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## ARTICLES

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### Two Sides to Every Story: An Ethnohistorical Approach to Organizational Partnerships

**ORGANIZATIONAL PARTNERSHIPS** are special forms of interorganizational cooperation which permit two or more independent entities to pool resources for achievement of a common goal. Although partnerships of various types promise significant benefits to organizations and to society, the literature suggests that such unions are subject to high rates of instability and failure. Existing hypotheses of interorganizational failure are not able to explain or predict outcomes in many cases of partnership. Limitations of existing hypotheses may derive from theoretical and methodological biases which have constrained the range of phenomena investigated in partnership research. This paper proposes an ethnohistorical research strategy for the study of interorganizational partnerships. The new approach, called ethnohistorical mapping, provides a reliable means to reconstruct a partnership's past from the perspectives of two or more organizational entities. Map data are analyzed to isolate contrasts in the content of reported experience, and contrasts are used to discover and illuminate microorganizational processes and variables underlying partnership development. The new approach is illustrated using preliminary data on an international joint-venture organization. Tentative conclusions drawn from case-study analysis suggest enhancements to existing explanations of partnership outcomes, and also suggest the utility of ethnohistory as a tool in organizational management. [ethnohistory, interorganizational relations, methodology, organizational theory, partnerships]

**T**HIS ARTICLE PRESENTS an ethnohistorical research strategy for the study of interorganizational partnerships, one designed to explore the dynamics of interorganizational unions and to develop a better understanding

of the forces that shape partnership outcomes. Unlike earlier approaches to partnership research, which assume a contingency model of interorganizational relations, the strategy suggested here is founded on theoretical and methodological constructs drawn largely from the cognitive sciences and formal ethnography. The objective of an ethnohistorical approach is discovery of microorganizational processes and associated variables which support partnership stability, as well as processes that accompany instability and dissolution. The application of formal ethnographic techniques is intended to increase the validity of organizational studies (which often have relied on survey techniques), and to improve the reliability of partnership case studies (which typically have not been conducted within an operational framework that permits comparison and replicability). The new approach—called ethnohistorical mapping—is demonstrated through application to preliminary field data emerging from a research project focusing on the evolution of international joint-venture organizations.

### **Background: The Organizational Partnership**

In complex societies, relationships between formal organizations are important features of the social and economic landscape. Such relationships permit individual organizations to obtain external resources needed for growth and survival (Levine and White 1961; Aldrich 1979) and to manage environmental turbulence and ambiguity (Emery and Trist 1965; Terreberry 1968). Viewed from a macroeconomic perspective, interorganizational linkages also play a fundamental role in the dynamics of modern economic systems (Warner and Low 1946; Pfeffer and Nowak 1976), and in the development of new technologies (Tornatzky et al. 1982).

Under conditions of limited resources, interorganizational relationships may be either competitive or cooperative (Thompson and McEwen 1958). Competition implies “zero-sum” rivalry for scarce resources (that is, the gain of one party becomes an automatic and equal loss for another party). Cooperation, on the other hand, suggests mutually beneficial interaction that ultimately may expand the resource pool of all participants. Thompson and McEwen (1958:26–27) have described several types of cooperative organizational relationships, including bargaining, cooptation, and coalition. Bargaining refers to negotiation for the exchange of resources, while cooptation is the process of absorbing new leadership elements as an organizational response to external threats. The most complex form of cooperation is the coalition (referred to elsewhere as a partnership, consortium, or joint program). A coalition (or partnership, as this type of linkage will be labeled here) is defined as a relatively formalized (often contractual) ongoing relationship between two or more independent organizational entities, where complementary resources are pooled to achieve an objective that is beyond the capability of a single organization (see Thompson and McEwen 1958; Walter and Murray 1977; Baba 1988). The most salient characteristics of the coalition or partnership, and those which distinguish it from other types of linkage, are (1) investment of valued resources by all participants to achieve a shared goal and (2) continuing management oversight of the joint activity by two or more autonomous organizational actors. Partnerships not only perform the major functions of interorganizational linkages generally (i.e., re-

source exchange and management of turbulence), but also are intended to bring an added degree of stability, long-term commitment, and economies of scale to the relationship.

Structurally, partnerships range from narrowly defined joint activities of limited duration (such as a collaborative industry-sponsored research program at a university), to broadly conceived undertakings that spawn separate organizational progeny with their own legal and economic authority (often referred to as joint-venture organizations; see Pfeffer and Nowak 1976). Organizational partnerships may occur in the public sector (e.g., alliances between health and welfare organizations; see Aiken and Hage 1968), the private sector (e.g., industrial research consortia; see Fusfeld and Haklisch 1986), or may cross sectors by joining public and private organizations (e.g., university-industry linkages; see Peters and Fufeld 1983).

Over the past three decades, our understanding of interorganizational partnerships has been enriched by a substantial body of theoretical, empirical, and policy-oriented literature. The earlier portion of this period (i.e., late 1950s to late 1960s) was quite productive theoretically, with studies of interorganizational relations being integral to the rise of contingency theory in organizational science. This early period yielded several classic studies of interorganizational relations with direct implications for partnership, including Thompson and McEwen's (1958) study of environmental constraints on organizational goal-setting, Litwak and Hylton's (1962) work on nonbureaucratic coordination and interorganizational distancing mechanisms, Emery and Trist's (1965) conceptualization of environmental texture and turbulence, and research by several other scholars concerning the prerequisites of organizational interdependency (Aiken and Hage 1968; Pfeffer 1972; Pfeffer and Nowak 1976). This body of empirical and theoretical work was valuable especially in delineating some of the environmental and structural variables involved in the process of partnership formation and operation.

In recent years, the focus of interorganizational research has shifted from the theoretically oriented to that driven by policy concerns. Noteworthy examples of policy-relevant studies include those that demonstrate the role of various partnership types in the development of industrial productivity and technological innovation (e.g., university-industry partnerships), in the improvement of educational quality and regional economic development (e.g., public school-corporation partnerships), and in international economic competitiveness and world peace (e.g., international joint ventures) (Franko 1971; Kruytbosch 1983; National Science Board 1983; Connolly 1984; Gray, Solomon, and Hetzner 1986; Useem 1986). Other focal points for recent policy-related studies have included partnership arrangements involving government, corporations, and universities (Campbell et al. 1985; Baba and Hart 1986), industrial research consortia (Fusfeld and Haklisch 1986), and research and development limited partnerships (Souder 1986).

The reasons for recent policy-oriented attention to organizational partnerships may in fact be explained by theory. Organizational theory holds that partnerships will permit pooled resources to be used in pursuit of difficult and/or large-scale socioeconomic objectives (e.g., industrial productivity, regional economic development, international competitiveness; see Thompson and

McEwen 1958). Theory also predicts that organizations will tend to collaborate during periods of growing environmental uncertainty and complexity—conditions that typify modern organizational environments in complex societies (see Emery and Trist 1965). Whether for these or other reasons, partnerships have been touted recently as programmatic solutions to a wide spectrum of social and economic problems, and with this optimistic view has come a dramatic surge of investment and growth in collaborative organizational ventures (see Young 1977; Peters and Fufeld 1983; Amine, Cavusgil, and Yaprak 1986).

Yet, despite the many perceived benefits of interorganizational partnerships, recent policy-oriented studies also suggest that formal connections between independent organizations are fraught with difficulty and danger. For society, partnerships have been viewed as problematic because they create alliances that blur organizational boundaries and may threaten the separate missions of public and private sector organizations (a point stressed earlier by Litwak and Hylton 1962; see also Bok 1981, Baba 1988). For individual organizations, partnerships are high-risk ventures since they heighten exposure to possible dependency (Aldrich 1979), and also are subject to elevated rates of instability, dissolution, and, ultimately, failure.

Recent literature abounds with discussion of partnership woes. Peters and Fufeld (1983), for example, describe 15 separate structural barriers to formation of collaborative ventures between universities and corporations. Beamish (1985) summarizes data from several major surveys which show that approximately one-third to one-half of all joint subsidiary organizations either do not survive the period of study, or are restructured substantially to reduce the ownership interest of one organizational parent. An even higher rate of failure has been reported for partnerships linking public educational institutions and private sector corporations (Useem 1986). A growing body of case-study material describes interorganizational failure in varying degrees of detail (Franko 1971; Simiar 1983; Reynolds 1984; Tung 1984).

It must be emphasized that structural instability and/or dissolution of partnerships often are not planned, but may be responses to interorganizational crises that grow out of control (Tung 1984). Such instability and failure can waste both social and economic resources, and prevent realization of the benefits promised by partnership. While society has created mechanisms to guard against some of the macroeconomic pitfalls of organizational partnering (e.g., antitrust law), recent literature suggests that we have not yet developed a remedy for interorganizational failure. Indeed, existing hypotheses of partnership fragility are neither able to predict instability, nor always able to explain success (a problem discussed further in the next section).

## **Understanding Partnership Fragility: Hypotheses and Their Limitations**

### ***Current Hypotheses***

Research on interorganizational partnerships has reported a wide range of specific problems which tend to generate conflict and tension at the microorganizational level. Such problems range from disagreements regarding appropriate time horizons for performance evaluation (Van Rennes 1982) to over-

bearing interference in partnership management from one of the parent organizations (Franko 1971), to general feelings of mistrust and/or charges of incompetence between partners (Simiar 1983). Some of the problems cited most frequently in the literature are listed briefly in Table 1. Oftentimes, these problems are resolved without resort to major restructuring or dissolution of the partnership arrangement (see Franko 1971). Where problems cannot be resolved, however, one partner may decide to withdraw from or significantly reduce its level of participation (i.e., causing instability), or both partners may agree to terminate the venture entirely (i.e., causing failure). Table 1 lists the problems referred to as proximal causes of partnership instability or failure.

