**Gordon Institute
of Business Science**
University of Pretoria

**Managing strategic alliances in dynamic environments:**
**A financial services perspective**

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A research project submitted to the Gordon Institute of Business Science,
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**ABSTRACT**

Strategic alliances are increasingly becoming a key part of how organisations choose to compete, adapt and evolve in a highly dynamic and unpredictable world. Increased competition and unexpected disruptions have resulted in the explosion of the number of strategic alliances which have been created over the past decade, and the numbers continue to rise. However, the concept of strategic alliances is not new and has been researched and applied in professional and academic spheres for many decades. Despite this longstanding interest, most strategic alliances fail to meet their intended outcomes.

The theoretical relevance of the study was to explore a contemporary understanding of strategic alliances in today's dynamic environment by building on extant literature. The post-formation stage is recognised as the longest and most important stage for achieving the objectives of any strategic alliance. Constructs related to strategic alliances and their management were also explored.

The study followed an exploratory and qualitative design, where the theoretical constructs were explored. The research conducted 15 interviews with managers and executives from the financial services industry who are involved in strategic alliances.

A conceptual framework was developed at the end of the study, capturing the research outcomes. The study claims contributions through potential additions and refinements to the existing body of literature.

**KEYWORDS**

**DECLARATION**

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Philosophy in Corporate Strategy at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.



Name & Surname                                        Signature

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**CHAPTER 1: INTRODUCTION TO RESEARCH PROBLEM**

This study explored the management of strategic alliances in dynamic environments through the lenses of outcomes, disruptions, alliance management capabilities, alliance governance mechanisms and ambidextrous governance. The concepts the study emerged from a review of credible and current literature and the research gaps identified were applied based on their relevance.

**1.1. Business Relevance of the Research**

The business environment has been changing rapidly, driven by advances in technology, increasing competitive intensity between incumbents and new entrants, new markets and business models and widespread innovation (He, Meadows, Angwin, Gomes, Child, 2020). In response to this context, strategic alliances have been seen to offer opportunities for firms to be more responsive, agile and build competitive advantage by finding complementary partners that provide access to capabilities that enable them to compete (Özbek, Lang, Kronimus, Szczepanski, Yigit & Gansel, 2022; Engelbrecht, Shah, Schoen & Nevin, 2019). In fact, the interest in strategic alliances is demonstrated by the Boston Consulting Group (BCG) who reported that the number of strategic alliance deals facilitated between 2012 to 2020 grew from 1,117 to 8,927 (Özbek et al., 2022).

Deloitte (2019) ague for a number of outcomes that strategic alliances are expected to deliver in this environment. Firstly, they point out that strategic alliances are critical for firms looking to access resources and capabilities in order to take advantage of opportunities that emerge, but also to remain competitive. Similarly, Vitasek (2020) highlighted that alliances are expected to help firms deliver growth and increase their competitive advantage in dynamic environments impacted by a range of disruptions. To this end, they point out the need for deliberate effort and focus on the management of strategic alliances for them to be successful (Deloitte, 2019). Panda (2020) argues that various and frequent disruptions are increasingly shining the spotlight on having clear objectives for strategic alliances in order to effectively manage towards achieving them.

However, despite the consensus in business that strategic alliances offer a compelling and competitive strategy in this dynamic context, many strategic alliances fail to meet their objectives, with Deloitte reporting failure rates of up to 40% in its research (Engelbrecht et al. 2019). Part of the solution to address failure, as put forward by Engelbrecht et al. (2019), is the development of alliance management capability to ensure that the planned execution takes place to the desired potential value from the strategic alliance. Therefore, this indicates that firms cannot only be content with understanding the potential value that can be delivered through strategic alliances in this dynamic business environment but must have the capability

to effectively manage them for the desired value to be delivered. Ultimately, strategic alliances are increasingly becoming an important strategy for firms to remain competitive in a highly dynamic environment. However, their management has produce mixed results as firms grapple to find ways to best manage them for success.

## 1.2. Theoretical Relevance of the Research

Strategic alliances offer several advantages to firms that engage in them, with the ultimate goal of creating and or capturing value (Lahiri, Kundu, Munjal, 2021; Borah, Mallapragada, Bommaraju, Venkatesan, Thongpapanl, 2021; Kohtamäki, Rabetino, & Möller, 2018). He et al. (2020) argue that research and theories on strategic alliances have lagged the evolution of the business environment and, as a result, fail to address and adequately explain the dynamic context firms operate in today. Furthermore, Keller, Lumineau, Mellewigt & Ariño (2021) and Lin and Ho (2021) found that there is limited research addressing how governance mechanisms are deployed in this context, to achieve better management of strategic alliances. This view of building the capability to better manage strategic alliances is considered critical by Dhaundiyal & Coughlan (2022), who argue that a lack of alliance management capability can be attributed to the high failure rate of strategic alliances.

### Strategic Alliances

Strategic alliances have been explored by professionals and academics for more than 20 years. However, despite this focus on the topic, there still persists a lack of consensus on what exactly they entail and how to best develop them (Elmuti & Kathawala, 2001; Franco & Hasse, 2015; Keller et al., 2021; Prashant & Habir, 2009). As a result, various definitions have been applied to strategic alliances over time, which has limited the development of a common understanding. In fact, the definitions of strategic alliances vary greatly, with some scholars focus on orientation (Cannavale et al., 2021), ways of working between partners (Elmuti & Kathawala, 2001). However, more current literature is starting to converge on definitions which focus on the outcomes expected from strategic alliances (Borah et al., 2021; Kohtamäki et al., 2018; Lahiri et al., 2021). Despite these developments, He et al. (2020) contend that the current understanding of strategic alliances is not in line with the ever-changing operating environment and therefore calls for a more contemporary understanding.

### Dynamic Environments and Disruption

He et al. (2020) argue that the operating environment plays a critical role in the success of any strategic alliance and that the environment becomes more important the more unstable it is. As a result, a number of scholars have found that conventional approaches to managing strategic alliances in these environments are no longer valid, and that new and different approaches are required (Lin and Ho, 2021; Keller et al., 2021). Keller et al. (2020) point to

disruption as the trigger of dynamic environments and argue that strategic alliances and their management need to be explored in the context of various disruptions. While many scholars have focused on digital transformation (He et al., 2020), technology (Lin and Ho, 2021) and other digital triggers as disruptions (Keller, et al., 2021), there remains a gap in other industries which have been under-explored.

### Strategic Alliance Management

The post-formation stage in strategic alliances, which is the 2nd of three stages, has been identified as the longest stage and most critical for achieving the expected outcomes of a strategic alliance (Dhaundiyal & Coughlan, 2022). While this understanding has been acknowledged for some time, scholars have found that the mechanism and micro-processes used in this stage to achieve the expected outcomes are still unclear (Dhaundiyal & Coughlan, 2022; Inigo et al., 2020; Lahiri et al., 2021). In search of a consistent and common conceptualisation of how best to manage strategic alliances, definitions and frameworks abound, further limiting understanding (Kohtamäki et al., 2018). As a result, Kohtamäki et al. (2018) propose a taxonomy for alliance management capability, which includes mechanisms and micro-processes to manage strategic alliances. Despite the effort to create a common understanding, scholars indicate that there is limited knowledge of the activities that take place at a firm level to build alliance management capability (Dhaundiyal & Coughlan, 2022; Kohtamäki et al., 2018; Lahiri et al., 2021).

### Strategic Alliance Governance

Strategic alliance governance is considered a subset of the broader management of strategic alliances, which includes various mechanisms for that enable firms to manage their alliances. Scholars have conceptualised mostly common governance mechanisms, distinguishing between formal and informal, and contractual and relational mechanisms (Keller et al, 2021; Lin and Ho, 2021; Rai and Surana, 2022; Solinas, Meloso, Banal-Estañol, Seldeslachts, & Kretschmer, 2022). Consequently, the varying conceptualisations have led to a lack of a common understanding and limited the consistent application of mechanisms to provide insight on alliance governance in different settings (Keller et al., 2021). As a result, Keller et al. (2021) propose a typology of governance mechanism consisting of four mechanism and sub-mechanism within each. Further exploration of alliance governance using a common framework is therefore required (Keller et al., 2021).

Additionally, governance has been conceived of in stable and predictable environments, where mechanisms have been conceived of as trade-offs. Lin and Ho (2021) propose ambidextrous governance, as a means of responding to the dynamic business environment. Furthermore, the scholars highlight that there exists an interplay between governance mechanism at any given time, and therefore argue that their deployment should be fit for purpose. Despite this

emerging direction, further exploration is still required on the interplay of governance mechanisms through a consistent framework. (Keller et al., 2021; Lin and Ho, 2021).

## 1.3. Research Questions

The research questions were developed based on the opportunities identified across different scholars, aimed at developing a broad understanding on the management of strategic alliances (Dhaundiyal & Coughlan, 2022; Hel et al., 2020; Keller et al., 2021; Kohtamäki et al., 2018; Lin and Ho, 2021)

**Research question 1**

What are the expected outcomes of strategic alliances in dynamic environments? (He et al, 2020)

**Research question 2**

What disruptions affect firms involved in strategic alliances in dynamic environments? Keller et al., 2021; Lin and Ho, 2021).

**Research question 3**

How are strategic alliances managed in dynamic environments? (Dhaundiyal & Coughlan, 2022; Kohtamäki et al., 2018).

**Research question 4**

How do alliance firms choose alliance governance mechanisms to manage strategic alliances in dynamic environments? (Keller et al., 2021; Lin and Ho, 2021).

## 1.4. Aims of the Research

The aims of this study were to explore strategic alliances and their management in dynamic environments to develop new insights and a better understanding by exploring the related constructs associated with the topic. Four key aims were outlined.

- To understand the role of strategic alliances within the dynamic financial services environment by understanding the outcomes financial services expect from participating in strategic alliances
- To explore and identify the triggers of disruption in the financial services industry that are affecting firms involved in alliances
- To explore and understand how alliance firms manage their strategic alliances in the dynamic financial services environment
- To explore and understand how governance is used to manage strategic alliances in the financial services industry

The overarching aim of the research was to develop a conceptual framework based on the theoretical outcomes of the study. Along

1.4.1. To understand how governance mechanisms are used in different types of alliances.

1.4.2. To understand how a firm in a strategic alliance operating in a dynamic environment chooses between different governance mechanisms.

## 1.5. Intended Contribution to Literature

### 1.5.1. Business Relevance

The increasingly important role that strategic alliances play in business requires a greater understanding of how they can be better managed to achieve their expected outcomes, particularly in the context of high failure rates (Engelbrecht et al. 2019; Özbek et al., 2022; Vitasek, 2020). Therefore, this study aimed to develop new insight and an understanding of how managers can better manage strategic alliances to achieve their intended outcomes. The setting for the study was the financial services industry, as it reflected the dynamic environment described earlier (He et al., 2020).

### 1.5.2. Theoretical Relevance

The relevance of this study was to add and refine the existing knowledge on strategic alliances in dynamic environments by making a small contribution to literature focused on the expected outcomes of strategic alliances, disruption in dynamic environments, alliance management capability, alliance governance mechanisms and ambidextrous governance.

The research contribution was also to provide new insight through potential new themes related to the above concepts, which included

- Fragmentation (disruption trigger)
- Regulation (disruption trigger)
- Freedom (alliance governance mechanism)

## 1.6. Scoping of Research

### 1.6.1. Theoretical Scope

The scope of the research covered strategic alliance literature, focusing on recent debates between academics on its application in dynamic environments (He et al., 2020; Keller et al., 2021; Kohtamäki et al., 2018; Lin and Ho, 2021). As a result, the theoretical scope also covered related constructs to strategic alliances, such as alliance management capability, alliance governance mechanisms and ambidextrous governance.

### 1.6.2. Physical Scope

The geographic scope of the study covered the financial services industry in South Africa. The scope was informed by the recommendations made by Lin and Ho (2021), and Keller et al. (2021) to extend their studies into different settings.

## 1.7. Research Roadmap

The research report is made up of 7 Chapters (including the current Chapter) and related appendices. Figure 1 outlines the various Chapters sequentially. The next Chapter discusses the key literature.

**Figure 1**

Research Roadmap

| |
|---|
| **CHAPTER 1: INTRODUCTION TO RESEARCH PROBLEM** |
| **CHAPTER 2: LITERATURE REVIEW** |
| **CHAPTER 3: LITERATURE REVIEW CONCLUSION & RESEARCH QUESTIONS** |
| **CHAPTER 4: RESEARCH METHODOLOGY & DESIGN** |
| **CHAPTER 5 - RESEARCH FINDINGS** |
| **CHAPTER 6: DISCUSSION** |
| **CHAPTER 7: CONCLUSION AND RECOMMENDATION** |

*Note*. Author's own

**CHAPTER 2: LITERATURE REVIEW**

## 2.1. Introduction

Extant research has discussed strategic alliances and how the dynamic environment impacts and changes their management in this context (Keller et al., 2021; Lin & Ho, 2021; He et al., 2020). To better understand the current and anticipated shifts in this context, an understanding of strategic alliances and alliance management capabilities (AMC) will be provided based on the studies of various scholars in this field. The literature review aims to outline how the dynamic environment impacts understanding strategic alliances and AMC. Figure 2 presents the literature review roadmap.

**Figure 2**

Literature review roadmap
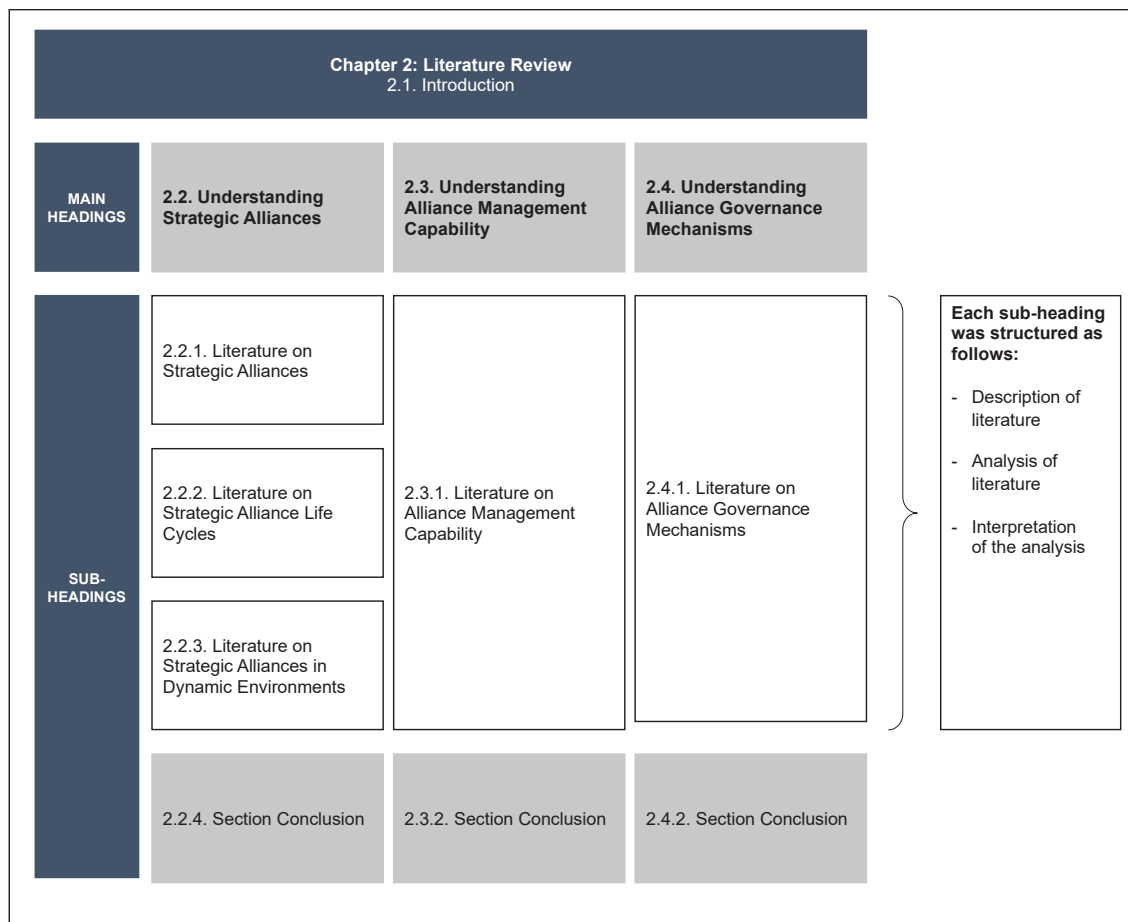


*Note.* Author's own

## 2.2. Understanding Strategic Alliances

The literature reviewed in this section includes three sub-headings: literature on strategic alliances, life cycles, and strategic alliances in dynamic environments. Each sub-heading includes a description, critical analysis, and interpretation of the literature and ends with a conclusion. Notably, this section intended to provide context for the remainder of the literature review. Various key articles underpin the literature reviewed in each sub-section; however additional articles provide context and support and expound on the main concepts.

### 2.2.1. Literature on Strategic Alliances

#### 2.2.1.1 Description of strategic alliances

Strategic alliances have been in the spotlight for decades and are gaining increased prominence both in professional and academic domains, as referenced earlier (Elmuti & Kathawala, 2001; Franco & Hasse, 2015; Prashant & Habir, 2009). This increasing prominence points to the need to understand what they entail for successful development. Various definitions of strategic alliances offer different perspectives from various scholars. The various definitions applied between 2001 and 2021 were summarised in Table 1. The table facilitates a comparative analysis of definitions over the period. These scholars were selected as they provide a point of view on how strategic alliances have been defined over an extended period.

**Table 1**

Summary of strategic alliance definitions

| Authors | Definition |
|---------|-----------|
| Borah et al. (2021); Kohtamäki et al. (2018); Lahiri et al. (2021) | Strategic alliances are intentional and purposive relationships involving two or more firms working together to pursue common goals for competitive advantage and to capture and create value. |
| Cannavale et al. (2021) | Strategic alliances are long-term arrangements between two or more firms pursuing their strategic objectives. |
| Elmuti & Kathawala (2001) | They involve a partnership between 2 or more organisations working together to pursue their strategic objectives in a mutually beneficial way and improve their competitiveness. |
| Prashant & Habir (2009). | Alliances were pursued to increase competitive positions and market power, drive efficiencies and gain access to new capabilities or important resources. |

*Note*. Author's own, adapted from Borah et al. (2021); Cannavale et al. (2021); Elmuti & Kathawala (2001); Kohtamäki et al. (2018); Lahiri et al. (2021); Prashant & Habir (2009).

Earlier definitions state that strategic alliances were pursued to increase competitive positions and market power, drive efficiencies and gain access to new capabilities or necessary resources (Prashant & Habir, 2009). Another view states that they involve a partnership between 2 or more organisations working together to pursue their strategic objectives in a

mutually beneficial way to improve their competitiveness (Elmuti & Kathawala, 2001). However, more recent definitions propose that strategic alliances are long-term arrangements between two or more firms pursuing their strategic objectives (Cannavale et al., 2021).

Several scholars have also proposed an alternative definition, by expounding on the earlier definition. They state that strategic alliances are intentional and purposive relationships involving two or more firms working together to pursue common goals for competitive advantage and to capture and create value (Borah et al., 2021; Kohtamäki et al., 2018; Lahiri et al., 2021). The various descriptions used across the definitions have all been understood as outcomes delivered through strategic alliances. The scholars also use the terms alliances, partnerships, collaboration and other terms that suggest interfirm activities interchangeably.

Notwithstanding, Cannavale et al. (2021) and Castñer & Oliveira (2020) have defined strategic alliances by describing the types of alliances that exist, however as these descriptions were not found to be divergent, it can be inferred that these types fall under the broader definitions proposed earlier. It is essential to point out that this study did not explore alliance types but instead focused on the broader construct. Franco & Hasse (2015) note that the lack of consensus among scholars creates challenges in defining how best to manage strategic alliances successfully. In addition to this lack of clarity, He et al. (2020) posit that the current understanding of strategic alliances is based on theories and frameworks that have yet to evolve with the dynamic environment in which firms operate. The authors highlight the need to develop a more contemporary understanding of strategic alliances in line with the operating context. The scholars note that previous knowledge should not be discarded but instead serve as a foundation or direction for further inquiry (He, Meadows, Angwin, Gomes & Child, 2021).

### 2.2.1.2. Analysis of strategic alliances

Following the description of strategic alliances, a comparison was conducted to identify key differences and similarities. Firstly, in the definitions used for strategic alliances, similarities were identified between Borah et al. (2021), Kohtamäki et al. (2018), Lahiri et al. (2021), Cannavale et al. (2021) and Elmuti & Kathawala (2001) in how the scholars highlighted the presence of 2 or more organisations. Another similarity was observed between Cannavale et al. (2021) and Elmuti & Kathawala (2001), who highlight the pursuit of organisational objectives. Borah et al. (2021); Kohtamäki et al. (2018); Lahiri et al. (2021) adopted a different perspective, discussing the pursuit of common goals. While this appeared to be a difference, the notion of a mutually beneficial approach proposed by Elmuti & Kathawala (2001) captures a similar sentiment. These scholars were also aligned in mentioning competitive advantage as one of the outcomes of strategic alliances in their definition. Concerning the differences observed, Prashant & Habir (2009) introduced outcomes that were not present in the other definitions, such as market power, driving efficiencies and gaining access to new capabilities or essential

resources. Another difference was noted in the definition proposed by Borah et al. (2021), Kohtamäki et al. (2018), and Lahiri et al. (2021), where there were other outcomes in the form of value capture, value creation and intentional and purposive relationships.

Linked to the latter concept of intentional and purposive relationships, a similarity was identified with the concept introduced by Cannavale et al. (2021) of long-term arrangements. Franco & Hasse (2015) were the only scholars to explicitly point out the challenge presented by the lack of clarity on what strategic alliances entail and how that limits their potential for success. With a different take, He et al. (2020) argued that existing knowledge and understanding of strategic alliances need to catch up to the operating context.

### 2.2.1.3. Interpretation of the analysis of strategic alliances

The analysis of the literature on strategic alliances revealed some differences and similarities between the definitions provided. Firstly, there were similarities between scholars on the prominence of strategic alliances spanning from 2001 to 2015. Despite this importance and presence, the literature also supported the argument made by Franco and Hasse (2015) that there needs to be more consensus on how strategic alliances are defined. This is evident in the comparative analysis, which highlighted the similarities and differences in the outcomes identified across the scholars between 2001 and 2021. It was also highlighted that various terms are used to refer to strategic alliances by different scholars. Various scholars also use alliance types as examples in support of their definitions. However, this exploration area was beyond the study's scope. It was, therefore, important for this study to determine a working definition to form a single point of reference. This was possible as the analysis revealed that the definitions, approaches and outcomes proposed by the scholars were not contradictory. Therefore the study identified and selected overlapping and distinct concepts that were in line with its aims.

Firstly, the analysis revealed that the concept of *the pursuit of organisational objectives* given by Cannavale et al. (2021) and Elmuti & Kathawala (2001), *the pursuit of common goals* offered by Borah et al. (2021); Kohtamäki et al. (2018); Lahiri et al. (2021), and *the mutually beneficial approach* referenced by Elmuti & Kathawala (2001), were similar in sentiment and were captured as a single concept which was called *goal alignment* as an approach. There were also similarities in the identification of *competitive advantage* as another concept, which was considered an outcome. The *intentional and purposive relationship* concept proposed by Borah et al. (2021), Kohtamäki et al. (2018), Lahiri et al. (2021) and the concept proposed by Cannavale et al. (2021) of *long-term arrangements* were also considered to be similar, linked to an overall approach of *long-term orientation*. Additional concepts that were applied to the working definition of the paper were based on their use by multiple scholars with relevance to

the research questions were *value capture* and *value creation*, proposed by Borah et al. (2021), Kohtamäki et al. (2018), Lahiri et al. (2021). As such, the approaches to strategic alliances were separated from the outcomes of strategic alliances. The three outcomes selected were value creation, value capture and competitive advantage.

Overall, the analysis allowed for a narrowing of the components used in the working definition, which have been grouped as approaches and outcomes, defined as such by various scholars. This addressed the requirement for a clearer and more current understanding of strategic alliances. The outcomes selected from the literature review included value creation, value capture and competitive advantage. Necessarily, brief definitions for each outcome are provided below for clarity.

*2.2.1.4. Definitions for the expected outcomes of strategic alliances*

The outcomes highlighted by the scholars were not described in detail. Therefore, brief descriptions of each outcome have been provided, referenced from articles in top-ranking journals to ensure clarity. The definitions were selected based on their relevance to the study and alignment with the working definition. As such, the definitions have been defined in the context of strategic alliances, as per Chesbrough, Lettl & Ritter (2018).

Value creation is defined as the process where firms provide or access resources to increase value, where the benefits of the process outweigh the potential sacrifices (Chesbrough et al., 2018). Value capture has been defined as the process where a secures a share of the value that is created, where a firm participates in the process and or negotiates the desired value share. (Chesbrough et al., 2018; Priem, Matthias & Koch (2018). Competitive advantage is defined by Mahdi, Nassar & Almsafir (2019) as a firm's ability to generate higher economic returns versus its competitors through the use of its resources, which can either be short-term or sustained over time. These outcomes are referred to later in the sub-section of strategic alliance in dynamic environments, in line with He et al. (2020) recommendation to extend the understanding of existing knowledge.

Concluding the interpretation of strategic alliance outcomes, three outcomes from the literature review have been applied to the study, captured in Table 2. It is also important to state that the various scholars used the terms alliances, partnerships and collaboration interchangeably. As a result, this study applied the label of strategic alliances and alliances for consistency. Furthermore, a detailed exploration of alliance types was not part of this study, as the analysis found they were used as supporting examples rather than definitions of strategic alliances. The life cycle stages of strategic alliances are reviewed in the next section, where more consensus was found in the literature.

**Table 2**

Strategic alliance outcomes

| Construct | Themes |
|---|---|
| **1. Strategic Alliance Outcomes** | a) value capture<br>b) value creation<br>c) competitive advantage |

*Note.* Author's own

### 2.2.2. Literature on Strategic Alliance Life Cycles

#### 2.2.2.1. Description of strategic alliance life cycles

Three stages in the life cycle of a strategic alliance have been recognised, they are 1) pre-formation, 2) post-formation, and 3) exit. These stages are broad enough to cover all strategic alliances yet specific enough to delimit activities in each stage (Donbesuur, Zahoor, Adomako, 2021; Kohtamäki et al., 2018; Lahiri et al., 2021). Each stage entails sub-processes and routines, including activities and mechanisms to ensure that the alliance achieves the pre-defined goals (Inigo, Ritala and Albareda, 2020; Lahiri et al., 2021). The high failure rates of strategic alliances discussed earlier are linked to the post-formation stage, in which the intended outcomes are pursued and rely on the effective management of the strategic alliance (Dhaundiyal & Coughlan, 2022). The post-formation stage is typically the longest stage of strategic alliances, and it is the stage where the intended value of the strategic alliance is pursued (Lahiri et al., 2021; Inigo et al., 2020).

#### 2.2.2.2. Analysis of strategic alliance life cycles

There were similarities identified between Donbesuur, Zahoor and Adomako (2021, Kohtamäki et al. (2018), and Lahiri et al. (2021) regarding the three lifecycle stages of strategic alliances. Further similarities were identified between Inigo et al. (2020) and Lahiri et al. (2021) regarding each stage having its respective mechanisms designed to fulfil its requirements. Another similarity was identified between Dhaundiyal & Coughlan (2022), Inigo et al. (2020), and Lahiri et al. (2021), who highlighted that stage 2 in the lifecycle is critical for the management of the success or failure of a strategic alliance. Inigo et al. (2020) and Lahiri et al. (2021), however, added that this was the longest life cycle stage in an alliance.

#### 2.2.2.3. Interpretation of the analysis of strategic alliance life cycles

The analysis of the literature on strategic alliance life cycles generally revealed similarities. Firstly, the analysis suggested agreement across the scholars on the three stages that make up the life cycle of a strategic alliance. Furthermore, the literature analysed also suggested agreement that each stage entailed specific elements and mechanisms that facilitate and help deliver on the requirements within it. For clarity, this study will focus on mechanisms for the

remainder of the literature review. Notably, Dhaundiyal & Coughlan (2022), Inigo et al. (2020), and Lahiri et al. (2021) also agreed that the second stage, post-formation, was the most important in managing a strategic alliance to achieve its intended outcomes. Therefore, the post-formation stage was applied to the study. The reason for this selection was that the post-formation was found to be in line with the interpretation and conclusion of the previous section and the focus on outcomes.

In conclusion, the analysis revealed consensus on the life cycle stages of strategic alliances. Further similarities were identified in the importance of the post-formation stage and the need for strategic alliances to be managed through various elements and mechanisms to achieve the intended outcomes. Thus far, the literature review has outlined a working definition for strategic alliances in the previous section and selected a life cycle stage, the final section of the literature review on understanding strategic alliances reviews strategic alliances in dynamic environments.

### 2.2.3. Literature on Strategic Alliance in Dynamic Environments

#### 2.2.3.1. Description of strategic alliances in dynamic environments

He et al. (2020) point out the importance of the environment in informing how strategic alliances perform, stating that traditional models of strategic alliances need to evolve given the rapid changes in the operating context. He et al. (2020) argue that current knowledge conceives of the environment as static and stable. Lin and Ho (2021) and Keller et al. (2021) have also argued that a different approach is required in a dynamic environment. Table 3 highlights how different scholars have described the dynamic environment and have been used for comparative analysis.

He et al. (2020) cite digital transformation as a characteristic that leads to new changes within the firm and, therefore, can impact strategic alliances. Lin and Ho (2021) cite technological shocks influenced by radical innovation as a characteristic of the dynamic in the environment. Keller et al. (2021) cite disruption as a characteristic of a dynamic environment that involves non-routine events that impact strategic alliances. Importantly, Keller et al. (2021) also provide a broader view of what triggers a disruption, stating that disruption can be triggered by a) external events beyond the alliance firms, b) alliance firm-specific disruptions, which are triggered within one of the partners, which are outside of the scope of the immediate alliance (e.g. restructuring), and c) alliance specific disruptions which take place within the immediate scope of the alliance. In this instance, disruption is the cause of the dynamic environment and can be triggered in three ways; involving non-routine events that affect an alliance.

**Table 3**

Analysis of literature on strategic alliances in dynamic environments

| Authors | Lin and Ho (2021) | Keller et al. (2021) | He et al. (2020) |
|---|---|---|---|
| Journal | Technovation | Organisation Science | British Journal of Management |
| Characteristics of the dynamic environment | "In a dynamic environment characterised by a short period of competence-destroying changes, radical innovations are called for, as firms are confronted by technological shocks that render their existing technologies obsolete." (p. 5). | "Disruption, which can be defined as the aftermath of a non-routine event that significantly impairs the normal course of a partnership and makes it difficult for the partners to continue their collaboration in the normal way, is in fact commonplace in alliances" (p. 1547). | "The rapid diffusion of digital transformation is leading to new changes that frequently involve transformations of key business operations and processes. These changes also affect products, organisational structures and management concepts" (p. 602). |
| Triggers of the dynamic environment | Technological shocks and radical innovation | Disruption a) external events b) alliance firm-specific c) alliance specific | Digital transformation |
| Focus of study | How dynamic environments impact the governance and performance of strategic alliances. | How disruption affects the value of governance mechanisms in strategic alliances. | How the changing business landscape driven by digital transformation is impacting strategic alliances. |
| Level of analysis | Alliance level | Firm and alliance level | Firm and alliance level |
| Setting/Context | Business Environment Taiwan Technology Sector | Business Environment Pharmaceutical Sector | A review of literature |
| Areas for further research related to triggers of the dynamic environment | Not applicable | Extending theorising to other forms of disruption. | Not applicable |

*Note.* Author's own, adapted from He et al. (2020), Keller et al. (2021) and Lin and Ho (2021).

Across scholars, the focus is on managing strategic alliances in the dynamic environment, which points to a specific stage in the life cycle of a strategic alliance. To address the operating context described, the scholars focused their study on particular areas. Lin and Ho (2021) explored the impact of the dynamic environment on the governance and performance of strategic alliances. Keller et al. (2021) focused on the value of governance mechanisms in disruption. He et al. (2020), who cited the characteristics of digital transformation, focused broadly on strategic alliances as a whole. The scholars selected in Table 3 were selected based on the recency of the articles, which is in line with the need for a more contemporary understanding of strategic alliances, as mentioned earlier in this study. Furthermore, the scholars have published in top-rated journals such as The British Journal of Management and Organization Science which both have a 4-star rating, and Technovation, which has a 3-star rating in the Association of Business Schools (ABS) academic journal guide, which asserts their credibility.

*2.2.3.2. Analysis of strategic alliances in dynamic environments*

Three main articles were systematically compared across six dimensions to explore how dynamic environments influence strategic alliances. Similarities and differences were found in the analysis. Analysis of the first and second dimensions identified differences among scholars related to how they view dynamism in the environment and what triggers it. For example, Lin and Ho cited technological shocks and radical innovation, which was different from He et al. (2020), who pointed to digital transformation. Keller et al. (2021) also pointed to a different characteristic which was less specific and broader, citing disruption as non-routine events classified across three triggers. The scholars also argued that there was a need to evolve the thinking on strategic alliances in this environment and pointed out that literature should be updated to fit the context (He et al., 2020; Keller et al., 2021; Lin & Ho, 2021).

