

# Collaborative Organizational Forms: On Communities, Crowds, and New Hybrids

Vegard Kolbjørnsrud, BI Norwegian Business School & Accenture  
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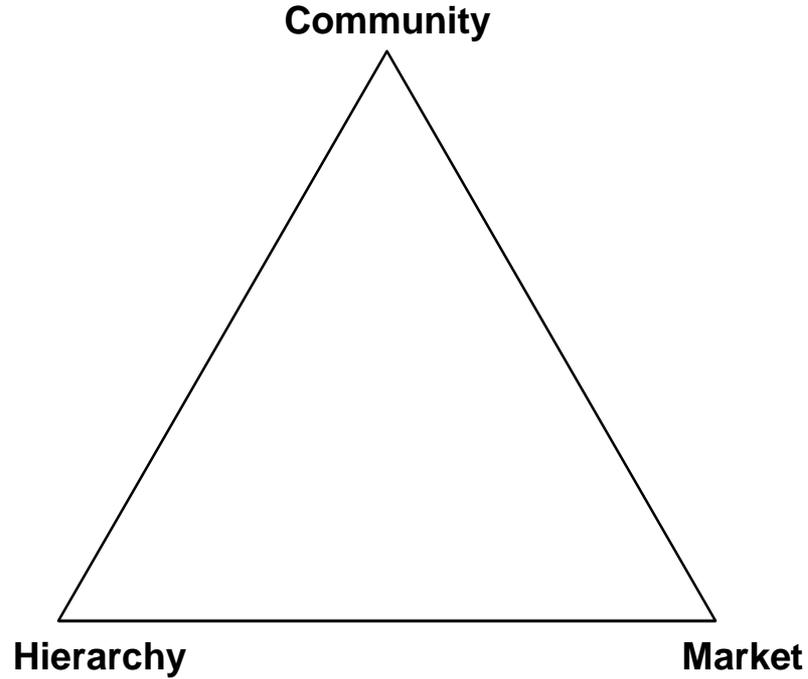
# Collaborative forms – what are they?

- **Growth in number and variety of collaborative organizational forms across a wide array of industries and sectors (e.g. Collins et al. 2003; Garud et al. 2008; Lerner and Tirole 2002)**
- **A plethora of overlapping terms and concepts exist (Child and McGrath 2001; Schreyögg and Sydow 2010)**
- **What are the properties of collaborative organizational forms?**
- **How are they distinct from conventional markets, hierarchies, and hybrids thereof?**
- **Examples of collaborative forms in literature**
  - Network organization (Miles and Snow 1986; Powell 1990)
  - Learning and knowledge-creating organization (Nonaka and Takeuchi 1995; Senge 1990)
  - I-form (Miles et al. 2009)
  - Virtual organization (Handy 1995; Mowshowitz 1994)
  - C-form (Seidel and Stewart 2011)
  - Bazaar governance (Demil and Lecocq 2006)
  - Holacracy (Bernstein et al. 2016)
  - Collaborative community (Heckscher and Adler 2006; Snow et al. 2011)
  - Meta-organization (Gulati et al. 2012)
  - Actor-oriented architecture (Fjeldstad et al. 2012)