**Table 1**  
**Proximal causes of partnership instability/failure.**

Reported cause	Reference
Differences in long-term plans and/or use of profits Sustained growth of partnership entity vs. dividends or diversification into various entities	Berg and Friedman (1980)
Differences in time horizons for evaluating performance Short-term vs. long-term expectations for profitability	Tung (1984)
Partnership entity enters into competition with one partner	Franko (1971)
One partner seeks control of partnership Interference in policy or operations, especially in marketing or planning	Franko (1971) Gregory (1978) Beamish (1985)
One partner seeks to rationalize/centralize Production economies of scale; partnership not cost effective	Franko (1971)
Objectives and/or resources are uncomplementary	Berg and Friedman (1980) Peters and Fustfeld (1983) Van Rennes (1982) Useem (1986)
Conflict in human relations Management incompetence, personality conflict, mistrust, partnership employees loyal to one partner	Simiar (1983) Tung (1984) Sullivan and Peterson (1982)
Differences in problem solving, project development, and/or management style	Sullivan and Peterson (1982)
Lack of partnership profitability	Tung (1984)

Various scholars have attempted to look beyond the numerous proximal causes for more general hypotheses that would explain why irreconcilable conflicts develop in some partnerships and not in others. Two types of hypotheses have emerged in recent years, differentiated according to sources of discordance. The first of these hypotheses attributes instability and failure to partner discordance in key organizational characteristics (Franko 1971; Peters and Fusfeld 1983; Useem 1986). Discordance in this context implies a difference between partners which creates conflict and incompatibility. According to this point of view, partners who are mismatched in organizational size or life-cycle stage, organizational mission or objectives, or national/cultural base are more likely to have fundamentally divergent expectations regarding satisfactory performance, requirements for returns, and long-range planning horizons. Thus, for example, university-industry research partnerships may experience conflict resulting from disagreements over the use of research outputs, since university objectives require publication of findings while industry objectives may require secrecy (Van Rennes 1982). Theoretically, such differences may create tensions and conflict in the partnership, and ultimately become a proximal cause of failure.

The second type of hypothesis focuses attention on developmental processes that either generate or give rise to the discovery of discordance over time. There are at least two versions of this basic hypothesis. In the first version, discordance of goals, objectives, and needs emerges gradually as autonomous partner entities adapt to the changing demands and constraints of their own organizational environments (Harrigan 1984; Connolly 1984). As an illustration, two closely matched corporate entities that initially formed a joint venture in order to exploit a shared business interest may diverge as one of the partners gradually reallocates resources to another line of business. According to this proposition, we would expect partnership fragility to increase with the passage of time, much as two populations of a species may diverge genetically when separated over a long period in different niches. A second version of this hypothesis combines elements of the organizational discordance and developmental divergence points of view. According to the second version, partner organizations gradually come to discover a fundamental (but previously hidden) discordance in initial needs and objectives—a discordance that was not understood during the early stages of the partnership (perhaps due to failure of communication) (Tung 1984). An intriguing example of potential miscommunication is provided by Hamada (1988), who shows the divergent meanings assigned by different partners to terms and phrases in a Japanese-American joint-venture agreement. The second version of the hypothesis is important because it recognizes that an inter-organizational process (i.e., interpartner communication) mediates between organizational characteristics and partnership outcomes.

### ***Limitations of Current Hypotheses***

While existing hypotheses provide useful insights into the variables and processes associated with partnership fragility, they are not entirely satisfactory either in diagnosis or prediction. It is known, for example, that partnerships with potentially discordant organizational characteristics may enjoy stable relation-

ships over relatively long periods of time (Baba and Hart 1986). Available literature does not suggest why some theoretically discordant partners should be able to resolve their differences while others experience disintegration. Further, we note that virtually all organizational partners are subject to the forces of divergence described in the developmental hypotheses. Why do some partners strengthen their union in spite of autonomous adaptations to separate environments or potential miscommunication problems, while others become disenchanted and break apart? Perhaps some of the variance in outcomes may be explained by the interaction of organizational and developmental variables; that is, the degree of organizational discordance could have a bearing on partner divergence over time. The literature, however, does not address this possibility. As a result of these limitations, it is not possible to predict the outcome of partnerships that are in the planning stages, or to diagnose accurately and treat problems of existing partnerships. The explanatory and predictive limitations of existing hypotheses appear to have both theoretical and methodological bases. Specifically, past research has relied upon a conceptual framework drawn largely from contingency theory, and has emphasized survey-based methods of data gathering and analysis. These theoretical and methodological biases place certain constraints on our understanding of partnership dynamics.

One type of constraint derives from the dominance of contingency theory; that is, a model of organizational effectiveness that seeks "best fit" between organizational and environmental subsystems as a prerequisite to optimal performance (Tosi 1984). According to contingency theory, there is no "one best way" to design effective organizations, but rather a set of alternative matches among varying organizational and environmental states, each of which yields a different organizational "fitness" and level of performance. In partnership research, contingency theory is expressed in both organizational and developmental hypotheses. Organizationally, various subsystems of partner organizations are compared to determine "goodness of fit," with the implication that mismatches lead to instability. Developmentally, organizations are viewed as adapting to their environments (thereby sustaining an optimal organization-environment fit), with this process of adaptation gradually creating mismatches between partners. Thus, the requirement for best fit between an organization and its environment is extended to a requirement for best fit between the organizational-environmental subsystems of two different organizations (a theoretically valid view, since each organization is part of the other's environment). Contingency theorists suggest that a central task of management is to ensure goodness of fit among subsystems and across organizations. If management fails in this task, then the partnership will be at risk.

The problem with this approach is that organizational behavior and effectiveness are not determined solely by the harmony of abstract subsystems, nor is such harmony totally subject to management control. The formal workings of organizational subsystems (including technology and structure) are affected by a number of informal forces, which include (to name but a few) unspoken and often unconscious assumptions about an organization's past and future, the power and knowledge wielded by various employee subgroups, labor-management relations, as well as personal or political connections beyond the organization's boundary (Britan and Cohen 1980; Wynn 1982; Gregory 1983; Al-

brecht and Goldman 1985; Schein 1985). The meshing of abstract subsystems into a living organization—or a partnership—is achieved not only through conscious management manipulation, but through the action of many complex processes at the microorganizational level whose complexity is barely glimpsed by contingency theory. While contingency hypotheses encourage a deductive search for signs of strain between mismatched partners, they tend to ignore those subtle aspects of human social interaction that can make or break a partnership over time. They may ignore, for example, an organization's past dealings with the current (or a different) partner, or the existence of social and political networks linking the elites of the partner organizations, or the presence (or absence) of individuals who serve as cross-cultural translators and integrators, or the hidden agendas of one or both parties (which may never be revealed to researchers, especially those operating in a survey mode). And yet, it may be exactly such factors which enable a partnership to break all the rules of contingency theory and still succeed (or meet the tests and fail).

Theoretical constraints in viewing the inner workings of partnerships have been exacerbated by a variety of methodological problems. Although exceptions exist (Hamada 1988), many partnership studies have relied on questionnaire or structured-interview responses provided by a small number of organizational executives who oftentimes are based in the partner organization most accessible to the researchers (e.g., the American partner in the case of international joint ventures). Even where surveys have included organizations that represent both sides of a partnership arrangement (e.g., university and industry organizations), these studies typically have not attempted pair-wise comparison of specific partnerships from the standpoint of both parties involved and some have interviewed only a single executive from each organization. For examples of studies that exhibit one or more of these limitations see Franko (1971), Peters and Fufeld (1983), Raveed and Renforth (1983), Reynolds (1984), Tung (1984), and Useem (1986).

The validity of such studies is questionable for two reasons. First, we know that top organizational executives are not always able to discuss all of the salient factors involved in partnership development (especially if only one is selected to speak for an entire organization). The executive may not be willing or able to mention certain issues or sources of friction, or he or she may simply be unaware of factors that were at play on other organizational levels (e.g., in the research, production, or marketing departments). Data based on such limited numbers of informant reports are not representative of relevant organizational phenomena. Further, hypotheses drawn from such data may fail to take into account *intra-organizational* (i.e., within a partner) variability which could contribute to success or failure.

Second, there is a serious question of ethnocentric bias when data is obtained only from the perspective of a single partner (especially in the case of an international partnership). It seems obvious that non-Western partners may have culturally based understandings that are quite different from those of their Western counterparts, including different definitions of success and failure and different explanations for partnership outcomes. Even if the partnership involves two organizations based in the same nation and language community, it is possible that subcultural variation (e.g., differences in organizational culture) may pro-



duce separate interpretations of reality for each partner group. Unfortunately, past studies of partnerships which consider culture at all (e.g., Franko 1971) tend to treat it as just one more variable on a list of organizational differences, rather than recognizing culture as a generative force which may itself create whole worlds of variables.

In summary, current organizational theory and methods fail to supply a full picture of partnership dynamics and development over time. Missing from the picture is an understanding of microorganizational factors and processes (including history, intraorganizational conflict, and culture-based systems of communication) which may affect the stability of the partnership over the long term. Also missing is a view of partnership from the multiple perspectives existing within each partner organization, and a cross-cultural orientation that would supply and compare interpretations from both sides of the partnership arrangement. While case studies of partnerships do provide a fuller picture of process at the microorganizational level, such studies have not followed a unified research framework that would permit replication and generalization of findings.