Interestingly, Lin and Ho (2021) discuss "...technological shocks that render their existing technologies obsolete" (p. 5). This suggests that the dynamism is triggered outside of the alliance firm and itself, and therefore understood to be consistent with Keller et al.'s disruption trigger: a) external events beyond the alliance firms. Similarly, He et al. (2020) cite the rapid diffusion of digital transformation, which is also seen to fall within an external event trigger. The scholars also argue that this impacts changes in products, structures and management concepts, which are consistent with the view of Keller et al. (2021) on b) alliance firm-specific events and c) alliance-specific events. Therefore, given these similarities, disruption and its three sub-themes are considered to provide an overarching view of triggers of dynamism in the environment.

On the third dimension, the comparison looked at what part of the strategic alliance the dynamic environment was impacting. Here a similarity was found between Lin and Ho (2021) and Keller et al. (2021) and their focus on governance. However, they differed in the aspects of governance they focused on. Lin and Ho (2021) focused on governance and performance, while Keller et al. (2021) looked at the value of governance mechanisms in dynamic environments. He et al. (2020) also differed from these scholars, adopting a broad view of strategic alliances in general. The fourth dimension revealed similarities across two scholars, who focused on the firm and alliance as the level of analysis, with only Lin and Ho (2021) focusing only on the alliance level. The fifth dimension revealed differences in the setting and contexts selected by the scholars, with Lin and Ho (2021) focusing on the business environment and technology alliances in Taiwan, Keller et al. (2021) focusing on the pharmaceutical sector and He et al. (2020) adopted a broader review of the literature. The last dimension, which addressed areas for further research concerning triggers of dynamic environments, only found applicable recommendations from Keller et al. (2021). They suggested extending theorising to other forms of disruption.

*2.2.3.3. Interpretation of the analysis of strategic alliances in dynamic environments*

Three articles from top journals were systematically compared and analysed across six dimensions of the literature on strategic alliances in dynamic environments. The analysis revealed similar arguments on the need for a different approach to strategic alliances in dynamic environments, as put forward by Lin and Ho (2021), Keller et al. (2021) and He et al. (2020), which evolves existing literature to fit an environment which is no longer stable. The analysis revealed differences in the characterises of dynamic environments selected by the scholars, while Keller et al. (2021) provided a broader view of the triggers of environmental disruption. Upon further analysis, it emerged that the triggers identified by Lin and Ho (2021) and He et al. (2020) were consistent with the three triggers identified by Keller et al. (2020) and, therefore, could be allocated as sub-sets within the three broader themes. Consequently, disruption was considered appropriate to understand dynamic environments and was applied to this study.

The analysis also revealed a focus on the alliance firm and or alliance. This was in line with the research aims and therefore applied to the study. Furthermore, the business environment as the setting, selected by Lin and Ho (2021) and Keller et al. (2021), was also considered appropriate to the research questions and applied to the study. There were also suggestions for further research highlighting the need to extend theorising into other forms of disruption. This was also appropriate to the research aims and questions and applied to this study. Another critical similarity from the analysis was the emergence of governance and governance mechanisms in managing strategic alliances in a dynamic environment. The management perspective is in line with the interpretation and conclusion of strategic alliance life cycles discussed earlier and the selection of the post-formation stage in the study. Management and governance mechanisms will be discussed later in the study.

Concluding the interpretation of strategic alliances in dynamic environments, disruption has been applied to the study as a driver of dynamism. Consequently, the study also applied the three disruption triggers as broader themes that organise the specific sub-themes identified in the analysis. The themes under dynamic environment as disruption are a) External events beyond the alliance firms, b) alliance-firm specific events, and c) alliance-specific events. Notably, a distinction was made between the past environment, which was described as stable in the analysis and the dynamic environment, in line with the research questions. Table 4 presents a summary of the key literature.

**Table 4**

Dynamic environment as disruption

| Construct | Themes |
|---|---|
| **1. DYNAMIC ENVIRONMENTS AS DISRUPTION** | a) External events beyond the alliance firms<br>b) Alliance-firm specific events<br>c) Alliance specific events |

*Note.* Author's own

### 2.2.4. Section Conclusion: Understanding Strategic Alliances

The section started with a review of the literature on strategic alliances. An analysis of the literature revealed the continued importance and focus on strategic alliances over time. Despite this importance, a comparative analysis of select literature (not exhaustive) between 2001 – 2021 revealed a lack of consensus in the definition of strategic alliances. Therefore, the study necessarily applied a working definition for strategic alliances, which narrowed the literature down to 3 outcomes which were similar across multiple scholars. Brief descriptions of each outcome have been offered to provide clarity on what each outcome entails.

Strategic alliance life cycles were also reviewed in the section. The analysis revealed general agreement of three life cycle stages in strategic alliances. The post-formation stage (the second stage) was also identified as the most crucial stage for managing strategic alliances towards their intended outcomes. This suggested a link between the focus on managing strategic alliances through mechanisms for the desired outcomes in the post-formation stage and the working definition applied earlier in the study, which focuses on strategic alliance outcomes. Therefore, the post-formation stage and management through mechanisms were applied to the study, as they aligned with the research questions.

Following the development of a clear working definition, the selection of the post-formation stage and a focus on management mechanisms (to be expanded on later in the literature review), the study also reviewed the literature on strategic alliances in dynamic environments. The analysis revealed alignment across three articles from top journals, regarding the need for a different approach to strategic alliances in dynamic environments, by evolving the current understanding from a stable environment to one which fits the environment. Disruption emerged as a suitable lens to view the dynamic environment, based on the breadth of Keller et al.'s (2021) three broader disruption triggers and therefore applied to the study. Furthermore, Keller et al. (2021) recommended further research on extending theorising to other forms of disruption, a direction which has been applied to this study.

The analysis to understand strategic alliances provided the necessary context and foundation for the remaining literature review sections, and the constructs and themes selected were referenced where appropriate. Table 5 provides a consolidated view of the constructs and themes from the section, highlighting where the research questions apply. This context also influenced the literature reviewed and the research questions for the study.

**Table 5**

Constructs and themes from the literature on strategic alliances

| Construct | Themes | Areas for research applied |
|---|---|---|
| **1. STRATEGIC ALLIANCE OUTCOMES** | **A) Value Capture**<br>**B) Value Creation**<br>**C) Competitive Advantage** | *Consolidated and current definition* |
| **2. DYNAMIC ENVIRONMENTS AS DISRUPTION** | **D) External Events**<br>**E) Alliance Firm-specific Events**<br>**F) Alliance-specific Events** | *New forms of disruption in other categories* |

*Note.* Author's own

Following the introductory mentions earlier, the ensuing section reviews literature on alliance management capability (AMC).

**2.3. Literature on Alliance Management Capability**
The literature in this section provides greater detail on the concepts of strategic alliance management and governance mechanisms, which have been introduced earlier. The section provides a description, analysis, interpretation, and conclusion. Importantly, the main requestion question emerged from this section.

**2.3.1. Understanding Alliance Management Capability**
*2.3.1.1. Description of alliance management capability*
Scholars note that despite the significant interest and research conducted on AMC, there remains a lack of consensus on what it entails and how to achieve it (Al-Tabbaa, Leach & Khan, 2019; Dhaundiyal & Coughlan, 2022; Kohtamäki et al., 2018). For example, Dhaundiyal & Coughlan (2022) focus on skills and activities linked to performance risk and relational risk. Robson, Katsikeas, Schlegelmilch and Pramböck (2019) cite processes and activities across three dimensions, search capability, formulation capability and management capability. Nietsen & Jolik (2015) propose abilities within firms which are either general or specific, linked to the capturing, sharing and storage of knowledge.

Given this dispersed conceptualisation, Kohtamäki et al. (2018) undertook a systematic review of literature on alliance capabilities. They developed a comprehensive taxonomy with dimensions including alliance, management, and learning capability. While some of the scholars referenced above adopt different perspectives after publishing this study, they note that their conceptualisations are encompassed in the taxonomy (Dhaundiyal & Coughlan, 2022; Robson et al., 2021). The terms alliance capability and alliance management capability are used inconsistently between the scholars, with some scholars specifically pointing out management as a sub-set capability within alliance capabilities (Kohtamäki et al., 2018; Nietsen & Jolik, 2015; Robson et al., 2019).

Despite this, there is alignment among scholars that at a higher level, AMC encompasses coordination and cooperation, irrespective of the challenges arising from each. For example, although Dhaundiyal & Coughlan (2022) discuss risk performance, this risk is linked to cooperation. Van Fenema & Keers (2018) also argue that alliance management AMC is ultimately concerned with fulfilling the requirements of cooperation and coordination and offer descriptions of each. Cooperation involves joint action to transform the inputs from each alliance firm into the desired outputs of the alliances. Coordination is concerned with developing the requisite structures, processes and systems to synchronise the joint action taken by alliance firms (Van Fenema & Keers, 2018).

AMC has two mechanisms: formal management and informal management (Lou, Ye, Mao, Zhang, 2022). Lou et al. (2022) define formal management as using mechanisms such as contracts, terms and agreements. Formal management involves two sub-components which are (1) outcomes: focused on keeping alliance members accountable for objectives, and (2) behaviour: focused on how outcomes are achieved by setting boundaries for what is deemed appropriate and inappropriate, facilitated through continuous assessment (Lou et. at, 2022). Informal management is based on trust and does not pursue the objectives found in formal management mechanisms. Instead, informal management is focused on creating a cohesive environment for cooperation between partners through rich interactions to establish common beliefs, values, interests and goals (Lou et al., 2022).

Several studies outline a set of structures, processes, routines and tools that are present in formal management and informal management, which, taken together, enhance the understanding and, consequently, the steps needed to build AMC  (Dhaundiyal & Coughlan, 2022; Lahiri et al., 2021; Kohtamäki et al., 2018; Al-Tabbaa et al., 2019). These are called micro-processes and are present in formal management and informal management. Once consolidated, they include (a) organisational structures such as departments, functions, teams, and committees; (b) routines such as training, forums, and evaluation; (c) tools such as IT systems, templates, manuals, scorecards; (d) activities such as participating in the defined

structure and routines, and utilising the tools (Kohtamäki et al., 2018; Nietsen & Jolik, 2015), detailed in Table 6

Dhaundiyal & Coughlan (2022) and Robson et al. (2019) also provided a view on micro-process. Robson et al. (2019) proposed coordination, communication and bonding as micro processes, while Dhaundiyal & Coughlan (2022) added to this list with the inclusion of distributive justice, procedural justice, resource combination and adaptation, detailed in Table 6. Despite the differences between scholars, they all indicated the need to develop a greater understanding of how AMC is developed and deployed in alliances. For example, Dhaundiyal & Coughlan (2022), who focused on the technology sector, point to the need to explore how alliances are managed in other industries. Kohtamäki et al. (2018) propose exploring the micro-processes of alliance management through qualitative inquiry. Robson et al. (2019) suggest expanding on framing alliance capability in the context of alliance governance.

**Table 6**

*Components of alliance management capability*

| Capability | Mechanisms | Micro-processes Kohtamäki et al. (2018) and Nietsen & Jolik (2015) | Micro-processes Dhaundiyal & Coughlan (2022) and Robson et al. (2019) |
|---|---|---|---|
| Alliance Management Capability (Cooperation & Coordination) | Formal Management | - Organisational structures<br>- Routines<br>- Tools<br>- Activities | - Coordination<br>- Communication<br>- Bonding<br>- Distributive justice<br>- Procedural justice<br>- Resource combination<br>- Adaptation |
| | Informal Management | | |

*Note.* Author's own

The scholars referenced in the literature reviewed were selected based on their relevance to the research question. The scholars were also selected based on being recently published in top journals, which provides a contemporary view of AMC. For example, Dhaundiyal & Coughlan (2022) and Kohtamäki et al. (2018) published in the Industrial Marketing journal, while Robson et al. (2019) published in The Journal of World Business and have a three and 4-star ABS ranking, respectively.

### 2.3.1.2. Analysis of alliance management capability

A systematic comparison of the literature was conducted of the literature that was reviewed to identify similarities and differences. Although the scholars used various terminology, the proposed constructs appeared to be consistent; therefore, mostly similarities were identified by connecting

the various concepts. Firstly, there were similarities between scholars in their observation that there exists a need for more consensus on what AMC entails and how it is developed.

In their description of AMC, the scholars either isolated specific concepts which were related to their focus of inquiry or provided broader categorisation of sub-capabilities within AMC.
For example, Dhaundiyal & Coughlan (2022) focused on risk as a concept that AMC addresses, while Robson et al. (2019) focused on sub-categories of AMC. This was similar to the approach taken by Kohtamäki et al. (2018) and Nietsen & Jolink (2015). Despite this, the activity of managing was a common feature across scholars, together with the higher level view of the requirements of AMC being cooperation and coordination, which was outlined by Van Fenema & Keers (2018).

Furthermore, there were also similarities found between Nietsen & Jolink (2015) and Kohtamäki et al. (2018), who undertook a systematic literature review, with the latter developing a comprehensive taxonomy of AMC. Again, the sub-category of management emerged. It was, therefore, possible to infer that alliance management can be viewed independently as a form of AMC. There were also similarities in the formal and informal mechanisms identified by Lou et al. (2022), informed by the literature from Dhaundiyal & Coughlan (2022), Lahiri et al. (2021), Kohtamäki et al. (2018) and Al-Tabbaa et al. (2019), who also reference formal and informal mechanism to manage alliances.

Differences were found in the micro-processes proposed by the scholars to develop and deploy AMC. Interestingly, Kohtamäki et al. (2018) and Nietsen & Jolink (2015), who undertook a systematic literature review and identified sub-categories of AMC, identified similar micro-processes, albeit with added and not contradictory items from Kohtamäki et al. (2018). These were different to those identified by Dhaundiyal & Coughlan (2022) and Robson et al. (2019), who identified different sub-categories to the scholars mentioned above and between each other. This suggested greater consistency in the approach and findings of, Kohtamäki et al. (2018) and Nietsen & Jolink (2015) versus Dhaundiyal & Coughlan (2022) and Robson et al. (2019).

Finally, there were differences in the areas for further research proposed by the scholars. Kohtamäki et al. (2018) were the only scholars to propose a further exploration of micro-processes themselves. Dhaundiyal & Coughlan (2022) proposed applying AMC to other industries beyond the scope covered in their study.

*2.3.1.3. Interpretation of the analysis on alliance management capability*

The analysis of AMC revealed several similarities, which were identified through the interpretation of various concepts proposed by the scholars and understood not to be contradictory. Firstly, through the analysis, it emerged that AMC is important, but scholars need more consensus on how it is developed and deployed. To address this, the similarities identified indicated that AMC involves the role of managing an alliance to fulfil the requirements of cooperation and coordination. It also emerged that the mechanism used to manage AMC can be informal or formal.

There were also differences which emerged from the analysis, particularly related to the micro-processes of AMC, between two groupings of scholars, Kohtamäki et al. (2018) and Nietsen & Jolink (2015) versus Dhaundiyal & Coughlan (2022) and Robson et al. (2019). The analysis revealed that there was more consistency between Kohtamäki et al. (2018) and Nietsen & Jolink (2015) in the other characteristics of AMC they identified, such as sub-categories of AMC. In contrast, Dhaundiyal & Coughlan (2022) and Robson et al. (2019) seemed to have fewer consistencies. Therefore, the micro-process, as conceptualised by Kohtamäki et al. (2018), which includes and extends those identified by Nietsen & Jolink (2015), has been applied to this study. This selection was made due to the conceptualisation of micro-processes being aligned with the research question.

### 2.3.2. Section Conclusion: Understanding Alliance Management Capability

The literature review on AMC outlined two main mechanisms for managing strategic alliances, formal management and informal management. It emerged from the literature that AMC is used for coordination and cooperation within a strategic alliance in the post-formation stage. While extant literature has focused on the formal and informal management mechanisms, it was found that there needs to be more understanding of the micro-processes which underpin both formal and informal management. Corollary, the areas for further research which have been applied to this study were drawn from Kohtamäki et al. (2018), who propose further inquiry into the micro-processes of AMC. The recommendation by Dhaundiyal & Coughlan (2022) to explore AMC in other industries was also relevant to the research aims and was therefore applied to the study. Concluding the interpretation, AMC has been identified as a critical process to manage alliances, which includes informal and formal mechanisms and micro-process, enabling it to be developed and deployed. Table 7 outlines the constructs and themes which have been applied to the study from the literature review. The next section reviewed literature on alliance governance mechanisms (AMC) as a sub-set of AMC.

**Table 7**

*Summary of alliance management capability*

| Construct | Themes & Sub-themes | Areas for research applied |
|---|---|---|
| **3. ALLIANCE MANAGEMENT CAPABILITY (COOPERATION & COORDINATION)** | **G) Formal Management**<br>    G1) organisational structures<br>    G2) routines<br>    G3) tools<br>    G4) activities | *To explore AMC in other industries* |
| | **H) Informal Management**<br>    H1) organisational structures<br>    H2) routines<br>    H3) tools<br>    H4) activities | *To explore the micro-processes of AMC* |

*Note.* Author's own

## 2.4. Understanding Alliance Governance Mechanisms

This section included a review of the literature on AGM. The scholars selected provided a perspective on AGM, which focused on the dynamic environment and alliances with competitors for a different perspective. The section started with a description of AGM outlining the evidence found, analysis of the literature, interpretation and conclusion of the analysis and a section conclusion, integrating relevant information covered in the study so far.

### 2.4.1. Literature on Alliance Governance Mechanisms
#### 2.4.1.1. Description of alliance governance mechanisms

Keller et al. (2021) describe AGM as a way to address cooperation and coordination in a strategic alliance. Solanis et al. (2022) also cite cooperation and describe various activities that governance addresses, as Rai and Surana (2022) described. Lin and Ho introduce the concept of ambidextrous governance, which focuses on mechanisms that enable efficiency and flexibility in managing an alliance in dynamic environments. Keller et al. (2021) also cite the influence of the dynamic environment, while Rai and Surana (2022) and Solanis et al. (2022) adopt a perspective that considers competition between alliance firms. Across the scholars, the importance of context is highlighted, as it informs how the various AGMs are employed.

Three of the scholars identify two alliance governance mechanisms. Rai and Surana (2022) propose contract-based governance and relation-based governance, Solanis et al. (2022) propose formal governance and relational governance, and Lin and Ho (2021) identify the mechanisms of formal governance and relational governance. Keller et al. (2021) found that disparate conceptualisations of AGM by scholars to be problematic for the creation of a common understanding of AGM, and thus propose a revised typology of AGM, which argues that formal vs informal, or formal or relational are not mutually exclusive mechanisms, but in fact work together.

In an effort to create a common set of mechanisms which account for the mechanisms mentioned by the other scholars, Keller et al. (2021) based their typology on two dimensions, 1) the means to enforce the governance mechanisms (contractual or relational) and 2) the level of codification (formal or informal). Corollary, the scholars propose four AGMs, formal contractual, informal contractual, formal relational and informal relational. Additional detail of what each of the mechanisms entail is provided in Table 8.

As stated earlier, Lin and Ho (2021) introduce the concept of ambidextrous governance, arguing that AGM should be applied based on the context of a strategic alliance. In this case, the scholars referenced an environment impacted by technological dynamism, where alliance partners would be required to deploy AGM to adjust flexibility or efficiency.

Within this concept, the authors also capture the mechanisms of formal versus relational governance, where formal governance is considered to involve contracts and relational governance based on trust and other relational mechanisms. Lin and Ho (2021) further argued that this balance was achieved by providing a supportive environment for collaboration in an alliance by selecting the appropriate mechanisms to fit the context.

As argued by Lin and Ho (2021), this can be achieved through a combination of mechanisms viewed orthogonally rather than in the traditional binary (either or) manner, which they argue had been the focus of existing literature. Lin and Ho (2021) argue that efficiency (or alignment) and flexibility (or adaptability) have been seen as contradictory in the past and assert that there is a mutually beneficial interplay between them. In effect, they argue that formal and contractual governance mechanisms (generally associated with efficiency) and relational and informal governance mechanisms (generally associated with flexibility) should not be trade-offs. Also providing a view of AGM through the lens of dynamic environments are Keller et al. (2021), with the driver of dynamism being disruption, which has been discussed at length earlier in the literature review.  Scholars argue that AGMs should be used dynamically as substitutes and complements based on the need of the alliance. The authors further argue for the interplay between AGM and state that the utility of a given mechanism should be based on the requirements in the alliance to address a particular disruption.

Keller et al. (2021) argue that alliance partners must be able to adjust and evolve their AGM to respond to disruption – proposing that different disruptions would require different mechanisms.  The authors also highlight that literature focused on the evolution of governance mechanisms and therefore their adjustment, as well as the interplay of AGM in dynamic environments is sparse (Keller et al., 2021). Rai and Surana (2022) and Solanis et al. (2022) also argue for the use of AGM in a complementary manner, citing the importance of the interplay between them,  noting that an alliance requires a different mix of each mechanism at any given point in the alliance life cycle. The scholars also highlight the importance of

developing a new understanding of the complementary perspective of AGM, as they found that previous studies focused on AGM as an either-or (binary) approach. The scholars argue that an appropriate balance (not too much, not too little) of AGM is critical, as the disproportionate use of one may undermine the other.

**Table 8**

Typology of Alliance Governance Mechanisms

| Level of codification of alliance governance mechanisms' ruling principles | Means to enforce alliance governance mechanisms' ruling principles | |
|---|---|---|
| | **Contractual** | **Relational** |
| **Formal (codified)** | **Formal Contractual Governance**<br>Conceptual definition: the set of codified enforceable promises that define the rights and obligations of the parties:<br>- termination<br>- monitoring<br>- auditing<br>- lawsuit provisions | **Formal Relational Governance**<br>Conceptual definition: the set of codified patterns of behaviour to which parties are expected to conform:<br>- exchange of personnel<br>- decision-making rules<br>- meeting procedures |
| **Informal (uncodified)** | **Informal Contractual Governance**<br>Conceptual definition: the set of uncodified enforceable promises that define the rights and obligations of the parties:<br>- confidentiality arrangements<br>- task division<br>- decision making | **Informal Relational Governance**<br>Conceptual definition: the set of uncodified patterns of behaviour to which parties are expected to conform:<br>- trust<br>- positive interpersonal relationships |

*Note*: Author's own, adapted from Keller et al. (2021)

Areas for future research that were identified included the use of AGM in competitive alliances, proposed by Rai and Surana (2022) and Solanis et al. (2022). Lin and Ho (2021) proposed examining other institutional environments outside of the technology industry to understand their influence on ambidextrous governance. Keller et al. (2021) proposed extending their theorising to other forms of disruption (discussed earlier in the study) or exploring different contexts to understand the transferability of their insights.

Table 8 summarises the evidence reviewed on alliance governance mechanisms, which was used for comparative analysis, identifying differences and similarities in the literature across the scholars. The scholars were selected based on their relevance to the research question. Furthermore, Solanis et al. (2022) and Rai and Surana, both published in the Long Range Planning journal, focused on the competitive environment, while Keller et al. (2021) and Lin and Ho (2021) focused on the dynamic environment. This provided a different point of departure to view alliance governance mechanisms, which offered interesting perspectives. Additionally, these scholars were selected based on their recent studies published in top journals with a three or 4-star ABS ranking.

**Table 9**

*Description of the Alliance Governance Mechanisms Literature*

| Authors | Lin and Ho (2021) | Keller et al. (2021) | Solinas et al. (2022) | Rai and Surana (2022) |
|---|---|---|---|---|
| Journal | Technovation | Organisation Science | Long Range Planning | Long Range Planning |
| Description of Alliance Governance | "...we define ambidextrous governance as the alliance partners' efforts to simultaneously achieve alliance efficiency and flexibility via both formal and relational governance mechanisms" (p. 3) – in the context of environmental dynamism | "Alliance governance mechanisms are valuable to the extent that they help partners address problems of cooperation and coordination" (p. 1542). | "Managing alliances implies dealing with partners' opportunistic behaviour, frictions in the organisation of shared tasks, and partners' organisation design that may affect the alliance set-up" (p. 1). "After establishing the parameters... partners need to make ongoing contributions" (p. 2). | "...to reduce the risks of opportunistic behaviour, free riding, misappropriation of critical resources & unintended knowledge leakage... and to leverage the benefits of sharing complementary resources, exchange of knowledge, and technical know-how..." (p. 5). |
| Role of Alliance Governance Mechanisms | - Efficiency<br>- Flexibility | - Coordination<br>- Cooperation | - Cooperation | - Cooperation<br>- Competition |
| Alliance Governance Mechanisms | - Formal governance<br>- Relational governance | - Formal contractual<br>- Informal contractual<br>- Formal relational<br>- Informal relational | - Formal governance<br>- Informal governance & trust | - Contract-based<br>- Relation based |
| Contextual Application | **Dynamic Environment** While efficiency and flexibility require different governance mechanisms, an orthogonal approach is required to respond to technological dynamism in the environment. | **Dynamic Environment** Governance mechanisms are used dynamically to evolve, adjust and iterate the alliance, stating that the mechanisms are used to substitute and or complement each other at any given time. | **Competition** Using alliance governance mechanisms in a complementary manner to align incentives in competitive alliances | **Coopetition** Using the appropriate mix of alliance governance mechanisms to enable the required levels of cooperation and competition |
| Focus of Study | Examining whether the performance of technology alliances can be enhanced by adopting a contextual approach to ambidextrous governance | The impact of disruption on the value of specific alliance governance mechanisms (the utility of specific governance mechanisms to an alliance firm) | Exploring whether the level of competition in an alliance affects the selection of specific governance mechanisms and whether they have an effect on behaviour and alliance success | Examining the effects of various alliance governance mechanism configurations on value creation in the context of coopetition |
| Alliance Stage | Post-formation | Post-formation | Post-formation | Post-formation |
| Level of Analysis | Single alliance (multiple) | Single alliance | Single alliance | Single alliance (multiple) |
| Setting/ Context | Technology industry<br><br>Taiwan | Pharmaceutical industry<br><br>United States & Western Europe | Business Environment | High-technology, research-intensive sectors<br><br>India |
| Areas for Further Research | Examining how other institutional environments directly or indirectly influence ambidextrous governance and alliance performance. | Exploring similar and different settings to determine the extent of the transferability of the study's insights | Using simulations to explore how changes in product market competition in alliances impact rent division and therefore cooperation in an alliance | Application of the hypothesised model to other industrial sectors or to the management of multiple simultaneous alliances with several partner firms |

*Note.* Author's own adapted from Lin and Ho (2021), Keller et al. (2021), Solinas et al. (2022) and Rai and Surana (2022).

*2.4.1.2. Analysis of alliance governance mechanisms*

A systematic literature comparison was conducted against eight dimensions outlined in Table 9. The articles cited the importance of AGM in the management of strategic alliances, and similarities and differences between the scholars were identified and outlined. Importantly, the first set of differences emerged from the description of alliance governance by scholars. Consistent with the context of competition adopted by Solinas et al. (2022) and Rai and Surana (2022), their description of alliance governance focused on mitigating any risks and challenges that partner firms would pose. In contrast, Lin and Ho (2021) and Keller et al. (2021), who focus on the dynamic environment, offered descriptions that would enable alliance firms to be responsive to the environment by applying the available mechanism as appropriate. Lin and Ho (2021) termed this ambidextrous governance.

There were also similarities identified, with the first being the alliance stage dimension, where all the scholars focus on the post-formation stage of strategic alliances, which is in line with the stage that has been selected in this study, as well as the focal literature earlier in the review. Secondly, all of the authors focus on a single alliance, captured in the level of analysis dimension, which is also consistent with the focus of this study. The third dimension that was analysed is the role of governance mechanisms, where there were similarities found between the three scholars on the role of cooperation (Keller et al., 2021; Solinas et al., 2022; Rai & Surana, 2022). However, the subsequent mechanisms differed between Solinas et al. (2022) and Rai and Surana (2022), with the latter adding a competitive role, despite both studies focusing on the competitive context. Another difference was the addition of coordination by Keller et al. (2021).

Lin and Ho (2021) differed from all of the scholars mentioned above, as their focus on ambidextrous governance introduced two roles of flexibility and efficiency. It is important to note that while the scholars proposed different roles to those offered by the other scholars, the means of achieving flexibility and consistency were similar in the actual governance mechanism. There were similarities across all of the scholars in terms of their conceptualisation of AGM, which were also captured and accounted for in the typology of AGM proposed by Keller et al. (2021).

As alluded to earlier, on the dimension of the focus of the study, there were some similarities as well as differences too. Solinas et al. (2022) and Rai and Surana (2022) viewed AGM through the context of competition, with the former exploring whether the level of competition affected the types of AGM selected and the latter examining different configurations of AGM and their effect on value creation. With a different approach, Keller et al. (2021) explored the value of different mechanisms in the face of disruption. Lin and Ho (2021) examined performance based on the selection of different AGMs. Despite these differences, all scholars argued similarly for the need to view AGM as complementary rather than a binary choice. Similarly, the scholars highlighted the need for new understanding to be developed through studies focusing on this perspective, as previous studies have focused on the binary view.

Similarities can be drawn in the exploratory nature of the studies by Keller et al. (2021) and Solinas et al. (2022), as well as the causal nature of inquiry by Rai and Surana (2022) and Lin and Ho (2021). The final dimension compared is areas for further research, where there were differences across the board. Once again, context played an important role in the recommendations made, with Lin and Ho (2021) and Keller et al. (2021) highlighting the need for exploration in different institutional environments and other forms of disruption, with the latter highlighting the need to determine the transferability of their insights. Solinas et al. (2022) and Rai and Surana (2022) highlight different competitive dynamics and environments.

*2.4.1.3. Interpretation of the analysis on alliance governance mechanisms*

The analysis of AGM revealed several key similarities as well as differences. The analysis suggested consensus on AGM being located in the post-formation stage, consistent with selections made earlier in the literature review for this study. The level of analysis which emerged was also consistent with this study. The analysis also revealed that context plays an important role in the description of AGM by scholars. To this end, the similarities identified between Lin and Ho (2021) and Keller et al. (2021), who focus on the context of the dynamic environment, were selected based on their relevance to the research questions and focus of this study.

The analysis also revealed that the typology of AGM proposed by Keller et al. (2021) encompassed the perspectives offered by the other scholars and therefore has been selected to represent the four mechanisms that will be considered in this study. The analysis shows that the revised typology by Keller et al. (2021) not only encompasses the mechanisms proposed by the other scholars but also introduces the view that relational mechanisms were not only informal and that contractual mechanisms were not only formal, as previously suggested by other studies.

Commenting on the role of alliance governance, the analysis revealed the need to extend the understanding of the interplay of AGM, as it was evident across all the scholars that there is value in viewing AGM as complementary rather than binary, a view which has been researched very little in the past. Interestingly, the interplay perspective was found to complement the concept of ambidextrous governance, which therefore was considered not to contradict the other roles of alliance governance which were highlighted.

## 2.4.2. Section Conclusion: Understanding Alliance Governance Mechanisms

The literature review on alliance governance mechanisms revealed complimentary views across different scholars. Firstly, the objective of managing strategic alliances for coordination and cooperation was consistent with the previous sub-section on AGM. Secondly, the location of AGM in the post-formation stage of alliances was also consistent. Given AGM's varied but

similar conceptualisations, the typology offered by Keller et al. (2021) was applied to this study, highlighting four main themes under the theoretical construct, with supporting sub-themes. Given the relatively novel focus on the interplay of AGM, particularly in dynamic environments, the calls by Keller et al. (2021) and Lin and Ho (2021) to explore new contexts to apply AGM, as well as to determine the transferability of the insights were in line with the research questions and therefore adopted for the study.

Concluding the analysis and interpretation of AGM, the typology offered by Keller et al. (2021) was applied to this study, as well as the role of ambidextrous governance by Lin and Ho (2021), given its focus on the dynamic environment. Both the constructs, AGM and ambidextrous governance, were applied as they support the research question on the choice of alliance governance mechanism in dynamic environments. Corollary, the mechanisms from Keller et al. (2021) provided in the typology have been applied as themes to AGM and ambidextrous governance in the study. Furthermore, the research areas identified by Keller et al. (2021) and Lin and Ho (2021) were applied to this study. Additionally, the recognition by Lin and Ho (2021), Keller et al. (2021), Solinas et al. (2022) and Rai and Surana (2022) that more research is required on the interplay between AGM was applied to this study. Table 10 summarises key constructs and themes addressed in this section. A conclusion and summary of the literature review are presented in Chapter 3, with the research questions for the study.

