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The Context of Interorganizational Collaboration in the Garment Industry: An Institutional Perspective

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This article presents a model of the context of interorganizational collaboration. The model is made up of driving and restraining forces from both the competitive and institutional sectors of the organizational field surrounding the collaborative effort. A case study of an alliance among garment manufacturers, state agencies, and educational institutions shows that different elements of the organizational field become more or less important as collaborations evolve, thereby changing the balance between the driving and restraining forces and shaping the course of the collaboration. The case is used to develop several propositions for future research that address the coevolution of collaborations and their environmental contexts. Theories of interorganizational collaboration should adopt a more dynamic orientation to take into account shifts in the balance between driving and restraining forces and their impact on both the initiation and the sustainability of a collaborative alliance.

The emergence of interorganizational alliances of all types has generated a reorientation of organizational theories to account for these interorganizational relationships. Some theories, such as transaction cost and resource dependence, have directly addressed the exchange relationship among partners in an alliance. Transaction cost

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theory focuses almost exclusively on competitive factors promoting the formation of alliances (Bresser & Harl, 1986, Williamson, 1975, 1981, 1985). Resource dependence theory points to resource acquisition and uncertainty reduction as the forces behind alliance formation. Both theories tend to address only those factors motivating firms to join alliances and pay little or no attention to the ongoing sustainability of collaborative ventures (Gray & Yan, 1990). For instance, transaction cost theory assesses the intended costs and benefits of a collaboration to the partners but ignores or assumes away the sociostructure and suprastructure of institutional forces that contribute to those outcomes (Fombrun, 1986). Similarly, resource dependence theory acknowledges changing dependencies among the partners but emphasizes the individual firm's role in stabilizing external change. Few theorists have looked at the ways in which alliances and their environments coevolve.

It has become increasingly apparent, however, that the formation and stability of collaborative alliances among private sector firms and across sectors are subject to contextual forces of both a competitive and an institutional nature. Yet little theorizing has addressed the impact of these forces on the success and long-term sustainability of collaborative alliances, even though accumulating anecdotal evidence indicates that alliances experience significant impacts from the political arena (Golich, 1989; Gray & Hay, 1986; Oliver, 1991; Weiss, 1987), from changes in the economy (McKewen & Sloan, 1986), from the partners' differential impact on key institutions (Heimer, 1985; Prahalad, 1990), and from changes in industry structure (Caves, 1982; Bresser & Harl, 1986).

We argue that a richer understanding of the context of collaboration requires an examination of both the competitive and institutional forces impinging on the partners, and of the ways these forces shift in salience over the life of a collaboration. We conducted such an examination ourselves, in which we explored the context within which a collaborative alliance among garment manufacturers (and other actors in the firms' environment) emerged and was sustained. This led us to develop the argument that institutional theory provides insights into both the formation and sustainability of collaborations, which have been overlooked by other theories (e.g., transaction cost and resource dependence). Institutional theory directs its attention to neither cost nor uncertainty reduction but to the collaborative partners' pursuit of external legitimacy.

Our intent is to generate a preliminary but comprehensive explanation for the coevolution of collaborations and their contexts. To do this, we provide an in-depth analysis of one case, which we made using an institutional theory perspective. We use the case study method because it is the most appropriate approach for circumstances in which little or no theory exists or in which theories are conflicting (Eisenhardt, 1989; Glaser & Strauss, 1967). From the case presented we generate a series of propositions to stimulate future research on whether and how collaborations and their environments coevolve.

A MODEL OF THE CONTEXT OF INTERORGANIZATIONAL COLLABORATION

A central theme of this article is that to understand interorganizational collaboration, one must examine the context within which a collaboration emerges. Although research on the impact of context on collaborative alliances over time is scarce, the influence of organizational fields on single organizations has been studied extensively by organizational sociologists using an institutional theory perspective. An organizational field, according to DiMaggio and Powell (1983, p. 148), is "a recognized area of institutional life: Key suppliers, resource and product consumers, regulatory agencies and other organizations that produce similar services or products . . . the totality of relevant actors." Organizational fields exert powerful influences on individual organizations through two kinds of forces: market/competitive forces and institutional demands placed on organizations by government or the professions (DiMaggio & Powell, 1983).

We extend this institutional argument to interorganizational alliances by proposing that the organizational field specific to a particular collaboration creates a context that shapes interorganizational behavior. Emery and Trist (1965) were the first to argue that interorganizational contexts create a mandate for collaboration among organizations. They claimed that when the number of interactions among actors in a focal organization's general environment reaches a critical threshold, collaborative alliances among organizations are necessary to manage the ensuing turbulence. Trist (1983) more explicitly introduced the notion of a domain to capture the interorganizational context or field within which a need for collaboration arises. Domains in which high levels of interdependence exist among actors are "turbulent" and require stakeholders to exert collective action to regulate their interdependencies (Trist, 1983).

Gray (1989, p. 11) defines collaboration as "a process of joint decision making among key stakeholders of a problem domain about the future of that domain." Gray (p. 29) also identifies six contextual factors creating an impetus for collaboration within and across sectors in the United States:

- rapid economic and technological change
- declining productivity growth and increasing competitive pressures
- global interdependence
- blurring of boundaries among business, government, and labor
- shrinking federal revenues for social programs
- dissatisfaction with the judicial process for solving problems.

Some of these contextual factors are competitive in nature, and others are clearly rooted in institutional norms and practices. Porter (1980) suggests that competitive forces are those elements of the organizational field that impinge most directly on returns on invested capital. They are the collective results of self-interested behavior by management that are intended to affect organizational survival (Samuelson, 1980). Competitive forces help foster a "zero-sum game" among organizations that leads to efforts to develop or maintain individual advantage (Rubin & Brown, 1975).

Institutional forces, however, "are relatively independent of and can be modeled with only modest attention to actor self-interest" (DiMaggio, 1988, p. 8). Although institutional forces can affect organizational survival (Fombrun, 1986; Singh, Tucker, & House, 1986), they do so in relatively similar ways across members of organizational fields (Meyer & Scott, 1983)—in contrast to competitive forces, which can vary radically in the ways they affect industry participants (Porter, 1980). Furthermore, competitive forces are generated by market factors, whereas institutional forces originate from organized constituencies (e.g., government and the professions) that exert pressure on organizations to comply with institutional rules or practices in exchange for the conferral of legitimacy (DiMaggio & Powell, 1983; Meyer, Scott, & Deal, 1981). As such, they are "in some measure beyond the discretion of any individual participant or organization" (Meyer & Rowan, 1977, p. 25).

The interorganizational context can also impose impediments to collaboration that include historical, cultural, political, technical, and legal disincentives (Gray, 1989). For example, Golich (1989) has documented the complex web of entanglements created by the different political systems of the partners in the Airbus joint venture. Legal issues can also pose formidable obstacles to collaborative agreements by formalizing prescriptions for handling liabilities and for other minute details of the interaction among partners (Lyles, 1990; Susskind & Cruikshank, 1987).

Overall, then, a number of competitive and institutional pressures encourage or impede the formation of collaborative alliances. These forces can be classified as either driving or restraining forces (Lewin, 1951).[1] In the next section, we develop a deeper conceptual understanding of the impact of these four forces on interorganizational collaboration.

