combined: Collaborative embeddedness and Early-mover advantage.....	162
Figure 5. Coding data structure (aggregate dimensions).....	163
REFERENCE .....	165

## Chapter 1

### INTRODUCTION

Social movements can be defined as organized yet informal social entities that are engaged in collectively expressed discontent oriented towards goals that are either aimed at a specific and narrow policy or more broadly concerned with social change (King and Soule, 2007), for instance towards protection of the environment or economic rights of local communities. Social movements such as those that we can observe in oil and gas host communities, are becoming ubiquitous forces that companies have to factor into their strategies (Aaron, 2012; Eweje, 2006). A particularly vivid illustration of the nature of social movements is given by the host communities that we find in the oil- and gas-rich Niger Delta region in Nigeria. In these areas, we can observe that small pockets of environmental protesters in the 1990s have recently metamorphosed into full-blown social movements spanning literally entire host communities, which now act to pose aggressive demands for environmental protection and economic resource control that have received global media attention and public sympathy (Obi, 2009). These changes towards forceful social movements' activism have already caused disruptions of oil exploration activities in Nigeria (Obi, 2009). As a result, the operational ability of firms is strongly hampered, even leading some firms to selective divestment (Asu, 2013).

Prior research efforts have looked at the organisation-environment relations (Aldrich and Pfeffer, 1976), strategy process interface (Wooldridge, Schmid and Floyd, 2008; Westley, 1990), and the tension between firms and social movements (Davis, Morrill, Rao and Soule, 2008; Zald, 2008, Lounsbury,

Ventresca and Hirsch, 2003). The phenomena of social movements have been analysed from a number of perspectives, including social movements in organizations and markets (Davis, Morrill, Rao, and Soule, 2008), social movements as extra-institutional entrepreneurs (King and Soule, 2007), how social movements and collective action create new organizational forms (Rao, Morrill and Zald, 2000), and a social movement perspective on corporate control (Davis and Thompson, 1994). However, little attention has been paid to the intersection between these environmental forces affecting firms, and a key interface of firms dealing with these forces, i.e., middle managers and the process of strategy execution.

Social movements can be defined as the collective activities designed to bring about or resist primary changes in the society or organizations usually by adopting an agitational approach (Obi, 2009). These agitations arising from discontented locals in lieu of other forms of protest against dismal conditions such as environmental degradation, pollution, poverty and gross underdevelopment have been found to influence the actions and behaviour of organizations through sabotage and increased media attention (McCarthy and Zald, 1977; King, 2008; Zald, 2008; Davis, Morrill, Rao and Soule, 2008).

Because middle managers are at the forefront of the implementation of firms' strategies (Raes, Glunk, Roe and Uni, 2011), they become the entry points of engagement between these firms and social movements, for instance by acting as project managers who lead project execution in host communities. It seems middle managers are key to good operations when it comes to firms working with social movements. As middle managers and social movement leaders have

frequent contacts while representing their organizations and because they are responsible for contacting the other party, they are likely to shape the expectations of the other party and it seems that as “a result, they have the ability to influence the dynamics of inter-organizational cooperative relationships” (Gulati and Sytch, 2008: 170).

The high frequency of interactions between middle managers and social movement representatives that result from such positions implies that the actions of middle managers are of great significance in shaping the opinions of social movements. Sustaining those relationships are important roles played by organizational actors who appear well positioned at the intersection of their organizations (Gulati and Sytch, 2008). Furthermore, middle managers are also unique in the organization due to their knowledge of operations and access to both the top management and lower echelon of the organization (Wooldridge, Schmid and Floyd, 2008). We argue that being in these unique positions, the middle managers can develop close and trusted relationship with social movement leaders, which, in turn, may enable them to align seemingly divergent goals of social movements and the firm.

We add to this research stream by introducing the central role that we believe middle managers play in this context. Specifically, we suggest that middle managers are the primary conduit through which collaboration between firms and social movements is actually effected and that this collaboration is likely to create mutual values and achieve higher performance both at the inter-organizational and interpersonal levels. Middle managers can be regarded as the managers within firms that function as the key interface between top-level managers and

the rest of the organization (Finkelstein, 1992). Uniquely also, middle managers are positioned as key strategic actors, especially as intermediaries in boundary-spanning positions, because they serve as important interfaces between the firm actors (top-level managers) and 'external' domains (Currie and Procter, 2005; Wooldridge, Schmid and Floyd, 2008).

Although organizational studies have examined the effects of social embeddedness (Granovetter, 1985; Uzzi, 1996) and social movements (Davis and Thompson, 1994) on organizational performance (Andersson, Forsgren and Holm, 2002; Moran, 2005), there has so far been little emphasis on how the embeddedness of middle managers in their collaboration with social movement leaders becomes a determinant of effective strategy implementation or whether early collaboration leads to early-mover advantage. The low level of research activity in this area is surprising because research done at the frontier of social capital and network theory and social movement theory has demonstrated the strategic importance of external networks and the importance of interfaces between organizations and social movements (Gulati, Nohria and Zaheer, 2000; Andersson, Forsgren and Holm, 2002; Zald, 2008).

We deepen knowledge on the issue of tension in the relationship between firms and social movements by proposing the concept of collaborative embeddedness which arises from the embedding of strong close ties in the collaboration between parties. These collaborative relationships can lead to performance improvements in the speed of strategy execution or costs of implementation and these improvements can be measured at the level of the firm. To deepen our understanding of the interplay between collaboration and firm

performance, we assess the role of interpersonal trust in the relationship between middle managers and social movements leaders. Going further, we examine the impact of repeated interactions on interpersonal trust and also, if interpersonal trust builds switching costs for the parties. We suggest that a high level of embeddedness of middle managers with external stakeholders is an important contingency for the success of strategy execution. Uzzi (1996) posited that embeddedness is the logic of exchange between multiple actors that shape motives and expectations, and promotes coordinated adaptation. Embeddedness is explained as the process by which social relations shape economic actions (Granovetter, 1985).

We also consider early-mover advantage and regard it as a performance advantage of a firm whose middle managers are early-movers in social movement collaboration over other firms whose middle managers are laggards. We also investigate the role that first or early mover advantages (Lieberman, and Montgomery, 1988) play in this context. Specifically, we argue that firms' middle managers who collaborate early with social movement leaders create an early-mover advantage for their firms by creating higher levels of trust and embeddedness across multiple host communities, which put later firms at a disadvantage.

Our main premise is that the key linkage between the firm and social movements rests in the function of the middle managers who are charged with the execution of firm strategies (Wooldridge and Floyd, 1990; Finkelstein, 1992; Currie and Procter, 2005). We contextualize our study within the theoretical lens of embeddedness (Zukin and DiMaggio, 1990; Granovetter, 1985) and first-

mover advantage (Lieberman and Montgomery, 1988). Our central argument hinges on the premise that collaboration is carried out by actors involved in continuous long-term relationships who strive for mutual benefits and that the actors who are the early-movers into the collaborative relationship may attain an early-mover advantage. For instance, from our research, we observed that Chevron Nigeria Limited (an oil firm) was the first to develop a well-recognized general memorandum of understanding (GMOU) program to manage the firm's relationship with the host communities in the Niger Delta region in Nigeria. The firm's project managers collaborated with the host communities to implement the terms of the GMOU and were able to build a trusted relationship with the host communities. Subsequently, other late-mover oil firms in the Niger Delta region that adopted the GMOU model had to incorporate more expensive provisions beyond the Chevron standard even when they used that across other communities (Chevron Nigeria Limited, 2013; Aaron, 2012; Idemudia, 2009).

### **1.1 Rationale for this study**

We have witnessed a general increase in tension between firms and social movements in the extractive industries in different countries. Prno and Slocombe, (2012), for instance, stated that "in the mining sector, local communities have emerged as particularly important governance actors. Conventional approaches to mineral development no longer suffice for these communities, which have demanded a greater share of benefits and increased involvement in decision making". Furthermore, Campero and Barton (2015: 167) observed for the case of Bolivia's extractive industries that "many of the conflicts that are generated between mining firms, local communities, and local and central government

originate from the poor relationships and bad communication between the parties in relation to socio-ecological impacts and the distribution of benefits". To ease the tension, local collaboration will be needed and this will require strong local relationship between the parties (Campero and Barton, 2015).

This study is more specifically motivated by the observation of increasing hostilities (Eweje, 2006, Obi, 2009) between social movements and oil and gas producing firms operating in oil and gas bearing communities such as those in the Niger Delta area of Nigeria. It seems that these communities are in constant conflict with the oil and gas firms operating in the region (Eweje, 2006). Most firms, in fact, tend to be antagonistic as they have adopted traditional institutional tactics such as intimidation by state security forces and a 'blame game' in their dealings with social movements and engaged them at arms-length. Yet, an important question is whether such 'doubling down' on traditional tactics actually achieves its goal or is counterproductive. In recent times, some firms who engaged in more collaboration with the host communities appear to achieve a higher performance in project delivery (Chevron Nigeria Limited, 2013; Idemudia, 2009). We suggest that a key reason for this may be because their middle managers build a better relationship with social movements leaders.

## **1.2 Problem statement**

Firms, especially those operating in areas where they depend on the cooperation or at least 'non-interference' of local populations are facing the challenge of confronting the activism of local social movements who may have different perspectives of how organizational decisions should be taken, resources distributed, and strategies implemented. Investigating whether resistance tactics

or a more / early collaborative engagement of middle managers with social movement leaders yields better results for firm success is the topic of this dissertation. Some of the issues that we suspect may affect the relationship and performance implications of middle managers and social movements leaders are the degree to which middle managers become embedded in the social ties they share with social movement leaders and how early they commence their collaborative relationship.

### **1.3 Purpose of the study**

With this study, we explore two key characteristics of this linkage: collaboration and close ties. Specifically, we contend that if middle managers engage in active collaboration with social movement leaders (e.g. joint decision on access to work sites and community projects) and are embedded in close ties, there will be benefits to both organizations including achieving a higher level of strategic performance (for the firm) and infrastructural development (for the social movements). It is this triangulation between embeddedness and collaboration between firms and social movements that we regard as collaborative embeddedness. This research explores to what extent a high performance in strategy execution is a function of the collaborative behaviour of middle managers beyond organizational frontiers and the embeddedness with external stakeholders such as social movements. We also develop another theory that firms whose middle managers collaborate early with social movement leaders have early-movers' advantage leading to a higher performance, ahead of slower moving firms, whose middle managers are either slower or do not engage with social movements. More specifically, we extend the concept of First-Mover

Advantage (FMA) to a non-market environment by focusing on the interactions between firms' middle managers and social movements' leaders (Davis, Morrill, Rao and Soule, 2008).

#### **1.4 Research questions**

This research aims to answer four interrelated questions within the context of collaborative relationships that drive strategy implementation for the firm while simultaneously providing social movements with benefits from the relationship.

1. Does collaboration between firm's middle managers and social movement leaders mediate the relationship between trust and firm performance?
2. Do repeated interactions between firm's middle managers and specific social movement leaders build trust between the parties?
3. Does interpersonal trust build up switching costs?
4. Does an early collaboration create an early-mover advantage for the firm and improve firm performance in a non-market environment?

#### **1.5 Contributions of the proposed study**

We consider how the linkage between the function of middle managers' engagement of and embeddedness within social movement leaders may affect firm performance in strategy execution. Additionally, this study intends to deepen understanding of how collaboration can create mutual values if the strategic goals of the firms and social movements are in conflicts, or whether the timing of the collaboration leads to early-mover advantage. Although organizational studies have examined the effects of embeddedness (Zukin and DiMaggio, 1990; Granovetter, 1985) and social movements (Zald, 2008) on organizational performance (Moran, 2005), there is not a deep and cohesive body of prior

literature on how middle managers' embeddedness with social movements become determinants of effective strategy implementation. Also, little research work has been done on extending the concept of first-mover advantage (Lieberman and Montgomery, 1988) to non-market relationships.

We build on Zukin and DiMaggio's (1990) perspective, which extends Granovetter (1985)'s structuralist concept of embeddedness and argued that economic actions are subject to cognition, culture, social structure, and politically embedded mechanisms. We suggest that middle managers can create more embeddedness with social movement leaders when they build more trust in their relationship. We also argue that managers' early move may lead to better performance.

The results of the study will help to address whether firm's middle managers who engage in collaboration with social movement leaders and achieve a high degree of embeddedness outperform other firms' whose middle managers take a more hostile stance. The outcomes of this research will also aid our understanding of whether middle managers who collaborate early with social movement leaders add early-mover advantage to their firm. These findings, based on data collected from 99 respondents made up of 33 middle managers from 5 sample firms and 66 social movement leaders from 17 host communities will contribute to the research on the role of middle managers, collaboration and strategic fit with social movements, embeddedness, and first mover advantage.

### **1.7 Definition of terms**

The following definitions represent how these terms will be described for the purposes of the current study.

**1.7.1 Interpersonal Trust:** Interpersonal trust can be referred to as the “extent of a boundary-spanning agent’s trust in her counterpart in the partner organization” (Zaheer, McEvily and Perrone, 1998: 142). The agents in this study who are representing their organizations are the middle managers of firms and leaders of social movements.

**1.7.2 Collaboration:** A common definition is that “collaboration is a process in which autonomous or semi-autonomous actors interact through formal and informal negotiation, jointly creating rules and structures governing their relationships and ways to act or decide on the issues that brought them together; it is a process involving shared norms and mutually beneficial interactions” (Thomson, Perry and Miller, 2009: 25).

**1.7.3 Switching Costs:** We regard switching costs as the cost of changeovers which implies the cost incurred to move from one partner to another (Burnham, Frels and Mahajan, 2003). In this study we consider switching costs as the costs or loss that the host community will incur by refusing to support an incumbent oil and gas firm. The switching costs include the loss of benefits and personal relationships.

**1.7.4 Repeated Interaction:** The interactions repeated over the long-term have been found to lead to committed relationships that support collaboration (Lazzarini, Miller and Zenger, 2008).

**1.7.5 Collaboration entry:** Murray, Ju and Gao (2012: 52) posited that “studies have found support for the positive effect of entry timing on market share as an indicator of firm performance”. Early collaboration is defined by the timing of the entry of the parties into collaboration.

**1.7.6 Performance:** Performance in our context is viewed as the impact of strategy implementation on firm's performance. In this study we focus on project completion in terms of projects costs and completion time, while we also consider performance from the perspective of social movement leaders in terms of the contribution a focal firm makes to community development. In an inter-organizational relationship that is significantly project-based, key measures of performance include cost and completion time (Zaheer, McEvily and Perrone, 1998).

## **INTRODUCTION (Spanish version)**

### **Capítulo 1**

#### **INTRODUCCIÓN**

Los movimientos sociales se pueden definir como entidades sociales organizadas y, a la vez, informales implicadas en un descontento expresado colectivamente a efectos de objetivos concentrados en una política concreta y específica o de un cambio social más amplio (King y Soule, 2007). Un ejemplo de esto último sería la protección del medio ambiente o de los derechos económicos de las comunidades locales. Movimientos sociales como los que presenciamos en las comunidades que acogen explotaciones de gas y petróleo comienzan a convertirse en fuerzas ubicuas que las empresas deben considerar en sus estrategias (Aaron, 2012; Eweje, 2006). Un ejemplo especialmente ilustrativo de la naturaleza de los movimientos sociales es el que vemos en las comunidades anfitrionas en el delta del Níger, en la región de Nigeria,

caracterizada por la abundancia de recursos petrolíferos y gasísticos. En esas zonas advertimos que los pequeños grupos de protesta ecologista de los años noventa se han transformado recientemente en movimientos sociales con entidad propia que abarcan, en un sentido estricto, a comunidades anfitrionas enteras, que ahora plantean contundentes exigencias de protección medioambiental y control de los recursos, gozando ambas de la atención mediática global y el apoyo público (Obi, 2009). Esta transición hacia el activismo militante de los movimientos sociales ya ha tenido consecuencias disruptivas en las actividades de prospección petrolífera de Nigeria (Obi, 2009). A consecuencia de esto, el margen de maniobra de las empresas ha quedado sustancialmente reducido, lo que ha llevado algunas de ellas a una desinversión selectiva (Asu, 2013).

Las anteriores investigaciones han examinado las relaciones organización-entorno (Aldrich y Pfeffer, 1976), la interfaz del proceso estratégico (Wooldridge, Schmid y Floyd, 2008; Westley, 1990), y la tensión entre compañías y movimientos sociales (Davis, Morrill, Rao y Soule, 2008; Zald, 2008, Lounsbury, Ventresca y Hirsch, 2003). El fenómeno de los movimientos sociales se ha analizado desde una serie de perspectivas, incluyendo los movimientos sociales en organizaciones y mercados (Davis, Morrill, Rao, y Soule, 2008), los movimientos sociales como emprendedores extra institucionales (King y Soule, 2007), la forma en que los movimientos sociales y la acción colectiva crean nuevas formas organizativas (Rao, Morrill y Zald, 2000), y una perspectiva del movimiento social en lo tocante al control corporativo (Davis y Thompson, 1994). Sin embargo, no se ha prestado mucha atención a la intersección entre la forma

en que estas fuerzas ambientales afectan a las compañías y una interfaz clave de las compañías para enfrentarse a estas fuerzas, es decir, los cargos intermedios y el proceso de ejecución de la estrategia.

Los movimientos sociales se pueden definir como las actividades colectivas concebidas para introducir o impedir cambios fundamentales en la sociedad o las organizaciones, normalmente adoptando un enfoque agitador (Obi, 2009). Se sabe que este espíritu de agitación manifestado por los lugareños en lugar de otras formas de protesta contra condiciones penosas como la degradación medioambiental, la contaminación, la pobreza y el subdesarrollo más abyecto influye en los actos y los comportamientos de las organizaciones a través del sabotaje y de una mayor atención mediática (McCarthy y Zald, 1977; King, 2008; Zald, 2008; Davis, Morrill, Rao, y Soule, 2008).

Debido a que los cargos intermedios encabezan la implantación de las estrategias de las compañías (Raes, Glunk, Roe y Uni, 2011), se convierten en los puntos de acceso para la interacción entre estas compañías y los movimientos sociales; por ejemplo, obrando como gestores de proyectos que lideran la ejecución de estos en las comunidades anfitrionas. Parece que los cargos intermedios son clave para unas operaciones exitosas cuando se trata de que las compañías trabajen con los movimientos sociales. Dado que los cargos intermedios y los líderes de los movimientos sociales mantienen un contacto frecuente al representar a sus respectivas organizaciones y por ser los responsables de contactar con la otra parte, es probable que configuren las expectativas de esta, y parece que “a resultas de ello, tienen la capacidad de

influir en las dinámicas de las relaciones cooperativas interorganizacionales” (Gulati y Sytch, 2008: 170).

La elevada frecuencia de las interacciones entre los cargos intermedios y los representantes de los movimientos sociales que se derivan de tales posiciones implica que las acciones de los cargos intermedios tienen un papel muy significativo a la hora de configurar las opiniones de los movimientos sociales. Apoyar esas relaciones es uno de los papeles importantes desempeñados por los actores organizacionales que parecen bien posicionados en la intersección de sus organizaciones (Gulati y Sytch, 2008). Y, no solo eso, los cargos intermedios también son únicos en la organización debido su conocimiento de las operaciones y su acceso a los escalafones más elevados de la directiva y los más bajos de la organización (Wooldridge, Schmid y Floyd, 2008). Argumentaríamos que, al ocupar esas posiciones únicas, los cargos intermedios pueden desarrollar relaciones cercanas y de confianza con los líderes de los movimientos sociales lo que, a su vez, puede permitirles alinear objetivos aparentemente divergentes de los movimientos sociales y la compañía.

Completamos esta investigación incluyendo el papel esencial que consideramos que desempeñan los cargos intermedios en este contexto. Concretamente, sugerimos que los cargos intermedios son el canal básico a través del cual se produce realmente la colaboración entre compañías y movimientos sociales, y que esta colaboración es susceptible de crear valores mutuos y alcanzar un rendimiento más elevado, tanto a escala interorganizacional como interpersonal. Los cargos intermedios se pueden considerar los gestores en el seno de las compañías que funcionan como la

interfaz clave entre la directiva y el resto de la organización (Finkelstein, 1992). De forma igualmente única, los cargos intermedios están posicionados como actores estratégicos clave, especialmente en calidad de intermediarios en posiciones fronterizas, dado que sirven como importantes interfaces entre los actores de la compañía (la directiva) y los dominios “externos” (Currie y Procter, 2005; Wooldridge, Schmid y Floyd, 2008).

Aunque los estudios organizacionales han analizado los efectos de la integración social (Granovetter, 1985; Uzzi, 1996) y los movimientos sociales (Davis, 1994) en el rendimiento organizacional (Andersson, Forsgren, y Holm, 2002; Moran, 2005), hasta la fecha se ha hecho poco hincapié en la forma en que la integración de los cargos intermedios en su colaboración con los líderes de los movimientos sociales se vuelve determinante de una implantación eficaz de la estrategia o si una colaboración temprana conduce a una ventaja del primero en llegar. La escasa actividad investigadora en este terreno es motivo de sorpresa, ya que la investigación realizada en la frontera del capital social y la teoría de redes y la teoría de los movimientos sociales ha demostrado la importancia estratégica de las redes externas y la importancia de las interfaces entre organizaciones y movimientos sociales (Gulati, Nohria, y Zaheer, 2000; Andersson, Forsgren y Holm, 2002; Zald, 2008).

Profundizamos en el conocimiento de la cuestión de la tensión en la relación entre las compañías y los movimientos sociales proponiendo el concepto de la integración colaborativa que surge de la integración de lazos estrechos y cercanos en la colaboración entre las partes. Estas relaciones colaborativas pueden conducir a mejoras de rendimiento en la velocidad de

ejecución de la estrategia o los costes de implantación, y estas mejoras son mensurables a nivel de la compañía. Para profundizar en nuestro entendimiento de la interacción entre la colaboración y el rendimiento de la compañía, evaluamos el papel de la confianza interpersonal en la relación entre los cargos intermedios y los líderes de los movimientos sociales. Yendo más allá, examinamos el impacto que tiene la repetición de las interacciones en la confianza interpersonal y también si la confianza interpersonal genera costes de alternancia para las partes. Sugerimos que un nivel de integración elevado de los cargos intermedios con las partes interesadas externas es una contingencia importante para el éxito de la ejecución de la estrategia. Uzzi (1996) planteaba que la integración es la lógica del intercambio entre múltiples actores que configura las motivaciones y expectativas, y promueve una adaptación coordinada. La integración se explica como el proceso en virtud del cual las relaciones sociales configuran las acciones económicas (Granovetter, 1985).

También tomamos en consideración la ventaja del primero en llegar y consideramos que el hecho de que en una compañía los cargos intermedios lleguen primero en la colaboración con los movimientos sociales supone una ventaja en su rendimiento con respecto a otras en las que los cargos intermedios reaccionan con mayor lentitud. También investigamos el papel que desempeñan las ventajas del primero en llegar o actuar en una fase temprana (Lieberman, y Montgomery, 1988) en semejante contexto. Concretamente, argumentamos que los cargos intermedios de las compañías que colaboran en una fase temprana con los líderes de los movimientos sociales reportan la ventaja de ser los primeros en llegar a sus compañías, generando altos niveles de confianza e

integración entre múltiples comunidades anfitrionas, lo que deja en desventaja a compañías más tardías.

Nuestra principal premisa es que el vínculo clave entre la compañía y los movimientos sociales descansa en la función de los cargos intermedios, que tienen el cometido de ejecutar las estrategias de la compañía (Wooldridge y Floyd, 1990; Finkelstein, 1992; Currie y Procter, 2005). Contextualizamos nuestro estudio en la óptica teórica de la integración (Zukin y DiMaggio, 1990; Granovetter, 1985) y la ventaja del primero en llegar (Lieberman, y Montgomery, 1988). Nuestro principal argumento gira en torno a la premisa de que la colaboración la llevan a cabo actores implicados en relaciones continuas a largo plazo que se esfuerzan en obtener beneficios mutuos y que los actores que llegan primero en la relación colaborativa pueden obtener la ventaja del primero en llegar. Por ejemplo, en nuestra investigación advertimos que Chevron Nigeria Limited (una empresa petrolífera) fue la primera en desarrollar un programa de memorándum de entendimiento general (MDEG) reputado para gestionar la relación de la compañía con las comunidades anfitrionas de la región del delta del Níger en Nigeria. Los gestores de proyectos de la compañía colaboraron con las comunidades anfitrionas para implantar los términos del MDEG y fueron capaces de desarrollar una relación de confianza con las comunidades anfitrionas. Posteriormente, otras compañías de acción tardía de la región del delta del Níger que adoptaron el MDEG se vieron obligadas a aceptar cláusulas más costosas que las del estándar de Chevron incluso cuando lo utilizaron para otras comunidades (Chevron Nigeria Limited, 2013; Aaron, 2012; Idemudia, 2009).

### **1.1 Razonamiento del presente estudio**

Hemos presenciado un aumento generalizado de la tensión entre compañías y movimientos sociales en las industrias extractivas de diversos países. Por ejemplo, Prno y Slocombe, (2012) afirmaban que “en el sector de la minería, las comunidades locales se han erigido en actores de gobernanza especialmente importantes. Los enfoques convencionales para el desarrollo minero ya no son suficientes para tales comunidades, que han reclamado una mayor cuota de beneficios y una mayor implicación en la toma de decisiones”. Y, más aún, en el caso de las industrias extractivas de Bolivia, Campero y Barton (2015: 167) han observado que “muchos de los conflictos que se generan entre compañías mineras, comunidades locales y el gobierno central se originan en la pobreza de las relaciones y la mala comunicación entre las partes en relación con los impactos socio-ecológicos y la distribución de los beneficios”. Para poder relajar la tensión se precisará de la colaboración local, y esto exigirá una relación local fuerte entre las partes (Campero y Barton, 2015).

De manera más concreta, este estudio está motivado por la observación de unas hostilidades crecientes (Eweje, 2006, Obi, 2009) entre los movimientos sociales y las compañías gasísticas y petroleras que operan en comunidades productoras de petróleo y gas como las que se encuentran en la zona del delta del Níger en Nigeria. Parece que estas comunidades se hallan en un conflicto constante con las compañías gasísticas y petroleras que operan en la región (Eweje, 2006). De hecho, la mayoría de las compañías tienden a adoptar un papel antagónico, dado que han adoptado tácticas institucionales tradicionales como la intimidación por medio de las fuerzas de seguridad del Estado y un

“juego de culpabilización” en su trato con los movimientos sociales, manteniendo una relación distante con ellas. Sin embargo, una cuestión de importancia es si esa “apuesta redoblada” por las tácticas tradicionales logra un objetivo o si bien es contraproducente. En los últimos tiempos, algunas compañías que han reforzado su colaboración con las comunidades anfitrionas parecen obtener un mayor rendimiento en la ejecución de los proyectos (Chevron Nigeria Limited, 2013; Idemudia, 2009). Planteamos que una razón clave de esto es que sus cargos intermedios forjan una relación más sólida con los líderes de los movimientos sociales.

## **1.2 Planteamiento del problema**

Las compañías que operan en áreas en las que dependen de la cooperación o al menos la “no interferencia” de las poblaciones locales se exponen al desafío de enfrentarse al activismo de los movimientos sociales locales que pueden tener distintas perspectivas acerca de la forma en que se deben adoptar las decisiones, la distribución de los recursos y la implantación de las estrategias. El objeto de esta tesis es investigar si las tácticas de resistencia o bien una implicación colaborativa temprana de los cargos intermedios con los líderes de los movimientos sociales ofrecen mejores resultados a efectos del éxito de las compañías. Algunas de las cuestiones que sospechamos que pueden afectar a la relación y a las implicaciones para el rendimiento que tienen los cargos intermedios y los líderes de los movimientos sociales son el grado en que los cargos intermedios se integran en los lazos sociales que comparten con los líderes de los movimientos sociales y con qué antelación inician su relación colaborativa.

### **1.3 Propósito del presente estudio**

Con este estudio exploramos dos características clave de esta vinculación: la colaboración y los lazos estrechos. Concretamente, argumentamos que, si los cargos intermedios se implican en una colaboración activa con los líderes de los movimientos sociales (por ejemplo, decisiones conjuntas acerca del acceso a las zonas de trabajo y los proyectos comunitarios) y se integran con lazos estrechos, ambas organizaciones obtendrán beneficios, incluyendo un nivel más elevado de rendimiento estratégico (para la compañía) y un desarrollo estructural (para los movimientos sociales). Esta triangulación entre integración y colaboración entre compañías y movimientos sociales es lo que consideramos integración colaborativa. Esta investigación explora hasta qué punto un elevado rendimiento en la ejecución de la estrategia depende de la conducta colaborativa de los cargos intermedios más allá de las fronteras organizacionales así como de la integración con partes interesadas externas como los movimientos sociales. También desarrollamos otra teoría de que las compañías cuyos cargos intermedios colaboran de forma temprana con los líderes de los movimientos sociales tienen la ventaja del primero en llegar, lo que conduce a un rendimiento más elevado, por delante de compañías más lentas, cuyos cargos intermedios tardan más en implicarse con los movimientos sociales o no llegan a hacerlo. Más concretamente, ampliamos el concepto de la ventaja del primero en llegar (First Mover Advantage o FMA) al entorno ajeno al mercado centrándonos en las interacciones de los cargos intermedios de las compañías y los líderes de los movimientos sociales (Davis, Morrill, Rao y Soule, 2008).