What is needed in partnership research is a strategy that admits data from a wider range of sources, a broader spectrum of relevant topics, and a deeper time perspective. Partnership studies also would benefit from research designs aimed at identification and explication of integrative processes that serve to bond partners and strengthen interorganizational relationships. Future research on partnerships must have the partnership *dyad* as the minimum unit of analysis. Investigations that capture data only from one side of a given partnership (even if both partner types are represented in a sample) will fail to reflect accurately the dynamic forces that bond or break partnerships in the long run.

The next section of this paper presents a new approach to partnership research which begins to address some of the needs mentioned above. The new approach (i.e., ethnohistorical mapping) first will be described and then illustrated through application to a partial data set drawn from a partnership case study. It must be emphasized at the outset that the ethnohistorical analysis presented later in this paper is *not* intended to represent full treatment of a complete data set. Rather, the analysis is given primarily to illustrate use of the mapping technique. Because the case-study data set is incomplete, data analysis is not entirely free from the limitations of past partnership research (a point returned to later on). As a further result of data limitations, conclusions drawn from the case-study analysis must be considered tentative and preliminary. The full utility of ethnohistorical mapping will be demonstrated only through further research and practice, and rigorous application of the method to complete organizational data sets.

### **Comparative Ethnohistory: A New Approach to Partnership Research**

Modern organizational theory has not emphasized the need for systematic historical analysis as a means to understanding behavior in single organizations. A number of empirical and theoretical works, however, suggest that dynamic evolutionary forces—unfolding through the temporal dimension of an organization's life—are critical determinants of current organizational behavior (Brinkerhoff and Kunz 1972). Noteworthy examples of such temporally oriented

work are those that describe and explain characteristic phases of organizational growth and development through application of a biological life-cycle analogy (Whetten 1987). Another important line of temporal inquiry in organizational theory focuses on the historic role of socioeconomic forces in the creation and transformation of major organizational forms, as well as single organizations (Stinchcombe 1965; Aldrich 1979). Finally, more recent work in the field of organizational culture points to the past as an important source of data which may help to explain current ideology and behavior patterns as part of earlier adaptive strategies which were successful in meeting (and/or rationalizing) historic challenges and problems (Martin et al. 1983; Schein 1985).

It is the premise of this article that diachronic analysis also would be useful in understanding the evolution of interorganizational partnerships. Partnerships are, by their very nature, emergent phenomena. Each partnership is created *de novo* by two autonomous entities and must grow and develop over time in order to succeed. Revealed within the growth process is an interplay of those structural, environmental, and human factors that determine interorganizational integration and shape the effectiveness of the partnership in the long run. While an ideal research design would permit real-time observation of organizational development, the actual conditions of organizational fieldwork rarely allow such luxury. Unless researchers have full and complete access to partnerships from their earliest beginnings (to date, an infrequent and accidental privilege), some form of retrospective and/or reconstructive analysis generally is necessary in order to examine development over time.

Parenthetically, a historical approach also may solve serious access problems, which are widespread in organizational research. Partnership research in particular is notoriously difficult to conduct due to the problems of arranging access in two interlinked organizations. Frequently, one organization will grant access while the other denies it (Crozier, personal communication 1985). Alternatively, both organizations may be suspicious of research that will involve private interviews with their partner. Historically oriented research can serve as a nonthreatening approach and permissible entry point for studies of both public and private sector organizations. Historical periods generally are viewed as less sensitive than current events in a partnership, and it is usually possible to negotiate some period in the past for which possible restrictions of confidentiality (or secrecy) are relaxed.

Historical reconstructions that rely in part on informant recall are, of course, limited by a variety of constraints, including information decay and other processes of cognition that actively shape the encoding, storage, and retrieval of information in memory (Bartlett 1932; Carmichael, Hogan, and Walter 1932). Such limitations of memory are less troubling, however, and may even be used to advantage if the goal of history is *not* to create an objective chronology of past events but rather to portray a pattern of insider perceptions and interpretations of the past toward the goal of explanation and prediction. Such, in fact, is the goal of organizational ethnohistory, defined here as a methodology that permits reconstruction of an organization's past from the current perspective(s) of its participants and/or other organizational insiders (see Sturtevant 1972). As illustrated in this article, ethnohistory is a research strategy which accepts the

forces of cognition and their constructive effect on memory as part of the system that is under investigation.

In partnership research, the goal of ethnohistory is to reconstruct the past from the standpoints of different parties to an organizational partnership. It is proposed that the ethnohistories of different organizational partners will reflect differences in organizational experience and cognition, which, when compared with one another, may be useful in decoding and predicting partnership behavior. This proposition is based on theoretical and empirical work in the organizational and cognitive sciences, as discussed below.

First, it is known that members of organizations create and share (at least in part) cognitive systems which enable them collectively to assign meaning, interpret phenomena, and act appropriately in their organizational worlds (Bougon, Weick, and Binkhorst 1977; Argyris and Schon 1978; Harris and Cronen 1979; Weick 1979a, 1979b; Smirchich 1983). It is the collective cognitive schemata which both synthesize and reflect an organization's distinctive characteristics and developmental experiences. Cognitive schemata are defined as complex, integrated bodies of knowledge which organize what a person (or, in this case, an organization) knows about a class of phenomena. Schemata act to simplify the interpretation of reality, but may encourage the filtering or distortion of incoming information. Such cognitive schemata (also known as systems of knowledge, or culture in Goodenough's [1956] sense) emerge from collective organizational experience, and are the substance of organizational culture (see Schein 1985). We assume that different organizations construct different cognitive schemata and that the greater the differences between such schemata, the greater the likelihood that organizational members will experience reality in different ways.

Second, we know from experimental work in cognitive psychology that preexisting cognitive schemata play a constructive role in the encoding, storage, and retrieval of information in memory (Bartlett 1932; Freeman, Romney, and Freeman 1987). As information is selectively encoded in memory (a process itself influenced by cognition), it is assimilated (Piaget's term) into a complex, integrated body of knowledge (i.e., the schemata). New information added to the schemata is transformed by processes known as leveling (omission of extraneous information), sharpening (exaggeration of relevant or important information), and assimilation (in this case meaning change to reflect a subject's own cognitive apparatus) (Bartlett 1932). Information also is altered during storage (through the process of decay) and retrieval (through embellishment designed to render incomplete information more coherent and internally consistent). Cognitive schemata thus are active during virtually every phase of memory construction and recall—meaning that memory is constructed by cognition. Two or more subjects' recollections of some objective stream of shared events therefore should be expected to vary with the degree of difference in their cognitive systems. If this expectation can be extended from individuals to organizations, then we also would expect ethnohistories of two partner organizations (as related by informants representing those organizations) to reflect different memory landscapes for the same stream of shared experience (based on differences in organizational cognition).

It is proposed here that a protocol for comparing ethnohistorical data reconstructed from different sides of an organizational partnership can be a powerful new tool for investigating partnership stability over time. Such reconstructions are mirrors of organizational cognition, reflecting the underlying assumptions, orientations, and rules of action that guide organizational behavior. Reconstructing history from different sides of a partnership opens a new window (Werner and Schoepfle 1987) on interorganizational analysis. This window gives a view of important contrasts between partners, including contrasts in background experience, basic motivations, environmental interactions, and *intra*-organizational dynamics. Analysis of these contrasts, and identification of those processes that sharpen or reduce them over time, could provide useful clues to increase our understanding of partnership stability.

Comparative ethnohistory not only opens access to a new source of data in partnership research, but also offers two distinct methodological advantages relative to past approaches. First, ethnohistorical data can enhance the validity of analytic constructs, which are generated directly from multiple informant reports. Validity is, of course, contingent on the number of data points (i.e., informants) drawn from each side of the partnership experience. To the extent that data points are limited (as they are in the case analysis presented later), validity will be limited. The validity of maps also can be increased by informant verification (as discussed below). Second, ethnohistorical mapping can improve reliability in multiple case-study designs through the use of formalized conventions for data elicitation, mapping, and analysis. The reliability of mapping can be tested by having two or more "map-makers" draw maps from the same ethnohistorical data base.

Before proceeding to describe in detail one type of ethnohistorical technique (i.e., mapping), it must be noted and underscored that ethnohistory should not be considered a "stand alone" method in the study of partnerships. Rather, the technique described here should be viewed as a complement to other more traditional means of studying organizations (e.g., structured interviews and direct observation). Indeed, one of the principal benefits of comparative ethnohistory is the generation of research questions that may best be pursued by more traditional methods. Where ethnohistorical analysis is used as a point of first contact with partner organizations, the validity of results is especially open to question (due to the absence of strong bonds of trust between researcher and informant). In such cases, it is absolutely essential that research leads provided by ethnohistory be followed up with complementary field techniques.

### **Ethnohistorical Mapping: Definition and Protocol**

Ethnohistorical mapping is a research technique that permits reconstruction of two or more accounts of partnership development, each depicting history from the standpoint of a different organizational partner. The reconstructions (called chronological maps or timelines) identify and plot graphically experiences in partnership history, as such experiences are conceptualized and remembered by organizational informants. Figure 1 shows a sample map displaying two timelines constructed for a Japanese-American international joint-venture partnership formed by two corporations (Japanese Partner A and Amer-

ican Partner B). (To maintain confidentiality, the identity of partner corporations has been changed on the map and any specific references to industries, business lines, products, or other corporations have been eliminated.)