Competitive Forces

Organizations are primarily concerned with their own survival. Because no organizational field has all the resources it needs, and because resources are essential to survival, some competition for existing resources always occurs. We thus propose that competition is a driving force in any organizational field. Organizations may compete for materials, human resources, customers, product legitimacy, and any other necessary resources. Firms within an organizational field develop basic patterns of interaction based on the areas within which they compete with one another. (The impact of competition on the structure of industries is well documented elsewhere [Porter, 1980], so we do not discuss this in detail here.)

Organization theorists have noted that competition can be either a driving force or a restraining force for collaboration. For example, in situations of zero-sum growth and resource scarcity, collaboration is less likely (Whetten & Bozeman, 1984). If managers view other firms as direct competitors, the trust necessary for direct collaboration is unlikely to develop. Especially in industries with proprietary technologies, firms are wary about losing their trade secrets to competitors (Lyles, 1990).

Yet competition sometimes may facilitate collaboration, and firms are increasingly coming to realize that at times they must collaborate with others if they wish to be competitive. Resource dependence theory (Pfeffer & Salancik, 1978) argues that no organization is self-sufficient; each must engage in exchanges with other organizations in one way or another to survive and to gain competitive advantage. Transaction cost theory emphasizes that collaborative mechanisms provide a means of achieving cost-efficiency for partners in interorganizational transactions (Williamson, 1975) and thereby enhance their competitiveness.

Competitive forces can stimulate interfirm collaboration, which in turn may enable the partners to increase the scope and enhance the sophistication of their competition. In high-technology industries, "precompetition" collaboration (Fusfeld & Haklisch, 1985) on research and development (R&D) has demonstrated the potential for such outcomes. For example, collaborative R&D ventures such as the Microelectronics and Computer Technology Corporation (MCC) and the American Welding Technology Application Center (AWTAC) have greatly facilitated the development of more advanced technologies for those industries and the participating firms and have strengthened their competitiveness in global markets (Ouchi & Bolton, 1988).

Competition can also force firms to collaborate for survival's sake, as shown by the transformation of the U.S. domestic automobile industry from an arena of cutthroat competition to one featuring several interorganizational alliances. American car manufacturers needed to diversify and serve new markets and to develop means to protect themselves from the onslaught of foreign competition; to achieve this, they had to redefine some competitors as partners. All of the American "big three" car manufacturers now have strategic alliances with foreign manufacturers (e.g., GM with Toyota; Ford with Mazda and Jaguar; Chrysler with Mitsubishi, Renault, and Lamborghini). The advantages of sharing resources such as technology, engineering expertise, and quality management outweighed (at least to some extent) the disadvantages stemming from mistrust.

Competitive pressures also create another motive for strategic alliances: the desire to increase the predictability of the environment by reducing the level of uncertainty (Emery & Trist, 1965; Pfeffer & Nowak, 1976; Pfeffer & Salancik, 1978). Escalating competition greatly exacerbates environmental turbulence and levels of risk, which can be offset by creating a negotiated order (Gray, 1989; Strauss, 1978) in which opportunism is minimized.

Whether these stabilizing effects actually occur has been questioned by those who argue that collaboration weakens a competitive field (Bresser & Harl, 1986; Mead, 1967) and results in unresponsive prices at the industry level and limited innovations at the organizational level (Caves, 1982; Scherer, 1980). Such effects increase a market's attractiveness to and opportunities for new entrants, these theorists claim, which ultimately increases competition. In such situations, the environment severely restricts the benefits of collaboration.

Institutional Forces

Institutional forces are another group of pressures that can either promote or impede collaboration. In contrast to competitive or market environments, institutional environments are "characterized by the elaboration of rules and requirements to which individual organizations must conform if they are to receive support and legitimacy" (Scott & Meyer, 1983, p. 149). Institutional forces can exert pressures for structural conformity through mechanisms such as inducements, rewards, and sanctions (Meyer & Rowan, 1977). DiMaggio & Powell (1983) suggest that institutional pressures can be exerted directly through coercion or indirectly through imitation or normative controls. Strong institutional forces can cause organizations in the same general environment to adopt similar structures, procedures, and norms, a phenomenon known as isomorphism (DiMaggio & Powell, 1983). In all three cases, organizations adapt as a precondition to legitimization by institutional actors. Without legitimacy, firms have much greater difficulty surviving (Fombrun, 1986; Singh et al., 1986). Therefore, organizations perform a wide variety of actions to be "perceived to be pursuing socially acceptable goals in a socially acceptable manner" (Ashforth & Gibbs, 1990, p. 177). We suggest that these same institutional pressures shape interorganizational collaborations. We propose that — like competitive pressures — institutional forces can either stimulate or impede the formation of collaborative alliances.

Legal actions form one powerful set of institutional impediments to collaboration. In most industrialized nations, only a small set of collaborative behaviors among organizations is permissible because of legal sanctions developed to prevent collusion. In the United States, antitrust laws have been used to prohibit collaborations viewed as potentially anticompetitive, although recent administrations have relaxed such restrictions somewhat.

Social norms also can discourage the formation of alliances. For example, collaborating with criminals or with "hate" organizations that preach bigotry and discrimination is not considered legitimate and does not have the support of the greater society. In some parts of the United States (especially the more economically depressed areas), strategic alliances with international firms are also considered suspect. Certain industries (e.g., proprietary prisons, for-profit hospitals) have not been fully legitimized themselves, and so collaborations with them may not be completely acceptable.

Despite these institutional impediments, the development of institutional incentives for collaboration apparently is on the rise. The most common example of this phenomenon occurs in governmental and quasi-governmental economic development programs (Davis, 1986; Fosler & Berger, 1982). These programs most often support partnerships among business, government, and educational organizations. The incentive they provide is direct, for funds are often dispensed only when multiorganization links are demonstrated (Provan, 1983; Waddock & Post, 1990).

In some organizational fields, focal firms are pressured into strategic alliances by institutional actors. For example, in the United States, several state legislatures have placed strong pressures on universities to develop linkages with organizations in the private sector so that may they obtain additional sources of funding (Dooris, 1988). As a result, the numbers of business/university consortia in the area of R&D have grown dramatically in the past 10 years (Dimancescu & Botkin, 1986). These collaborations benefit both the focal organizations and society at large by combining the technical expertise of the university with the capital, marketing, and production skills of business firms. Institutional support for these partnerships is generally high (except from local businesses, which may see them as anticompetitive) because they increase employment in many regions and lower the funding burdens universities present. Many academics do not support these partnerships, however, because they view them as diverting the university from its mission.

Changes in Competitive and Institutional Forces Over Time

An equally important but often underplayed theory holds that the institutional and competitive forces creating a context for a collaborative alliance often shift in salience over the collaboration's lifetime. What were initially driving forces may subside or turn into restraining forces during the course of the collaboration. Process models of interorganizational collaboration stress this dynamism and identify three phases of evolution: problem setting, direction setting, and implementation (Gray, 1989; McCann, 1983). Several issues can arise at each phase that involve relationships among the partners and the contextual environment. For example, the relationships of collaborating partners to their constituencies may be particularly problematic during the problem-setting and implementation phases; an influence with external institutions may give a party clout during the direction-setting phase (Gray, 1989). The influence of competing contextual pressures can shift as the alliance evolves. Furthermore, the environmental context itself may change, thereby eroding or strengthening the legitimacy of the alliance in the eyes of the institutions conferring this legitimacy.