#### **1.4 Cuestiones de la investigación**

Esta investigación se propone responder a cuatro cuestiones interrelacionadas en el marco de las relaciones colaborativas que impulsan la implantación de la estrategia para la compañía y, a la vez, reportan beneficios a los movimientos sociales a partir de la relación.

5. ¿La colaboración entre los cargos intermedios de la compañía y los líderes de los movimientos sociales media la relación entre confianza y rendimiento de la compañía?
6. ¿Las repetidas interacciones entre los cargos intermedios de la compañía y líderes concretos de los movimientos sociales contribuyen a desarrollar la confianza entre las partes?
7. ¿La confianza interpersonal eleva los costes de alternancia?
8. ¿Una colaboración temprana reporta a la compañía una ventaja del primero en llegar y mejora su rendimiento en un entorno ajeno al mercado?

#### **1.5 Contribuciones del estudio propuesto**

Consideramos que el vínculo entre la función de la implicación de los cargos intermedio y la integración con los líderes de los movimientos sociales puede afectar al rendimiento de la compañía en la ejecución de la estrategia. Además, el presente estudio pretende profundizar en la comprensión de la forma en que la colaboración puede crear valores mutuos si los objetivos estratégicos de las compañías y los movimientos sociales están en conflicto o si los tiempos de la colaboración conducen a una ventaja del primero en llegar. Aunque los estudios organizacionales han examinado los efectos de la integración (Zukin y DiMaggio, 1990; Granovetter, 1985) y los movimientos sociales (Zald, 2008) en el

rendimiento organizacional (Moran, 2005), no existe un corpus literario rico y coherente en lo tocante a la forma en que la integración de los cargos intermedios en los movimientos sociales se vuelve determinante en la implantación de una estrategia eficaz. Además, se ha investigado poco en la ampliación del concepto de la ventaja del primero en llegar (Lieberman, y Montgomery, 1988) a relaciones ajenas al mercado.

Desarrollamos la perspectiva de Zukin y DiMaggio (1990) que ampliaba el concepto estructuralista de integración de Granovetter (1985) y argumentaba que las acciones económicas están sujetas a mecanismos cognitivos, culturales, de estructura social y políticamente integrados. Planteamos que los cargos intermedios pueden generar una mayor integración con los líderes de los movimientos sociales cuando potencian la confianza de su relación. También planteamos que el hecho de que los gestores lleguen primero puede conducir a un mejor rendimiento.

Los resultados del estudio nos ayudarán a determinar si los cargos intermedios que abrazan la colaboración con los líderes de los movimientos sociales y alcanzan un nivel más elevado de integración superan el rendimiento de otras compañías cuyos gestores adoptan una postura más hostil. Los resultados de esta investigación también nos ayudarán a entender si los cargos intermedios que colaboran de forma temprana con los líderes de los movimientos sociales aportan a su compañía una ventaja del primero en llegar. Estos hallazgos, basados en los datos recolectados de 99 encuestados, que comprenden 33 cargos intermedios de 5 compañías de muestra y 66 líderes de movimientos sociales provenientes de 17 comunidades anfitrionas contribuirán

a la investigación del papel de los cargos intermedios, la colaboración y el encaje estratégicos con los movimientos sociales, la integración y la ventaja del primero en llegar.

## **1.7 Definición de los términos**

Las siguientes definiciones representan la forma en que se describirán estos términos a efectos del presente estudio.

**1.7.1 Confianza interpersonal:** La confianza interpersonal puede definirse como el “alcance de la confianza que deposita un agente con atribuciones fronterizas en su contraparte en la organización asociada” (Zaheer, McEvily y Perrone, 1998: 142). Los agentes de este estudio que representan a sus organizaciones son los cargos intermedios de las compañías y los líderes de los movimientos sociales.

**1.7.2 Colaboración:** Una definición habitual es que “la colaboración es un proceso en el que actores autónomos o semiautónomos interactúan por medio de una negociación formal e informal, desarrollando conjuntamente reglas y estructuras que gobiernan sus relaciones así como formas de actuar o decidir las cuestiones que los unieron en primera instancia; es un proceso que implica normas compartidas e interacciones mutuamente beneficiosas” (Thomson, Perry y Miller, 2009: 25).

**1.7.3 Costes de alternancia:** Consideramos los costes de alternancia como el coste del cambio que implica el coste resultante de pasar de un socio a otro (Burnham, Frels y Mahajan, 2003). En el presente estudio consideramos los costes de alternancia como los costes o la pérdida que afrontará la comunidad anfitriona al negarse a apoyar a una compañía gasística o petrolífera instalada.

Los costes de alternancia incluyen la pérdida de beneficios y relaciones interpersonales.

**1.7.4 Interacción repetida:** Se sabe que las interacciones repetidas a lo largo del tiempo conducen a relaciones comprometidas que apoyan la colaboración (Lazzarini, Miller y Zenger, 2008).

**1.7.5 Acceso a la colaboración:** Murray, Ju y Gao (2012: 52) proponían que los “estudios respaldan el efecto positivo del momento del acceso en la cuota de mercado como un indicador del rendimiento de la compañía”. Una colaboración temprana se define por el momento del acceso de las partes a la colaboración.

**1.7.6 Rendimiento:** El rendimiento en nuestro contexto se considera como el impacto de la implantación de la estrategia en el rendimiento de la compañía. En el presente estudio nos centramos en la culminación de proyectos en términos de costes de proyecto y tiempo para completarlos, aunque también consideramos el rendimiento desde la perspectiva de los líderes de movimientos sociales en términos de la contribución que hace una compañía al desarrollo de la comunidad. En una relación interorganizacional basada sustancialmente en sus proyectos, los medidores clave del rendimiento incluyen el coste y el tiempo para completarlos (Zaheer, McEvily y Perrone, 1998).

## Chapter 2

### LITERATURE AND THEORY DEVELOPMENT

Social movements can be described as “the manifestation of feelings of deprivation experienced by individuals in relation to other social subjects, and of feelings of aggression resulting from a wide range of frustrated expectations” (Porta and Diani, 2006: 7). There tends to be increasing awareness of the predominance and impacts of social issues because as McCarthy and Zald (1977) argued, there is usually enough discontent in the society just waiting for resource mobilization. Social movements pervasiveness around organizations has evolved different advocacy foci such as on consumer rights, environment, human rights, disability rights, and workplace rights (King and Soule, 2007; Davis, Morrill, Rao, and Soule, 2008). As an example, which we will also use in the latter portion of this paper, social movement activism in Nigeria focuses on “oil and gas host communities”. These communities adopt loose grassroots organizational structures. They display strong, and even fundamental determination in their quests to achieve improvements in the dismal environmental and social conditions they experience on a daily basis, such as environmental degradation, extreme poverty, high levels of youth unemployment, and perceived socioeconomic exclusion. They differ from other social movement types (Porta, and Diani, 2006), such as professional movement organization (e.g. friends of the earth) and mass protest organizations (e.g. green parties).

The issues of community development and poverty reduction have recently moved from the periphery to the heart of strategic business thinking. For example, within the Nigeria oil industry, multinational oil and gas companies have

increasingly responded to the challenge that although they may have been granted a license to operate from the government, they may need to secure another, social license, from the local community as well (Idemudia, 2009). In our context of social movements, social license essentially means that firms and social movements reach “an agreement whereby firms commit to supporting local development initiatives that address the basic needs and improve the quality of life, of the community in which they operate. As a consequence of this agreement, it is expected that there will be a reduction in conflicts between firms and community actors” Campero and Barton’s (2015: 167).

We tend to see in recent times firms and host communities collaborating and developing unique ‘socially contingent products’, especially a so called Community Trust and Support agreement (CTS) as well as a Global Memorandum of Understanding (GMOU) (Idemudia, 2009). As part of these agreements, the firms offer the social movements scholarships, job offers, and infrastructure (e.g. hospitals and educational facilities) and in return, the social movements partake in this collaborative exchange by stopping hostilities and providing entry access. In other words, despite firms already having a license from the state to operate, the local communities can literally block access to the ‘sites’, thus making finding an arrangement with them a key success factor for strategy execution.

The CTS is a short-term agreement which permits the firm to gain access to construction sites upon meeting the terms of the agreement and is primarily used when a GMOU is absent. The global memorandum of understanding, on the other hand, is a long-term agreement which governs the relationship between

a firm and a host community throughout the project execution period. This agreement consists of funds being provided to the host communities to take the initiative to develop and implement their own development programs. The GMOU model allows the communities to make the key decisions on the implementation of community projects (Aaron, 2012).

## **2.1 Social movements**

From the early 1970s, scholars began to show more interests in understanding social movements' mobilization and the tactics they adopt in registering their discontent against organizations and even governments. Davis et al (2008: 390) indicated that some firms "respond to pressures by social movements by changing their strategies, structures, and routines". Social movements have likewise sought to influence the behaviour of the firm through "collaboration, such as the Environmental Defense Fund's work with McDonald's to eliminate its polystyrene packaging and reduce its solid waste" Davis et al (2008: 390). Firms are impacted by the actions of social movements operating within or outside the boundaries of the firm. Davis and Thompson (1994:141) gave an example of the actions of internal social movements showing "how activist shareholders increased their influence in corporate governance in the early 1990s". They explained that corporate managers have to confront activist shareholders who increasingly demand that their concerns be taken into account for firm decision-making such as selecting successors to CEOs or setting executive pay. In this study we are focused on actions of social movements outside the firm.

Social movement orientation is based on collectively held values, beliefs, or opinions that promote or resist social change (Zald, 2008; McCarthy and Zald,

1977). Because social movements, not having legitimate positional power, lack a direct route to and influence over the organizational structure they, therefore, adopt other means of influence (King, 2008). Davis et al. (2008), for instance, posited that social movements influence the actions and behaviours of organizations through sabotage and increased media attention as exemplified in 'the boycott of Nestle in the late 1970s aimed at halting its sales of infant formula in low-income countries'. Also, as King (2008) stated, these tactics divert revenue from target organizations, damage corporate reputations, and shape public perception in a negative way. Oil pollution, extreme poverty, high levels of youth unemployment, environmental degradation and perceived socioeconomic exclusion are some of the drivers of social movement activism in especially the oil and gas host communities (Aaron, 2012).

In these communities, we can also observe an intriguing recent tendency where social movements are demanding for greater accountability by oil and gas firms, which this has significantly impacted on firms' activities (Idemudia, 2009). As a result of social movement activism in oil and gas host communities, more indigenous oil producing companies have increasingly sprung up to buy and operate assets of multinational oil companies that divested their onshore assets due to pressures on their operations from oil and gas host communities (Asu, 2013).

In comparing social movements with formal organizations, Zald (2008), relying on the view of collective behaviour theorists, stated that social movements tend to exhibit chaotic, non-routinized, and emotionally irrational conduct, sometimes arising from perceived injustice, while formal organizations are

organized based on rational, planned and routinized compartment. Also in considering the distinctiveness of social movements, Porta and Diani (2006) argued that Social movements are distinct from other collective-action organizations (e.g., non-governmental organizations) due mainly to three distinct features namely: (1) Conflictual collective action – the actors who have an oppositional relationship create negative claims on themselves, (2) Dense informal networks – the actors maintain their independence in the quest for common goals, and (3) Collective identity – the actors are intimately linked with collective identities and shared commitments.

In this context, an oil firm is granted an oil mining license (OML) by the central government to explore and produce oil and gas within the geographical boundaries defined by the OML. We observed from our interviews with firms' middle managers that the host community or communities within the OML operating area make up the specific social movement within that area. Thus the boundaries of interactions between the focal firm's middle managers and the specific social movements leaders are defined by the settings of the OML. Furthermore, the surveyed host communities typically adopt common structures for their operations and interactions with oil and gas firms. Based on our observations, we see that the majority of the host communities are governed by a structure called community development committee (CDC). This body is mainly made up of the community chiefs, community committee chairmen, youth leaders and women leaders of the communities. These individuals are what we regard as social movement leaders, and they are the persons who are mainly involved in the interactions between a focal firm and their own communities (based on our

interviews with firms' middle managers). Within the CDC, there are special responsibilities for youth leaders and women leaders, which include interacting with firms' (middle) managers and securing the involvement of community labour in the project execution.

High level of poverty, underdevelopment and environment degradation had over the past two decades continued to negatively impact on the relationship between firms and host communities. For example, Eweje (2006:31) explained that "the Ijaws and the Ogonis (communities from the Niger Delta) are in constant conflicts with the multinational oil companies operating in their region". Orji (2011:449) suggested that "the manifestations of gross marginalization have formed the pivot on which revolutionary pressures and social movements revolve in the Niger Delta Region". We perceived that in their struggle for community development, social movement leaders mobilize their entire host communities into the form of social movements. Similarly, Orji (2011:449) explained that "the manifestations of gross marginalization have formed the pivot on which revolutionary pressures and social movements revolve in the Niger Delta Region". In this study, social movements are regarded as being synonymous with the host communities.

## **2.2 Middle managers as interfaces**

For the purpose of this study, we define middle-level managers as managers below the level of the General Manager's position - examples of middle managers include human resources managers (functional line managers), and project managers (specific projects). Strategy implementation has long been recognized as the key strategic responsibility of the middle manager (Floyd and

Wooldridge, 1992; Reid, 1989). Researchers have discussed the roles and influence of middle managers including a focus on strategy implementation (Guth and MacMillan, 1986), innovation and organizational learning (Cohen and Levinthal, 1990), strategy making process (Wooldridge and Floyd, 1990), interfacing with top management (Raes, Glunik, Roe and Uni, 2011), and corporate response to social movements (King, 2008).

The recognition in the research literature of middle management's relevance for the strategy process began as early as in the 1970s, while up to that point, conceptualizations of management in general, and strategy in particular, assumed a top-down analytical process that separated decision making (by top managers) from action (by the rest of the organization) (Wooldridge and Floyd, 1990). More recently, middle managers have started to become recognized as important for the execution, and even co-creation of the strategy of the firm (Finkelstein, 1992). But sometimes organizations have limited the involvement of middle managers in strategic management processes due, for instance, to requirements of restricting the sharing of information arising from restructuring decisions, competitive intelligence, or complex business decisions (Wooldridge, Schmid and Floyd, 2008).

The value of middle managers in the execution process comes from their undertaking upward and downward responsibilities of championing alternatives (communicating options), synthesizing information (providing insights), facilitating adaptability (fostering flexibility), and implementing the deliberate strategy (Floyd and Wooldridge, 1992; Currie, and Procter, 2005; Wooldridge, Schmid and Floyd, 2008). Also, middle managers have been found to be effective in overcoming

barriers that impede the implementation of organizational change (Wooldridge, Schmid and Floyd, 2008). Of particular importance to our research, Westley (1990) found that middle managers can collaboratively build powerful coalitions within and across organizations. They can 'spread the word' and get people on board because they usually have the best social networks within and outside the company as they are well placed at leveraging informal networks (Floyd, 1992).

Managers are embedded in a formal structure as well as multiple informal networks within the organizational structure (Ahearne, Lam and Kraus, 2014). The behaviour of managers as strategic actors has also been found to be closely embedded (Moran, 2005) in concrete, on-going systems of social relations and networks of interpersonal relations (Granovetter, 1985), that span organizational boundaries. To enhance their contribution towards execution, it seems that managers likely strive to be in regular ties with the external domains (Currie, and Procter, 2005). As, Xin and Pearce (1996) posited, managers seek out connections and cultivate close personal relationships to obtain resources that may not be available within the firm especially where there is a lack of formal institutional supports. We see such a lack as being particularly pronounced in a developing economy such as Nigeria.

**2.2.1 Middle managers interfacing with top management team:** Prior research has stressed that strategy formulation and implementation is largely a function of actions and interactions between top management and middle managers, however, the interactions between them tend to be relatively short and infrequent and this has several consequences for the structure of the interface (Raes, Glunk, Roe and Uni, 2011). Though middle managers have upward

influence with top management and downward influence with operating-level managers, these two directional influences differ fundamentally as middle managers have less frequent interactions with, and no formal positional power over top management (Ahearne, Lam and Kraus, 2014).

As Raes, Glunk, Roe and Uni (2011) suggest, a key element of the first function of the interface between top management and middle managers is to detect discontinuities in the environment and relate it to the existing strategy. Top level managers are usually more focused on strategy formulation and less informed on the daily challenges and deliveries on strategy implementation (Gupta, 1987; Ahearne, Lam and Kraus, 2014). Middle managers close the information gap by using their upward influence to provide information and insights to top management on the strategy process, which can lead to higher performance (Ahearne, Lam and Kraus, 2014; Raes, Glunk, Roe and Uni, 2011; Gupta, 1987). Apart from being more responsive to market dynamics, middle managers also save top management from negative impacts of groupthink by championing alternatives (Ahearne, Lam and Kraus, 2014). Though top management team and middle managers are involved in strategy formulation and strategy implementation, the primary role of top management is strategy formulation while that of the middle manager is strategy implementation (Raes, Glunk, Roe and Uni, 2011).

Middle managers receive strategic steers from top management and give direction to the operating-level managers. They are also closer to the day-to-day operations than top management (Ahearne, Lam and Kraus, 2014). In the organizational hierarchy, middle managers are managers in intermediate

positions between the top management team and operating managers (Ahearne, Lam and Kraus, 2014). Thus because of their intermediate position between top management and the rest of the organization, we suggest that middle managers are likely to be able to foster behavioural flexibility and divergent thinking both within internal and external domains. Since middle managers are often the ones that identify strategic problems and opportunities, they provide opportunities for attaining consensus (Wooldridge and Floyd, 1990).

Championing alternatives through communicating strategic options persuasively to top management is an important role of middle managers in the strategy process (Floyd and Wooldridge, 1992). Also, middle managers who are central in organizational ties with top management are more likely to receive support and necessary resources from top management for the strategy implementation (Floyd and Wooldridge, 1992). Information relating to internal and external activities are interpreted and evaluated by middle managers and synthesized for top management (Floyd and Wooldridge, 1992). They utilize external sources of information which are valuable in developing innovative insights and effective collaboration (Ahearne, Lam and Kraus, 2014). Ahearne, Lam and Kraus (2014) had argued that middle managers' ability to champion alternatives and facilitate adaptability is strengthened as they build strong relationships and leverage on their social capital (Ahearne, Lam and Kraus (2014).

**2.2.2 Middle managers interfacing with social movement leaders:** Just as Raes et al. (2011) have suggested that the interaction between top management and middle managers is crucial for effective strategy execution, we observed from

interviews with some of the middle managers that top management seems more involved in strategy formulation, stakeholder framing and budget setting activities while middle managers undertake day to day implementation of policies, project execution and negotiation with external stakeholders.

We argue that when strategy implementation takes place outside the firm's boundary, the interaction between middle managers and social movement leaders also impact on strategy execution as the boundary-spanning interface between firm's middle managers and social movement leaders becomes even more critical. For instance, we tend to see that interactions for a typical strategy implementation activity such as a divestment or a diversification do take place mostly within the firm boundaries, thus necessitating an effective interface between the top management team and middle management. However, activities such as oil and gas exploration and production in the petroleum industry require a strategy implementation that takes place in the external domains (within the host communities) beyond the frontiers of the firm. These external linkages thus necessitate the creation of an effective interface between firms and host communities. Accordingly, we suggest that middle managers are key to negotiate the external linkages with social movements.

Concerning interactions among organizational actors, Raes et al. (2011) asserted that when the level of interaction between top management and middle managers is low, there is potential for the pursuit of divergent individual goals with an adverse impact on the fit between strategy formulation and implementation. We tend to see a similar relationship contingency in the interface between middle managers and social movement leaders. Specifically, when the

level or quality of interaction between firms and social movements is low the parties will likely begin to diverge and may take actions that are detrimental to each other's interests. Thus, for firms facing strong social movements' activism, finding an alignment between the interests of the movements and the firm appears to be an important step to ensure the success of strategy implementation. Middle managers appear to be the key linkage between firms and social movements in this process and we devote the rest of the paper to explore how these middle managers could structure interactions with social movement leaders to seek resources required for effective strategy implementation and increase their firms' performance.

As firms and social movements engage in collaboration as a result of firms' operations in the host communities, firms' middle managers and social movement leaders as boundary actors representing their respective organizations, will engage in interactions that may lead to interpersonal relationships. Accordingly, we suggest that firm's middle managers who can deepen their ties in the relationships with social movement leaders will be able to obtain valuable access to resources and information for their firms and thereby improve their ability to implement strategies on time and within budget. Acquah (2007: 1235) suggested that "the relationships developed by an organization's managers with community leaders provide the organization with valuable access to resources and information as the community leaders endorse the organization and its activities and refer it to their communities". Our study goes further by focusing on the effect that different degrees of the collaborative relationship that is formed between middle managers and social movement leaders have on performance.

Meanwhile, following Li, et al (2014), we argue that close relationships with social movement leaders may help firms achieve more institutional support, such as favourably interpreting cultural norms, enforcing agreements, settling disputes, and even erecting entry barriers. More specifically, close ties with social movement leaders can help ensure access to crucial resources such as entry to work sites, a better appreciation of causes of delays in implementing promises made, and increased participation in cultural activities in host communities, all of which may facilitate strategy execution.

During our exploratory interviews with middle managers from several firms as well as social movement leaders, respondents illustrated some common interactions that occur during a collaboration between firms' middle managers and social movement leaders. The actual nature of the interactions between firms' middle managers and the host community leaders may include firms' middle managers attending community town-hall meetings, cultural events (e.g. yam festival, chieftaincy title anniversary etc) or paying courtesy calls on the community chief and leaders, and participating in Global Memorandum of Understanding (GMOU) signing ceremonies or implementation sessions for community projects. As explained by a project manager, a key role for the firm's middle manager during some of these interactions is the introduction of the firm's contractors to host communities prior to project execution (project-manager #1). The contractors' introduction engagement is aimed at achieving zero NPT (non-productive time), i.e., to ensure the host community understands the nature of the capital project to be executed, the duration of the project, and the opportunities

the project will deliver to the host community (e.g. offers of subcontracts for the provision of logistics or catering services).

Another firm's middle manager stated during our interview that host communities usually expect concrete commitments to their expectations or demands during these interactions (project-manager #2). Moreover, the host communities may expect that during such interactions with project managers that the project managers would commit the firm to a plan of action for community development projects. Another key interaction is the "social movements' needs assessment" engagement session. This interaction is aimed at x-raying the developmental needs of the social movement. This is to ensure that the execution of the social movements development projects aligns with their expectations. These engagement sessions are moderated by the firm's middle managers and social movement leaders. Usually, if these engagements are concluded seamlessly the social movement leaders will be more favourably disposed towards providing support to the firm.

### **2.3 Collaboration and embeddedness**

Scholars have suggested that collaboration between organizations can provide solutions to a range of inter-organizational problems (Li, Zhou and Zajac, 2009; Lawrence, Hardy and Phillips, 2002) and create value and improve performance (Li, Zhou and Zajac, 2009). The effectiveness of collaboration in creating value during inter-organizational engagement has been acknowledged in prior studies (Li, Zhou and Zajac, 2009; Lawrence, Hardy and Phillips, 2002). However, failure in collaboration can affect the ties between partners (Gulati, Wohlgezogen and Zhelyazkov, 2012). Generally, in an interaction between firms and social

movements, we argue that collaboration is a way to develop new solutions to mitigate the tensions between firms and social movements that arise sometimes from divergent interests and complex relationship between the parties.

The research on inter-organizational collaborations has been framed from multiple perspectives. Gulati, Wohlgezogen and Zhelyazkov (2012) suggested that some of these perspectives include the social-structural (Gulati, 1995), trust-based (Uzzi, 1997; Zaheer, McEvily, & Perrone, 1998), and transaction-cost economics perspective. Specifically, at the organizational level, prior research has analyzed the collaboration between non-governmental organizations (Lawrence, Hardy and Phillips, 2002), joint ventures (Li, Zhou and Zajac, 2009), and strategic alliances (Gulati, Wohlgezogen and Zhelyazkov, 2012). For our context we believe that the trust-based perspective is most suited to shed light on the interactions between firms and social movements because this perspective suggests that collaboration is strengthened if parties refrain from opportunistic actions to the detriment of the other party even when incentives to act otherwise arise (Uzzi, 1997; Zaheer, McEvily, & Perrone, 1998). Importantly, this perspective suggests that relational attachment of the partners leads to success and stability of a collaboration (Gulati, Wohlgezogen and Zhelyazkov, 2012).

An array of definitions of collaboration exists in the literature. Lawrence, Hardy, and Phillips (2002: 282) defined collaboration as “a cooperative, inter-organizational relationship that is negotiated in an ongoing communicative process and that relies on neither market nor hierarchical mechanisms of control”. Collaboration can also be described as a joint pursuit of mutual goals with a

shared understanding of the contributions and rewards (Gulati, Wohlgezogen and Zhelyazkov, 2012). Another perspective of collaboration is that it is “a process in which autonomous or semi-autonomous actors interact through formal and informal negotiation, jointly creating rules and structures governing their relationships and ways to act or decide on the issues that brought them together; it is a process involving shared norms and mutually beneficial interactions” (Thomson, Perry and Miller, 2007: 25). Overall, prior definitions thus suggest collaboration as an interactive process in which a mutually beneficial relationship is developed between parties who together create a framework for the purpose of achieving shared expectations based on the common understanding of their desired but partially divergent goals. In our specific context, this essentially means that the expectation of the firm is to achieve a strategy implementation within time and budget targets, while social movements expect that the relationship with the firm will provide broad satisfaction including things such as empowerment, growth, and development of the communities, as well as environmental protection. However, it appears that it takes the agency between the middle managers and social movement leaders to help both parties (firms and social movements) recognize their respective goals and that it is precisely the relationship between these actors that provides the necessary framework for a functioning collaboration.

Embeddedness, which can be defined as a “process by which social relations shape economic action” (Uzzi, 1996: 674) could be a key element facilitating such relational collaboration. Embeddedness provides the norms, forms of beliefs, and constitutive understandings (Zukin and DiMaggio, 1990),

which may help to regulate the collaborative relationship between actors. In our context, the collective understanding of the firm's middle managers and social movements shape the collaborative relationship and strategy process. This embeddedness perspective also provides an understanding of how rules and practices moderate behaviour and actions (Dacin, Ventresca and Beal, 1999).

Following Zukin and DiMaggio's (1990) social constructivist approach, which extended Granovetter's (1985) structuralist concept of embeddedness, economic actions can be 'embedded' in social relations across four broad mechanisms namely: structural, political, cognitive, and cultural embeddedness. Structural embeddedness is concerned with the structure by which the interactions between individuals are expressed. It can be explained as "the conceptualization of economic exchange in patterns of ongoing interpersonal relations" (Zukin and DiMaggio, 1990:18). Political embeddedness looks at the inequality of power arising from the sources and means of economic activity. It may be defined as "the manner in which economic institutions and decisions are shaped by the struggle for power that involves economic actors and nonmarket institutions" (Zukin and DiMaggio, 1990:20).

Cognitive embeddedness "refers to the way in which the structural regularities of mental processes limit the exercise of economic reasoning" (Zukin and DiMaggio, 1990:15) and a key assumption is that the actors are purposeful and have clear intent on the pursuit of their goals (Zukin and DiMaggio, 1990). Cultural embeddedness, finally, is defined as the shaping of economic goals based on mutual understanding and meanings (Dacin, Ventresca and Beal, 1999; Zukin and DiMaggio, 1990).

“A key behavioural consequence of embeddedness is that it becomes separate from the narrow economic goals that originally constituted the exchange and generates outcomes that are independent of the narrow economic interests of the relationship” (Uzzi, 1996: 681). For instance, in our empirical context, we observed that some middle managers go beyond official interactions with social movement leaders by spending part of their free time in the communities or with social movement leaders such as attending cultural festivals, wedding ceremonies or church/religious events. As part of the formal interaction, middle managers who pay courtesy calls on community chiefs usually go with gifts and traditional drinks when going on the visits.

Uzzi (1996: 680) suggested that “embedded ties often are established in new interfirm relationships because individuals know one another from other social circles”. The actions that parties take and their dispositions towards each other are then constrained by embedded ties that exist between them (Uzzi, 1996). Dequech (2003) posited that culturally relevant rules also condition the selectiveness of actions that one takes in a given situation. Moreover, the “availability and proper understanding of the cultural signals and norms” will affect the level of trust that is enmeshed in interpersonal relationships (Dequech, 2003:466). Uzzi (1996: 677) argued that embeddedness “shifts actors’ motivations away from the narrow pursuit of immediate economic gains towards the enrichment of relationships through trust and reciprocity”. Altogether, embeddedness pushes a relationship beyond simple economic exchange, and helps to build trust, although the resulting socially conditioned selectiveness of

actions may also create a tendency for bias, blind spots, faulty logic and inappropriate heuristics as Dacin, Ventresca and Beal (1999) suggest.

To develop the concept of collaborative embeddedness, we leverage on the prior research by Lawrence, Hardy and Phillips (2002) on the emergence of proto-institutions and institutional effects of inter-organizational collaboration. Lawrence, et al (2002: 281) suggested that “collaborations that are both highly embedded and have highly involved partners are the most likely to generate proto-institutions”. The proto-institutions are “new practices, rules, and technologies that transcend a particular collaborative relationship and may become new institutions if they diffuse sufficiently” (Lawrence, et al., 2002: 281). These authors argued that highly embedded collaboration can be characterized along the dimensions of interaction, coalition structure, and information flow among the actors. They described embeddedness as the extent to which collaboration is enmeshed in inter-organizational relationships. They highlighted the connection between collaboration and broader inter-organizational networks with emphasis on institutional effects of collaboration. Their work is centered on collaboration as a source of change within institutional fields.