**Table 10**

Alliance governance mechanism for ambidextrous governance

| Construct | Themes & Sub-themes | Areas for research applied |
|---|---|---|
| **4. ALLIANCE GOVERNANCE MECHANISM FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY)** | **I) Formal Contractual** (codified)<br>    I1) termination<br>    I2) monitoring<br>    I3) auditing<br>    I4) lawsuit provisions<br>**J) Informal Contractual** (un-codified)<br>    J1) confidentiality arrangements<br>    J2) task division<br>    J3) decision making<br>**K) Formal Relational** (codified)<br>    K1) exchange of personnel<br>    K2) decision-making rules<br>    K3) meeting procedures<br>**L) Informal Relational** (un-codified)<br>    L1) trust<br>    L2) positive interpersonal relationships | *Extending theorising on alliance governance mechanisms to similar or different settings.*<br><br>*Exploring the interplay of alliance governance mechanisms.* |

*Note.* Author's own

**CHAPTER 3: LITERATURE REVIEW CONCLUSION & RESEARCH QUESTIONS**

**3.1. Literature Review Conclusion**

Table 11 provides a summary of Chapter 2, outlining the five theoretical constructs, twelve themes, twenty-two sub-themes and the areas for further research applied to the study. These inputs will be used to develop a conceptual framework of the outcomes at the end of the study.

**Table 11**

Summary of theoretical constructs, themes and sub-themes from literature review

| Construct | Themes & Sub-themes | Areas for research applied |
|---|---|---|
| **1. STRATEGIC ALLIANCE OUTCOMES** | **A) Value Capture** <br> **B) Value Creation** <br> **C) Competitive Advantage** | *To develop a current understanding of strategic alliances* |
| **2. DYNAMIC ENVIRONMENTS AS DISRUPTION** | **D) External events** <br> **E) Alliance-firm-specific events** <br> **F) Alliance-specific events** | *To explore other forms of disruption in a dynamic environment* |
| **3. ALLIANCE MANAGEMENT CAPABILITY (COOPERATION & COORDINATION)** | **G) Formal Management** <br>    G1) organisational structures <br>    G2) routines <br>    G3) tools <br>    G4) activities <br> **H) Informal Management** <br>    H1) organisational structures <br>    H2) routines <br>    H3) tools <br>    H4) activities | *To explore AMC in other industries.* <br><br> *To explore the micro-processes of AMC.* |
| **4. ALLIANCE GOVERNANCE MECHANISM (COOPERATION & COORDINATION) FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY)** | **I) Formal Contractual** (codified) <br>    I1) termination <br>    I2) monitoring <br>    I3) auditing <br>    I4) lawsuit provisions <br> **J) Informal Contractual** (un-codified) <br>    J1) confidentiality arrangements <br>    J2) task division <br>    J3) decision making <br> **K) Formal Relational** (codified) <br>    K1) exchange of personnel <br>    K2) decision-making rules <br>    K3) meeting procedures <br> **L) Informal Relational** (un-codified) <br>    L1) trust <br>    L2) positive interpersonal relationships | *To extend theorising on alliance governance mechanisms to similar or different settings.* <br><br> *To explore the interplay of alliance governance mechanisms.* |

*Note.* Author's own

Despite the significant increase in interest and, therefore, the importance of strategic alliances, there is little agreement across professionals and academics on how they are defined and what they entail (Franco & Hasse, 2015). Three expected outcomes of strategic alliances have been applied to the study as a way of understanding thing current view on strategic alliances, which are value capture, value creation and competitive advantage. In addition to the lack of consensus, He et al. (2020) note that literature on strategic alliances has lagged behind developments in the current environment and that new understanding is required in order for the approach to strategic alliances to match the operating context. Overall, these findings

highlight a possible gap in the literature where this study aims to make a potential contribution by extending the knowledge by exploring the expectations and outcomes of strategic alliances to provide a current understanding of them, which has been applied to research question 1. The literature review also highlights the importance of the post-formation stage in achieving the intended outcomes of a strategic alliance, which has been applied to the study.

Though scholars agree on the influence of a dynamic environment on strategic alliances, various triggers are offered by each. Keller et al. (2021) provide a useful consolidation of triggers of a dynamic environment captured as disruption. Keller et al. (2021) identify three broad triggers of disruption, which are external events, firm-specific events and alliance-specific events. These three broad triggers have been applied to the study. Recognising that triggers of a dynamic environment can be varied, the scholars recommend further research to extend theorising to other forms of disruption, which has been applied to this study and informs question 2.

The literature on AMC revealed two mechanisms for managing strategic alliances, formal management and informal management. These are captured as themes in the study. The literature also highlights that each of the mechanisms is supported by micro-processes which enable the management, which have been captured as sub-themes in the study. Importantly, it emerged that AMC is underpinned by the pursuit of coordination and cooperation between alliance partners. To this end, Kohtamäki et al. (2018) propose further inquiry into the micro-processes of AMC. The recommendation by Dhaundiyal & Coughlan (2022) to explore AMC in other industries was also relevant to the research aims and was therefore applied to the study. These areas for further research have been applied to the study and inform research question 3. Governance also emerged as a sub-set of AMC, which is addressed next.

The final section of the literature review builds on the foundation established in the first two sections by introducing the AGM. A typology of AGM is presented, which highlights four mechanisms, formal contractual, formal relational, informal contractual and informal relational governance. These have been captured as themes. The mechanisms vary in their level of codified enforceable promises and uncodified patterns of behaviour. To extend current knowledge on strategic alliances, the literature review identifies the need to understand how AGM is applied in a dynamic environment. To this end, Lin and Ho (2021) discuss ambidextrous governance. While the AGM proposed by Lin and Ho (2021) fit within the adopted typology, the scholars highlight their use for flexibility and efficiency.

This has been integrated into the theoretical construct of alliance management capability for ambidextrous governance. This links to the argument which is made by Rai and Surana (2022) and Solanis et al. (2022), stating that AGM should be used in a complementary manner, not a

binary choice. Additional areas for further research applied to the study include developing an understanding of the interplay between AGMs. The literature on AGMs and areas for research have been applied to question 4 in the study.

### 3.2. Research Questions

The research questions have been informed by the research aims presented in Chapter 1 and the literature review, drawing from the related areas for further research and the limitations of current understanding, which have been highlighted. Specifically, He et al. (2021) on a current understanding of strategic alliances in dynamic environments, Keller et al. (2021) and Lin and Ho (2021) on new settings and forms of disruption, as well as extending theorising on AGM and ambidextrous governance to these areas, and Dhaundiyal & Coughlan (2022) and Kohtamäki et al. (2018) on the micro-processes of AMC in different industries.

**Research question 1: What are the expected outcomes of strategic alliances in dynamic environments?**

Research question 1 aimed to understand the role of strategic alliances within the dynamic financial services environment by understanding the outcomes financial services expect from participating in strategic alliances (He et al., 2021).

**Research question 2: What disruptions affect firms involved in strategic alliances in dynamic environments?**

Research question 2 aimed to explore and identify the triggers of disruption in the financial services industry that are affecting firms involved in alliances (Keller et al., 2021; Lin and Ho, 2021).

**Research question 3: How are strategic alliances managed in dynamic environments?**

Research question 3 aimed to explore and understand how alliance firms manage their strategic alliances in the dynamic financial services environment (Dhaundiyal & Coughlan, 2022; Kohtamäki et al., 2018).

**Research question 4: How do alliance firms choose alliance governance mechanisms to manage strategic alliances in dynamic environments?**

Research question 4 aimed to explore and understand how governance is used to manage strategic alliances in the financial services industry (Keller et al., 2021; Lin and Ho, 2021).

The next Chapter, Chapter 4, presents the research design and methodology.

**CHAPTER 4: RESEARCH METHODOLOGY & DESIGN**

Defining the research methodology is a critical part of any research of any research process as it outlines a systematic approach and a clear plan to address the research questions (Thomas, 2021). In addition to the research gaps highlighted in Chapter 2, the literature from Keller et al. (2021), Lin and Ho (2021) and He et al. (2020) also identifies the need for more exploratory and qualitative research related to the identified gaps in the current understanding and knowledge of their respective topics (from which the research questions for this paper were derived). Therefore, this Chapter outlines the choices made based on their appropriateness to address the aims of the research and to deliver conclusive outcomes (Thomas, 2021). Table 12 outlines a summary of the research methodology, which was systematically presented.

**Table 12**

Outline of research methodology

| Topics | | Selection |
|---|---|---|
| **Research Philosophy** | Ontology | Social Constructionism |
| | Epistemology | Interpretivism |
| **Approaches** | Research Approach | Inductive |
| | Methodological Approach | Qualitative primary research |
| **Purpose of Research Design** | | Exploratory |
| **Research Strategy** | | Interviews (Inductive) |
| **Time Horizon** | | Cross-sectional |
| **Proposed Research Design** | Research Setting | Financial services industry |
| | Unit of Analysis | Alliance firm |
| | Sampling Method and Size | Purposive sampling; 15 participants Criteria: 1) Financial services sector; 2) Senior or executive managers who are decision makers; 3) Knowledge and experience in strategic alliances |
| | Data gathering process and research instrument | Semi-structured in-depth interviews Audio recordings |
| | Data analysis process | Transcription Thematic Analysis |
| | Research quality and rigour | Theoretical relevance; triangulation; thick description; systematic approach |
| **Limitations of the Study** | | Cross-sectional design, geography, sample size, researcher experience, |

*Note.* Author's own

**4.1. Research Philosophy**

   **4.1.1. Ontology**

The ontology that was been selected was social constructionism. This ontological choice posits that "social phenomena and categories are not only produced through social interaction but are also in a constant state of revision" (Bell et al., 2018, p. 27). This choice also aligned with the call by He et al. (2020) in Chapter 2 to develop new understanding of theories explaining how alliance management manifests in the new business environment, based on the nature of the interactions emerging. Furthermore, research question 2 was concerned with understanding revisions being made in the management of strategic alliances, which substantiates the choice of the social constructionism ontology.

   **4.1.2. Epistemology**

The epistemology selected was interpretivism. Following from social constructionism, interpretivism is concerned with understanding how and why social interactions take place, as well as the process behind them to attach meaning to the interactions (Bell et al., 2018). Based on this philosophy, it was understood from Packard & Bylund (2021) and Bell et al. (2018) that the conception of the firm is socially constructed (subjective experience) through actions and learning rather than having fixed (unchanging) processes and structures with boundaries. This epistemology was therefore considered to be fitting as the research aimed to understand interactions between firms in a strategic alliance in a changing environment. In addition, the research questions were concerned with the choices that are made by managers under different contexts, in line with the interpretivist view that the firm is socially constructed and not fixed. Therefore the overall philosophical choices allowed the researcher to gain an understanding of strategic alliances in dynamic environments by interpreting the interactions of the actors within the said context to derive meaning (Bell et al., 2018).

**4.2. Approaches**

   **4.2.1. Research Approach**

The research aimed to develop new understanding, therefore, the research approach selected was inductive. Tracey (2020) describes the inductive approach as research that derives meaning from the field by observing and understanding interactions, identifying patterns from those interactions and drawing conclusions which lead to new knowledge. The inductive approach was in line with the research aims of developing an understanding of the governance of strategic alliances by identifying patterns in the dynamic environment context. The research questions also sought to explore how different factors in the given context manifest in order to draw conclusions on strategic alliances: this could be achieved through the inductive approach outlined above.

### 4.2.2. Methodological Choices

Tracey (2020) posits that qualitative research "helps people understand the world, culture and its institutions" (p. 7). Therefore, the qualitative approach didn't only help address salient elements of the research aims (alliances between firms, governance mechanisms, dynamic environments) but it was consistent with the chosen philosophies and the research aims. The strategy focuses on collecting data in narrative form in order to understand a phenomenon or process. It assumes that reality is subjective and not fixed (Thomas, 2021). The choice of qualitative research was complimented by the use of interviews as the primary data-gathering process, which is a phenomenological approach (Braun & Clarke, 2019). The interview process is expanded on later in Chapter 4.

## 4.3. Purpose of Research Design

The purpose of the research design was exploratory and deemed appropriate to address the research questions, as detailed earlier in the Chapter. Thomas (2021) describes exploratory research as research that "attempts to determine, describe, or identify the state of affairs, as it exists at present…" (p. 59) and argues that it is used to gain a better understanding of a phenomenon where little is known about it. This was fitting as many scholars looking into strategic alliances sought to test existing theories and concepts and limited research has been done exploring how the dynamic environment has altered the experiences between partners (Keller et al., 2021; Lin and Ho, 2021; He et al., 2020;). An exploratory design was relevant to all of the research questions, as each one was concerned with describing and identifying the state of affairs within strategic alliances.

## 4.4. Time Horizon

This was a cross-sectional study based on the limited time available for data gathering and analysis. A cross-sectional design which focuses on a particular context, at a particular point in time can be used to apply to an inductive approach (Bell et al., 2018). This time horizon was deemed appropriate as the research aimed to develop an understanding of the current context of strategic alliances and their management. A cross-sectional design addressed the calls by scholars in Chapter 2 for a current understanding of strategic alliances and their management, achieved by selecting a point in time that reflects the dynamic environments which have been discussed at length in this study.

## 4.5. Proposed Research Design

### 4.5.1. Research Setting

The setting for the research was financial services firms in South Africa. It was highlighted earlier in the study that the financial services industry is facing a lot of disruption due to various factors that make the environment dynamic. The FSS is experiencing: digital disruption and

increasing competition from financial technology (FinTech) firms, rapid innovation to better meet the changing needs of customers, tough and fluctuating economic conditions, persistent social challenges, and increases in strategic alliances in the sector as a response to the outlined context (O'Riely, Senawi, Eckenrode & Kelly, 2021; Deloitte, n.d.; Calvey, Romagny, Stacey, Sheard, Spangenberg & Plantier, 2021; Organisation for Economic Co-operation and Development (OECD), n.d.) Therefore the selection was seen to fit with the aims of the research question.

This setting was also in line with the recommendations for future research proposed by Lin and Ho (2021) and Keller et al. (2021). Given (2008) posits that qualitative research is focused on meaning-making and therefore requires that participants be studied in their natural setting. By focusing on this setting, the research delimits the specific context within which the research question sought to make meaning. Furthermore, it is important to highlight that the research was limited to South Africa as factors that drive the dynamic environment their this impact on strategic alliances may vary from market to market (Keller et al., 2021; He et al., 2020).

### 4.5.2. Level and Unit of Analysis

The research interest was in the financial services industry selecting firms involved in strategic alliances. Therefore, the level of analysis was at an organisational level, in the form of strategic alliance firms. As argued by Packard & Bylund (2021) and Bell et al. (2018) earlier in the Chapter, the actions of management within the firm result in changing processes and structures and therefore an understanding of the how and why is required. This meant that while the level of analysis is the alliance firm, the unit of analysis was individual, as the unit related to management decisions, due to the fact that the experiences of management were key to developing the required understanding sought by the research. Focusing on the alliance firm as the unit of analysis was expected to reveal how strategic alliances adopt specific alliance management mechanisms and which types of conditions in the dynamic environment influence these decisions, through the experiences of the managers – keeping in line with the research questions.

### 4.5.3. Sampling Method and Size

Purposive sampling was employed for the study. This method ensured that participants were selected in a strategic manner that enabled the researcher to answer the research questions (Bell et al., 2018). Furthermore, the participants were selected using criteria that were aligned with achieving the research aims and answering the research question. To this end, financial services firms involved in strategic alliances and senior managers and executives were essential to the study.

Three criteria were identified to select the participants to be interviewed.

- The first criterion was to select firms in the financial services sector (FSS) that were involved in strategic alliances. The FSS was selected as a suitable sector because the shifts and trends within it being consistent with the dynamic environment characteristics described in the research setting

- The second criterion was focused on selecting participants for the interviews who were in senior or executive management roles who are responsible for making decisions. Given that the research sought to understand management choices within strategic alliances, it was important to engage participants with influence on these decisions (He et al, 2021)

- Consequently, the third criterion required participants who had knowledge and experience in strategic alliances. This criterion was consistent with the objectives of qualitative interviews, which seek to explore the experiences of individuals (Bell et al., 2018)

No distinctions were drawn between the types of financial services firms that were selected, which spanned banking, short-term and long-term insurance, payments, investments, money transfer and trading. The sample also included firms with varying periods in operation (time in market).

Using purposive sampling increased the likelihood of access to the defined participants and the use of the researcher's professional network was deemed appropriate for accessing participants through this sampling method (Tracey, 2020; Braun & Clarke, 2019). Therefore, individuals within the researcher's professional network, employed at firms that met the criteria were contacted to request access. In line with the Protection of Personal Information Act (POPIA), participation was voluntary (Universities South Africa (USAf), 2020). Carefully considered and personalised invitations for participation were sent via e-mail to the prospective participants (see Appendix C). To increase the willingness to participate, Josselson (2013) argues the need to demonstrate the value that participants bring through their knowledge and experience.

The study had a target sample of 20 participants to be interviewed. Availability and willingness to participates proved to be a challenge during the study, therefore, the final sample achieved was 15participants. This sample size was deemed adequate as the objective was not to achieve a representative sample but rather one that would provide the requisite data for analyses (Braun & Clarke, 2019; Clarke & Cresswell, 2008). Furthermore the sample size was deemed to be appropriate for the purpose of the study, as it drew from a diverse pool of firms and experienced individuals who could provide an understanding on the topic. Furthermore, the sample was sufficient to allow for triangulation, which is discussed later. Table 13 provides

a summary of the interview participants, their roles and their firms. The participants who were contacted but were not available for the interview, making up the target sample of 20, are also included

**Table 13**

List of interviews

| Interview | Participant Role | Firm |
|---|---|---|
| Interview 1 | Division Head | Company 1 |
| Interview 2 | Division Head | Company 2 |
| Interview 3 | Chief Operating Officer | Company 3 |
| Interview 4 | Division Head | Company 4 |
| Interview 5 | Senior Manager | Company 5 |
| Interview 6 | Chief Executive | Company 6 |
| Interview 7 | Executive Head | |
| Interview 8 | Division Head | Company 7 |
| Interview 9 | Cluster Head | |
| Interview 10 | Specialist | Company 8 |
| Interview 11 | Specialist | Company 9 |
| Interview 12 | Head | Company 10 |
| Interview 13 | Specialist | Company 11 |
| Interview 14 | Principal Specialist | |
| Interview 15 | Division Head | Company 12 |
| **Not Interviewed** | | |
| Interview 16 | Executive | Company 13 |
| Interview 17 | Division Head | Company 14 |
| Interview 18 | Division Head | Company 15 |
| Interview 19 | Senior Manager | |
| Interview 20 | Senior Manager | Company 17 |

*Note.* Author's own

Convenience sampling was also used in limited cases, through the technique of snowballing (Braun & Clarke, 2019). This was done by requesting participants who had agreed to participate in the study to introduce the researcher to additional individuals in their firms. Given that the criteria had already been applied to the initial participant, this did not contradict the primary sampling method, but rather complimented it. As a result, six participants came from the same firm.

### 4.5.4. Data Gathering Process and Research Instrument

The data-gathering process commenced once Ethical Clearance had been obtained from the GIBS Ethical Clearance Committee (see Appendix D). Qualitative interviews were used for the data-gathering process. Bell et al. (2018) posit that in qualitative interviews, a semi-structured approach can be used where the focus is on the perspective of the interviewee and allows them to reveal what they deem to be important and relevant, without the inflexibility that arises

from structured interviews. Therefore, semi-structured interviews were employed in this study to achieve a level of consistency across interviews, while providing the requisite flexibility for views that the researcher may not have considered, to be brought to light (Braun & Clarke, 2019). Two pilot interviews were conducted before the full data-gathering process was initiated. Interviews were conducted between September – October 2022.

The research instrument that was used was an interview guide (see Appendix A). Bell et al. (2018) argue that an interview guide is less specific than a structured interview and consists of prompts that help guide the conversation, as either written words or visuals. A good interview guide allows the researcher to build trust and rapport with the participant, which is critical in interactive data collection (Braun & Clarke, 2019). Prompts and probes were used to get participants to elaborate on answers, especially where more specifics were required (Braun & Clarke, 2019). The interview guide was tested through a series of steps to ensure that it adequately met its intended purpose. steps followed are outlined below, as suggested by Braun & Clarke (2019). Importantly, Braun & Clarke (2019) highlight that a qualitative interview guide is not fixed at the point the research starts. Therefore, there was an opportunity to evolve it through the process if issues arose. As such, slight refinements were made to the interview guide following the pilot interview and the first interview. The core topics of the interview guide were maintained, however, and the questions asked did not evolve for the remainder of the research process (Braun & Clarke, 2019). The interview guide can be found in Appendix B. Steps to finalise the interview guide are detailed below.

The researcher followed the steps below:
- Reviewed each question in the guide to ensure that it adequately addressed the research questions
- Interrogated each question to ensure that they did not contain assumptions, in that the questions were not leading, nor do they have the potential to make the participant uncomfortable
- Reviewed and refined questions that do not stand up to the above scrutiny
- Conducted two pilot interviews, one with a professional colleague with academic research experience and another with a participant, which was not included in the participant total of 15

Furthermore, Josselson (2013) argue that qualitative interviews should not follow a rigid structure to allow for the flow of the conversation. However the conversation remains bounded as a result of the focus of the research question. To this end, the research question (Big Q) was used to anchor the conversation on strategic alliances and to re-establish the purpose of the interview with the participant, following the invitation to participate sent out prior. The opening question of the interview (Small Q) was designed to encourage the participant to talk about their experience and knowledge on the subject of strategic alliances (Josselson, 2013).

The questions that followed the Small Q were supplementary and were designed to gather additional information on the experience and knowledge of participants linked to the research questions (Josselson, 2013).

The interview method that was used was virtual spoken interviews using the Microsoft Teams video-conferencing platform, which allowed for both video and audio interaction. Braun & Clarke (2019) argue that this is a suitable interview method and that it has the added benefit of being convenient and empowering for participants, and increases the accessibility of participants for the researcher. Two recording devices were utilised (in case one failed) to capture the audio data from the interview – a voice recorder and a cell phone with voice recording capability – however, only one of the recordings were transcribed in the data analysis stage.

### 4.5.5. Data Analysis Process

The audio data gathered from the interviews were transcribed in preparation for analysis. Braun & Clarke (2019) argue that a transcript must be thorough and of high quality but is seldom considered accurate because it involves choices that the transcriber makes on what they hear and, ultimately, how it is represented. Therefore, to achieve a satisfactory level of thoroughness, transcribing was done through a transcription software called Sonix.io, which applies an orthographic (verbatim) transcription style and is less subjected to the interpretation of what is heard in the audio data. To address quality, the researcher reviewed the outputs of the transcription software and revisited the audio data to address any potential gaps in the software (Braun & Clarke, 2019).

Once the audio data was transcribed the analysis process begun. Bell et al. (2018) posit that the analysis of qualitative data requires comfortability with the emergence of themes that may have not been present in the literature review. To this point, the scholars posit that thematic analysis is a popular approach to data analysis in qualitative research, where from the analysis of data collected emerge themes that can be compared within one data source or across different data sources (Bell et al., 2018). Therefore, the thematic analysis allowed for new understanding to emerge, which was in line with the exploratory research design and research aims.

The approach to the analysis of the data included both inductive and deductive steps to allow for the researcher to make the conceptual leap and move from the language of the participants to the language of the literature, comprising 5-steps in total (Rong, Hu, Lin, Shi & Guo, 2015). In the inductive analysis phase, two steps were applied. The online coding software platform ATLAS.ti was used to conduct these two steps.  The first step was to review and understand

all the interview transcripts and then identify 1$^{st}$ order codes. A total of 237 1$^{st}$ order codes were identified in the analysis. Using the code group manager on ATLAS.ti, the second step involved working through the 1$^{st}$ order codes and grouping them into 1$^{st}$ order categories. The grouping was done based on combining 1st order codes, which highlighted similar findings. The second step produced a total of 70 1$^{st}$ order categories.

The second phase of the analysis was moving into deductive analysis, using sub-themes, themes and constructs grounded in the literature from Chapter 2. The phase included 3-steps. The deductive part of the analysis was conducted manually on paper and through an Excel spreadsheet, given the researcher's limited expertise on ATLAS.ti, and for convenience to also allow for easier adjustments and changes during the analysis. A total of 22 2$^{nd}$ order sub-themes, 15 2$^{nd}$ order themes and 4 theoretical constructs were identified from the literature. The first step in the deductive phase was a mapping exercise, mapping the 1$^{st}$ order categories to 2$^{nd}$ order sub-themes and themes which had no sub-themes. At least 58 of the 70 1$^{st}$ order categories mapped to existing sub-themes or themes. Four 1$^{st}$ order categories did not map to an existing sub-theme or theme and these were taken forward into Chapter 5 as potential sub-themes and themes. Finally, there were 8 sub-themes and themes where no data emerged from the coding process. The second step in the deductive phase was to map the sub-themes to their respective themes, and the final step involved mapping the themes to their respective constructs. Once the coding and mapping exercise was complete, the final step of the analysis was to document the analysis in detail, presented in Chapter 5 of the study. Figure 3 outlines the coding process.  The coding list is found in Appendix E.

**Figure 3**

Data coding process
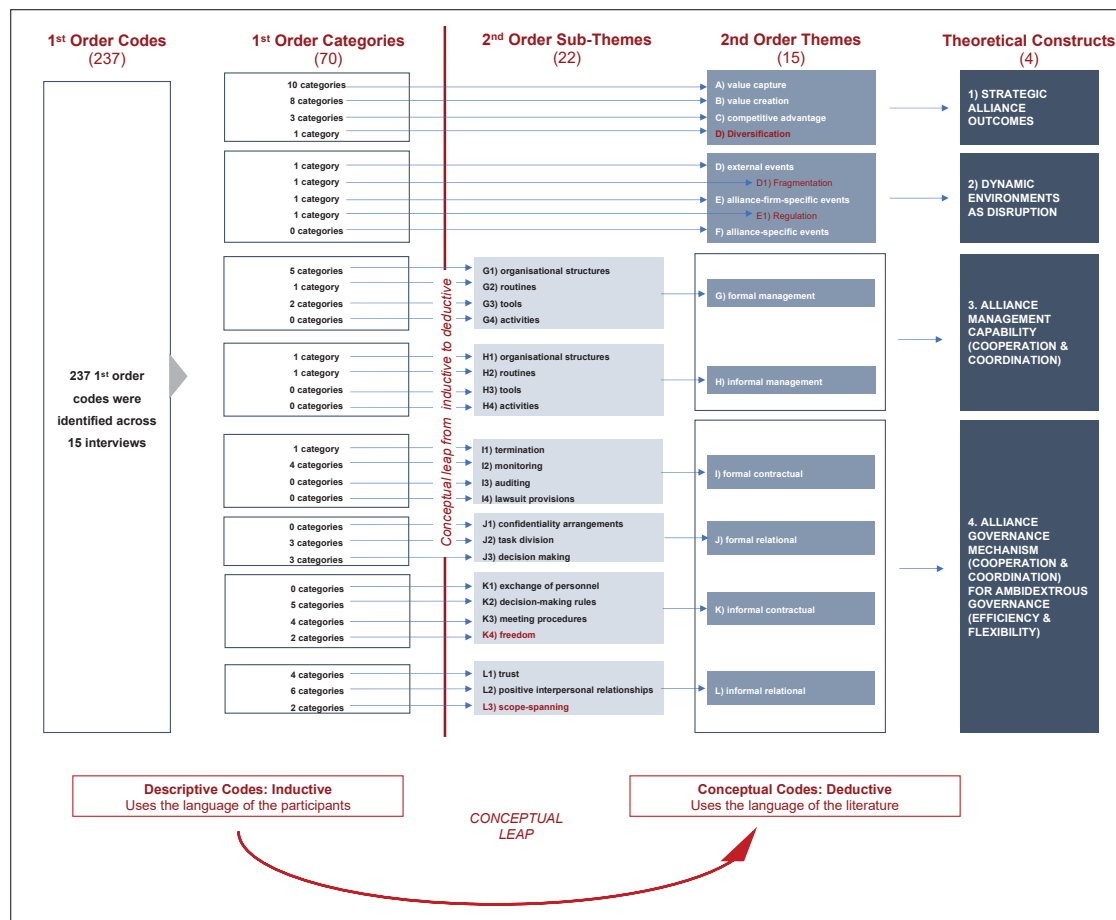


*Note.* Author's own, adapted from (Rong et al., 2015)

Theoretical saturation, during the analysis data collection and analysis process, is reached when the information produces no new information or change to what has already emerged (Tracey, 2020). The constant comparative analysis of the data through coding results in a decrease in the number of new codes identified. While it is difficult to gauge early in the research process when saturation will be reached, the study reached saturation on the 14th and 15th interviews, where no new codes emerged. Figure 4 presents the saturation analysis.

**Figure 4**

Saturation Analysis
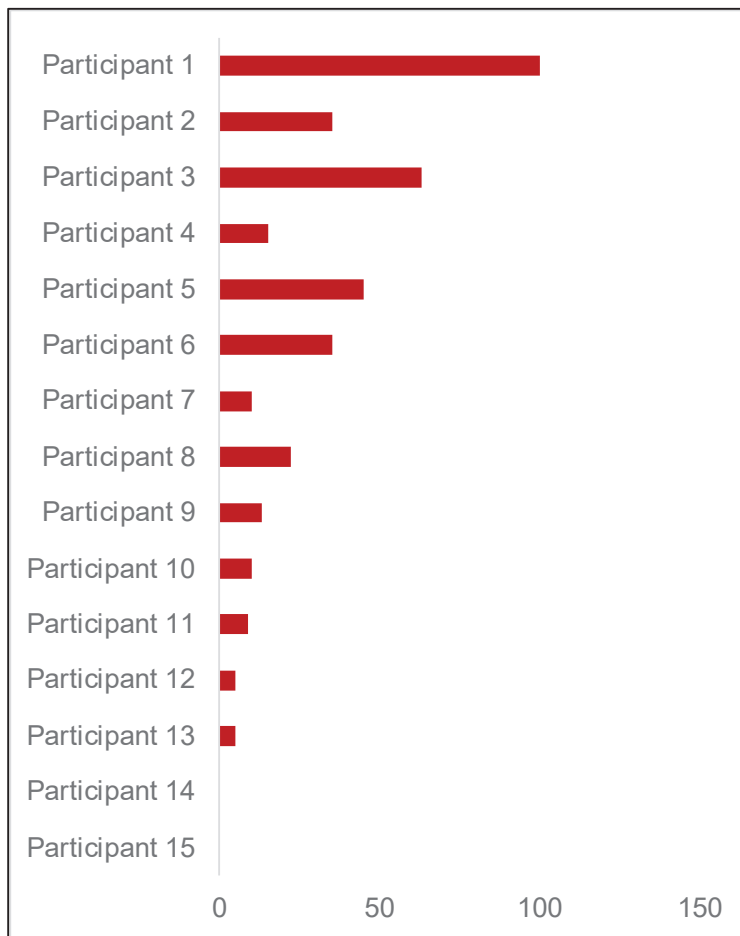


*Note.* Author's own

## 4.5. Research quality and rigour

Criteria were proposed to achieve quality and rigour in this study, as highlighted by Tracy (2020). Furthermore, additional quality standards were applied. The first was whether the topic being addressed had relevance both in practice and in academia. Much has been discussed throughout the paper, demonstrating the gap in the literature that this study sought to address, as well as the pressing need for firms to transform in fast-changing environments. This study also hoped to satisfy another criterion, that of credibility through multivocality which was achieved by meeting the intended number of participants. Additionally, the study aimed to achieve resonance through transferability (Tracy, 2020). The focus of the literature on both business and theoretical relevance augured well for meeting these criteria. Additional measures included the below.

### 4.5.1. Triangulation

The use of triangulation helps attain a richer, fuller story as opposed to seeking out one single truth. Triangulation is achieved by using two or more data sources and helps strengthen the analytical claims that are made in qualitative research (Braun & Clarke, 2019). Three analysis groups were defined by grouping the alliance firms, which allowed the researcher to conduct comparative analyses not only between participants but also between the groups. Each participant and analysis group served as a primary data source, which added to the voices that helped to develop the desired understanding. This step sought to increase the dependability of the study.

### 4.5.2. Thick Description

The researcher used probes during interviews to go beyond surface-level meaning and encourage participants to offer thick descriptions and detailed accounts of their experience and understanding of strategic alliances, which are captured by the researcher to allow for the 'safe' transfer of the outcomes of the study (Tracy, 2020; Braun and Clarke, 2019). This step sought to credibility of the study.

### 4.5.3. Systematic Approach

The research kept an audit trail of all the data collected through the standard interview guide used for all of the interviews. The data included the interview guide itself, the audio recordings, transcript and analysis conducted on ATLAS.ti. Furthermore, a systematic approach was applied by the researcher for the data collection and analysis, which increases the replicability of the study. This step sought to increase the dependability of the study.

## 4.6. Ethical Considerations

Good research should also be ethical and ensure the protection of the rights and privacy of participants (Braun & Clarke, 2019). A number of steps were followed to ensure the research was conducted in an ethical manner. This included steps to meet GIBS ethical requirements, as well as recognising the data privacy rights of participants, as outlined by GIBS (2022), USAf (2020), Braun & Clarke (2019) and Leavy (2014):

### 4.6.1. Informed Consent & Anonymity of Participants

- The researcher sought out the consent of each participant. An e-mail was sent out two days before the interview requesting an electronic signing of the informed consent form, which was to be sent back to the researcher before the interview was conducted.
- The consent form outlined the purpose of the research as well as steps that were taken with regard to the use of the data collected, as well as its storage. The consent form can be found in Appendix B.