Population ecologists, for example, have identified major shifts in the political and institutional environment as determinants of organizational mortality (Carroll & Delacroix, 1982). During a 2-year multiparty collaboration among coal producers, utilities, and environmental groups, a change in the political party occupying the White House directly affected the implementation of a hard-won agreement (Gray & Hay, 1986). Similarly, other researchers have chronicled failures to implement major public policy initiatives that resulted from shifts in political climate (Horwitch & Prahalad, 1981; Sapolsky, 1972).

Attention to the dynamic character of interorganizational collaboration has largely focused on collaborations among not-for-profit organizations (Van de Ven & Walker, 1984) or organizations dealing with public policy issues (Carpenter & Kennedy, 1988; Susskind & Cruikshank, 1987). Research on private-sector alliances has tended to neglect the dynamic aspects of these interactions and to focus almost exclusively (as noted above) on either the formation or the performance of strategic alliances. Only a few recent efforts account for evolutionary changes in strategic alliances among business firms. Hamilton and Singh (1990) report a longitudinal examination of patterns of reconfiguration among joint ventures in the biotechnology industry, and Gray and Yan (1990) offer a model of changing relationships among joint venture partners and suggest that changes in either the partners or the environmental conditions in which the collaboration occurs may require the venture to undergo reconfiguration to sustain its success.

In sum, similar to Lewin's (1951) description of the field of forces that create driving and restraining forces for individual behavior, competitive and institutional forces create a context for interorganizational collaboration. To better understand how a collaboration and its context coevolve, we conducted a detailed case analysis of a collaboration among garment manufacturers. Our analysis of the case pays particular attention to the competitive and institutional forces that influenced the start-up of the collaboration and its sustainability. We used the case to generate propositions presented below about the coevolution of collaborations and their contexts for future research.

CASE STUDY: THE ANDERSONVILLE SEWING COUNCIL

Methods

Data on the interorganizational collaboration described in the Andersonville Sewing Council case below were gathered from interviews with participants, attendance at council meetings, and archives. Eleven persons were interviewed, including representatives of four garment manufacturers, an educational institution, an economic development firm, and two funding organizations (see the appendix for a list of interview subjects). These persons included the founders of and major players in the council and active participants in the council's collaborative training project.

Interviews were conducted 12 to 18 months after the Andersonville Sewing Council was formed in February 1988. The interview protocol included a common set of questions and various specific follow-up probes used as needed. Interviews lasted 2 to 3 hours each, during which the subjects were asked to describe their organization, the history of the council, their motivations for participating, their roles in the collaboration, their evaluations of the joint project, and their expectations for the council's future. Each interview was conducted by at least two of the three researchers. The interview subjects were told that the data would be used solely for academic purposes and assured of confidentiality. Interview data presented below represent the convergent responses of at least three participants, unless otherwise noted (e.g., an idea introduced by only one subject is credited to that person). Pseudonyms are used to ensure confidentiality.

Archival data used to prepare the case study include minutes of the Andersonville Sewing Council meetings, a proposal submitted for funding, funding policies, the curriculum of the training program, newspaper articles about the council, and illustrative performance records for a few graduates from the training program.

The case study focuses on the council's formation, the motivations of the participants, the search for funding and program design processes, the outcomes of the collaboration, and the current status of the council. The case history described below emphasizes interactions among participants and the important factors that shaped the collaboration. This description is followed by an analysis based on the four sets of contextual forces illustrated in the model in Figure 1.

Case History

The Andersonville Sewing Council is an industrial consortium consisting of six garment manufacturers in a community in an eastern U.S. state. Although each company manufactures a distinct line of products, ranging from shirts and men's sweaters to work and hunting clothes, they perceive themselves to be in the same general business: the garment or apparel industry.

	Driving Forces	Restraining Forces
Competitive Factors		
Institutional Factors		

FIGURE 1: A Model of the Organizational Field for Interorganizational Collaboration

Since 1984, the entire local industry has had difficulty hiring qualified sewing machine operators, and some firms have experienced high rates of employee turnover. These problems have been especially serious for two companies, Textry and Barnes York, which typically have retained only 1 permanent employee for every 10 new hires. For example, 51 of the 80 persons hired as sewing machine operators by Textry between February and July 1989 quit their jobs within the same 5-month period.

All of the council members attribute these problems to the poor image or negative reputation of the sewing industry in the community, a carryover from previous years when garment manufacturing facilities often were fly-by-night operations and sweatshops with exploitative working conditions. In the Andersonville area, the garment industry has not been able to shake this reputation despite major improvements in working conditions and the increased stability of the industry in the region.

Commercial sewing differs substantially from household or hobby sewing because it is a mass production operation. Many of the companies included in this study perceive an increasing need for employees to receive prejob training. The shop floor has been described by garment manufacturing executives as a "hostile" environment characterized by high-speed operations, a large volume of production, intensive work, and a high degree of competition among co-workers. In such high-pressure situations, new employees have difficulty developing their skills to meet required standards without training. Yet at the time the Andersonville Sewing Council was formed, only one firm — Barnes York, a manufacturer of men's work clothes and jeans — offered a regular in-house training program for new hires. Typically, the other sewing companies hired workers "off the street" and, if they passed basic entrance tests, placed them directly onto production lines. Many employees thus lacked the capacity to stay long in their jobs.

Formation of the Sewing Council

Neil Snow, the initiator of the council's collaborative training project, is the president of Textry, a firm that produces outerwear. With 30 years of experience in the garment industry, Snow is familiar with the development of the industry, especially with the training of employees. Another major player in the council is Ben Carter, assistant manager of Barnes York. During the mid-1980s, when Carter was working on improving Barnes York's company-run training program, he contacted the Private Industry Council (PIC) in the county in which Andersonville is located to determine if the PIC could provide training assistance. At Carter's urging, the PIC held a meeting at which he and several other garment manufacturers presented their concerns. Among those attending were the following: Snow; Doris King of Warmwear Inc., a manufacturer of men's sweaters; Ed Herter, vice president of Surety Clothing, a manufacturer of hunting clothes; Debra Keil of Pilgrim Shirts; and Eric Porter, manager of Canal Shoe, a manufacturer of boots and men's work shoes.

The PIC did not respond favorably to the garment manufacturers' request for the training assistance. Indeed, its representatives' disdain for the industry became evident during the meeting by their references to garment industry executives as "you textile people" and inferences that the industry's poor public image was deserved. The PIC also claimed that the area had a "a surplus" of people who could sew, implying that the industry's problems were not caused by a labor shortage but rather by the reluctance of people to work for the manufacturers.