In our study, we posit that highly embedded collaboration can be characterized along the dimension of trust between firms’ middle managers and social movement leaders. We highlight the connection between collaboration and social ties with emphasis on its effects on performance. Going further, we suggest that collaborations that are both highly embedded and have highly involved parties are the most likely to generate mutual benefits including a higher level of

performance and community development. Our work is centered on collaboration between the market actors (the firms) and non-market actors (social movements).

Collaborative embeddedness in this study is illustrated within the context of collaborations between firm's middle managers and social movement leaders. We suggest that the effectiveness of collaboration is enhanced when the collaboration is driven by a relationship based on strong personal ties, especially when the relationship is anchored in the antecedents of trust. Thus, we argue that the parties may likely use a variety of ways to build trust and using the dimensions of trust to enmesh their personal ties into the collaboration. Intriguingly, Gulati et al (2012) argued that although trust does not by itself guarantee an alliance's success, it is a key determinant of collaborative success. Our expectation is that middle managers and social movements can increase their chances of sharing common goals by increasing their cross-boundary social ties as the increased collaborative relationship among these actors will shape their desires for closer ties resulting in mutual benefits (including reduced negative claims on each other).

The logic in collaborative embeddedness is that the actors in a collaboration do not selfishly pursue immediate gains, but rather cultivate a long-term trusted relationship and this ongoing trusted relationship between the parties shape their expectations and the opportunities inherent in their collaboration. We argue that in collaborative embeddedness, the social ties between firm's middle managers and social movement leaders shape mutual benefits for both organizations by creating unique opportunities. These opportunities include unfettered access to work sites for the firms and benefits such as job offers for

youths of the host communities. In evolving the concept of “collaborative embeddedness”, we attempt to substantiate it by suggesting that collaborative embeddedness may arise when trust in the personal ties between the parties is embedded in the collaboration between them. In others words, collaborative embeddedness may develop to the extent to which trusted interpersonal relationships collaboration is enmeshed in collaboration.

### **An illustration of evolution of collaborative embeddedness**

From our observations and interviews with middle managers and social movement leaders the following evolution of the relationship between firms and SM seems typical: In the early stages of the relationship between a firm’s middle managers and social movement leaders, we tend to see direct ties but there is no focused collaboration or if there was any, it was at an insignificant level. Specifically, we observed that initially the perceived level of mutual benefits between the actors was low and each party emphasized negative claims on each other (Wasserstrom and Reider, 2013). This state of the relationship is depicted in Figure 1.

As interactions increase between the firm’s middle managers and social movements, we tend to see some form of collaboration between middle managers and social movements, but the relationship is at arm’s-length. In Granovetter’s (1985) words, the relationship is ‘undersocialized or atomised’ – an arms-length relationship that is usually impersonal as it focuses mainly on the transaction (Uzzi, 1996). The pattern of exchanges in arm’s-length ties produces a market-like structure, while embedded ties produce a pattern of exchanges that lead to a network of relationships (Uzzi, 1996). The level of achieved mutual

benefits including strategy implementation is low. Uzzi (1996: 694) argued that “arm’s-length and embedded ties are distinct forms of exchange and that embedded ties can produce competitive advantages that are difficult to emulate with arm’s-length ties”. Going further, Uzzi (1996: 674) explained that embeddedness is “an exchange system with unique opportunities relative to markets and that firms organized in networks have higher survival chances than do firms which maintain arm’s length market relationships.” This relationship is depicted in Figure 2.

Thus collaborative embeddedness may possibly lead to a high level of mutual benefits and strategy execution that is timely and within budget. The collaborative embeddedness is depicted in Figure 3. Trust increases a firm’s access to resources and its ability to adapt to uncertainty which is difficult to achieve in an arms-length relationship (Uzzi, 1996). It also creates an opportunity for further exchange in the relationship (Uzzi, 1996). This ongoing trusted relationship between the parties may shape their expectations and the opportunities inherent in their collaboration.

-----

Insert Figures 1, 2, and 3 about here

-----

#### **2.4 Theoretical framework of first-mover advantage**

Research studies have generally indicated that being ‘first to market’ is often associated with improved performance (Kopel and Löffler, 2008), though the authors of the seminal article on ‘first-mover advantages’, Lieberman and Montgomery themselves, published another study ten years later called ‘first-

mover (dis) advantages', (Lieberman and Montgomery, 1998). Since the well-acknowledged paper by Lieberman and Montgomery (1988: 41), who described first-mover advantages in terms of "the ability of pioneering firms to earn positive economic profits" within a market environment, a broad stream of literature has been dedicated to exploring the existence of first-mover advantage (FMA) effects arising from the order of entry and enhancing such measures of a firm's performance as market share (Robinson, 1988; Robinson and Fornell, 1985), long-term profitability (Lambkin, 1988), and survival (Robinson and Min, 2002). Much of this prior literature appears focused on the first-mover advantage in a competitive market environment. Our study focuses instead on first mover advantage in a collaborative non-market environment.

Perspectives from the economics and the consumer behaviour literature have contributed to the broader understanding of the theoretical underpinnings of first-mover advantage. Drawing on behavioural and cognitive theories within the consumer perspectives, researchers argued that FMA could result from cognitive switching costs arising from buyers' habit formation (Schmalensee, 1982), high buyers' searching cost (Nelson, 1980) and consumer learning and reputation advantages (Carpenter and Nakamoto, 1989). From an economics perspective, on the other hand, researchers have explained advantages enjoyed by first-movers in terms of restrictions placed on late movers for accessing valuable ecological spaces (Prescott and Visscher, 1977) or achieving economies of scale from initial investments (Dixit, 1985), benefiting from patenting key innovations (Gilbert and Newbery, 1982), and achieving cost advantages via learning economies (Lilien and Yoon, 1990; Spence, 1977).

Altogether, the First-mover advantage (FMA) theoretical framework has produced three main streams, namely: (1) mechanisms that protect first-movers from imitative competition, (2) exploitation of FMA by using firm-level resources and core competences that are difficult or time-consuming to copy, and (3) the order of market entry influencing the relationship between the environment in which the firm operates and its competitive performance, as first entrants can gain control of resources that followers may not be able to match (Suarez and Lanzolla, 2007; Lieberman and Montgomery, 1988; Lambkin, 1988; Robinson, Fornell and Sullivan, 1992).

In this study we considered the timing of entry decisions, drawing primarily on the first-mover advantage (FMA) perspective. This perspective helps to explicate the relationships between early entry and firm-level outcomes (Zachary, Gianiodis, Payne and Markman, 2015; Lieberman and Montgomery, 1988, 1998). Zachary, et al., (2015) explained the timing of entry as the “order of entry into a new or existing space (e.g., market, industry, or geographic region), relative to competitors, technology development, product lifecycle, or other contextual referents. By the timing of entry decisions, we are referring to when firms commence a collaborative relationship with social movements relative to the project execution start-date. We are more concerned with the speed of collaboration which we refer to as a firm’s ability to collaborate with social movements faster than competitors. We will regard the advantage that a firm attains by moving fast to collaborate with social movements as an early-mover advantage. We are not focused on how a firm moves first against competitors rather we are considering the pace by which a firm engages in collaboration with

host community in which it operates. The longer a firm takes to reach out, the less trust it may earn from the host community. A 'fast' moving firm, on the other hand, may develop capabilities (Hawk, Pacheco-De-Almeida and Yeung, 2013) that it then can use in other sites, such as capabilities of conflict and stakeholders' management. The firm can also be seen to be open, considerate, and fair in its dealings with the host communities as a result of developing early relationships. Overall, Hawk et al. (2013: 1533) defined speed capabilities as "firms' ability to execute investment projects faster than competitors at the same cost.

Going further, we posit that middle managers are the responsible party for the early collaboration that results in their firms being better off compared to late moving firms through a combination of a reduction in hostilities towards the firm and strong and sustainable personal relationships with a social movement. In this way, early-mover advantages should lead to a higher performance in strategy execution. In the Nigeria context, the oil and gas exploration and production activities take place mainly in the Niger Delta region. The communities in this region have similarities in culture, norms, values and political affinity. Good practices adopted by one oil and gas firm as a response to a community demand is easily seen as a benchmark by other communities. For example, the GMOU first used by Chervon Nigeria as a framework for community development has now been demanded by other host communities and adopted by other oil and gas firms. In this region where trust levels between firms and social movements are perceived to be low, it appears be likely that those firms' middle managers who engage social movement leaders early in a collaborative and trusted relationship will give their firms advantages in their relationship with host

communities even beyond the focal community where the 'first move' occurred. Due to these early trusted relationships, the early-mover firms may face less short-term demands from the social movements such as lower costs to be incurred by the firm for access to worksites.

-----

Insert Figure 4 about here

-----

## Chapter 3

### HYPOTHESES

Our general proposition is that if firm's middle managers and social movement leaders who are organizational actors representing their respective organizations are embedded in close ties, a more trusted and collaborative relationship will be built between their organizations. This trusted and collaborative relationship between the parties may lead to mutual benefits such as the firm being more involved in community development projects while securing early access to worksites leading to higher levels of performance in project completion. More specifically, we suggest that trust acts as a key enabler of personal ties and that early collaboration between actors brings about early-mover advantages.

#### **3.1 Trusted collaboration**

Mayer et al (1995: 712) explained trust as the "willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party". Trust makes one party be favourably disposed to the other party's intentions and actions (Uzzi, 1996). A trustworthy person is, therefore, someone in whom you can place your trust and not be disappointed by the person's actions. A person can prove his trustworthiness by fulfilling an assigned responsibility - and as an extension of that, not to let down expectations. As relationships become more concrete, the parties appreciate

each other's level of trust (Tsai and Ghoshal, 1998; Mayer, Davis and Schoorman, 1995).

Where interpersonal trust is high between parties, they seem more willing to give each other the benefits of the doubt and are thus more likely to be able to develop solutions to resolve problems at hand (Zaheer, McEvily and Perrone, 1998). Likewise, it seems a reasonable assumption that manager representing a firm that is perceived as trustworthy may be expected to behave in a reliable manner. Lui, Ngo and Hon (2006:467) argued that "interpersonal trust in a partner affects how one would interpret the past actions of that partner, and how one would assess his or her future behaviour". Thus, trust reinforces this processing of past behaviour in a positive sense and this enhances the reliability and stability of the relationship (Kogut, 1989; Park and Russo, 1996; Park, and Ungson, 1997). Direct links between the parties facilitate information about the past and thus help create trust.

To gain trust, the exchange partners must believe that the other partner will take actions that will result in positive outcomes (Aydin and Ozer, 2005; Mayer, Davis and Schoorman, 1995). Trust also "facilitates the extension of benefits to transacting partners and invites the receiving partner to reciprocate when a new situation arises" (Uzzi, 1996: 678). It has been suggested that interpersonal trust has impacts on outcomes such as organizational performance (Ferrin, Dirks and Shah, 2006). Also, Zaheer et al. (1998), explained that interpersonal trust has impacts on performance satisfaction, completion time, and financial outcomes.

Accordingly, we suggest that the trust at the interpersonal level between firms' middle managers (representing their firms) and social movement leaders (representing their host communities) is critical for understanding the performance implications of this relationship. It seems managers' ability to compete and overcome problems in strategy implementation may be enriched when they build strong ties and trustworthiness (Uzzi, 1997), with social movements leaders. Thus, we present the following hypothesis:

*HYPOTHESIS 1a: There is a positive relationship between interpersonal trust and middle manager's perception of firm's performance on project completion, considering firm's collaboration with the host community.*

*HYPOTHESIS 1b: There is a positive relationship between interpersonal trust and social movement leader's assessment of firm performance in terms of community development, considering host community's collaboration with the firm.*

### **3.2 Collaborative performance**

Good relationship enhances collaboration (Zhang and Li, 2008). An appreciation of trust and its significance is that it can facilitate collaboration (Mayer, Davis and Schoorman, 1995) and the collaboration may likely enhance performance. Uzzi (1996: 678) found that "trust acted as the governance mechanism of embedded relationships and it facilitated the exchange of resources and information that are crucial for high performance". Consequently, we expect that when the firm's middle managers and social movements' leaders trust each other more at the

interpersonal level, mutually beneficial collaboration and higher performance could arise.

Prior literature on the social exchange has recognized that strong personal relations can lead to institutional attachment (Luo, 2001; Burt, 1997; Granovetter, 1985). Since the maintenance of social exchanges during collaboration leads to reciprocity (Granovetter, 1985; Luo, 2001), this would suggest that both, firms' middle managers and social movement leaders, will feel obligated to the other party to return the favour. Furthermore, "embeddedness promotes cohesion between partners during the course of collaboration" (Polidoro Jr, Ahuja and Mitchell, 2011: 203).

Uzzi (1997) found that organizational performance increases with the use of embedded ties linked to network partners as organizations gain access to unique opportunities that arise from the embedded ties. For attaining high managerial performance, it is not just whom you know, but the quality of those relationships also matters (Moran, 2005), that is, actions between individual actors within organizations are embedded in the structure of social relations (Granovetter, 1985). Uzzi (1997) further argued that strong ties enhance actors' abilities to compete and overcome problems. Likewise, resource-based theorists have emphasized that relationships can be a unique and inimitable asset (Dyer and Singh, 1998). Moreover, when the relationships of connected actors allow them to be more central in their multiple networks (Burt, 1997), they enjoy better access to information and resources than unconnected and undersocialized actors.

Embeddedness is valuable as it promotes economies of time, delivers allocative efficiency and complex adaptation (Uzzi, 1997). As Porta and Diani (2006) noted, prior periods' social networks facilitate the formation of new social networks because mutual trust and common understanding built within earlier networks will ease reluctance and help in the development of the new social networks. Accordingly, we expect that embeddedness and strong close ties between middle managers and social movements will improve these relationships and positively affect strategy execution. Hence, we present the following base hypothesis:

*HYPOTHESIS 2a: There is a positive relationship between collaboration (between middle managers and social movement leaders) and middle manager's perception of firm's performance on project completion.*

*HYPOTHESIS 2b: There is a positive relationship between collaboration (between middle managers and social movement leaders) and social movement leader's assessment of firm performance in terms of community development.*

### **3.3 Trust and repeated interaction**

Trusting relationships can evolve over time from social interactions and observations of each other's actions (Tsai and Ghoshal, 1998; Mayer, Davis and Schoorman, 1995; Gulati, 1995; Granovetter, 1985). Tsai and Ghoshal (1998:466) argued that "frequent and close social interactions permit actors to know one another, to share important information, and to create a common point of view". The general premise is that prior interactions enable parties to have

confidence in each other's trustworthiness (Gulati and Sytch, 2008). In the interaction between firms and social movements such repeated interactions (e.g. town hall meetings to discuss worksite access and commencement of community projects) should likewise lead to a convergence of viewpoints, especially between those persons that are the contact keepers on either side, i.e., middle managers and social movement leaders.

Interactions that are repeated over the long-term have been found to support collaboration (Lazzarini, Miller and Zenger, 2008). Furthermore, it may be likely that repeated interactions help managers to properly evaluate the benefits and costs of pursuing the collaboration and its strategic goal. Though collaboration may be a difficult process, it seems that as collaboration partners engage in repeated interactions with one another, they are able to learn from the errors in their past relationship (Thomson and Perry, 2006). We suggest that as the relationship develops, repeated interactions allow the parties to gain a better understanding of each other and a higher level of trust may likely evolve in their relationship.

Prior periods of interactions can thus be said to be the basis of socially embedded exchanges (Granovetter, 1985; Uzzi, 1997; Lazzarini, Miller and Zenger, 2008). Thomson and Perry (2006:29) argued that "in the absence of prior interactions, partners had no foundation for trusting other partners". Repeated exchanges enable the actors to be familiar and cultivate some forms of close ties (Gulati, 1995, Lazzarini, Miller and Zenger, 2008). Because trust is built over time (Aydin and Ozer, 2005), it is essential for the partners to engage in repeated interactions (Thomson, et al., 2009), which we see as essential for a collaborative

embeddedness to occur. We argue that the collaboration between firm's middle managers and social movement leaders may be stabilized by repeated interactions as the parties undertake actions that protect their relationship. Hence, we hypothesize:

*HYPOTHESIS 3a: Middle manager's perception of repeated interactions between firm's middle managers and specific social movement leaders will increase the level of interpersonal trust between these two parties.*

*HYPOTHESIS 3b: Social movement leader's assessment of repeated interactions between firm's middle managers and specific social movement leaders will increase the level of interpersonal trust between these two parties.*

### **3.4 Switching costs**

Oil and gas firms who are granted oil mining licenses (OML) operate within the local communities defined by the OML. In most cases, only one oil and gas firm operates within a specific set of host communities. Yet, the respective host community may either grant or withdraw a social license to the firm that has been granted the official OML either at the beginning or anytime during the tenure of the project. We regard switching costs as the costs or loss that the host community will incur by refusing to support an incumbent oil and gas firm. Such switching costs include the loss of benefits and personal relationships. Benefit losses are the "costs associated with contractual linkages that create economic benefits for staying with an incumbent firm" (Burnham, Frels and Mahajan, 2003: 111). When an oil and gas firm cannot continue to operate in an area because

the host community has persistently refused to grant a social license, the government may be forced to re-issue the non-operating OML to another oil and gas firm. We observed that the reissuance of licences for non-operating OMLs are usually done by the national government in every ten years. While personal relationship losses are the “affective losses associated with breaking the bonds of identification that have been formed with the people whom the customer interacts” (Burnham, et al., 2003: 111). Accordingly, host communities, and in particular the social movements leaders who account for most of the interaction with firm representatives and are thus more likely to have built up strong personal relationships, could lose the bond with firms or suffer psychological or emotional discomfort if the host community stops providing support to the firm such as by refusing to grant access to worksites.

Burnham, et al (2003: 113) suggested that “investments in relationships tie the members together; if the relationship is terminated, these investments are lost and the potential for such loss makes investments an important driver of switching costs”. When consumers are faced with switching costs they typically remain with an existing firm they have relationships with and whose products or services they deem satisfactory (Brush, Dangol and O’Brien, 2012). When social movement leaders stop supporting a firm, the host community may likely lose the benefits derivable from GMOUs and CTS established with the focal firm. Where social movement leaders are dissatisfied with their relationship with the firm’s middle managers, they break off from programs (e.g. CTS, GMOU) with a particular firm by reducing their level of collaboration with that firm. In the past, when social movements completely refused to support oil firms, in some cases

the firm had to discontinue operation, while the government was pressured to switch or halt licenses, for instance, as in the cases of the Ogoni crises with Royal Dutch Shell in Nigeria (Eweje, 2006). In Nigeria, for example, some oil firms have recently divested from onshore operations and are moving to offshore operations (Asu, 2013). However, we observed in our interactions with social movement leaders that the host communities do like to have good relationships with the oil and gas firms so that community projects and other benefits such as scholarship can continue to be provided by the firms. For example, Shell left the Ogoniland for over two decades and until today the government has yet to re-issue the OML. This means that that Ogoni communities are not receiving the benefits that other host communities are receiving from the oil and gas firms operating in the Niger Delta.

The critical role of the concept of switching costs as an isolating mechanism in explaining the performance advantage has been stressed in the literature by several researchers including Lieberman and Montgomery (1988), Burnham, Frels and Mahajan (2003), Gomez and Maicas (2011), and Schmalensee (1982). We argue that when firms' middle managers are committed to building and maintaining trusted relationships with the social movements leaders, they may be able to build switching costs so that the social movements are less inclined to stop their support. In addition, as early-movers, these firms may be able to influence the packaging of so-called 'socially contingent products' such as CTS and GMOU that often forms the basis of ongoing cooperation between social movements and firms (Aaron, 2012; Idemudia, 2009), for

example, the costs of secondary school scholarships or skills acquisition training provided by the firms to the youths from the local communities.

*HYPOTHESIS 4: Firms middle managers who establish a high level of interpersonal trust with social movement leaders build up switching costs for social movements leaders*

### **3.5 Early collaboration**

Murray, Ju and Gao (2012: 52) posited that “studies have found support for the positive effect of entry timing on market share as an indicator of firm performance”. Tan, Shih-Chang and Liu (2007) emphasized the importance of entry timing on the decisions firms take on performance and survival strategies. To better understand the implications of entry timing decision, we suggest that it is important to go beyond the previously studied economic benefits and cost of entry (Tan, Shih-Chang and Liu, 2007), and to analyse how collaboration (and the timing of the same) can positively impact the cost of entry and firm’s performance on project completion.

Empirical evidence related to early-mover advantages mainly comes from the context of a market environment (Murray, Ju and Gao, 2012; Lieberman and Montgomery, 1988). Yet, Murray et al. (2012: 52), for instance, contend that “past studies have suggested that the relationship between entry timing and performance is more complex than previously theorized” and other factors may influence this relationship. One such contingent factor may be how early the firm’s middle managers start to collaborate with social movement leaders during a specific project’s life cycle.

Early entrants into the market can create entry barriers and obtain cost and quality advantages over laggard firms (Tan, Shih-Chang and Liu, 2007). In our context, we argue that by the time laggard firms enter into collaboration with some host communities, early entrants may have already established strong local connections that either pre-empt newcomers from the same local space or provide the early movers with capabilities that provide an advantage vis-à-vis late movers. This advantage, we suggest, could either help the early movers to gain preferred access to new sites or, by setting high standards of collaboration practices, may force late comers to adopt to the standards set by early movers, putting the former at a disadvantage. The late entrant thus will have difficulty in establishing their local presence. In the following we will focus on the narrow interpretation of first mover advantage in the sense of pre-empting a given local space. The broader view of FMA that may result in advantages of early movement beyond a given local space will be taken up in future work. First mover advantage could take different levels: a) locking in a local space (essentially the switching costs), b) gaining capabilities that allow the focal firm to get more licenses in the same country, and c) by establishing the 'dominant design' or status quo, the focal firm forces late-comers to the country to adhere to the same, potentially putting those firms at a disadvantage. The data we collected for this study allows us to particularly investigate the first possibility, that is, whether firms gain an advantage in local space by moving early.

We again see a crucial role for middle managers in this context, as these are the responsible party for the early collaboration of their respective firms with social movement leaders. This collaborative relationship may result in early

entrant (and by that we mean firms that start their collaboration practices early) firms being better off compared to firms that are late to either enter the same geographic space or start collaborating with any social movement/host community (in the country) at a later point in time. For instance, the advantage to the early entrant firm can occur through a combination of a reduction in hostilities towards the firm, and strong relationship with a social movement. In this way, early-mover advantages should lead to a higher performance in strategy execution. Entry decisions, we argue, are some of a firm's most important strategic choices as they build up a relationship with social movements to assess external resources.

We expect that the earlier the firm's middle managers enter into trusted and collaborative relationship with social movement leaders, the greater the early-mover advantage they will obtain for their firms. By entering early into collaboration with the local communities, firms' middle managers may have a head start for their firms in accumulating experience and can also establish co-specialized relationships with local community leaders. We further argue that firms' middle managers in their interactions with social movement leaders can gain useful information and insights into the actions of social movements. Also, if the middle managers are indeed the first movers, they can use the learning to be the first to a higher level of collaborative embeddedness that may be recognized as a best practice relationship, which can be an advantage over the competition within the region. Having local support allows the firm to convince the government to give additional licenses for new areas. Local community leaders that we interviewed indicated that they are likely to favour firms whose middle managers

are early collaborators so as to attract early and sustainable development projects to the communities. This, in turn, provides collaborative relationship advantages to the firms of these early-mover middle managers. Hence, we hypothesize:

*HYPOTHESIS 5a: Early collaboration has a positive effect on middle manager's perception of firm's performance on project completion.*

*HYPOTHESIS 5b: Early collaboration has a positive effect on social movement leader's assessment of firm performance in terms of community development*

## Chapter 4

### METHODOLOGY

#### 4.1 Exploratory study and regression modelling

This study consists of both qualitative and quantitative research methods and uses an exploratory sequential mixed methods design (Creswell and Plano, 2007). Firstly, a qualitative study is completed to develop deeper knowledge of the situation based on a grounded theory approach (Glaser, 1992; Strauss and Corbin, 1990). The exploratory method we adopt provides a rich source of data and enables a better appreciation of the causes, impacts, and mechanisms by which trust affects the collaborative relationship and the building of mutual benefits. Secondly, a quantitative survey (Harrell, 2015) is designed to test the connection between the concepts that were derived both, from theorizing based on prior literature and developed during the first stage of the study.

#### 4.2 Research setting

We test our model of the collaborative embeddedness and explore two key characteristics of this linkage (i.e., collaboration and close ties) within the research setting of the oil and gas companies operating in Nigeria and the specific oil and gas host communities of that country. The oil and gas companies explore and produce oil and gas within the communities that are oil bearing and as demarcated by the oil mining license (OML). The oil-bearing communities in this context are the host oil and gas communities. They usually demand from the oil firms the protection of their environment and development of the communities. In addition, another key theoretical proposition of our study is that firm's middle

managers who collaborate early with social movement leaders create an early-mover advantage for their firms that lead to higher performance in project implementation as compared to firms whose middle managers are either slower or do not engage with social movements.

Oil was discovered in Nigeria in 1956 at Oloibiri in the Niger Delta and production was started in 1958 by Shell-BP, which was later joined by other multinational oil companies (Aaron, 2012; Idemudia, 2009, Obi, 2009). This discovery opened up the Oil industry in 1961, bringing in Mobil, Agip, Safrap (now Elf), Tenneco and Amoseas (Texaco and Chevron respectively) to join the exploration efforts, and this development was enhanced by the extension of the concessionary rights (previously a monopoly of Shell) to the newcomers (NNPC, November 2017). Several local Nigerian oil companies entered the Nigerian oil and gas industry at a later stage (Asu, 2013; Aaron, 2012; Idemudia, 2009). However, profits and economic benefits arising from oil and gas production have not trickled down to the local communities from whose local areas these resources are being extracted (the “oil and gas host communities”) (Aaron, 2012; Idemudia, 2009, Obi, 2009).

The oil and gas host communities are clustered within the geographical areas where the oil mining licenses (OMLs) are situated. According to the Nigerian National Petroleum Corporation report (November 2017), there are 606 oil fields in the Niger Delta area, 355 are on-shore while the remaining 251 are offshore. Of these, 193 are currently operational. As e.g., Aaron (2012) reported, communities where the oil and gas exploration and production activities take place bear the burden of the impact of these activities without apparent

commensurate benefits. These communities have continuously complained about oil pollution, extreme poverty, high levels of youth unemployment, perceived discriminatory employment practices against locals by oil companies and socioeconomic marginalization (Obi, 2009) and as a response, in all / many of these communities, social movements have sprung up showing their discontent. Our model argues that collaboration can create significant mutual benefits for the actors in this relationship.

We assessed the timing of collaboration by collecting data on / asking when formal collaboration agreements such as GMOU and CTS were agreed between firms and host communities. For instance: "In 2005, Chevron Nigeria Limited (CNL) adopted the Global Memorandum of Understanding (GMoU) as a new approach to community engagement in the Niger Delta to improve local participation in determining the needs our programs should address" (Chevron Nigeria Limited, 2013)

### **4.3 Study 1 – Qualitative design**

#### **4.3.1 Initial purposive sampling**

We commenced the qualitative segment of this study by purposively selecting our sample to enable data collection and analysis. This led to a theoretical sampling of middle managers and social movements leaders based on the need to understand whether the interpersonal relationship between them can facilitate their collaboration. Adopting a grounded theory (Sbaraini, Carter, Evans and Blinkhorn, 2011) for this qualitative approach is necessary as the nuance of the trusting relationship and collaboration are not yet well known and understood.

The preliminary sample of 23 participants consisted of social movements (i.e. leaders of host communities) and middle managers of oil companies operating in the Niger Delta area in Nigeria. The middle managers were selected based on their earlier interactions during the course of activities from the author's work experience in the oil and gas industry. We used these initial set of 23 interviews to derive a deep exploratory knowledge of the concepts and variables. It also enhanced our insights into the themes impacting on the study by analyzing an array of exploratory interviews to provide a grounded understanding of the theoretical dynamics of the study. The interview outcomes were coded through the process of initial coding, focus coding, and theoretical coding. The outcomes of the grounded theory study enabled us to further refine and adapt the measurement instruments for the survey that gathered data for the quantitative study, by adapting questions to fit the definitions of the concepts and hypotheses from the perspectives of the social movements and firms' middle managers. This aided the interpretation/triangulation of findings from the empirical analyses.

Working with our reference persons, we contacted social movement leaders of specific host communities whose activities have impacted the operations of oil companies. The respondents were from the same communities where the responding firms' middle managers operated. All of the selected social movement leaders had experience with collaborations with oil companies and were also affected by the activities of the oil companies in their communities.

**4.3.1.1 Initial interviews:** We conducted in-depth interviews with a minimum duration of 45-minutes. Respondents were visited and interviewed in their own rural host communities in the Niger Delta. The initial participants from our three

visits were interviewed in places convenient to them such as community centers or the participant's home.