A historical experience is defined here as a discrete *state* (an external condition of the world or an internal condition of an organization) or *event* (an external or internal occurrence or happening) which took place at some point in the past (see Mandler and Johnson 1977). The basic unit of analysis in ethnohistorical mapping thus is not the lexeme (as in many other formal approaches to ethnography), but the reported memory of an experience which can be assigned to some relative or absolute point in time (including states and events that extend over a finite period). Theoretically, such units of memory are part of the cognitive schemata and their structure and content thus should reflect the influences of such schemata. Like lexemes, units of memory may be shared by a group that also shares (directly or indirectly) a set of historical experiences. Memories, however, also may be unique to an individual. Distinguishing between shared and unique memories of experience is important in data analysis, as discussed later in this article.

Since units of memory (or historical experiences, as they will be labeled here) are defined by their assignment to absolute or relative points or periods in time, it is reasonable to assume that such units may be identified in oral history texts by words or phrases marking the passage of, or points in, time (e.g., "and so," "beginning in," "the first thing," "in the middle of"). Units of memory also may be marked by the introduction of new characters, by a change in subject or object, or by a statement of action where the passage of time is implicit (Agar 1973). Experiences (i.e., units of memory) may, in fact, be defined as descriptions of states or events which are bounded by implicit or explicit time markers. Use of such markers to separate atomic units of experience is illustrated in Appendix A.

From one point of view, ethnohistorical mapping is a research technology which can be used to chart raw experience according to replicable conventions, and to organize and display experiences in such a way that differences are more readily identified and also more reliable (to the extent that mapping conventions are formalized). Rough maps drawn during initial ethnohistorical interviews (as described below) can serve as "cues" to assist informant recall and the structuring of recall. As a tool that graphically depicts differences between partner experiences and perceptions, the maps also can be a useful device for visually demonstrating points of contrast to partnership clients who may be skeptical of conclusions drawn directly from oral history texts.

Assuming that organizational access and historical time frames have been negotiated successfully, and that researchers have compiled and studied relevant background information on the partnership (e.g., annual reports, news articles, brochures, grant proposals), the mapping protocol should proceed as follows:

1. *Information Selection.* A group of informants from each partner organization is selected, based upon their knowledge of and/or direct involvement in partnership development during the negotiated time frame and their representation across relevant organizational levels. It is desirable to begin with a key contact obtained through personal networks or initial surveys and to ask this

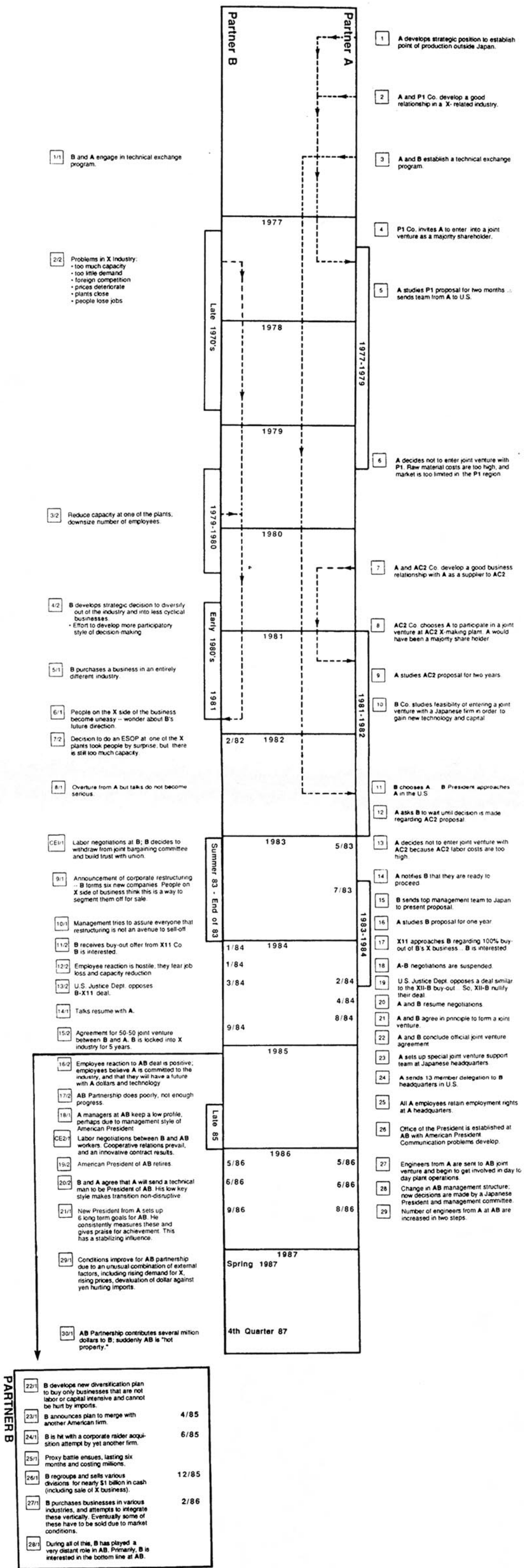
**Figure 1 (foldout)**  
**Sample ethnohistorical map.**

This figure provides brief summaries of ethnohistorical experience as recounted by informants representing Japanese Partner A and American Partner B. Experiences appear in actual chronological order. Some experiences have been assigned absolute dates, while other (undated) experiences are arranged in chronological order relative to the absolute date points. For ease of reference, each experience is numbered in a small square to the left of the experience description; numbers appearing after a slash mark (/) indicate whether an experience was reported by one (/1) or two (/2) informants. Dashed lines with arrows inside the map core indicate points at which single experiences were reported (when reported out of order chronologically). On the Partner B timeline, a solid arrow originating at the 1985 time node and leading to a block of dates which are outlined by a rectangular box (see Experiences (B)22–28) indicates a “parallel event structure”; that is, the informant reported in sequence two blocks of experience which (in real time) were simultaneous. One block of “parallel” events relates primarily to the Partner B organization and one relates to the AB partnership, with the AB series reported first. The acronym ESOP (see Experience (B)7) stands for Employee Stock Ownership Plan—a contractual arrangement whereby a private corporation sells a controlling interest in its stock to the employees of the firm. Due to limitations of space, archival data is not presented on this map.

SETTING

EVENT STRUCTURE

ENDING



1/1 B and A engage in technical exchange program.

2/2 Problems in X Industry:  
 - too much capacity  
 - too little demand  
 - foreign competition  
 - prices deteriorate  
 - plants close  
 - people lose jobs

3/2 Reduce capacity at one of the plants, downsize number of employees.

4/2 B develops strategic decision to diversify out of the industry and into less cyclical businesses.  
 - Effort to develop more participatory style of decision making

5/1 B purchases a business in an entirely different industry.

6/1 People on the X side of the business become uneasy -- wonder about B's future direction.

7/2 Decision to do an ESOP at one of the X plants took people by surprise, but there is still too much capacity.

8/1 Overture from A but talks do not become serious.

CE1/1 Labor negotiations at B; B decides to withdraw from joint bargaining committee and build trust with union.

9/1 Announcement of corporate restructuring -- B forms six new companies. People on X side of business think this is a way to segment them off for sale.

10/1 Management tries to assure everyone that restructuring is not an avenue to sell-off.

11/2 B receives buy-out offer from X11 Co. B is interested.

12/2 Employee reaction is hostile, they fear job loss and capacity reduction.

13/2 U.S. Justice Dept. opposes B-X11 deal.

14/1 Talks resume with A.

15/2 Agreement for 50-50 joint venture between B and A. B is locked into X industry for 5 years.

16/2 Employee reaction to AB deal is positive; employees believe A is committed to the industry, and that they will have a future with A dollars and technology.

17/2 AB Partnership does poorly, not enough progress.

18/1 A managers at AB keep a low profile, perhaps due to management style of American President.

CE2/1 Labor negotiations between B and AB workers. Cooperative relations prevail, and an innovative contract results.

19/2 American President of AB retires.

20/2 B and A agree that A will send a technical man to be President of AB. His low key style makes transition non-disruptive.

21/1 New President from A sets up 6 long term goals for AB. He consistently measures these and gives praise for achievement. This has a stabilizing influence.

29/1 Conditions improve for AB partnership due to an unusual combination of external factors, including rising demand for X, rising prices, devaluation of dollar against yen hurting imports.

30/1 AB Partnership contributes several million dollars to B; suddenly AB is "hot property."

- PARTNER B**
- 22/1 B develops new diversification plan to buy only businesses that are not labor or capital intensive and cannot be hurt by imports. 4/85
  - 23/1 B announces plan to merge with another American firm. 6/85
  - 24/1 B is hit with a corporate raider acquisition attempt by yet another firm. 12/85
  - 25/1 Proxy battle ensues, lasting six months and costing millions. 2/86
  - 26/1 B regroups and sells various divisions for nearly \$1 billion in cash (including sale of X business).
  - 27/1 B purchases businesses in various industries, and attempts to integrate these vertically. Eventually some of these have to be sold due to market conditions.
  - 28/1 During all of this, B has played a very distant role in AB. Primarily, B is interested in the bottom line at AB.

1 A develops strategic position to establish point of production outside Japan.

2 A and P1 Co. develop a good relationship in a X-related industry.

3 A and B establish a technical exchange program.

4 P1 Co. invites A to enter into a joint venture as a majority shareholder.

5 A studies P1 proposal for two months ... sends team from A to U.S.

6 A decides not to enter joint venture with P1. Raw material costs are too high, and market is too limited in the P1 region.

