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The Designed Relationship of a Business Unit and the Corporate Center: A global supply chain case study

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ABSTRACT:- The objective of corporate strategy is typically to achieve financial expectations through the realization of growth synergies. To achieve this goal, corporate, location, product, service, support, and sales leaders continuously focus their attention on opportunity realization and organizational dimensional optimization. Vertical optimization focused on location profitability through superior service, strategic positioning, and operational excellence. Corporate and dimensional leaders try to position these business units in attractive markets with sustainable growth and high-earnings potential. Operational excellence is achieved through performance management, innovation leadership, a global presence, and class-leading workflows. Horizontal optimization focuses on product and service profitability optimization through the realization of cross-unit synergies that were efficiency and growth oriented. And so, what is the role of corporate in assisting business units to achieve financial expectations in such a global supply chain? This case study attempts to explain this role in terms of specific functions that are needed for sustained corporate advantage.

Keywords: systems; resource; patching; co-evolution; collaboration; synergies; diversified competition; corporate parenting

I. THE DESIGNED RELATIONSHIP WITH THE CORPORATE CENTER

There is considerable research around the design of the corporate center in multi-unit firms (MUF's) (Collis, Young, & Goold, 2007; Collins & Montgomery, 2005; Foss, 1997; Goold& Campbell, 1987, 1998, 2002; Goold, Campbell, & Alexander, 1994; Markides, 2002; Whittington, 2002). There is, however, little or no information about how the corporate design can be optimized for the success of a multidimensional organizational structure (MOS) in a multi-unit firm augmented by lateral integrative mechanisms (LIM's). As a result, the purpose of this paper is to answer within this context the question:*What is the role, if any, of the corporate center in enabling overall company growth in a global supply chain?* Typically the corporate center is made up of hierarchies of support function managers and staff outside of the operations oriented functions in a multi-unit firm(MUF) (Collis et al., 2007; Foss, 1997; Goold et al., 1994). When Eisenhardt and Martin (2000) refer to dynamic capabilities they refer to the corporate process whereby MUF's align their organizations through resource recombination or redeployment to realize synergies and corporate value. Sustained corporate value is critical to growth synergies. The literature suggests four corporate-level processes of resource recombination; cross-unit resource transfer, knowledge sharing, coevolution, patching, and cross-business synergy initiatives. Cross-business knowledge and resource transfer relates to the movement of resources across businesses within an existing organization (Leibold, Probst, &Gibbert, 2002; Martin, 2002; Probst, Raub, & Romhardt, (2000). Patching refers to the manipulation of the form of a business unit so that it can adapt to a dynamic market (Eisenhardt& Brown, 1999). Coevolution refers to the manipulation of the links between units to exploit synergy opportunities. And, cross unit synergies refers to temporary collaboration between business units to exploit growth opportunities.

Corporate may be able to assist a business unit to formulate a vision, mission, and long-term strategy, including plans and budgets (Goold& Campbell, 1987). They may be able to assist with a business model and identify other corporate value-adding opportunities assuring that they are then aligned with corporate strategy. Corporate may have access to trend analysis and be aware of the impact of megatrends. They may also allocate capital for goal realization and assign priority to these goals (Chandler, 1991). Corporate may be able to provide for financial controls whereby various business units are encouraged to achieve financial targets (Chandler, 1991). In the strategic planning mode, corporate may be able to help with the development process and with performance monitoring from a structural perspective; however, the dimensional leaders in an MOS typically know substantially more meaningful information about local markets. Consequently, a shared purpose and cross-business collaboration must be encouraged (Chandler, 1991; Hill, Hitt, &Hoskisson, 1992). Corporate may be more sensitive to linkages between businesses and encourage unforeseen opportunities for collaboration, thereby enabling the realization of growth synergies across businesses. Essentially then, corporate governs an ecosystem that may include temporary growth synergy discovery, incubation, innovation, and realization through execution enablement. Corporate managers can also coach, nurture, and transform their leadership structure to benefit from cross-unit collaboration (Wiessmeier, Axel, & Christoph, 2012). While corporate managers create and maintain the business ecosystem, they also ideally align the business portfolio, enforce strong financial controls, create a meaningful reward system, and build a strong team of business unit leaders as a way to create value in the MUF.

If corporate capabilities are actually rare, valuable to the market, and difficult to imitate (Porter, 96), then they are synergistic and additive with regard to corporate advantage. The genesis of competitive advantage is linked to the possession of innovations that improve performance, such as management structures, processes, or practices. This is sometimes referred to as an 'operating system' (Birkinshaw, Hamel, &Mol, 2008). The sustainability of corporate advantage depends on how difficult it is to imitate corporate management capabilities. Typically these capabilities are exposed through systems, strategies, and structures. Additionally, the relationship between the firm's competitive advantage and the capability of the corporate center may be ambiguous. Capabilities may be interconnected or hard to understand. Even if they are understood, they may be difficult to imitate or implement due to the requirement to make associated and dependent changes in the management system (Porter, 1996). Capabilities not only relate to systems, but also to resources, patching, coevolution, collaboration, synergies, mentoring, diversified competition, and parenting responsibilities all part of the corporate relationship. These will now be discussed briefly so that corporate responsibilities are understood.

Systems. Performance is reduced further when complex systems are incompletely matured and implemented. This may influence risk during implementation (Milgrom& Roberts, 1995; Rivkin, 2000). Furthermore, implementations become more difficult when the links between biases, evolved routines, and interpersonal relationships and the capabilities of the corporate center are socially complex (Nelson & Winter, 1982). Conversely, corporate management is effective when a business unit can benefit from enhanced strategic agility, significant innovation capacity, performance continuous improvement, and effective leadership efficacy all of which point to corporate value. There is substantial evidence in literature for the existence of operative synergies with cost sub-additives being the dominant theme (Markides& Williamson, 1994; Montgomery & Singh, 1984, Palepu, 1985); however, revenue super-additives in MUF's through the exploitation of operative synergies are present in recent diversification oriented research (Farjoun, 1998; Tanriverdi&Venkatraman, 2005). Competitive advantage based on interconnected assets that are difficult to imitate is essential for growth synergy outcomes (Dierickx& Cool, 1989). The combination of complementary resources rather than similar resources tends to be the basis for these synergies (Tanriverdi&Venkatraman, 2005). The weakness of the literature in this area substantiates the need for new research around growth synergy realization in multi-unit firms and further research around the designed relationship between the corporate center and a multidimensional organizational structure to facilitate consistent and continuous corporate advantage.

Resource. Critical to corporate design is the success of knowledge and resource transfer. According to Zander and Kogut (1995) successful knowledge transfer is attributed to three factors; the characteristics of the transferred knowledge, the sender-recipient relationship, and the organization setup, all of which are assets. Zander and Kogut (1995) also found that, while the complexity of knowledge has a negative influence on transfer speed, the observability of knowledge and the degree of codification has a positive influence. As an example, subject matter experts (SMEs) function as LIM's by introducing knowledge effectively. Similarly, Gupta and Govindarajan (2000) found that inflows of tacit knowledge positively correlated with absorptive capacity. Tsai (2002) indicates that absorptive capacity is critical to innovation and performance. Szulanski (1996) confirms that the lack of absorptive capacity and causal ambiguity are barriers to knowledge transfer. Neilsen (2005) also confirms that absorptive capacity and trust have a moderating effect on a knowledge exchange system. Trust and mutual support between members relates directly to an organizational climate that promotes synergy generation (Alchian&Demsetz, 1972; Ansari, Schouten, &Verwaal, 2006; Covey, 2006; Tsai &Ghoshal, 1998). Furthermore, Cummings and Teng (2003) found that transfer success is linked to lower knowledge embeddedness, knowledge distance, source-recipient norm gap, and the increased ability to articulate the knowledge. Synergistic growth realization is dependent on the free flow of valuable information across locations, products/services, client, and support functions, as well as across corporate organizational lines. The corporate center is an enabler for knowledge asset exploitation across business-unit participants in an MUF.

Patching. Patching suggests that high-velocity environments in an MUF require frequent structural changes, or recalibrations, to realize operative synergies. These changes are accelerated by simple structures with high levels of competition, autonomous entrepreneurialism, and a loose coupling that earns the right to serve a specific market (Birkinshaw&Lingblat, 2001). Corporate managers are therefore encouraged to be supportive and keep organizational structures competitive, nimble, modular, and simple. Additionally, the corporate structure needs to constantly realign and recalibrate itself to market and emerging synergy-based opportunities, through the execution of frequent and incremental evolutionary changes while minimizing its cost burden on revenue producing business units.