- The participants were given the opportunity to pull out of the interview at any point if they so elected (Gordon Institute of Business Science (GIBS), 2022).

- Importantly, the research did not focus on any firm *in particular*, but rather selected firms based on the criteria outlined in the sampling method. Therefore, seeking company consent was not necessary for the research.

- All 15 signed consent forms were received before or on the day of the interview.

- No data was processed or shared beyond the parameters outlined in the consent or in any other way that infringes on the privacy rights of participants

- Data collected was de-identified upon collection, using pseudonyms for the firms and individuals that will be engaged

- Consent forms and the data collected were stored separately

### 4.6.2. Interview Platform and Recordings

- All 15 interviews took place where the researcher was in a private office via Microsoft Teams, recorded using a recorder and cell phone recorder. One recording was deleted after the successful transcription of each interview, while the other was stored following the anonymity steps above (no recordings on the Teams)

- The transcription software that was used (Sonix.io), a paid-for service accessed through a username and a password – the audio and transcribed data was downloaded and deleted from the platform once transcription was completed

### 4.6.3. Data Storage

- A secure, password-enabled cloud platform (Google Drive) has been used to store and backup data, where it will be safely stored for a minimum of 10 years

- Supplementary backup was achieved with an encrypted physical storage device (hard drive) that is kept in a lockable home desk

## 4.7. Limitations of the Study

The exploratory nature of the research through qualitative research is intended to provide rich data, and interviews capture the personal perspectives of the participants in relation to the context being explored. As such, this design and methods had their limitations:

- The research was qualitative and relied on the subjective experiences of the participants (by design), as outlined at the beginning of the chapter. However, given the fact that the research was qualitative, subjectivity was considered to be appropriate – as would be the case for objectivity in a quantitative study (Braun & Clarke, 2019)

- The time horizon was cross-sectional and therefore could only provide an understanding of the research focus area at a particular point in time. A characteristic

of dynamic environments is that they are constantly changing, therefore a longitudinal study may provide a broader understanding and patterns for analysis

- The sample size of 15 was small and therefore was not generalisable to the FSS, as well as other firms in general who participate in strategic alliances. However, this was addressed by the fact that generalisability was not the intent of this research (Braun & Clarke, 2019)

- The research took place in South Africa and therefore was subject only to factors that influence dynamic environments in this geography. These factors may be different in other geographies. However, the research could be seen to make a valuable contribution as it aimed to answer the calls by Keller et al. (2021) and Lin and Ho (2021) to conduct research in settings outside of those that they studied

- Finally, the research was conducted by a novice researcher who had minimal experience in researching.

The research findings are presented in the next Chapter, Chapter 6.

**CHAPTER 5 - RESEARCH FINDINGS**

**5.1. Introduction**

This chapter presents the research findings from the primary data-gathering process, where 15 interviews were conducted with participants from the financial services sector in South Africa. The chapter describes the findings that emerged through an analysis process to identify codes and categories emerging from the data, linked to the themes and constructs that were presented in Chapter 2. The chapter has been structured according to the research questions presented in Chapter 3. The chapter starts off with an overview of the participants and the groupings applied for analysis.

**5.2. Summary of Research Participants and Analysis Groups**

       **5.2.1. Summary of Research Participants**

A total of 15 interviews were conducted with firms that are involved in strategic alliances within the financial services sector in South Africa, as outlined in Table 13. The participants were all involved at senior leadership positions in strategic alliances in their firms, which varied in their sizes and time in the market, all operating in the financial services sector. The firms that the participants represented spanned banking, short-term and long-term insurance, payments, investments, money transfer and trading.

**Table 14**

Participant Summary

| Participant Index | Participant Role | Firm Reference |
|---|---|---|
| P1 | Division Head | Company 1 |
| P2 | Division Head | Company 2 |
| P3 | Chief Operating Officer | Company 3 |
| P4 | Division Head | Company 4 |
| P5 | Senior Manager | Company 5 |
| P6 | Chief Executive | Company 6 |
| P7 | Executive Head | |
| P8 | Division Head | Company 7 |
| P9 | Cluster Head | |
| P10 | Specialist | Company 8 |
| P11 | Specialist | Company 9 |
| P12 | Head | Company 10 |
| P13 | Specialist | Company 11 |
| P14 | Principal Specialist | |
| P15 | Division Head | Company 12 |

*Note.* Author's own

The participants came from different functions within their firms, ranging from customer loyalty, e-commerce and rewards. The participants oversaw a range of alliances informed by various objectives and intended outcomes in the space. Some participants were from the same firm but held different roles.

### 5.2.2. Grouping of Research Participants for Analysis

Three groupings emerged based on the profile of the firms involved in strategic alliances and how long they have been in the market, differentiating between approximately > 15 years for mature firms, approximately <15 years for developing firms and hybrid firms were those that have been in the market for approximately >15 years but had specific divisions that were established in the financial services in approximately <15 years. The time in the market per firm was estimated through secondary research from publicly available sources. The perspectives of the participants have been used to analyse the orientation and approach to strategic alliances in their firms. This delineation was important to establish given the aim to explore a contemporary understanding of strategic alliances.

Each participant was allocated to the appropriate group for analysis, as outlined in Table 15. While the participants were from various parts of the financial services sector, however this did not influence the groupings. The total number of firms across the groups total 13, due to 2 participants coming from the same firm in 3 instances.

**Table 15**

Grouping Of Research Participant Firms for Analysis

| GROUP | Group 1<br>Mature | Group 2<br>Hybrid | Group 3<br>Developing |
|---|---|---|---|
| Description | Firms that have been in the market for approximately >15 years, who are involved in strategic alliances | Firms that have been in the market for approximately>15 years with specific divisions established in involved in financial services for approximately <15 years, who are involved in strategic alliances | Firms that have been in the market for >15 years, who are involved in strategic alliances |
| Number of firms | 7 | 4 | 4 |

*Note*. Author's own

Note: Total number of firms = 12; 3 firms had 2 participants each

The Table 16, Table 17 and Table 18 outline the breakdown of each analysis group, indicating the name of the group, participants, their roles and their firms. Each table also highlights the total number of participants and firms that make up each group.

**Table 16**

Group 1: Mature Firm Summary

| Participant | Role | Firm |
|---|---|---|
| P3 | Chief Operating Officer | Company 3 |
| P5 | Manager | Company 5 |
| P6 | Chief Executive | Company 6 |
| P7 | Executive Head | |
| P10 | Specialist | Company 8 |
| P11 | Specialist | Company 9 |
| P12 | Division Head | Company 10 |
| Total 7 | Not applicable | Total 6 |

*Note.* Author's own

**Table 17**

Group 1: Hybrid Firm Summary

| Participant | Role | Firm |
|---|---|---|
| P8 | Division Head | Company 7 |
| P9 | Cluster Head | |
| P13 | Specialist | Company 11 |
| P14 | Principal Specialist | |
| Total 4 | Not applicable | Total 2 |

*Note.* Author's own

**Table 18**

Group 3: Developing Firm Summary

| Participant | Role | Firm |
|---|---|---|
| P1 | Division Head | Company 1 |
| P2 | Division Head | Company 2 |
| P4 | Division Head | Company 4 |
| P15 | Division Head | Company 12 |
| Total 4 | Not applicable | Total 4 |

*Note.* Author's own

## 5.3. Presentation of Research Findings

The research findings have been presented according to the research questions asked in the interviews, as outlined in Chapter 3. The data was collected in line with the qualitative research methodology process outlined in Chapter. Table 19 presents outlines of the theoretical constructs and highlights the themes and sub-themes that were used in the analysis. The findings have been structured according to the research questions, highlighting the relevant themes and sub-themes which emerged from the research. Importantly, not all themes and sub-themes were selected for the analysis. The themes and sub-themes were selected based on the emergence of new insight from the evidence that was drawn from the research data, related to their relevance in addressing the research questions.

**Table 19**

Summary of themes and sub-themes per research question

| Research Question | Themes |
|---|---|
| Research question 1 | 4 |
| Research question 2 | 2 |
| Research question 3 | 1 |
| Research question 4 | 3 |

*Note.* Author's own

Only the most relevant themes and sub-themes to the research questions, where the data provided new understanding, have been selected in the findings in the form of distinct differences or nuances of difference. Importantly, one potential new theme and four potential new sub-themes emerged from the research across research questions 1, 2 and 3. There were themes and sub-themes that did not reveal any new understanding which have not been included in the analysis, as they were considered not to provide any new insight. Similarly, there was 1 theme and 7 sub-themes where no evidence was found in the research, which have not been analysed. The data was analysed by way of in-case and cross-case analysis for the 3 groups. Each research question concludes with a summary and interpretation.

**Table 20**

Updated Themes and Sub-Themes Following Data Collection

| Construct | Themes & Sub-themes |
|---|---|
| **1. STRATEGIC ALLIANCE OUTCOMES** | **A) Value Capture**<br>**B) Value Creation**<br>**C) Competitive Advantage**<br>**D) Diversification** |
| **2. DYNAMIC ENVIRONMENTS AS DISRUPTION** | **D) External Events**<br>        D1) fragmentation<br>**E) Alliance-firm-specific Events**<br>        E1) regulation<br>**F) Alliance-specific Events** |
| **3. ALLIANCE MANAGEMENT CAPABILITY (COOPERATION & COORDINATION)** | **G) Formal Management**<br>        G1) organisational structures<br>        G2) routines<br>        G3) tools<br>        G4) activities<br><br>**H) Informal Management**<br>        H1) organisational structures<br>        H2) routines<br>        H3) tools<br>        H4) activities |
| **4. ALLIANCE GOVERNANCE MECHANISM (COOPERATION & COORDINATION) FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY)** | **I) Formal Contractual** (codified)<br>        I1) termination<br>        I2) monitoring<br>        I3) auditing<br>        I4) lawsuit provisions<br>**J) Informal Contractual** (un-codified)<br>        J1) confidentiality arrangements<br>        J2) task division<br>        J3) decision making<br>**K) Formal Relational** (codified)<br>        K1) exchange of personnel<br>        K2) decision-making rules<br>        K3) meeting procedures<br>        K4) freedom<br>**L) Informal Relational** (un-codified)<br>        L1) trust<br>        L2) positive interpersonal relationships<br>        L3) scope spanning |

| Key: Selected themes and sub-themes | |
|---|---|
| ☐ | Themes/sub-themes which provided insight discussed in findings |
| **Red text** | New theme/sub-theme based on a distinct or nuance of difference |
| ———— | Themes/sub-themes where there was no evidence from the research data |

*Note.* Author's own

Figure 4 provides an overview of the structure followed in this chapter, applied to each research question. The framework was repeated for each research question, opening with steps 1 and 2. Step 3 was repeated for each theme that was analysed within each of the research questions. Each research question concludes with step 4.

**Figure 4**

Structure of Presentation of Research Findings
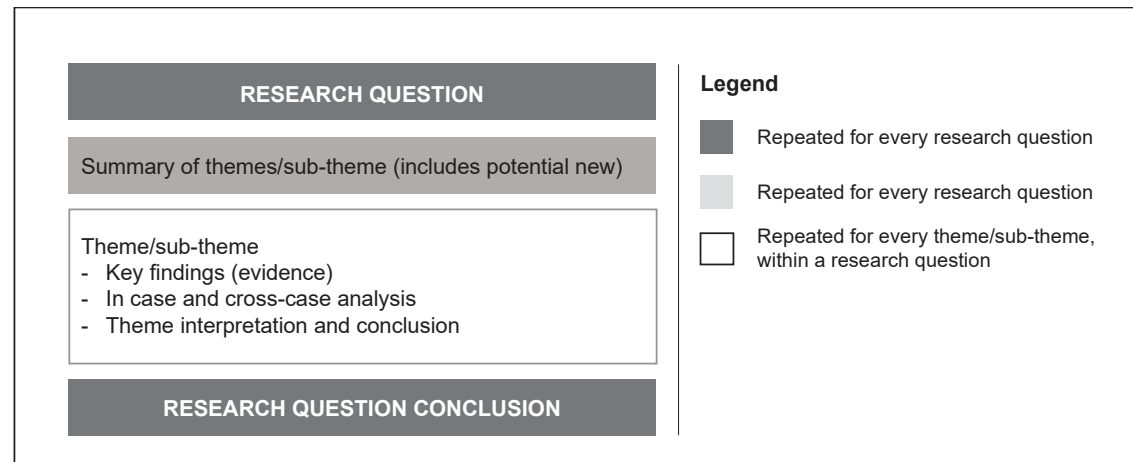


*Note.* Author's own

## 5.4. Research Question 1

The first research question in the study was:

**What are the expected outcomes of strategic alliances in dynamic environments?**

The aim of this question was to understand how strategic alliances are currently understood and used in the financial services industry across different firms by exploring the expected outcomes. Four themes were selected from the strategic alliances theoretical construct highlighted earlier in Table 20. The themes were identified by linking the $1^{st}$ order codes and $1^{st}$ order categories from the participant responses in the interviews.

Evidence from each analysis group has been included for each theme. However, the emphasis on each theme for the different groups varied. Evidence in the research was found for all of the themes under this theoretical construct, with one potential new theme emerging, which did not map to any existing themes. Table 21 outlines the themes that were considered insightful in addressing the research question, which were: value capture, value creation, competitive advantage and the new potential theme of diversification. The new potential theme was considered a distinct difference.

**Table 21**

Research Question 1 Themes

| Construct | Themes & Sub-themes |
|---|---|
| **1. STRATEGIC ALLIANCE OUTCOMES** | **A) Value Capture**<br>**B) Value Creation**<br>**C) Competitive Advantage**<br>**D) Diversification** |

| Key: Selected themes and sub-themes | |
|---|---|
| [  ] | Themes/sub-themes which provided insight discussed in findings |
| **Red text** | New theme/sub-theme based on a distinct or nuance of difference |

*Note.* Author's own

### 5.4.1. Research Question 1 – Theme A

*5.4.1.1. Key findings*

Table 22 outlines the key findings from the research data related to theme A. Overall, nine participant quotes were identified as evidence that provided an understanding of value capture as an expected outcome from strategic alliances from firms involved in strategic alliances in the financial services industry. Evidence was selected from all of the analysis groups.

**Table 22**

Theme A – Value Capture: Key Findings (evidence)

| Group | Participant | Description of quote |
|---|---|---|
| Mature | P10 | *Firstly, you won't form a partnership if there's not something that you're after. And call it what it is, in its simplest form these days, we are after good quality data of good clientele that we can sell products into.* |
| | P6 | *And then we're also talking to another partner, which you may know, they've got half a million customers, they're very keen but how can we leverage their platform and their access to customers... they've got a lot of data about the customers to offer excellent value, financial services, broader financial services to those customers.* |
| | P11 | *So, when you talk about strategic partnerships, most people, especially in financial services, will think about it as a distribution outcome. How do I partner with a particular entity, for me to access customers? And, you know, certainly, that view still holds today.*<br><br>*Probably the biggest conclusion that came through in the research was that the provider of the customer, the owner of the customer will get the bulk of the value.* |
| | P7 | |

| | | |
|---|---|---|
| **Hybrid** | | *So, you may be in a market where one partner has a certain customer base and I say they're dominant at the top end of the market, and another participant is dominant in the middle of the market. And you can now start selling products across each other's customer bases and realise revenue synergies through that thing.* |
| | P8 | *And fundamentally, it started with just building relationships as an account manager and the evolution of that. Whenever we think about partnerships, we think about farming and hunting.* |
| | P13 | *The way that we measure success, is does the customer value that reward that you have given? Do they go and do they redeem?*<br><br>*For me, it's the increase in redemption, because then I know I'm giving you something that's meeting your need and that you find valuable that will make you come back to my platform again.* |
| | P9 | *A lot of the strategic partnerships are built on various different commercial models and outcomes for both businesses. So, we jointly need to agree on what those metrics are and what we trying to achieve, you know, whether that's getting people to spend more, getting people to visit their stores more.*<br><br>*So, for us, it would be how many people engage with our partners. And we'd compare that year on year, month on month.* |
| **Developing** | P1 | *So, brand association, I'd like to think is different from reach. Partner C can push Company A to their millions of customers.*<br><br>*I was just reaching out and you know, selling.*<br><br>*So there are three main ways of how our partnership team goes about hunting for partnerships.* |
| | P2 | *It might not be higher margin, but it could still be of strategic importance. So how do you measure that? Because you can't measure it on margin. You can't necessarily measure it even on transaction volume. What you're looking for there is potentially some kind of higher engagement with the solution and potentially stickiness, but it's impossible to measure that stuff, right?*<br><br>*And the reason for that is quite specific, it's basically around the fact that you as a user on an app, when you're using a bunch of partner products within an app, you're more likely to stay with that app, right?* |

*Note.* Author's own

### 5.4.1.2. In-case and cross-case analysis

Analysis of Mature Alliance Firms

Access to large pools of customers appears to be a strong motive for getting into strategic alliances amongst mature alliance firms. P6 points out that part of the consideration when getting into an alliance is the size of the customer base. P7 proposed a similar but slightly nuanced view to access, focusing more on the type of customer rather than the size of the pool. Across all participants, a strong sales and distribution intent was evident.

Linked to the pursuit of access to large or different pools of customers is the data that is provided on those customers, as highlighted by P10. This dynamic suggests that partnerships amongst these firms are seen through a distribution lens, seen as opportunities to capture value through existing offerings, as described by P11. P11 went on to explain that the dynamic creates an uneven split of the value being created.

Analysis of Hybrid Alliance Firms

P8 indicated that the motive for strategic alliances in their firm is about business development, stating that *"whenever we think about partnerships, we think about farming and hunting".* In contrast, P9 and P13 took a different stance on partnerships, emphasising the need for partnerships to work for their customers. P13 reiterated the need for partnerships to play a role in driving customer engagement. It's worth noting that although P8 & P9 were from the same firm, they had different perspectives on how value can be captured, with the former taking a sales approach while the latter (as well as P13) focused more on engagement.

Analysis of Developing Alliance Firms

P1 indicated that a strong motive for alliances is the reach that a potential partner offers, *"Partner C can push Company A to their millions of customers".* Linked to the access motive, in stark contrast, P2 commented on the difficulty of measuring some of the motives related to alliances that go beyond financial indicators, such as sales into a large customer base. While P2 commented on driving engagement for customers through alliances, the participant also introduced the concept of 'stickiness', suggesting that greater value can be captured by having the right partners that make customers use your app more often. This is different to the view of P1, who was driven by volume to capture value.

Cross-case Analysis

The In-case analysis revealed that the majority of mature alliance firms are more likely to see strategic alliances as a way to drive sales and distribution, which led them to place significant importance on gaining access to large pools of customers through their partners. Interestingly, P1 from the developing firm group as well as P8 from the hybrid firm group also held similar views, with the former placing importance on access to customers and the latter adopting a sales perspective to partnerships.

On the other hand, there appeared to be an alternative perspective which was different to that of sales and distribution which was common across all three groups, but to a lesser extent in the hybrid group. The alternative perspective focused more on engagement and was shared between participants in the hybrid and developing firm groups but did not emerge from the mature firm group. This perspective did not emphasise volume but rather emphasised the need to create value for customers.

### 5.4.1.3. Theme interpretation and conclusion

Analysis suggests that across the board, alliance firms view strategic alliances as an opportunity to capture value by accessing new customer bases. This perspective appears to be resulting in a sales-driven dynamic where the balance of power lies with the party that owns the customer. An interesting development is that hybrid and developing alliance firms are not placing emphasis on the volume of clients that can be accessed but rather focusing on creating value for their customers in order to capture value for their firms.

Concluding the analysis and interpretation, value capture is mostly understood as the ability for alliance firms to drive sales into new customer bases. To a lesser extent, hybrid and developing alliance firms understand value capture to be possible only when value is also created for the customer. Furthermore, the developing alliance firm introduced the idea of 'stickiness' which involves creating engagement with customers in order to capture value over a longer period of time. Therefore, it appeared that mature firms place importance on the volume of customers to capture value while developing alliance firms focused on the long-term value capture. It was, however, noted that this approach is not as easy to measure, suggesting that new ways to measure value capture may be required beyond the number of customers.

### 5.4.2. Research Question 1 – Theme B

### 5.4.2.1. Key findings

Table 23 outlines the key findings from the research data related to theme B. Overall, four participant quotes were identified as evidence that provided an understanding of value creation as an expected outcome from strategic alliances. Evidence was selected from mature and developing alliance firms, as no evidence emerged from the hybrid group.

**Table 23**

Theme B – Value Creation: Key Findings (evidence)

| Group | Participant | Description of quote |
| --- | --- | --- |

| | | |
|---|---|---|
| **Mature** | P7 | *So, it could be the acquisition of a business, but not necessarily the whole business. And through that business, we then start exploring things like cross-selling opportunities or looking to use their IP within Company 6.* |
| | P11 | *In my last 5, 6, 7 years at Company 9, I said that we are not really good at innovation. When we try and do innovation, it doesn't really work because people always revert to doing their day jobs. And so, I did a lot of work around the importance of strategic partnerships for innovation. And so there you could probably say it was more partnerships for capabilities, right? Whether a product capability, a service capability, a process capability or any of that.* |
| **Developing** | P2 | *Basically, what we're interested in is when Company 2 wants to add something to build something in the business, they have three options. We can build it ourselves; we can acquire a company or some technology or we can partner, right? My function exists when the solution is to partner and there are trade-offs, but it's not there to do channel sales.* |
| | P1 | *So yeah scale-up, revenue, brand association and I think also innovation. I think that's one thing we can't leave out.* |

*Note.* Author's own

### 5.4.2.2. In-case and cross-case analysis

Analysis of Mature Alliance Firms

P11 indicated the role of strategic alliances in creating the capacity for innovation when there are internal constraints. P11 described this as *"partnerships for capability",* which P7 also mentioned, but in the context of acquisitions.

Analysis of Developing Alliance Firms

P1 mentioned a range of motivations for pursuing strategic alliances, amongst which innovation was one which was considered to be significant. P2 commented on the function of alliances in the firm being one that identifies relevant partners to address a capability need. Both P1 and P2 presented similar views on the role of strategic alliances and innovation, however, P2 was able to get more specific about its role within a specific function.

Cross-case Analysis

The role of strategic alliances in supporting innovation was made clear across both mature and developing alliance firms, albeit from different vantage points. Across both groups, emphasis was placed on the capability and capacity for innovation.

### 5.4.2.3. Theme interpretation and conclusion

Innovation emerged as a significant motivator for strategic alliances across the two groups, that were analysed. Additionally, innovation appeared to be strongly connected to bringing in new capabilities that these alliance firms either do not want to build or do not have the capacity to build. Concluding the analysis and interpretation of value creation, the views across the two groups demonstrated the expectation for value creation through innovation in strategic alliances.

### 5.4.3. Research Question 1 – Theme C

#### 5.4.3.1. Key findings

Table 24 outlines the key findings from the research data related to theme C. Overall, seven participant quotes were identified as evidence that provided an understanding of competitive advantage as an expected outcome from strategic alliances. Evidence was selected from all three analysis groups.

**Table 24**

Theme C – Competitive Advantage: Key Findings (evidence)

| Group | Participant | Description of quote |
|---|---|---|
| Mature | P6 | *I joined Company 6 years ago, and before that, I was a management consultant. I've got a strong strategy background, and my inclination has always been to say, how do we find new ways and new elements of competitive advantage?* |
| | P10 | *In the sense that, if you keep doing what you're doing now within your own bubble, it's going to become more and more difficult to succeed. You have to partner with or reach out to people with like-minded ideas.* |
| | P12 | *So how I foresee this happening, is you will see closer working relationships with people or with institutions or partnerships or stakeholders that you've never foreseen to happen, or you couldn't explain. For example, banking actually going into the tech space, dealing with partners like NASA or dealing with… like how do you take that to that next level. It might seem extreme, but it's on the cards.* |

| | | |
|---|---|---|
| Hybrid | P8 | *I think relationships and partnerships have evolved and it's become a central part of businesses because what many businesses have realised is... It's like the centralised, decentralised approach, right? So, you want to do everything versus someone that does something well, you do something well together. You can create this thing that's much better than anything else that you've created or could have created on your own.* |
| | P9 | *For us, it's about evolving those partnerships and making sure that we're catering to our client's needs and what they're looking for. And that goes around brands that people aspire to belong to.* |
| Developing | P2 | *And I think those that actually make partnerships a core competency will have a competitive edge, especially if you have an opportunity to build an ecosystem platform. That is very, very difficult to copy, that's very hard to replicate. It's a proper moat for your business. I think we're going to see more and more ecosystems developing, which is a difficult thing to build.* |
| | P1 | *I think what is going to happen in the future is I think there's going to be a lot more closer relationships between partners and competitors.*<br><br>*So, for example like we compete with some of our partners. I think these things are inevitable as companies diversify their offerings.* |

*Note.* Author's own

### 5.4.3.2. In-case and cross-case analysis

Analysis of Mature Alliance Firms

P6 suggested that strategic alliances can help build a competitive advantage. Similarly, P10 expressed the need for new ideas. Following a similar train of thought, P12 gave specific examples of where these new ideas could come from.

Analysis of Hybrid Alliance Firms

P9 stated the importance of evolving with partners. P8 offered a different but complimentary take on the firm becoming competitive by partnering with a complimentary firm.

Analysis of Developing Alliance Firms

P2 emphasised the need for strategic alliances to become business as usual in order to compete and create moats for the business. In contrast, P1 offered a perspective where it wasn't about keeping out the competition but rather embracing it.

Cross-case Analysis

The mature alliance firm group referenced, at a high-level, that new ways of doing things and new idea could be a source of competitive advantage. Similarly, the hybrid alliance firm group

noted competitive advantage as an outcome but commented specifically on the nature of the partnering firm, stating that complimentary partners help to establish a competitive advantage. Linked to this, there was also the idea of unexpected partnerships from P12, which was similar to that of P1 in the developing firm group. P1 was more specific but also mentioned the unexpected partnerships, stating that competitors could become allies. P2 spoke about how where the competitive advantage would come from, indicating that finding ways to make it harder for competitors to replicate their model would be a competitive advantage.

### 5.4.3.3. Theme interpretation and conclusion

Strategic alliances are seen to be an important part of creating a competitive advantage across all groups. While mature alliance firms speak to this in more general terms, hybrid and developing alliance firms appear to have identified where the source of competitive advantage could come from, mentioning unexpected partnerships, partnering with competitors and also finding partners that make it hard for competitors to copy a firm's model. Notably, the idea of creating a barrier to entry was unique to the developing alliance firm group.

## 5.4.4. Research Question 1 – Theme D

### 5.4.4.1. Key findings

Table 25 outlines the key findings from the research data related to theme D. Overall, four participant quotes were identified as evidence that provided an understanding of diversification as an expected outcome from strategic alliances by firms involved in strategic alliances in the financial services industry. Evidence was selected from all analysis groups.

**Table 25**

Theme D – Diversification: Key Findings (evidence)

| Group | Participant | Description of quote |
|---|---|---|
| Mature | P11 | *...strategic partnerships used to be something that a few companies or that large incumbents used to do. What we are seeing specifically, especially in South Africa, is everybody wants to get into financial services... and so the telcos want to get into financial services, retailers want to get into financial services, clothing stores want to get into finance.* |
| Mature | P12 | *If you look at corporates or anything for that matter, how do you look beyond your boundaries or your barriers, beyond these things that you normally regarded as barriers of entry? And if you're not a subject matter expert in terms of something specifically, then who is? And who can help break those walls down to say that 'you're not just an FSP, you are a lot more'.*<br><br>*So, I definitely foresee that there are going to be no lanes, definitely no lanes. And you are not going to be able to say, I* |

| | | |
|---|---|---|
| | | *work for an FSP. You're going to say I work for NASA. What do you do? I'm putting cards or I'm putting tech on Mars. I mean, there is a spaceship going there, so why not?* |
| Hybrid | P8 | *From a revenue perspective, we have traditionally been generating that from one business but that is saturated, those revenues are going down and the company had to expand into new areas and one is financial services. So new versions of the core and financial services.* |
| Developing | P1 | *I think as companies will become more diversified. To back my statement, look at Telkom or MTN, they are no longer offering telecommunication services anymore. They're now offering loans... MTN is now offering a wallet... so they are no longer sticking to one thing.* |

*Note.* Author's own

### 5.4.4.2. In-case and cross case analysis

Analysis of Mature Alliance Firms

P11 stated that strategic partnerships are lowering the barriers to enter financial services particularly for non-traditional firms who were outside of the category. While P11 commented from the position of external entrants, P12 commented on how strategic alliances are enabling FSPs to diversify into other industries.

Analysis of Hybrid Alliance Firms

P8 stated that the decision to explore strategic alliances was motivated by the need to find new sources of revenue.

Analysis of Developing Alliance Firms

P1 gave an example of a non-traditional FSP firm operating in telecommunications and how strategic alliances have enabled it to enter the industry.

Cross case analysis

All four participants across the three analysis groups appeared to be in agreement that strategic alliances help facilitate diversification. While, their points of departure were different, the evidence suggests that diversification is an expected outcome from strategic alliances. Interestingly, P8 highlighted that strategic alliances can be used as an opportunity to enter into financial services, while P11 viewed it as a source of increased competition in the same sector. Furthermore, P12 commented on how strategic alliances enable FSPs themselves to diversify out of the industry. P1 commented on the trend in the industry in more general terms, making an observation rather than connecting it back to the firm. Notwithstanding, the views of the

participants were aligned as they did not challenge the underlying concept of strategic alliances facilitating diversification.

### *5.4.4.3. Theme interpretation and conclusion*

The analysis indicates that strategic alliances can facilitate diversification as an expected outcome. The examples provided across the groups indicated that diversification can take place in various directions, firms coming into financial services and increasing competition, financial services firms diversifying outside of the industry and creating new opportunities. Concluding the interpretation and analysis, diversification, which emerged as a potential new theme, has been identified as a source of opportunity and a threat as an expected outcome from strategic alliances.

### **5.4.5. Research Question 1 Findings: Conclusion**

The research question aimed to understand how strategic alliances are currently understood by financial services firms involved in strategic alliances regarding their expected outcomes. The analysis drew from the theoretical construct of strategic alliance outcomes and detailed the findings across three existing themes and a potential new theme which emerged. The comparative analysis of the findings from mature, hybrid and developing alliance firm groups mostly revealed similarities.

The analysis of theme A revealed similarities across the groups of value capture as an expected outcome. Interestingly, the mature and hybrid groups considered value capture as the ability to gain access to a large pool of customers to drive sales. This was different to the approach that emerged in the developing alliance firm group, which focused on a longer-term approach through engagement to enable the firm to capture value from customers over time. The hybrid alliance firm group was also the only group that mentioned that value capture should also focus on creating value for the customer and not just the firm. Overall, value capture was a similar expected outcome across the groups.

Analysis of theme B, value creation, was most prominent amongst mature and developing alliance firms, while there was no evidence identified for the hybrid group. Importantly, innovation and new capabilities consistently emerged as an expectation from entering into a strategic alliance across both groups. The developing alliance firm group pointed out that an alliance is usually pursued when a firm does not have or does not wish to develop a particular capability.

The third theme which was analysed, theme C, was competitive advantage. There were mostly similarities which emerged, revealing that the different alliance firm groups conceived of the

sources of competitive advantage in different ways, highlighting that they could be from unexpected partnerships, partnerships with competitors or finding a partner, which makes it difficult for competitors to copy the model. Overall, these findings supported the theme of competitive advantage as an expected outcome of strategic alliances.

Finally, analysis of theme D, diversification, as a potential new theme also revealed similarities across all alliance firm groups as it emerged consistently. The analysis revealed that diversification as an expected outcome can occur in different directions by enabling new entrants to enter the financial services industry, which was considered a threat. Diversification was also considered to create opportunities by enabling financial services firms to diversify outside of the industry. Overall, the evidence identified suggested that diversification is an important expected outcome, and there it is highlighted as a distinct difference and a potential new theme.

Concluding the findings on question 1, the analysis mostly highlighted similarities across groups regarding the three themes analysed under the construct of strategic alliances in dynamic environments. The fourth theme emerged as a distinct difference from the analysis and has been highlighted as a potential new theme under the construct. The analysis also indicated that the theme is considered to be both an opportunity and a threat to financial services firms. Overall, four expected outcomes were identified which address the research question. Table 26 outlines a summary of the findings.

**Table 26**

Summary of Research Question 1 Findings

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
| --- | --- | --- | --- | --- | --- |
| | | Group 1 Mature | Group 2 Hybrid | Group 3 Developing | |
| STRATEGIC ALLIANCES OUTCOMES | Value Capture | Value capture | Value capture | Value capture | ● |
| | Value Creation | Value creation | *No evidence* | Value creation | ◐ |
| | Competitive Advantage | Competitive advantage | Competitive advantage | Competitive advantage | ● |
| | Diversification | Diversification | Diversification | Diversification | ● |

| Key: Alignment between groups on themes/sub-themes | |
|---|---|
| ○ | Limited alignment/significant differences |
| ◐ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| **Red text** | Potential new theme/sub-theme based on a distinct or nuance of difference |

*Note.* Author's own

## 5.5. Research Question 2

The second research question in the study was:

**What disruptions affect firms involved in strategic alliances in dynamic environments?**

The research question aimed to explore and identify disruptions which are affecting financial services firms involved in strategic alliances. Three themes were identified as triggers of disruption, which are external events, alliance firm-specific events and alliance-specific events, under the theoretical construct of dynamic environments as disruption.