7 A and AC2 Co. develop a good business relationship with A as a supplier to AC2.

8 AC2 Co. chooses A to participate in a joint venture at AC2 X-making plant. A would have been a majority shareholder.

9 A studies AC2 proposal for two years.

10 B Co. studies feasibility of entering a joint venture with a Japanese firm in order to gain new technology and capital.

11 B chooses A. B President approaches A in the U.S.

12 A asks B to wait until decision is made regarding AC2 proposal.

13 A decides not to enter joint venture with AC2 because AC2 labor costs are too high.

14 A notifies B that they are ready to proceed.

15 B sends top management team to Japan to present proposal.

16 A studies B proposal for one year.

17 X11 approaches B regarding 100% buy-out of B's X business. B is interested.

18 A-B negotiations are suspended.

19 U.S. Justice Dept. opposes a deal similar to the X11-B buy-out. So, X11-B nullify their deal.

20 A and B resume negotiations.

21 A and B agree in principle to form a joint venture.

22 A and B conclude official joint venture agreement.

23 A sets up special joint venture support team at Japanese headquarters.

24 A sends 13 member delegation to B headquarters in U.S.

25 All A employees retain employment rights at A headquarters.

26 Office of the President is established at AB with American President. Communication problems develop.

27 Engineers from A are sent to AB joint venture and begin to get involved in day to day plant operations.

28 Change in AB management structure: now decisions are made by a Japanese President and management committee.

29 Number of engineers from A at AB are increased in two steps.

contact for advice regarding selection of other informants. Since partnership formation often involves organizational executives, while day-to-day operations may involve functional units in the organization (e.g., legal, human resources, engineering), it is advisable to select informants representing both executive and operational levels. It is also important to ensure that the group of informants selected to represent each partner organization have roughly equivalent exposures to, and involvements in, partnership activities (otherwise, artificial anomalies will result, as discussed below).

2. *Ethnohistorical Interviews.* One or more semi-structured interviews are conducted with each informant. The objective of these interviews is to generate an insider's reconstruction of the history of the partnership between two pre-specified dates (usually early in the partnership's history). The interview begins with a set of structured questions regarding the informant's background and his or her position and history with the partner organization. The informant then is asked to "tell the story" of the partnership from its earliest beginnings (as determined by the informant) through some negotiated date, with the researchers interrupting only to clarify names or dates or to verify his or her understanding of some portion of the narrative. During the interview (which should be tape recorded with permission), the researcher should sketch a rough timeline of reported experience based on the informant's narrative. This rough timeline becomes the basis for follow-up questions, which probe for additional or missing information. Follow-up questions may be based strictly on information provided by the informant or may probe other areas of interest (selected by the researcher), so long as data are distinguished clearly as being informant- or researcher-initiated. Any new experiences or events added during the follow-up probe (or later during formal timeline verification) are labeled "cued experiences" on the chronology (see experiences labeled "CE" in Figure 1). A "cued experience" is defined generally as an experience that is reported only after an external stimulus has been presented. Differences between "cued" and "uncued" experiences may be significant in data analysis (as discussed later in this article). Informants also are asked at this stage to provide copies of archival materials pertaining to experiences on the map (i.e., memoranda, formal agreements, organizational charts). Such documents become part of the ethnohistorical record.

3. *Map Preparation and Archival Supplementation.* Following the interview, a formal timeline or chronological map is prepared showing the time and brief narrative summaries for each discrete experience. The maps should summarize data provided both by oral history and archival documents, with the source of data noted on the map. Chronologies should be constructed on a timeline that is drawn to scale (i.e., has regular intervals denoting equal portions of time). Where experiences are reported out of order chronologically (as when an informant suddenly recalls something that was not mentioned earlier or jumps ahead to connect past with current experience), the map should indicate both the chronological location of the experience, as well as the point in the story at which the experience was remembered (see for illustration Figure 1). Where archives add to or modify significantly those events included in the oral history, such data become "cued experiences." Every effort should be made to identify



as many discrete historical experiences as possible, so that the chronological map represents an atomic display of all reported experience.

4. *Map Verification and Correction.* The fully documented map is shown to the informant, who is asked to verify the accuracy of times and descriptions for each experience. The map verification procedure may be used as an opportunity to conduct an ethnographic interview, during which the researcher probes for additional details or asks questions emerging from preliminary analysis of the unverified maps. The informant's corrections and/or additions are marked directly on the original map (taking care to note any new "cued experiences" resulting from this process). A corrected version of the map is then prepared which incorporates new information provided by the informant.

5. *Map Aggregation.* Timelines for all members of one partner organization are aggregated into a single chronological map. Aggregation is achieved by including on a single map all experiences reported by all informants representing that partner, but annotating the frequency and source of each experience (i.e., the number of times an experience was reported by each individual informant). If members of the partnership organization were interviewed, their timelines should be maintained separately and may be analyzed later, either as part of the appropriate partner's data set or as part of a third chronology belonging to the partnership (i.e., the joint organization).

6. *Formal Mapping.* The verified and aggregated chronologies are prepared for formal analysis by matching extracted portions of transcribed narrative with the experiences that they describe. Such expanded maps should include cued experiences, as well as relevant portions of text extracted from archival documents which further describe or explain experience from the perspective of the appropriate partner. Experiences (both cued and uncued) shown on the maps are numbered and these numbers are assigned to corresponding portions of descriptive text for ease of reference. Following the construction of separate maps for both partners (and the partnership organization, if necessary), chronologies are aligned so that equivalent time periods may be compared across partner organizations.

The ethnohistorical data now are ready for analysis, which begins with the delineation of story structure and continues with the isolation of contrasts across data sets. Each of these analytic approaches are illustrated in later sections of this article, using the data set represented in Figure 1.

It is worth restating at this point that the brief examples of data analysis presented below are intended primarily to illustrate application of the ethnohistorical mapping technique, and to suggest the potential utility of ethnohistorical material in the study of organizational partnerships. The discussion which follows is *not* intended as a full or definitive treatment of a complete data set, nor is it intended to yield conclusive explanations or predictions concerning the case organization. Explanation and prediction must proceed from a data base of sufficient magnitude and quality to permit the development of sound generalizations. An idealized data base would include ethnohistories of both stable and unstable partnerships representing a given class of interorganizational unions (e.g., international joint ventures), with multiple data points on both sides of the dyad and interviewing (as well as map construction) conducted in the native lan-

guage(s). The data base would be developed using sets of informants who (as a group) were equally informed of, and involved in, the partnership within a negotiated time frame. Further, hypotheses generated from these data would be tested using other methods and data sources (e.g., direct observation and structured interviews).

In comparison with such an idealized data base, the data set presented in Figure 1 must be considered preliminary and formative in nature. These maps represent a snapshot of data taken at one point during a long-term research project. The maps were constructed on the basis of ethnohistorical interviews with three informants representing one dyad—one informant representing Japanese Partner A and two informants representing American Partner B. A fourth informant at the AB partnership plant also was interviewed informally, and those data were used in the analysis of the maps (but are not shown in Figure 1 since they were not gathered in accordance with the mapping protocol). All interviews were conducted in English. Due to the preliminary nature of the data shown in Figure 1, it will be necessary to couch the illustrations presented below in tentative terms, and to point out periodically the manner in which data limitations constrain analysis.

### **Ethnohistorical Story Structure**

Stories of many types, such as folktales, myths, and fables, have implicit structural properties which are recognized intuitively by speakers and suggest the possibility of a universal story grammar (Rumelhart 1975; Mandler and Johnson 1977; Agar 1980). Work in experimental psychology shows that well-formed stories (like well-formed utterances) obey grammatical rules, departure from which decreases listener comprehension and recall (Rumelhart 1975). A grammatically correct story should begin with a setting, which identifies time and place and introduces the story's main characters. Following the setting, ideal stories have an event structure, consisting of episodes that are related formally in various ways (e.g., simultaneous, sequential, or causal). Ideal stories end with an emphasis, which is an event that wraps up the story with a dramatic flourish, "sometimes emphasizing lifetime results of previous events" or "having the flavor of a moral" (Mandler and Johnson 1977:124).

Stories analyzed by psychologists differ from those told by partnership informants in at least two ways. First, the former are preserved in an oral tradition, and their structures thus are more likely to conform with idealized schemata (since such schemata appear to be a prerequisite for continuity and recall). Partnership histories are presented orally, but are not necessarily preserved in an oral tradition. In fact, the recounting of partnership history to a researcher may be the first time such a story is told in its entirety. Second, myths and fables are simple stories (i.e., they have only one principal protagonist per episode), while partnership histories are complex (requiring by definition at least two protagonists in some episodes). Since the rules of story grammar have been developed for simple stories preserved through an oral tradition, it probably is not feasible (nor is it the intent of this paper) to use these rules to diagram in detail the internal structures of organizational ethnohistory.

The existence of deep structures for simple stories, however, does suggest the possibility of similar (but possibly more complex) basic structures underlying

partnership tales as well. Like the life histories discussed by Agar (1980), organizational ethnohistories appear to obey some of the established grammatical rules for simple stories by beginning with a setting, which establishes the background for the story. As shown in Figure 1, informants representing both partners open their stories with material that introduces their firm, places the firm in an environmental context, and explains the prime motive for partnership. The setting segment closes with the introduction of the partner organization, which also marks the opening of the event structure segment—a series of episodes describing the formation and operation of the partnership. Finally, and as predicted by story grammar, the event structure closes with an emphatic ending (in this case the ending is a surprise reversal of fortunes for the partnership organization).