Coevolution. Coevolution is the process of manipulating the collaborative links, or a shifting web of relationships, to take advantage of both operative and growth synergies among business units (Eisenhardt &

Galunic, 2000). Coevolution is a complex adaptive system that employs successive changes among unique but interdependent entities. This is achieved through the balance of tension between opportunity exploitation and organizational links that enable adaptation. For example, a product manager may consolidate the products or services of several business units to create a new unique product that improves competitive interdependence. Coevolving leaders improve information flow so that business unit leaders can see opportunities, they re-patch closely aligned businesses together into larger business segments, and they rejuvenate ineffective businesses that are being avoided (Eisenhardt&Galunic, 2000). Over time new linkages are created or terminated depending on demand. Fewer targeted connections and decentralized intelligence negatively influences the agility of the network (Eisenhardt&Galunic, 2000).

Collaboration. Positive collaboration in coevolving business units may include joint product development activities, the exchange of product knowledge, joint purchasing, and shared staff. Business unit linkages change continuously in response to tension and efficiency requirements, and to take advantage of market opportunities. Coevolving companies portray distinct features such as business-unit driven collaboration and execution as well as the associated limited role of the corporate center. In fact, corporate strategy is in the hands of the business unit managers with managerial incentives focused on business unit performance rather than corporate performance. Managers in coevolving business units value business systems, frequent data focused workout sessions, defined boundaries and roles, shared intuition, exogenous metrics about market shifting, and reward systems that favor self-interest through collaboration (Eisenhardt&Galunic, 2000). In this context competition between business units is seen as a driver for innovation such as, for example, alternative technologies, business models, distribution channels, and the time and cost it would take for competitors to develop or acquire similar capabilities across related products and services (Martin &Eisenhardt, 2001). The author suggests that growth synergies are realized when opportunities are identified, when there is a portfolio of prioritized tasks to pursue, and when the associated changes are implemented. These three areas are categorized into four parallel paths with dependencies which include decentralization, financial controls, integrative mechanisms, and reward systems. Capability is increased with embedded knowledge in an organization and an effective common organizational design enables its transfer while inhibiting competitor imitation (Mahoney & Pandian, 1992; Markides& Williamson, 1996; Peteraf, 1993). Size matters as business units need to be small enough to adapt, but big enough to combat intense competition and manage capacity demands through economies of scope (scaling) and rapid-learning (knowledge acquisition) (Grant, Pettigrew, Thomas, & Whittington, 2002; Schulz, 2001). In moderately dynamic markets, well-functioning business systems are needed to support frequent decision making sessions that are data-driven. This also suggests that the decision to form cross-unit linkages should be decentralized to the business units and that collaboration should be guided by informed self-interest (Eisenhardt&Galunic, 2000). Business level incentives then drive efficient synergy realization. Coevolution as a meta-concept is also theoretically immature and is too abstract to be consistently meaningful in realizing growth synergies, and so must be situationally applied.

Synergies. Martin (2002) refers to cross-unit synergies in dynamic markets as temporary collaborations that capture corporate value. He also found that cross-unit synergies with the highest value tend to come from the business units themselves rather than from the corporate center. These initiatives do not necessarily rely on corporate planning but rather are based on local experimentation. They may also include substantial involvement between business unit heads and may be driven by decision making between teams. The agreement on the implementation typically will involve a significant amount of intense debate resulting in a high level of agreement. Martin (2002) suggests that high-performing cross-business synergy initiatives may include substantial realignment or the redeployment of resources, modularity through the use of a dedicated team, and loose coupling through the use of a few simple coordination mechanisms to handle interdependencies with external entities. Martin (2002) also recommends that the corporate center have a very small part in synergy realization. Instead, they should be more focused on developing the team of business unit managers that are able to promote, and engage in, a suitable multi-business unit decision-making process. The business units would be better served if corporate managers would deploy similar, but relevant, management systems and value-added human resource best practices across business units. Additionally, they could establish and support the formation of collaborative and effective organizational designs. These designs would need to have an optimal level of centralization, corporate-level incentives, non-financial controls, and support the deployment of lateral integrative mechanisms. They would need to avoid over-involvement and synergy biases. A weakness of Martin's study is that he focuses on temporary, rather than consistent, sustainable collaboration (Martin, 2002). Furthermore, he does not differentiate between efficiency and growth synergies, inferring that his recommendations are marginal with regard to growth synergy realization (Martin, 2002). For example, he states that business units come up with product or service solutions but discounts the collaborative involvement of customers in the decision making process. Additionally, he does not address organizational arrangements for synergy realization such as incentives, controls, culture, and integrative mechanisms (Martin, 2002).

While the role of the corporate center in synergy realization is relevant to the discussion, a negative effect could come from synergy bias. This occurs when the corporate center underestimates the effort of implementation or overestimates potential synergies. This tendency may be enhanced in a desperate or emotionally-charged environment. Four synergy biases were identified by Goold and Campbell (1998) including; (a) wishful thinking (synergy bias) for purposes of self-promotion, (b) assumptions of involvement need (parenting bias) resulting in reluctant collaboration regardless of opportunity, (c) the assumption that corporate has the skills to intervene effectively (skill bias) even though they are not aware of local markets, and finally (d) a perception of opportunity (upside bias) that is emotional rather than rational, thereby overlooking negative side effects such as strategic thinking ambiguity at the business level, unaligned incentive systems, employee dissatisfaction, and reduced agility. These biases led to overestimates of the benefits of collaboration and underestimates of the costs to achieve the opportunity (Eisenhardt&Galunic, 2000). Furthermore, if corporate leaders take the lead in discovery and synergy realization activities they often do not understand the nuances of the business unit. Conversely, junior managers may lack an overall strategic perspective. Consequently, Goold and Campbell (1998) suggest that when clear parenting opportunities are discovered, it is the role of corporate to intervene selectively and analyze operative synergies carefully. These opportunities may include the following; businesses typically do not have the overview advantage that corporate has (perception opportunities), businesses may not accurately calculate the benefits and costs of the synergy (evaluation opportunities), unsuitable measurement or interpersonal relations (motivation opportunities), and a lack of resources or skills to implement synergy opportunities (implementation opportunity). It may be possible to conclude then that the successful economic exploitation of operative synergies may be dependent on the corporate center's ability to identify and appropriately act on parenting opportunities.

Mentoring.Corporate may be able to provide advice on leadership style, management systems, and structure. Leadership style may include the selection, training, and retention of key talent (Collins & Montgomery, 2005; Markides, 2002, Markides& Williamson, 1994, 1996; Whittington, 2002). It may include the provision of succession planning and the appointment of key business leaders from external sources or internal leadership pools. Corporate may establish performance enhancing values and cultural norms. Leadership style needs to be aligned with corporate strategy. They may also provide direction for change management when it is enacted. Corporate may be helpful in providing management systems for strategic planning, financial planning, corporate controls, reward systems, and innovation cycle management (Markides, 2002; Markides& Williamson, 1996); however, management systems should be aligned with corporate and business strategy. Lastly, corporate can provide assistance with regard to the overall structure of the MUF (Galunic&Eisenhardt, 2001; Hill &Hosskisson, 1994).

Diversified competition.Authors suggest that the status of diversifiers drives organizational strategy. If the diversifiers are unrelated, for example, research recommends the implementation of competitive organizational arrangements. If the diversifiers are related, the organization should implement organizational arrangements that stress cooperation between businesses to improve performance (Amit &Livnat, 1988; Argyres, 1996; Bettis, 1981; Davis & Thomas, 1993; Hill et al., 1992; Li & Greenwood, 2004; Simmonds, 1990; Wrigley, 1970). MediaEnterprises, the parent company of MediaCorp, is a related diversifier, as it provides products and services that leverage similar infrastructure components and have similar workflow steps. A cooperative arrangement may be characterized by greater reliance on subjective non-financial controls (e.g. the ability to innovate and the degree to which independent divisions cooperate), objective non-financial controls (e.g. labor productivity, capacity utilization, market share, and growth), greater centralization if it is beneficial, the use of integrative mechanisms, and group level incentives (Hill et al., 1992). Additionally, St. John and Harrison (1999) found that cooperative administrative mechanisms such as joint planning processes, task forces, and corporate-level incentives help MUF's perform with higher efficiency, thereby adding value to the corporate center.

Parenting. Goold and Campbell (1998) suggest that there are four parenting opportunities for the corporate center including; (a) making businesses aware of synergy opportunities, (b) helping businesses assess the value of synergy realization, (c) motivation opportunities including reward systems and collaboration, and (d) providing resources and skills for strategy implementation. Specifically, corporate can help with cross-unit structural designs. With a focus on resources, a typical solution has been 'shared service centers'. This is an example of a common resource solution that exploits resources in production, delivery, and a variety of support functions (Collins & Montgomery, 2005; Forsgren& Pedersen, 2000; Galunic&Eisenhardt, 2001). Unfortunately, exploiting economies of scale or scope may at some point have diminishing returns (Sirower&Harrigan, 1997). The M-form organizational structure assumes that the firm's customers only need to deal with one business unit and that this business unit can effectively control all the resources needed to serve its market. By contrast, the MOS reduces the independence of business units by more effectively exploiting resources in a capacity that is network based.