Two sub-themes emerged from the research data, which mapped back to the themes of external events and firm-specific events. No data emerged for the theme of alliance-specific events. As such, this theme has not been detailed in the findings. The two sub-themes which have been captured as potential new themes as they provided nuances of difference to the existing themes. The potential new sub-themes emerged across all three of the alliance firm analysis groups for regulation and only in the mature and developing alliance groups for fragmentation. The analysis is supported by evidence from the respective groups.

**Table 27**

Research Question 2 Themes and Sub-Themes

| Construct | Themes & Sub-themes |
|---|---|
| **2. DYNAMIC ENVIRONMENTS AS DISRUPTION** | **D) External Events**<br>   D1) fragmentation<br>**E) Alliance Firm-specific Events**<br>   E1) regulation<br>**F) Alliance-specific Events** |

| Key: Selected themes and sub-themes | |
|---|---|
| ▭ | Themes/sub-themes which provided insight discussed in findings |
| **Red text** | New theme/sub-theme based on a distinct or nuance of difference |
| ───── | Themes/sub-themes which were not analysed/no evidence from the research data |

*Note.* Author's own

### 5.5.1. Research Question 2 – Sub-theme D1

*5.5.1.1. Key findings*

Table 28 outlines the key findings from the research data related to sub-theme D1. Overall, four participant quotes were identified as evidence that provided an understanding of how fragmentation is viewed as a trigger for disruption in strategic alliances. Evidence emerged from the mature and developing alliance firm analysis groups. No evidence was identified from the hybrid alliance firm group.

**Table 28**

Sub-theme D1 – D) external events, D1) Fragmentation - Key Findings (evidence)

| Group | Participant | Description of quote |
|---|---|---|
| Mature | P7 | *But obviously, like as markets become more developed, they become more fragmented, and industries become more fragmented and more modular. People can enter into more kinds of partnerships. Like before a bank did really every single thing that had to do with money. Right? But today that's completely disintermediated.* |
| | P11 | *We come from a world where for the past 100 years, there have been a bunch of big brands that have provided products and services to customers. In a world that's a lot more decentralised, in a world where smaller companies are able to meet customer needs more effectively, I believe that in time you're going to see more decentralisation of power amongst a broader range of smaller organisations.* |
| | P10 | *I've seen it in this environment where strong fintech companies don't want to be part of the whole insurance or the product development themselves, but they want to provide the tools and the ways of doing it. They want to be part of that partnership or that relationship with the person selling it, which could be a retailer or an insurer or a telco.* |
| Developing | P1 | *This speaks testament to how companies are all diversifying their various products or offerings and with this being said I think we are all going to end up competing with each other, cannibalising each other.* |

*Note.* Author's own

*5.5.1.2. In-case and cross-case analysis*

Analysis of Mature Alliance Firms

P7 indicated that markets becoming more fragmented will result in the presence of more partnerships and gave an example of how industries are becoming disintermediated. Similarly, P11 also spoke about the idea of decentralisation, where smaller companies will be able to meet customer needs more effectively. These views were consistent with the

example provided by P10, who specifically mentioned how smaller fintech companies operate in this environment.

Analysis of Developing Alliance Firms

P1 commented on the large-scale diversification taking place in the broader market, suggesting that all companies will end up competing with each other.

Cross-case Analysis

The evidence selected from the data mostly indicated similarities within and across the analysis groups. P1 and P7 appeared to agree on the observation that markets were becoming more fragmented, despite the latter pointing to diversification and the former to disintermediation. Similarly, P11 pointed to the idea of decentralisation which was resulting in fragmentation. The participants noted that this effect was leading to an increased number of alliance opportunities while at the same time increasing and changing who firms would be competing with. To this effect, P10 was also understood to agree, citing that in financial services, in particular, there was a rise of fintech firms contributing to this fragmentation.

### 5.5.1.3. Theme interpretation and conclusion

The analysis indicates that fragmentation is recognised as a disruption trigger affecting both mature and developing alliance firm groups. The examples provided in the evidence also suggest that fragmentation is linked to the external events theme, highlighting that the events are taking place in the market around the firms. Furthermore, the analysis revealed that fragmentation is viewed in two ways, one, as a source of opportunity given the increasing number of firms that can be potential partners. And two, as a threat given that it is causing increased competition. Concluding the interpretation and analysis, based on the similarities identified between the two groups, fragmentation is highlighted as a potential new sub-theme and is linked to the dynamic environment as disruption, triggered by external events.

## 5.5.2. Research Question 2 – Sub-theme E1

### 5.5.2.1. Key findings

Table 29 outlines the key findings from the research data related to sub-theme E1. Overall, five participant quotes were identified as evidence that provided an understanding of how regulation is viewed as a trigger of disruption in strategic alliances. Evidence was selected across all three analysis groups.

**Table 29**

Sub-theme E1 – E) Alliance firm-specific Events, E1) Regulation: Key Findings (evidence)

| Group | Participant | Description of quote |
|---|---|---|
| Mature | P6 | *Well, we had to stop selling because the product also became illegal with changes in regulations. We would have had to change the product construct entirely.* |
| Mature | P7 | *And so, it means that some businesses, they need to rethink why they partnered together. And if it was to share information to sell customers stuff, then POPIA now regulates how and what you can do with those individuals. It does diminish the value of those JVs where the premise was sharing information.* |
| Mature | P3 | *We do have a lot of players across the African continent and I guess regulations is also one of the aspects that we've seen come into play more often than not because there are certain opportunities that exist within certain regulatory frameworks where you are restricted in one jurisdiction and not in another.* |
| Hybrid | P8 | *If you think about an industry, there's a regulatory body. I'm not necessarily going to regulate that partner. That's not my job. But I expect that the partner regulates itself based on the regulator that's looking at the governing principles. And if there's a deviation from there, what does that mean for my partnership?* |
| Developing | P1 | *The biggest thing is that our space is unregulated, like the crypto world, there is no regulation. In South Africa this was meant to come, but it's now being pushed back to a couple of years. We decided we're not going to wait with it, we're going to be at the forefront of innovation now.* |

*Note.* Author's own

### 5.5.2.2. In-case and cross-case analysis

<u>Analysis of Mature Alliance Firms</u>

P6 described how changes in regulation can have an impact on the viability of existing strategic alliances, requiring them to change or forcing them to cease altogether. Similar to P6, P7 described how new regulation can undermine the entire purpose or objective of a strategic alliance with a particular partner. P3 provided a broader continental perspective, noting that while some alliances may be valid in one place, they may not be valid in other jurisdictions because of different regulatory frameworks that are used.

Analysis of Hybrid Alliance Firms

P8 provided a view on how partners should be responsible for self-regulation, in line with the requirements bodies in different sectors and cited it as an expectation of any partner.

Analysis of Developing Alliance Firms

P1 mentioned impending regulation in the category that the company operates in and highlighted the need to take a proactive approach to address it.

Cross-case Analysis

All three analysis groups highlighted regulation as a disruption, despite the evidence indicating three different perspectives. While the mature alliance firm group highlighted the impact of regulation on the viability of existing alliances, the hybrid alliance firm group indicated the responsibilities of partners to self-regulate and for partners to ensure compliance with relevant regulatory requirements in their given industries. The developing alliance firm group also offered a different perspective, mentioning that a proactive approach to regulation was required to stay ahead.

*5.5.2.3. Theme interpretation and conclusion*

The comparative analysis indicates that regulation is recognised as a disruption trigger affecting all three analysis groups. The examples presented in the evidence indicate that the firms adopted different approaches to addressing regulation. However, the need to address or prevent disruptions emerged consistently across the groups. Interestingly, mature alliance firms noted that regulation can impact the viability of the alliance they are involved in, which suggested a passive approach to regulation. Similarly, the self-regulation approach adopted by the hybrid analysis group also suggested a passive approach to regulation.

The developing alliance firm group was the only group that appeared to adopt a proactive approach to regulation, mentioning how they were looking for ways to change ahead of regulation. For example, the developing alliance group discussed preempting regulatory changes that it knew were coming. This suggested that while regulation took place outside of the firm, the response to it was alliance-firm specific. Concluding the analysis and interpretation, regulation has emerged as a nuance of difference from the analysis and has been identified as a potential new sub-theme under the theme of alliance-firm specific events and theoretical construct of the dynamic environment as disruption.

### 5.5.3. Research Question 2 Findings: Conclusion

The research question aimed to explore and identify disruptions which affect firms involved in strategic alliances in dynamic environments. The analysis drew from the theoretical construct of dynamic environments as disruption and detailed findings across two of the three themes

within the construct, external events and alliance-specific events. Two potential new sub-themes under each theme. The comparative analysis in, and cross analysis groups mostly revealed similarities.

The analysis of potential sub-theme D1) fragmentation revealed similarities across the mature and developing alliance groups of the sub-theme as a disruption trigger. Both analysis groups were similar, in that they viewed fragmentation as an external event. Interestingly, the analysis revealed that fragmentation leads to disruption in two was, as a source of opportunity and as a threat. Overall, the similarities identified suggest that fragmentation is a nuance of difference, as it did not link to an existing sub-theme, and is therefore captured as a potential new sub-theme in the findings.

The second potential sub-theme analysed, E1) regulation, revealed similarities across all three analysis groups. This sub-theme is linked to the theme E) alliance-specific events. The analysis indicated that while regulation may be influenced outside of the firm, how a particular firm chooses to respond to the regulation made this a firm-specific event. For example, two approaches emerged, one where alliance firms were passive in their approach (mature and hybrid alliance firm groups) and one where the alliance firm was proactive (developing alliance firm group).

Concluding the analysis and interpretation of question 2, fragmentation and regulation emerged as potential new sub-themes under the theoretical construct of dynamic environments as disruption. The sub-themes linked to external events and alliance-specific events, respectively. The findings therefore point to the two potential new themes as disruptions which affect firms in dynamic environments, in addressing the research question. Table 30 presents a summary of the findings on research question 2.

**Table 30**

Summary of Research Question 2 Findings

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
|---|---|---|---|---|---|
| | | Group 1 Mature | Group 2 Hybrid | Group 3 Developing | |
| DYNAMIC ENVIRONMENTS AS DISRUPTION | External Events - fragmentation | fragmentation | *No evidence* | fragmentation | ◐ |
| | Alliance Firm-specific Events - regulation | regulation (passive) | regulation (passive) | regulation (proactive) | ● |

| Key: Alignment between groups on themes/sub-themes | |
|---|---|
| ○ | Limited alignment/significant differences |
| ◑ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| **Red text** | Potential new theme/sub-theme based on a distinct or nuance of difference |

*Note.* Author's own

## 5.6. Research Question 3

The third research question in the study was:

**How are strategic alliances managed in dynamic environments?**

The aim of this question was to understand how alliance firms manage their strategic alliances in dynamic environments. One theme of the two was selected from the alliance management capability theoretical construct. Underlying the theoretical construct is the pursuit of coordination and cooperation in strategic alliances. Table 34 outlines the 3 the selected theme, G) formal management.  Evidence from each of the participants in the analysis groups has been outlined and compared for similarities and differences.

Table 34 also outlines the second theme and the additional sub-themes.  Evidence in the research data was found for both themes and most of the sub-themes under the theoretical construct. However, themes H) informal contractual governance and sub-themes H1 and H2 were not selected for discussion, as they were considered not to reveal any new insight. Similarly, sub-themes  G1 – G3, were not selected for the same reason, although G1 has been referenced based on the research data which emerged. No data was identified in the research, which mapped to sub-themes G4, H3 and H4, these sub-themes have not been included as a consequence. Table 31 below highlights the detailed labels for each of the themes.

**Table 31**

Research Question 3 Themes and Sub-Themes

| Construct | Themes & Sub-themes |
|---|---|
| **3. ALLIANCE MANAGEMENT CAPABILITY (COOPERATION & COORDINATION)** | **G) Formal Management** |
| | G1) organisational structures |
| | G2) routines |
| | G3) tools |
| | G4) activities |
| | **H) Informal Management** |
| | H1) organisational structures |
| | H2) routines |
| | H3) tools |
| | H4) activities |

| Key: Selected themes and sub-themes | |
|---|---|
| ☐ | Themes/sub-themes which provided insight discussed in findings |
| **Red text** | New theme/sub-theme based on a distinct or nuance of difference |
| _____ | Themes/sub-themes which were not analysed/no evidence from the research data |

*Note.* Author's own

### 5.6.1. Research Question 3 – Theme G

*5.6.1.1. Key findings*

Table 32 outlines the key findings from the research data related to theme G. Overall, seven participant quotes were identified as evidence that provided an understanding of how formal management influences organisational structures in how strategic alliances are managed by firms involved in strategic alliances. The evidence included quotes from all 3 analysis groups.

**Table 32**

Theme G – Formal Management: Key Findings (evidence)

| Group | Participant | Description of quote |
|---|---|---|
| Mature | P11 | So, it really depends on the structure you choose to underpin your strategic alliance. And so, the best word is to say is governance should be fit for purpose, for the, let's call it the commercial basis or even the legal basis upon which the partnership is constructed. |
| | P7 | But in a place like Company 6, you rely on what is most formal. |
| | P12 | But also, you know what, being a FSP I think it's harder but also easier because we are very governed and for very good reason. And that's why we're still standing. |
| Hybrid | P8 | No, I think it's all kind of based on a formal structure. You can't manage a strategic alliance informally because then nobody knows what the objective is, right. You don't want to approach this informally. |
| | P14 | There's a legally binding and commercial agreement that we signed with all partners, and that agreement essentially gets reviewed by our legal team and by their legal team to see if there's any exposure that they can sort of close off an agreement. But all of these relationships that we see with any partner, there's a commercial agreement or a legal agreement that sits behind it. |
| | P9 | We've got a very tightly managed legal and compliance process that governs all our partnerships. We've got a lot of legal agreements in place with our partners that I work through very carefully amongst a lot of the teams. |
| | P15 | For example, we have a number of different committees. If it's a commercial decision that's outside of those parameters, it will go to like our commercial committee as an example. And that commercial committee has the relevant stakeholders that can weigh in and vote on that decision. |

*Note.* Author's own

*5.6.1.2. In-case and cross-case analysis*

<u>Analysis of Mature Alliance Firms</u>

P11 indicated that the structure of a particular strategic alliance follows will inform how it will be managed. To this point, the participant mentioned that the structure should be fit for its purpose. Both P7 and P12 highlighted the fact that given the sector they operate in, formality is taken seriously and is mandatory.

<u>Analysis of Hybrid Alliance Firms</u>

P8 pointed to the fact that formal structures provide clarity on objectives in a strategic alliance. Both P14 and P9 indicated that legally binding agreements are put in place, which inform the structures used in a strategic alliance.

<u>Analysis of Developing Alliance Firms</u>

P15 noted that the firm relies on various committees to manage the strategic alliance, highlighting that each committee will include the correct stakeholders to make decisions.

<u>Cross-case Analysis</u>

The participants in the mature alliance firm group all indicated a preference for formal structures, pointing out that it is mandatory within the sector. Similarly, the participants in the hybrid alliance firm group indicated a preference for formal structures, detailing that the process is usually driven by legal agreements and contracts. The participant in the developing alliance firm group similarly placed importance on structure, providing examples of how it plays out across various committees.

*5.6.1.3. Theme interpretation and conclusion*

The comparative analysis between the groups revealed the prominent use of formal management as a mechanism. It emerged from the analysis that formal management is associated with organisational structures, which is a sub-theme of formal management. Importantly, the mature alliance firm group revealed that the importance place on formal management and organisational structure is a consequence of the industry the firm operates in. This preference was shared with the hybrid and developing alliance firm groups, with the latter highlighting the use of committees for structure. Furthermore, the evidence which emerged was consistent with the underlying pursuit of coordination and cooperation through AMC and formal management. Concluding the analysis and interpretation, formal management, emerged as an important AMC mechanism. The mechanism was consistently applied across the three analysis groups. Furthermore, the fact that the analysis groups operated in the financial services industry seemed to influence the importance placed on formal management.

### 5.6.2. Research Question 3 Findings: Conclusion

The research question aimed to understand how alliance firms manage strategic alliances in dynamic environments. The analysis drew from the theoretical construct of alliance management capability and detailed findings linked to the theme formal management. The comparative analysis between groups mostly revealed similarities. The mechanism of formal management seemed to bare importance, particularly in the financial services industry. Table 33 summarises the findings to question 3.

**Table 33**

Summary of Research Question 3 Findings

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
|---|---|---|---|---|---|
| | | Group 1 Mature | Group 2 Hybrid | Group 3 Developing | |
| ALLIANCE MANAGEMENT CAPABILITY (COORDINATION & COOPERATION) | Formal Management - organisational structures | Formal Governance organisational structures | Formal Governance organisational structures | Formal Governance organisational structures | ● |

| Key: Alignment between groups on themes/sub-themes | |
|---|---|
| ○ | Limited alignment/significant differences |
| ◐ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| **Red text** | Potential new theme/sub-theme based on a distinct or nuance of difference |

*Note.* Author's own

## 5.7. Research question 4

The fourth research question in the study was:

**How do alliance firms choose alliance governance mechanisms to manage strategic alliances in dynamic environments?**

The aim of this question was to explore and understand how dynamic environments influence how alliance firms choose alliance governance mechanisms for ambidextrous governance. Table 34 outlines the 3 themes that were selected for analysis from the research data, which included the theme K) formal relational governance mechanisms, the potential new sub-theme K4) freedom, which was identified as a nuance of difference under the theme of formal relational governance, and the potential new sub-theme L3) scope spanning under the theme informal relational governance. Evidence from each of the participants in the analysis groups has been outlined and compared for similarities and differences.

Themes I) formal contractual governance and J) informal contractual were not selected for discussion, as they were considered not to reveal any new insight. Similarly, sub-themes I1 and I4, J2 and J3, K2 and K3, and L1 and L2 were not selected for the same reason. No data was identified in the research which mapped to sub-themes I3 and I4, J1, and K1, these sub-themes have not been included as a consequence. Table 34 below highlights the detailed labels for each of the themes.

**Table 34**

Research Question 4 Themes and Sub-Themes

| Construct | Themes & Sub-themes |
|---|---|
| **4. ALLIANCE GOVERNANCE MECHANISM (COOPERATION & COORDINATION) FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY)** | **I) Formal Contractual** (codified) <br>     I1) termination <br>     I2) monitoring <br>     I3) auditing <br>     I4) lawsuit provisions <br> **J) Informal Contractual** (un-codified) <br>     J1) confidentiality arrangements <br>     J2) task division <br>     J3) decision making <br> **K) Formal Relational** (codified) <br>     K1) exchange of personnel <br>     K2) decision-making rules <br>     K3) meeting procedures <br>     K4) freedom <br> **L) Informal Relational** (un-codified) <br>     L1) trust <br>     L2) positive interpersonal relationships <br>     L3) scope spanning |

| Key: Selected themes and sub-themes | |
|---|---|
| [box] | Themes/sub-themes which provided insight discussed in findings |
| **Red text** | New theme/sub-theme based on a distinct or nuance of difference |
| ———— | Themes/sub-themes which were not analysed/no evidence from the research data |

*Note.* Author's own

### 5.7.1. Research question 4 – Theme K

*5.7.1.1. Key findings*

Table 35 outlines the key findings from the research data related to theme 1. Overall, six participant quotes were identified as evidence that provided an understanding of how the formal relational governance mechanism is chosen in strategic alliances by firms involved in strategic alliances in the financial services industry. The evidence included quotes from all 3 analysis groups.

**Table 35**

Theme K – Formal Relational Governance - Key Findings (evidence)

| Group | Participant | Description of quote |
|---|---|---|
| Mature | P10 | *It's not a one-way street, so it's a collaboration. You will bring ideas to the table or you will have a big debate around a certain topic or a certain idea that you want to implement or drive. That's a collaboration, definitely.* |
| | P6 | *The one thing that I mentioned is that you need to agree on where the buck stops and who makes the final decision. But the intent is always that you want to get to a joint decision on all of these things. Because if it's not... if you're pulling the veto, then that probably is a signal that the partnership is not going to really work out that well long term.* |
| Hybrid | P9 | *When we're making changes, when we need to revise things, we work very closely with our partners.* |
| | P8 | *...you've got to figure out what do you do in your world that is independent, what is the partner does in their world that's independent, because you've got to be careful not to overreach on both sides. And then what do we do together? And the decisions that we make in all of that could impact the partner or vice versa.* |
| Developing | P2 | *So how it's changed over time is I used to believe that relationships were built on just talking to people and no, it's not. Relationships are built by setting expectations, delivering on what you promised to do, and constant and tight feedback loops all the time.*<br><br>*And I'm sorry to say, and I'm willing to be proven wrong, but I just don't believe you can create accountability in a business unless you have strong meeting structures and meeting cadences.* |
| | P15 | *I think the first and foremost most important thing is understanding or putting together a stakeholder matrix, right? Like who are your stakeholders that you're dealing with? And it's critical to know who needs to be informed, You know, who's your biggest supporter, who is the decision maker, who is your worst supporter and the person that's going to be the biggest challenge and literally mapping it out.* |

*Note.* Author's own

### 5.7.1.2. In-case and cross-case analysis

<u>Analysis of Mature Alliance Firms</u>

P10 emphasised the importance of a collaborative approach and the need for both partners to be equally involved to drive results, which also linked to the sub-theme of decision making rules. Similarly, P6 also noted the need to allow for a collaborative approach for a strategic alliance to be a true partnership. However, P6 differed on the extent of being collaborative and highlighted the importance of having a final decision-maker. Additionally, P6 highlighted the importance of equal participation at the right levels of personnel in the alliance, which all linked to the sub-theme of decision making rules.

Analysis of Hybrid Alliance Firms

P9 opined that working closely with partners is critical when making decisions. This was somewhat different to P8, who emphasised the importance of not overreaching in decisions that should be made independently while at the same time equally stressing the importance of keeping in mind the impact on the partner. To address this, P8 indicated the need to have an internal representative looking after the interests of the partner, which was seen to link to both decision-making rules and meeting procedures.

Analysis of Developing Alliance Firms

P2 strongly stated the importance of meeting procedures and cadences to ensure accountability, pointing out that relationships are built on setting expectations and not merely talking to each other. With a different perspective, P15 focused on the importance of identifying stakeholders in relationships and managing and addressing their expectations accordingly, noting that different individuals will have a different influence on the alliance and that this can be understood through a stakeholder matrix. This was considered to be aligned with decision-making rules and meeting procedures, as it informed how P15 would approach specific decisions and meetings relationally.

Cross-case Analysis

Within the mature firm, there appeared to be emphatic views on ensuring that decision-making is made collaboratively and ensuring partner involvement while making provisions for there to be a final decision-maker. The findings from the hybrid firm were also similar, placing importance on the involvement of partners in decisions. However, there was also a suggestion that independence in decision-making should be preserved while ensuring that the alliance partner's interests are considered, which is linked to meeting procedures. Finally, the developing firm group was also similar to the other two groups in their emphasis on decision-making rules. However, great emphasis was placed on meeting procedures in this group, highlighting the need for regular meetings and an understanding of who will be involved in those meetings.

*5.7.1.3. Theme interpretation and conclusion*

The comparative analysis between the groups indicates that a number of mechanisms are applied under the formal relational governance mechanism. The evidence selected demonstrates the relative importance placed on meeting procedures and decision-making rules across the alliance firm groups.  Interestingly, the developing alliance firm group appeared to rely significantly on meeting procedures, citing that meetings should be well organised and occur frequently. While meeting procedures were also important for hybrid alliance firms, the group, together with the mature firm appeared to place emphasis on

decision-making rules, highlighting the importance of a collaborative approach and keeping in mind the interests of partners. This suggested a greater pursuit of cooperation with alliance partners through the mechanism for the mature group, while for the developing group it pointed to the pursuit of coordination. Equally, the emergence of decision-making rules in the group also suggests the pursuit of cooperation, which was similar to the hybrid group, albeit with lesser emphasis. Concluding the analysis and interpretation, formal relational governance mechanism emerged as a choice of mechanism across the three analysis groups, albeit influenced by the pursuit of different objectives.

### 5.7.2. Research question 4 – Sub-theme K4

#### 5.7.2.1. Key findings

Table 36 outlines the key findings from the research data related to sub-theme K4. Overall, three participant quotes were identified as evidence that provided an understanding of how the freedom governance mechanism is chosen in strategic alliances by firms involved in strategic alliances in the financial services industry. The evidence included quotes from all 3 analysis groups.

**Table 36**

Sub-theme K4 – K) Formal Relational Governance, K4) Freedom: Key Findings (evidence)

| Group | Participant | Description of quote |
|---|---|---|
| Mature | P6 | *It's very important in the partnership space to not make people feel that they're trapped and that something can't be done.* |
| Hybrid | P9 | *I think businesses change, and as businesses change and adapt and grow naturally, partnerships will change, develop and grow. And relationships change and develop and grow. I think the most important thing is it's a fluid process.* |
| Developing | P15 | *I think it's really important to have parameters around what decisions one can make because that empowers the relationship driver.* |

*Note.* Author's own

#### 5.7.2.2. In-case and cross-case analysis

There were mostly similarities found across the different participants and groups with regard to theme 2, albeit each participant provided a different point of departure in the evidence selected. P6 emphasised the importance of alliance partner's not feeling trapped, while P9 referenced the fluidity required with alliances given changes within alliance firms themselves.

P15 highlighted the need for parameters in decision-making to empower individuals who are driving alliances.

The evidence presented did not link to any existing sub-theme under the broader theme of formal relational governance, which revealed a nuance of difference. Furthermore, P6 and P9 appeared to be pursuing greater flexibility through this sub-theme, while P15 reflected the need for efficiency by empowering individuals. All three groups reflected the application of ambidextrous governance.

### 5.7.2.3. Theme interpretation and conclusion

The comparative analysis between the groups indicates that the potential new theme of freedom was similar across all three analysis groups. While the examples provided by the participants differed, the underlying sentiment across all the evidence was considered to be similar. Given the differences in the accounts provided by each of the groups, the underlying motivation for the choice of freedom as a governance mechanism also differed. For example, the developing alliance firm group appeared to be pursuing efficiency in their use of the governance mechanism, while the mature and hybrid groups appeared to be pursuing flexibility. Interestingly, this suggests that all three groups were applying AGM for ambidextrous governance, albeit for different reasons. Concluding the analysis and interpretation, freedom emerged as a potential new sub-theme under the theme of formal relational governance. There were similarities across all groups, and therefore, freedom has been highlighted as a nuance of difference from the existing sub-themes.

### 5.7.3. Research question 4 – sub-theme L3

#### 5.7.3.1. Key findings

Table 37 outlines the key findings from the research data related to sub-theme L3. Overall, four participant quotes were identified as evidence that provided an understanding of how the scope-spanning governance mechanism is chosen in strategic alliances by firms involved in strategic alliances in the financial services industry. The evidence included quotes from all 3 analysis groups.

**Table 37**

Sub-theme L3 - L) informal relational Governance, L3) Scope-spanning: Key findings (evidence)

| Group | Participant | Description of quote |
|---|---|---|
| Mature | P6 | *The one thing that's difficult to accomplish when you've got a company like ours where you work with partners across different industries, is the language people speak and the cultures are very different, and even the same words mean different things to different people in the different organisations. So that's something that's very important, you almost need to be a bridge builder.* |
| Hybrid | P8 | *So that's the evolution of partnerships and the way that it's getting to is, the way I explained it is you almost become consultative to each other's businesses in a way because of the fact that you've built so much together over a long period of time... so even if it's not related to what I'm doing at Company 7 or whatever, they think of me as the person that can help them think this through, because you're the subject matter expert in the space.* |
| | P9 | *We don't go into partnerships in terms of them being transactional. It's not just this is how it works, these are partnerships that have been nurtured over many years and grown into what they are today. And that's particularly through constant and ongoing engagements at all levels of the organisation.* |
| Developing | P1 | *Because I know 100%, if a partner says to me that they're going to go to another competitor, I would tell them, 'you would not have someone like me behind you'. A client can call me at midnight bro, I can be drunk, I will reply. I will leave a party if my client needs my help and I've done that a few times... The only thing that's going to differentiate companies and technology is human interaction and customer service.* |

*Note.* Author's own

### 5.7.3.2. In-case and cross-case analysis

<u>Analysis of Mature Alliance Firms</u>

P6 highlighted the reality that alliance partners sometimes come from different industries, pointing out the importance of establishing a common understanding through relationships, using the term *bridge builder*. This concept appeared to be aligned with the coordination element of the theoretical construct.

<u>Analysis of Hybrid Alliance Firms</u>

P8 pointed out that strong alliance relationships can go beyond the mandate of the actual alliance, where alliance partners consult to each other on matters that are beyond the scope of the alliance. With a different take, P9 mentioned the importance of not approaching alliances transactionally, but rather taking a longer-term view.

Interestingly, both responses from the participants point to a conceptualisation of scope beyond the immediate reality: P9 provided a more temporal perspective, while P8 focused on

the actual substance of the alliance. Furthermore, the evidence from both participants suggests the choice of cooperation.

Analysis of Developing Alliance Firms

P1 referenced the importance of going above and beyond for alliance partners, supported by the belief that relationships will become a key differentiator in the future, highlighting the role that human interaction will play in this. Interestingly, the evidence from the participant suggested a high level of flexibility to meet the needs of alliance partners, emphasising that this level of flexibility will become a point of differentiation in future.

Cross-case Analysis

The evidence across the different participants presented many differences with regard to what they found to be important regarding informal relational governance mechanisms. However, the overall sentiment across the groups reveals the use of the informal relational mechanism to go beyond the scope of any currently codified alliance expectations. Given this, while the individuals provided different accounts, the sentiment across the groups was similar.

Furthermore, this sentiment was not captured in any of the existing sub-themes under the theme of informal relational governance mechanism. While the mature and hybrid alliance groups reflected the choice of coordination and cooperation, respectively, the developing alliance firm reflected the need for greater flexibility.

### 5.7.3.3. Theme interpretation and conclusion

The comparative analysis between the groups indicates that the potential new theme of scope-spanning was similar across all three analysis groups. The examples provided by the participants differed based on the different motivations for choosing the governance mechanism. Despite this, it was interpreted that the underlying choice of scope-spanning was the same. For example, the evidence from the analysis reflected the presence of uncodified behaviours and patterns, which is consistent with the overarching theme of informal relational governance.

Additionally, the analysis revealed various benefits that the alliance firm groups derived from the choice of governing alliances in this manner, such as long-term or expertise-sharing benefits for the hybrid alliance firms, differentiation for the developing alliance firms and greater understanding of partners for the mature alliance firm group. This was interpreted as the pursuit of flexibility, cooperation and coordination, respectively. Interestingly, the developing alliance firm group is the only group which appeared to apply scope spanning for ambidextrous governance. Concluding the analysis and interpretation, scope-spanning emerged as a

potential new sub-theme under the theme of informal relational governance. There were similarities across all groups and therefore scope-spanning has been highlighted as a nuance of difference from the existing sub-themes.

### 5.7.4. Research Question 4 Findings: Conclusion

The research question aimed to explore and understand how dynamic environments influence how alliance firms choose alliance governance mechanisms for ambidextrous governance. The analysis drew from the theoretical construct of AGM as ambidextrous governance and detailed findings across two of the four themes within the construct, formal relational governance and informal relational governance. The former was selected at a theme level, while one potential new sub-theme under it emerged, captured as freedom, and another captured as scope-spanning under the latter theme. The comparative analysis in, and cross analysis groups mostly revealed similarities.

The analysis of theme K) formal relational governance revealed similarities across the groups in their choice of mechanism. Furthermore, the analysis pointed to the use of two mechanisms within the theme, motivated by different pursuits. For example, decision-making rules emerged as the prominent choice in the mature alliance firm group, which was interpreted as being motivated by the pursuit of cooperation in an alliance. Decision-making rules and meeting procedures emerged from the hybrid alliance firms and the developing alliance firms (with an emphasis on meeting procedures), motivated by both cooperation and coordination. Overall the similarities that emerged suggest the importance of formal relational governance for the analysis groups when managing strategic alliances.

The analysis of the first potential sub-theme K3), freedom, revealed similarities across the groups in their choice of mechanism. The analysis revealed the choice of the mechanism in different contexts in pursuit of different objectives. For example, the mature and hybrid alliance firm groups appeared to use the mechanism in pursuit of flexibility, while the developing group appeared to use it for efficiency. Thus, all three groups appeared to apply the AGM for ambidextrous governance. The evidence which emerged also suggested that the mechanism is applied to the benefit of both alliance partners. Overall, the similarities and application of the mechanism consistently across the groups suggest that freedom is a nuance of difference, as it did not link to an existing sub-theme, and it is therefore captured as a potential new sub-theme in the findings.