Two initial interview schedules were designed for each group of participants: (i) project managers and (ii) host community leaders. Interviews were semi-structured and based on the research questions. The semi-structured questions are shown in Tables 8 and 9. Interviews were mostly manually recorded, but in a few cases respondents allowed digital recording, which was later professionally transcribed. Since the research locations were remote, data collection was divided into two episodes to allow for intermittent data analysis. Project managers' interviews were done over a three-week period. We wrote memos throughout the conduct of the interviews. Data analysis took over one month, during which coding and memo writing occurred. During a second one-month period, visits were made to host communities to interview community leaders, again with memo-writing done during the data-collection period.

### **4.3.2 Data Analysis**

**4.3.2.1 Coding and the constant comparative method:** Coding connects data collection and the emergent theory that arises to explain the data (Charmaz, 2006). To better understand the interactions and dynamics going on in the data, we developed our coding systems in stages namely (i) initial coding, (ii) focus coding, and (iii) theoretical coding. During initial coding, we coded quickly and kept the codes close to the data while more central codes were identified as focus codes based on their importance in explaining the data. We also emphasized capturing actions by developing our codes using gerunds (Glaser, 1992; Charmaz, 2006; Sbaraini, Carter, Evans and Blinkhorn, 2011).

**4.3.2.2 Memo-writing:** Throughout the study, after each interview, we wrote memos to capture our thinking and made comparisons between data, cases, and codes in order to find similarities and differences in patterns. This was done to reflect on what was learned from the interviews. These memos contained the interviewer's impressions about the participants' experiences and the interviewer's reactions; they were also used to systematically question some of our pre-existing ideas in relation to what had been said in the interview. After a few interviews, the interviewer/ researcher also began making and recording comparisons among these memos.

**4.3.2.3 Focus coding:** We use focus coding to categorize the responses (Glaser and Strauss, 1967), and as a first attempt to sort the responses, we classified each of them into one or several higher-order categories through a recursive process (Sbaraini, Carter, Evans and Blinkhorn, 2011). We constantly reviewed the first-order categories how well they related to each other and to ensure that the categorizations discriminated well between collaborated and non-collaborating firms' middle managers and, also between early collaborators and late movers. This enabled us to develop a tentative model of the relationship or collaboration that existed between the oil companies and their host communities from the perspective of the project managers and community leaders.

**4.3.2.4 Evolution of theoretical sampling and interview questions:** Adopting the procedure as suggested by Sbaraini, Carter, Evans and Blinkhorn (2011) we developed a provisional model of the level of collaborative relationship. Important core focused codes were identified, including practical/financial, historical and philosophical dimensions of the process. We theoretically sampled participants

for the interviews in order to fully understand the process of implementing the protocols, the conditions and consequences of variation in the process.

We adjusted our interview questions based on the analysis we had already done from earlier interviews. Our interview schedule was modified to include questions about the preferences of youths. The social movement leaders' interview route was also modified by the analysis of the middle managers' data. We added new questions for the interviews to directly investigate "relationships" and how host communities took up firms' community policies in their dealings with the firms.

### **4.3.3 The exploratory study and quality assurance**

Following Sbaraini, Carter, Evans and Blinkhorn (2011), we adopted key quality assurance steps in alignment with grounded theory procedures and general principles of qualitative research in developing the quality of our study as highlighted below:

**4.3.3.1 During data collection:** All interview recordings were checked and reviewed. Specifically, the following steps were undertaken:

- i. We analyzed the interview transcripts as soon as possible after each round of interviews in each collaboration sampled. This allowed the process of theoretical sampling to occur.
- ii. Writing memos during each interview while being in the field allowed the researcher/ interviewer to capture initial ideas and make comparisons between participants' accounts. These memos assisted the researcher in comparing the responses, which enriched data analysis and guided further data collection.

- iii. We also, when necessary, contacted participants after the initial interview to clarify concepts.

#### **4.3.3.2 During data analysis:**

- i. Detailed analysis records were kept; which made it possible to write the explanatory portion of the analysis.
- ii. The use of the constant comparative method enabled the analysis to produce not just a description, but a model, in which more abstract concepts were related and the process was explained.
- iii. We had a common understanding of and supported analysis activities; a regular meeting with the interviewer was convened to discuss and contextualize emerging interpretations, introducing a wide range of disciplinary perspectives.

#### **4.3.3.3 Answering our research questions**

We used a detailed process of adapting the responses to assess the existing relationship between the parties and analyzed the variation in this process to determine if a different kind of relationship existed. Though we clearly had an idea of what to expect based on prior literature, the key insights came from the exploratory qualitative study and thus helped us to carve out the collaborative embeddedness framework. Important practical, philosophical and cultural elements, as well as the presence of a facilitator, were considered when developing the framework of the qualitative research design.

#### **4.4 Study 2 – Quantitative design**

Our quantitative method study used regression modeling (Harrell, 2015) to test our hypotheses that are framed around the development of trust and collaboration

between the parties. Specifically, for the second stage of our research, the quantitative analysis was based on data collected with a survey instrument that was administered to firms' middle managers and social movements leaders, supplemented with secondary data collected from company publications (e.g., corporate social responsibility reports).

#### **4.4.1 Sample and data**

Because the hypotheses were framed in terms of the collaboration between middle managers and social movement leaders along with several dimensions, our research model required data on middle managers, social movement leaders, their interactions as well as the various dimensions of their collaboration. Since the firms' middle managers and social movement leaders can be considered to perform the key boundary spanning roles for the firms and social movements respectively, the survey instruments are administered to them. Thus, while they provided their responses on behalf of their respective organizations, we capture as well the critical direct perspectives of the two parties immediately involved in the interaction and potential collaboration. The middle managers were selected from the population of oil and gas firms whose operations are in Nigeria based on existing connections. The choice of social movement leaders is based on the host communities in which the respondents' respective middle managers are executing projects. This was reconfirmed based on interviews and public information.

The research instrument is a structured questionnaire, conducted in English, which was sent to the middle managers through the online survey tool 'survey monkey' ([www.surveymonkey.com/home](http://www.surveymonkey.com/home)). The respondents completed

the questionnaire online. All the company-respondents had a high proficiency in English as their firms use English as their mode of communications. For the social movement leaders, a paper version of the questionnaire was distributed to them. We selected six research assistants who are familiar with the local environments to assist in the physical distribution of the questionnaires, and collection of completed responses. For the data collection procedure, participants received their questionnaires directly through survey monkey (for middle managers) or (hand delivered by research assistants) as paper copies (for social movements). We used three data sources namely: (1) questionnaires with firm middle managers and social movement leaders; (2) follow-up e-mails and phone calls; (3) archival data, including regulatory agencies' publications.

To increase generalizability and improve the likelihood that respondents from the firms and social movements had been in sufficient contact and engagement, we selected firms that have been in operations for not less than fifteen years in the Nigerian environment prior to the initial data collection. We directly contacted middle managers in each firm who are Project Managers and responsible for implementing firm strategy regarding these projects. Within the social movements, the common structure of leadership is usually made up of the chief of the community, chairman of the community development committee, youth leader of the community and women leader of the community. We adopted this structure in the distribution of questionnaires for each community in the sample population and tried to sample each of these four leaders in each of the host communities of our sample. The sample population of host communities was

made up of corresponding communities identified from the questionnaire responses of firms' middle managers.

We restricted our sample to middle managers, mainly project managers, who execute and operate projects located in oil and gas host communities as well as the leaders of these communities. Our final sample that we sent surveys to consisted of 218 participants, 58 of which are middle managers while 160 are social movement leaders. Because we received responses from 40 middle managers (out of the 58 sampled middle managers), we distributed questionnaires to only 160 social movement leaders (i.e., we sampled 4 social movement leaders per each middle manager who responded). Overall we received a total of 106 completed responses for a final response rate of 49% of respondents eligible and willing to participate (106/218). Of the 106 completed questionnaires received, 40 were from firms' middle managers (a response rate of 69%: 40/58) and 66 were from the host communities' leaders (response rate 41%: 66/160). We subsequently used data from 99 respondents as we excluded 7 responses (from 4 firms) which did not have any corresponding responses from social movements leaders. The usable middle manager data corresponds to a total of 5 distinct firms. In the design, we collected data for all variables from both the managers and social movement leaders, except for our 'switching costs' variable where we collected data from the social movement leaders only. We wanted to measure switching costs only from the perspective of the host communities as firms have less flexibility in switching their OML that are issued by the National government.

#### 4.4.2 Measures

The variables are operationalized at the interpersonal level as the relationship between the firm's middle managers and social movements leaders who are organizational actors acting on behalf of the firm and social movements respectively. Table 8 reports the details of the measurement items and Likert scales used to operationalize our constructs. Where available, we adopted measurement instruments from the extant literature while we developed new instruments to measure "repeated interaction" and "early collaboration". Some items were modified to reflect the specific context of the study.

In order to account for measurement error (reliability), multiple items were used to create a composite measure for each construct/variable in the statistical analysis. Using SPSS, we averaged the responses on the multiple items and used the mean composite score in the regression modeling. To assess one type of reliability, internal consistency, Cronbach alpha is reported in Table 8 for each construct. The internal consistency estimates of the measurement scales for the 7 variables (with multiple items), all exceed the recommended value of 0.70 (Zaheer, et al, 1998) except for the collaboration variable (0.58). The dependent variables are collaboration, performance (middle manager's perception of firm's performance on project completion, and social movement leader's assessment of firm performance in terms of community development), and switching costs. The independent variables are: (1) interpersonal trust, (2) repeated interaction, (3) collaboration entry timing and (4) early collaboration. The control variables are firm size and firm age.

#### **4.4.2.1 Collaboration**

We adopted Thomson, Perry and Miller's (2009) instrument for measuring collaboration. The 3 items focused on the element of "Norm" which is an aspect of collaboration that also measures the social capital dimensions of collaboration. We selected "Norm" due to its theoretical importance to this study as we consider it to be the dimension of collaboration that relates most closely to the concept of trust. Each item consists of a 7-point Likert scale (with response options ranging from 1 = Not at all, 4 = To a moderate extent, to 7 = To a very great extent). The reliability ( $\alpha$ ) of this scale is 0.582.

**4.4.2.2 Performance (from firm and SM perspective):** In an inter-organizational relationship that is significantly project-based, some key measures of performance include costs and completion time (Zaheer, McEvily and Perrone, 1998), while financial outcomes are obviously also very relevant and compelling indicators. In the oil and gas industry, the key performance drivers in project execution are mainly costs and completion time (i.e. ability to deliver projects within budget and timely respectively) as significant cost overruns and schedule delays on oil and gas projects have been of great concern for many companies (Chanmeka, Thomas, Caldas and Mulva, 2012). We measured performance in terms of two performance variables, expressing the perspective performance for the benefit of the firm and such for the benefit of the host community, respectively:

- (1) middle manager's perception of firm's performance on project completion and
- (2) social movement leader's assessment of firm performance in terms of community development. We measure each performance variable along two dimensions of costs and completion time for middle manager's perception of

firm's performance on project completion variable; and also the dimensions of benefits and delivery time for middle manager's perception of firm's performance on project completion variable. Each dimension is treated as a separate dependent variable. In measuring the performance variables, we operationalized the performance constructs using a two-item Likert scale reflecting the degree to which the firms' middle managers and social movements affect each other in terms of cost / timeliness of project execution or benefit / timeliness of developments accruing to the communities respectively. The rationale for this operationalization is that our theory suggests that a collaborative relationship reduces costs and increase the speed of delivery. The question asked how "Collaboration impacted project completion in fulfilling each of the following goals." The Likert scales ranged from 1 = Very negatively, 4 = Neutral, to 7 = Very positively.

**4.4.2.3 Interpersonal trust:** We adopted interpersonal trust level of analysis in evaluating the impact of trust on exchange performance (Zaheer, McEvily and Perrone, 1998). In measuring trust, we used the sum of the three dimensions of predictability (1 item), fairness (3 items), and a direct measure of interpersonal trust (1 item), as developed by Zaheer et al. (1998).

We operationalized the interpersonal trust construct using a 7-point Likert scale for 5-items reflecting the level of interpersonal trust between the firms' middle managers and social movements. The reliability ( $\alpha$ ) is 0.778 and the scales range between 1 = Strongly disagree, 4 = Neither agree nor disagree, to 7 = Strongly agree.

**4.4.2.4 Repeated Interaction:** We measure how often the firm's middle managers interact with social movement leaders, for example through phone calls, email, and meetings. The "repeated interaction" construct is operationalized with a straightforward question regarding the frequency of interactions, measured using a five-point scale as daily (+2), weekly (+1), monthly (0), quarterly (-1) and yearly (-2). It is expected that daily interactions between the actors will be more beneficial to both parties than annual interactions.

**4.4.2.5 Switching Costs:** To measure switching costs, we adopted the instrument used by Patterson and Smith (2003) who used a 19-item questionnaire. Our testing of this 19-item questionnaire indicated a reliability ( $\alpha$ ) of 0.882. We applied this instrument only in the questionnaires for social movements leaders. The rationale for the operationalization is that in the context of this study, switching costs are the costs or perceive loss that the host community will incur by refusing to support a specific oil and gas firm. The 7-point Likert scales range from 1 = Strongly disagree, 4 = Neither agree nor disagree, to 7 = Strongly agree.

**4.4.2.6 Early Collaboration:** In the oil and gas industry, the interactions between firms' middle managers and social movement leaders mostly occurred based on the oil and gas projects that the firms are executing in the host communities. We developed a one item question to assess on a 7-point Likert scale when (and if) firms' middle managers commenced collaboration during the life cycle of the project that is sited in the community of interest. The scales range from 1 = More than 2 years before project execution start, 4 = At project execution start, to 7 = More than 2 years after project execution start. In our analysis we consider

collaborations that started “before or at project start” as early collaboration. This a dummy variable that takes on the value of 1 if collaboration is before project start. While collaborations that started after the “start of project execution”, may be regarded as late collaboration. The timing of the collaborative actions of firm’s middle managers and their impact on firm performance are compared across firms. We used time as the differentiator to assess when firms’ middle managers started entry into collaboration with social movements leaders.

**4.4.2.7 Control variables:** To control for the effects of age and size we include in our regression models measures of firm size and age as control variables. We use the reported level of the oil and gas reserves and production volume as a measure of firm size. For the age of the firm, we considered the tenure of a firm in a specific region and we used the time since that year that a firm first obtained an oil prospecting license or and oil mining license as the beginning of that specific tenure in Nigeria. Older firms seem to be able to build local capabilities and contacts with greater flexibility in engaging social movements. We formed the natural logarithm of the raw data for firm’s size and age as continuous log variables in the regressions. The source of our data is the annual reports of the Department of Petroleum Resources which is the government agency that regulates oil and gas operations in Nigeria.

## Chapter 5

### RESULTS

#### 5.1 Qualitative findings

In deepening the understanding of our overall model, we compared managers' perspectives with the perspectives of the social movement leaders themselves. Social movement leaders were asked questions about what kind of services and expectations oil companies should provide and what social movement leaders valued with respect to the oil companies. In our interactions with the social movement leaders, some of them talked in very similar ways about benefits derived from oil companies which, however, differed greatly from the middle managers' view on community development and empowerment. While the middle managers were focused on infrastructural development, the social movement wanted more human capacity development that would enable the communities to be able to design and drive their own growth. This finding suggested to us that some deeply held assumptions within the oil companies may not be shared by host communities.

In this study, we found divergent perspectives with regards to how social movements are perceived by firms. A middle manager defined Social Movement as:

“Social entities with unique identities different from their individual entities and act as a pressure group or have a special interest in the specific social issue for a change or provide a state of quasi-equilibrium or disruption to an equilibrium state” (*Interview #MM10*).

And intriguing, Social Movements are seen negatively as:

“Disruptive element to operations. Sometimes as a social nuisance that is necessary to secure the freedom to operate [social license]” (*Interview #MM10*).

The outcome from our interaction with the firms’ middle managers seems to suggest that as the parties take a long-term perspective of their relationships, they work to improve their relationship over time and this leads to collaboration between them. In fact, we found that many firms encouraged social movements to see development as a long-term goal which can be achieved through sustained collaboration. For instance, a firm’s middle manager explained that they regularly remind social movements that they should:

“Know that it is not just benefitting today but whatever skill they develop could be [used] for the future [relationship]” (*Interview #MM1*).

The results from this study indicate that firms’ middle managers perceive that they are better able to get projects completed within planned costs and schedule when a trusted relationship exists between them and social movement leaders. Some firms’ middle managers, for instance, posited that:

“It [social movements] affects it [firm’s performance on project completion] a lot. A lot in the sense that when the relationship is not good there is increased or heightened agitation and the agitation leads to shutdown of activities, leading to more delays, and the schedule is [thrown] out of the window. For every schedule delay, there is associated cost, the schedule is not met, there is EOT (extension of time)” (*Interview #MM1*).

“These social movements [activism] have sometimes led to blockage of our operational site with the attendant cost losses (*Interview #MM7*), such as “reduced production and increased operating costs” (*Interview #MM9*).

We observed that firms are being pressured to regularly and speedily renew the programs that they use to collaborate with social movements, as a late renewal of these programs or non-renewal leads to a poor relationship between the parties. When this poor relationship occurs, the host communities are not too comfortable with the firms and unwilling to grant access and this, in turn, further negatively affects the trust between the organizations. Some of the social movement leaders, for example, stated that:

“Sincerely speaking, there is nothing to write home about from Company-X; to the extent, that Company-X organizes what they call GMOU trying to push the responsibility in terms of their own purview” (*Interview #SM1*).

“The four years’ duration has elapsed for the past two years and we are supposed to go for a new one [GMOU renewal] but nothing has been done. We have tried to call their attention but they’ve been giving us excuses” (*Interview #SM4*).

“Presently we are due for another MOU but they will not allow us to make the agreement because the former contractor has not completed his job which was included in the past MOU. It is their system [of operation]” (*Interview #SM2*)

Also, demands of the social movements are evolving. The initial perception was that social movements were clamouring for infrastructural developments in their host communities. Yet, we found that these social movements are now

demanding for more empowerment programs such as training, capacity building, and financial grants, in place of infrastructural development. The data suggest that these changing demands create challenges for firm's middle managers who have to coordinate their firms' efforts to live up to the new expectations of host communities. This was aptly highlighted by a middle manager:

“The agitation from the communities are now different, [as] they now have men [leaders] in place who don't see classrooms and roads as the things that help them because you build those things, good enough the children go to school. There are good roads to drive on, but that does not really empower their communities, nowadays they have graduated it to that they want to be empowered in the sense of actual training and development in the community where you can see enough unskilled workers developed into skilled workers where community people learn particular skills and actually exhibit these skills” (*Interview #MM1*).

In our analysis of the data, we had learned that “good relationship” between oil companies and host communities had a range of meanings. We also learned that in some cases new community policies, e.g. policies on human capital development, infrastructure, or job opportunities that restricted top management from being accessed by indigenes of host communities, increased discontent.

We also learned more about the barriers and problems middle managers encountered during the process of carrying out their operations in the host communities. We confirmed and enriched our understanding of middle managers' process of dealing with complex cases. However, there was a new, important,

unexpected finding in data on this collaboration. Middle managers talked about “unreliable” youths - that is, youths who acted the scripts of their leaders who preferred payments instead of youth empowerment. The youths refused to take up offers of training and empowerment because, in some instances, they were directed by their leaders to ask for direct cash from the firms rather than go for empowerment training that, from an empowerment or long term development perspective, may have been more beneficial to them.

### **5.1.1 *Trusted collaboration***

Collaborations between organizations enable the pooling of complementary resources and capabilities in order to seek innovative solutions to common problems and to achieve mutual advantages, for instance in the relationship between firms and non-profit organizations (Savage, Bunn, Gray, Xiao, Wang, Wilson and Williams, 2010). What emerges from our data is a seeming lack of willingness by some firms to collaborate and this has led to some social movements expressing their disappointments as their expectations are not being met. This may lead to a breakdown in relationship with the firms, and is clearly exemplified by a social movement leader’s remark:

“Our expectation is that they should give us a hospital so that we can take care of our health, then we can live longer. For example: look at my hands [deformed] now; I was not born with it, sometimes I feel ashamed and so many women are suffering from different kinds of illnesses; new diseases that we have not experienced before are now happening rapidly, [e.g.] miscarriages and asthma. How do you operate in such area and dump them without providing health facilities for them?” (*Interview #SM3*).

Restiveness among social movements is fuelled by a distrustful relationship between firms (represented by their middle managers) and social movement leaders. The discontent is aptly stated by a social movement leader:

“We have electricity, roads, footbridge, and town hall, and health Centre that are not functional ... no doctors and nurses, just equipment. We also have road networks that have not been completed, too” (Interview #SM2).

Our data indicate that social movement leaders appear to be unhappy with some oil firms (represented by middle managers) that operate in their communities as the expected benefits (e.g. poverty reduction, pollution control) are not being delivered. They alleged that some of the firms are not keeping their promises regarding the long term needs of the social movements and thus they cannot be trusted. As a social movement leader explained:

“Nothing much from firms operating in the area. Very high expectations, employment opportunities, that those into contracts will do contracts with them, the community will benefit. All these things are just a mirage, all the expectations have not been met” (Interview #SM1).

Social movement leaders also indicated that they want to get real benefits from the resources being generated by the firms within the host communities. When promises by middle managers, as the firm's representatives, are not kept, social movement leaders begin to think of reducing their support to the firm. We therefore tend to see that the ability of firms' middle managers to maintain a trusting relationship by honouring agreements is an important ingredient in building a collaborative relationship. When such a relationship is absent, discontented voices arise from the social movement leaders, for example:

“They [firms] carry out a project and leave the maintenance to us and most times they just abandon the projects half way without minding its effect on the people” (Interview #SM4).

“As I am talking to you here, we don’t have light but we have a plant that can generate enough light here. We also fill our domestic gas at a very costly prize, but we have them flowing and polluting our air with their gas. It is really terrible and it has reached a point in which we can no longer bear” (Interview #SM7).

Firm’s middle managers indicated that they have adopted different mechanisms in their collaboration with social movement leaders in order to achieve a high level of performance in project execution. In offering job opportunities and youth empowerment in their collaboration with social movement leaders, a firm’s middle manager explained this collaborative mechanism as thus:

“In subletting these jobs, the agreement is that the youths would be engaged to execute those jobs under their leadership, too. By so doing the leadership know what has been agreed and it is transparent enough for the youths to know where they come in and then the payments when they come because they have been engaged they are financially empowered” (Interview #MM1).

Our data shows that social movements want to collaborate with the firms as they expect to benefit from the relationship in the form of employment opportunities, empowerment programs, and provision of facilities in the firms’ areas of operation. What we observe is that good relationships tend to reduce agitations by the social movements leading to higher level of strategy execution. The middle

managers acknowledged that trusted relationships have always produced good results, such as keeping the cost of project execution within budget and reducing project shut-downs. Additionally, statements by some of the middle managers interviewed support the view that a collaborative relationship with social movement leaders improves firms' project performance. Specifically, they highlighted the improvement to include:

“The frequency of stoppages by the community is reduced” (Interview #MM7). “You will be allowed freedom to operate [social license]” (Interview #MM8). “Early project execution and right cost” (Interview #MM10).

On the other hand, our data also suggests that poor collaboration with social movement leaders leads to uncooperative relationship between the parties. An example for this is provided by a social movement leader who stated:

“Do you know that [the firm] has a flow station, gas plant, associated gas gathering plant in our community but no person from this community is working in their firm either as a staff or a contract staff? Now we have up to 25 graduates who studied engineering because initially, they said that we don't have graduates” (*Interview #SM7*).

While some social movement leaders expressed the discontents of host communities as:

“Before now, when we have this GMOU, they [firms] would come and make promises of employment opportunities, erecting a cottage hospital, pipe borne water, roads and even loans/ empowerment programs but we have not gotten any of these from them” (*Interview #SM7*).

And this discontent has impacted the operations of the firm as explained by a middle manager:

“Social movement [activism] by host communities disrupts [production] activities [of the firm] thereby resulting in reduced production and increased operational cost” (Interview #MM5).

In general, managers commit a considerable amount of time and energy to develop personal ties with external actors to enable their firms to achieve sustainable competitive advantage (Peng and Luo, 2000). However, when the relationship is not cordial, there is increased discontent from social movement leaders which leads to delays in project schedules and unexpected cost increases for the firms. As a middle manager suggested:

“When the relationship is not good there is increased or heightened agitation and the agitation leads to shut down of firm’s activities, leading to more delays, and the schedule is out of the window. For every schedule delay, there is associated cost, the schedule is not met, there is an extension of time” (*Interview #MM1*).

We tend to see that as a representative of a firm, the middle manager gains an advantage for the firm by leveraging on close and strong ties with social movement leaders to obtain insights and by being able to resolve issues/problems that may arise within the relationship. A middle manager explained that a close and trusted relationship is built by:

“Sensitizing the communities, we [the firm] would be going into. We will talk with the leaders and the youth and now say what their pressing needs are. For instance, in B Community, we have pressing needs

[demands] by the elders, we have by the youths, where they have employment [issues], we have the women where they organize microcredit scheme and other schemes for them [social movement]”  
(*Interview #MM1*).

### **5.1.2 Switching costs**

A common theme that emerged from the data is that to sustain a first mover advantage, firms' middle managers need to be committed to longer-term collaboration with social movement leaders in order to increase switching costs. One of the interviewed middle managers strongly suggested that early collaboration improved project performance and remarked that:

“We did not really have any shut down as far as the facility is concerned and because we have done an upfront collaboration with the communities. To say we will provide the jobs, the percentage was respected and all the jobs we promised to provide we provided, that is why we had all that and our schedules were met” (*Interview #MM1*).

We find that collaborative relationships enable early-mover firms to continuously secure the support of social movements and minimize the incidence of social movements switching from fully supporting the firm to a situation of not supporting the firm. Also, it appears that social movement leaders' perception of a positive identification with the firms' middle managers, as opposed to an uncertain result of withdrawing support, may lead to avoidance of switching costs in terms of “the psychological discomfort of terminating a friendly and comfortable interpersonal relationship” (Patterson and Smith, 2003: 109).

The fear of loss of benefits tends to make some of the social movement leaders want to continue their relationship with the middle managers even though their expectations are not fully met. Examples of some benefits and values that social movement leaders have stated that they do not want to lose are:

“(1) We believe that working with them [firms’ middle managers], we can earn a living and as an oil producing community, we believe that they can develop us. Developments, such as road network that will interlink the entire community, electricity, pipe-borne water and other social amenities (*Interview #SM2*),

(2) The allowance paid monthly for maintenance and the six classrooms school building that is in progress will be brought to a stop if collaboration is ended (*Interview #SM3*),

(3) The little privileges they gave to us like the concrete roads, laboratory, primary school building, and electricity may also be stopped (*Interview #SM3*).

(4) The projects that have been abandoned will not be completed like the Health Centre, the water scheme and the 1.16km road” (*Interview #SM4*).

The GMoU and CTS as unique social products (agreements) are part of the emerging partnership mechanisms between firms and social movements. The ‘customization’ of key agreements and operating procedures by early mover firms in their collaborative relationship with social movements should create entry barriers for the second-movers. As an example, firms which are late collaborators with a community will be asked by the communities to pay higher costs for the

'social license' to operate. For instance, one middle manager explained that as a late collaborator the firm:

"Is forced to pay, even when these delays are there, you end up still spending more not only for the contractor but also for the community"  
(*Interview #MM1*).

### **5.1.3 Early collaboration performance (or: Performance of early collaborators)**

We observe that in some cases where there is a breakdown of the relationship between the firm and host community, a disappointed social movement escalates the situation to a level where the government needs to step in and reassign or halt a license. Thus the firm faces a real threat of losing their oil mining license which may be reissued to another firm. For instance, because of the crisis between Shell and the Ogoni in the early 1990s (Eweje, 2006), Shell was forced to halt production and has not re-entered the area till today. However, apart from the host communities losing benefits if they stop supporting firms, some of the investments already in the host community may be subject to the firms' proprietary rights, and may also have high operational and maintenance costs which may likely be a burden on the communities in case the firm 'exits' from the collaboration.

Furthermore, the literature suggests that early mover firms may adopt credible commitment pre-emptive strategies to deter later entrants, for instance by honing a reputation for being a consistent aggressor or by making an irrevocable investment (Lee and NG, 2007). We tend to see similar occurrences in the communities we studied, as, for instance, firms who had made early

significant investments in the provision of electricity to certain communities have created an interdependence between themselves and these communities.

The qualitative data indicate that prior experience, acquired by firms' middle managers from early collaboration with social movement leaders is important in obtaining and sustaining early-mover advantage. This was further explained by a middle manager who stated that:

“The beauty of about being early collaborator is that you try and set the pace” (*Interview #MM1*).

Considering the benefits for the firm, a middle manager interviewed strongly suggested that early collaboration improves project performance through:

“Elimination of project delays and standby charges” (*Interview #MM7*).

To maintain their advantages from early collaboration with social movements, early-mover firms' middle managers develop trusted relationship with social movement leaders where all parties have a clear understanding of their responsibilities and they keep their promises, as one middle manager suggested:

“To maintain this, you must have all the parties, committed to work this twenty to twenty-five years, whereby they [social movements] know what has been agreed, they follow it from the construction phase, then still carry it on for the operate phase, all the things that have been agreed” (*Interview #MM1*).