In summary, the role of corporate in multidimensional organizations is critical to making an MUF successful. Corporate added value lies in creating the conditions that make it possible for the MUF to overcome mental barriers that are legacy in the M-form. Additionally, business unit managers need to give up deeply engrained ideas about organization design (Drucker, 1992). The interdependency of dimensional areas is ingrained in the MOS. Some of the related key elements of an MOS are management information systems, planning processes, and reward schemes. The systems and processes that support an MOS eliminate information asymmetries and allow employees to collaborate and focus on creating economic value for clients. While the MOS is a relatively novel application of organizational design, the structure brings efficiencies to the MUF through a collaborative culture over a defined scope and with the aid of an optimized designed relationship with corporate.

II. CONTRIBUTION TO THEORY AND MANAGEMENT PRACTICE

The author intends to create insight into the attributes of the corporate effect, by clarifying and deriving empirically strategic success factors for sustainable profitability (Bowman &Helfat, 2001). This study also aims to contribute to theories of managerial practice, organization, and strategy. Additionally, the study provides a topology of corporate resources that may influence the achievement of sustained corporate advantage. The author attempts to contribute to corporate strategy theory by exploring the value-producing effect of combining complementary resources that are energized by growth opportunities. The role of a corporate center that creates value by combining resources is further clarified (Hill, 1994; Markides, 2002; Rumelt, Schendel, &Teece, 1994). The study confirms the importance of similarities and complementarities within and between resource pools (Davis & Thomas, 1993; Tanriverdi&Venkatraman, 2005). Furthermore, this research provides an empirical example of dynamic capabilities through organization design. Finally, this research provides insights into corporate strategy oriented around interactions between business units. This contrasts with literature that primarily discusses the creation of strategy between businesses and corporate or within businesses (Burgelman, 1983a; Floyd & Woolridge, 2000). The empirical example comes in the form of a case study.

Case Study Selection

The selection of an adequate case is one of the most important aspects of case study design. The author chose MediaCorp, a subsidiary of MediaEnterprises, a globally diversified firm with a number of businesses oriented in a global supply chain. These businesses also connect with businesses external to the division in the form of inputs and outputs. The case selection was influenced by the author's ability to obtain observations and derive insights into the sustainable realization of growth synergies in MUF's. This manifested itself in four ways; (a) a dedicated focus on the sustainable realization of growth synergies, (b) the ability to measure success, (c) moderate environmental dynamism, and (d) accessibility. MediaCorp already had a strong cultural component that is entrepreneurial. Consequently, there is already an embedded desire for growth synergy realization. The company is dedicated to growth synergies as a critical and immediate strategy. MediaCorp is also advanced in its desire to attempt novel means to achieve their goals. This included organization design, redesign, rapid evolution, and recalibration against new objectives. A high tolerance for action enabled the change needed to achieve the deployment of the MOS. This further enabled the observation of its impact. Furthermore, there were some early successes that could be exploited. As the investigation continued it became more evident that MediaCorp had achieved significant market share in most of its moderately dynamic markets. The ability to gain holistic access at all levels of the firm, including corporate strategy and the ability to change the organization design, made this research opportunity compelling.

The single case study of MediaCorp (MC) included experiential observations based on a transition that happened over a period of time as illustrated in Figure 1. The transition began shortly after the company announced its intentions to be a single supplier of 'end-to-end' products and services. This is an emerging market trend with mutual benefits and challenges between vendor and client. This initiative had a purpose to align the firm for the sustainable realization of growth synergies. Ongoing observations of the organization during this alignment allowed the author to identify components of strategy and organization design (units of analysis) that relate to permanent cross-business collaboration (object of analysis). The author would then be able to assess whether strategies and designs would be successful by measuring profitable cross-business growth at multiple points in time. These measurements primarily were based on objective performance data such as the increase in cross-business growth and profit, the increase in the number of cross-business projects, and the profitability of cross-business projects. This information would be complemented with subjective evaluations by managers on multiple levels. The timeline of the transition is simply described below in Figure 1 with the identification of critical elements and the sequence of their occurrence.

This single case study intends to examine the experiences of participants in a transformation, or precipitated event, over a time period as illustrated in Figure 1. The event was precipitated by significant growth stagnation. This was followed by alignment around the goal of achieving improved profitability. Alignment was achieved through the deployment of an MOS augmented by LIM's, a designed relationship with corporate, and a 'one-ness' initiative. With this execution came the resulting benefits of realizing growth leveraging synergies. The participants in this transformation were interviewed to capture data about their experiences from the transition.

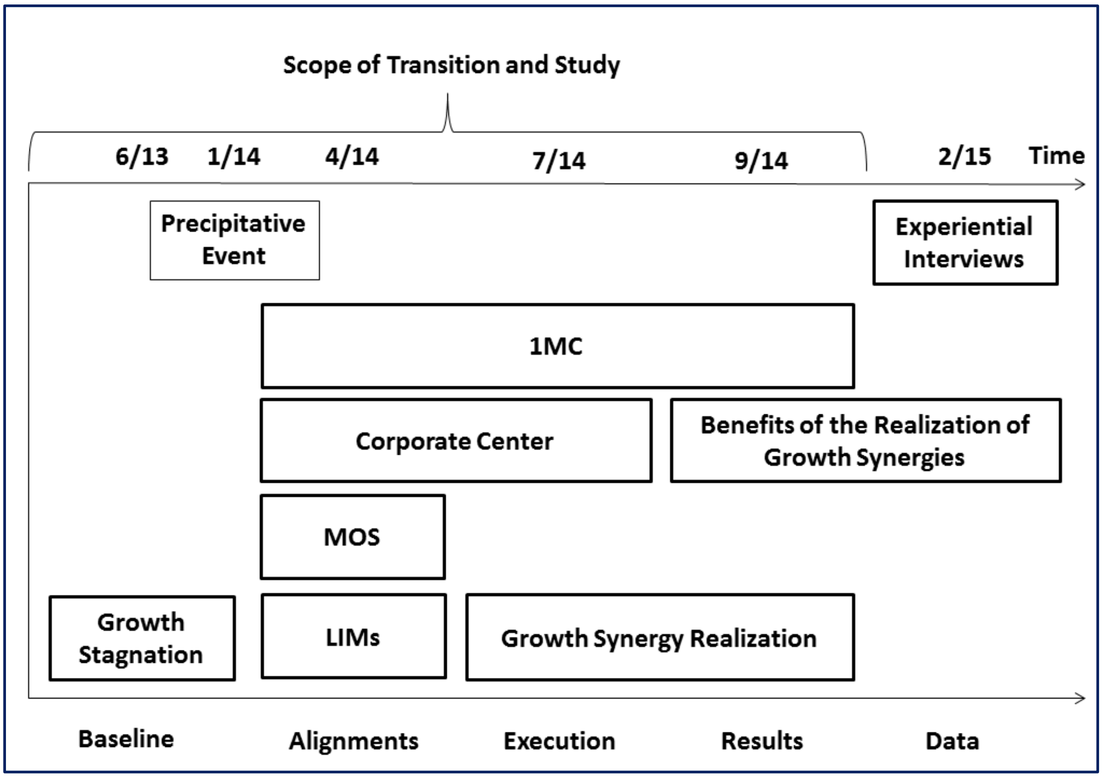

Figure 1. Transition timeline. This figure illustrates the timeline around the precipitative event.

The advantages discussed strongly support a single case approach for investigating the sustainable realization of growth synergies in an MUF that employs a multidimensional organizational design. Historically, single in-depth case studies have had significant impact in the field of strategic management (Bower, 1970; Burgelman, 1994; Ghoshal& Bartlett, 1994; Lovas&Ghoshal, 2000; Mintzberg& McHugh, 1985). The approach is further affirmed by the appeal for academics in strategic management to conduct more qualitative small sample studies. For example, Markides and Williamson (1996) conclude that the issue of strategy and structural fit in MUF's are too complex for large-scale statistical analysis. They recommend, consistent with this research, a small-sample single-case study of limited numbers and limited duration to accelerate learning. In this case, approximately twenty participants were interviewed over a 3-month period. These participants commented on their experience during the transformation. The transformation occurred over a 10-month period. Whittington (2002) argues that corporate strategy and organizational design should be understood through study internal to the organization. Mintzberg (1979) stresses the importance of rich descriptions from in-depth single case studies that explain the relationships evident in data used for theory building. Porter (1991) is convinced that the very nature of strategy requires case-based research. Finally, Siggelkow (2007) emphasizes the power of single cases to influence theory.

Consistent with this research, a small-sample single-case study of limited numbers and limited duration to accelerate learning. In this case, approximately 20 participants were interviewed over a 3-month period. These participants commented on their experience during the transformation. The transformation occurred over a 10-month period. Whittington (2002) argues that corporate strategy and organizational design should be understood through study internal to the organization. Mintzberg (1979) stresses the importance of rich descriptions from in-depth single case studies that explain the relationships evident in data used for theory building. Porter (1991) is convinced that the very nature of strategy requires case-based research. Finally, Siggelkow (2007) emphasizes the power of single cases to influence theory.