The analysis of the second potential sub-theme L3), scope-spanning also revealed similarities across the groups in their choice of the mechanism. The analysis revealed the choice of the mechanism in different contexts, however in pursuit of different objectives. For example, the

mature and hybrid alliance firm groups appeared to pursuit coordination and cooperation, respectively. The developing group appeared to apply scope-spanning in pursuit of flexibility, making it the only group applying it for ambidextrous governance. Overall, the similarities and application of the mechanism consistently across the groups suggest that scope-spanning is a nuance of difference, as it did not link to an existing sub-theme, and it is therefore captured as a potential new sub-theme in the findings.

Concluding the findings on research question 4, informal relational governance, freedom and scope spanning emerged as AGM choices across the three groups. The findings also reveal the interplay between governance mechanisms within and across groups. While the new potential sub-theme of freedom was applied for ambidextrous governance across the three groups, the developing alliance groups also applied scope-spanning for the same intent, suggesting a stronger inclination to use AGM for ambidextrous governance. Table 38 outlines a summary of the findings from the research question.

**Table 38**

Summary of Research Question 4 Findings

| Theoretical construct | Theoretical themes & sub-themes | Key concepts from research analysis | | | Similarities and differences between groups |
|---|---|---|---|---|---|
| | | Group 1 Mature | Group 2 Hybrid | Group 3 Developing | |
| **ALLIANCE GOVERNANCE MECHANISM (COOPERATION & COORDINATION) FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY)** | **Formal Relational Governance (codified)** - decision making rules - meeting procedures | decision making rules (COOPERATION) | decision-making rules (COOPERATION) meeting procedures (COORDINATION) | meeting procedures (COORDINATION) decision-making rules (COOPERATION) | ● |
| | **Formal Relational Governance (codified)** - freedom | freedom (FLEXIBILITY) | freedom (FLEXIBILITY) | freedom (EFFICIENCY) | ● |
| | **Informal Relational Governance (uncodified)** - scope spanning | scope spanning (COORDINATION) | scope spanning (COOPERATION) | scope spanning (FLEXIBILITY) | ◐ |

| Key: Alignment between groups on themes/sub-themes | |
|---|---|
| ○ | Limited alignment/significant differences |
| ◐ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| **Red text** | Potential new theme/sub-theme based on a distinct or nuance of difference |

*Note.* Author's own

**5.8. Chapter Conclusion: Research Findings**

Chapter 5 presented the findings from the data gathered and the analysis process. This study sought to explore strategic alliance management and governance in dynamic environments. The four research questions were used to organise the evidence to address the expected outcomes of strategic alliances, the triggers of disruption in a dynamic environment, the resultant alliance management capabilities, and the choices of alliance governance mechanisms. The participants were allocated into three analysis groups to facilitate a comparative analysis of the evidence.

The first research question sought to understand the expected outcomes of strategic alliances. From the findings, it was evident that a range of outcomes are expected from strategic, which include value capture, value creation and competitive advantage. There were similarities between the mature, hybrid and developing alliance firms regarding the aforementioned outcomes, with the exception of hybrid alliance firms where no evidence was found for value creation. A potential new theme of diversification also emerged consistently across the groups, indicating that diversification can take place in various directions and that it also emerges as a threat and opportunity for alliance firms.

The second research question sought to understand the dynamic environment as disruption through triggers of disruption. The findings revealed that the disruptions experienced by the alliance firms were consistent with the themes of external events and alliance firm-specific events. This was consistent across most analysis groups. The findings also revealed two potential new sub-themes under the broader themes, fragmentation and regulation, respectively. Fragmentation emerged both as an opportunity and as a threat, while regulation indicated two approaches which were adopted by the groups – passive and proactive.

The third research question sought to understand alliance management capability in a dynamic environment. The findings were consistent with the theme selected, and similarities emerged across all analysis groups. Formal management emerged as an important mechanism to manage strategic alliances, particularly influenced by the nature of the financial services industry, as was noted in the mature alliance firm group. Organisational structures emerged as a common mechanism for implementing formal management. It also emerged that formal management was used in pursuit of coordination and cooperation in a strategic alliance.

The fourth research question sought to understand how alliance firms choose alliance governance mechanisms in dynamic environments. The findings for the first theme, formal relational governance, revealed two consistent choices of governance mechanism across the analysis groups, motivated by either the pursuit of cooperation and or coordination, as well as flexibility and or efficiency as ambidextrous governance. These mechanisms were decision-making rules and meeting procedures. Within the theme of formal relational governance, the

findings also revealed a potential new sub-theme of freedom. This sub-theme also emerged consistently across the analysis groups, and its choice was linked to the pursuit of ambidextrous governance, namely flexibility and or efficiency. The sub-theme was captured as a nuance of difference, as it did map to any existing sub-themes.

Another potential new sub-theme that emerged was scope-spanning under the theme of informal relational governance. Notably, the developing alliance firm group was the only group to choose the mechanism in pursuit of flexibility as ambidextrous governance. Notwithstanding, all three groups seemed to place importance on the sub-theme as a governance mechanism given its associated benefits of longer-term relationships, expertise exchange and its use as a differentiator versus competitors. Overall, while all three alliance firm groups demonstrated the use of AGM for ambidextrous governance, the developing alliance group appeared to pursue flexibility and efficacy more often.

Table 39 outlines a summary of the findings. The findings from this Chapter, Chapter 5, are discussed with the literature review from Chapter 2 in the next Chapter, Chapter 6.

**Table 39**

Summary of Chapter 5 Findings

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
| --- | --- | --- | --- | --- | --- |
| | | **Group 1** Mature | **Group 2** Hybrid | **Group 3** Developing | |
| **STRATEGIC ALLIANCES OUTCOMES** | **Value Capture** | **Value capture** | **Value capture** | **Value capture** | ● |
| | **Value Creation** | **Value creation** | *No evidence* | **Value creation** | ◑ |
| | **Competitive Advantage** | **Competitive advantage** | **Competitive advantage** | **Competitive advantage** | ● |
| | **Diversification** | **Diversification** | **Diversification** | **Diversification** | ● |
| **DYNAMIC ENVIRONMENTS AS DISRUPTION** | **External Events** - fragmentation | fragmentation | *No evidence* | fragmentation | ◐ |
| | **Alliance Firm-Specific Events** - regulation | regulation (passive) | regulation (passive) | regulation (proactive) | ● |
| **ALLIANCE MANAGEMENT CAPABILITY (COORDINATION & COOPERATION)** | **Formal Governance** - organisational structures | **Formal Governance** organisational structures | **Formal Governance** organisational structures | **Formal Governance** organisational structures | ● |
| **ALLIANCE GOVERNANCE MECHANISM (COOPERATION & COORDINATION) FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY)** | **Formal Relational Governance (codified)** - decision making rules - meeting procedures | decision-making rules (COOPERATION) | decision-making rules (COOPERATION) meeting procedures (COORDINATION) | meeting procedures (COORDINATION) decision-making rules (COOPERATION) | ● |
| | **Formal Relational Governance (codified)** - freedom | freedom (FLEXIBILITY) | freedom (FLEXIBILITY) | freedom (EFFICIENCY) | ● |
| | **Informal Relational governance (uncodified)** - scope spanning | scope spanning (COORDINATION) | scope spanning (COOPERATION) | scope spanning (FLEXIBILITY) | ◐ |

| Key: Alignment between groups on themes/sub-themes | |
| --- | --- |
| ○ | Limited alignment/significant differences |
| ◐ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| **Red text** | Potential new theme/sub-theme based on a distinct or nuance of difference |

*Note*. Author's own

**CHAPTER 6: DISCUSSION**

**6.1. Introduction**

This Chapter discusses the research findings outlined in Chapter 5 and the literature presented in Chapter 2. This Chapter compares the key insights from each of the Chapters, in line with the theoretical constructs, themes and sub-themes (including the potential differences identified). The overall structure of the section has been detailed in Figure 2 below.

Table 40 outlines the key focus of this Chapter, organised by the research questions, together with the related themes and literature. Additionally, the key scholars linked to the theoretical constructs have also been included in Table 40. The potential new theme and the four potential sub-themes which emerged in Chapter 5 have been highlighted in Table 40, which are; theme: diversification, sub-themes: fragmentation, regulation, freedom and scope spanning. The relevant sections briefly note the themes and sub-themes where no evidence was found in the research data. Consequently, these themes have not been discussed as they were also not addressed in the findings.

A systematic approach was adopted to compare the literature in Chapter 2, the findings in Chapter 5 and the research questions in Chapter 3, allowing the researcher to confirm or adjust the research outcomes. The comparison first considers the similarities between the findings and the literature. A three-step process was applied for the comparison of differences, outlined below. These steps are progressive; therefore, step 2 was only followed if the first step did not yield results. Similarly, step 3 was only followed if step 2 did not yield results. The purpose of the process was to check the outcomes.

**Step 1:** Targeted search of the relevant key articles from Chapter 2

Using a selection of three top articles from the literature reviewed in Chapter 2, a targeted keyword search per the theme or sub-themes identified as a potential difference is conducted. Where no matches are found, the next step is applied. Details of the keywords used are provided in the relevant sections in this Chapter.

**Step 2:** Targeted search of new articles by the key scholars from Chapter 2

In addition to the three articles selected in step 1, three articles by the same scholars are identified to conduct a targeted keyword search on the potential differences. These articles are related to the RQ but were not included in the literature review. Where no matches are found, the next step is applied

**Step 3:** <u>Targeted search on Google Scholar for new articles by different scholars</u>

Where steps 1 and 2 do not yield any results, a targeted search on Google scholar is conducted on the relevant constructs, with a date range of 2018 – 2022. Three articles are selected to perform a targeted keyword search of the potential differences. The constructs and keywords used are again provided in the relevant sections where this step is required. If no matches are found in this step, the theme/sub-theme is retained as a potential new theme/sub-theme.

**Table 40**

Summary of Key Findings and Key Literature Selected From Chapter 2

| Construct | Themes & Sub-themes | Literature from Chapter 2 |
|---|---|---|
| **1. STRATEGIC ALLIANCE OUTCOMES** | **A) Value Capture**<br>**B) Value Creation**<br>**C) Competitive Advantage**<br>**D) Diversification** | Borah et al. (2021)<br>Elmuti & Kathawala (2001)<br>Lahiri et al. (2021)<br>Chesbrough et al. (2018)<br>Priem et al. (2018)<br>Mahdi et al. (2019) |
| **2. DYNAMIC ENVIRONMENTS AS DISRUPTION** | **D) External Events**<br>   D1) fragmentation<br>**E) Alliance Firm-specific Events**<br>   E1) regulation<br>**F) Alliance-specific Events** | He et al. (2020)<br>Keller et al. (2021)<br>Lin and Ho (2021) |
| **3. ALLIANCE MANAGEMENT CAPABILITY (COOPERATION & COORDINATION)** | **G) Formal Management**<br>   G1) organisational structures<br>   G2) routines<br>   G3) tools<br>   <u>G4) activities</u><br>**H) Informal Management**<br>   H1) organisational structures<br>   H2) routines<br>   <u>H3) tools</u><br>   <u>H4) activities</u> | Dhaundiyal & Coughlan (2022)<br>Kohtamäki et al. (2018)<br>Nietsen & Jolik (2015) |
| **4. ALLIANCE GOVERNANCE MECHANISM (COOPERATION & COORDINATION) FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY)** | **I) Formal Contractual** (codified)<br>   I1) termination<br>   I2) monitoring<br>   <u>I3) auditing</u><br>   <u>I4) lawsuit provisions</u><br>**J) informal contractual** (un-codified)<br>   <u>J1) confidentiality arrangements</u><br>   J2) task division<br>   J3) decision making<br>**K) Formal Relational** (codified)<br>   <u>K1) exchange of personnel</u><br>   K2) decision-making rules<br>   <u>K3) meeting procedures</u><br>   K4) freedom<br>**L) Informal Relational** (un-codified)<br>   L1) trust<br>   L2) positive interpersonal relationships<br>   L3) scope spanning | Lin and Ho (2021)<br>Keller et al. (2021)<br>Solinas et al. (2022) |

**Key: Selected themes and sub-themes**

| | |
|---|---|
| [box] | Themes/sub-themes which provided insight discussed in findings |
| **Red text** | New theme/sub-theme based on a distinct or nuance of difference |
| ―――― | Themes/sub-themes where there was no evidence from the research data |

*Note.* Author's own

Figure 5 outlines the structure that was followed in this Chapter, which includes: a recap of the findings, a recap of literature for similarities or a further review of literature for differences, an interpretation and a conclusion.

**Figure 5**

Presentation of Chapter 6
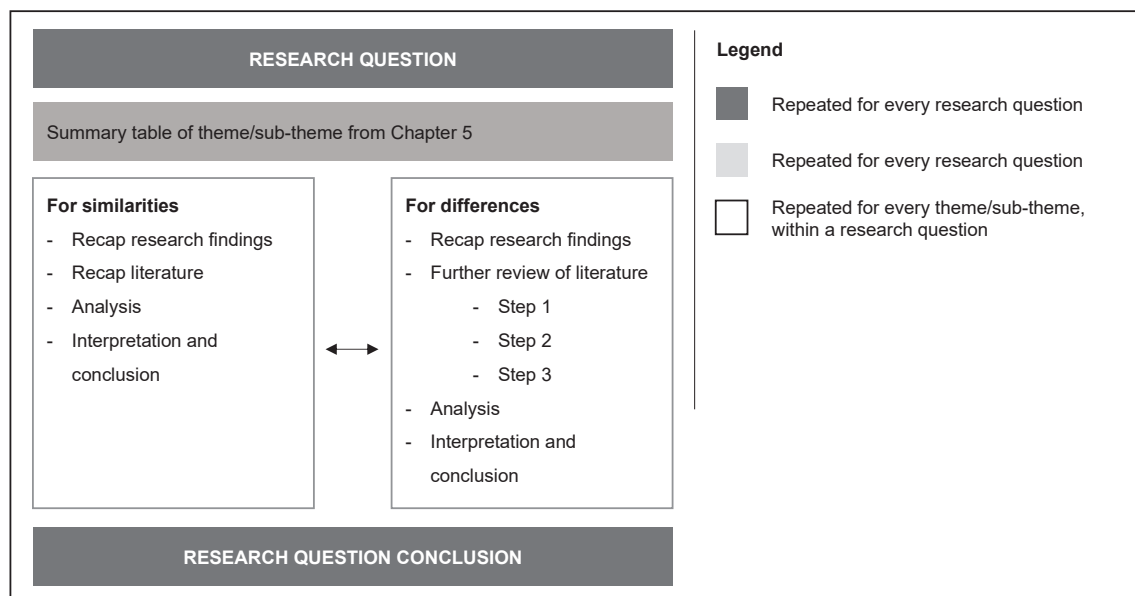


*Note.* Author's own

## 6.2. Discussion of Research Question 1

The first research question in the study was:

**What are the expected outcomes of strategic alliances in dynamic environments?**

The research question aimed to understand how strategic alliances are currently understood in terms of expected outcomes. The theoretical construct linked to the question included a total of 3 themes. However, not all of the themes were detailed in the findings as they provided limited new insight, as previously discussed. Furthermore, the themes that did not map to any of the data during the analysis were not included in the findings.

Table 41 outlines a summary of the themes that were selected for analysis. The themes were drawn from Chapter 5 and are included in the discussion alongside the literature review from Chapter 2 to facilitate a comparative analysis, which highlights the differences and similarities between the findings and the literature. Four themes were selected for analysis from the findings, which include three themes where similarities were identified between the findings and the literature and one theme where differences were found. Three analysis groups were applied for in-case and cross-case analysis in Chapter 5, which revealed similarities and differences between them in the findings.

**Table 41**

Summary of the Findings for the Selected Themes for RQ 1

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
|---|---|---|---|---|---|
| | | **Group 1** Mature | **Group 2** Hybrid | **Group 3** Developing | |
| **STRATEGIC ALLIANCES IN DYNAMIC ENVIRONMENTS** | Value Capture | Value Capture | Value Capture | Value Capture | ● |
| | Value Creation | Value Creation | *No evidence* | Value Creation | ◐ |
| | Competitive Advantage | Competitive Advantage | Competitive Advantage | Competitive Advantage | ● |
| | Diversification | Diversification | Diversification | Diversification | ● |

| Key: Alignment between groups & themes/sub-themes | |
|---|---|
| ○ | Limited alignment/significant differences |
| ◐ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| Red text | New theme/sub-theme based on a distinct or nuance of difference |

*Note.* Author's own

### 6.2.1. Discussion of Theme A – Value Capture
#### 6.2.1.1. Recap of the findings on value capture

The findings on the value capture theme as an expected outcome from strategic alliances in dynamic environments revealed similarities across the analysis groups. There were similarities across all three of the analysis groups, particularly regarding the expectation of accessing new customer bases through strategic alliances to capture value. As a result of this expectation, the findings revealed that a sales-driven approach is often adopted in strategic alliances. While value capture also emerged as an expected outcome for the developing group, the approach reflected a longer-term orientation. Additionally, the hybrid group noted that value should also be created for customers if firms are to capture value through strategic alliances. The similarities between the groups sufficiently supported the expectation of value capture as an outcome, despite varying orientations across groups.

#### 6.2.1.2. Recap of the literature on value capture

The key articles selected where similarities were identified were by a number of scholars, who provided a view on the expected outcomes of strategic alliances, as well as brief definitions of the outcomes. These scholars were selected based on having recently published articles in top-ranking academic journals. Borah et al. (2021), Elmuti & Kathawala (2001) and Lahiri et al. (2021) provided definitions of the expected outcomes from strategic alliances, which were narrowed down based on similarities. The outcome of value capture was one such outcome

which emerged. A definition by Chesbrough et al. (2018) and Priem et al. (2018) was applied to the study, which stated that value capture is a process where an alliance firm seeks to secure a share of value through participation and or negotiation.

### 6.2.1.3. Analysis of the findings and literature

The findings from the research indicated that value capture was a similar expected outcome from strategic alliances across all three of the analysis groups. Notably, there was an emphasis placed on the ability to access the customer bases of alliance partners, motivated by the pursuit of increased sales. The emphasis and pursuit of sales were considered to be similar to Borah et al. (2021), Elmuti & Kathawala (2001) and Lahiri et al. (2021), in that it aligned with the expectation to capture value. Secondly, the findings were also similar to the definition provided by Chesbrough et al. (2018) and Priem et al. (2018), as the motive to secure a share of value was reflected in the emphasis on sales. The findings on the longer-term orientation to value capture and value creation for customers were not explicitly outlined in the literature.

### 6.2.1.4. Interpretation and conclusion of value capture

The comparative analysis of the findings and the literature outlines similarities in the expected outcome of value capture. Despite the varying orientations adopted across the analysis groups, the underlying expectation was for value capture. This was considered to be similar to the literature, which indicated value capture as an expected outcome and the definition by Chesbrough et al. (2018) and Priem et al. (2018), who highlight the expectation of sharing value. Concluding the analysis and interpretation of value capture, the key research findings were consistent with the key literature reviewed, and therefore the theme is maintained as an expected outcome.

### 6.2.2. Discussion of Theme B – Value Creation

#### 6.2.2.1. Recap of the findings on value creation

The findings on the value creation theme as an expected outcome from strategic alliances in dynamic environments revealed similarities across the developing and mature alliance firm analysis groups, while no evidence emerged from the hybrid group. Value creation was linked to innovation and access to new capabilities, particularly for alliance firms who either didn't want to or didn't have the capacity to build them. The similarities between the groups sufficiently supported the expectation of value creation as an outcome, despite there being no evidence found from the hybrid group.

#### 6.2.2.2. Recap of the literature on value creation

The key articles selected where similarities were identified were by a number of scholars, who provided a view on the expected outcomes of strategic alliances, as well as brief definitions of

the outcomes. These scholars were selected based on having recently published articles in top-ranking academic journals. The outcome of value creation emerged from the definition of strategic alliances by Borah et al. (2021), Elmuti & Kathawala (2001) and Lahiri et al. (2021). A definition by Chesbrough et al. (2018) was applied to the study, which stated that value creation is a process where an alliance firm provides or accesses resources to increase value for itself, where the benefits outweigh the sacrifices. The similarities between the groups sufficiently supported the expectation of value creation as an outcome.

### 6.2.2.3. Analysis of the findings and literature

The findings from the research indicated that value creation as an expected outcome from strategic alliances was similar across the two groups. The developing and mature alliance firms emphasised innovation and access to new capabilities. This was found to be similar to the definition provided by Chesbrough et al. (2018), who highlighted access to resources, where capabilities were interpreted as resources. Additionally, the emergence of value creation in the findings was consistent with the outcomes outlined by Borah et al. (2021), Elmuti & Kathawala (2001) and Lahiri et al. (2021). Importantly, while innovation emerged as a clear concept in the findings, it has been inferred that it is implicit in the value creation process, as defined by Chesbrough et al. (2018). Furthermore, the findings indicated that value capture is expected when an alliance firm does not want to build or does not have a capability. This was considered to be similar to Chesbrough et al.'s (2018) definition, which pointed out that the benefits needed to outweigh the sacrifices.

### 6.2.2.4. Interpretation and conclusion of value creation

The comparative analysis of the findings and the literature outlines similarities in the expected outcome of value creation between the mature and developing alliance firm groups. The expectation as it emerged in the findings was similar to both the expected outcomes identified by Borah et al. (2021), Elmuti & Kathawala (2001) and Lahiri et al. (2021), as well as the definition of value creation by Chesbrough et al. (2018). Importantly, the findings aligned with the definition in that they outlined the need for benefits to outweigh sacrifices, as well as innovation being interpreted as implicit in the value creation process. Concluding the analysis and interpretation of value creation, the key research findings were consistent with the key literature reviewed, and therefore the theme is maintained as an expected outcome.

### 6.2.3. Discussion of Theme C – Competitive Advantage

### 6.2.3.1. Recap of the findings on competitive advantage

The findings on the competitive advantage theme as an expected outcome from strategic alliances in dynamic environments revealed similarities across the analysis groups. The mature alliance firm group referenced the theme in general terms, while the developing and

hybrid alliances were more specific about the sources of competitive advantage and how it plays itself out in improving a firm's position relative to competitors. The findings revealed that these sources could be unexpected partnerships and partnerships with competitors. Another source of competitive advantage was the expectation of finding an alliance partner that would make it difficult for competitors to copy the model of the firm, thereby creating a barrier to entry. The similarities between the groups sufficiently supported the expectation of competitive advantage as an outcome.

### 6.2.3.2. Recap of the literature on competitive advantage

The same key articles as the preceding themes were selected for the literature review and revealed similarities between scholars on competitive advantage as an expected outcome of strategic alliances (Borah et al., 2021; Elmuti & Kathawala, 2001; Lahiri et al., 2021). A definition of competitive advantage was also provided by Mahadi et al. (2019), who stated that it was a firm's ability to generate higher economic returns versus its competitors. While the definition did not outline various mechanisms used to create a competitive advantage, it was inferred that any mechanism which places a firm in a beneficial position relative to competitors through a strategic alliance provided a competitive advantage.

### 6.2.3.3. Analysis of the findings and literature

The findings from the research indicated that competitive advantage was a similar expected outcome from strategic alliances across all three groups. The emergence of competitive advantage in the findings was consistent with the outcomes outlined by Borah et al. (2021), Elmuti & Kathawala (2001) and Lahiri et al. (2021). The findings also revealed that the alliance firms indicated that the outcome enabled them to improve their position relative to the competition. This was found to be similar to the definition provided by Mahadi et al. (2019). The findings also outlined various sources of competitive advantage however the literature that was reviewed did not highlight these. Notwithstanding, this did not reduce the similarities between the findings and the literature on the common expectation.

### 6.2.3.4. Interpretation and conclusion on competitive advantage

The comparative analysis of the findings and the literature outlines similarities in the expected outcome of competitive advantage between the mature and developing alliance firm groups. This was consistent with the expected outcomes identified by Borah et al. (2021), Elmuti & Kathawala (2001) and Lahiri et al. (2021), as well as the definition of value creation by Mahadi et al. (2019). The findings also outlined various sources of competitive advantage however the literature that was reviewed did not highlight these. The sources of competitive advantage were considered implicit in the definition provided by Mahadi et al. (2019. Concluding the analysis and interpretation of competitive advantage, the key research findings were

consistent with the key literature reviewed, and therefore the theme is maintained as an expected outcome.

### 6.2.4. Discussion of Theme D – Diversification

#### *6.2.4.1. Recap of the findings on diversification*

The research findings revealed a new potential theme of diversification within the theoretical construct of strategic alliances in dynamic environments. There were similarities across the analysis groups regarding the identification of diversification as an outcome of strategic alliances. The findings revealed that diversification could occur in various directions. Consequently, it emerged that the alliance firms considered this outcome to be both an opportunity and a threat. While diversification provided the alliance firms with the opportunity to enter new industries, it also created the threat of new entrants, with non-traditional financial services firms highlighted as an example.

#### *6.2.4.2. Further review of the literature on strategic alliances in dynamic environments*

The key literature reviewed on the potential new theme of diversification is the same as that of the preceding themes for expected strategic alliance outcomes. The theoretical construct, as well as the identified themes, did not capture the potential new theme, and therefore the 3-step process outlined earlier was implemented to check the findings against the literature.

Step 1: Targeted search of the relevant key articles from Chapter 2

It is important to distinguish between the articles by the scholars where the working definition was derived, which produced the outcomes, as well as the articles by the scholars where the definitions of the outcomes were derived. With regard to the working definition adopted in the study, the relevant scholars were Borah et al. (2021), Elmuti & Kathawala (2001), Kohtamäki et al. (2018) and Lahiri et al. (2021). Regarding the definitions for the outcomes, the key scholars selected were Chesbrough et al. (2018), Mahdi et al. (2019) and Priem et al. (2018). All seven articles were therefore used to conduct a targeted keyword search using the keyword 'diversification', 'new industry', and 'enter'.

The keyword search on the seven articles returned a combination of results. Firstly, no matches were found in the articles by Chesbrough et al. (2018), Elmuti & Kathawala (2001), Kohtamäki et al. (2018), Mahdi et al. (2019) and Priem et al. across the keywords (2018). The articles by Borah et al. (2021) and Lahiri et al. (2021) returned one match each for the keyword 'enter'. The two matches from each article have been quoted below. Importantly, these two articles are part of the articles where the working definition (for the study) of strategic alliances and their expected outcomes were derived.

*"Finally, many firms are embracing global value chains (i.e., disintegrating value chain functions and dispersing them across different locations… The above developments are often forcing firms to transform and reinvent themselves. They are also pushing many firms to <u>**enter**</u> completely new lines of business"*
(Borah et al., 2021, p.11).

*"Similarly, emerging market firms that expand into developed countries may find it challenging to establish themselves as strong brands (e.g., Oyo, an Indian firm <u>**entering**</u> the US market)"*
(Lahiri et al., 2021, p.609).

It is evident from the selected quotes that entering new markets and new industries is considered to be an expected outcome of strategic alliances. Borah et el. (2021) identify the influence of disintegrating value chains, which are leading to the need for firms to transform and reinvent themselves, which can push into new lines of business. Lahiri et al. (2021) consider a market context, noting that alliances can facilitate entry into new geographic locations. While the two scholars cite different influences which lead to the entry of new markets, the resultant actions were considered to be similar and aligned with the theme of diversification.

### 6.2.4.3. Analysis of findings and literature

The findings indicated that diversification was considered to be an expected outcome of strategic alliances by the three analysis groups, and it was therefore considered a potential new theme. The findings also highlighted that diversification provided an alliance firm with the opportunity to enter new industries. This was similar to the literature identified in the 3-step process to check the findings. The keyword search revealed a match for the potential new theme of diversification through the related keyword of 'enter'. The key articles used by Borah et al. (2021) and Lahiri et al. (2021) both referenced factors that influence a firm's decision to either enter new industries, lines of business, or geographies. Therefore, the findings from the research seemed to match the literature.

### 6.2.4.4. Interpretation and conclusion on diversification

The comparative analysis of the research findings and the literature on the potential new theme of diversification revealed similarities. While the research findings indicated the potential for a new theme on the expected outcomes from strategic alliances, a further review of the literature on strategic alliances in dynamic environments using the 3-step process to check the outcomes revealed that the articles by Borah et al. (2021) and Lahiri et al. (2021) referred to the theme. Using a range of keywords related to the potential new theme, one match for the keyword 'enter' was found in each article. The findings were similar to the literature in that they both mentioned the influences linked to the expected outcome of diversification related to entering new lines of business, new industries or new geographies. Consequently, the theme

of diversification is retained as an expected outcome of strategic alliances but is not claimed as a potential new theme in the study as it is present in extant literature.

### 6.2.5. Question 1 Discussion: Conclusion

The research question aimed to understand how strategic alliances are currently understood in terms of expected outcomes. The research findings identified value capture, value creation and competitive advantage as expected outcomes of strategic alliances in dynamic environments. This was similar to extant literature review on strategic alliances in dynamic environments. The findings also identified diversification as an expected outcome and a potential new theme. However, further review of literature on the overarching construct revealed that the outcome has been outlined by Borah et al. (2021) and Lahiri et al. (2021). Therefore, diversification is retained as a theme but not claimed as a potential new theme in the study. Overall, the similarities between the findings and the literature provide a current understanding, highlighting four expected outcomes of strategic alliances in dynamic environments. The next section discusses the findings and literature for research question 2.

### 6.3. Discussion of Research Question 2

The second research question in the study was:

**What disruptions affect firms involved in strategic alliances in dynamic environments?**

The research question aimed to understand the disruptions which affect firms involved in strategic alliances. The theoretical construct linked to the question included a total of 3 themes. However, not all of the themes were detailed in the findings as they provided limited new insight, as previously discussed. Furthermore, the themes that did not map to any of the data which emerged from the research were not included in the findings.

Table 42 outlines a summary of the sub-themes that were selected for analysis. The sub-themes were drawn from Chapter 5 and are included in the discussion alongside the literature review from Chapter 2 to facilitate a comparative analysis, which highlights the differences and similarities between the findings and the literature.

Two sub-themes were selected for analysis from the findings, which include three themes where differences were identified between the findings and the literature. Three analysis groups were applied for in-case and cross-case analysis in Chapter 5, which revealed similarities and differences between them in the findings.

**Table 42**

Summary of The Findings for the Selected Themes and Sub-Themes for RQ 2

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
|---|---|---|---|---|---|
| | | **Group 1** Mature | **Group 2** Hybrid | **Group 3** Developing | |
| **DYNAMIC ENVIRONMENTS AS DISRUPTION** | **External Events** - fragmentation | Fragmentation | *No evidence* | Fragmentation | ◑ |
| | **Alliance Firm-Specific Events** - regulation | regulation (passive) | regulation (passive) | regulation (proactive) | ● |

| Key: Alignment between groups & themes/sub-themes | |
|---|---|
| ○ | Limited alignment/significant differences |
| ◑ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| **Red text** | New theme/sub-theme based on a distinct or nuance of difference |

*Note.* Author's own

### 6.3.1. Discussion of Sub-theme D1 – Fragmentation

#### *6.3.1.1. Recap of the findings on fragmentation*

The research findings revealed a new potential sub-theme of fragmentation under the theme of external events within the theoretical construct of dynamic environments as disruption. This sub-theme emerged across the developing and mature alliance firms, with no evidence emerging from the hybrid alliance firm group. Interestingly, the findings revealed that this form of disruption was affecting alliance firms in two ways. Firstly, it created the opportunity for more partnerships. However, fragmentation was also seen as a threat, as it could lead to increased competition in the industry. An example of fintech companies mushrooming was provided to this effect.

#### *6.3.1.2. Further review of the literature on dynamic environments as disruption*

The key literature reviewed on dynamic environments as disruption identified three themes, external events, alliance firm-specific events and alliance-specific events. The literature highlighted the need to understand the triggers of disruption in dynamic environments. As such, this required going beyond the triggers identified by He et al. (2020), Keller et al. (2021) and Lin and Ho (2021). The sub-theme of fragmentation which emerged from the findings was not identified in the literature review in Chapter 2. Therefore, the 3-step process to check the research findings has been applied, using the three key articles by the aforementioned scholars.

Step 1: Targeted search of the relevant key articles from Chapter 2

A targeted keyword search was conducted on the three key articles using the keywords 'fragmentation' and 'disintermediation'. The search returned no matches for both keywords across the three articles. Therefore, step 2 in the process was applied.

Step 2: Targeted search of new articles by the key scholars

Due to the keyword search not returning any matches in step 1 based on the articles reviewed in Chapter 2, a targeted search was conducted for new articles by the scholars, He et al. (2020), Keller et al. (2021) and Lin and Ho (2021), related to the theoretical construct of dynamic environments and disruption, using the keywords 'disruption' and 'dynamic environment' in combination with 'fragmentation', with a date range from 2018-2022, from top ranking journals. While search results on Google Scholar using the names of the scholars in combination with the keywords returned some matches, the results were not related to the RQ or the theoretical construct. Therefore, step 3 was followed.

Step 3: Targeted search on Google Scholar for new articles by different scholars

Due to the targeted search using the keywords not returning any matches in the previous step, step 3 was applied through a targeted search of the same keywords. However, the search was not limited to the scholars used in step 2 but explored articles from top-ranking journals which were related to the study. A date range of 2018-2022 was also applied. The step yielded no relevant matches related to the theoretical construct and the research question.