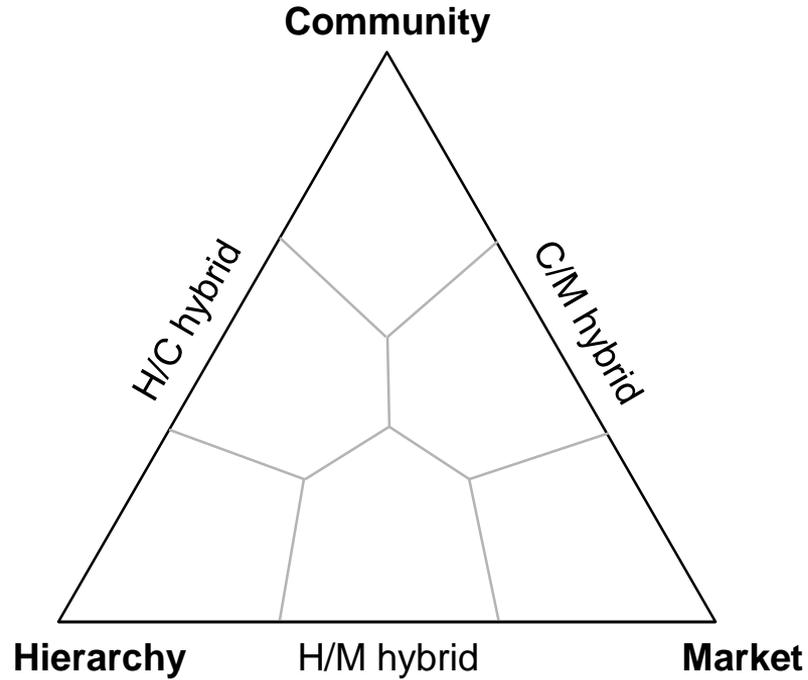
# Collaborative forms

- **Collaborative organizational forms: communities and community-based hybrids**
- **Community as third ideal type in addition to markets and hierarchies (Adler 2001)**
- **Enables and enhances networking among autonomous and interdependent participants – it entails membership, commitment to shared purposes, and rules for participation (Heckscher and Adler 2006; Snow et al. 2011)**
- **Enable large groups of participants to collaboratively solve problems and integrate their contributions in a self-organizing fashion (Fjeldstad et al. 2012)**
- **Work is characterized by self-assignment to tasks, commons-based peer production, and peer-based quality assurance (Benkler 2002; Lee and Cole 2003)**

# Organizational ideal types and hybrids

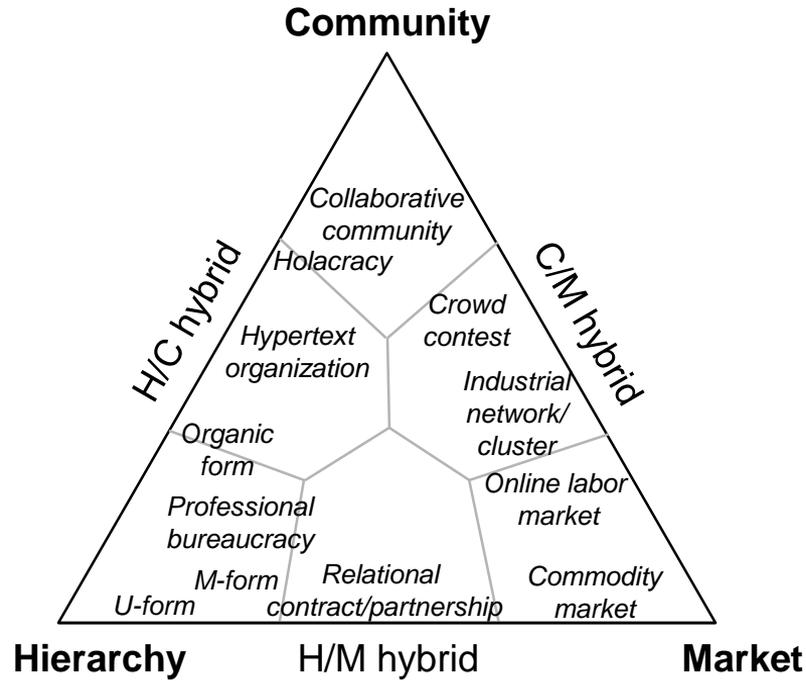


# Organizational ideal types and hybrids



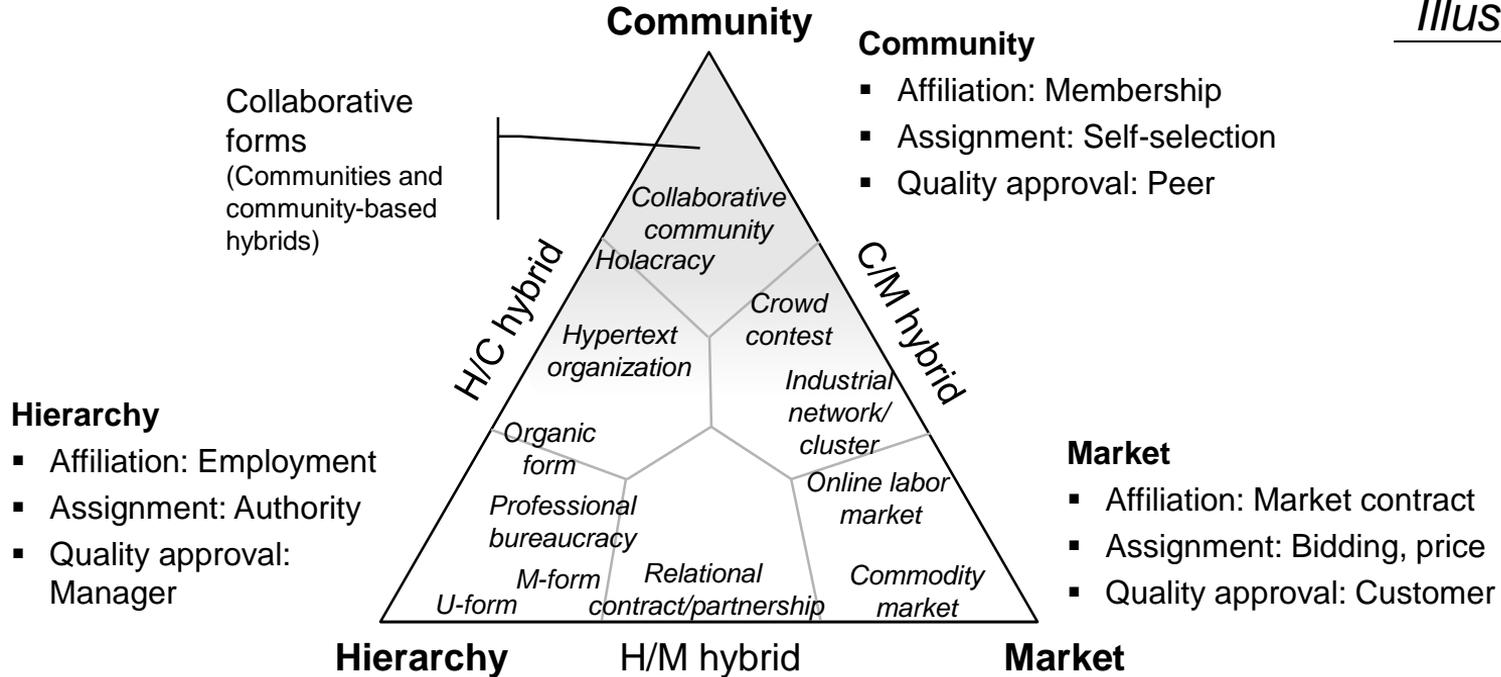
# Organizational ideal types and hybrids