Data and Analysis

The purpose of this qualitative phenomenological research study, using Moustakas, (1994) modified van Kaam method, was to explore the real-time experiences of stakeholders, or co-researchers, as they lived and influenced events occurring around them. Awareness is a transient experience (Freeman, 2000) that may involve exerting influence, letting go, and redirecting energy and attention (Depraz, Varela, &Vermersch, 2003). It also involves being present physically and mentally in daily life. Stakeholders have to anticipate events, make sense of existing environments, and exert influence over future trends. Weick (1995) suggests that sense-making is a retrospective cognitive process that explains unanticipated events. He also suggests that events in a socially-created world both support and constrain action. Weick, Sutcliffe, and Obstfeld (2005) later suggest that individuals form both assumptions and conscious anticipations of future events. By examining sense-making and the development of mental models through actual lived, shared experiences, this study captures the subjective processes that have been largely ignored in the context of the connection between organizational design and growth in a multi-unit firm. Using the experience of stakeholders, the author presents a conceptualization of how individual participants in this study made sense of their lived experience. This was an ongoing process for participants as they refined their understanding of lived experiences and established new equilibriums.

Each section includes individual textual descriptions as well as composite descriptions concisely oriented and illustrated in a theme map structure. Moustakas (1994) suggested that the integration of textual and structural descriptions into a composite description, such as a relational table, is a path for understanding the essence of an experience. The composite description is an intuitive and reflective integrative description of the meanings and essences of a phenomenon, of which the entire group of individuals is making sense. The participants create meaning through their awareness of the environment, reflection on their experiences, consultation with others, focused response to an enquiry, and iterative refinement to these enquiries.

Coding

Data collection was facilitated by an interview protocol with specific questions oriented in a sequenced schema. Twenty participants were solicited as volunteers from a pool of leaders based on a willingness to share information about the transformation of the case company division. Each volunteer co-researcher participated in the changes personally. Following each question, the participants' response was determined to be linked to the question asked and was determined to be meaningful prior to continuing. Each answer was recorded and numbered. For example, *RH25*was the 25th data entry answer from RH. An answer could trigger a clarifying question, or a question formed to solicit a more fulsome answer, if needed. The additional information modified the answer and once again was determined to be fulsome or not. The data was added then to the data sheet and coded. Sub-code themes were also determined and grouped by code and sub-code. The data was surveyed by the author, who, due to personal experience, was able to apply an *analysis for good* (ANOG) to validate the collected statements. Slight modifications were made as needed to reduce the noise in the data and ensure completeness and clarity. This was accomplished by consolidating like data points and simplifying others by stripping out noise and redundancy in the answers. The data was then re-sorted and generalized through categorizing. A pivot-table was used to extract themes in the wording. The curated raw data was then posted in a table. In some cases most of the themes were unique, in which case a table was not used. From this data, dependencies, relationship, and the sequence of events were determined and organized into a theme relationship map. In some cases the data collected appeared as though the participant was confused about the question. In these cases the Author followed up with the participant and then added the newly acquired information to the raw data previously collected.

The raw data was collected from each participant for each data domain and sub-domain in the sequence in which it is presented in this chapter to promote a progression of thought. The data is separated into exogenous and endogenous domains as well with selected focus in both areas. In some cases, like roles, the participants offered information on themselves while commenting on data provided by their peers. Patterns that emerged in the data are presented as textural responses (what happened), structural responses (how did it happen), or composite descriptions (what the group experienced). Data responses that occurred most frequently within the theme category were given more significance and were typically mentioned first. Data was interpreted into theme patterns. These were broken into themes and then concisely into propositions, or findings of the study. Data items that referred to individuals, functions, line of business, locations, systems, or company names were obfuscated, eliminated, or given a pseudonym. The propositions, or findings, were formed and listed numerically. Within each proposition, a two-word summary was formed along with a statement that sums up the finding. For example, a central theme, norm strategy, or trigger may have emerged from the data as a result of coding. This data could then be categorized or filtered through the constructs being discussed that may include the strategic frame, horizontal strategies, or a narrowed scope as examples. This was the beginning of the theme map, or the outermost layer. The layers could then be elaborated on by breaking the outermost layer into sub-layers until it was reasonable to stop. This theme map was created to better describe the themes in the data and to show relationships and sequences between unique data items.

Findings

The corporate model of guided and constructive self-interest may be viewed as an ecological system that is continuously evolving (Lovas&Ghoshal, 2000). The cultural context of self-interest includes, but is not limited to, the reward systems deployed and social mechanisms that promote a collaborative culture. The intent of these social controls is to encourage motivation and commitment to growth synergy realization. The cultural context helps to create a corporate identity, establish trust, align initiative intent, enforce constructive norms, and focus a work ethic around continuous corporate advantage. Corporate is continuously fine-tuning the strategic framework in accordance with the dynamic marketplace. Corporate may also incubate new growth strategies and enable the launch of new product and service life-cycles. This may include the assignment of ownership of identified business opportunities. A temporary financial reprieve may assist with business unit risk aversion.

Validity.The validity of corporate guidance and oversight in the realization of growth synergies is present in the literature. Like any organizational construct, corporate leaders can promote dis-synergies; however, corporate leaders are in a position to promote efficient structures, processes, and systems (Anand, 2005; Collins & Montgomery, 2005; Goold et al., 2002; Hill & Jones, 2007). In large firms with a diversified portfolio, corporate managers may lack the detailed knowledge of local markets and the resources needed to implement strategies (Eisenhardt&Galunic, 2000; Martin, 2002). In contrast, business unit leaders may not have the medium or long term corporate perspective (Bartlett &Ghoshal, 1998; Eisenhardt&Galunic, 2000). An evolutionary corporate management approach of guided and balanced self-interest combines local knowledge and capability with corporate oversight and a long-term perspective to create both stability and flexibility. This collaborative balance also helps the MUF to navigate the complexities involved through a decentralized design (Baum, 1999; Kauffman, 1995; Lovas&Ghoshal, 2000). The themes that emerged from the data regarding the role of self-interests in the creation of profitable growth are summarized in Figure 2 below.

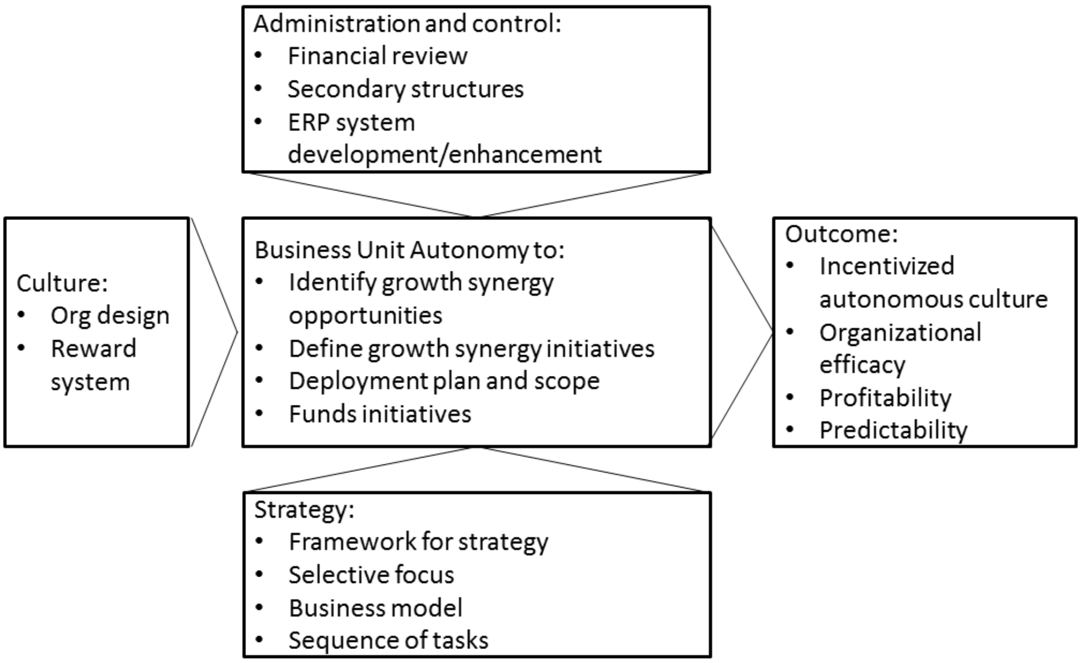

***Figure 2.* Exploiting self-interest for profitability. This figure illustrates how strategy, culture, and administration and control contribute to desirable outcomes.**

The following principles summarize the key findings of this section:

Principle 1 (collaborative relationship): A collaborative corporate relationship with an MOS encourages guided and balanced self-interest that is positively related to growth synergy realization.

Principle 2 (selected involvement): The selective involvement of the corporate center can promote autonomous growth in locally addressable markets.