### 6.3.1.3. Analysis of findings and literature

The research findings revealed a potential new sub-theme of fragmentation under the theme of firm-specific events. There were no similarities between the findings and the literature reviewed in Chapter 2. Therefore, the 3-step process to check the research findings was applied. The first step, where the keywords were checked against the three key articles, yielded no matches. Step 2 was then followed, using a combination of the keywords with the scholars from the three key articles. This step also didn't yield any matches. Finally, step 3 was conducted, which maintained the targeted search of the keywords but broadened the search beyond the key scholars. This step also did not yield any relevant matches. Summarily, there were no similarities identified between the findings and the literature. Therefore, fragmentation emerged as a nuance of difference from the analysis.

### 6.3.1.4. Interpretation and conclusion on fragmentation

The comparative analysis of the research findings from Chapter 5 and literature from Chapter 2 on the potential new sub-theme of fragmentation under the firm-specific event theme

revealed a nuance of difference. The findings highlighted fragmentation as a trigger of disruption in dynamic environments and a potential new theme. The 3-step process to check the findings against the literature using keywords yielded no matches. Concluding the interpretation and analysis, fragmentation is retained as a nuance of difference and a potential new sub-theme, as this study did not identify any matches with extant literature.

### 6.3.2. Discussion of Sub-theme E1 – Regulation

#### 6.3.2.1. Recap of the findings on regulation

The research findings revealed a new potential sub-theme of regulation under the theme of alliance-specific events within the theoretical construct of dynamic environments as disruption. While regulation was found to be enacted outside the control of the alliance firm (external events), the findings suggested that its effect in the context of strategic alliances was firm-specific. The findings revealed that this was the case because the effect of regulation was linked to how individual firms addressed it. In other words, firms either took a passive or proactive approach to regulation, thus making it a firm-specific event. For example, the developing alliance group discussed preempting regulatory changes that it knew were coming. Furthermore, alliance partners were often not subjected to the same regulation, given alliances with partners in different industries, which also pointed to the disruption as a firm-specific event.

#### 6.3.2.2. Further review of the literature on dynamic environments as disruption

The key literature reviewed on dynamic environments as disruption was the same as that of the preceding sub-section on fragmentation, highlighting the same triggers and the need to identify additional triggers. Accordingly, the sub-theme of regulation which emerged from the findings was not identified in the literature review in Chapter 2. Therefore, the 3-step process to check the research findings has been applied, using the three key articles by the aforementioned scholars.

Step 1: Targeted search of the relevant key articles from Chapter 2

A targeted keyword search was conducted on the three key articles by He et al. (2020), Keller et al. (2021) and Lin and Ho (2021using the keyword 'regulation'. The search returned no matches for the keyword across the three articles. Therefore, step 2 in the process was applied.

Step 2: Targeted search of new articles by the key scholars

Similarly, due to the keyword search not returning any matches in step 1 based on the articles reviewed in Chapter 2, a targeted search was conducted for new articles by scholars related to the theoretical construct of dynamic environments and disruption using the keywords 'disruption' and 'dynamic environment' in combination with 'regulation'. with a date range from 2018-2022, from top-ranking journals. While search results on Google Scholar using the

names of the scholars in combination with the keywords returned some matches, the results were not related to the RQ or the theoretical construct. Therefore, step 3 was followed.

Step 3: Targeted search on Google Scholar for new articles by different scholars

Due to the targeted search using the keywords not returning any matches, step 3 was applied through a targeted search of the same keywords. However, the search was not limited to the scholars used in step 2 but explored articles from top-ranking journals which were related to the study. A date range of 2018-2022 was also applied. The step yielded no relevant matches related to the theoretical construct and the research question.

### 6.3.2.3. Analysis of findings and literature

The research findings revealed a potential new sub-theme of regulation under the theme of firm-specific events. There were no similarities between the findings and the literature reviewed in Chapter 2. Therefore, the 3-step process to check the research findings was applied. The first step, where the keywords were checked against the three key articles, yielded no matches. Step 2 was then followed, using a combination of the keywords with the scholars from the three key articles. This step also didn't yield any matches. Finally, step 3 was conducted, which maintained the targeted search of the keywords but broadened the search beyond the key scholars. This step also did not yield any relevant matches. Summarily, there were no similarities identified between the findings and the literature. Therefore, regulation emerged as a nuance of difference from the analysis.

### 6.3.2.4. Interpretation and conclusion on regulation

The comparative analysis of the research findings from Chapter 5 and literature from Chapter 2 on the potential new sub-theme of regulation under the firm-specific event theme, revealed a nuance of difference. The findings highlighted regulation as a trigger of disruption in dynamic environments and a potential new theme.  The 3-step process to check the findings against the literature using keywords yielded no matches. Concluding the interpretation and analysis, regulation is retained as a nuance of difference and a potential new sub-theme, as this study did not identify any matches with extant literature.

### 6.3.3. Question 2 Discussion: Conclusion

The research question aimed to understand the disruptions which affect firms involved in strategic alliances. The research findings identified fragmentation, under the theme of external events and regulation under the theme of firm-specific events as two potential new sub-themes for disruption triggers, under the construct of dynamic environments as disruption. The comparative analysis between the findings and the key literature reviewed in Chapter 2

revealed no similarities. Therefore, a further review of the literature was conducted to check the research outcomes, using the 3-step process.

However, the 3-step process yielded no matches between the findings and extant literature linked to the theoretical construct and the keywords used for each sub-theme. Therefore, the overall analysis revealed nuances of difference between the findings on fragmentation and regulation versus the literature.  Corollary, fragmentation, and regulation are maintained as potential new sub-themes and triggers of disruption. These findings reveal new insight into the disruptions affecting firms involved in strategic alliances, particularly in the financial services industry. The findings are also aligned with the understanding of the themes and theoretical construct, adding to existing knowledge. The next section discusses the findings and literature for research question 3.

## 6.4. Discussion of Research Question 3
The third research question in the study was:
**How are strategic alliances managed in dynamic environments?**

The research question aimed to understand how alliance firms manage strategic alliances in dynamic environments. The theoretical construct linked to the question included a total of eight sub-themes. However, not all of the sub-themes were detailed in the findings as they provided limited new insight, as previously discussed. Furthermore, the sub-themes that did not map to any of the data which emerged from the research were not included in the findings. A similar approach was taken to select from the 2 themes.

Table 43 outlines a summary of the theme that was selected for analysis. The theme was drawn from Chapter 5 and is included in the discussion alongside the literature review from Chapter 2 to facilitate a comparative analysis, which highlights the similarities between the findings and the literature. One theme was selected for analysis from the findings, where similarities were identified between the findings and the literature. Three analysis groups were applied for in-case and cross-case analysis in Chapter 5, which revealed similarities and differences between them in the findings.

**Table 43**

Summary of the Findings for the Selected Theme for RQ 3

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
| --- | --- | --- | --- | --- | --- |
| | | **Group 1** Mature | **Group 2** Hybrid | **Group 3** Developing | |
| **ALLIANCE MANAGEMENT CAPABILITY** (COORDINATION & COOPERATION) | **Formal Governance** - organisational structures | **Formal Governance** Organisational structures | **Formal Governance** Organisational structures | **Formal Governance** Organisational structures | ● |

| Key: Alignment between groups & themes/sub-themes | |
| --- | --- |
| ○ | Limited alignment/significant differences |
| ◑ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| **Red text** | New theme/sub-theme based on a distinct or nuance of difference |

*Note.* Author's own

### 6.4.1. Discussion of Theme G – Formal Management

#### *6.4.1.1. Recap of the findings on formal management*

The findings on the formal management theme revealed similarities across the three analysis groups. The findings revealed that the nature of the financial services industry necessitated the emphasis placed on the approach to the management of strategic alliances, particularly in the mature alliance firm group. Furthermore, organisational structures, a sub-theme under formal management, were found to be an important mechanism across all of the analysis groups. Interestingly, while the theme was consistent across all three groups, the developing alliance firm group appeared to be less emphatic, while the mature and hybrid alliance firm groups were more pronounced in their positions.

#### *6.4.1.2. Recap of the literature on formal management*

The key articles selected where similarities were identified were Dhaundiyal & Coughlan (2022) Kohtamäki et al. (2018) and Nietsen & Jolik (2015). These scholars were selected based on having recently published articles, with the exception of the latter scholar who published in 2015, however was included based on publishing in a top-ranking academic journal together with the other scholars. Dhaundiyal & Coughlan (2022), Kohtamäki et al. (2018) and Nietsen & Jolik (2015) provided a view on AMC mechanisms and micro-processes which were applied to the study, of which formal management was one. This mechanism places emphasis on cooperation and coordination in the management of an alliance through the micro-processes of organisational structures, routines, tools and activities. The scholars recommended exploring AMC in other industries, as well as the micro-process of AMC in future studies.

### 6.4.1.3. Analysis of the findings and literature

The findings from the research indicated that the three groups placed similar emphasis on formal management within strategic alliances, particularly due to their operating in the financial services industry. While an important mechanism for all groups, the mature and hybrid alliance firms appeared to emphasise it more than the developing alliance firm group. The use of formal management, which emerged in the findings, was similar to the mechanism which emerged from the literature review. Additionally, the emerging preference for the use of organisational structures was found to be similar to one of the micro-processes which were outlined in the literature. Overall, there were similarities between the findings and the literature, where a sub-theme also emerged in the findings under the theme of formal management, which was the initial selection.

### 6.4.1.4. Interpretation and conclusion on formal management

The comparative analysis of the findings and the literature outlines similarities in the use of formal management in strategic alliances. Importantly, the nature of the financial services industry, which the analysis groups operate in, emerged as an influencing factor for the emphasis placed on formal management. This suggests that the industry has a level of influence on how AMC is approached in strategic alliances. Overall, the research findings also revealed the use of organisational structures as a micro-process of formal management, which was consistent with the literature reviewed.

### 6.3.3. Question 3 Discussion: Conclusion

The research question aimed to understand how alliance firms manage strategic alliances in dynamic environments. The theoretical construct AMC was applied together with the themes of formal management and informal management as sub-themes, however only the former theme was analysed in the findings. The findings highlighted the importance placed on formal management mechanisms as a result of the firms operating in the financial services industry. This suggested that the industry has an influence on the approach to alliance management. Overall, the similarities between the findings and the literature provided an understanding of how firms manage strategic alliances. The next section discusses the findings and literature for research question 4.

## 6.5. Discussion of Research Question 4

The fourth research question in the study was:

**How do alliance firms choose alliance governance mechanisms to manage strategic alliances in dynamic environments?**

The research question aimed to understand how alliance firms choose governance mechanisms in dynamic environments. This question attempted to explore how the dynamic environment influences the choice of AGM as ambidextrous governance. The theoretical construct linked to the question included a total of 14 sub-themes. However, as previously discussed, not all of the sub-themes were detailed in the findings as they provided limited new insight. Furthermore, the sub-themes that did not map to any of the data which emerged from the research were not included in the findings. A similar approach was taken to select from the 4 themes.

Table 44 outlines a summary of the theme and sub-themes that were selected for analysis. The themes were drawn from Chapter 5 and included in the discussion alongside the literature review from Chapter 2 to facilitate a comparative analysis, highlighting the differences and similarities between the findings and the literature. One theme and two sub-themes were selected. The one theme selected identified similarities between the findings and the literature, and the two sub-themes selected identified differences between the findings and the literature. Three analysis groups were applied for in-case and cross-case analysis in Chapter 5, which revealed similarities and differences between them in the findings.

**Table 44**

Summary of the Findings for the Selected Themes and Sub-themes for RQ 4

| Theoretical construct | Theoretical themes & sub-themes | Key concepts from research analysis | | | Similarities and differences between groups |
| --- | --- | --- | --- | --- | --- |
| | | **Group 1** Mature | **Group 2** Hybrid | **Group 3** Developing | |
| **ALLIANCE GOVERNANCE MECHANISM (COOPERATION & COORDINATION) FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY)** | **Formal Relational Governance (codified)** - decision-making rules - meeting procedures | Decision-making rules (COOPERATION) | Decision-making rules (COOPERATION) Meeting procedures (COORDINATION) | Meeting procedures (COORDINATION) Decision-making rules (COOPERATION) | ● |
| | **Formal relational governance (codified)** - freedom | Freedom (FLEXIBILITY) | Freedom (FLEXIBILITY) | Freedom (EFFICIENCY) | ● |
| | **Informal Relational Governance (uncodified)** - scope spanning | Scope spanning (COORDINATION) | Scope spanning (COOPERATION) | Scope spanning (FLEXIBILITY) | ◐ |

| Key: Alignment between groups & themes/sub-themes | |
| --- | --- |
| ○ | Limited alignment/significant differences |
| ◐ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| Red text | Potential new theme/sub-theme based on a distinct or nuance of difference |

*Note.* Author's own

### 6.5.1. Discussion of Theme K – Formal relational governance

#### *6.5.1.1. Recap of the findings on formal relational governance*

The findings on formal relational governance revealed some in-group and cross-group similarities, where the alliance firms chose similar mechanisms. For example, decision-making rules emerged as a choice of governance mechanism across all three groups. However, only the hybrid and developing firms chose the meeting procedures governance mechanism, with the latter group placing great emphasis on it. Interestingly, the developing alliance firm's choice of formal relational governance indicated an emphasis on codified behaviours. The motivation behind the choice of governance mechanism was also consistent across the groups, with developing and hybrid alliance firms pursuing coordination and cooperation. In contrast, for mature alliance firms, it was cooperation. It was concluded that the formal relational mechanism is not applied for ambidextrous governance.

#### *6.5.1.2. Recap of the literature on formal relational governance*

Table 45 summarises the key literature reviewed on AGM for ambidextrous governance in Chapter 2. The key articles selected where similarities were identified were by Lin and Ho (2021), Keller et al. (2021) and Solinas et al. (2022). These scholars were selected based on having recently published articles in top-ranking academic journals.

**Table 45**

Summary of Literature from Chapter 2 on AGM for Ambidextrous Governance

| Authors | Lin and Ho (2021) | Keller et al. (2021) | Solinas et al. (2022) |
|---|---|---|---|
| Journal | Technovation | Organisation Science | Long Range Planning |
| Role of Alliance Governance Mechanisms | - Efficiency<br>- Flexibility | - Coordination<br>- Cooperation | - Cooperation |
| Alliance Governance Mechanisms | - Formal governance<br>- Relational governance | - Formal contractual<br>- Informal contractual<br>- Formal relational<br>- Informal relational | - Formal governance<br>- Informal governance & trust |

| Key | |
|---|---|
|  | Indicates the relevant points in the literature for the comparison |

*Note.* Author's own, adapted from Lin and Ho (2021), Keller et al. (2021), and Solinas et al. (2022).

As outlined in the literature summary in Table 45, both Keller et al. (2021) and Solinas et al. (2022) indicate the role of AGM in enabling alliance firms to address cooperation, with the former scholars adding coordination as well. Lin and Ho (2021) suggested that the AGM applied to achieve ambidextrous governance, highlighting the role of efficiency and flexibility. As discussed in Chapter 2, the AGMs proposed by the different scholars were consistent with each other and therefore

aligned to the single typology of AGM proposed by Keller et al. (2021), which was applied to this study. A recap of the relevant governance mechanism is presented below in Table 46.

**Table 46**

Recap of Formal Relational Governance: Typology of AGM

| Level of codification of alliance governance mechanisms' ruling principles | Means to enforce alliance governance mechanisms' ruling principles |
|---|---|
| | **Relational** |
| **Formal (codified)** | **Formal relational governance** <br> Conceptual definition: the set of codified patterns of behaviour to which parties are expected to conform: <br> - exchange of personnel <br> - decision-making rules <br> - meeting procedures |

*Note*: Author's own, adapted from Keller et al. (2021)

### 6.5.1.3. Analysis of the findings and literature

The findings from the research indicated that the three groups chose formal relational governance either for coordination or cooperation through the mechanisms of decision-making rules and meeting procedures. Interestingly, the developing alliance firms placed greater emphasis on meeting procedures, suggesting the importance of codified patterns and behaviours in relational engagements. These mechanisms were similar to those presented in the literature review and the AGM typology applied to the study (Keller et al., 2021). Interestingly, across the groups, the mechanism was not applied for ambidextrous governance.

### 6.5.1.4. Interpretation and conclusion on formal relational governance

The comparative analysis of the findings and the literature outlines similarities in applying formal relational governance mechanisms. Importantly, no differences were found between the various alliance firms regarding what informed their choice of the multiple mechanisms: cooperation and coordination. Concluding the analysis and interpretation of formal relational governance, there were consistencies between the key research findings and the literature reviewed. However, there was little evidence of the AGM being applied for ambidextrous governance.

## 6.5.2. Discussion of Theme K4 – freedom

### 6.5.2.1. Recap of the findings on freedom

The research findings revealed the potential new sub-theme of freedom under the alliance governance mechanism of formal relational governance. This sub-theme was present across all three alliance firm groups. While the potential new sub-theme did not align with any existing sub-themes of AGM, the mechanism choice was consistent with the theoretical construct for ambidextrous governance, as the alliance firms were understood to be applying the

mechanism for flexibility or efficiency. Therefore, while the alliance groups were similar in their choice of the mechanism, the objective and motivations for the choice differed. It also emerged from the findings that the freedom mechanism is applied to the benefit of both alliance firms (when in a two-firm alliance).

### 6.5.2.2. Further review of the literature on formal relational governance

The key literature reviewed on formal relational governance is the same as the previous theme discussed, captured in Table 45 and Table 46. The theoretical construct, themes and sub-themes did not capture the new potential sub-theme identified. Therefore, the three-step process introduced earlier in the Chapter was applied to check the research outcomes.

### Step 1: Targeted search of the relevant key articles from Chapter 2

A targeted keyword search was conducted on the three key articles by Lin and Ho (2021), Keller et al. (2021) and Solinas et al. (2022). The keyword 'freedom' and related synonyms were used to search through the articles. From the article by Lin and Ho (2021), the terms 'freedom', 'fluid' and 'trapped' were searched based on the evidence that informed the potential new sub-theme in the findings in Chapter 5. No matches were found. The result was the same for the article by Solinas et al. (2022). The same process was followed using the same keywords for the article by Keller et al. (2021). Two matches for the keyword were found in the article. The two matches have been quoted below.

*"Beta aimed to preserve its entrepreneurial **freedom** and sought to control the development process, whereas Pharma-Co's Business Development Group feared that a heavy-handed involvement by Pharma-Co - a big and rather bureaucratic, procedure-driven multinational might stifle Beta's speed and innovativeness"*
(Keller et al., 2021, p.1553).

*"The formal contract mainly focused on legally enforceable clauses related to, in particular, safeguarding the parties' interests, intellectual property, patent and control rights, and spillover (such as a pledge of secrecy and limitations on the **freedom** to work with others)"*
(Keller et al., 2021, p.1554).

The literature highlights the concept of freedom in two ways. Firstly, it highlights that Beta (a smaller alliance partner) sought to preserve its entrepreneurial freedom in an alliance with Pharma-Co (a bigger alliance partner). Freedom also emerges in the context of having the ability to work with others, which has been linked to formal contracts.

### 6.5.2.3. Analysis of findings and literature

The keyword search revealed a match for the concept of freedom. The literature suggests that freedom is an essential consideration in the governance of an alliance, despite the idea not being highlighted explicitly as a governance mechanism. Similarities were identified between

the findings and the literature in pursuing ambidextrous governance in flexibility and efficiency through freedom. For example, the literature discusses entrepreneurial freedom and the freedom to work with others. This was captured as flexibility in the findings. The key difference between the findings and the literature is that while in the findings, freedom is linked to the theme of formal relational governance, the literature highlights it in the context of formal contracts.

### 6.5.2.4. Interpretation and conclusion on formal relational governance

The comparative analysis of the research findings from Chapter 5 and literature from Chapter 2 on the potential new sub-theme of freedom under the formal relational mechanism theme revealed differences. A keyword search of the key articles used in Chapter 2 was conducted to check the findings. Across the three articles reviewed, the keyword freedom returned two matches from the Keller et al. (2021) article. While the literature recognised the importance of freedom, it did not identify freedom as a governance mechanism, which was considered a nuance of difference from the findings. Furthermore, the findings highlighted freedom as a sub-theme of formal relational governance, while the literature linked it to a formal contractual context. Finally, freedom is a mechanism that benefits both firms involved in an alliance (dyad). This was not identified in the additional literature reviewed.

Therefore, based on the literature review, the finding that freedom is applied as a governance mechanism holds as a potential new sub-theme. Concluding the analysis and interpretation, the potential new sub-theme of freedom as a governance mechanism remained a nuance of difference between the findings and the literature due to its importance, as indicated in the findings and argued for by Keller et al. (2021).

### 6.5.3. Discussion of Sub-theme L3 – Scope-spanning

### 6.5.3.1. Recap of the findings on scope spanning

The findings revealed a potential new sub-theme of scope-spanning under the theme of informal relational governance under the broader AGM for ambidextrous governance theoretical construct. The sub-theme emerged across all three analysis groups, albeit influenced by varying factors. The findings revealed the pursuit of flexibility through scope-spanning for developing alliance firms, which suggested the pursuit of ambidextrous governance. The findings highlighted the pursuit of coordination and cooperation for mature and developing alliance firms. Notwithstanding, the partial alignment between groups on the choice of the overarching sub-theme indicated its importance in the findings. Furthermore, the findings revealed that developing alliance firm groups highlighted the potential of scope spanning to provide differentiation from competitors.

From the quotes, Keller et al. (2021) highlight that uncertainty regarding scope limits the ability to use formal contractual governance. Linked to spanning, the scholars cite the importance of preserving informal alliance governance through managers responsible for boundary spanners and go on to highlight that these individuals are a source of trust when there is a long history of interaction. Therefore, boundary spanners enable the acting or boundary spanning between alliance firms.

### 6.5.3.3. Analysis of findings and literature

The findings highlighted scope spanning as a potential new-sub theme under the informal relational governance theme. This was similar to the literature reviewed by Keller et al. (2021), which highlighted that boundary-spanning was related to the informal side of governance. Although the findings indicated the motives of coordination and cooperation at a high level, these were considered similar to the detailed accounts provided by Keller et al. (2021), which mention examples such as handover sessions and interorganisational interactions. However, the application of scope-spanning in the context of ambidextrous governance, such as in the findings of the developing alliance group, did not emerge from the literature review. Additionally, the literature did not reveal the choice of scope spanning in the context of creating differentiation versus competitors, as identified in the findings.

### 6.5.3.4. Interpretation and conclusion on scope-spanning

The comparative analysis of the research and literature on the potential new sub-theme of scope-spanning under the informal relational mechanism theme revealed some similarities and differences. A keyword search of the key article by Keller et al. (2021) identified thirteen matches. The analysis of the findings and the identified literature in the keyword search revealed similarities related to the sub-theme being linked to informal relational governance. The term scope spanning was also considered similar to the term boundary spanning, identified in the literature. The differences identified in the analysis were that in the findings, the developing alliance firm group applied scope spanning for ambidextrous governance and differentiation, which did not emerge in the literature.

Notwithstanding, the underlying concept of scope spanning is considered to be the same as boundary spanning. Therefore, the label of the literature is applied to the sub-theme. Furthermore, the sub-theme of boundary spanning is retained as an AGM but is not claimed as a potential new theme in the study as it is present in extant literature.

### 6.5.4. Research Question 4 Discussion: Conclusion

The research question aimed to understand how alliance firms choose governance mechanisms in dynamic environments. The research findings identified formal relational governance as a similar choice across all analysis groups. The comparative analysis of the findings and literature also revealed similarities in the use of the governance mechanism for coordination and cooperation in strategic alliances, with the mature and hybrid alliance firm groups indicating a preference for cooperation mechanisms. In contrast, the developing alliance firm group pursues coordination.

The research findings also revealed the potential new sub-theme of freedom. Comparing the findings and the literature reviewed in Chapter 2 revealed no similarities. Therefore, further literature review was conducted to check the research outcomes using the 3-step process. Keywords from the findings were used and applied to a targeted search, which revealed matches in step 1. However, the comparative analysis between the findings and the additional literature revealed differences. The findings highlighted freedom as a sub-theme of formal relational governance, while the literature outlined it under formal contractual governance. Secondly, the findings highlight freedom as a mechanism that benefits both alliance members, this view was not found in the literature. Therefore, freedom was identified as a nuance of difference between the findings and the literature and retained as a potential new sub-theme.

Another potential new sub-theme emerged from the findings, which was scope-spanning. Comparing the findings and the literature reviewed in Chapter 2 revealed no similarities. Therefore, further literature review was conducted to check the research outcomes using the 3-step process. Keywords from the findings were used and applied to a targeted search, which revealed matches in step 1. Several matches were found in the literature using the keywords 'scope' and 'spanning'. A comparative analysis of the findings and the literature revealed similarities in concepts. While the findings applied the label 'scope-spanning', this was similar to the label applied in the literature of boundary spanning. Therefore, based on the similarities, the perceived nuance of difference did not hold. The sub-theme was retained as an important governance mechanism choice but renamed to boundary spanning to fit with the literature

Three alliance governance choices emerged, formal relational management, freedom as a potential new sub-theme (under the formal relational management theme) and the boundary-spanning sub-theme (under the informal relational management theme).

**6.6. Chapter Conclusion: Discussion of the Research Findings and the Literature**

Chapter 6 discussed the findings from Chapter 5 and the literature review from Chapter 2. Ten key themes and sub-themes emerged from the findings, which were selected based on their offering new insight into the research questions. The themes and sub-themes considered not to provide new insight or where no matches were found in the research data were briefly highlighted but not discussed in detail. Where the findings did not map back to any existing themes, further literature reviews were conducted to check the outcomes of Chapter 5, using the 3-step process. This allowed for a comparative analysis between the research findings and the literature review. Table 48 below summarises the research outcomes from the discussion of the findings and the literature analysis across the ten themes. Two sets of outcomes emerged from the analysis.

The first set of outcomes was themes and sub-themes identified as similar to the literature under questions 1, 3 and 4.

**Research question 1 similarities**
- Value capture (Borah et al., 2021; Chesbrough et al., 2018; Elmuti & Kathawala, 2001; Lahiri et al., 2021; Priem et al., 2018)
- Value creation (Borah et al., 2021; Chesbrough et al., 2018; Elmuti & Kathawala, 2001; Lahiri et al., 2021)
- Competitive advantage (Borah et al., 2021; Elmuti & Kathawala, 2001; Lahiri et al., 2021; Mahadi et al., 2019)
- Diversification
    - o The theme of diversification was identified as a potential new theme under strategic alliance outcomes but was found to be similar to the literature as identified by Borah et al. (2021) and Lahiri et al. (2021)

**Research Question 3 similarities**

Formal management (Dhaundiyal & Coughlan, 2022; Kohtamäki et al., 2018; Nietsen & Jolik; 2015)

**Research Question 4 similarities**
- Formal relational governance (Lin and Ho, 2021; Keller et al., 2021; Solinas et al., 2022).
- Scope-spanning
    - o The theme scope-spanning was identified as a potential new theme under alliance governance mechanisms but was found to be similar in further literature review as outlined by Keller et al. (2021). The sub-theme was relabeled to boundary-spanning to be consistent with the literature.

The second set of outcomes was sub-themes which were identified as having nuances of difference between the findings and the literature under questions 2 and 4

**Research Question 2 nuances of difference**

- Fragmentation
    - o Emerged as a potential new sub-theme. No matches were found in the keyword search using the 3-step process to identify further literature, and therefore, it was retained as a nuance of difference
- Regulation
    - o Emerged as a potential new sub-theme. No matches were found in the keyword search using the 3-step process to identify further literature, and therefore, regulation was retained as a nuance of difference

**Research Question 4 nuances of difference**

- Freedom
    - o Emerged as a potential new sub-theme. The application of the 3-step process yielded two matches for the keyword 'freedom' from Keller et al. (2021). However, the comparative analysis of the findings and the literature revealed differences in the overarching theme. This was considered a nuance of difference, and freedom was retained as a potential new sub-theme.

Table 48 below was used to inform the conceptual framework in the next Chapter. Table 49 summarises the outcomes applied to the analysis groups, also presented in the next Chapter. The next Chapter, Chapter 7, presents conclusions and recommendations

**Table 48**

Summary of Research Outcomes

| Construct | Themes & Sub-themes | Research Question |
|---|---|---|
| **1. STRATEGIC ALLIANCE OUTCOMES** | **A) Value Capture**<br>**B) Value Creation**<br>**C) Competitive Advantage**<br>**D) Diversification** | **RQ 1**<br>What are the expected outcomes of strategic alliances in dynamic environments? |
| **2. DYNAMIC ENVIRONMENTS AS DISRUPTION** | **D) External Events**<br>    D1) fragmentation<br>**E) Alliance Firm-specific Events**<br>    E1) regulation<br>**F) Alliance-specific Events** | **RQ2**<br>What disruptions affect firms involved in strategic alliances in dynamic environments? |
| **3. ALLIANCE MANAGEMENT CAPABILITY (COOPERATION & COORDINATION)** | **G) Formal Management**<br>    G1) organisational structures<br>    G2) routines<br>    G3) tools<br>    G4) activities<br><br>**H) Informal Management**<br>    H1) organisational structures<br>    H2) routines<br>    H3) tools<br>    H4) activities | **RQ3**<br>How are strategic alliances managed in dynamic environments? |
| **4. ALLIANCE GOVERNANCE MECHANISM (COOPERATION & COORDINATION) FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY)** | **I) Formal Contractual** (codified)<br>    I1) termination<br>    I2) monitoring<br>    I3) auditing<br>    I4) lawsuit provisions<br>**J) informal contractual** (un-codified)<br>    J1) confidentiality arrangements<br>    J2) task division<br>    J3) decision making<br>**K) Formal Relational** (codified)<br>    K1) exchange of personnel<br>    K2) decision-making rules<br>    K3) meeting procedures<br>    K4) freedom<br>**L) Informal Relational** (un-codified)<br>    L1) trust<br>    L2) positive interpersonal relationships<br>    L3) scope spanning | **RQ4**<br>How do alliance firms choose alliance governance mechanisms to manage strategic alliances in dynamic environments? |

| Key: Selected themes and sub-themes | |
|---|---|
| [box] | Themes/sub-themes which provided insight discussed in findings |
| **Red text** | New theme/sub-theme based on a distinct or nuance of difference |
| _____ | Themes/sub-themes where there was no evidence from the research data |

*Note.* Author's own

**Table 49**

Summary of Research Outcomes by Analysis Group

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
|---|---|---|---|---|---|
| | | **Group 1**<br>Mature | **Group 2**<br>Hybrid | **Group 3**<br>Developing | |
| **STRATEGIC ALLIANCES OUTCOMES** | **Value Capture** | **Value capture** | **Value capture** | **Value capture** | ● |
| | **Value Creation** | **Value creation** | *No evidence* | **Value creation** | ◖ |
| | **Competitive Advantage** | **Competitive advantage** | **Competitive advantage** | **Competitive advantage** | ● |
| | **Diversification** | **Diversification** | **Diversification** | **Diversification** | ● |
| **DYNAMIC ENVIRONMENTS AS DISRUPTION** | **External Events**<br>- fragmentation | fragmentation | *No evidence* | fragmentation | ◖ |
| | **Alliance Firm-Specific Events**<br>- regulation | regulation (passive) | regulation (passive) | regulation (proactive) | ● |
| **ALLIANCE MANAGEMENT CAPABILITY (COORDINATION & COOPERATION)** | **Formal Governance**<br>- organisational structures | **Formal Governance** organisational structures | **Formal Governance** organisational structures | **Formal Governance** organisational structures | ● |
| **ALLIANCE GOVERNANCE MECHANISM (COOPERATION & COORDINATION) FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY)** | **Formal Relational Governance (codified)**<br>- decision making rules<br>- meeting procedures | decision-making rules (COOPERATION) | decision-making rules (COOPERATION)<br><br>meeting procedures (COORDINATION) | meeting procedures (COORDINATION)<br><br>decision-making rules (COOPERATION) | ● |
| | **Formal Relational Governance (codified)**<br>- freedom | freedom (FLEXIBILITY) | freedom (FLEXIBILITY) | freedom (EFFICIENCY) | ● |
| | **Informal Relational governance (uncodified)**<br>- boundary spanning | boundary spanning (COORDINATION) | boundary spanning (COOPERATION) | boundary spanning (FLEXIBILITY) | ◖ |

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**Key: Alignment between groups on themes/sub-themes**

○  Limited alignment/significant differences

◖  Partial alignment/some differences

●  High degree of alignment/little to no differences

**Red text**  Potential new sub-theme based on a nuance of difference

*Note*. Author's own

**CHAPTER 7: CONCLUSION AND RECOMMENDATION**

**7.1. Introduction**

This Chapter outlines the research outcomes derived from the analysis of findings and the literature conducted in Chapter 6. The aim of this study was to answer four research questions linked to the management of strategic alliances in dynamic environments and to develop a conceptual framework to the same effect, addressing the calls by scholars for a more current understanding of strategic alliances and how they are managed (He et al., 2020; Keller et al., 2021; Lin and Ho, 2021). Importantly, the research setting was the financial services industry, divided into three groups of mature, hybrid and developing firms.