This brief discussion suggests that partnership histories may have basic structural components that parallel those of simple stories (i.e., setting, event structure, and ending). While delineation of basic structural regions in map topography is not in itself sufficient to increase our understanding of partnership dynamics, such delineation can be a useful way to conceptualize data prior to further treatment. As Agar (1980) notes in his discussion of life history material, the structural units of a story provide "natural ways of slicing them up for analysis." Following Agar's suggestion, the basic structural segments of partnership history are made to serve as "natural slices" in the analysis of the text content that follows.

### **The Study of Contrasts**

Ethnohistories may share basic similarities in story structure, but the details of experiential content can vary in several important respects. Using the ethnohistorical maps as a guide, it is possible to locate various types of contrasts across partner timelines, and to use these contrasts as windows in the discovery of partnership dynamics. Contrasts are defined broadly as differences across timelines in the information content of reported experience. Initial identification of differences in the content of experience (e.g., differences in actors, goals, methods of action, outcomes) is aided by visual inspection of aligned chronologies. Formal content analysis of oral history texts permits explicit delineation of visually identified differences, as well as differences that may be too subtle to detect via visual inspection.

Content analysis is defined here as a research technique for the systematic and objective description of the manifest content of communication (see Berelson 1952:18; Holsti 1968:597–598). In content analysis, texts (or other products of symbolic behavior) are coded using theoretically relevant categories. The results of such coding—which may be qualitative or quantitative—are then used to infer characteristics of communication systems (including characteristics of speakers, audiences, and cultural communities). Since the goal of ethnohistorical research as presented in this article is the broad-based understanding of processes and variables associated with partnership development and outcomes, it seems reasonable to define coding categories which capture such processes and variables over time. One possible approach would be to establish coding categories that focus on the developmental trajectories of partner or-

ganizations (where a trajectory is defined as a course of action emerging from a given motivational state and moving toward an intended goal). Coding categories that might permit analysis of trajectories include the following:

Motivational States:	Preexisting conditions which provide a stated rationale for ensuing action.
Goals/Plans:	Intended objectives and projected courses of action for each actor (as related to motives).
Methods/Action:	Goal-oriented behavior of actors.
Outcomes:	Internal or external states which may be attributed to goal-oriented actor behavior.

Using such an approach could give insight into (1) the relationship between organizational characteristics of partners and their motivational states, (2) the manner in which motives are related to partner goals and goal-oriented actions, (3) the forces that serve to stabilize or change trajectories over time, and (4) the effects of trajectories on the partnership organization. Contrasts in partner trajectories (as reported by informants) and changes in trajectories might be useful in explaining the course of partnership development and projecting long-term outcomes (i.e., stability or instability).

Table 2 gives the results of qualitative content analysis for a sample of text drawn from the early setting region of Figure 1 (Experiences (A)1–11 and (B)1–8; see Appendix B for text excerpts). Sample portions of text were purposely selected because they contain background information concerning basic motivational states. (A complete treatment of ethnohistorical contrasts would require analysis of larger samples of text drawn from other portions of the story struc-

**Table 2**  
Content analysis of early setting statements.

Category	Partner A	Partner B <sup>a</sup>
Actors	Partner A leader (Mr. Q) and American companies (P1 and AC2)	Partner B headquarters and divisions
Motivational states	Limited national economy with restrictions on exports	Severe recession in Partner B industry
Goals/plans	Establish point of production outside Japan	Reduce capacity and diversify out of the industry
Methods/actions	Consider joint venture proposals from American firms	Downsizing, reconfiguration, ESOP
Outcomes	Reject joint venture proposals from two American firms (P1 and AC2)	Still too much capacity in the industry, so must consider other alternatives

<sup>a</sup>Based on interviews with first informant representing Partner B.

ture.) Sample results presented in Table 2 suggest contrasts in both basic motivations and developmental trajectories of partner firms (as perceived by key informants). Partner A is characterized as growth-oriented and committed to long-term expansion of industrial capacity outside Japan. Partner B, on the other hand, is reported as intent upon a course of strategic downsizing and long-term efforts to diversify out of the industry.

The contrast in setting segments shown in Table 2 also is highlighted sharply by the differential use of certain key words in the text excerpts. The informant representing Partner A uses the words *expansion*, *grow(th)*, and *transplanting* five times in the brief passage shown in Appendix B. The terms *product*, *production*, and *production point* also are used five times. The sense derived from this passage (which admittedly is tentative, given the preliminary nature of our data base) is one of product and production growth as a method to transcend the limitations of a restricted national economy. The contrasting passage for the first Partner B informant imparts a very different and negative image: there is too much capacity, too little demand, prices are deteriorating, plants are closing, people are losing jobs—"the whole thing was horrible." Partner B's reported reaction to this "horrible" situation is an attempt to withdraw from the industry. Words such as *diversify*, *shut down*, *downsize*, *reconfigure*, and *reduce* dominate the latter portions of this passage. Diversification is presented as a method of escape from economic crisis. The contrast between sets of key words is indicated not only by their dominance in a given informant's narrative, but by their virtual absence in the narrative given by an informant's partner.

The contrast in setting suggested by Table 2 (i.e., a commitment to growth versus a commitment to diversification) may reflect a complementary difference in national economic base: the Japanese firm seeks to invest in an undervalued industrial area abroad, while the American firm seeks to divest and redeploy assets elsewhere. The isolation of such a contrast—especially if it persists following full treatment of a complete data set—raises a question concerning the long-term stability of the partnership. Assuming that such a contrast reflects differences in the motive forces driving the partners toward collaboration, the internal logic of the partnership may well lead to instability (e.g., through a buyout offer from Partner B). This insight (which suggests that some cases of instability actually may represent the fulfillment of mutual objectives, or success) can now serve as a guide to further analysis of the data: Where else is such a contrast found?

In fact, growth versus diversification appears to be a theme which repeats itself at other points in the sample chronologies. First and most obvious, the joint venture contract itself reflects the theme as the American B Corporation sells 50 percent of its interest in the subject industry to the Japanese A Corporation (see Experiences (A)21 and (B)15). Partner B thus succeeds in withdrawing further from the industry, while Partner A succeeds in establishing an American point of production. The growth-versus-diversification theme also is reflected in the year-long series of events spanning 1985 and 1986 (see Experiences (A)23–29 and (B)22–28). Here we find (according to the second informant representing Partner B) that the B Corporation turned its attention away from the joint venture and became involved actively in efforts to merge with, or acquire, businesses in completely different industries. Partner B's attention was further diverted from a

focus on the partnership by a hostile takeover attempt from another company (which B fought successfully). Partner A, on the other hand, seems to have been focusing more intently on the joint venture itself during this period. Reports of both the Partner A and second Partner B informants suggest that Partner A representatives in the United States were busy establishing long-term goals for the joint venture and managing operations to meet these goals. (We do not, unfortunately, know what the Partner A headquarters in Japan was up to during this period, since none of our informants volunteered any information on that subject.) In the words of the second informant from Partner B:

... the role that [B] was playing was a hands off, very distant role. The only comments basically being made were "what's the bottom line look like this month?" While the Japanese were pouring in technology and effort and energy and time, [B] was saying "where's the bottom line and what's it look like?" So, the gap between the two was ever widening and it was pretty obvious that one parent [i.e., A] was very interested in building, and the other parent [i.e., B] was interested in collecting. . . . [Excerpt from interview with the second Partner B informant]

The growth-versus-diversification theme appears to reach a symbolic climax during a change in the management structure of the partnership, which took place approximately two years following formation of the joint venture (see Experiences (A)28 and (B)19–20). The informants' stories correspond closely. Due to a variety of circumstances within the joint-venture organization, the American president withdrew (retired) from leadership and was replaced by a Japanese president. Both parties report that the newly organized management committee (now under Japanese leadership) is working quite well. Again, we see a possible theme of expansion (for Japanese Partner A) versus divestiture (for American Partner B)—this time represented through the symbolism of leadership succession. The continuity of this theme throughout the setting segment and event structure strengthens our initial impression that the partner firms' developmental trajectories may lead ultimately to structural instability.

Thus far, we have examined some of the more predictable ways in which ethnohistories can vary. It is expected that setting regions should contrast, since these regions reflect separate organizational experience. There is, however, another type of difference between ethnohistorical data sets which is not so predictable, and that is the type of contrast represented by anomaly (Werner and Schoepfle 1987) or breakdown (Agar 1983). Anomaly is a departure from the expected, a phenomenon that cannot be explained within the framework of existing theoretical paradigms (Kuhn 1962). In ethnography, anomalies present themselves as contradictions or inconsistencies in data reported by informants (Werner and Schoepfle 1987), or as breakdowns between the cognitive system of the researcher and that of the subject (Agar 1983, 1986).

Three forms of anomaly are possible in partnership research: (1) inconsistencies within the data set provided by a single partner organization (including inconsistencies among data sources such as subject reports and archival materials or ethnohistorical narratives and observational data); (2) contradictions between the aggregated data sets of two different partners; and (3) breakdowns between the cognitive system of the researcher and that of one or both of the

subject organizations. Contradictions or anomalies in reports of shared experience (i.e., different interpretations of the same objective experience) are most interesting because they suggest perceptual differences that may indicate hidden sources of strain or tension in a partnership arrangement. In fact, what puzzles the researcher most may be those reports of shared experience that conflict among subjects. The researcher may also be puzzled by reports of separate or shared experiences where subjects do not disagree, but in such cases the anomaly suggests primarily that some partnership phenomena are alien to the researcher. Any or all of these forms of anomaly may provide significant opportunities to ask more relevant questions about the partnership, to isolate sources of tension or conflict, or to identify other salient dimensions of behavior that are not articulated readily (or even perceived consciously) by organizational members.