Illustrative



# Organizational ideal types and hybrids

Illustrative



# Organizations differ systematically on five key dimensions

## 1. Institutional properties

- Affiliation (Simon 1991; Snow et al. 2011; Williamson 1975)
- Institutional core (Fjeldstad et al., 2012; Williamson 1975)
- Property rights (Benkler 2002; Demsetz 1967; Ostrom 1990)
- Primary agency problem (Jensen and Meckling 1976; Kolbjørnsrud 2017; Ostrom 1990)

- **Organization of work: “solutions to the universal problems of organizing” (Puranam, Alexy, Reitzig 2014)**

2. Task division
3. Task allocation
4. Reward distribution
5. Information provision

# The three ideal forms, key properties (1/3)

	<b>Market</b>	<b>Hierarchy</b>	<b>Community</b>	
<b>Institutional properties</b>	<i>Affiliation</i>	Market contract	Employment	Membership
	<i>Institutional core</i>	Market institutions/ rules, contracts	Authority structure	Values, rules, and protocols
	<i>Property rights</i>	Actors (private property)	Organization (owners; private property)	Shared in commons (common property) and actors
	<i>Primary agency problem</i>	Pre agreement: Brokering  In agreement: Principal-agent	Principal-agent	Commons

# The three ideal forms, key properties (2/3)

		<b>Market</b>	<b>Hierarchy</b>	<b>Community</b>
<b>Task division</b>	<i>Task division</i>	Scope of transacted good typically set by buyer, division of task to provide good by supplier	Managerial decision (authority), centralized	Distributed identification and division of tasks by general members or by members in organizer roles
	<i>Assignment</i>	Bidding/price, decentralized in dyads (can be facilitated by centralized platforms)	Managerial decision (authority), centralized	Self-assignment, decentralized (can be facilitated by centralized platforms)
<b>Task allocation</b>	<i>Resource allocation</i>	Price mechanism	Managerial decision (authority)	Actor-based mobilization of shared resources in commons
	<i>Quality/task approval</i>	Customer	Manager	Peer

# The three ideal forms, key properties (3/3)

		<b>Market</b>	<b>Hierarchy</b>	<b>Community</b>
<b>Reward distribution</b>	<i>Incentives</i>	Compensation for outputs via price mechanism (strong)	Typically compensation for inputs (e.g. time)(weak)	Benefits from use of complementary, non-rival goods; other intrinsic and extrinsic rewards (weak)
	<i>Information flow</i>	Via networks, information intermediaries (private and public)	Directed, primarily vertical	Transparent, via networks and commons
<b>Information provision</b>	<i>Information aggregation via</i>	Price mechanism, market intermediaries and information aggregators	Hierarchical channels	Commons, collective problem and solution representations

# Hybrids and plural forms

- **Hybrids combine governance and coordination mechanisms from more than one ideal form (Seibel 2015; Williamson 1996)**
- **Categorizing all organizational forms that neither are pure hierarchies nor pure markets as market-hierarchy hybrids represent a major loss in analytical accuracy**
  - Community forms are fundamentally different from markets, hierarchies, or hybrids thereof and should not be classified as such (Adler 2001)
  - Acknowledging the existence of three ideal forms of organization also opens for a more varied set of analytically distinct hybrids
- **Plural forms (Bradach & Eccles' 1989)**

# Implications

- **Comparative organizational forms: tripolar space rather than bipolar continuum; hybrids and plural forms**
- **Crowdsourcing: involves combinations of market and community design properties**
- **New technologies: important source of novel solutions to the problems of organizing**
  - Internet of Things (IoT), Artificial Intelligence (AI), Distributed Ledger Technologies (DLT)