After their unsuccessful visit to the PIC, the managers and several others met in February 1988 to consider what could be done collectively to improve the industry's image. Those who attended included Bob Henderson, director of industrial development for Andersonville Enterprises, Inc. (AEI) – a nonprofit industrial development corporation whose president, Al Dixon, was a good friend of Snow's – and the following three educators from the Andersonville Area Vocational Technical School (Votech): Bill Shultz, supervisor for adult and continuing education; Will Dalton, a coordinator for job placement; and Elinor Ickes, executive director of the school. During this meeting the Andersonville Sewing Council, whose name was proposed by Henderson, was born. Neil Snow was appointed its chair.

Motivation of the Participating Companies

The companies had different motives for joining the council. Some, including Textry and Barnes York, desperately need trained labor. Snow, Textry's president, emphasized in an interview, "We have hired new employees every day . . . but only 1 out of 10 sticks. . . . I needed more help than anyone else." Textry had a strong motivation to attract new recruits and to test their ability to do commercial sewing. A training program would provide initial screening as well as prepare successful recruits for the shop floor.

Surety Clothing and Warmwear's participation in the council was described as being a gesture of goodwill reflecting a desire to build a community within the local industry. Herter, the vice president of Surety Clothing, explained that he participated in the council "to be a good citizen." Although his company had had a labor shortage 5 years previously, at the time he was interviewed he claimed that "now our turnover rates are very low." According to Herter, participating in the council entailed no specific risks "because no special commitment [to the council and/or its other members] that I might not agree with" was required.

Dan Martin, chief industrial engineer of Warmwear, said that his company was "a casual participant for a sense of community. . . . The council does not have a lot to offer . . . we never expected to get a lot back." But Martin had a personal motivation for participation. As an industrial engineer, he was interested in manufacturing and saw the council as "a catalyst to revitalize manufacturing." He believed his participation in the council could give him an opportunity to strengthen his "philosophical position in manufacturing" and commented:

> The sewing council is a vehicle, a catalyst to revitalize manufacturing. . . . There is a lack of understanding or emphasis on what manufacturing was concerned with. Professionals like myself are concerned with doing better than that. . . . At first, Neil wanted me to be personally involved. [Through the council] [w]e have opportunities to talk to each other.

One motivation shared by virtually all the participating organizations was the strong desire to improve the image and reputation of the industry. Ben Carter's position was representative: The purpose of the Andersonville Sewing Council, he said, was to unite all the companies in the local garment industry to convince the community that they were as good as other industries.

Search for Funding

A primary objective of the council was to develop a joint training program. To do this, it had to secure funding. At the suggestion of Bob Henderson, the council contacted the Southern Planning and Development Commission (SPDC), a quasi-governmental consortium representing six counties that was designed to foster economic and industrial development. Like the PIC, the SPDC had a negative attitude toward the sewing industry and expressed reservations about the idea of joint training. Claiming that it could not fund a start-up project, the SPDC asked the council to undertake a pilot training project first, then, if this proved worthwhile, approach the SPDC for support.

By late 1988, no progress had been made in securing funds for the prospective training program. On a Sunday toward the end of the year, Snow, Dixon, and Henderson met with the following representatives of one of the state's Advanced Technology Centers (ATCs): Joe Wilson, director for research and development; Alan Herman, director for training and new business; and Don Lee, a project manager under Herman. The ATC receives funding from the state's Department of Commerce for projects intended to support four major goals: to create and maintain jobs in the state, to improve productivity in existing firms, to diversify the state's economy, and to promote the use of advanced technology. Typical projects supported by the ATC involve the tripartite collaboration among government, private industry, and educational institutions. A matching-funds policy is used whereby the private sector must provide at least 1 dollar for each dollar of state money.

Snow, Dixon, and Henderson presented their plan for a training program to the ATC with the express intention of obtaining funding. Unlike the PIC and the SPDC, the ATC was interested in the idea and impressed by the concept. But the ATC representatives raised two major concerns. First, the ATC could support only new projects, not an ongoing employee training venture. Second, the involvement of an educational institution in the council's proposed effort was deemed necessary, because a major element of the ATC's funding mandate calls for fostering designs for ongoing training programs in educational institutions that can be disseminated statewide to other industries and organizations.

The Andersonville Sewing Council responded to both concerns. First, it reshaped its plan to emphasize the training of trainers rather than the training of workers. This change satisfied the ATC's requirement for a new project, without sacrificing the council's goal of training workers—after all, the trainers in training needed trainees to instruct. Indeed, the council stood to benefit all the more from gaining trained instructors as well as trained employees.

The council next had to address the issue of involving an educational institution in its training program. Alan Herman of the ATC recalled that the sewing companies initially intended to run the training program themselves, independently of the Andersonville Area Vocational Technical School, whose role was expected to be limited to designing the program's curriculum. The firms' desire to retain control of the program stemmed from their skepticism about Votech's ability to train commercial sewing machine operators. Snow indicated that in the past the school had trained only "hobby" sewers, few of whom had ever remained with his company. To meet the requirement for ATC funding, the council agreed to install the training program at Votech and to have the school manage the program.

Because the Andersonville Sewing Council was not a formally incorporated firm, Andersonville Enterprises Inc., an industrial development organization serving the entire county, assumed formal responsibility for the training project, which included managing funds and reporting project results. The project proposal, submitted on January 9, 1989, requested $14,560 to be used primarily to pay the salaries of the program faculty at the Andersonville Area Vocational Technical School.

To demonstrate their backing for the proposal, each council member sent a letter of support to the ATC, in which it agreed to contribute a share of the matching funds that were required. The matching funds amounted to $68,629, a large portion of which were "in-kind" services, including Barnes York's contribution of its own training curriculum valued at $47,400.

Two companies that were initially involved in the project, Canal Shoe and March Shoe, later withdrew. Canal Shoe underwent a major change in top management during the first year of the council's existence, and the new management did not consider the training program important. March Shoe dropped its support because it perceived that the training program did not pertain to its business. Its withdrawal, in fact, was anticipated in its earlier letter of support to the ATC, which noted that "if the training methods do not lend themselves to the sewing and handling of leather products, March Shoe Mfg. Co., Inc., reserves the right to withdraw from the program."

Program Design

The training project proposal was approved on February 21, 1989, for the period from March 1 to August 31, 1989. On the approval of the project, the council and Votech began to design the program. Although Barnes York's curriculum formed the foundation of the joint training program, the final course design was tailor-made for the participating firms. A minor disagreement between the Votech School and the Andersonville Sewing Council occurred over the length of the training cycle, but they eventually agreed on a 3-week program.

To ensure the highest possible retention rate for trainees, the council suggested a selective enrollment process that would identify and enroll only those able to sew commercially. It also proposed that an objective means be found to measure the trainees' performance. The council guaranteed that everyone who finished the course would get a job with one of its member firms. It also agreed that Votech would recommend all graduates of the program to the local state employment office so that each company would have equal access to these potential employees.

Outcomes of the Collaboration Training Project

Three classes were initially planned for the program, but ultimately five were offered. A total of 11 trainers were trained. Of a total of 36 sewing trainees enrolled, 19 were certified as qualified sewers; 6 who finished the training but did not meet the established sewing standards during the training period received attendance certificates; 11 dropped out during the course of the program. After graduation, all of the 19 certified sewers were placed in jobs; 4 of the 6 who received attendance certificates were also placed; the other 2 did not seek placement.