Principle 3 (service center): The corporate center is a service center that can contribute to continuous growth by temporarily incubating growth opportunities, by sharing related resources between businesses, and by helping business units to select initiatives based on the long term strategic plan for the firm.

Principle 4 (administrative burden): A business unit self-interest policy is negatively influenced, and may be compromised by, the administration needed to manage it.

Principle 5 (collaborative intent): An effective self-interest policy is an LIM that encourages a collaborative social environment necessary for profitable growth realization.

Principle 6 (allocation algorithm): An effective revenue recognition algorithm will accommodate critical concerns from stakeholders and drive behaviors that lead to profitable growth.

Focused action. Taking steps to significantly reduce noise in the environment aided the stakeholders in redirecting and focusing mental attention on the purpose of executing focused action (Fiol& O'Connor, 2004). Action needs to be selective and intense in an environment where the results would clearly be visible. The MOS had to be nimble to capture opportunities before competitors were able to pull them away. In order for MediaCorp to achieve sustained corporate advantage, it had to execute a sequence of steps for each opportunity including: the identification of opportunities, the selection or prioritization of the opportunities, and the subsequent exploitation of the opportunity. The exploitation would need to include energy optimization through prioritization, resource allocation, value creation, plan clarity, and purpose clarity. Energy is strategically allocated to accomplish tasks that optimize profitability. The strategy was directional leveraging strategic complementarity as it was focused on profitable opportunity. Organizational themes are patterns in the data that emerged as critical roles in profitable growth. Each role element will be discussed individually. Theme categories within each of the four organizational categories are listed within the table. They are listed in order of frequency of occurrence. Preexisting data was retrieved from action trackers during the timeframe around the precipitative event. The list of selected and focused actions included 325 items that were coded into 358 rich data descriptions in which the action of corporate was isolated to the following categories; support, report, knowledge, strategy, property, and training.

Corporate action.Corporate assists with focused action. Corporate makes sure that business units understand their targets for financial performance and sets the strategic plan. This focuses business units on opportunity discovery. Corporate provides information about where the business unit is relative to goals, and where they need to be. They may provide guidance and reference information regarding discovery opportunity and connect local business units with critical contacts. Corporate assists the MOS by providing information about the value of the benefit hoped to be achieved from the opportunity. They alert the MOS about negative impacts that are about to surface. For example, an opportunity may consume a large amount of infrastructure that would be needed for other growth opportunities. The ratio between cost and benefit help local leaders to understand the differences between opportunities and aid in the selection or prioritization of them. Corporate accelerates the exploitation of opportunities through motivation. The self-interest of MOS leaders is achieved through the reward system that corporate puts in place. The outcomes from objectives need to be connected meaningfully to the reward system. This helps with the alignment of MOS leaders and encourages them to contribute to the production networks' capability to exploit growth opportunities.

Corporate helps with knowledge distribution by providing performance reports that relate to profitability as illustrated in Figure 3 below. They deal with physical property. This included the consolidation of properties and the expansion of properties. Additionally, properties were set up and run based on best practices. Corporate reports were set up for performance analysis. These reports indicated if strategic actions were successful. Corporate assisted with strategic plans that improved utilization. Corporate tasks included support for space, information, and trend mapping. And lastly, corporate assists with training that improves efficiency, and so profitability.

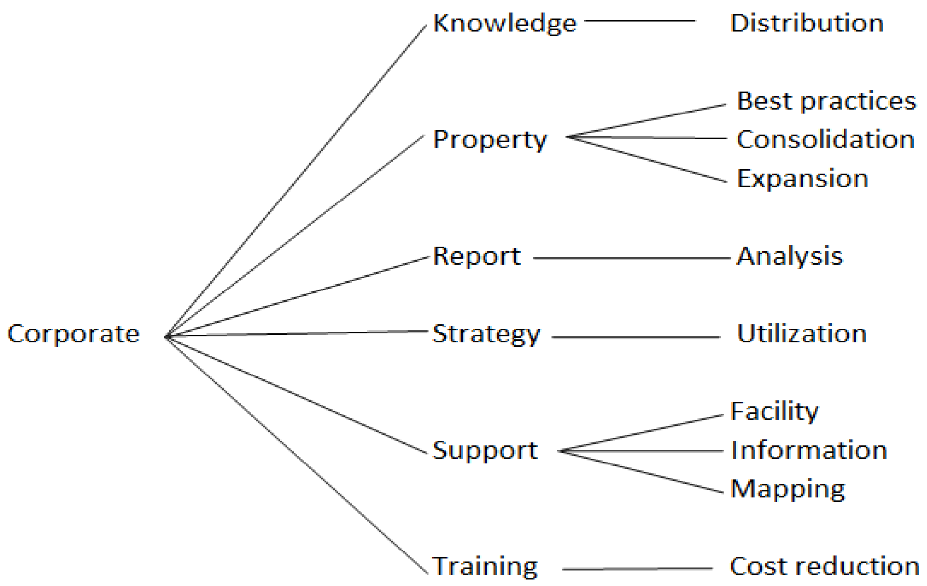

Figure 3. **Focused action: corporate theme map. This figure maps corporate as a theme category into descriptive sub-groupings.**

The purpose of focused action, as illustrated in Figure 4 below, was to realize synergistic growth. Generally, opportunities were identified, selected, and then exploited. As per the mapping described above, focused action was divided into four categories: MOS related, finance related, LIM related, and corporate related. Opportunities were identified through a discovery process. For MOS items, discovery occurred through creating an optimal scope and by disallowing scope creep. Discovery originated in local markets and was given focused attention. Financial discovery happened through financial ratios and trends after the correct allocations were made. LIM discovery happened through the collective attention of MOS leaders. The impact of actions needed to be controlled. For example, a communication plan helped to reduce the negative impact of an information vacuum. Corporate discovery occurred with the awareness of goals, the knowledge of a baseline, and what it would take to close the gap.

The selection of tasks helped to create focus and impact. Selection in the MOS was oriented around local markets and sustained corporate advantage from these opportunities. The exploiting of local markets can cause cannibalization for other locations and this had to be watched. Additionally, corporate bias needed to be checked as expectations from corporate on profitability and the support needed to achieve margin were oversimplified. Financial selection was driven by value-stream mapping. This focused action on the items that created value for customers. Customers paid more for this, enabling enhanced profitability potential. If achieving customer expectations was questionable, finance could assist with a feasibility study. Furthermore, they could help with the capital investment needed to achieve workflows that could meet expectations. LIM's assisted with selection as they were able to optimize impact. This might happen through the sharing of information that could lead to the exploitation of synergistic capacity. The mutual gain and potential achievement of cross-unit objectives of multiple functions or business units brought more entities, expertise, and capacity to the opportunity. Corporate enabled focused selection by minimizing any negative impact of capital investment on the P&L, for example. Analysis of the cost/reward ratio assisted with the selection of the opportunities with the best profitability. Having this prioritization methodology pushed the profitability of ventures pursued higher. With these analyses in hand, outcome values could be predicted and support granted to realize the profitability opportunity.

Synergies.The exploitation of synergistic opportunities resulted in higher sustained corporate advantage in relation to the resources applied. The alignment of the MOS structure within an entrepreneurial culture minimized organizational inertia. The structure and capability of the MOS was brought to bear on the opportunity. Local leaders were then very capable to exploit the opportunity.

> *"[I] provide commentary on monthly financial reporting to help more effectively understand market changes and workflow trends from a local perspective." (SF296)*

Financial review by looking at workflow components and throughput metrics made it easier to establish price points. Typically each deliverable at MediaCorp was unique. The incoming assets were of different component types and different material. A workflow may have been used repeatedly, but with the asset uniqueness, simple automation was not possible. This presented pricing challenges. The pricing typically was 'situational' and this discretion had to be monitored. Metrics from similar workflow or component sub-assemblies could be used to determine optimal pricing strategies that resulted in optimal profitability.

> *"[I] identify items that are not charged for or items in package pricing not charged for, to recover some historical give-aways on low priced items." (SF291)*

LIMs aided with transparency by providing system-based intelligence. Problem solving teams reduced waste and cost in workflows, thereby increasing the competitiveness of MediaCorp. Other LIM's were employed, usually systemic, to monitor work through workflows designed for requested deliverables.

> *"[I] participate in projects to align [system] work order entries to one-another in the three major WW locations to get data points into parity." (SF297)*

Corporate assisted with profitability by aligned reward systems with achievement. An entrepreneurial culture is significantly energized by the opportunity to be rewarded for profitability achievement. Reward systems also motivate alignment of purpose and encourage leaders to collaborate to achieve desirable outcomes.