A note of caution, however, is necessary at this point. Anomalies (and other forms of contrast) also may be artifacts of informant positioning in partner organizations; that is, informants who were involved differently in the mainstream of partnership events may report different experiences and/or report different perspectives on experience. Such artifacts may lead to the confounding of individual and organizational variance. The effects of differences in informant positioning are evident at several points on the Figure 1 timeline. For instance, while both informants from the B Corporation report the same basic states and events affecting the B Corporation prior to partnership development, only the second informant reports in detail on states and events affecting the B Corporation after the partnership agreement was formalized (see Experiences (B)16–28). This difference between shared and unique memories of experience may reflect a process whereby early experiences have become “collectivized” through an oral tradition, while more recent experiences are dependent on informant position (i.e., the second informant has continuously held a position at the B Corporation which requires him to be informed of all major conditions and occurrences, while the first informant only recently became involved directly in activities at the B Corporation headquarters). In an ideal data set, it would be important to control for such artifacts through careful informant selection, since artifacts may raise spurious research questions and detract from the primary line of inquiry.

It should be noted also that anomalies may be artifacts of the pragmatics of communication. Pragmatics is defined as “the most general, inclusive level [in the study of signs (semiotics)], and includes all personal and psychological factors which distinguish one communication event from another, all questions of purpose, practical results, and value to sign users” (Cherry 1978:223). For example, interspeaker variance in narrative content may reflect differences in the assumptions that speakers hold regarding their audiences (Cherry 1978). Pragmatic variations in ethnohistorical narratives resulting from differing types of assumptions about audiences are evident in the case presented here. The second informant representing Partner B was the researcher’s chief contact with both the A and B Corporations. In addition, this informant was the last person to be interviewed. As a result of these pragmatic considerations, it is likely that the informant structured his story deliberately to provide a fresh perspective on the partnership (assuming that the researcher already had certain types of infor-

mation but not others). Again, it is important to note and factor into analysis such pragmatic sources of variance lest they suggest "pseudoanomalies" and thus threaten validity.

Bearing in mind the foregoing precautions, we may proceed to examine the data set presented in Figure 1, which contains several interesting examples of anomaly. The first noticeable example occurs at the opening of partnership discussions between Partners A and B. As shown in Figure 1, informants representing each partner attribute the initiation of partnership discussions to the other organization (see Experiences (A)11 and (B)8). Further, both sets of informants attribute *all* contacts with all other firms (three for Partner A and two for Partner B) to the initiative of the other firm (see Experiences (A)4, (A)8, and (B)11). The consistent attribution of initial interorganizational contact to the initiative of an external party is both contradictory (in the case of Partner A and B's first meeting), as well as unexpected (to the researcher). After all, both firms tell of preexisting strategic decisions that logically would lead each firm actively to seek outside partners. Why make a strategic decision that only is enacted by others?

Apart from faulty memory (which could be controlled, in part, with the addition of more informant data points), there are various possible explanations for this anomaly. Perhaps we are witnessing here the constructive nature of perception; that is, from each informant's perspective, the other party *did* make the first approach. Such perceptions may arise from a tendency to avoid taking responsibility for initiating a risky new venture until the outcome is known. Or, the perceptions may have a cultural basis, so that the Japanese tale reflects a culturally characteristic waiting for events to unfold, while the American tale reveals an independent self-image and a cognitive schema which levels any information that does not conform with this image (i.e., the need to seek a partner). It should be noted that the formulation of hypotheses to explain anomalies such as these (as well as those described below) ideally should await the development of a full data set, lest premature hypotheses bias further data collection efforts.

A second illustration of anomalous contrast is embedded in discussions pertaining to labor-management considerations. Preliminary interviews and observation in one of the partnership plants suggested that labor-management issues were crucial to the future success of the joint venture. A key informant at the plant repeatedly emphasized the importance of labor-management compromise and cooperation in obtaining goals that were necessary to profitability. Yet, ethnohistories provided by informants representing Partners A and B fail to reflect this emphasis. Even though Partner A explicitly notes in the setting segment that the reason for rejecting the AC2 Corporation's partnership offer involved the high costs of AC2 labor (see Experience (A)13), Partner A does not mention labor costs or other labor matters when discussing the venture with Partner B. Partner B informants, on the other hand, discuss employee reactions to offers of buyout or partnership from both the XII and A Corporations (see Experiences (B)12 and (B)16), but do not volunteer any other significant mention of organized labor concerns as part of joint-venture history (even though Partner B negotiated two major contracts with its employee union during the time period covered by the ethnohistory). The appearance of union negotiation "cued experiences" on the Partner B timeline (see Experiences CE1 and CE2) indicates that these experi-



ences were not recounted until the researcher made a direct inquiry regarding labor matters. This researcher-initiated inquiry revealed that the 1986 negotiations (which occurred after the joint venture was in place) produced a contract that made national and international news because of its many innovative features (including definitions of job categories that are much broader than those used historically in this industry). Yet direct probes regarding a possible relationship between organized labor concerns and partnership dynamics elicited a negative response from one informant (i.e., he indicated that labor negotiations and partnership arrangements did not have much to do with one another). Significantly, however, the first Partner B informant also stated (after a probe) that certain aspects of the 1986 labor contract caused some discomfort for Partner A:

... the reason I come back to the [Partner A] situation is that employment security, which is part of our contract, really scared them. Now you say, how can that be when they've had it for years? Well, employment security exists in Japan, but it exists in a moral sense. You won't find a contract in Japan that says anything about it, employment security. Now, when they saw it in black and white, they were scared to death. So, they finally bowed to our judgment reluctantly. But they didn't like it, they didn't like it at all. [Excerpt from interview with first Partner B informant]

Again, it should be noted that the Partner A informant did not mention the labor contract at all.

The anomaly in this case is between researcher and subjects, and possibly between the ethnohistorical data gathered in the partner firms versus informal observational and interview data gathered in the partnership plant. Why did informants representing Partners A and B neglect to mention labor issues in discussing partnership dynamics (without a direct probe), and why did Partner B decline to acknowledge a significant relationship between the union and the partnership (even after a direct probe)? Further, why did Partner B indicate that a contractual provision for employment security scared Partner A "to death," while the Partner A informant kept silent on this issue? It could be that the first Partner B informant, who initiated and led Partner B's effort to improve labor-management relations before the partnership began (see Experience CE1 on the B timeline), truly believes that these efforts are separate and distinct (while employees in the partnership plant believe they are directly related). Or it could be that failure to include union concerns in the ethnohistory (especially the silence of the Partner A informant) signals a deeper issue, which partner informants did not choose to discuss with the researcher. This latter explanation receives indirect support from a statement made by the second informant representing Partner B. According to this individual, it was rumored at B headquarters that the A Corporation had instructed its joint-venture representatives to avoid any confrontations or disputes with Partner B during the joint venture start-up period, lest they (the Partner A managers) be blamed for future failure of the effort. Significantly, this informant also volunteered (following the completion of the ethnohistorical interview) that labor contract concerns might become quite important to the future success of the joint venture (thereby agreeing in essence with informant statements at the AB partnership plant). Thus, what began as an

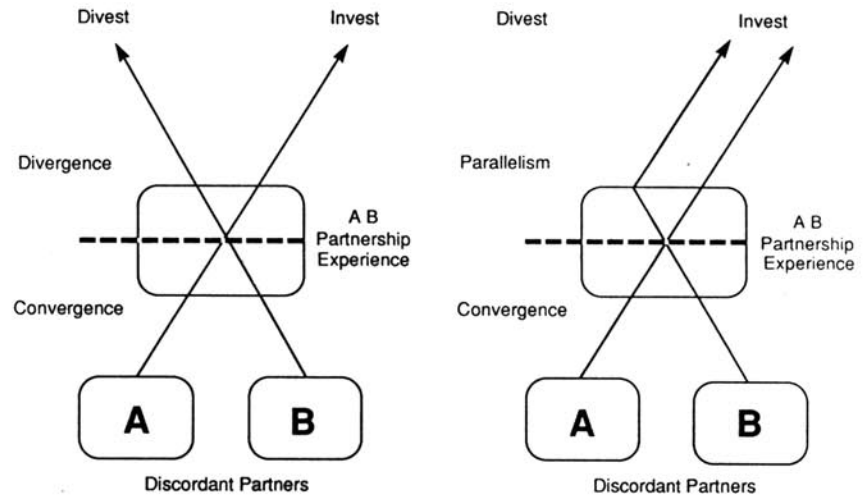
anomaly might in fact be explained as an emergent issue. That is, labor concerns may not have been an openly acknowledged (or recognized) concern during the early historical development of the partnership, but may gradually be evolving into a salient dimension of concern as the partnership unfolds. With respect to this prediction, it is interesting to note a June 1988 *Wall Street Journal* report which indicated that Japanese Partner A was in fact experiencing significant labor-management difficulties at the AB partnership plant, and that some of these difficulties were detracting from the venture's profitability.