All parties involved were reasonably satisfied with the outcomes of the joint training project. The ATC considered the project a great success because the training program at the Andersonville Area Vocational Technical School could be transferred to other regions in the state. Moreover, the sewing firms obtained their own trainers and several jobs were created or retained, achievements consistent with the mission of the ATC program.

The sewing companies appreciated the high level of performance of the trainers and sewers who completed the program. Barnes York's Ben Carter and Textry's Neil Snow both observed that when the new graduates arrived at work, they had already been socialized sufficiently to know what was expected of them on the shop floor. Carter added, "Both people we hired from the program are excellent." Preliminary data suggest that workers who participated in the program have been able to reach normal production rates much more quickly than have workers without this training.

The collaborative training was regarded as a first step taken at the local level to improve the reputation of the sewing industry – a change that will require much more time and effort. Nevertheless, the council was encouraged by the success of this first step. Ben Carter noted, "Our garment industry has begun to change its image."

In addition, some indirect benefits have resulted from the collaborative project. Among the most important are improved communication and increased trust among the council members. Before the council was formed, the garment firm executives did not know one another, no interfirm interaction took place, and the trust level among the firms was low. For example, firms sometimes would "steal" workers from one another, as evidenced by Dan Martin's remark: "When we are hiring, somebody is losing." Following the formation of the council, some cross-company coordination of the labor market began to emerge. When Barnes York closed one of its warehouses, for example, its manager contacted Textry, which hired some of the displaced workers and helped place the rest of them in new jobs. Thus much of the mistrust among the managers has been replaced by mutual respect.

Other types of mutual consultation and information exchange among the council members have also occurred. For example, one company advised another on ways to hire an engineer and obtain consulting services. Some executives have discussed the possibility of establishing service firms to handle payroll or other functions for more than one company. At this time, the Andersonville Sewing Council is also considering another collaborative effort to handle receiving, shipping, and warehousing material for its members.

One interesting, serendipitous outcome of this project is its role as a model in the Andersonville community. After seeing the success of the Andersonville Sewing council, Bob Henderson of the local Industrial Development Authority facilitated the formation of a similar group involving local machinist firms. In addition, local retailers launched a similar collaborative effort.

Current Status of the Andersonville Sewing Council and Its Training Program

The ATC's grant to the training program was limited to 1 year and, ostensibly, to the training of trainers. After the fifth group of trainers and trainees had completed the program, the funding ran out and the program ceased to operate. The Andersonville Sewing Council has made several attempts to resume the program, none of which have been successful.

At a recent council meeting, for example, someone suggested that the members themselves fund the program by paying the costs for each trainee they hire. This proposal, however, has the disadvantage of subjecting firms to the risk of paying for trainees who may not complete the program, who may fail to achieve performance standards, or who may choose not to work for them once they are trained.

The council contacted the SPDC a second time to ask for support and was turned down again despite the success of its pilot program, which the SPDC originally required as a prerequisite for funding. The source of the SPDC funds is the federal Job Placement and Training Act (JPTA), whose funds are primarily designated for training welfare recipients and those who are chronically unemployed. These recipients, however, face economic disincentives against giving up their welfare benefits to take part in the Andersonville Sewing Council training program. Especially during training, but even after gaining employment, they would take home less money and receive fewer benefits (e.g., they would lose Medicaid coverage) than if they remained on welfare.

The Andersonville Sewing Council continues to function and hold regular meetings. When Neil Snow resigned as chair after the training program grant expired, the progress of the group slowed almost to a halt. Recently, however, Ben Carter has taken over as chair and revived the group. The council hopes to resume the joint training program for sewers in some form. Additional funds to support a candidate pool are needed, however, for the program to continue.

Analysis

We now apply our model of the interorganizational field for collaboration to the case of the Andersonville Sewing Council. To properly fit our model to this case, we addressed two distinct phases in the collaboration: start-up and sustainability. Both phases are examined to determine the effect of the elements in the interorganizational field (see Figure 2). The competitive and institutional pressures influencing each phase are distinguished in the analysis.

Before we present the analysis, however, we consider it important to clarify exactly what we mean by "the collaboration." The Andersonville Sewing Council is a loose collection of organizations that meet voluntarily. The evolution of the council fits Gray's (1989) definition of collaboration as "a process of joint decision making among key stakeholders of a problem domain about the future of that domain" (p. 11). In this case, the problem domain is narrowly defined as the need for skilled labor and, more broadly, as the need to improve the image of the industry. The training program that the council undertook is a specific product of the broader collaboration. Because the training program was the most concrete activity of the council, the analysis focuses as much on this activity as on the council itself, although at times the two are intertwined.

Start-Up Phase

Competitive Driving Forces

The most powerful competitive driving force for this collaboration was the recruiting and retention problem faced by some of the garment manufacturers. Prior to the program, for example, Textry experienced an estimated 30% turnover rate. Recruitment and selection costs were also high because few employees remained with a company long enough to complete training to meet minimum performance standards. Consistent with transaction cost theory, the council tried to reduce personnel costs through collective action.

The second competitive driving force for start-up was the presence of a project champion, Neil Snow of Textry, who was instrumental in developing the alliance. Not only was Snow an energetic, charismatic person, but his company had the most serious turnover problem of any of the council members, and so he had a high stake in finding a solution. Motivated by his company's strong need and employing his leadership skills, Snow was able to stimulate the group of sewing manufacturers to act on their behalf. Most participants in the collaboration credited him with providing the inspiration and energy for the project. His determination enabled the council to overcome much of the initial inertia and resistance it encountered internally and externally.

The third competitive driving force was the opportunity for the firms, which traditionally had worked in isolation, to develop a community to exchange information. The sewing industry was under pressure to attract workers and to develop products that could compete effectively with imported goods. Managers thus welcomed the opportunity to share information about their business that could enhance their performance. Now that the training program has ended, the long-term future of the Andersonville Sewing Council undoubtedly hinges on the interest of the manufacturers in continuing to exchange information.

The fourth competitive driving force was council members' different motivations for collaboration. Improving the image of the industry was a shared goal for all the

		Driving Forces	Restraining Forces
Factors Affecting Start-Up	Competitive	Shortage of applicants and high rates of turnover Project champion Different motivations for participating Desire for information exchange	Lack of trust among the executives
	Institutional	Potential funding for joint training Incentives for supporting organizations (e.g., ATC, AEI, Votech) to participate Desire to enhance the industry's image	Negative reputation of the sewing industry
Factors Affecting Sustainability	Competitive	Desire to continue the community they built Ongoing need for labor for the industry as a whole	Urgent need for labor relieved by hiring training program graduates Slowdowns in the garment industry Corporate restructuring
	Institutional	Changed perceptions of the industry by the institutional actors	Lack of funds for ongoing projects (ATC funds no longer available; constraints on access to JPTA funds) Disincentives built into the welfare system discourage

FIGURE 2: Competitive and Institutional Pressures Affecting the Andersonville Sewing Council

firms. All the firms also had some level of difficulty in recruiting employees. Only Barnes York and Textry claimed to have problems in both recruiting and retention, and their main interest in supporting the collaboration was to implement a training program. Firms other than Textry and Barnes York were more interested in improving the industry's image and creating a community (i.e., a common bond) among members of the local garment industry. Yet each firm's needs were sufficiently strong to sustain a common ground for collaboration, even though their motivations for participation were different. Indeed, these differences seemed to create a synergy among the participants.