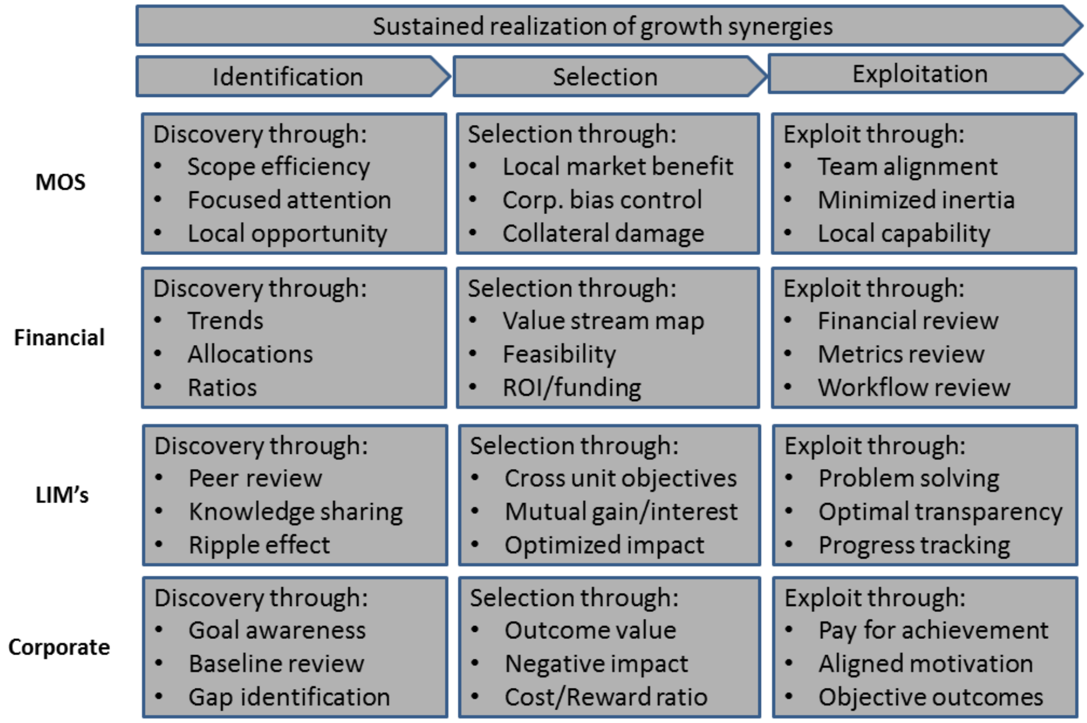

***Figure 4.* Focused action. This figure illustrates the progression from identification of an opportunity to the exploitation of the opportunity within five domains.**

In summary, the data suggests that action, when selected and focused, can achieve high levels of profitability for multi-unit firms. The organization design that is described by the MOS is ideal for the discovery, prioritization, and exploitation of profitable opportunities. Financial support encourages action through measurement, monitoring, and rewarding achievement. Finance also provides analysis that supports capital investment, appropriate pricing, and profitability monitoring. LIM's add to the structure of the MOS and support profitable growth. LIM's help with the sharing of acquired knowledge across the organization and provides transparency. Corporate provides strategic awareness and the gap between current reality and expectations. Corporate can also assist with reward systems that guide the right behavior. The following principles summarize the key findings of this section:

> Principle 7 (economized energy): Talent energy consumption, aligned to realize a local synergistic opportunity, is minimized in an MOS augmented by LIM's and supported by
>
> Principle 8 (inspiring finance): Finance, as a supporting function, augments the self-interest in an MOS by promoting performance transparency and inspirational reward systems.
>
> Principle 9 (corporate resource): The corporate center provides relevant information needed to exploit resources effectively in fulfillment of MUF strategic objectives.

Corporate Center. Support from the corporate center is a strong dependency on business agility. The ability to get resources when profitability potential is high is as important as the ability to reduce costs when it is lower. The MOS leaders were able to influence the design of the relationship between the MOS and the corporate center. The data that emerged from the interviews suggests that the following areas of focus were of interest regarding this relationship: reduce organizational inertia, provide needed information, and support initiatives. Each of these will be discussed.

Organizational Inertia. The reduction of organizational inertia allows a business unit to be nimble and adapt to a dynamic market as illustrated in Figure 5 below. This nimbleness is critical for the realization of synergistic growth. The rate at which the organization is constantly evolving must be greater than the competition (Grant, et. al., 2002). When there is a need by the corporate center for data reconciliation for reports or analysis, the operation that is involved stops evolving and may stop servicing clients to obtain the information. Systems and the reports that they produce need to be synchronized with the questions corporate needs answered. This allows for quick decision making and reduces hours spent collecting data and analyzing it.

Another theme that emerged in the data that creates inertia is the tendency for leaders removed from where the work is being done to oversimplify. This oversimplification results in false inferences about the business unit, the LOB, the support function, or the client. A decision is made or a path is laid out that results in strategic 'rework'. The incorrect steps taken need to be reversed and the correct steps need to then be executed. This can delay organizational evolution by years and is a major source of inertia. The 'approval' process is controlled by corporate. This process is a significant source of inertia. Corporate needs to be able to connect the staffing models to the effort needed to accomplish the work. In some cases, an oversimplified view of the complexity or the enormity of the work leads to the belief that staffing capacity or capability enhancements are not needed. This leads to an inability of staff to execute work and may lead to service failures or revenue opportunity refusal. In some cases, it is possible to lay out a strategy that requires 'one large approval'. This 'approval bundle' streamlines the effort needed to pass through the approval stage of the project. These strategy-based approvals required thorough planning and a 'big picture' perspective. To create these plans the business units needed information that was financial, for example, to represent the project benefit to the company financially. They also needed recruiting information from HR, and infrastructure information from IT, etc.

The last theme that emerged in the data related to trust. Trust reduces organizational inertia and speeds the change process. The MOS leaders suggested that trust could be extended to corporate leaders. This would then give them an opportunity to go directly to them if there was a need. This bypassed the bureaucracy that otherwise was a contributor to delayed approvals. Another suggestion was to have lunch with the CEO. Being so far removed, the CEO may not be aware of the great people and the excellence they produce daily. The opportunity to spend some time with the CEO and go directly to corporate officers can free up the flow of information. Trust and information flow allow for speed and organizational efficacy.

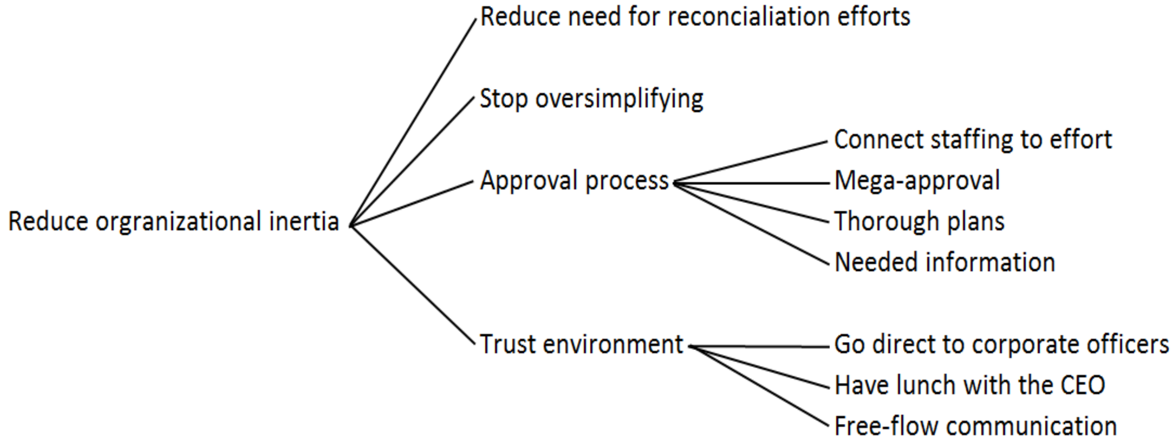

Figure 5. Corporate: organizational inertia. This figure maps reduced organizational inertia as a theme category into descriptive sub-groupings.

Information. The relationship with corporate also centers on relevant information as illustrated in Figure 6 below. A pattern in the data suggested that location and LOB leaders crave information from corporate. This information is necessary for synergistic growth. A significant pattern was that MOS leaders needed financial information. They wanted an appropriate level of detail, at the right time, and with accuracy. This information allows them to understand their financial performance which is ultimately what they are measured against. The budget is also very important to MOS leaders. It needs to be influenced by business unit leaders as they know their markets and trends. It needs to be accurate and made final in a timely manner. Results against the budget also need to be available in a timely manner.

MOS leaders felt that it would be advantageous to educate corporate. This would make them more capable to make effective decisions. Corporate is not aware of the complexity of the work or the environment in which it is completed. They may not understand the functions involved or the related issues. They may not be aware of the inertia they cause. This can be remedied through facility presentations or video tours, and by making information available to increase intra-divisional awareness. When MOS leaders have connections to the parent company through corporate, then a broader awareness is created. Furthermore, as ERP systems are expensive, it is important for corporate to know what they have paid for. The flow of information should, therefore, be periodic through regular communication events.