It should be emphasized again in closing this section that the potentially anomalous nature of labor contract "cued experiences" came to light initially as a result of informal interviewing and observation in the partnership plant—underscoring once more the complementariness of ethnohistorical and more traditional forms of data gathering. It is apparent that anomalies such as those generated in ethnohistorical research are not qualitatively different from those emerging from other modes of fieldwork. Rather, ethnohistory constitutes an additional source of data which—when combined with data gathered in other modes—may improve our capacity for triangulation in qualitative analysis.

### Discussion

Despite their preliminary and formative nature, the data presented in this article suggest the potential of comparative ethnohistory for improving our understanding of partnership dynamics. This potential is illustrated especially through illumination of interactions among organizational characteristics, developmental processes, and environmental contingencies which underlie the trajectories of interorganizational partnerships. Let us begin by considering the relationship between organizational characteristics and developmental processes.

In the case presented here, the two parent firms generally were concordant, not discordant, in many key organizational characteristics (i.e., size, life-cycle stage, industry). The firms obviously were discordant, however, in national/cultural base. According to the organizational discordance hypothesis discussed earlier in this paper, national/cultural discordance would be expected to generate tensions within the partnership, which could increase the chances of instability in the long term. Ethnohistorical data sheds some light on processes whereby national discordance may be translated into instability. These data show, for example, that differing economic perspectives in the two home nations are associated with motivational differences between the partners (i.e., Partner A wanted to buy into a point of production outside Japan's limited national economy, while Partner B wanted to sell some of its production capacity in a troubled American industry). These motivational differences initially established complementary and convergent processes; that is, they drew the partners together. However, if allowed to continue their courses undeflected, it appears that initially convergent motivations eventually could become divergent—thereby pulling the partners apart (see for illustration Scenario One in Figure 2). Scenario One shows that organizational discordance (in national/cultural base) may yield convergent motivational processes, but that over time the continuity of motivational direction can become a destabilizing force. Because we understand that Partner B has been seeking to reduce its presence in the industry for

**SCENARIO ONE**

Initially convergent motivations become divergent leading to instability.

**SCENARIO TWO**

Initially convergent motivations become parallel leading to greater stability.

**Figure 2**  
Organizational discordance, motivational directions, and outcomes.

nearly a decade, however, we would not necessarily label such instability as "failure." Rather, we might conclude that structural instability was (perhaps implicitly) planned in this case.

Ethnohistorical analysis also permits us to detect changes in motivational directions which respond to forces internal or external to the partnership (including the force of environmental change). In the present case, for example, the sudden and unexpected increase in the profitability of the AB partnership (as indicated in the ending segment of the Partner B timeline; see Experiences 29–30), could very well cause a shift in Partner B's motivation and a renewed interest in and/or commitment to the industry. A motivational shift by Partner B, in turn, could cause parallelism in the developmental trajectories of both partners, thereby enhancing stability (see for illustration Scenario Two in Figure 2).

Although caution is necessary in efforts to generalize from a single case, it is possible to draw from the present discussion some tentative conclusions regarding partnership outcomes. First, from a theoretical standpoint, our case argues the need for integration of the two major contingency hypotheses of partnership fragility (i.e., the organizational and developmental discordance hypotheses). The history of the AB partnership shows that neither hypothesis alone is sufficient

to explain instability. Rather, organizational characteristics may be viewed as generating motivational (or other) processes, which unfold within a highly specific environmental context that can itself shape partnership trajectories. In the sample case, the possibility for change in Partner B's motivational direction appears to be driven by an unusual combination of environmental forces which surprisingly increased the profitability of the partnership organization (i.e., through increases in demand and price due to the higher costs of imports). Thus we see that organizational characteristics and developmental processes (as mediated by environmental contingencies) interact in complex and not completely predictable ways. Further, it is apparent that developmental processes do not serve only as *destabilizing* forces in partnership organization (a role emphasized in the literature). Rather, our case suggests that developmental processes may actually override organizational discordance and encourage greater stability between partners. These observations do not refute the validity of a contingency approach to organizations, but support our earlier assertion that contingency analyses should be broadened to capture the dynamic interplay of historical and environmental forces.

The ethnohistorical approach also may have pragmatic value in partnership planning and management. For example, ethnohistory can provide an additional source of data for evaluation of potential joint-venture partners. At present, partnership selection frequently proceeds from a relatively static assessment of the potential partner's strengths and weaknesses along a variety of standard dimensions (e.g., availability of capital resources, nature and quality of products and services, ownership of technology and technical know-how, market share, etc.). Ethnohistorical data suggest a dynamic dimension for assessment; that is, motivational trajectories derived from long-term strategic goals and the impact of such trajectories on organizational behavior over time. By tracing potential partners' histories over several years, and comparing historical patterns of behavior to those of their own organizations, managers may be able to gauge the strategic compatibility of different organizations and assess the likelihood of long-term partner commitment (if stability is a goal). The projection of future scenarios from comparative ethnohistorical data also can serve as a tool in strategic planning for partnership organizations, and can force consideration of environmental changes that might divert trajectories from their intended goal.

Although we are not yet able to predict environmental changes that could cause motivational diversion, ethnohistorical analysis appears to have the capacity to detect *submerged* organizational factors which could be crucial to long-term outcomes. In the AB partnership case, for instance, comparative ethnohistory predicted the importance of labor-management issues to the partnership's future nearly one year before such issues were recognized (or admitted) publicly. The capacity to identify hidden sources of strain via detection of anomalous contrasts takes ethnohistorical analysis beyond the scope of contingency theory and its "goodness of fit" model of stability. Anomalous contrasts point to potential problem areas in a partnership that are *not yet recognized* by management, and thus are not subject to management control. The detection of anomalous contrasts could be a powerful problem-solving tool in ongoing partnerships, helping to make explicit the differences in fundamental assumptions

held by various parties and showing the role of such differences in current partnership problems. Ethnohistorical mapping could be used to detect such contrasts not only in partnership situations, but wherever two or more interdependent parties seek to enhance communication and increase the chances for success in collaborative ventures.

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**Appendix A**  
**Time Markers Used to Identify Units of Experience**

Experience	Marker (with text excerpt) <sup>a</sup>
1	I think that <i>in the latter 1970s</i> , the X industry was having some major problems.
2	Well, <i>the first thing</i> that began to happen was they began to formalize the strategy . . .
3	I think that beginning <i>in the latter part of the '70s, '79 and '80</i> , we did see drastic things . . .
4	Then, <i>as things progressed</i> , we came to the conclusion that even with that configuration reduced, we still had way too much invested . . .
5	. . . <i>and so</i> the idea of an ESOP emerged, as you know, after a lot of weeping and gnashing of teeth . . .
6	<i>And so, beginning in I guess it was perhaps late '82</i> , something like that, we had this overture from A . . .

<sup>a</sup>Time markers are in italics. Excerpts show portions of text drawn from the first six units of experience given by the first informant representing Partner B. In each case, the marker is a lead-in to the description of a state or event that serves as the basis for the experience.

**Appendix B**  
**Excerpts from Early Setting Segment of Ethnohistorical Narratives**

Informant A [Experience 1]	Informant B-1 [Experiences 2, 3, and 4]
<p>. . . and by the way, this Mr. Q is really instrumental in promoting [A's] international strategy. He believed, what he still believes—he's still alive—he believed that there would be a limit to the Japanese industry, if it confined itself to inside Japan. And he foresaw that days would come when Japanese industry would face difficulties in exporting finished products only. You know, therefore, [A] in particular expanded. He indeed thought it was necessary for [A] to have a production point where it could exercise not only the production of product X, but also management of an X-making company. But each was a whole thing—whole, what should I say, transplanting or growth of an X-making business itself. Not only export of finished products, not only the transplanting of</p>	<p>I think that in the latter 1970s, the X industry was having some major problems. There was too much capacity and there was a case of too little demand, and there were facilities that simply were running at 50 percent of capacity, and prices were deteriorating and the whole thing was horrible—plants were being closed, people were losing jobs, and—at that time, I was with [B Corporation]—[B] at that time was involved substantially in the X business. They were (also) involved in the Q business, the R distribution business, and a little bit later—the S business. But, to make a long story short, I think [B Corporation] looked their hand over and said, "strategically, we don't want to be an 80 percent X company. We want to be more diversified—we want to be in</p>

**Appendix B  
(continued)**

technology, but, you know, to have an X-making facility—a production point somewhere outside Japan means to put everything [A] has so far developed—whether it's management skill, whether it's technology, whatever—to sustain an X business, an X-making business. So there was a good amount of receptivity, if I might say, at [A] when such an invitation came, for instance from [B Corporation]. In fact, [A] had been involved in three similar projects in which [we] studied the financial participation in American X-making companies in the last ten years. It isn't that [A] shopped around trying to find the best match. In all cases we were sort of invited to study the possibility of joint venturing. The first case was with [K Corporation] in California having an integrated X-making mart . . .

businesses that hopefully are less cyclical, less capital intensive, less labor intensive—businesses that have a higher growth prospect, etc., etc." I think that beginning in the latter part of the '70s, '79 and '80, we did see drastic things. And what we did is we said we got too much capacity in this company—and so do all the other companies for that matter—but we can't fix them, let's concentrate on our own. So we basically took a major step at our G Division, which is now the flagship of the X company, and we shut down an X-making operation, and basically took 4,000, rather 12,000, employees out of the place and downsized it—reconfigured it. That was a step in terms of reducing our need for capital investment, our overhead costs, employee costs, and so forth.