## **5.2 Quantitative findings**

**5.2.1 Missing data and randomness of item non-response:** The sample size for all variables relating to middle managers of firms is  $N = 33$ , while the sample

size for variables relating to social movement leaders is  $N = 66$ . The data were screened for missing items and violation of assumptions prior to analysis. We observed some missing data due to some item non-response as some respondents only give information for some of the items. To address the missing data issue due to item non-response, we checked for the randomness of the missing values by evaluating if (1) the missing data reflects a systematic rather than random pattern (missing at random) or (2) the missing values are randomly distributed across all observations (missing completely at random). We adopted this two-stage approach by using the Little's MCAR test which is the most common test for missing cases being missing completely at random (MCAR). The percentage of total missing values is 2.3%. Overall, the result of the test displayed a significant Little's MCAR test for all variables excluding switching costs:  $\chi^2 (201.389) = 134, p < 0.001$ ; and for switching costs:  $\chi^2 (136.487) = 88, p = 0.001$  suggesting that the data were not missing completely at random. As the data are not MCAR, we used the expectation maximisation (EM) method to impute values to replace missing values to preserve the cases for analysis and this provides unbiased parameter estimates and improves the statistical power of analyses (Little, 1988). EM estimation depends on the assumption that the pattern of missing data is related to the observed data only (This condition is called missing at random, or MAR.) This assumption allows estimates to be adjusted using available information.

**5.2.2 Testing the Assumptions:** The robustness of the data was checked by testing the linear regression assumptions of continuous variables, linearity, normality, homoscedasticity, independence of observation and no significant

outliers resulting in the assumption being met. The predictor and outcome variables in the study are treated as continuous variables. Random normally distributed errors, homoscedasticity, and linearity: The histogram of standardized residuals indicated that the data contained approximately normally distributed errors, as did the normal P-P plot of standardized residuals, which showed points that were not completely on the line, but close. The scatterplot of standardized predicted values showed that the data met the assumptions of homoscedasticity and linearity.

An analysis of standardized residuals of the independent variables against the relevant dependent variables was carried out, which showed that the data contained no outliers (Std. Residuals within the range of -3.29 and +3.29). For the independence errors evaluation, a relatively random display of points in the scatterplot of standardized residuals against values of the independent variable provided evidence of independence. Also, the Durbin-Watson statistic was computed to further evaluate the independence of errors and the outcomes were mostly considered acceptable. These suggested that the assumption of independent errors have been met.

**5.2.3 Analysis and Results:** Table 1 and 2 provide descriptive statistics of the sample and the correlations among the major variables in this study. The relationship between interpersonal trust and switching costs was positively significant ( $r = 0.362$ ,  $p < 0.01$ ); and, also interpersonal trust with middle manager's perception of project completion (timing) and middle manager's perception of project completion (costs) were positive ( $r = 0.045$ ;  $r = 0.087$  respectively), while interpersonal trust with social movement leader's assessment

of community development (timing) and social movement leader's assessment of community development (benefits) were positively significant ( $r = 0.262$ ,  $p < 0.05$ ;  $r = 0.252$ ,  $p < 0.05$  respectively).

The relationship of collaboration also with middle manager's perception of project completion (timing) and middle manager's perception of project completion (costs) were significantly positive ( $r = 0.378$ ,  $p < 0.05$ ;  $r = 0.462$ ,  $p < 0.01$  respectively), while collaboration with social movement leader's assessment of community development (timing) and social movement leader's assessment of community development (benefits) were positively significant ( $r = 0.372$ ,  $p < 0.01$ ;  $r = 0.314$ ,  $p < 0.05$  respectively).

Repeated interaction was positively related to middle manager's perception of project completion (timing) and middle manager's perception of project completion (costs) ( $r = 0.190$ ;  $0.232$  respectively), while repeated interaction was negatively related to social movement leader's assessment of community development (timing) and social movement leader's assessment of community development (benefits) ( $r = -0.116$ ;  $r = -0.131$  respectively).

Also the relationship of early collaboration with middle manager's perception of project completion (timing) and middle manager's perception of project completion (costs) was positive ( $r = 0.101$ ;  $0.113$  respectively), while relationship of early collaboration with social movement leader's assessment of community development (timing) and social movement leader's assessment of community development (benefits) was positively significant ( $r = 0.378$ ,  $p < 0.05$ ) and positive ( $r = 0.171$ ) respectively.

The control variables (firm size and firm age) were not significantly related with any of the variables associated with middle managers. However firm size and firm age as control variables were negatively significant with social movement associated variables of collaboration and repeated interaction ( $r = -0.400, p < 0.01$ ;  $r = -0.287, p < 0.05$  respectively).

Tables 3, 4, 5, 6, and 7 provide results for all models using regression analysis (reported with regression coefficients and standard errors). The variables reflecting the hypothesized effects were entered into the regression individually and  $R^2$  with F tests are reported for all models. Models 1, and 5 (in Tables 3 and 4), Models 1, 3, 5, and 7 (in Table 5), and Models 1,3, 5 (in Table 6) present the base models with firm size and firm age as the control variables. In Table 3, the Interpersonal trust variable is included in Models 2, 4, 6, and 8, while the collaboration variable is included in Models 3, 4, 7, and 8. Also in Table 4, the interpersonal trust variable is included in Models 2, 4, 6, and 8, while collaboration is included in Models 3, 4, 7, and 8. And in Table 5, Models 2, 4, 6 and 8 included the early collaboration variable. In Table 6, Models 2, and 4 include the repeated interaction variable, while Model 6 included interpersonal trust variable. In Table 7, Models 2 and 4 included interpersonal trust variable. The full model is used to assess the results of the hypothesis tests. To test Hypotheses 1a, 1b, 2a, 2b, 3a, 3b, 4, 5a, and 5b, we conducted regression analyses.

In Hypothesis 1a, we predicted a positive relationship between interpersonal trust and middle manager's perception of project completion costs as well as middle manager's perception of project completion timing. The

regression results are presented in Table 3, where trust as an IV is included in Models 2 and 4 for middle manager's perception of project completion cost, and in Models 6 and 8 for middle manager's perception of project completion timing as dependent variables. The regression coefficients for our interpersonal trust variable, while consistently positive, failed to reach significance in all models. Accordingly, our results suggest that an increase in the individual levels of interpersonal trust does not have a significant effect on middle manager's perception of project completion costs or timing and Hypothesis 1a was thus not supported.

In Hypothesis 1b, we predicted a positive relationship between interpersonal trust and social movement leader's assessment of community development benefits and timing. The regression results are presented in Table 4, where trust as an IV is included in Models 2 and 4 for social movement leader's assessment of community development benefits and in Models 6 and 8 for social movement leader's assessment of community development timing as the dependent variables. The regression coefficients for our interpersonal trust variable were significantly positive in all models though when collaboration variable was added in Models 4 and 8, interpersonal trust variable remained positive (and not significant). Accordingly, we find weak evidence for our suggestion that an increase in the individual levels of interpersonal trust has a significant effect on the levels of for social movement leader's assessment of community development benefits or timing and we consider Hypothesis 1b to be weakly supported.

In Hypothesis 2a, we predicted a positive relationship between collaboration and middle manager's perception of project completion costs and timing. The regression results are presented in Table 3, where collaboration as an IV is included in Models 3 and 4 for middle manager's perception of project completion costs and Models 7 and 8 for middle manager's perception of project completion timing as the dependent variables. The regression coefficients for our collaboration variable were significantly positive in all models including when the interpersonal trust variable was added in Models 4 and 8. Accordingly, our results suggest that an increase in the individual levels of collaboration has a significant effect on the levels of middle manager's perception of project completion costs as well as timing and Hypothesis 2a was thus supported.

In Hypothesis 2b, we predicted a positive relationship between collaboration and social movement leader's assessment of community development benefits and timing. The regression results are presented in Table 4, where collaboration as an IV is included in Models 3 and 4 for social movement leader's assessment of community development benefits and timing, respectively, as the dependent variables. The regression coefficients for our collaboration variable were significantly positive in all models including when interpersonal variable was added in Models 4 and 8. Accordingly, our results suggest that an increase in the individual levels of collaboration has a significant effect on the levels of for social movement leader's assessment of community development benefits or timing and Hypothesis 2b was thus supported.

In Hypothesis 3a, we predicted a positive relationship between repeated interaction and the middle manager's perception of interpersonal trust. The

regression results are presented in Table 6, where repeated interaction as an IV is included in Model 2 for interpersonal trust (MM perception] as the dependent variable. The regression coefficients for our repeated interaction variable, while in the predicted positive direction, failed to reach significance in the model. Accordingly, our results suggest that an increase in the individual levels of repeated interaction does not have a significant effect on the levels of interpersonal trust (MM perception) and Hypothesis 3a was thus not supported.

In Hypothesis 3b, we predicted a positive relationship between repeated interaction and interpersonal trust in the assessment of social movement leaders. The regression results are presented in Table 6, where repeated interaction as an IV is included in Model 4 for interpersonal trust as the dependent variable. The regression coefficients for our repeated interaction variable was positively significant. Accordingly, our results suggest that an increase in the individual levels of repeated interaction has a significant effect on the levels of interpersonal trust (SM assessment) and Hypothesis 3b was thus supported.

In Hypothesis 4, we predicted a positive relationship between interpersonal trust and switching costs. The regression results are presented in Table 6, where interpersonal trust (as perceived by SM) as an IV is included in Model 6 for switching costs as the dependent variable. The regression coefficients (for our interpersonal trust variable was positively significant. Accordingly, our results suggest that an increase in the individual levels of interpersonal trust has a significant effect on the levels of switching costs and Hypothesis 4 was thus supported.

In Hypothesis 5a, we predicted a positive relationship between early collaboration and middle manager's perception of project completion costs and timing. The regression results are presented in Table 5, where early collaboration as an IV is included in Models 2 and 4 for middle manager's perception of project completion (costs) and middle manager's perception of project completion (timing) respectively as the dependent variables. The regression coefficients for our early collaboration variable, while consistently positive, failed to reach significance in all models. Accordingly, our results suggest that an increase in the individual levels of early collaboration does not have a significant effect on the levels of middle manager's perception of project completion costs or timing and Hypothesis 5a was thus not supported.

In Hypothesis 5b, we predicted a positive relationship between early collaboration and social movement leader's assessment of community development benefits and social movement leader's assessment of community development timing. The regression results are presented in Table 5, where early collaboration as an IV is included in Models 6 and 8 for social movement leader's assessment of community development benefits and social movement leader's assessment of community development timing respectively as the dependent variables. The regression coefficients for our early collaboration variable, while in the predicted direction, failed to reach significance for the model for the social movement leader's assessment of community development benefits, however it was positively significant for the model for social movement leader's assessment of community development timing. Accordingly, our results suggest that an increase in the individual levels of early collaboration does not have a significant

effect on the levels of for social movement leader's assessment of community development benefits, while it has a significant effect on social movement leader's assessment of community development timing and Hypothesis 5b was thus partly supported.

## Chapter 6

### DISCUSSION AND CONCLUSION

#### 6.1 Embeddedness

This study examined the interaction between firms and social movements in a specific setting where the extractive nature of the business (oil and gas exploration) has significantly negative externalities for local communities, and where the latter also share a relatively low level of development. We show that a collaborative approach between firms and local communities appears to be more beneficial than a confrontational stance between the two parties, as collaboration provides communities with benefits and firms with a social license to operate. We furthermore show that the critical role of boundary spanning between firms and communities falls to firm middle managers and social movement leaders. Going further, this research has explored how close ties between the parties are embedded in the collaboration process, using the antecedents of trust to enhance the firm's performance and address the needs of social movements. The results suggest that there is an asymmetry in the trusting relationship between the parties. For the social movement leaders, interpersonal trust seems important while for the firms' middle managers, interpersonal trust is not deemed important. However interpersonal trust seems to be most important for switching costs.

Zaheer, McEvily and Perrone, (1998:142) stated that "in an actual exchange relationship, the role of individual boundary spanners, acting on behalf of their organizations, has an important influence on the interfirm exchange. Our study indicates that the actions that firm middle managers and social movement leaders take in their relationship impact the strategy implementation of the firm and the

development of the host communities. Going further, the middle managers that we interviewed for this study (as well as our empirical results) indicate that collaborative relationships with social movement leaders are beneficial to the firms' strategy performance. We therefore argue that middle managers and social movement leaders become the conduit through which firms and host communities engage each other.

Building trust into the relationship and being committed will tend to encourage all parties to make efforts to fulfill their relational expectations. The results indicated that collaboration is key in the relationship between parties, however, our quantitative results only delivered weak support for the role of interpersonal trust, questioning the true importance of interpersonal trust in the collaborative relationship? Yet, since at least the social movement leaders appear to value trusted relationships, middle managers may be well advised to take actions that will enhance interpersonal trust such as keeping their promises. The qualitative results indicated that social movements leaders are unhappy when there are delays in the delivery of community development projects by some firms and such acts are regarded as breach of trust. Social movement leaders are not only interested in the receipts of community development benefits but the timing of the receipt of community project is also very important.

Prior research in the "boundary-spanning literature has indicated the importance of boundary spanning individuals in managing the interfirm relationship" (Zaheer, et al., 1998: 155). In this paper, we have examined trust-based collaboration to explain collaborative embeddedness based on the connection between trust, collaboration, and performance. We have also

explicated the link between trust and switching costs, and the impact of early collaboration on the early-mover advantage. Our results broadly support the thesis that trust in relational exchange influences collaboration (see also the regression results in Table 7), performance and switching costs, and that early collaboration leads to early-mover advantage. Firm's middle managers indicated that engaging in upfront collaboration at the planning stage of a project before mobilization to the site is essential.

Our interactions with social movement leaders have further indicated that 'walking the talk and keeping promises' are necessary key ingredients in building a trusted relationship. Such a relationship, when embedded in a collaboration process, enhances the ties between parties and increases their mutual benefits. Within our empirical setting, we have equated benefits on the firm side with a decrease or absence of disruption to the production of oil and gas in an emerging economy such as Nigeria. This is expected to have a positive impact on the level of strategy implementation by firms.

Moreover, we contend that the actions that middle managers undertake in response to discontent shown by the social movements can set standards that spread more broadly through the external domain with social and business related impacts. As actors, firms' middle managers and social movement leaders can establish close ties that span over different points time and space and this will enable them to pursue broad goals with mutual benefits to the society. We also examined the extent to which collaborative embeddedness is contingent on the embedding of trust in the ties between the parties. The results further indicate that managerial ties with social movement leaders are an important source of

resources, information, and learning that are used to enhance strategy implementation and create early-mover advantages. Social movement leaders in Nigeria seem to act as social bridges between the firm and the larger community by spreading information and providing access to resources such as access to work sites and protection of facilities.

Hill (2000) pointed out that effective managers consider those on whom they are dependent on as potential allies, even when they may, at first, appear to be adversaries. We then suggest that when there is a joint problem-solving arrangement between firms and social movements, firms' middle managers can utilize their closeness with social movement leaders, which many companies perceive as adversaries, to have a deeper understanding of the cognitive and cultural mechanisms of the host communities and then seek how to explore this knowledge to their advantage. When promises made by the parties are met, then the resultant collaborative relationship should create mutual benefits. However, if any of the parties seem not to derive value from the collaboration, there will be complaints and distrust in the relationship. A cross-section of the social movement leaders, for instance, expressed that:

“Company-Y has not built any school for us but we need schools because presently, the condition of our primary school is too bad” (*Interview #SM2*).

“The worst thing they have done to us is that the access road to their facility in our community is being channeled through other areas yet we have no community roads” (*Interview #SM4*).

“They will just come make promises or speak long verses [long speeches] but at the point of implementation, it will be zero [non-implementation]”  
(*Interview #SM7*).

Firms' middle managers and social movements as representatives of their organizations, cross the boundaries of their organizations to secure the collaboration of the counterpart over whom they have no authority. Williams, (2007:615) similarly discussed how “professionals working on inter-organizational projects must traverse organizational boundaries to secure the cooperation of people over whom they have no hierarchical control”. As middle managers and social movement leaders engage each other, we see that interpersonal trust is a key mechanism that drives their collaborative relationship towards achieving mutual benefits for their organizations (reference regression results in Table 7). Williams (2007: 595) suggested that “the ability of knowledge workers to develop interpersonal trust across organizational boundaries has become increasingly critical”. The results indicated that interpersonal trust is not significantly impactful on middle managers' perception of firm performance except on collaboration and creating switching costs which makes the local communities dependent on the firms for community development.

Opportunistic behaviour is presumed to be excluded in a trusted relationship with organizational actors (Zaheer, McEvily and Perrone, 1998; Uzzi, 1997). Thus, we assume that the both the firms' middle managers and social movement leaders will be rational in their decisions on their collaborative relationship.

## 6.2 Early-mover Advantage

One of the middle manager interviewed indicated that as the firm engages in early collaboration, the firm shares organizational learning with the social movement, for example, technical competence in the area of equipment transportation. The social movement (local community) was then able to leverage on this knowledge and deliver fabricated modules to work sites within schedule. Lee and NG (2007) suggested that a 'pre-emptive' strategy aims to dissuade the entry of potential rivals from occurring by creating barriers that give the existing firm a competitive advantage as laggard firms may have to expend additional resources as entry costs. Thus, a new entry may be discouraged where entry costs are significantly high. Our interviews with middle managers confirm our understanding that early collaboration with social movement leaders enables firms to implement their strategies at lower costs and/or ahead of schedule as compared to laggard firms.

As one middle manager puts it:

“You do not spend unnecessary money and you do not have cost escalation due to the extension of time, and then you have the peace of mind to execute the job when people actually come to do the jobs. There are no delays,” (*Interview #MM3*)

This firm's middle manager also laughed off laggard firms, as these are regarded as just doing catch-up in the same region they are operating. In this study, we find that firms over the years have used different mechanisms to collaborate with social movements and some of the early mover firms have become leaders in building a relationship using GMOU, CTS, youth empowerment and community projects. For example, as one middle manager puts it:

“The [social movement] leadership is empowered, the youths are empowered in their own sphere and this has helped a lot” (*Interview #MM1*).

Firms that collaborate early are able to deliver on projects faster than the competitors at the same costs or even lower cost. By collaborating early, the early-mover firm may be well-timed to hire high-quality local labour and latch onto good local contractors available in the region. Also, by developing a good network of contacts, the firm may incur fewer costs in engaging with host communities. Hawk, Pacheco-De-Almeida, and Yeung, (2013: 3) stated that a firm that has greater speed has a higher probability of getting a good site, hiring high-quality employees available in the market, locking up good suppliers, and obtaining a customer base yet unclaimed by competitors. The regressions failed to show significant results for the relationship between early collaboration and performance. In our interview with the social movement leaders, they have complained that in their engagements with firms' middle managers, the middle managers did not keep the promises they made on behalf of the firm. These failures of keeping promises may have led to early collaborations not having positive impacts on perceptions of performance. However, our results do show that interpersonal trust and switching costs are significantly related and it is this element of first mover advantage that is empirically supported.

### **6.3 Implications for theory and research**

Shrader (2001:46) contends that “despite the benefits and increasing popularity of collaboration, empirical evidence indicates a surprisingly high level of managerial dissatisfaction with interfirm collaboration”. We may argue that

previous research on collaborations likely lacked interpersonal trust between the organizational actors such as firm middle managers and social movement leaders. Our study enables firms' middle managers to improve their knowledge of the collaborative embeddedness process. We suggest that research be done to develop a collaboration framework that provides insights on the following: (i) attributes of collaboration and what collaboration really means for each firm and social movements, (ii) consequences of not collaborating, (iii) capabilities of the firm that are critical for driving the collaboration and performance, and (iv) also how to build trust with pressure groups.

Our work also supports the view that strategy implementation is effectively led by firms' middle managers (Raes, Glunk, Roe and Uni, 2011; Floyd and Wooldridge, 1992; Reid, 1989), which we see even more so when firms' middle managers interface with social movement leaders, as further asserted by a firm's middle manager who stated that:

“In the implementation of the policies by the middle managers; they are the actual persons who go to the actual sites to make sure these things happen. So, the communities actually talk to the middle managers in case the communities have problems. They are the bridge between the communities and the senior managers” (Interview #MM1).

Social movements are an emergent and increasingly important challenge to firms' performance and we argue that middle managers are the key conduit in these relationships. Our study raises the importance of the role of firms' middle managers. To sustain the advantage arising from collaboration between firm's middle managers and social movement leaders, there is a need for a broader

understanding of how the collaborative relationship can be continuously nurtured especially within different collaborative contexts that middle managers may operate in. It may be beneficial for firms' if a framework of pre-emptive strategies is developed for the industries that witness more social movements' activism.

Our semi-structured interviews and the use of exploratory study have allowed us to derive some first insights into the complex interactions between firms' middle managers and social movement leaders. In an expanded study, a larger database could be developed with a structured questionnaire administered to a larger number of firms and social movements. This will allow for statistical methods like structural equation modeling to be applied to support additional rigorous testing of the hypotheses.

#### **6.4 Implications for measurement**

Scholars have also indicated that there have been limitations in the choice of research methods for the empirical review of first-mover advantage. These are due mainly to lack of uniformity in the definition of the dependent variables, biased sample selection, and control variables (Suarez and Lanzolla, 2007; Ramanujam and Venkatraman, 1984; Szymansky, Troy, and Bharadwaj, 1995). Despite these methodological inconsistencies, researchers have been able to rely on the works of Suarez and Lanzolla (2007); Kalyanaram, Robinson, and Urban (1995), and Lieberman and Montgomery (1988) which have provided some emerging common patterns and markers such as: (1) first-mover advantage seems to be associated with specific industry characteristics, (2) first-mover advantage tends to be observed mainly in the form of a higher market share, and (3) the longer the lead time to competitive entry, the higher the likelihood of achieving a first-

mover advantage, although this probability dissipates over time (Suarez and Lanzolla, 2007). We extended the use of the first-mover advantage measures to assess the impacts of early collaboration on performance.

### **6.5 Implications for managers**

This study has significant implications for management practice with regards to collaboration and entry timing strategy. The central concern for the firm is how to maintain the quality of the relationship with social movements over time (through collaboration and trust) while recognizing that some firms have a better relationship due to early-mover advantage. One of the middle managers we have interviewed highlighted that collaboration is beneficial to the parties in the relationship, as it leads to strong sense of purpose, access to a diversity of thoughts and ideas, faster solutions to complex problems, better business performance. A key implication tends to be that middle managers who lag behind in collaborating early with social movements will not secure the benefit of early-mover advantage for their firms and thus, will have a lower level of strategy performance.

Our results suggest that middle managers can continue to improve their collaboration with social movement leaders through making efforts to build trust into their relationship. This can be enhanced by showing interest in the challenges facing the other party, recognizing the importance of walking the talk, regularly asking for feedback, and avoiding the blame game by taking responsibilities for failures that may arise in the relationship. An implication of this study is also that poor collaboration adversely impacts on the parties' ability to discuss issues freely, and thus, middle managers will not be able to understand or anticipate the

needs and interests of social movement leaders. This means that as grievances and agitations heighten, the parties will find it difficult to develop workable compromises and meaningful solutions designed to aid the attainment of mutual benefits when the level of collaborative embeddedness is low.

We suggest that firms' middle managers can move towards building an enduring collaborative relationship with social movement leaders by first having the right mindset that the synergy from collaborating together will achieve more than when the individual parties work alone. This study further posits that collaboration capability should be made a key managerial attribute. The focus should be on the building of the collaboration process, which should include: (i) creating competitive advantage through strong collaborative relationship, (ii) building mutual beneficial solutions for the parties, (iii) working across interfaces with speed and simplicity, (iv) embracing diversity in pursuit of sometimes divergent goals, and (v) influencing decisions without having formal authority over the other party.

In conclusion, we have attempted in this study to provide a deeper understanding of the phenomenon of social movements, their impacts on the firms, and how middle managers on behalf of the firm can collaborate with social movement leaders to create mutual benefits in the form of higher rate of strategy execution, early-mover advantages for the firm and higher level of satisfaction for social movements.

## **6.6 Limitations and future research**

Due to the confidentiality and sensitivity of organizations' documents and information, we had to obtain the consent of the firms before contacting the

middle managers and this limited access to some firms' middle managers. Also, we do not have data on top management and social movements interactions to rule out that these play a role.

With regards to performance measurement, researchers often times encounter difficulties in deriving objective measures of a firm's performance especially in multinational companies as business unit performance data are 'inextricably interwoven with corporate-wide data' (Dess and Robinson, 1984). We faced the same problem in our study and therefore resorted to self-reporting of performance measures by our respondents.

In terms of embeddedness, we focused less on structural embeddedness and networks. We relied more on cognitive and cultural embeddedness and relational embeddedness. We also considered early-mover advantages while excluding slow-mover advantages in the study. It is imperative for future research to help in the understanding of how collaborative interactions with social movement can become a strategic asset for firms. Despite the recognition of the importance of switching costs and the wide variety of situations in which they may arise (Gomez and Maicas, 2011), we argue that the literature on switching costs appears to be more focused on market operations with less focus on non-market environments. While early collaboration confers advantages, these advantages may vary between firms and across local communities. Future studies may consider the cause of these differences and their implications for local and multinational firms.

We suggest that future research should be done on how interpersonal trust builds up inter-organizational trust. Gulati and Sytch (2008: 171) explained that

interpersonal trust with time may transform into organizational trust “as the initially informal interpersonal commitments between individuals become routinized and institutionalized at the organizational level as the relationship unfolds”.

### **6.7 Contribution**

By analysing the interactions between firms and social movements, our study finds further support for the notion that middle managers play an important role in the strategy process, in particular, through their collaboration with social movements to support strategy execution. The study integrates three important research streams that have not been well linked previously, notably strategy process research on middle management, collaboration with social movements, and first-mover advantage in a nonmarket environment. In addition, this study focuses on an interesting setting of the global oil and gas industry where firms regularly witness an exceptional degree of difficulty in accessing worksites due to restrictions created by local communities. This research adopted a mixed-method design that combined a grounded theory study with regression modeling.

We argued that middle managers (in the petroleum industry), because of their unique position at the interface of internal and external stakeholders are well positioned to negotiate with pressure groups (social movements) and speed-up strategy execution. In pacifying the pressure groups, the firms' middle managers can influence the goals of the parties. In this context, we propose that trust can act as an enabler to facilitate the collaborative relationship. This study attempts to provide an overview of how trust acts as a mechanism through which close ties are embedded in the collaboration process, leading to the evolution of the concept of 'collaborative embeddedness'. We suggest that firm's middle

managers can build embeddedness with social movement leaders when they adopt trust as an enabler. We also argue that firms' middle managers' early move may lead to better performance arising from switching costs and entry timing advantages.

Furthermore, we have extended the concept of first-mover advantage from a market context to a non-market environmental context, by developing and testing the typology of first-mover mechanism in the interface between oil firms and social movements. Our study thereby contributes to the cumulativeness and richness of the research streams on collaboration, embeddedness, and first-mover advantage. We deepen the general understanding of how firms handle their interface with pressure groups such as social movements as they execute as they implement strategies beyond the firms' frontiers.

Our findings regarding the relationship between host communities and oil companies in Nigeria already apply to an area of high economic importance. For example, in their study of corporate social responsibility of oil companies in developing countries, García-Rodríguez, García-Rodríguez, Castilla-Gutiérrez, and Major (2013) emphasized the importance of oil production to several countries and reported that "oil production by the Gulf of Guinea countries (Nigeria, Congo, Gabon, Cameroon, Equatorial Guinea, and Angola) exceeds 5 million barrels per day". Yet, we believe that our results can also be generalized across extractive industries (e.g. oil and mining), as well as across developing countries and emerging economies that depend significantly on the revenue from extractive industries. In fact, the oil and gas industry has similarities with other energy and extractive industries as they are all dependent on the extraction of

natural resources which has impacts on the environments and host communities. Host communities that are thus impacted will usually agitate for a fair share of the profits arising from these resources. Since these are the very relationships that we have analyzed, we submit that our findings will be relevant as well to how firms in these other extractive industries handle their interfaces with social movements in order to deliver a better firm performance.

Additionally, this research deepens understanding of how collaboration can create mutual values if the strategic goals of the firms and social movements are in conflict, or if the timing of the collaboration leads to early-mover advantage. The results of the study may help to address whether firm's middle managers who engage in collaboration with social movements, based on embeddedness, outperform other firms' peer middle managers that take a more hostile stance. Our research also aids our understanding of whether middle managers who collaborate early with social movements add an early-mover advantage to their firm. These findings will contribute to the research on the role of middle managers, collaboration and strategic fit with social movements, embeddedness, and first-mover advantage.

The non-significant relationship between trust and middle manager's perception of performance indicates that middle managers are yet to consider interpersonal trust as an important factor when considering a firm's performance in the external environment. However, the social movement leaders consider interpersonal trust a factor and this seems related to also perceiving better results. It appears that though middle managers are sceptical of developing a trusted relationship, the social movement leaders see trusted relationship with

middle managers as important in securing more community developments for their local communities. Going further, while social movement leaders through repeated interactions with middle managers appear to develop higher levels of interpersonal trust with regards to the managers/firms, the middle managers see it otherwise. It seems that the tension between social movements and the firm may be due to the different perspectives on interpersonal trust, repeated interactions, and early collaboration that are taken by the parties.