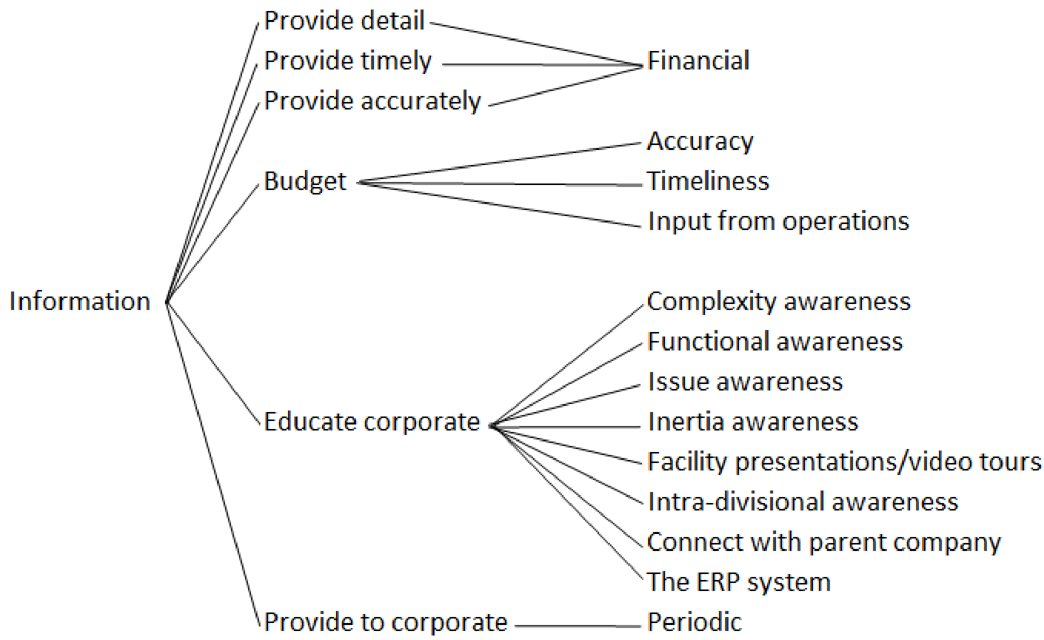

Figure 6. **Corporate: information. This figure maps information as a theme category into descriptive sub-groupings.**

Support. The third theme category that emerged from the data was gaining support from corporate for initiatives as illustrated in Figure 7 below. Entrepreneurial MOS leaders are dependent on corporate to support their initiatives. MOS leaders see the advantage of 'one-ness' as a competitive advantage. This is especially the case with global supply chains that perform competitively. The 1MC initiative was critical to MediaCorp's growth strategy. MOS leaders indicated that having a singular security policy, university, hardware inventory system, and ERP would help with the realization of growth synergies. Additionally, the consolidation of disparate ERP systems, enhanced the 'one-ness' experienced by clients who accessed the system for order tracking information and reports. MOS leaders understand that their success is also dependent on the vendors that support them. When these vendors are not paid timely, they are less cooperative, in a desperate situation, they change the payment method and terms, they raise prices because of payment risk, and they do not offer the deals that they used to. A consistent and timely payment history results in a vendor that will be very cooperative when needed. Additionally, and relatedly, Corporate is needed to be supportive with regard to P&L design and reporting accuracy. The P&L is the basis for financial performance and it needs to be respected. MOS leaders indicated that corporate can help them to connect to other parts of the company including the parent company, corporate officers, clients, and even penetrate global company silos. Corporate can then help MOS leaders to initiate and deploy both global and regional strategies. Performance excellence is realized with the proliferation of best practices while existing functions can achieve cost goals through synergistic integration. Unwanted attrition drains talent. Corporate is needed to retain talent through meaningful retention schemes and opportunities for enhancement. Job enhancement was described as including a meaningful reward system, mentorship programs, and leadership training. Each of these are enacted when talented employees complete cost saving projects through a structured continuous improvement program. When contracts are made with clients, they need to be scrutinized for performance expectations; however, line items that are billable are often left off. Corporate can help with rate structures that allow for all billable line items, overages on additional services, and the upselling of related services internal and external to the division.

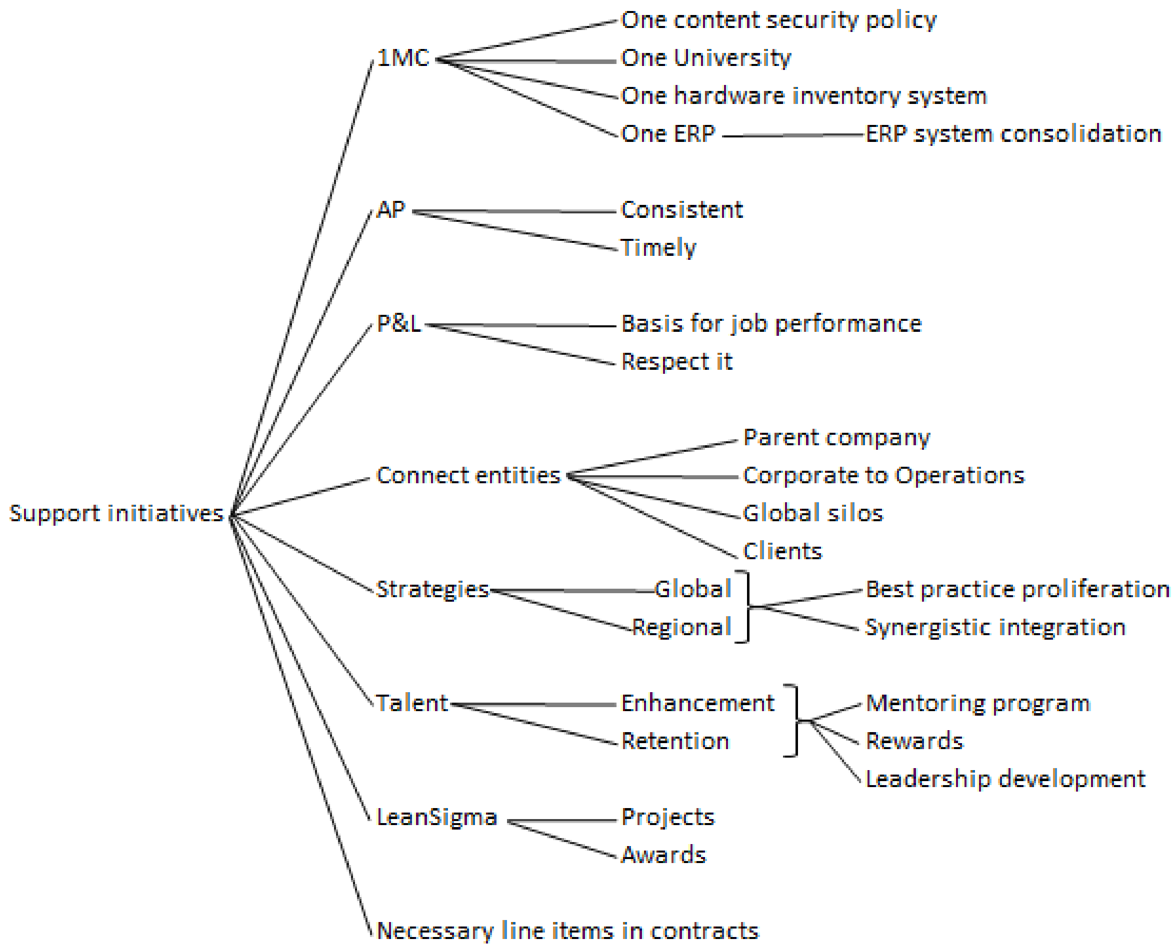

Figure 7. Corporate: support initiatives. This figure maps support initiatives as a theme category into descriptive sub-groupings.

In summary, the data suggests that three patterns emerged. The MOS leaders want corporate to assist them by reducing organizational inertia. They need relevant information. They need support for their initiatives. Entrepreneurial MOS leaders want to grow and achieve. They want to be supported in their efforts. They want to move quickly so that they can move on to the next achievement. They want information, specifically financial information, so that they can measure their own effectiveness and progress. The following principles summarize the key findings of this section:

Principle 10 (corporate oversimplification): When corporate leaders oversimplify a complex situation, they create inertia; as decisions are not sufficiently robust, this results in residual work or unacceptable and unanticipated collateral damage.

Principle 11 (organizational inertia): Entrepreneurial MOS leaders can achieve synergistic profitability faster when the relationship with corporate is streamlined and supportive.

Principle 12 (trust environment): The rate at which the realization of profitable growth is achieved is influenced by the quality of the relationship with corporate, specifically with regard to trust between interacting parties.

Principle 13 (corporate awareness): For corporate to be supportive, they need to have a minimal understanding of the business units function, capability, culture, systems, and its relationship with other business units/divisions.

Principle 14 ('one-ness' support): 'One-ness' is a complexity mitigation technique, embraced by corporate and business units alike, that accelerates profitable growth because it is a suitable platform on which growth can more easily take place.