**7.2. Principal Theoretical Conclusions**

This section presents the conclusions of the four research questions. The section culminates with the final conceptual framework. The framework may guide financial services organisations in managing their strategic alliances. To this effect, conclusions on the outcomes of the analyses across the analysis groups are also included in this section.

### 7.2.1. Conclusion on Research Question 1: Strategic Alliance Outcomes
What are the expected outcomes of strategic alliances in dynamic environments?

Research question 1 aimed to understand how strategic alliances are currently approached in terms of expected outcomes. The question sought to specifically understand the outcomes in a dynamic environment for financial services firms involved in strategic alliances. The research outcomes were linked to the theoretical construct on strategic alliances in dynamic environments, which included four themes as expected outcomes.

#### 7.2.1.1. Value capture as an expected outcome in strategic alliances
The research outcomes were similar to the literature identifying value capture as an expected outcome. First, the definition of strategic alliances provided by Borah et al. (2021), Elmuti & Kathawala (2001), Kohtamäki et al. (2018) and Lahiri et al. (2021) included the outcome of value capture. The examples identified in the study of how value capture is pursued, such as accessing large pools of customers and forming long-term relationships for sustainable value, were consistent with the definition of value capture by Chesbrough et al. (2018) and (Priem et al. (2018) who highlighted that it is the process of securing value that is created in an alliance. Therefore, the research outcome that competitive advantage is an expected outcome from strategic alliances is a potential addition to existing knowledge.

### 7.2.1.2. Value creation as an expected outcome in strategic alliances

The research outcomes were similar to the literature identifying value creation as an expected outcome. First, the definition of strategic alliances provided by Borah et al. (2021), Elmuti & Kathawala (2001), Kohtamäki et al. (2018) and Lahiri et al. (2021) included the outcome of value creation. The examples identified in the study of how value creation is pursued through innovation and access to capabilities, where the alliance firm does not have or does not want to invest in a particular capability, were consistent with the definition of value creation by Chesbrough et al. (2018) who highlighted that it is the process where a firm provides access or gains access to resources, and the benefits of the access outweigh the sacrifices. Importantly, capabilities in the outcomes have been understood as resources in the literature. Therefore, the research outcome that value creation is an expected outcome from strategic alliances is a potential addition to existing knowledge.

### 7.2.1.3. Competitive advantage as an expected outcome in strategic alliances

The research outcomes were similar to the literature identifying competitive advantage as an expected outcome. First, the definition of strategic alliances provided by Borah et al. (2021), Elmuti & Kathawala (2001), Kohtamäki et al. (2018) and Lahiri et al. (2021) included the outcome of competitive advantage. The examples identified various sources of competitive advantage, ranging from unexpected partnerships, partnering with competitors or finding partners that would make it difficult for competitors to copy. While the research outcomes pointed to sources of competitive advantage, the underlying benefit of having an improved position relative to competitors which emerged, was similar to the definition provided by Mahdi et al. (2019), who highlighted that competitive advantage is a firm's ability to generate higher economic returns versus competitors. Therefore, the research outcome that competitive advantage is an expected outcome from strategic alliances is a potential addition to existing knowledge.

### 7.2.1.4. Diversification as an expected outcome in strategic alliances

The research outcomes were similar to the literature identifying diversification as an expected outcome. The study found that diversification can take place in multiple directions, with firms in an industry entering new industries or firms in financial services entering new industries. The study highlighted the dual effect of diversification as an expected outcome, either creating new opportunities or as a threat, such as an example provided of a telecommunications company entering financial services. While this was initially identified as a potential new theme, similarities were found in the literature search in Chapter 6 from Borah et al. (2021) and Lahiri et al. (2021), resulting in diversification being relabeled as a theme and retained as an outcome. Therefore, the research outcome that competitive advantage is an expected outcome from strategic alliances is a potential addition to existing knowledge.

In conclusion, the research outcomes revealed similarities to the literature. Based on the research outcomes, the expected outcomes from strategic alliances in dynamic environments were value capture, value creation, competitive advantage and diversification.

**7.2.2. Conclusion on Research Question 2: Dynamic Environment as Disruption**
What are the expected outcomes of strategic alliances in dynamic environments?

Research question 2 aimed to understand what disruptions affect firms involved in strategic alliances. The research outcomes were linked to the theoretical construct on dynamic environments as disruption, which included three themes as disruption triggers: external events, firm-specific events and alliance-specific events. Two potential sub-themes emerged from the outcomes, linked to the first two themes.

*7.2.2.1. Fragmentation as a disruption in dynamic environments*
The research outcomes revealed that fragmentation, as a sub-theme, was viewed as a trigger of disruption under the theme on external events. While the literature does recognise the overarching theme (Lin and Ho, 2021), the outcomes from the study identified a specific trigger under the theme. The outcomes revealed that fragmentation manifests both as an opportunity source and a threat, where the former increases the number of possible partnerships while the latter increases competition. Specific to financial services, the increase of fintech firms was found to be a threat. Due to there being no literature found on fragmentation as disruption by the outcomes of this study, the sub-theme is retained as a nuance of difference. Therefore, the research outcome of fragmentation as a potential new theme, is a potential refinement of existing knowledge.

*7.2.2.2. Regulation as a disruption in dynamic environments*
The research outcomes revealed that regulation, as a sub-theme, was viewed as a trigger of disruption under the theme on firm-specific events. While the literature does recognise the overarching theme (Lin and Ho, 2021), the outcomes from the study identified a specific trigger under the theme. The outcomes revealed that while regulation is enacted outside of the firm, how firms respond make it firm specific. Two responses were highlighted in the outcomes, proactive and passive. Due to there being no literature found on regulation as disruption by the outcomes of this study, the sub-theme is retained as a nuance of difference. Therefore, the research outcome of regulation as a potential new theme, is a potential refinement of existing knowledge.

In conclusion, the research outcomes revealed nuances of differences to the literature. The disruptions identified that affect firms involved in strategic alliances are, based on the research outcomes, fragmentation, and regulation.

### 7.2.3. Conclusion on Research Question 3: Alliance Management Capability
What are the expected outcomes of strategic alliances in dynamic environments?

Research question 3 aimed to understand how financial services alliance firms manage strategic alliances in dynamic environments. The research outcomes were linked to the theoretical construct on alliance management capability. Although the theoretical construct included 2 themes: mechanisms, formal management, and informal management, each with four sub-themes as micro-processes, organisational structures, routines, tools and activities, the study only focused on the formal management theme. The remaining themes were, however, included in the conceptual framework.

#### 7.2.3.1. Formal management mechanism as alliance management capability
The research outcomes were similar to the literature identifying formal management as a management mechanism. The study revealed the use of the mechanism through various organisational structures in pursuit of either coordination or cooperation within an alliance. This was consistent with literature by Dhaundiyal & Coughlan (2022), Lahiri et al. (2021) and Kohtamäki et al. (2018) who highlighted the use of the mechanisms and micro-process build alliance management capability. Importantly, the various alliance firm groups emphasised the importance of formal management, citing the nature of the financial services industry as a factor. Therefore, the research outcome that formal management is a mechanism used to manage strategic alliances is a potential addition to existing knowledge.
In conclusion, the research outcomes revealed similarities to the literature. Based on the research outcomes, the approach for managing strategic alliances in dynamic environments was formal management, highlighting the role of organisational structures.

### 7.2.4. Conclusion on Research Question 4: Alliance Governance Mechanisms
How do alliance firms choose governance mechanisms to manage strategic alliances in dynamic environments?

Research question 4 aimed to explore and understand how governance is used to manage strategic alliances in the financial services industry. Furthermore, an ambidextrous governance lens was applied to the question (Keller et al. 2021). The research outcomes were linked to the theoretical construct on alliance governance mechanisms. The theoretical construct included four themes and sub-themes as mechanisms. Formal contractual governance includes four sub-themes: termination, monitoring, auditing, and lawsuit provisions; informal

contractual governance includes three sub-themes: confidentiality arrangements, task division and decision-making; formal relational includes three themes: exchange of personnel, decision-making rules and meeting procedures; and informal relational includes two themes: trust and positive interpersonal relationships. However, the study only focused on the formal relational theme and two sub-themes from the outcome. However, the remaining themes and sub-themes were included in the conceptual framework.

### 7.2.4.1. Formal relational governance mechanism

The research outcomes were similar to the literature identifying formal relational governance as a mechanism. The study revealed the use of the mechanism for coordination and cooperation purposes, which was consistent with the literature by Keller et al. (2021) and Lin and Ho (2021), who highlight that governance mechanisms are used to achieve different objectives in an alliance. Notably, the outcomes did not identify the use of formal relational governance for ambidextrous governance. Therefore, the research outcome that formal relational governance is a mechanism used to manage strategic alliances is a potential addition to existing knowledge.

### 7.2.4.2. Freedom as an alliance governance mechanism

The research outcomes revealed that freedom, as a sub-theme, was viewed as a governance mechanism under formal relational governance. While the literature does recognise the overarching theme and Keller et al. (2021) make mention of freedom, it is done so implicitly, in a one-sided manner and captured under the theme of formal contractual mechanism. This was different from how freedom was applied in the outcomes, which was for the mutual benefit of alliance partners under formal relational governance. As such, the theme was added as a nuance of difference. There were however similarities found between the outcomes and the literature, to the extent that firms chose freedom for ambidextrous governance, as Lin and Ho (2021) point out that it is motivated by flexibility and efficiency. Therefore, the research outcome that freedom is a governance mechanism used to manage strategic alliances is a potential refinement of existing knowledge.

### 7.2.4.3. Boundary-spanning as a governance mechanism

The research outcomes were similar to the literature identifying boundary-spanning as an alliance mechanism. The study found that boundary-spanning under the informal relational governance theme revealed its nature as uncodified behaviours and patterns, consistent with the literature by Keller et al. (2021), who used examples of like handover sessions and the length of relationships to explain the sub-theme. While this sub-theme was initially identified as a potential new theme, there were similarities in the literature resulting in boundary-spanning being retained as an alliance governance mechanism. One analysis group

demonstrated the use of boundary-spanning for ambidextrous governance Therefore, the research outcome that boundary-spanning is an alliance governance mechanism is a potential addition to existing knowledge, particularly because it was not made explicit before.

In conclusion, the research outcomes revealed similarities to the literature for one theme and one sub-theme and revealed a nuance of difference for one sub-theme. Therefore, the alliance governance mechanisms chosen in dynamic environments, based on the research outcomes, were formal relational governance, freedom and boundary-spanning. The outcomes also indicated the use of freedom and boundary spanning for ambidextrous governance.

### 7.2.5. Principal Theoretical Conclusions: Conceptual Framework

The principal conclusions from the study were captured in a conceptual framework for managing strategic alliances in dynamic environments, illustrated in Figure 6

**Figure 6**

Theoretical Framework: Managing Strategic Alliances in Dynamic Environments
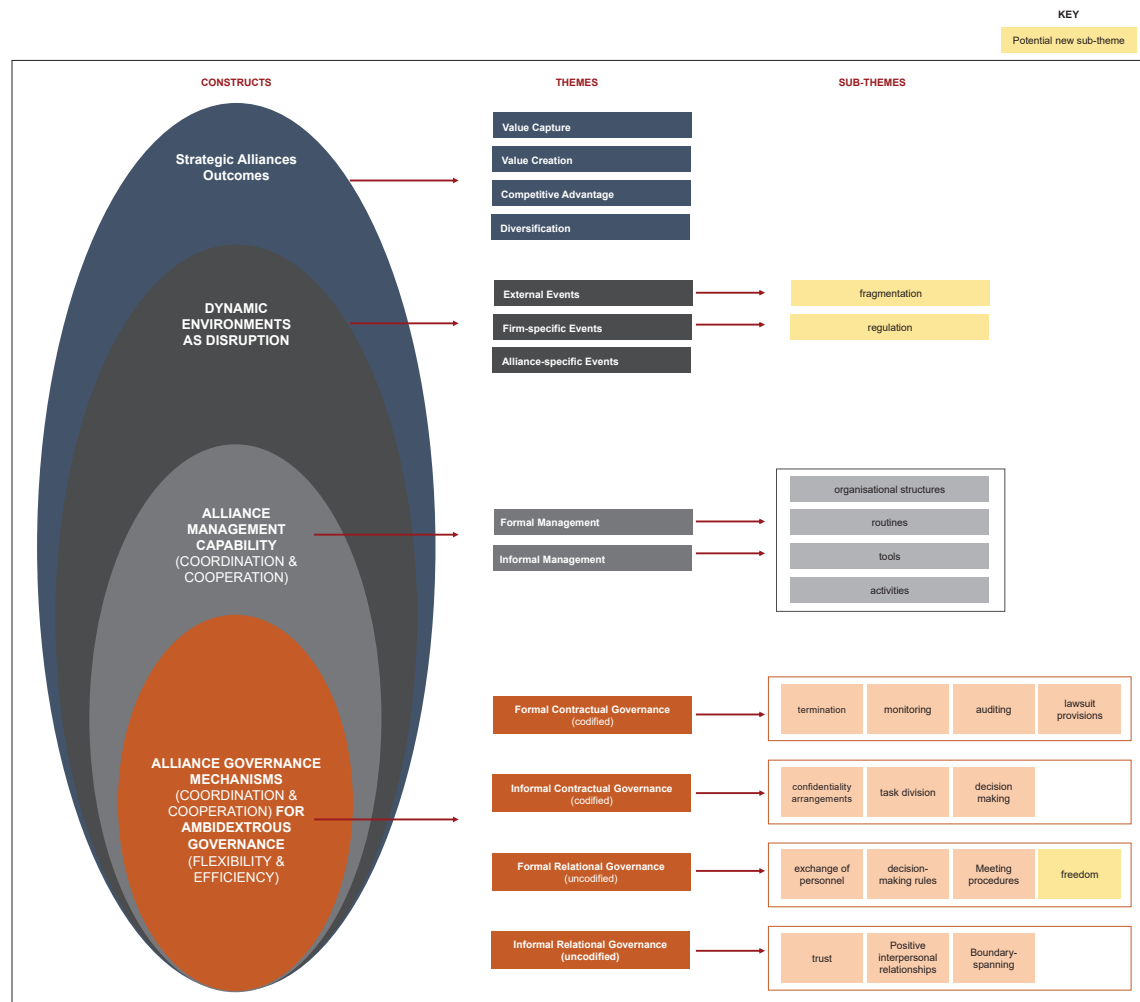


*Note.* Author's own

### 7.2.6. Conclusions for Alliance Analysis Groups

The participants were all at senior leadership positions in strategic alliances in their firms, which varied in size and time in the market, all operating in the financial services sector. The firms that the participants represented spanned banking, short-term and long-term insurance, payments, investments, money transfer and trading. Three groupings emerged based on the profile of the firms involved in strategic alliances and how long they have been in the market, differentiating between approximately > 15 years for mature firms, approximately <15 years for developing firms and hybrid firms were those that have been in the market for approximately >15 years but had specific divisions that were established in the financial services in approximately <15 years. A summary of the groups is outlined in Table 50. The outcomes presented in the theoretical framework were applied to the groups and the conclusions are detailed below by research question.

**Table 50**

Recap of Alliance Analysis Groups

| GROUP | Group 1<br>Mature | Group 2<br>Hybrid | Group 3<br>Developing |
|---|---|---|---|
| Description | Firms that have been in the market for approximately >15 years, who are involved in strategic alliances | Firms that have been in the market for approximately>15 years with specific divisions established in involved in financial services for approximately <15 years, who are involved in strategic alliances | Firms that have been in the market for >15 years, who are involved in strategic alliances |
| Number of firms in study | 6 | 5 | 4 |

*Note*. Author's own

### 7.2.6.1. Analysis group conclusion for research question 1

**What are the expected outcomes of strategic alliances in dynamic environments?**

There were mostly similarities identified across the alliance groups on the expected outcomes of strategic alliances, except the hybrid group analysis group. Interestingly, value capture was strongly associated with access to a large customer base for the mature and hybrid groups. In conclusion, the research outcomes mostly revealed similarities between the analysis groups. Therefore, based on this study, the expected outcomes from strategic alliances by financial services firms are mostly similar. Table 51 presents a recap of the findings.

**Table 51**

Recap of Question 1 Research Outcomes by Analysis Group

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
|---|---|---|---|---|---|
| | | **Group 1** Mature | **Group 2** Hybrid | **Group 3** Developing | |
| STRATEGIC ALLIANCES OUTCOMES | Value Capture | Value capture | Value capture | Value capture | ● |
| | Value Creation | Value creation | *No evidence* | Value creation | ◐ |
| | Competitive Advantage | Competitive advantage | Competitive advantage | Competitive advantage | ● |
| | Diversification | Diversification | Diversification | Diversification | ● |

| Key: Alignment between groups on themes/sub-themes | |
|---|---|
| ○ | Limited alignment/significant differences |
| ◐ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| **Red text** | Potential new sub-theme based on a nuance of difference |

*Note.* Author's own

### 7.2.6.2. Analysis group conclusions for research question 2

**What disruptions affect firms involved in strategic alliances in dynamic environments?**

There were mostly similarities identified across the alliance groups on disruption triggers in dynamic environments, except the hybrid group analysis group. Interestingly, fragmentation emerged as an opportunity and a threat for the mature and developing groups. Further insight emerged under the theme of regulation, where mature and hybrid groups appeared to adopt a passive response, while the developing group adopted a proactive approach. In conclusion, the research outcomes mostly revealed similarities between the analysis groups, however, their approaches to the disruptions varied. Therefore, based on this study, the disruptions that affect financial services firms are mostly similar, however, their responses differ. Figure 6 presents a recap of the findings.

**Table 52**

Recap of Question 2 Research Outcomes by Analysis Group

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
| --- | --- | --- | --- | --- | --- |
| | | **Group 1**<br>Mature | **Group 2**<br>Hybrid | **Group 3**<br>Developing | |
| **DYNAMIC ENVIRONMENTS AS DISRUPTION** | **External Events**<br>- fragmentation | fragmentation | *No evidence* | fragmentation | ◑ |
| | **Alliance Firm-Specific Events**<br>- regulation | regulation (passive) | regulation (passive) | regulation (proactive) | ● |

| Key: Alignment between groups on themes/sub-themes | |
| --- | --- |
| ○ | Limited alignment/significant differences |
| ◑ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| **Red text** | Potential new sub-theme based on a nuance of difference |

*Note.* Author's own

### 7.2.6.3. Analysis group conclusions for research question 3

**How are strategic alliances managed in dynamic environments?**

Similarities were identified across the alliance groups on managing alliance in dynamic environments. Interestingly, the fact that the firms operate in the financial services industry was consistently cited as the reason for the emphasis on the management mechanism. In conclusion, the research outcomes revealed similarities between the analysis groups. Therefore, based on this study, the outcomes indicated that strategic alliances are managed through formal management mechanisms in financial services. Table 53 presents a recap of the findings.

**Table 53**

Recap of Question 3 Research Outcomes by Analysis Group

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
| --- | --- | --- | --- | --- | --- |
| | | **Group 1**<br>Mature | **Group 2**<br>Hybrid | **Group 3**<br>Developing | |
| **ALLIANCE MANAGEMENT CAPABILITY** (COORDINATION & COOPERATION) | **Formal Governance**<br>- organisational structures | **Formal Governance**<br>organisational structures | **Formal Governance**<br>organisational structures | **Formal Governance**<br>organisational structures | ● |

| Key: Alignment between groups on themes/sub-themes | |
| --- | --- |
| ○ | Limited alignment/significant differences |
| ◑ | Partial alignment/some differences |
| ● | High degree of alignment/little to no differences |
| **Red text** | Potential new sub-theme based on a nuance of difference |

*Note.* Author's own

*7.2.6.4. Analysis group conclusions for research question 4*

**How do alliance firms choose governance mechanisms to manage strategic alliances in dynamic environments?**

There were mostly similarities identified across the alliance groups on alliance governance mechanism for ambidextrous governance, as the research outcomes indicated consistency in the choice of the mechanism across all groups. However, the underlying motivation for the choice of the mechanisms differed. For example, the formal relational governance mechanism was motivated by cooperation for the mature group, which emphasized decision-making rules. The developing firm appeared to be motivated by coordination and emphasized meeting procedures. The hybrid group was a combination of the two. Freedom as a governance mechanism was applied by all three groups in pursuit of ambidextrous governance, motivated by either flexibility or efficiency.

However, the developing firm was the only firm to apply boundary-spanning as a governance mechanism for ambidextrous governance. In conclusion, the research outcomes mostly revealed similarities between the analysis groups, albeit with varying motivations. Therefore, based on this study, the alliance governance mechanisms used by financial services firms are mostly similar. However, the underlying motivations for their choices differed. Furthermore, the developing alliance group seemed to apply alliance governance mechanisms for ambidextrous governance more often. Table 54 presents a recap of the findings.

**Table 54**

Recap of Question 4 Research Outcomes by Analysis Group

| Theoretical Construct | Theoretical Themes | Key concepts from research analysis | | | Similarities and differences between groups |
|---|---|---|---|---|---|
| | | Group 1 Mature | Group 2 Hybrid | Group 3 Developing | |
| ALLIANCE GOVERNANCE MECHANISM (COOPERATION & COORDINATION) FOR AMBIDEXTROUS GOVERNANCE (EFFICIENCY & FLEXIBILITY) | Formal Relational Governance (codified) - decision making rules - meeting procedures | decision-making rules (COOPERATION) | decision-making rules (COOPERATION) meeting procedures (COORDINATION) | meeting procedures (COORDINATION) decision-making rules (COOPERATION) | ● |
| | Formal Relational Governance (codified) - freedom | freedom (FLEXIBILITY) | freedom (FLEXIBILITY) | freedom (EFFICIENCY) | ● |
| | Informal Relational governance (uncodified) - boundary spanning | boundary spanning (COORDINATION) | boundary spanning (COOPERATION) | boundary spanning (FLEXIBILITY) | ◑ |

Key: Alignment between groups on themes/sub-themes
- ○ Limited alignment/significant differences
- ◑ Partial alignment/some differences
- ● High degree of alignment/little to no differences
- **Red text** Potential new sub-theme based on a nuance of difference

*Note.* Author's own

**7.2. Research Contribution**

This study aimed to address the calls by various scholars to extend the understanding of strategic alliances and how they are managed in dynamic environments (He et al, 2020; Keller et al., 2021; Kohtamäki et al., 2018; Lin and Ho, 2021). The contributions claimed are based on the outcomes from the analysis of the findings and extant literature reviewed in this study. Therefore, contributions have been outlined based on the potential to add to existing knowledge (similarities) or to refine existing knowledge.

**7.2.1. Potential addition to existing knowledge (similarities)**

- The similarities found between the research outcomes and the literature on diversification represent a potential addition to extant literature discussed in the section, by explicitly highlighting the expectation

- The similarities found between the research outcomes and the literature on boundary-spanning represent a potential addition to extant literature discussed in the section, by explicitly highlighting the governance mechanism

**7.2.2. Potential refinement of existing knowledge (nuances of difference)**

- The nuance of difference found between the research outcomes and the literature on fragmentation represents a potential refinement to extant literature discussed in the section, by identifying the disruption trigger

- The nuance of difference found between the research outcomes and the literature on regulation represents a potential refinement to extant literature discussed in the section, by identifying the disruption trigger

- The nuance of difference found between the research outcomes and the literature on freedom represents a potential refinement to extant literature discussed in the section, by identifying the governance mechanism

**7.3. Recommendations for Management and Other Stakeholders**

The conceptual framework presented earlier provides managers and executives with a framework to approach the management of strategic alliances, specifically in the financial services industry, but may also be useful for other managers in similar dynamic environments. The framework should empower managers during the post-formation stage of alliances in several ways

- The excepted outcomes provide clarity on what strategic alliances should be delivering and therefore managers can look to optimise or explore either of the four expected outcomes

- Secondly, the framework enables managers to identify various disruption triggers and where they emanate to address them decisively. The insight from the research outcomes on proactive and passive approaches to regulation, or the threat versus

opportunity perspective from the fragmentation trigger, provides further guidance for managers looking to navigate various disruptions

Focusing on the remaining outcomes captured in the conceptual framework, further recommendations have been made

- Managers need to recognise how the industry dynamics influence their predisposition for formal management mechanisms and explore other informal mechanisms which could improve how they manage strategic alliances overall
- Managers, particularly from mature and hybrid alliance firms, should explore the application of governance mechanisms for ambidextrous governance. This would increase the flexibility and efficiency achieved in their management of alliances. Furthermore, managers across the board should not see governance mechanism as a trade-off, but rather identify ways for the mechanism to interact

## 7.4. Limitations of the Research

The limitations of the overall study have been listed below. Note that limitations linked to research design are discussed in Chapter 4, paragraph 4.7. Four general limitations were identified.

- While this study sought to answer the call by Lin and Ho (2021) and Keller et al. (2021) in their recommendations to extend theorising, the setting for the study was limited to the financial services industry. Additionally, this study was only conducted in South Africa due to time and resource constraints
- The potential new sub-themes identified in the outcomes of this study were not explored in detail
- The study selected financial services firms involved in strategic alliances and identified three types of groupings based on time in market and activity in the sector: mature, hybrid and developing alliance firms.
- This study aimed to conduct a broad exploration of the literature on the management of strategic alliances and therefore could not explore each theoretical construct and its related themes and sub-themes in-depth

## 7.5. Suggestions for Future Research

Based on the outcomes and conclusions of the research, four areas for future research were identified, outlined below.

- The study focused on financial services firms in the financial services industry. Therefore, other studies could explore other industries beyond financial services

- The conclusions of this research and its potential contributions were not explored in detail. Therefore, other studies could conduct a more in-depth exploration of the sub-themes

- Due to the study being conducted in South Africa, which is an emerging market, other studies could conduct a similar research in different markets

- This study explored 12 firms and interviewed 15 participants, other studies could expand the sample

- Other studies could explore the comparison or identification of different criteria by which to group firms for analysis or identify additional groupings which did not emerge in this study.

- The participants in each we unequal, the mature group had 7, hybrid and developing had 4 participants each. Other scholars may want to include more participants from each group

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**APPENDIX A – INTERVIEW GUIDE**

<u>Introduction</u>

Thank you for making the time to speak to me about strategic alliances. As mentioned in the invitation letter, the discussion will be focused on your experience and knowledge on the subject. Please can I confirm that you have read the informed consent form and may I ask if you have any questions before we begin the interview? With your permission I will start recording and we can get started.

| Interview Questions |
|---|
| Small Q<br>1. I would like to start by asking, how did you get involved in strategic alliances? |
| Big Q<br>2. Please could you tell me about the outcomes that are expected from the strategic alliances you are involved in?<br>   a. How have the expectations of strategic alliances changed over time or in different contexts? |
| 3. My next question is about managing strategic alliances and has two parts to it:<br>   a. Please describe the formal mechanisms and/or processes used to manage strategic alliances and how they work.<br>   b. Please describe the less formal mechanisms and/or processes used to manage strategic alliances and how they work. |
| 4. The next question also has a few parts and deals with how you manage relationships:<br>   a. Please could you tell me about the approach used to manage the relationships in strategic alliances.<br>   b. In your experience what are the differences, if any, in the way relationships are managed across different alliances and why does this happen?<br>   c. In your experience, how has the way you managed relationships changed over time and why has this happened? |
| 5. Now we are going to talk about decision making in strategic alliances. This will also be a two part question:<br>   a. Please tell me how you make decisions about the mechanisms and processes used when managing strategic alliances?<br>   b. In your experience, how does the context or external factors play a part in the decisions made about the governance mechanisms used? |
| Small Q<br>6. For my final question, I would like to ask how you see this developing or changing into future? |

*Note.* Author's own

**APPENDIX B – INFORMED CONSENT LETTER**

# Gordon Institute
# of Business Science
## University of Pretoria

**Informed Consent for Interview**

I am conducting research on **Strategic Alliances**. Our interview is expected to last 45-60 minutes and will help us understand *How strategic alliances are managed through governance mechanisms in dynamic environments?* **Your participation is voluntary and you can withdraw at any time without penalty.**

By signing this letter, you are indicating that you have given permission for:

- The interview to be recorded;
- The recording to be transcribed through a paid online subscription service (Sonix), with privacy policies in place;
- Verbatim quotations from the interview may be used in the report, provided they are not identified with your name or that of your organisation;
- The data to be used as part of a report that will be publicly available once the examination process has been completed; and
- All data to be reported and stored without identifiers
- Academic dissemination (research report, scientific article, conference paper, book)
- Popular dissemination (TV, radio, lay article, book, podcast)

If you have any concerns, please contact my supervisor or me. Our details are provided below.

| **Researcher** | **Research Supervisor** |
|---|---|
| Tumisang Matubatuba | Dr. Jill Bogie |
| tumisangmat@gmail.com | bogiej@gibs.co.za |

Signature of participant: _____

Date: _____

Signature of researcher: _____

Date: _____

**APPENDIX C – INVITATION EMAIL AND FOLLOW-UP EMAIL**

**Invitation Email**

**SUBJECT:** Invitation to Participate in GIBS Research
Hi (*Participant name*)

I was referred to you by (*name of referrer*). I am Tumisang Matubatuba, currently completing my Masters research on strategic alliance governance and the changes experienced in today's dynamic business environment, in the financial services sector.

I understand this is a key part of your role in the organisation as (*position)* and I would like to interview you, as your knowledge and experience on the subject would be extremely valuable to my research. The interview will last between 45-60 minutes and can be held virtually on Teams.

Please would you advise on your availability within the following time periods to conduct the interview in the coming weeks. If possible, please provide two alternative slots and I will set up accordingly.

I really am looking forward to having a conversation with you on this topic.

Kind regards,
Tumisang Matubatuba
Student: Gordon Institute of Business Science

**Follow Up Email**

**SUBJECT:** Invitation to Participate in GIBS Research
Hi (*Participant name*)

I hope you are well.

I am looking forward to our interview in two days. In preparation for that, I would like to ask you to complete the attached consent form which outlines ethical considerations that I have to adhere to, as per the university policy.

Please could you read it carefully and then send back a signed copy (physical/digital) if you consent to the details outlined. I can also answer any questions you have via email or on the day of the interview.

Looking forward to our discussion.

Kind regards,
Tumisang Matubatuba
Student: Gordon Institute of Business Science

**APPENDIX D – ETHICAL CLEARANCE LETTER**

**Gordon Institute of Business Science**
University of Pretoria

**Ethical Clearance Supervisor Notification**

Dear Jill Bogie,

Please be advised that Tumisang Matubatuba's application for Ethical Clearance has been approved.

We wish Tumisang Matubatuba everything of the best for the rest of the project.

Kind Regards

This email has been sent from an unmonitored email account. If you have any comments or concerns, please contact the GIBS Research Admin team.

## APPENDIX E: LIST OF 1ST-ORDER CATEGORIES

| 1st Order Categories (70) | 1st Order sub-themes (22) | 1st order themes (15) | 1st Order categories (4) |
|---|---|---|---|
| access to capture, commercial measures, customer ownership, effort vs reward, fairness, negotiated order, sales & revenue generation, scale & growth as an outcome, small businesses, equal share | | Value Capture | STRATEGIC ALLIANCE OUTCOMES |
| access to create, augmenting the core, complementarity, ecosystems, innovation as an outcome, long term intent, orientation, transformative | | Value Creation | |
| differentiation, intangible value, stickiness | | Competitive Advantage | |
| diversification | | | |
| external factors, fragmentation | | External events | DYNAMIC ENVIRONMENT AS DISRUPTION |
| customer led decisions, regulation | | Firm-specific events | |
| | | Alliance-specific events | |
| alignment, committees, housekeeping, types of partnerships, ownership | organisational structures | Formal Management | ALLIANCE MANAGEMENT CAPABILITY |
| feedback | routines | | |
| digital, systems & tools | tools | | |
| | activities | | |
| local vs global | organisational structures | Informal Management | |
| levels of maintenance | routines | | |
| | tools | | |
| | activities | | |
| finite life span | termination | Formal Contractual | ALLIANCE GOVERNANCE MECHANISMS AS AMBIDEXTROUS GOVERNANCE |
| mandatory governance, filtering criteria, justification of partnerships, assessment | monitoring | | |
| | auditing | | |
| | lawsuit provisions | | |
| | confidentiality arrangements | Informal Contractual | |
| the right team, two-way effort, unrealistic expectations | task division | | |
| consultative decision making, different relationships, predefined decision making | decision making | | |
| | exchange of personnel | Formal Relational | |
| flexibility, self-regulation, stakeholders, sticking to your expertise, final decision maker | decision-making rules | | |
| clarity & consistency, predefined engagement model, structured relationships, regular cadences | meeting procedures | | |
| evolution of partnerships, freedom | | | |
| authenticity, informal problem solving, reputation & trust, transparency & accountability | trust | Informal Relational | |
| improved relations, influencing, relationships, staying in touch, staying top of mind and relevant, dependability | positive interpersonal relationships | | |
| immersion (full investment), one business | | | |

*Note.* Author's own