## **DISCUSSION AND CONCLUSION (Spanish version)**

### **Capítulo 6**

#### **ANÁLISIS Y CONCLUSIÓN**

##### **6.1 Integración**

El presente estudio ha examinado la interacción entre las compañías y los movimientos sociales en un contexto específico en el que la naturaleza extractiva del negocio (las prospecciones de petróleo y gas) comporta externalidades negativas considerables para las comunidades locales, y en la que las segundas comparten un nivel de desarrollo relativamente reducido. Mostramos que un enfoque colaborativo entre las compañías y las comunidades locales parece más beneficioso que una postura antagónica entre ambas partes, dado que la colaboración aporta beneficios a las comunidades y a las compañías la licencia social para operar. Además de eso, mostramos que el papel crítico transfronterizo entre compañías y comunidades recae en cargos intermedios sólidos y en los líderes de los movimientos sociales. Yendo más allá, esta

investigación ha explorado la forma en que los lazos estrechos entre las partes están integrados en el proceso colaborativo, utilizando los antecedentes de confianza para mejorar el rendimiento de la compañía y cubrir las necesidades de los movimientos sociales. Los resultados indican que existe una asimetría en la relación de confianza entre las partes. Para los líderes de los movimientos sociales, la confianza interpersonal parece importante, mientras que para los cargos intermedios de las compañías la confianza interpersonal no se consideraba importante. No obstante, la confianza interpersonal parece de gran importancia para los costes de alternancia.

Zaheer, McEvily y Perrone, (1998:142) afirmaban que “en una relación de intercambio real, el papel de los individuos transfronterizos, obrando en nombre de sus respectivas organizaciones, ejerce una importante influencia en el intercambio intercompañía. Nuestro estudio indica que las acciones que llevan a cabo los cargos intermedios de la compañía y los líderes de los movimientos sociales en el marco de su relación tienen un impacto en la implantación de la estrategia de la compañía y el desarrollo de las comunidades anfitrionas. Dando un paso más, los cargos intermedios de que entrevistamos para el presente estudio (así como nuestros resultados empíricos) indican que las relaciones colaborativas con los líderes de los movimientos sociales son beneficiosas para el rendimiento de la estrategia de la compañía. Argumentamos, pues, que los cargos intermedios y los líderes de los movimientos sociales se convierten en la cadena de transmisión mediante la que relacionan las compañías y las comunidades anfitrionas.

Reforzar la confianza en la relación y mantener un compromiso fomentará que todas las partes hagan un esfuerzo para cumplir sus expectativas relacionales. Los resultados indican que la colaboración es clave en la relación entre las partes, pero nuestros resultados cualitativos respaldan débilmente el papel de la confianza interpersonal, quizá cuestionando la verdadera importancia de la confianza interpersonal en la relación colaborativa. Sin embargo, dado que al menos los líderes de los movimientos sociales parecen valorar las relaciones de confianza, los cargos medios harán bien en conducirse de tal forma que mejoren la confianza interpersonal, como puede ser cumpliendo sus promesas. Los resultados cualitativos indican que los líderes de los movimientos sociales se sienten descontentos cuando algunas compañías retrasan la entrega de los proyectos de desarrollo comunitario, y tales actos se consideran una ruptura de la confianza. A los líderes de los movimientos sociales no solo les interesa recibir los beneficios del desarrollo comunitario, sino que el momento en que reciben el proyecto comunitario también es de gran importancia para ellos.

La investigación previa en “la literatura acerca de las cuestiones fronterizas indica la importancia de los individuos transfronterizos en lo tocante a la gestión de las relaciones intercompañía” (Zaheer, et al., 1998: 155). En este artículo académico hemos examinado la colaboración basada en la confianza para explicar la integración colaborativa basada en la conexión entre confianza, colaboración y rendimiento. También hemos explicado el vínculo entre la confianza y los costes de alternancia, así como el impacto de una colaboración temprana en la ventaja del primero en llegar. Nuestros resultados respaldan en términos generales la tesis de que la confianza en el intercambio relacional

influye en la colaboración (cf. Asimismo los resultados de regresión de la Tabla 7), el rendimiento y los costes de alternancia, y que una colaboración temprana conduce a una ventaja de primero en llegar. Los cargos intermedios de las compañías han indicado que implicarse en una colaboración directa en la fase de planificación de un proyecto, antes de movilizar los recursos al lugar de las operaciones, es esencial.

Nuestras interacciones con los líderes de los movimientos sociales indican asimismo que “refrendar las palabras con hechos y mantener las promesas” son ingredientes clave necesarios en el desarrollo de una relación de confianza. Tal relación, cuando está integrada en un proceso de colaboración, intensifica los vínculos entre las partes e incrementa sus beneficios mutuos. En nuestro contexto empírico hemos equiparado los beneficios del lado de la compañía con una disminución o ausencia de la interrupción en la producción de petróleo y gas en una economía emergente como la de Nigeria. Se espera que esto tenga un impacto positivo en el nivel de la implantación de la estrategia por parte de las compañías.

Y, más aún, sostenemos que las acciones que llevan a cabo los cargos intermedios en respuesta al descontento manifestado por los movimientos sociales pueden fijar estándares que se extiendan de manera más general por el dominio externo, con impactos en el terreno social y de los negocios. Como actores, los cargos intermedios de las compañías y los líderes de los movimientos sociales pueden establecer lazos estrechos que abarcan diversos puntos en el tiempo y el espacio, y esto a su vez les permitirá buscar objetivos más amplios con beneficios mutuos para la sociedad. También hemos

examinado hasta qué punto la integración colaborativa depende de la integración de la confianza en los lazos entre las partes. Los resultados indican además que los vínculos de los gestores con los líderes de los movimientos sociales son una importante fuente de recursos, información y aprendizaje que se utilizan para mejorar la implantación de la estrategia y generan ventajas del primero en llegar. Los líderes de los movimientos sociales en Nigeria parecen actuar como puentes sociales entre la compañía y la comunidad más amplia al propagar información y proporcionar acceso a recursos como el acceso a las zonas de trabajo y la protección de las instalaciones.

Hill (2000) señalaba que los gestores eficaces consideran aliados potenciales a aquellos de los que dependen, aun cuando en primera instancia parezcan adversarios. A continuación, planteamos que, cuando existen disposiciones de resolución de problemas de forma conjunta entre compañías y movimientos sociales, los cargos intermedios de las compañías pueden utilizar su cercanía a los líderes de los movimientos sociales, que muchas compañías perciben como adversarios, para obtener una comprensión más profunda de los mecanismos cognitivos y culturales de las comunidades anfitrionas y luego explorar ese conocimiento en ventaja propia. Cuando se cumplen las promesas efectuadas por las partes, la relación colaborativa resultante debería generar beneficios mutuos. No obstante, si cualquiera de las partes no considera que está beneficiándose de la colaboración, habrá quejas y desconfianza en la relación. Una sección transversal de los líderes de los movimientos sociales expresaba, por ejemplo, que:

“La compañía Y no ha construido ninguna escuela para nosotros, pero necesitamos escuelas porque, en la actualidad, el estado de nuestra escuela principal es pésimo” (*Entrevista #SM2*). “Lo peor que nos han hecho es que la carretera de acceso a sus instalaciones en nuestra comunidad se está planificando a través de otras áreas y, sin embargo, nosotros no tenemos acceso a carreteras comunitarias (*Entrevista #SM4*).

“Simplemente vendrán, harán promesas o pronunciarán largos versos [largos discursos], pero a la hora de la implantación, el resultado será cero [ninguna implementación] ” (*Entrevista #SM7*).

Los cargos intermedios y los movimientos sociales, como representantes de sus propias organizaciones, cruzan las fronteras de sus organizaciones para garantizar la colaboración de la contraparte sobre la cual carecen de autoridad alguna. Por su parte, Williams, (2007:615) también analizaba la forma en que “los profesionales que trabajan en proyectos interorganizacionales deben atravesar las fronteras organizacionales para garantizar la cooperación de personas sobre las que no tienen control jerárquico alguno”. Cuando los cargos intermedios y los líderes de los movimientos sociales se relacionan entre sí, vemos que la confianza interpersonal es un mecanismo clave que impulsa su relación colaborativa hacia la consecución de beneficios mutuos para sus organizaciones (*cf.* los resultados de regresión de la Tabla 7). Williams (2007: 595) planteaba que la “capacidad de los trabajadores del conocimiento para desarrollar confianza interpersonal más allá de las fronteras organizacionales es cada vez más crítica”. Los resultados indican que la confianza interpersonal no

solo tiene un impacto significativo en la percepción que tienen los cargos intermedios excepto en la colaboración y la generación de costes de alternancia, lo que vuelve a las comunidades locales dependientes de las compañías para el desarrollo comunitario.

Se presupone que las conductas oportunistas quedan excluidas en una relación de confianza con los actores organizacionales (Zaheer, McEvily y Perrone, 1998; Uzzi, 1997). Así, damos por supuesto que tanto los cargos intermedios de las compañías como los líderes de los movimientos sociales serán racionales en sus decisiones en lo tocante a la relación colaborativa.

## **6.2 Ventaja del primero en llegar**

Uno de los cargos intermedios entrevistados indicaba que, cuando la compañía se implica en una colaboración temprana, esta comparte los conocimientos organizacionales con el movimiento social; por ejemplo, la competencia técnica en el área del transporte de equipos. El movimiento social (la comunidad local) pudo entonces aprovechar este conocimiento y entregar los módulos fabricados a los lugares de trabajo dentro de plazo. Lee y NG (2007) sugerían que “una estrategia preventiva busca disuadir la entrada de rivales potenciales levantando barreras que otorgan una ventaja competitiva a la compañía existente, dado que las compañías tardías puede que tengan que gastar recursos adicionales como costes de entrada. Así, se pueden desincentivar nuevas entradas allá donde los costes de entrada sean sustancialmente elevados. Nuestras entrevistas con los cargos intermedios confirman nuestra idea de que una colaboración temprana con los líderes de los movimientos sociales capacita a las compañías para implantar sus estrategias con un coste menor y/o antes de los plazos fijados en

comparación con las compañías tardías. Tal como lo expresa un cargo intermedio:

“No gastas dinero innecesariamente y los costes no se disparan debido a la extensión de los plazos, y luego tienes la tranquilidad de poder llevar a cabo el trabajo cuando la gente aparece en sus puestos de trabajo. No hay retrasos,” (*Entrevista #MM3*)

El cargo intermedio de esta compañía también se burlaba de las compañías tardías, ya que se las percibe como intentando recuperar el tiempo perdido en la misma región en la que operan. En el presente estudio vemos que las compañías han empleado diversos mecanismos de colaboración con los movimientos sociales a lo largo de los años, y que algunas de las compañías que llegaron primero se convirtieron en líderes en el desarrollo de una relación valiéndose de MDEG, CTS, el empoderamiento de la juventud y proyectos comunitarios. Por ejemplo, tal como lo expresa un cargo intermedio:

“El liderazgo [del movimiento social] resulta empoderado, los jóvenes están empoderados en su propia esfera y eso ha sido de gran ayuda” (*Entrevista #MM1*).

Las compañías que colaboran en una fase temprana son capaces de completar los proyectos más rápidamente que los competidores al mismo coste o incluso a un coste menor. Al colaborar de forma temprana, la compañía primera en llegar puede llegar a tiempo para contratar mano de obra local de alta calidad y quedarse con los proveedores de calidad de la zona. Además, al desarrollar una buena red de contactos, la compañía puede beneficiarse de menores costes en

su relación con las comunidades anfitrionas. Hawk, Pacheco-De-Almeida, y Yeung, (2013: 3) afirmaban que una compañía más veloz tiene más probabilidades de conseguir una zona mejor, contratar a empleados de alta calidad disponibles en el mercado, asegurarse buenos proveedores y obtener una base de clientes que aún no está en manos de los competidores. Las regresiones no muestran resultados significativos en lo tocante a la relación entre la colaboración temprana y el rendimiento. En nuestra entrevista con los líderes de los movimientos sociales, se quejan de que, en su implicación con los cargos intermedios de las compañías, estos no cumplieron las promesas que hicieron en nombre de la compañía. Esta incapacidad para cumplir las promesas puede que haya conducido a que las colaboraciones tempranas no hayan tenido un impacto positivo en las percepciones del rendimiento. No obstante, nuestros resultados sí que muestran que la confianza personal y los costes de alternancia están significativamente relacionados y este elemento de la ventaja del primero en llegar sí que cuenta con un respaldo empírico.

### **6.3 Implicaciones para la teoría y la investigación**

Shrader (2001:46) sostiene que “a pesar de los beneficios y la creciente popularidad de la colaboración, las pruebas empíricas indican un nivel sorprendentemente elevado de insatisfacción entre los gestores con la colaboración intercompañía”. Podríamos argumentar que, probablemente, las investigaciones previas acerca de las colaboraciones carecían de la confianza interpersonal entre actores organizacionales como los cargos intermedios de la compañías y los líderes de los movimientos sociales. Nuestro estudio permite que los cargos intermedios de las compañías mejoren su comprensión del

proceso de integración colaborativa. Sugerimos que se investigue para desarrollar un marco de colaboración que arroje luz sobre lo siguiente: i) los atributos de la colaboración y lo que significa realmente la colaboración para cada compañía y movimiento social, ii) las consecuencias de la no colaboración, iii) las capacidades de la compañía que son críticas para impulsar la colaboración y el rendimiento, y iv) cómo desarrollar la confianza con los grupos de presión.

Nuestro trabajo también respalda la idea de que los cargos intermedios llevan a cabo la implantación real de la estrategia (Raes, Glunk, Roe y Uni, 2011; Floyd y Wooldridge, 1992; Reid, 1989), lo que vemos de manera más manifiesta cuando los cargos intermedios de las compañías se relacionan con los líderes de los movimientos sociales, tal como certifica un cargo intermedio de una compañía que declaraba:

“En la implantación de las políticas por parte de los cargos intermedios, son ellos los que van en persona a la obra para asegurarse de que las cosas se lleven a cabo. Así, las comunidades hablan realmente con los cargos intermedios cuando estas atraviesan problemas. Son un puente entre las comunidades y la directiva” (Entrevista #MM1).

Los movimientos sociales son un desafío emergente y de creciente importancia para el rendimiento de las compañías, y argumentamos que los cargos intermedios son el canal clave en estas relaciones. Nuestro estudio pone de manifiesto la importancia del papel de los cargos intermedios de las compañías. Para poder mantener la ventaja que supone la colaboración entre los cargos intermedios de la compañía y los líderes de los movimientos sociales, existe la necesidad de una mayor comprensión de la forma en que se puede alimentar la

relación colaborativa a lo largo del tiempo, especialmente en los diversos contextos en los que los cargos intermedios puedan operar. Puede ser beneficioso para las compañías que se desarrolle un marco de estrategias preventivas para las industrias que presencian un mayor activismo de los movimientos sociales.

Nuestras entrevistas semiestructuradas y el uso de un estudio exploratorio nos han permitido alcanzar una primera comprensión de las complejas interacciones que existen entre los cargos intermedios de las compañías y los líderes de los movimientos sociales. En un estudio ampliado, se podría desarrollar una base de datos más amplia con un cuestionario estructurado que se remitiera a un mayor número de compañías y movimientos sociales. Esto permitirá la aplicación de métodos como el modelado de ecuaciones estructurales para respaldar una demostración más rigurosa de las hipótesis.

#### **6.4 Implicaciones para la medición**

Los estudiosos también han indicado que existen limitaciones en la elección de los métodos de investigación para el análisis de la ventaja del primero en llegar. Estas responden en gran medida a la falta de uniformidad en la definición de las variables dependientes, la selección sesgada de la muestra y las variables de control (Suarez y Lanzolla, 2007; Ramanujam y Venkatraman, 1984; Szymansky, Troy, y Bharadwaj, 1995; Vanderwerf y Mahon, 1997). A pesar de estas incongruencias metodológicas, los investigadores han podido basarse en los trabajos de Suarez y Lanzolla (2007); Kalyanaram, Robinson, y Urban (1995), y Lieberman y Montgomery (1988) que han revelado algunos patrones comunes y

marcadores como: 1) la ventaja del primero en llegar parece estar asociada a las características de industrias específicas, 2) la ventaja del primero en llegar parece observarse principalmente en términos de una mayor cuota de mercado, y 3) cuanto mayor es el tiempo de ventaja en la entrada competitiva, mayor es la probabilidad de obtener una ventaja del primero en llegar, aunque esta probabilidad se atenúa con el tiempo (Suarez y Lanzolla, 2007). Hemos ampliado el uso de las mediciones de la ventaja del primero en llegar para evaluar el impacto de la colaboración temprana en el rendimiento.

### **6.5 Implicaciones para los gestores**

El presente estudio tiene implicaciones significativas para las prácticas de los gestores en lo referente a la colaboración y la estrategia de los tiempos de entrada. La principal preocupación para la compañía es la forma de mantener la calidad de la relación con los movimientos sociales a lo largo del tiempo (por medio de la colaboración y la confianza) y reconociendo a la vez que algunas compañías gozan de una relación mejor debido a la ventaja del primero en llegar. Uno de los cargos intermedios que entrevistamos destacaba que la colaboración es beneficiosa para las partes implicadas en la relación, dado que conduce a una mayor conciencia de propósito, el acceso a una diversidad de pensamientos e ideas, soluciones más rápidas para problemas complejos y mejor rendimiento empresarial. Una implicación clave tiende a ser que los cargos intermedios que se quedan rezagados en lo referente a la colaboración temprana con los movimientos sociales no podrán garantizar los beneficios de la ventaja del primero en llegar para sus compañías y, así, disfrutarán de un menor rendimiento estratégico.

Nuestros resultados indican que los cargos intermedios pueden mejorar su colaboración con los líderes de los movimientos sociales esforzándose en desarrollar la confianza en su relación. Esta se puede mejorar mostrando interés en los desafíos a los que se enfrenta la otra parte, reconociendo la importancia de refrendar las palabras con hechos, solicitando retroalimentación de forma regular y evitando el juego de la culpabilización al responsabilizarse de los fracasos que puedan darse en la relación. Una implicación del presente estudio es también que una colaboración pobre impacta de forma negativa en la capacidad de las partes para debatir cuestiones libremente y, de este modo, los cargos intermedios no podrán entender o anticipar las necesidades y los intereses de los líderes de los movimientos sociales. Esto significa que, a medida que se acrecientan los agravios y los conflictos, las partes tendrán dificultades para desarrollar compromisos viables y soluciones valiosas a efectos de alcanzar beneficios mutuos cuando hay un nivel reducido de integración colaborativa.

Planteamos que los cargos intermedios de las compañías pueden potenciar el desarrollo de una relación colaborativa duradera con los líderes de los movimientos sociales si parten de la mentalidad apropiada de que la sinergia de una colaboración obtendrá mejores resultados que si las partes individuales trabajan por su cuenta. El presente estudio también plantea que la capacidad de colaborar debería convertirse en un atributo clave de los gestores. El foco debería ponerse en el desarrollo del proceso colaborativo, que debería incluir: i) la generación de una ventaja competitiva por medio de una relación colaborativa fuerte, ii) el desarrollo de soluciones mutuamente beneficiosas para las partes, iii) trabajar en las interfaces de forma rápida y sencilla, iv) abrazando la

diversidad en la consecución de objetivos a veces divergentes, y v) influyendo en las decisiones sin tener una autoridad formal sobre la otra parte.

En conclusión, en el presente estudio hemos intentado proporcionar una comprensión más profunda del fenómeno de los movimientos sociales, su impacto en las compañías y la forma en que los cargos intermedios pueden colaborar en nombre de la compañía con los líderes de los movimientos sociales para generar beneficios mutuos en forma de una ejecución más veloz de la estrategia, ventajas para la compañía primera en llegar y un nivel de satisfacción más elevado para los movimientos sociales.

## 6.6 Limitaciones e investigación futura

Debido a la confidencialidad y a la naturaleza sensible de los documentos y la información de las organizaciones, tuvimos que contar con el consentimiento previo de las compañías para poder contactar con los cargos intermedios, lo que ha limitado el acceso a los cargos intermedios de algunas compañías. Además, no contamos con datos acerca de las interacciones entre la cúpula directiva y los movimientos sociales para poder descartar el papel que desempeña la primera.

En lo que se refiere a la medición del rendimiento, los investigadores suelen toparse con dificultades a la hora de obtener mediciones objetivas del rendimiento de una compañía, especialmente en compañías multinacionales, dado que los datos de rendimiento de la unidad de negocio están “inextricablemente ligados a los datos a escala corporativa” (Dess y Robinson, 1984). Nos hemos enfrentado al mismo problema en nuestro estudio, por lo que hemos recurrido a los informes propios de nuestros encuestados con respecto a la medición de su rendimiento.

En términos de integración, nos hemos centrado menos en la integración estructural y en redes. Nos hemos basado más en la integración cognitiva y cultural, así como en la integración relacional. En el presente estudio también hemos considerado las ventajas del primero en llegar en detrimento de las ventajas de llegar de forma tardía. Es imperativo que la investigación futura contribuya a una comprensión acerca de la forma en que las interacciones colaborativas con el movimiento social pueden convertirse en un activo estratégico para las compañías. A pesar del reconocimiento de la importancia de los costes de alternancia y de la diversidad de situaciones en las que pueden

surgir (Gomez y Maicas, 2011), argumentamos que la literatura académica existente acerca de los costes de alternancia parece estar más centrada en las operaciones de mercado, con un menor foco en los entornos ajenos a este. Si bien la colaboración temprana comporta ventajas, estas pueden variar entre compañías y las diversas comunidades locales. Puede que los estudios futuros consideren las causas de estas diferencias y sus implicaciones para las compañías locales y multinacionales.

Sugerimos que la investigación futura se centre en la forma en que la confianza interpersonal fomenta la confianza interorganizacional. Gulati y Sytch (2008: 171) explicaban que, con el paso del tiempo, la confianza interpersonal puede transformarse en confianza organizacional “dado que los compromisos informales interpersonales entre individuos pueden instituirse e institucionalizarse a escala organizacional a medida que la relación se va desarrollando”.

## **6.7 Contribución**

Al analizar las interacciones entre compañías y movimientos sociales, nuestro estudio advierte un respaldo adicional para la idea de que los cargos intermedios desempeñan un importante papel en el proceso de la estrategia, especialmente por medio de su colaboración con los movimientos sociales para apoyar la ejecución de la estrategia. El presente estudio integra tres importantes corrientes de investigación que no se habían interconectado adecuadamente en el pasado, de manera particular la investigación del proceso de la estrategia en los cargos intermedios, la colaboración con los movimientos sociales y la ventaja del primero en llegar en un entorno ajeno al mercado. Además, el presente estudio

se centra en el interesante entorno de la industria global del gas y el petróleo, donde las compañías suelen experimentar un grado de dificultad excepcional en el acceso a las zonas de trabajo debido a las restricciones impuestas por las comunidades locales. La presente investigación ha adoptado un método mixto que combina un estudio teórico fundamentado y un modelado de regresión.

Hemos argumentado que los cargos intermedios (en la industria del petróleo), debido a su posición única de interfaz de las partes interesadas internas y externas, ocupan un lugar apropiado para negociar con los grupos de presión (movimientos sociales) y acelerar la ejecución de la estrategia. Al pacificar los grupos de presión, los cargos intermedios de las compañías pueden influir en los objetivos de las partes. En tal contexto, proponemos que la confianza puede operar como un capacitador para facilitar la relación colaborativa. El presente estudio intenta proporcionar una visión general de la forma en que la confianza opera como un mecanismo a través del cual se integran lazos estrechos en el proceso de colaboración, lo que conduce a la evolución del concepto de la “integración colaborativa”. Sugeriríamos que los cargos intermedios de la compañía pueden desarrollar la integración con los líderes de los movimientos sociales cuando adoptan la confianza como capacitador. También señalaríamos que la llegada temprana de los cargos intermedios puede conducir a un mejor rendimiento debido a los costes de alternancia y las ventajas de los tiempos de entrada.

Adicionalmente, hemos ampliado el concepto de la ventaja del primero en llegar de un contexto de mercado a un contexto ambiental ajeno al mercado al desarrollar y poner a prueba la tipología del mecanismo del primero en llegar en

la interfaz entre las compañías petrolíferas y los movimientos sociales. De tal manera, nuestro estudio contribuye a la acumulación y riqueza de las corrientes de investigación acerca de la colaboración, la integración y la ventaja del primero en llegar. Profundizamos en la comprensión general de la forma en que las compañías manejan su interfaz con grupos de presión como los movimientos sociales al implantar las estrategias más allá de las fronteras de las compañías.

Nuestros hallazgos en lo tocante a la relación entre las comunidades anfitrionas y las compañías petrolíferas en Nigeria ya son aplicables a un área de elevada importancia económica. Por ejemplo, en su estudio de la responsabilidad social corporativa de las compañías petrolíferas en los países en desarrollo, García-Rodríguez, García-Rodríguez, Castilla-Gutiérrez, y Major (2013) recalcan la importancia de la producción petrolífera para varios países e informaban de que “la producción de petróleo en los países del golfo de Guinea (Nigeria, Congo, Gabón, Camerún, Guinea Ecuatorial y Angola) supera los cinco millones de barriles diarios”. Sin embargo, creemos que nuestros resultados también se pueden generalizar a otras industrias extractivas (el petróleo y la minería, por ejemplo) así como a diversos países en desarrollo y economías emergentes que dependen significativamente de los ingresos generados por las industrias extractivas. De hecho, la industria del gas y el petróleo guarda similitudes con otras empresas extractivas y energéticas, dado que todas ellas dependen de la extracción de recursos naturales con un impacto en el medio ambiente y las comunidades anfitrionas. Las comunidades anfitrionas que sufren tal impacto tenderán a reclamar un reparto equitativo de los beneficios resultantes de tales recursos. Dado que estas son precisamente las relaciones

que hemos analizado, señalamos que nuestros hallazgos también serán relevantes para saber la forma en que esas otras industrias extractivas manejan sus interfaces con los movimientos sociales para alcanzar un mejor rendimiento corporativo.

Adicionalmente, esta investigación profundiza en la comprensión de la forma en que la colaboración puede crear valores mutuos si los objetivos de las compañías y los movimientos sociales entran en conflicto, o si los tiempos de la colaboración conducen a una ventaja del primero en llegar. Los resultados del presente estudio pueden contribuir a determinar si los cargos intermedios que se implican en una colaboración con los movimientos sociales, basada en la integración, tienen un rendimiento superior a sus pares en otras compañías que adoptan una postura más hostil. Nuestra investigación también nos ayuda a comprender si los cargos intermedios que colaboran con los movimientos sociales en una fase temprana proporcionan a su compañía una ventaja del primero en llegar. Estos hallazgos contribuirán a la investigación del papel de los cargos intermedios, la colaboración y el encaje estratégico con los movimientos sociales, la integración y la ventaja del primero en llegar.

La relación no significativa entre la confianza y la percepción del rendimiento que tienen los cargos intermedios es indicativa de que estos aún tienen pendiente considerar la confianza interpersonal como un factor de importancia al evaluar el rendimiento de una compañía en el entorno externo. No obstante, los líderes de los movimientos sociales consideran que la confianza interpersonal es un factor importante y eso parece estar relacionado con su percepción de unos resultados mejores. Parece que, si bien los cargos

intermedios se muestran escépticos con respecto al desarrollo de una relación de confianza, los líderes de los movimientos sociales ven la relación de confianza con los cargos intermedios como algo importante para garantizar más desarrollos comunitarios para sus comunidades locales. Yendo más allá, si bien los líderes de los movimientos sociales, por medio de las repetidas interacciones con los cargos intermedios, parecen desarrollar niveles más elevados de confianza interpersonal con respecto a los gestores y las compañías, los cargos intermedios parecen opinar de otra manera. Parece que la tensión entre los movimientos sociales y la compañía puede deberse en gran medida a las diferentes perspectivas que tienen las partes con respecto a la confianza interpersonal, las interacciones repetidas y la colaboración temprana.

**Table 1. Middle managers: Means, standard deviations, minimum and maximum values and bivariate correlations**

Variables	<i>Mean</i>	<i>S.D.</i>	<i>Min</i>	<i>Max</i>	1	2	3	4	5	6	7
1 MM Firm Size	2.37	0.80	1.12	3.03							
2 MM Firm Age	3.79	0.49	2.77	4.06	0.443**						
3 MM Perception - Proj Completion Timing	3.73	1.86	0.00	6.00	-0.071	0.041					
4 MM Perception - Community Dev Cost	3.73	1.66	0.00	6.00	-0.049	0.097	0.915**				
5 MM Collaboration	3.82	0.95	2.00	5.00	-0.111	-0.108	0.378*	0.462**			
6 MM Interpersonal Trust	3.64	1.03	2.00	6.00	-0.040	0.201	0.045	0.087	0.571**		
7 MM Repeated Interaction	1.97	0.95	1.00	4.00	-0.224	0.040	0.190	0.232	0.270	0.116	
8 MM Early Collaboration	0.94	0.24	0.00	1.00	0.047	-0.118	0.101	0.113	0.358*	0.034	0.263

\* p < 0.05; \*\* p < 0.01 (two-tailed). Reliability coefficients are presented in the diagonal.