Principle 15 (synergistic connections): Corporate can help business units connect with other business units that have achieved synergistic capabilities that could be exploited.

Principle 16 (talent retention): Corporate can assist business units to retain and mentor talent so that they can be leveraged to achieve growth synergies.

Alignment as an influence. Alignment is the third significant area of data collection related to the influence of the MOS, both internal and external to the division. The ability of a business to influence is dependent on the internal alignment of the organization. Two focus areas were studied. One was the alignment of the MOS around the 1MC initiative. MediaEnterpriseslaunched vertical ‘end-to-end’ product offering to clients leveraging bundling to acquire market share. The strategy was also used to attract new clients who would benefit from a one-stop-shop instead of incurring the additional cost of managing multiple vendors. Corporate did not realize that MediaEnterprises had silo challenges that needed to be overcome before clients could have the ‘single vendor’ experience. Clients commented on this in surveys.

> *“The different departments within MediaCorp should work together seamlessly from our viewpoint to complete our work. They still work as standalone silos. I think that is a great improvement that would help both our teams.” (CS56)*

To remedy this and to enable the ‘end-to-end’ initiative, the 1MC initiative was launched. This helped corporate pursue the goal of profitable growth and to increase the penetration of unrealized market share from existing customers. It was also the compelling reason for new customers to submit orders as reflected in a client survey comment.

> *“[Client] has a need for an end-to-end asset/format management system. MediaCorp needs to get better at integrating [functions] servicing across [the supply chain] and showing those time and cost advantages.” (CS33)*

Market coverage and differentiation was to be achieved by providing industry-specific, cross-business solutions that leveraged MediaEnterprises portfolio of offerings. The client focus centered on creating value for clients and solving their problems by lowering their costs from a simplified chain of custody and by reducing order dwell time by eliminating unnecessary transfers.

Drivers. The key drivers for the initiative were stagnating growth, price erosion, market dynamics, changing customer needs, and severe pressure on capital expenditures. MediaEnterprises’ profits were well below budget after the first half of 2014. The end-of-year forecast suggested that the profitability miss was going to be significant. The growth landscape was challenging, as competitors were desperate for revenue at almost any price. In other cases, companies were stretching vertically and they offered these services as loss leaders. Further pressure came from client-based strategic sourcing. Clients were not willing to give MediaEnterprises increased market share and their new product release volume was abnormally small in a fragmented market. Some of the existing markets were already saturated with product due to aggressive product launches causing supply to exceed demand. New products were being released; however, commodity pricing was achieved very early in the product life-cycle, hurting profits that should have offset research and development expenditures. This discouraged R&D investments. The situation was exacerbated by a lack of sales coordination that was to be resolved by a CRM; however, cross-business client poaching and sales channel cannibalization were enabled by the transparency provided by the CRM. This was further augmented by tension around the financial performance.

Development. While profitability dwindled, clients looked to MediaEnterprises for R&D and ERP development services, as other competitors could not financially afford to provide these services. Additionally, clients expected a significant amount of ‘one-ness’ in the company, as evidenced by standardized workflows and systems globally. A counterforce was the proliferation of new services and products which contributed to overall complexity. The demand for service, advice, and optimized pricing was relentless. The company was destroying, rather than adding, corporate value; however, the increasing demand from customers indicated increasing growth synergy potential that could result in a reduction in the conglomerate discount. And so, corporate leaders decided to increase the focus on growth synergies through the 1MC initiative, realizing that the cross-selling initiative was insufficiently impactful. MediaCorp initiated the 1MC initiative to help align the organization around ‘one-ness’. This ‘one-ness’ enabled clients to more easily engage the company. The various aspects of 1MC are discussed below. These descriptions include ways that MediaCorp was not ‘one’ and what they did to become ‘one’. The second focus area in this section was the ability of MediaCorp to scale. These opportunities for scaling were discovered, enacted, and the results are discussed.

In summary, alignment is necessary in a market that is consolidating and expecting vendors to solve client supply chain issues. An MOS cannot promote an external perception of ‘one-ness’ when internally it does not significantly exist. Clients know the complexity that comes from a fragmented MUF as they typically have many touch-points that provide this feedback to them. On the other hand, simplification and the ease of doing business with MediaCorp would indicate that ‘one-ness’ has proliferated within MediaEnterprises. The competitive advantage is lost if an MUF does not respond to this market demand, especially as clients themselves are pursuing a more unified posture within their business units. Even so, profitability can be compromised while achieving unity through self-cannibalization. This can be minimized through new product and system development. The following principles summarize the key findings of this section:

> Principle 17 (internally one): The effort to achieve revenue realization from a client that requires ‘one-ness’ is significantly more difficult if internal business do not embrace the alignment vision.

1MC. The 1MC initiative was created to align the firm around opportunities for the continuous realization of growth synergies. The structure of MediaCorp is a global value chain consisting of a few dozen locations, several on each continent. Regional companies have a degree of autonomy around their local markets, however some clients are multi-regional and collaboration between units is needed to serve them globally. An issue in one location impacts the global relationship. Furthermore, global clients have initiated 'one' initiatives and expected the same from MediaCorp. Vendors and industry organizations have done this as well. MediaCorp is in a position where they are surrounded by entities that have already moved in this direction.

MediaCorp's managers unanimously adopted the MOS, stressing the benefit of a scalable design that optimizes decentralized collaboration providing dimensional guidance over all dimensions. For example, the product dimension spans all locations and provides guidance for the unification of best practices, tools, and knowledge management. This dimension has a P&L for each LOB so the performance of products and services across locations is understood and appropriately influenced. The strategy of MediaCorp is to outperform competitors, exceed financial performance targets, and grow the company into addressable markets. Together with corporate guidance, dimension leaders strive to grow MediaCorp's market presence through superior strategic positioning and operational excellence. Location leaders strive to position their businesses in attractive markets with sustainable growth, high earnings potential, and with low volatility. Operational excellence is achieved through innovation, a global network for production, world-class performance, and a leading technical capability. Horizontal leaders leverage and develop cross-business synergies with product lines. Continuous alignment allows for the realization of efficient synergy, product performance, and knowledge sharing. Diagonal support leaders enable operational efficiencies through systems and infrastructure. Growth requires that systems be modified to meet new client needs. Increased throughput requires infrastructure capability. Infrastructure continuously evolves as equipment achieves end-of-life and as new workflows are built. Diagonal client leaders have relationships with clients that may span multiple facilities or be just in one location. The responsibility of these leaders is to exploit the 'wallets' of clients in the most profitable scenario possible. All of the dimensions in an MOS are linked, requiring a high degree of collaboration for success.

MediaCorp has an established and continuously evolving portfolio of products and services. Megatrends affect choices by clients and end users; however, it is necessary that MediaCorp be proactive in development decisions so as to leverage as much of the product life-cycle as possible. Megatrends also effect strategic decision making so as to optimize profitability potential in all business units. Operational excellence enhances the value of products and services and supports higher pricing than competitors. To a client the product quality is important; however, the arrival of that product, as intended, to the right destination, through the correct method, in the right quantity, on time, and with an accurate invoice on time, are also aspects of the overall product. A delivery may also be associated with the experience that the client had while ordering the deliverable. This impression of service is a part of the product and influences the client to order again from MediaCorp. 'People excellence' focuses on human resource talent in use. The current and evolutionary level of talent guides recruiting, personal improvement plans, succession planning, and membership in the talent pool. Corporate excellence relates to best-in-class governance through direction and support.

Conclusion

This study answered the Guiding Question of this research:*What is the role, if any, of the corporate center in enabling overall company growth in a global supply chain?* This guiding question seeks to understand the role of the corporate center in achieving growth synergies. The objective of the corporate strategy for MediaCorp was to achieve financial expectations through the realization of growth synergies. To achieve this goal, corporate, location, product, service, support, and sales leaders continuously focused their attention on opportunity realization and dimensional optimization. Vertical optimization focused on location profitability through superior service, strategic positioning, and operational excellence. Corporate and dimensional leaders tried to position these business units in attractive markets with sustainable growth and high-earnings potential. Operational excellence was achieved through performance management, innovation leadership, a global presence, and class-leading workflows. Horizontal optimization focused on product and service profitability optimization through the realization of cross-unit synergies that were efficiency and growth oriented. While corporate typically is focused on systems, resources, patching, co-evolution, collaboration, synergies, mentoring, competition, and parenting, this study suggests that corporate should assist business units with focused action, synergy exploitation, inertia mitigation, knowledge management, alignment, development and functional unity.

This paper presented implications for theory, research, and practice. As a result, this study encourages theorists to view organizational constructs through a lens of growth synergy realization. From a research perspective, this study demonstrates that while findings could be extracted from the data, there are limitations to the study that can incentivize authors to pursue further investigation. Finally, from a practice perspective, this study underscores how the organizational constructs that the author puts forward can be used to govern the efficient realization of sustained cross-business corporate advantage.

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