Competitive Restraining Forces

The single competitive restraining force at start-up was the lack of trust among the executives, which stemmed from two factors. First, these managers saw themselves as competitors and believed that competitors did not cooperate. Second, on at least a few occasions workers were hired away from one company by another or else voluntarily left one company in search of higher wages at another. These factors, plus a lack of information about one another, inhibited the early activities of the council members. This distrust dissipated, however, as the council members got to know one another better.

Institutional Driving Forces

A primary institutional incentive at start-up was that funds were potentially available to support the joint training program. In practice, however, the potential funding institutions provided both incentives and constraints because the council's initial efforts to secure funds were not successful. The ATC's institutional mandate, which was to fund business-government efforts to increase employment in the community, created a substantial driving force for this collaboration. In exchange for following the ATC's guidelines, the Andersonville Sewing Council received resources and external legitimacy. In turn, the ATC fulfilled its mission.

There were three additional incentives for the ATC to fund the council training project. First, the project was considered promising in terms of practical results; the agency had occasionally come under fire in the past for funding "useless" projects. Second, the ATC's credibility was enhanced by the involvement of so many different organizations in the project. Third, this type of collaborative effort might be transferable to other industries.

The collaboration presented three other opportunities to increase the legitimacy of the council members. First, the local economic development authority saw the council as providing an opportunity to make amends with a group of firms it had been accused of ignoring. Second, the Andersonville Area Vocational Technical School, which was known for its high school program, considered the training project an opportunity to improve its adult education program and further its legitimacy with the community. Third, the garment manufacturers regarded the training project as an opportunity to increase their legitimacy with both the community and with funding source providers by countering the industry's sweatshop reputation.

Institutional Restraining Forces

Initially, the principal restraining force facing the training program was the garment industry's poor reputation. Many people's vision of the industry included horrendous working conditions, low pay, and long hours—an unattractive image for potential employees. Workers took jobs with clothing manufacturers as a last resort, not as a career choice; for many, a job in a fast-food restaurant at lower pay seemed preferable to a job in a garment factory. Additionally, garment industry firms had a fly-by-night reputation in the region because over the years several firms had suddenly disappeared—sometimes without paying employees or creditors. These problems kept firms in the industry from being regarded as truly legitimate employers. Yet, although garment manufacturing jobs may not be ideal, they are not as bad as their reputation suggests. They provide a moderate, relatively stable income. They are physically safe and offer chances for advancement. For individuals with few or no job skills, these jobs represent good career options. Despite these facts, however, the garment manufacturers had difficulty attracting trainees and securing funds to initiate the training program.

In the past, the federal government's Comprehensive Employment and Training Act (CETA) program had regulations that expressly precluded placing workers in the sewing industry. The local economic development organizations, which considered the industry's fly-by-night reputation deserved, saw no reason to help the manufacturers. A major focus of the collaboration was to persuade government funding institutions that the garment manufacturers were dependable corporate citizens.

Summary

During the start-up phase, the organizations involved in the collaboration were able to reduce or eliminate all of the restraining forces. They overcame their distrust of one another. Although not all the firms needed trainees, all of the council members gained something from the collaboration. Through their interaction, the firms gained the confidence of the funding agencies. As a result of advertising and news media coverage, a sufficient number of trainees were identified. In this phase, the driving forces prevailed.

Sustainability Phase

Competitive Driving Forces

The main force sustaining this collaboration was the desire of the garment manufacturers to continue the community they built. From the interviews we learned that all of the key individuals were satisfied with the activities of the collaboration. Despite some struggle, the Andersonville Sewing Council has continued to meet and has attempted to tackle common problems other than training, such as locating financing and improving plant engineering.

The other competitive force sustaining this collaboration is the ongoing need of some firms for labor. The nature of the work and the cyclical character of production virtually guarantee that turnover will always occur in the garment industry. For those firms that did not train their own in-house trainers, an ongoing training program could serve as a source of employees in the future.

Competitive Restraining Forces

An important objective of the collaboration was to attract new employees. The two firms with the largest staffs and the greatest need for new employees obtained additional workers and trainers. Consequently, their need for the training program has diminished (although they still need to attract potential employees), thereby providing one competitive restraining force. Moreover, because training is a collateral duty of their own in-house trainers, an outside training program would probably benefit them only during unusually busy periods.

A second competitive restraining force was the state of the garment industry 1 year after the training program concluded. Because of the bankruptcy of Campeau (a major retail conglomerate) and a slowing economy, some clothing retailers experienced significant business slowdowns. For example, Textry, which sold a large percentage of its goods to Campeau retailers, was forced to go to a 4-day workweek just after the completion of the last cycle of the training program. In addition, the garment industry, which is cyclical, was experiencing a downward swing when the training program ended. All of these factors contributed to a lower demand for trainees and a less compelling need to maintain a collaborative training program.

A third competitive restraining force was the restructuring of two of the firms. In the case of Barnes York, the parent company closed its shipping unit and restructured its product mix, causing considerable disruption and weakening its ability to collaborate with other firms. Neil Snow and his partners bought Surety Clothing, and Snow began a major reorganization of Surety and integration of Surety and Textry. This new venture reduced the time and energy he and the Surety executives could devote to the collaboration.

Institutional Driving Forces

The main institutional driving force for sustaining the collaboration was the institutional actors' ongoing perception of the garment industry. As indicated by the interviews, local and state economic development organizations now see the garment firms in a more positive light. The Andersonville Area Vocational Technical School has a good relationship with these firms, and has prepared a bid to provide training programs privately to the garment manufacturers. The regional economic development group in charge of federal job training funds is trying, albeit unsuccessfully to date, to find ways to use these funds to support new trainees.

Institutional Restraining Forces

A sustained collaborative effort faces some serious institutional impediments. The first is the lack of state funds to support ongoing training efforts directly. The structure of the grant received from the ATC limited the sustainability of the collaboration. Most economic development funds provided by the state are designated for seed money or start-up purposes. If the garment manufacturers want an ongoing training program, they will have to fund it through other means. Because of the general slowdown in the garment industry, the firms currently are unable to support the training with their own funds, so they are seeking to identify alternate funding sources. To date, council members have found no way to obtain state funds, and little federal funding is available to support training programs.

As mentioned in the case history, JPTA funds are a potential avenue for sponsoring trainees. These federal funds are designated for training the chronically unemployed and/or welfare recipients so that they may enter the work force. But built-in disincentives make it difficult for the Andersonville Sewing Council to benefit from this program. First, regulations would require the firms to guarantee new employees a wage rate well above minimum wage (approximately $7.50 an hour, including benefits). This guarantee means these workers would be rewarded at a consistent rate regardless of their performance, thereby creating the potential for conflict with other employees, whose wages are tied to piecework and/or incentive plans. Second, the wage rate required by JPTA is markedly higher than the average wage of employees in garment firms with similar skills and/or experience (approximately $6 an hour). Paying these new hires at the required rate would cost the garment manufacturers a great deal both in higher salaries and in morale problems affecting the total work force. Finally, raising the wages of all employees to the required rate would make the manufacturers unable to compete with foreign clothing producers.