N = 33 for all variables

**Table 2. Social movements leaders: Means, standard deviations, minimum and maximum values and bivariate correlations**

Variables	<i>Mean</i>	<i>S.D.</i>	<i>Min</i>	<i>Max</i>	1	2	3	4	5	6	7	8
1 SM Firm Size	2.21	0.77	1.12	3.03								
2 SM Firm Age	3.72	0.54	2.77	4.06	0.409**							
3 SM Assessment - Proj Completion Timing	2.53	1.68	0.00	6.00	-0.067	-0.097						
4 SM Assessment - Community Dev Benefits	2.83	1.65	0.00	6.00	0.027	-0.053	0.785**					
5 SM Collaboration	3.48	1.26	1.00	6.00	-.400**	-0.230	0.372**	0.314*				
6 SM Interpersonal Trust	3.64	1.18	1.00	5.00	-0.042	-0.082	0.262*	0.252*	0.586**			
7 SM Repeated Interaction	1.63	1.08	0.00	4.00	-0.287*	0.076	-0.116	-0.131	0.234	0.337**		
8 SM Early Collaboration	0.56	0.50	0.00	1.00	-0.143	-0.083	0.262*	0.171	0.001	0.064	0.249*	
9 SM Switching Costs	3.53	1.00	1.00	5.00	0.016	-0.085	0.483**	0.616**	0.419**	0.362**	-0.105	-0.05

\*  $p < 0.05$ ; \*\*  $p < 0.01$  (two-tailed). Reliability coefficients are presented in the diagonal.

N = 66 for all variables

**Table 3. Multiple regression analyses for MM perception of project completion, interpersonal trust, and collaboration**

	MM Perception - Project Completion Cost				MM Perception - Project Completion Timing			
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8
Firm size	-0.239 (0.421)	-0.220 (0.432)	-0.162 (0.378)	-0.251 (0.366)	-0.260 (0.472)	-0.251 (0.485)	-0.190 (0.445)	-0.280 (0.438)
Firm age	0.501 (0.684)	0.449 (0.717)	0.619 (0.614)	1.024 (0.628)	0.341 (0.768)	0.317 (0.805)	0.448 (0.724)	0.853 (0.392)
Interpersonal trust		0.091 (0.307)		-0.611 (0.327)		0.043 (0.345)		-0.613 (0.438)
Collaboration			0.828 (0.286)**	1.219 (0.345)**			0.746 (0.337)*	1.138 (0.413)*
Model R <sup>2</sup>	0.020	0.023	0.240	0.324	0.012	0.012	0.155	0.223
Change in R <sup>2</sup>		0.003	0.220	0.304		0.001	0.143	0.211
F	0.305	0.225	3.051*	3.356*	0.176	0.119	1.771	2.004
Change in F		0.087	8.392*	6.299**		.015	4.915*	3.799*
d.f.	2, 30	3, 29	3, 29	4, 28	2, 30	3, 29	3, 29	4, 28
Adjusted R <sup>2</sup>	-0.045	-0.078	0.161	0.228	-0.54	-0.090	0.067	0.111
t		0.284	2.897	3.532		0.124	2.217	2.753
p		0.771	0.007	0.001		0.902	0.035	0.010
N	33	33	33	33	33	33	33	33

\* p < 0.05; \*\* p < 0.01; \*\*\* p < 0.001 (two-tailed test). The entries include regression coefficients and standard errors are in parentheses.

**Table 4. Multiple regression analyses for SM assessment of community development, interpersonal trust, and collaboration**

	SM Assessment - Community Dev Benefits				SM Assessment - Community Dev Timing			
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8
Firm size	0.124 (0.296)	0.129 (0.289)	0.427 (0.298)	0.400 (0.310)	-0.071 (0.301)	-0.066 (0.293)	0.257 (0.299)	0.236 (0.312)
Firm age	-0.233 (0.421)	-0.173 (0.412)	-0.140 (0.399)	-0.136 (0.402)	0.262 (0.428)	-0.200 (0.418)	-0.161 (0.401)	-0.158 (0.404)
Interpersonal trust		0.348 (0.171)*		0.072 (0.213)		0.363 (0.174)*		0.056 (0.214)
Collaboration			0.504 (0.171)**	0.458 (0.219)*			0.546 (0.172)**	0.510 (0.220)*
Model R <sup>2</sup>	0.006	0.067	0.128	0.130	0.010	0.075	0.149	0.150
Change in R <sup>2</sup>		0.062	0.123	0.124		0.065	0.138	0.139
F	0.175	1.493	3.036*	2.273	0.330	1.682	3.614*	2.687*
Change in F		4.110*	8.713**	4.352*		4.351*	10.087**	5.002
d.f.	2, 63	3, 62	3, 62	4, 61	2, 63	3, 62	3, 62	4, 61
Adjusted R <sup>2</sup>	-0.026	0.022	0.086	0.073	-0.021	0.031	0.108	0.094
t		2.027	2.952	2.091		2.086	3.176	2.313
p		0.047	0.004	0.041		0.041	0.002	0.024
N	66	66	66	66	66	66	66	66

\* p < 0.05; \*\* p < 0.01; \*\*\* p < 0.001 (two-tailed test). The entries include regression coefficients and standard errors are in parentheses.

**Table 5. Multiple regression analyses for early collaboration, MM perception of project completion, and SM assessment of community development.**

	MM Perception - Project Completion Cost		MM Perception - Project Completion Timing		SM Assessment - Community Dev Benefits		SM Assessment - Community Dev Timing	
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8
Firm size	-0.239 (0.421)	-0.275 (0.427)	-0.260 (0.472)	-0.294 (0.480)	0.124 (0.296)	0.174 (0.296)	-0.071 (0.301)	0.002 (0.295)
Firm age	0.501 (0.684)	0.582 (0.698)	0.341 (0.768)	0.420 (0.785)	-0.233 (0.421)	-0.217 (0.418)	-0.262 (0.428)	-0.239 (0.417)
Early Collaboration		0.955 (1.266)		0.920 (1.425)		0.583 (0.416)		0.860 (0.415)*
Model R <sup>2</sup>	0.020	0.039	0.012	0.026	0.006	0.036	0.010	0.074
Change in R <sup>2</sup>		0.019		0.014		0.030		0.064
F	0.305	0.390	0.176	0.254	0.175	0.772	.330	1.661
Change in F		0.569		0.417		1.961		4.289*
d.f.	2, 30	3, 29	2, 30	3, 29	2, 63	3, 62	2, 63	3, 62
Adjusted R <sup>2</sup>	-0.045	-0.061	-0.054	-0.075	-0.026	-0.011	-0.021	0.030
t		0.754		0.645		1.400		2.071
p		0.457		0.524		0.166		0.043
N	33	33	33	33	66	66	66	66

\* p < 0.05; \*\* p < 0.01; \*\*\* p < 0.001 (two-tailed test). The entries include regression coefficients and standard errors are in parentheses.

**Table 6. Multiple regression analyses for repeated interaction, interpersonal trust, and switching costs**

	Interpersonal trust (MM perception)		Interpersonal trust (SM Assessment)		Switching costs	
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Firm size	-0.206 (0.254)	-0.177 (0.267)	-0.015 (0.212)	0.215 (0.213)	0.079 (0.178)	0.083 (0.168)
Firm age	0.570 (0.413)	0.543 (0.424)	-0.171 (0.302)	-0.369 (0.290)	-0.203 (0.253)	-0.152 (0.239)
Repeated interaction		0.081 (0.201)		0.427 (0.138)**		
Interpersonal trust						0.300 (0.099)**
Model R <sup>2</sup>	0.061	0.066	0.007	0.140	0.010	0.137
Change in R <sup>2</sup>		0.005		0.133		0.127
F	0.978	0.688	0.215	3.354*	0.330	3.288*
Change in F		0.164		9.572**		9.121**
d.f.	2, 30	3, 29	2, 63	3, 62	2, 63	2, 62
Adjusted R <sup>2</sup>	-0.001	-0.030	-0.025	0.098	-0.021	0.096
t		0.404		3.094		3.020
p		0.689		0.003		0.004
N	33	33	66	66	66	66

\* p < 0.05; \*\* p < 0.01; \*\*\* p < 0.001 (two-tailed test).

The entries include regression coefficients and standard errors are in parentheses.

**Table 7. Multiple regression analyses for collaboration and interpersonal trust**

	MM Collaboration		SM Collaboration	
	Model 1	Model 2	Model 3	Model 4
Firm size	-0.093 (0.241)	0.025 (0.197)	-0.602 (0.206) **	-0.593 (0.163)**
Firm age	-0.143 (0.392)	-0.471 (0.327)	-0.184 (0.293)	-0.081 (0.233)
Interpersonal trust		0.576 (0.140)***		0.602 (0.097) ***
Model R <sup>2</sup>	0.017	0.379	0.166	0.486
Change in R <sup>2</sup>		0.362		0.320
F	0.254	5.897**	6.249**	19.509***
Change in F		16.913***		38.575***
d.f.	2, 30	3, 29	2, 63	3, 62
Adjusted R <sup>2</sup>	-0.049	0.315	0.139	0.461
t		4.113		6.211
p		0.000		0.000
N	33	33	66	66

\* p < 0.05; \*\* p < 0.01; \*\*\* p < 0.001 (two-tailed test).

The entries include regression coefficients and standard errors are in parentheses.

**Table 8. Measurement instruments**

Measures and Items	Internal Consistency Reliability ( $\alpha$ )	Source
<i>Interpersonal Trust</i>	0.778	Adapted from Zaheer, et al., (1998)
<ol style="list-style-type: none"><li>1. The primary contact in the host community has always been even-handed in negotiations with me.</li><li>2. I know how the primary contact in the host community is going to act. S/he can always be counted on to act as expected.</li><li>3. The primary contact in the host community is trustworthy.</li><li>4. I have faith in the primary contact in the host community to look out for my interests even when it is costly to do so.</li><li>5. I would feel a sense of betrayal if the primary contact's performance was below my expectations.</li></ol> <p>(1 = strongly disagree, 4 = neither agree nor disagree, 7 = strongly agree)</p>		
<i>Collaboration</i>	0.582	Adapted from Thomson, et al., (2007)
<ol style="list-style-type: none"><li>1. The people who represent the host community in the collaboration are trustworthy.</li><li>2. Our firm can count on the host community to meet its obligations to the collaboration.</li><li>3. Developing long-term personal relationships with the host community is the most important part of collaborating.</li></ol> <p>(1 = not at all, 4 = To a moderate extent, 7 = To very great extent)</p>		

*Performance: (a) Middle manager's perception of firm's performance on project completion and (b) Social movement leader's assessment of firm performance in terms of community development.*

New items adapted from Zaheer, et al. (1998)

Collaboration impacted project completion and community development in fulfilling each of the following goals.

1. Cost performance (Benefits received).
2. Timeliness of delivery.

(1 = Very negatively, 4 = Neutral, 7 = Very positively).

### *Repeated Interaction*

New Item

How often do you interact with your primary contact in the host community (e.g. via phone calls, email, meetings)

(1 = yearly; 3 = monthly, 5 = daily)

### *Early collaboration*

New Item

The firm's collaborative relationship with the host community commenced.

(1 = More than 2 years before project execution start, 4 = At project execution start, 7 = More than 2 years after project execution start)

### *Switching Costs*

0.882

Adapted from Patterson, et al., (2003)

1. Our community is not looking for another oil firm to replace the present one.
2. The relationship is important to our community.
3. Our community wish to retain our relationship with the oil firm.

4. Our community is happy with our decision to work with this oil firm.
  5. Our community choice of supporting this oil firm was a wise one.
  6. Our community feels good about our decision to work with this oil firm.
  7. Taking everything into consideration, our community feels it receives high level of support from the oil firm.
  8. The oil firm will go out of it's way to search for a special deal for our community.
  9. The oil firm will always search for the most reasonable benefits for our community.
  10. The oil firm will more likely help our community if something goes wrong.
  11. The oil firm will be more likely to do what our community wants.
  12. If our community changes from supporting this oil firm, there is a risk the new oil firm won't be as good.
  13. On the whole, the host community would waste a lot of time searching for another oil firm if our community changed from supporting this oil firm.
  14. All oil firms are much the same, so it would not matter if our community changed from supporting this oil firm.
  15. All oil firms offer a similar range of benefits.
  16. All things considered, most oil firms are similar.
  17. All oil firms give a similar level of benefits.
  18. If our community changed from supporting this oil firm, we will need to spend a lot of time to explain our preferences to a new oil firm.
  19. Our community will lose a friendly and comfortable relationship if we change from supporting this firm.
- (1 = strongly disagree, 4 = neither agree nor disagree, 7 = strongly agree).

**Table 9. Semi-structured questionnaire for middle managers**General role

- 1.1 What is your role in your firm?
- 1.2 (a) Have you heard the term 'Social Movements'? (b) How would you define those for yourself?
- 1.3 How do Social Movements (Host Oil & Gas Communities) affect you / your firm's performance?

Resource dependence

- 2.1 The issues/problems do you see in your relationship with the Host Oil & Gas Communities when executing projects in these Communities?
- 2.2 What advantages does the resolution of these issues/problems give you as Project Manager?

Collaboration

- 3.1 What do you consider as 'collaboration' with Host Oil & Gas Communities?
- 3.2 (a) Do/have you collaborated with Host Oil & Gas Communities? (b) In what ways? (c) Since when?
- 3.3 (a) If you have collaborated, do you believe that this has improved your project performance? (b) In what way?
- 3.4 What mechanisms do you use to collaborate with Community leaders in order to achieve a high level of performance in project execution?

Early movers

- 4.1 (a) Do you believe that you are an early/late mover in collaborating with the Communities? (b) What about your competitors?
- 4.2 How do you start an early collaboration with Community leaders?
- 4.3 Do you see yourself in competition with Project Managers of other Firms?
- 4.4 What advantages do you as an early collaborator with Community leaders have over other Project Managers in other Firms who are latecomers in collaboration?
- 4.5 What mechanisms do you as an early collaborator with Community leaders use to maintain your advantage over other Project Managers in other Firms?

**Table 10. Semi-structured questionnaire for oil & gas host communities**

- 1.1 What are your expectations from oil companies?
- 1.2 (a) Have you entered any collaboration with an oil firm? (b) Which one? (c) What is the nature of that collaboration? (d) What value do you derive from the collaboration?
- 1.3 (a) How many firms do you collaborate with? (b) Why?
- 1.4 Who do you see as your primary contact / the primary responsible partner at the firm?
- 1.5 Why do you collaborate with the firm?
- 1.6 What would make you switch / end a collaboration?
- 1.7 What happens if the collaboration with your main partner would be terminated tomorrow for whatever reason?
- 1.8 What can promote more collaboration with the firms?

Notes

- '*Interview #MM*' represents a middle manager from whom we have received a response during the semi-structured questions / interview.
- '*Interview #SM*' represents a social movement leader/respondent, who has provided a response.

**Table 11. Semi-structured interview - Sample responses from middle managers**

SEMI STRUCTURED QUESTIONS	SAMPLES RESPONSES FROM MIDDLE MANAGERS <span style="float: right;">...1/2</span>
What is your role inside your firm?	Project Manager Project Co-ordinator, responsible for the co-ordination of assets and projects My role is managing our equity in onshore non-operated asset.
Have you heard the term 'Social Movements'? and How would you define those for yourself?	Yes I have heard of social movements. Social movement, to define it, is the collective activities designed to bring about or resistance to primary changes in society or group.  Yes, Social movement is a group action to effect change on specific issues.
How do Social Movements (Host Oil & Gas Communities) affect you / your firm's performance?	It affects it a lot in the sense that when the relationship is not good there is increased or heightened agitation and the agitation leads to shut down of your activities, leading to more delays, and your schedule is out of the window.  Very vital as assets reside in areas where the host community has a large stake. Relationships with the host communities are maintained and sustained in order to guarantee continued operations
What are the issues / problems that you see in your relationship with the Host Oil & Gas Communities when executing projects in these Communities?	The non-respect of GMOU by the community stakeholders always demanding for more even when the GMOU was clear.  Issue bothering on community development projects and legacy issues which causes a slip in the schedule.
What advantages does the resolution of these issues / problems give you as Project Manager?	If you do this upfront, the chances of agitation coming much later is minimized. It helps you because your projects schedules are met.  Any resolution is good news and it helps you make progress that is necessary to get towards completing the project  It enables the freedom to operate in the communities
What do you consider as 'collaboration' with Host Oil & Gas Communities?	What I consider essentially as collaboration within the communities is when working with them, trying to meet their needs where practicable so that you can do your work unhindered.  When you meet with them to identify both parties need and jointly agree to the means to reach the objectives.  Working in conjunction with the host communities and carrying the host community along every step of the way.
Do/have you collaborated with Host Oil & Gas Communities In what ways and Since when?	We have been collaborating with the host communities as far back as i can remember. they get to be given many contracts as a way of economic empowerment they provide supplies to the site in terms of manpower and even consumables.  We did not want to do the fabrication work outside the country, because we wanted an opportunity that if we do it in-country, expertise will be there in the community, there will be work for the people, both for people who are skill workers and unskilled workers, will use the process to develop the community. Then most of the job being done abroad will then be brought down here and agitations will stop.  Yes, through engagements, through GMOUs, through community contracts, through empowering the people. Since i joined the company.
If you have collaborated, do you believe that this has improved your project performance and in what way?	Yes, now the schedule we have for the B-project has it as June date and we are currently in May and we are still targeted and posed for the facility to be completed in June. As I speak with you, we have finished the shut-down works yesterday and all that have been concluded smoothly all because of collaboration with the communities. We did not really have any shut down as far as the facility is concerned and because we have done upfront collaboration with the communities. To say we will provide the jobs, the percentage were respected and all the jobs we promised to provide, we provided. Yes. in the sense that the frequency of stoppages by the community is reduced.  Yes, You will be allowed freedom to operate.

## SEMI STRUCTURED QUESTIONS

What mechanisms do you use to collaborate with Community Leaders in order to achieve high level of performance in project execution?

Do you believe that you are an early/late mover in collaborating with the Communities?, What about your competitors?

Do you see yourself in competition with Project Managers of other Firms?

What advantages do you as early collaborator with Community Leaders have over other Project Managers in other Firms who are late comers in collaboration?

What mechanisms do you as early collaborator with Community Leaders use to maintain your advantage over other Project Managers in other Firms?

Roles of MM and TMT in strategy execution

Roles of MM and TMT in collaboration with the communities

## SAMPLES RESPONSES FROM MIDDLE MANAGERS

...2/2

Traditionally, if we look back as we stand today, I think my company is well ahead of the game in terms of that. One because we have been there for a long time and others are coming and they are playing catch up.

Continuous engagements via meeting. Award of contract within their level of competence.

The leadership is empowered, the youths are empowered in their own sphere and this has helped a lot.

My company has been in this business for over 50 years and the structure on ground to make it work, makes it an early mover. You can't mobilise to any job site without following systematically, engagement of the communities, homage payment, works to be done, even when you finish all these introductions of the contractor to the communities, the contractor still owes a social responsibility to go back to the community and still do something for the community.

Traditionally, if we look back as we stand today, I think my company is well ahead of the game in terms of that. One because we have been there for a long time and others are coming and they are playing catch up.

Yes. since when the company started operation in the community, we have been collaborating with them early.

We are going into areas nowadays where we are not just the sole people working in the place. I give you a quick example, in B-community where we have another operating company, on the other side of the fence, they are working too. The way they do business is not the way we do business. It is like a competition.

When you are discussing with these leaders, they make those examples to you. They give you references that look, those are folks whom we have dealt with. This is the way we did it and we don't see why you are doing something different.

Not at all

The beauty of about being early collaborator is that you try and set the pace and what we do is that when we go there we tell people what we traditionally do, how it benefits everybody. We try as much as possible because traditionally we have been doing this. We have town hall meetings where every interested stakeholders is involved.

Both the leaders in the community, the youths in the community, and the women in the community come to the table. They know the way we want to do it. For the project, they know the benefit that come with that system for the project, they know that. Both the communities and individuals will benefit so they try to listen to us and they toe our line.

I get my job done on time.

The way to maintain it is continuous dialogue. Because the projects span about three years, but in the three years, right there on site, it is a one and a half years execution and construction period. that is a very short period when you think about what happens after the project, where you enter into the operate phase where it is for another twenty years. So you put such things upfront for them. So they know that it not just benefitting today but whatever skill they develop could be for the future. So they then get interested and get serious about it. So you must be able to sustain it, make sure it is transparent and walk the talk.

Constant engagement via regular briefing and contact

For senior managers what they are looking at is the bottom line and they are looking at the bigger picture of the project should not suffer undue delays. The middle managers are the real work horse who are actually meeting the communities in terms of actually seeing the projects actually come to fruition. That is, what the senior managers have set in terms of budget and schedules that have been agreed with middle managers. The middle managers actually take it to the engineers and actually implement them so they are at the cold face.

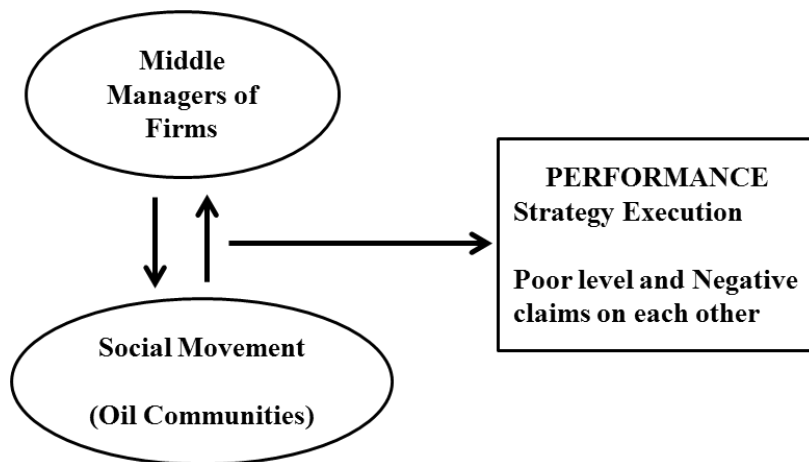
Straight away, I think the middle managers are in a better position to drive collaboration with the communities. Because these are the people the communities see on a day to day basis. The senior managers only visit site because they make policies, they try to see how these policies tie to the corporate setting in terms of my company and its corporate policy.

It is these managers they want to see because they know them, they talk to them every day. They do not want to see a senior manager who would only visit site on a facility visit.

**Table 12. Semi-structured interviews – host communities sample responses.**

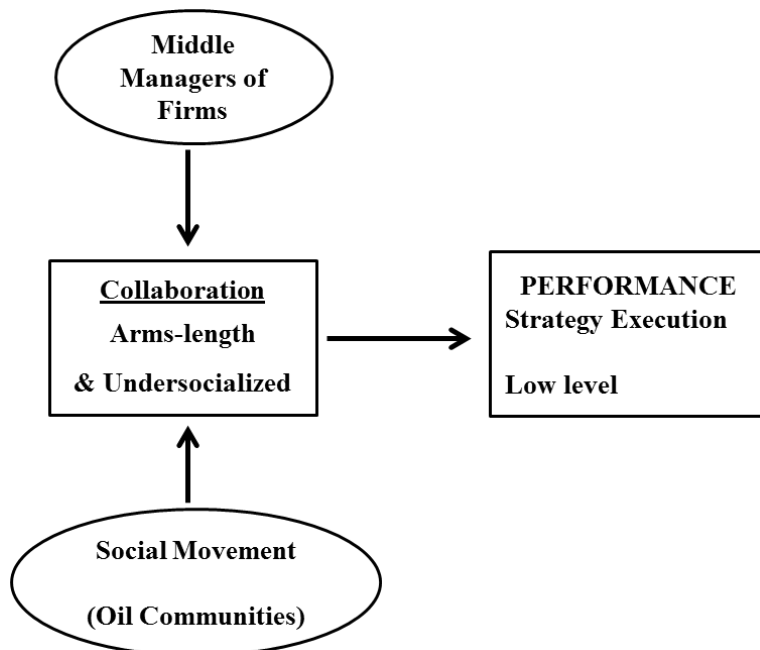
SEMI STRUCTURED QUESTIONS	SAMPLES RESPONSES FROM SOCIAL MOVEMENTS <span style="float: right;">... 1/2</span>
What are your expectations from Oil companies?	<p>To the best of my knowledge, this companies have been in operation before I was born. Am happy that we have oil firms like that in my place to enable us grow/develop but I expect them to do programs like human empowerment. I will say they are trying but not up to my expectations. We need more from them when it comes to infrastructural development and human empowerment.</p> <p>Our expectations are that we need those social amenities like schools but we are denied. At least by this stage of life we needed to upgrade but we see nothing, I say it is zero percent; we are not too comfortable with their system of operation. The good relationship is not there.</p> <p>These are my expectations particularly as a mother; one is health: health care is the first thing or hospital. The community is big enough to have a hospital yet not even one. We were expecting loans: They should give loans to the women.</p>
What is the nature of that collaboration	<p>We entered into GMOU, memorandum of understanding on the expectations we want from them.</p> <p>What we are expecting cannot be compared to what we are benefitting because there is a broad line between the two so I think that's how the relationship has been. So our expectations were; training, skill acquisition, microfinance loan, agricultural programs for our aged parents like fish farming etc. they take more than what they give back to us.</p>
What value do you derive from the collaboration	<p>There is none, for now nothing, we are still struggling with them until something good comes out. But nothing for now.</p> <p>For Company Y, their GMOU has attracted some infrastructural developments like the internal concrete road project; one is 3km road, 1.16km and the third one has been abandoned. The health Centre was to be rehabilitated through this GMOU but they only brought the equipment's.</p>
How many firms do you collaborate with and Why? - The Collaboration	<p>COMPANY X is the most important, other ones are just on the rail. - Because we want development/ infrastructure in our community</p> <p>Two, for now it is Company X and Company Y. - Because we want human empowerment and infrastructural development.</p>
Who do you see as your primary contact/ or primary responsible partner at the firm	<p>The next contact we have is the Community Development Board (CDB) Chairman.</p> <p>Anything you are doing with them is through the CDB who is our primary contact now.</p> <p>Our primary contact for COMPANY X for now is the Cluster Board Chairman. While for COMPANY Y, we have an MOU which is supposed to be through the CLO.</p>

**Figure 1. Direct Ties - But no collaboration**



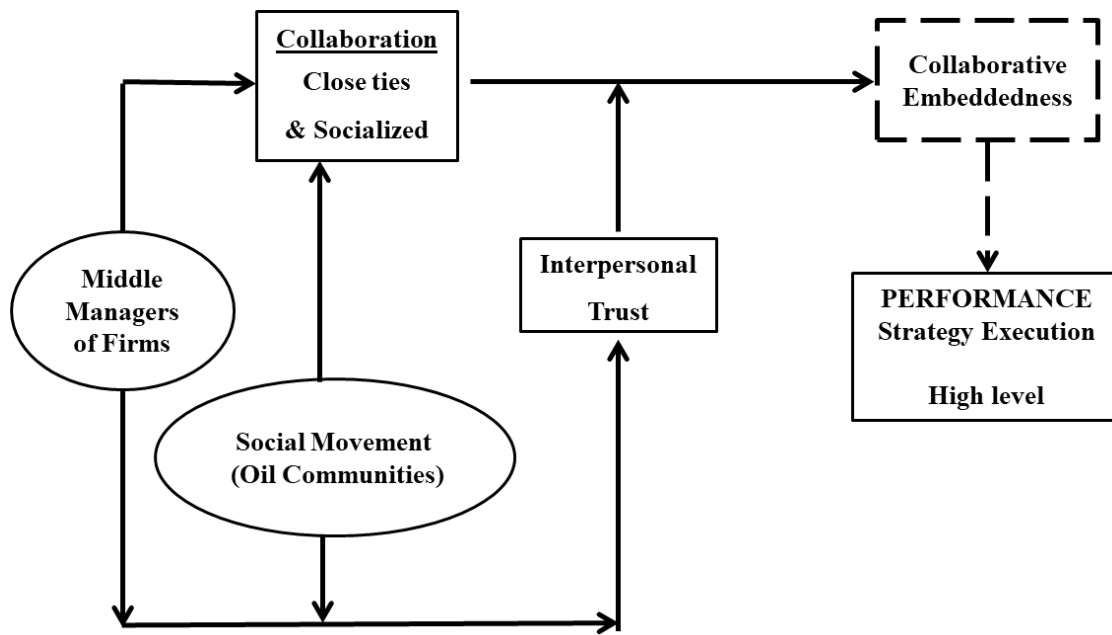
*Figure 1 depicts a relationship between firms' middle managers and social movements where there are direct ties but no focused/insignificant collaboration.*

**Figure 2. Direct Ties - Collaboration but at arm's-length**



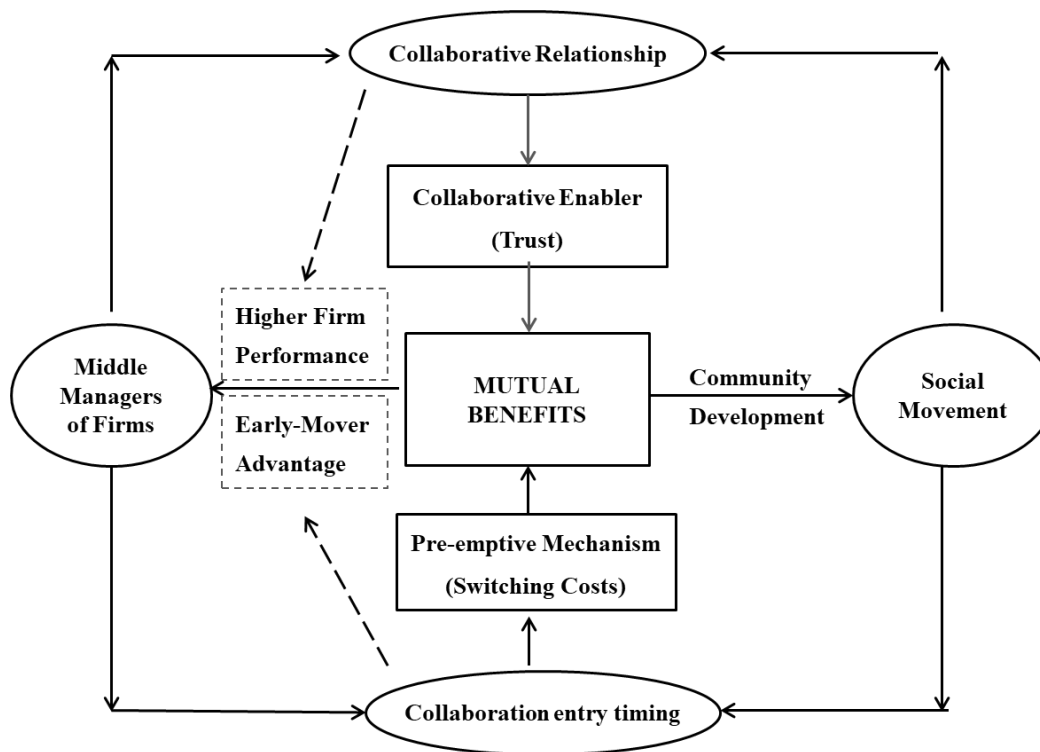
*In figure 2, we see collaboration between firms' middle managers and social movements but the relationship is at arm's-length.*

**Figure 3. Direct Ties - Collaborative embeddedness**



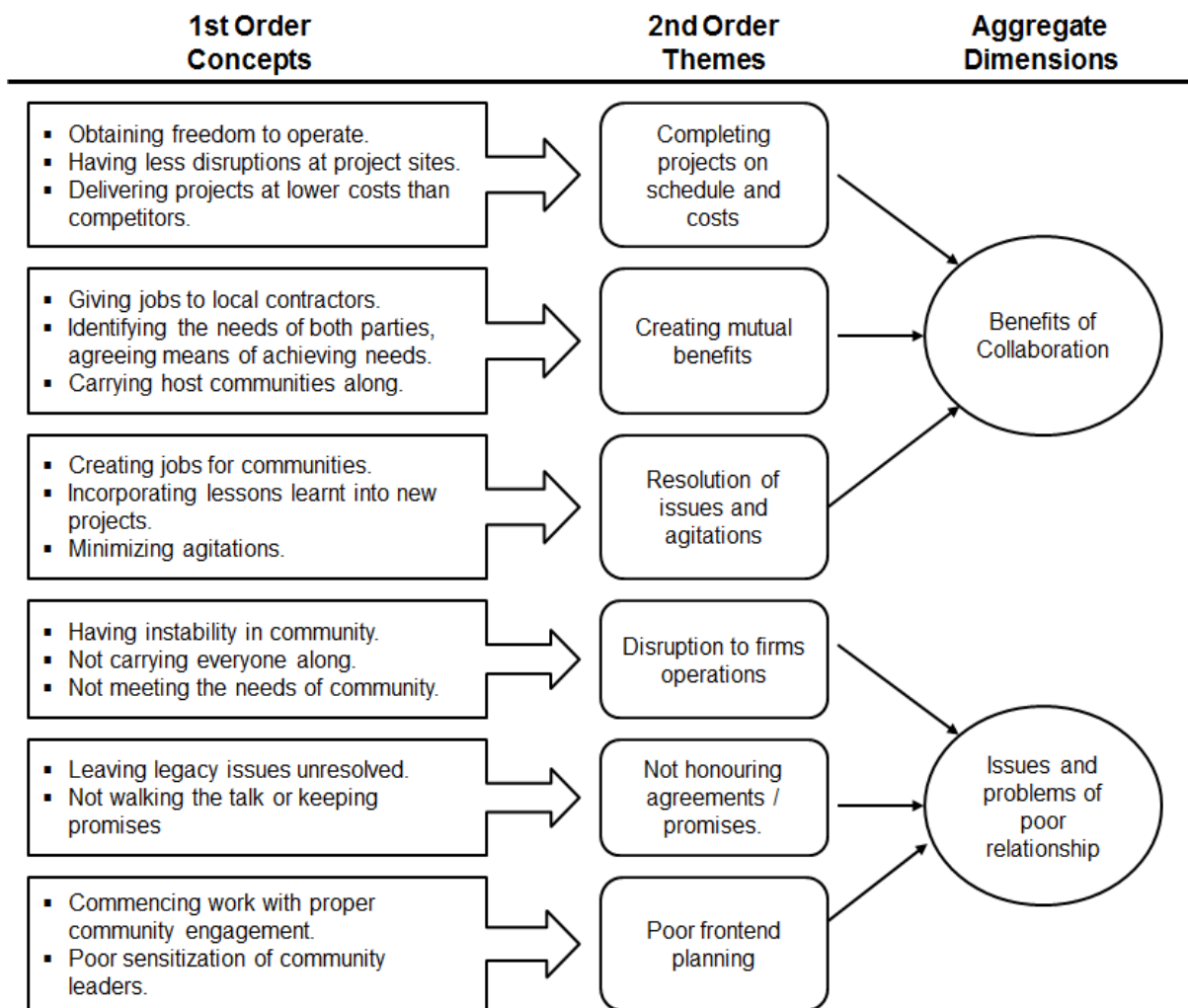
*Figure 3 depicts a collaborative embeddedness which arises from a collaborative relationship where there are close and socialised ties between middle managers and social movements. Middle managers for instance embed trust into the collaborative relationship by ensuring that they can be trusted. This collaborative embeddedness then leads to high level of mutual benefits and strategy execution.*

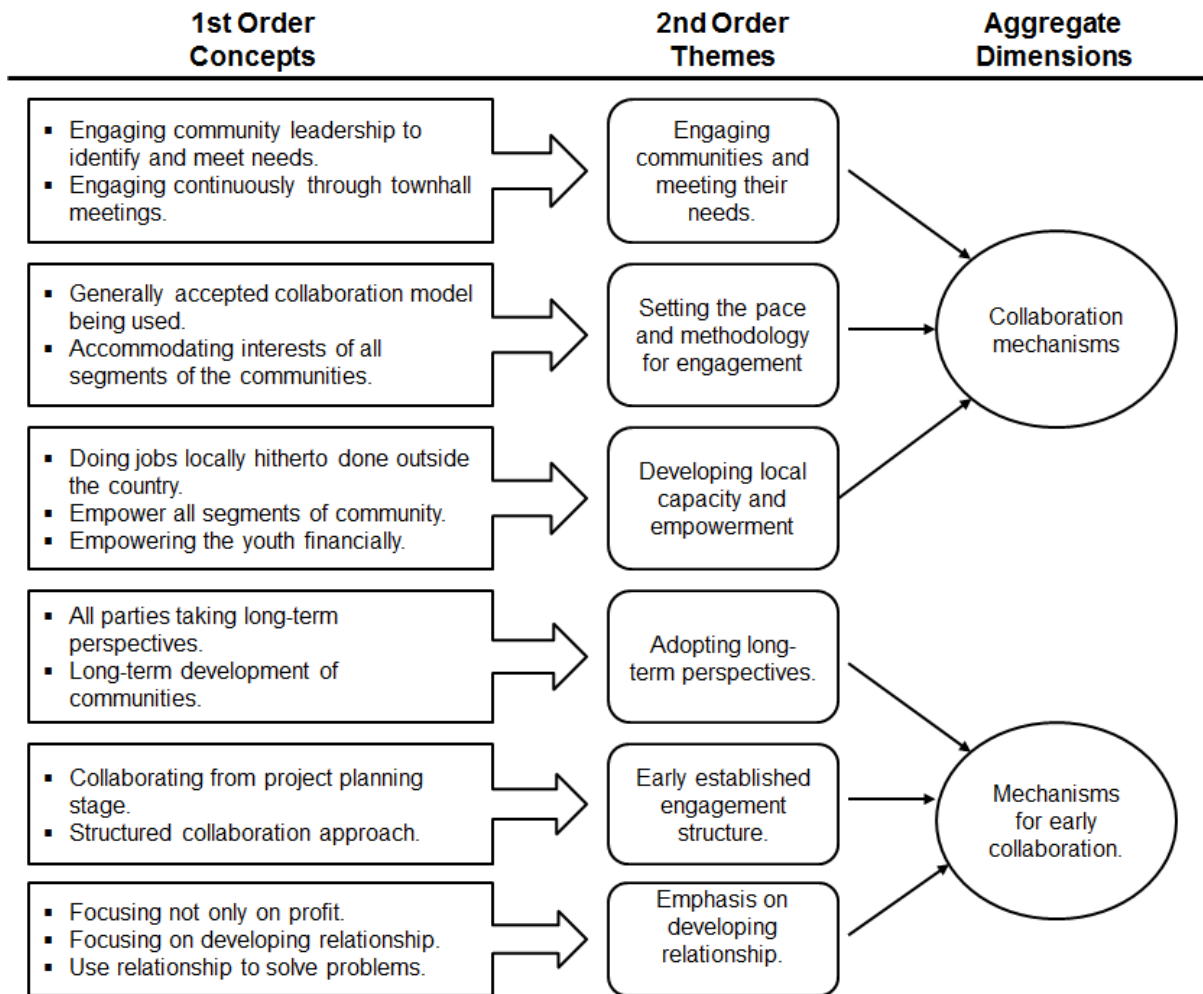
**Figure 4. Combined: Collaborative embeddedness and Early-mover advantage.**



This theoretical model in figure-4 highlights the combined impacts of collaborative embeddedness and first mover advantage on firm's performance and creating value from early-mover advantage for the firm and also mutual benefits leading to higher level of development or the communities.

**Figure 5. Coding data structure (aggregate dimensions)**





## REFERENCE

- Aaron, K. K. 2012. New corporate social responsibility models for oil companies in Nigeria's delta region: What challenges for sustainability? *Progress in Development Studies*, 12 (4):259-273.
- Acquaah, M. 2007. Managerial Social Capital, Strategic Orientation, and Organizational Performance in an Emerging Economy. *Strategic Management Journal*, 28 (2): 1235–1255
- Ahearne, M., Lam, S. K., and Kraus, F. 2014. Performance impact of middle managers' adaptive strategy implementation: The role of social capital. *Strategic Management Journal*, 35: 68–87.
- Aldrich, H. E., and Pfeffer, J. 1976. Environments of organizations. *Annual Review of Sociology*, 2: 79-105.
- Andersson, U., Forsgren, M., and Holm, U. 2002. The strategic impact of external networks: Subsidiary performance and competence development in the multinational corporation. *Strategic Management Journal*, 23: 979-996.
- Asu, F. 2013. Of IOCs' divestment of Nigerian oil assets. *Businessday Nigeria*, June 20, available at <https://www.businessdayonline.com/of-iocs-divestment-of-nigerian-oil-assets/>
- Aydin, S., and Ozer, G. 2005. How switching costs affect subscriber loyalty in the Turkish mobile phone market: An exploratory study. *Journal of Targeting, Measurement and Analysis for Marketing*, 14 (2): 141–155.
- Brush, T. H., Dangol, R., and O'Brien, J. P. 2012. Customer capabilities, switching costs, and bank performance. *Strategic Management Journal*, 33: 1499 – 1515.

- Burnham, T. A., Frels, J. K. and Mahajan, V. 2003. Consumer switching costs: A typology, antecedents, and consequences. *Journal of the Academy of Marketing Science*, 31 (2): 109-126.
- Burt, R. S. 1997. Contingent value of social capital. *Administrative Science Quarterly*, 42:339-365.
- Campero, C., and Barton, J. R. 2015. You have to be with God and the Devil: Linking Bolivia's extractive industries and local development through social licences. *Bulletin of Latin American Research*, 34 (2): 167-183
- Carpenter, G. S., and Nakamoto, K. 1989. Consumer preference formation and pioneering advantage. *Journal of Marketing Research*, 26: 285 - 298.
- Chanmeka, A., Thomas, S. R., Caldas, C. H., and Mulva, S. P. 2012. Assessing key factors impacting the performance and productivity of oil and gas projects in Alberta. *Canadian Journal of Civil Engineering*, 39(3): 259-270.
- Charmaz, K. 2006. *Constructing Grounded Theory: A Practical Guide through Qualitative Analysis*. London: Sage.
- Chevron Nigeria Limited (CNL). 2013. Corporate Responsibility Report: Chevron in Nigeria. [www.chevron.com/countries/nigeria/inthecommunity](http://www.chevron.com/countries/nigeria/inthecommunity)
- Cohen, W. M., and Levinthal, D. A. 1990. Absorptive capacity: A new perspective on learning and innovation. *Administrative Science Quarterly*, 35: 128-152.
- Creswell, J., and Plano, C. V. 2007. *Designing and conducting mixed methods research*. Thousand Oaks, CA: Sage.
- Currie, G. and Procter, S. J. 2005. The antecedents of middle managers' strategic contribution: The case of a professional bureaucracy. *Journal of Management Studies*, 42(7): 1325-1356.

- Dacin, M. T., Ventresca, M. J., and Beal, B. D. 1999. *The embeddedness of organizations: Dialogue & directions*. ***Journal of Management***, 25(3): 317–356
- Davis, G. F., and Thompson, T. A. 1994. A social movement perspective on corporate control. ***Administrative Science Quarterly***, 39: 141-173.
- Davis, G. F., Morrill, C., Rao, H., and Soule, S. A. 2008. Introduction: Social movements in organizations and markets. ***Administrative Science Quarterly***, 53: 389-394.
- Dequech, D. 2003. Cognitive and cultural embeddedness: Combining institutional economics and economic sociology. ***Journal of Economic Issues***, 37(2): 461-470
- Dess, G. G., and Robinson, R. B. 1984. Measuring organizational performance in the absence of objective measures: The case of the privately-held firm and conglomerate business unit. ***Strategic Management Journal***, 5: 265-273.
- Dixit, A. 1985. The role of investment in entry deterrence. ***Economic Journal***, 90: 95-106.
- Dyer, J. H., and Singh, H. 1998. The relational view: Cooperative strategy and sources of interorganizational competitive advantage. ***The Academy of Management Review***, 23 (4): 660-679.
- Eweje, G. 2006. Environmental costs and responsibilities resulting from oil exploitation in developing countries: The case of the Niger Delta of Nigeria. ***Journal of Business Ethics***, (2006) 69:27–56.
- Ferrin, D. L., Dirks, K. T., and Shah, P. P. 2006. Direct and indirect effects of third-party relationships on interpersonal trust. ***Journal of Applied Psychology***, 91 (4): 870–883

- Finkelstein, S. 1992. Power in top management teams: Dimensions, measurement, and validation. *Academy of Management Journal*, 35(3): 505-538.
- Floyd, S. W. 1992. Managing strategic consensus: The foundation of effective implementation. *Academy of Management Executive*, 6 (4): 27-39.
- Floyd, S. W., and Wooldridge, B. 1992. Middle management involvement in strategy and its association with strategic type: A research note. *Strategic Management Journal*, 13: 153-167.
- García-Rodríguez, F. J., García-Rodríguez, J. L., Castilla-Gutiérrez, C., and Major, S. A. 2013. Corporate social responsibility of oil companies in developing countries: From altruism to business strategy. *Corporate Social Responsibility and Environmental Management*, 20: 371–384
- Gilbert, R. J., and Newbery, D. M. G. 1982. Pre-emptive patenting and the persistence of monopoly. *American Economic Review*, 72: 514-526.
- Glaser, B. G. 1992. *Basics of Grounded Theory Analysis. Emergence vs Forcing*. Mill Valley CA, USA: Sociology Press.
- Glaser, B. G., and Strauss, A. L. 1967. *The Discovery of Grounded Theory: Strategies for Qualitative Research*. Chicago: Aldine.
- Gomez, J., and Maicas, J. P. 2011. Do switching costs mediate the relationship between entry timing and performance? *Strategic Management Journal*, 32: 1251-1269.
- Granovetter, M. 1985. Economic action and social structure: The problem of embeddedness. *The American Journal of Sociology*, 91 (3): 481-510.
- Gulati, R. 1995. Does familiarity breed trust? The implications of repeated ties for contractual choice in alliances. *Academy of Management Journal*, 38 85-112.

- Gulati, R., Nohria, N., and Zaheer, A. 2000. Strategic networks. ***Strategic Management Journal***, 21(3): 203-215.
- Gulati, R., and Sytch, M. 2008. Does Familiarity Breed Trust? Revisiting the Antecedents of Trust. ***Managerial and Decision Economics***, 29: 165–190.
- Gulati, R., Wohlgezogen, F., and Zhelyazkov, P. 2012. The two facets of collaboration: Cooperation and coordination in strategic alliances. ***The Academy of Management Annals***, 6(1): 531–583
- Gupta, A.K. 1987. SBU Strategies, Corporate-SBU relations, and SBU effectiveness in strategy implementation. ***Academy of Management Journal***, 30, 477-500.
- Guth, W. D. and I. C. MacMillan. 1986. Strategy implementation versus middle management self-interest. ***Strategic Management Journal***, pp. 313-327.
- Hawk, A., Pacheco-De-Almeida, G., and Yeung, B. 2013. Fast-mover advantages: Speed capabilities and entry into the emerging submarket of Atlantic basin LNG. ***Strategic Management Journal***, 1-20
- Hill, L. 2000. What it really means to manage: Exercising power and influence. ***Harvard Business School***, Feb 15: 1-4.
- Harrell, F. E. 2015. ***Regression modelling strategies with applications to linear models, logistic and ordinal regression and survival analysis (2<sup>nd</sup> Ed)***. Springer-Verlag: Chan
- Idemudia, U. 2009. Oil extraction and poverty reduction in the Niger Delta: A critical examination of partnership initiatives. ***Journal of Business Ethics***, 90: 91-116.
- Kalyanaram, G., Robinson, W. T., and Urban, G. L. 1995. Order of market entry: Established empirical generalizations, emerging empirical generalizations, and future research. ***Marketing Science***, 14(3): 212-221.

- King, B. G. 2008. A political mediation model of corporate response to social movement activism. *Administrative Science Quarterly*, 53: 395-421.
- King, B. G., and Soule, S. A. 2007. Social movements as extra-institutional entrepreneurs: The effect of protests on stock price returns. *Administrative Science Quarterly*, 52:413-442.
- Kogut, B. 1989. The stability of joint ventures: Reciprocity and competitive rivalry. *Journal of Industrial Economics*, 38 (2): 183-198
- Kopel, M., and Löffler, C. 2008. Commitment, first-mover-, and second-mover advantage. *Journal of Economics*, 94:143-166.
- Lambkin, M. 1988, Order of entry and performance in new markets. *Strategic Management Journal*, 9: 127 - 140.
- Lawrence, T. B., Hardy, C., and Phillips, N. 2002. Institutional effects of interorganizational collaboration: The emergence of Proto-Institutions. *Academy of Management Journal*, 45(1): 281-290.
- Lazzarini, S. G., Miller, G. J., and Zenger, T. R. 2008. Dealing with the paradox of embeddedness: The role of contracts and trust in facilitating movement out of committed relationships. *Organization Science*, 19 (5): 709-728
- Lee, K. S., and NG, I. C. L. 2007. An integrative framework of pre-emption strategies. *Journal of Strategic Marketing*, 15: 327 – 348
- Li, Y., Chen, H., Liu, Y., and Peng, M. W. 2014. Managerial ties, organizational learning, and opportunity capture: A social capital perspective. *Asia Pacific Journal of Management*, 31:271–291
- Li, J., Zhou, C., and Zajac, E. J. 2009. Control, collaboration, and productivity in international joint ventures: Theory and evidence. *Strategic Management Journal*, 30: 865–884

- Lieberman, M. B., and Montgomery, D. B. 1988. First-mover advantages. ***Strategic Management Journal***, 9: 41-58
- Lieberman, M. B., and Montgomery, D. B. 1998. First-mover (dis)advantages: Retrospective and link with the resource-based view. ***Strategic Management Journal***, 19: 1111-1125.
- Lilien, G., and Yoon, L. 1990. The timing of competitive market entry: An explanatory study of new industrial products. ***Management Science***, 36: 568-585.
- Little, R. J. A. 1988. A test of missing completely at random for multivariate data with missing values. ***Journal of the American Statistical Association***: 1198 - 1202.
- Lounsbury, M., Ventresca, M. J., and Hirsch, P. M. 2003. Social movements, field frames, and industry emergence: A cultural-political perspective on U.S. recycling. ***Socio-economic Review***, 1: 71–104.
- Lui, S. S., Ngo, H., and Hon, A. H. Y. 2006. Coercive strategy in interfirm cooperation: Mediating roles of interpersonal and interorganizational trust. ***Journal of Business Research***, 59 (4): 466-474
- Luo, Y. 2001. Toward a cooperative view of MNC-Host government relations: Building blocks and performance implications. ***Journal of International Business Studies***, 32(3):401-419.
- .Mayer, R. C., Davis, J. H., and Schoorman, F. D. 1995. An integrative model of organizational trust. ***Academy of Management Review***, 20 (3), 709-734.
- McCarthy, J. D., and Zald, M. N. 1977. Resource mobilisation and social movements: A partial theory. ***The American Journal of Sociology***, 82(6): 1212-1241.
- Moran, P. 2005. Structural vs. Relational embeddedness: Social capital and managerial performance. ***Strategic Management Journal***, 26: 1129-1151.

- Murray, J. Y., Ju, M., and Gao, G. Y. 2012. Foreign market entry timing revisited: Trade-off between market share performance and firm survival. ***Journal of International Marketing***, 20 (3): 50–64
- Nelson, P. 1980. Comments on the economics of consumer information acquisition. ***Journal of Business***, 53(3): 163 - 165.
- Obi, C. 2009. Nigeria's Niger Delta: Understanding the complex drivers of violent oil related conflict. ***Africa Development***, XXXIV, 2: 103–128.
- Orji, K. E. 2011. Revolutionary Pressures and Social Movements in Nigeria: The Niger Delta Experience. ***African Research Review***, 5 (4): 449 - 461
- Papadakis, V. M., Lioukas, S., and Chambers, D. 1998. Strategic decision-making processes: The role of management and context. ***Strategic Management Journal***, 19: 115-147.
- Park, S. H., & Russo, M. V. 1996. When competition eclipses cooperation: An event history analysis of joint venture failure. ***Management Science***, 42: 875–890.
- Park, S. H., and Ungson, G. R. 1997. The effect of national culture, organizational complementarity and economic motivation on joint venture dissolution. ***Academy of Management Journal***, 40: 279–307.
- Patterson, P. G., and Smith, T. 2003. A cross-cultural study of switching barriers and propensity to stay with service providers. ***Journal of Retailing***, 79: 107–120.
- Peng, M. W., and Luo, Y. 2000. Managerial ties and firm performance in a transition economy: The nature of a micro-link. ***Academy of Management Journal***, 43 (3): 486-501
- Polidoro Jr, F., Ahuja, G., and Mitchell, W. 2011. When the social structure overshadows competitive incentives: the effects of network embeddedness on joint venture dissolution. ***Academy of Management Journal***, 54 (1): 203-223.

- Porta, D. D, and Diani, M. 2006. ***Social Movements: An Introduction (2<sup>nd</sup> Edition)***.  
Oxford: Blackwell Publishing.
- Prescott, E., and Vischer, M. 1977. Sequential location among firms with foresight.  
***The Bell Journal of Economics***, 8(2): 378-393.
- Prno, J., and Slocombe, D. S. 2012. Exploring the origins of 'social license to operate'  
in the mining sector: Perspectives from governance and sustainability theories.  
***Resources Policy***, 37: 346-357
- Raes, A.M.L., Glunk, U., Roe, R.A., and Uni, M. 2011. The interface of the top  
management team and middle managers: A process model. ***Academy of  
Management Review***, 36(1): 102 – 126
- Ramanujam, V., and Venkatraman, N. 1984. An inventory and critique of strategy  
research using the PIMS data. ***Academy of Management Review***, 9: 138-151.
- Rao, H., Morrill, C., and Zald, M. N. 2000. Power plays: How social movements and  
collective action create new organizational forms. ***Research in Organizational  
Behavior***, 22: 237– 281.
- Reid, D. M. 1989. Operationalizing strategic planning. ***Strategic Management  
Journal***, 10: 553-576
- Robinson, W. T. 1988. Sources of market pioneer advantages: The case of industrial  
goods industries. ***Journal of Marketing Research***, 25: 87-94.
- Robinson, W. T., and Fornell, C. 1985. Sources of market pioneer advantage in  
consumer goods industries. ***Journal of Marketing Research***, 22: 305-317.
- Robinson, W. T., and Min, S. 2002. Is the first to market the first to fail? Empirical  
evidence for industrial goods businesses. ***Journal of Marketing Research***, 39  
(1): 120 – 128.

- Robinson, W. T., Fornell, C., and Sullivan, M. 1992. Are market pioneers intrinsically stronger than later entrants? *Strategic Management Journal*, 13: 609-624.
- Savage, G. T., Bunn, M. D., Gray, B., Xiao, Q, Wang, S., Wilson, E. J., and Williams, E. S. 2010. Stakeholder collaboration: Implications for stakeholder theory and practice, *Journal of Business Ethics*, 96: 21 – 26
- Sbaraini, A., Carter, S. M., Evans, R. W., and Blinkhorn, A. 2011. How to do a grounded theory study: A worked example of a study of dental practices. *BMC Medical Research Methodology*, 11:128 – 138
- Schmalensee, R. 1982. Product differentiation advantages of pioneering brands. *American Economic Review*, 72: 349-368.
- Shrader, R. C. 2001. Collaboration and performance in foreign markets: The case of young high-technology manufacturing firms. *Academy of Management Journal*, 44 (1): 45-60
- Spence, A. M. 1977. Entry, capacity, investment, and oligopolistic pricing. *Bell Journal of Economics*, 8: 534 - 544.
- Strauss, A., and Corbin, J. 1990. *Basics of qualitative research: Grounded theory procedures and techniques*. Newbury Park: Sage.
- Suarez, F. F., and Lanzolla, G. 2007. The role of environmental dynamics in building a first- mover advantages theory. *Academy of Management Review*, 32: 377-392.
- Szymanski, D., Troy, L., and Bharadwaj, S. 1995. Order of entry and business performance: An empirical synthesis and re-examination. *Journal of Marketing*, 59: 17 – 33

- Tan, D., Shih-Chang, H., and Liu, N. 2007. The Timing of Entry into a New Market: An Empirical Study of Taiwanese Firms in China, *Management and Organization Review* 3 (2): 227–254
- Thomson, A. M., and Perry, J. L. 2006. Collaboration Processes: Inside the Black Box. *Public Administration Review*, 2006: 20-32
- Thomson, A.M., Perry, J.L. and Miller, T.K. 2007. Conceptualizing and measuring collaboration. *Journal of Public Administration Research and Theory*, 19(1): 23-56.
- Tsai, W., and Ghoshal, S. 1998. Social capital and value creation: The role of intrafirm networks. *The Academy of Management Journal*, 41(4): 464-476
- Uzzi, B. 1996. The sources and consequences of embeddedness for the economic performance of organizations: The network effect. *American Sociological Review*, 61(4): 674-698.
- Uzzi, B. 1997. Social structure and competition in interfirm networks: the paradox of embeddedness. *Administrative Science Quarterly*, 42(1): 35-67
- Wasserstrom, R., and Reider, S. M. 2013. Anthropologists, corporate responsibility and oil in Ecuador and Nigeria. *International Journal of Business Anthropology*, 4(1): 77-91
- Westley, F. R. 1990. Middle managers and strategy: Micro-dynamics of inclusion. *Strategic Management Journal*, 11, 337-351.
- Williams, M. 2007. Building genuine trust through Interpersonal emotion management: A threat regulation model of trust and collaboration across boundaries. *Academy of Management Review*, 32 (2): 595–621.

- Wooldridge, B., and Floyd, S.W., 1990. The strategy process, middle management involvement and organizational performance. *Strategic Management Journal*, 11:231-241.
- Wooldridge, B., Schmid, T., and Floyd, S.W., 2008. The middle management perspective on strategy process: Contributions, synthesis, and future research. *Journal of Management*, 34: 1190-1221.
- Xin, K. R., and Pearce, J. L. 1996. Guanxi: Connections as substitutes for formal institutional support. *Academy of Management Journal*, 39 (6): 1641-1658.
- Zachary, M. A., Gianiodis, P. T., Payne, G. T., and Markman, G. D. 2015. Entry Timing: Enduring Lessons and Future Directions. *Journal of Management*, 41 (5): 1388 - 1415
- Zaheer, A., McEvily, B., and Perrone, V. 1998. Does trust matter? Exploring the effects of interorganizational and interpersonal trust on performance. *Organization Science*, 9 (2): 141-159.
- Zald, M. N., 2008. Epilogue: Social movements and political sociology in the analysis of organizations and markets. *Administrative Science Quarterly*, 53: 568-574
- Zhang, S and Li, X. 2008. Managerial ties, firm resources, and performance of cluster firms. *Asia Pacific Journal Management*, 25:615–633
- Zukin, S., and DiMaggio, P., eds. 1990. *Structures of Capital: The Social Organization of the Economy*. Cambridge: Cambridge University Press,