Furthermore, it makes no economic sense for welfare recipients to participate in the training program. First, as long as they receive welfare payments, they can also receive Medicaid benefits. If they earned wages at the JPTA rate, they would exceed the maximum income allowed for Medicaid and thus lose these benefits. Because many garment manufacturers provide only limited—if any—health care benefits, former welfare recipients who accept employment with these firms put themselves and their families at considerable risk by getting less health care coverage then they had as welfare recipients. Second, welfare recipients may also receive subsidies to pay for child care, another benefit they would lose by taking jobs in the sewing industry. The prospect of losing health care and child care benefits means that these potential employees find it more advantageous to remain on welfare than to work for the garment industry.

Summary

In the sustainability phase the restraining forces are clearly dominating. The competitive forces (e.g., the industry slowdown) and the institutional forces (e.g., a lack of funds to support and attract trainees) have limited the collaboration's training efforts. Despite this, relationships among council members are being sustained as the firms attempt to define new, less constrained ways to collaborate. Their positive experience in launching the training program has stimulated them to search for other ways to reduce the environmental turbulence within the industry. Even if joint training does not continue, the garment industry executives have developed friendships that should ensure their continuing relationships.

DISCUSSION AND PROPOSITIONS FOR FUTURE RESEARCH

The case presented of the Andersonville Sewing Council provides evidence that both institutional and competitive forces induce collaborative alliances. Although economic theories would predict that common motives to reduce costs would drive these firms to collaborate, that explanation is insufficient in the case of the Andersonville Sewing Council. Initially, the primary force motivating the garment manufacturers to form a team was an institutional one — the desire to improve their collective image — rather than a competitive one.

This case suggests that it is necessary to extend our explanations of the motivating factors that promote collaboration beyond cost/benefit incentives and the desire to reduce uncertainties to include the pursuit of collective legitimacy. We demonstrated earlier that both competitive and institutional forces drove the formation of this alliance. Not all council members stood to benefit economically (e.g., to receive unambiguous gain in the form of trained workers) by sharing the cost of the training program, yet all these firms hoped to influence the perceptions of the local community (as opposed to the economic infrastructure). Ideally, the firms hoped to change the attitudes of at least some workers in the community and get them to regard the local garment industry as a desirable source of employment. In reality, however, the collaboration's impact was not so much on the community at large but rather on local institutional actors that could confer legitimacy (and economic resources) to the garment manufacturers. We offer Proposition 1 to reflect this general idea that both competitive and institutional driving forces can give rise to collaboration if these driving forces exceed the overall restraining forces.

Proposition 1: Collaboration among organizations is possible if the competitive and/or institutional forces driving the collaboration exceed the forces restraining it.

We do not intend for this proposition to imply that the environment has an overly deterministic role in forming collaborative alliances. Among the driving forces identified in Figure 2, for example, were human forces such as the presence of a champion and the motivations of individuals to participate. Most of the interview subjects credited Neil Snow as a major force behind the council and the training program. Still, the Andersonville Sewing Council needed to conform to demands posed by institutional actors (the ATC and the SPDC) to gain legitimacy in their eyes and to secure funding for the training. In this sense, the alliance had to develop internal characteristics that matched the environmental forces to succeed. The decision to do this was clearly one over which the council had discretion, but the consequence of electing not to comply would have been the loss of legitimacy with those actors. As Oliver (1991, p. 161) asserts, "When an organization anticipates that conformity will enhance social or economic fitness, acquiescence is the most probable response to institutional pressures." Conformity of this type is consistent with what DiMaggio and Powell (1983) refer to as one kind of isomorphism in which "organizational characteristics are modified in the direction of increasing compatibility with environmental characteristics" (p. 155). In light of this discussion we offer Proposition 2.

Proposition 2: To survive, a collaborative alliance must stay isomorphic with the driving forces in the environment.

A related issue raised by the case is the impact of change on the relationship of the collaboration to its context. Sustainability may be more difficult, and the collaboration may fail, if the contextual environment changes negatively or if existing restraining pressures become more salient as the goals of the alliance change. In the case of the Andersonville Sewing Council, institutional forces that were initially irrelevant became critical to the continued success of the training program in its second phase. Institutionalized welfare procedures proved to be powerful disincentives keeping potential trainees from applying for training. Although these institutional forces were present from the start of the collaboration, the council members paid little or no attention to them when the training program was first proposed. They did not become salient until the ATC funding ran out. This outcome, coupled with the previous research on changes in institutional contexts reviewed above, suggests that the pattern of relevant institutional or competitive changes may shift over the life of a collaboration, or that changes within a collaboration may increase the salience of certain contextual forces. In both cases, sustainability of the collaboration may be adversely affected. These considerations are reflected in Propositions 2a and 2b and Proposition 3.

Proposition 2a: If the environment of a collaborative alliance changes (and thereby shifts the balance between driving and restraining forces), the alliance must realign isomorphically with its environment (i.e., adjust to match the new configuration of driving and restraining forces).

Proposition 2b: If a collaborative alliance changes from within, it will face a potentially different relevant environment with which it must isomorphically realign.

Proposition 3: If the partners in a collaborative alliance are primarily attuned to competitive forces during the alliance's start-up phase, they will be less likely to pay attention to institutional forces during the sustainability phase, and vice versa. Selective attention may reduce their ability to be isomorphic with the environment during the sustainability phase.

Apparently, the organizations involved in this alliance had less difficulty overcoming competitive forces than institutional forces. Even though the industry has experienced a slowdown, the council has continued to function, albeit at a reduced level. Because the garment industry is cyclical, it is likely to recover in the near future and thereby face the need for additional labor. Even though Textry lost a major client, it recently has secured a new one and thus virtually replaced the lost business. Yet even if Textry and the other garment firms develop a strong need for workers again, the institutional restraining forces will still be present. Although the council changed its image into a more positive one with some institutional actors, issues related to its reputation in the community at large, welfare payment policies, and the funding of ongoing projects are much less likely to change. Given the ease with which the competitive forces were or could be overcome in this case and the difficulty in overcoming the institutional forces, institutional forces seem to have been more intractable and dominant in predicting the sustainability of this collaborative alliance.

Some evidence suggests that the Andersonville Sewing Council's experience in dealing with institutional forces can be generalized to other collaborative alliances. Although we acknowledge that firms can and do actively manage their institutional environments under certain conditions (Wood, 1986), we also must consider Oliver's (1991) argument that firms' ability to actively resist institutional pressures depends on several factors, including the degree of the firms' dependence on the institution for legitimacy, the presence of a strong legal or regulatory apparatus to enforce compliance, and the existence of broad support for institutional policies. Although some institutional forces can be changed, the ability of firms to effect such change is severely constrained by these factors. Extending this reasoning to the concept of collaborative alliances, we propose that, when faced with these same factors, alliances could not easily effect changes in institutional forces. Because the council had to face all three factors, it clearly was not in a good position to resist or alter the institutional forces impinging on it. We offer Proposition 4 to summarize these issues.

Proposition 4: During the sustainability phase, a collaborative alliance finds it more difficult to adjust to changes in institutional forces than to changes in competitive forces because, under many circumstances, institutional forces are more intractable than competitive forces.

Finally, the Andersonville Sewing Council's experience vividly shows that the motivation to collaborate is not sufficient either to launch or to sustain collective efforts among organizations. In addition, the competitive and institutional features of the environment must be balanced in favor of driving forces for collaboration, and mechanisms must be available for overcoming or circumventing existing restraining forces. Without this balance, even the best of intentions can be undermined.

CONCLUSION

This article examines the role of context in the development and sustainability of an interorganizational collaboration. We define context as a composite of both the competitive and institutional environments. In the case of the Andersonville Sewing Council, we found that institutional pressures were the initial shared stimuli for this alliance. Some firms also were clearly motivated to participate by competitive forces (e.g., a labor shortage), although the difficulty in attracting employees stemmed from an institutional factor (the industry's poor image in the community). Transaction cost theory (Williamson, 1981) explains these competitive motives but does not explain either the primary motivations of the participants or the ultimate development of the alliance. To fully explain this collaboration, an institutional perspective must be added to the standard economic explanations of collaboration.

The most striking feature of these results is the role the institutional environment played in both the start-up of the collaboration and its outcomes. Only two of the firms listed labor needs as their primary motivation for joining the collaboration. The desire to enhance the image of the industry (and reduce legitimacy constraints) was a more widely shared motive for the manufacturers. Indeed, all of the participants attributed the labor shortage and high rates of turnover to the poor reputation of the industry. The strong shared desire of the firms to enhance the image of their industry enabled them to overcome their mutual distrust and forge an alliance. The economic models of collaboration do not account for such noneconomic motivations.

An element in the institutional environment — the availability of start-up funds — is what initially triggered the collaboration. First, however, the poor reputation of these firms with the institutional actors (and the attendance legitimacy constraints) had to be overcome before this institutional resource could be used. The sustainability of the alliance was seriously hampered later by several other institutional forces (e.g., the nature of the welfare system, the unavailability of funds for ongoing programs). The impact of these institutional forces confirm DiMaggio and Powell's (1983) assertion that theories based solely on market competition do not present a complete view of the nature of interorganizational relations. To "present a fully adequate picture of the modern world of organizations . . . it [the economic model] must be supplemented by an institutional view" (p. 150). In this case, although competitive forces were important, institutional elements were paramount for both the initiation and ultimate outcome of the collaboration.

This study also demonstrates that collaborations are dynamic phenomena that coevolve with their contexts. The garment manufacturers were able to join with various institutional actors to start the alliance. During the start-up phase, the competitive and institutional driving forces were sufficient to overcome the impediments to collaboration. After the initial training project was completed, the balance of driving and restraining forces changed rapidly.

Three changes in this balance among institutional forces were evident. First, the economic context changed. Initially the market for these firms' goods had been strong, driving the need for additional labor. After the training program was completed, the clothing industry experienced a downturn, which decreased the firms' need for new trainees and limited the motivation for collaboration.

Second, the legitimacy of the garment manufacturers in the eyes of institutional actors changed. Before the start-up phase, the industry's reputation was a clear restraining force. As the garment executives worked with the institutional actors, the industry's reputation began to change. At the completion of the training project, both the Andersonville Area Vocational Technical School and the Southern Planning and Development Commission reversed their initial decisions to refuse to help the council find additional funds and trainees, strong evidence that they had come to perceive these firms as legitimate employers. The reputation of the industry, initially an institutional restraining force, had become an institutional driving force.

Third, the council's perceptions about the environment changed. As the alliance evolved, the importance of some elements of the context increased while that of other elements decreased. The nature of the welfare system was not considered relevant to the collaboration during the start-up phase, but after the initial funds from the ATC were exhausted, the welfare system seemed ideal as a source of funds and trainees. Conversely, the ATC funds, which were for new projects only, were crucial during the start-up phase but irrelevant after the completion of the training program. An ongoing program required other sources of funds. As the collaboration evolved, the balance between driving and restraining forces changed, as did the executives' perceptions of the salience of individual forces in the organizational field. We suggest that to understand interorganizational collaborations, one must not only investigate the context of an alliance, but also analyze the evolution of the relationship between context and the process of collaboration. In the type of collaborative effort represented by the Andersonville Sewing Council, in which members were seeking a common good, the unintended negative consequences to the interorganizational field predicted by Bresser and Harl (1986) were not realized. The impact of institutional forces working to destroy the benefits of the collaboration, however, was clearly felt. This creates an interesting dilemma: Although collaboration can serve as a means of counteracting long-standing institutional forces (e.g., the council's attempts to reverse the negative image of the local industry), the partners in the collaboration must align themselves with other institutional actors that impose constraints while simultaneously conferring legitimacy. Thus collaborations may restructure the institutional context in which they operate and thereby free themselves of some constraints, but they may pay a price by having to adopt others. Even more deeply rooted institutional forces (e.g., the welfare system) may, by their nature, impede collaborative efforts that appear to enhance the public good as well as to benefit the industry (i.e., providing an alternative to welfare is presumed to be in the common interest). These ideas are consistent with Fombrun's (1986) notion that interorganizational structures are temporary configurations of infrastructure, sociostructure, and superstructure, and that unless these three levels are aligned, inherent contradictions among them can produce unexpected and potentially disruptive change.

Finally, the Andersonville Sewing Council case suggests some practical issues related to undertaking and maintaining collaborations. In this article we demonstrate that the context of a collaboration can be analyzed to determine the forces that are likely to shape its fate. These forces can be assessed to see which ones will facilitate the collaboration and which ones will restrain it. Based on this assessment, efforts can be made to reduce the impact of the restraining forces and enhance the impact of supportive forces. Participants in an alliance also need to monitor changes in the context and in the relationship of the context to the alliance to judge their effects on the collaboration. The forces in the interorganizational field are not static. In some cases, the institutional and competitive pressures themselves change. In other cases, the evolution of an alliance pushes certain forces to the background and brings forward others crucial to the collaboration. If organizational actors can keep abreast of these changes, they may—within reason—be able to mitigate some of the negative impacts of these changes on the collaboration in the future.

APPENDIX
List of Interview Subjects for the Study Reported in this Article

Neil Snow, president of Textry Sportswear and chairman of the Andersonville Sewing Council
Ben Carter, assistant manager for Barnes York
Ed Herter, vice president for Surety Clothing
Dan Martin, chief industrial engineer for Warmwear Inc.
Bob Henderson, director of industrial development for Andersonville Enterprises, Inc.
Elinor Ickes, executive director for Andersonville Area Vocational Technical School (the Votech School)
Bill Shultz, supervisor for adult and continuing education for the Votech School
Will Dalton, coordinator for job placement for the Votech School
Alan Herman, director for training and new business for the Advanced Technology Center (ATC)
Don Lee, project manager for Training, ATC
John Conrad, director for Southern Planning and Development Commission (SPDC)

NOTE

1. Classifying the forces in this way leads to a four-cell model of the interorganizational field (see Figure 1).

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