

Inter-Organizational Social Networks: An Action Design Research Study

Research-in-Progress

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Abstract

While IS research on on-line inter-personal social networks is highly visible, there has been surprisingly little focus on the use of on-line social networks for inter-organizational communications, interactions, and goal achievement. We explore the issues and challenges facing organizations in their design and use of inter-organizational social network information systems (SNIS). Research propositions are drawn from a new and insightful model of how inter-personal and inter-organizational social networks differ in intent. This research-in-progress paper uses ADR to formulate the research opportunity and develop a theory based IO SNIS model that anticipates a theory ingrained artifact. The researcher works with a practitioner team in the domain of mid-market private equity to explore the model and evaluate existing on-line inter-organizational artifacts to establish design principles for an IO SNIS artifact.

Keywords: Social networks, social network information systems, inter-organizational networks, action design research

Inter-Organizational Social Network Information Systems (IO SNIS)

One of the most exciting developments in the last twenty years is the phenomenon of digitally enabled social networks and their evolution into full blown social networking information systems (SNIS). Inter-personal (IP) SNIS as IT artifacts are unparalleled in the rapidity of their diffusion. Two prominent IP SNIS, LinkedIn and Facebook, have installed bases in excess of 141 million and 187 million individual users per month, respectively, ranking them in the top six digital media properties by audience. However, in spite of this overwhelming acceptance of IP SNIS, organization to organization use of social networking has not been widely embraced by industry.

Organizations are using IP SNIS to interact with consumers (think any company's Facebook page and various "social" advertising promotions). Organizations are using Professional IP SNIS to interact with potential hires (think LinkedIn jobs). But when it comes to the phenomenon of organization to organization interaction, Facebook, Google+, and LinkedIn are not being chosen as organizations' online social networking tool. There is an identified gap in IS literature surrounding the application of SNIS in the IO SN domain (Mullarkey 2012).

It is puzzling that some eighteen years (or more) into the global adoption of IP SNIS, no similar information system to replicate inter-organization social networking exists on a ubiquitous, global basis. In spite of the fact that the wherewithal to readily copy the features of the most successful IP SNIS exists, over the last two decades, or so, organizations have failed to define, design, build, and implement Inter-Organizational Social Networking Information Systems (IO SNIS).

Our research suggests that organizations are steering clear of these forms of SNIS because of some very specific characteristics of inter-organizational social networks that make them inherently different from inter-personal social networks. Our research also suggests that organizations are drawn to utilize SNIS for inter-organizational social networking because of a number of advantages to social network growth and interaction observed uniquely with these online artifacts. Our goal is to explore this duality that at once attracts organizational interest in and repels participation in the design, build, implementation and adoption of SNIS for inter-organizational social networking.

This research extends Agrawal et al (2008) five streams of IS research on “digitally embedded social networks” with an Inter-Organizational focus into the digitally embedded social network artifact we call IO SNIS. The goal of this research is the identification of IO SNIS design principles that will lead to the creation of an IO SNIS artifact. In this paper, we suggest that social networking theory and IS research into IP SNIS can be used to motivate an Action Design Research effort that informs research and practice about Inter-Organizational Social Network Information Systems instantiations.

We argue that a positivistic research method is unlikely to generate specific knowledge for researchers and practitioners about the future of the as yet undefined IO SNIS because empirical observation of independent use of existing SNIS artifacts is unlikely to yield testable data with causal inferences. Consistent with Susman & Evered (1978), we recognize that these IO SNIS artifacts cannot exist independently of the human beings in the organization and will be affected by the (uncontrollable) adaption of the organization to the artifact and vice versa (p 584-585). We find that the Action Design Research [ADR] method (Sein et al 2011) affords the researcher the opportunity to evaluate the propositions and theoretical traces of SNIS experientially within the organizational domain.

We follow the Action Design Research (ADR) method (Sein et al 2011) “for generating prescriptive design knowledge through ... evaluating ensemble IT artifacts in an organizational setting” (p 40). We are interested in understanding IO SNIS in context and as influenced by the practitioner organization in a manner that can be generalized within the domain and, ideally, to other similar organizational domains.

This Research-Progress-Paper first develops the Problem Formulation anticipating the joint evaluation of specific IO SNIS design principles in collaboration with practitioners in a domain starting with research into Social Network Theory and empirical evidence into existing IP SNIS. The IO SNIS Research model is described as used with practitioners to first identifying the underlying principles of an IO SNIS (separate and distinct to IP SNIS) and then to evaluate a few existing online inter-organizational networking (not necessarily social networking of course) information systems. Finally, we anticipate in this paper the process of designing, building and implementing an IO SNIS artifact likely to be adopted within the researched domain.

Problem Formulation

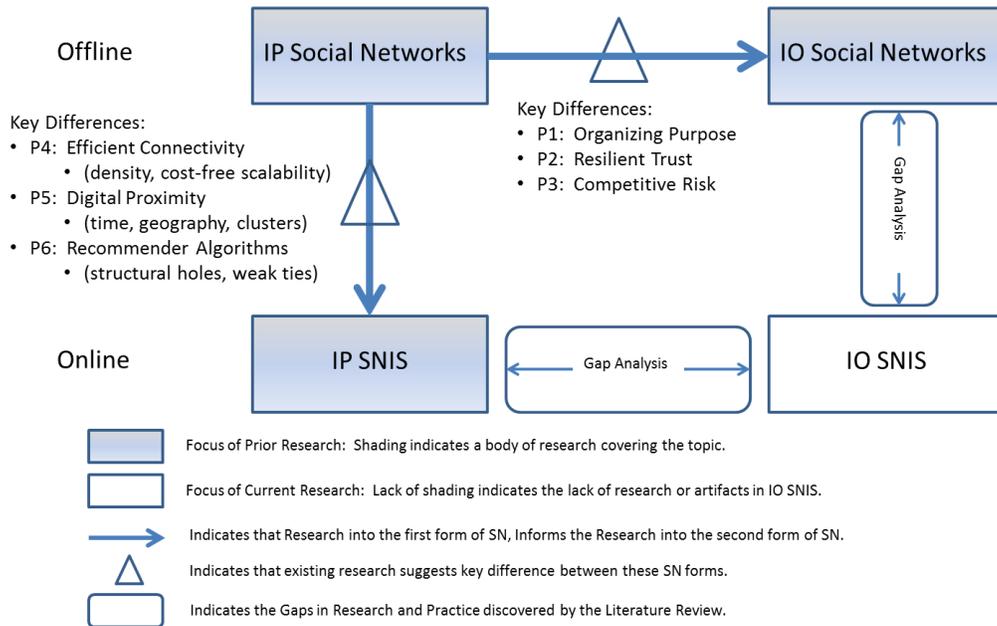
Identifying and Conceptualizing the Research Opportunity

The phenomena of inter-organization (IO) social networks (SN) is widely researched and grounded in Social Network Theory (SNT). Social networks are widely used to examine how organizations interact with each other, characterizing the many informal connections that link executives together, as well as associations and connections between individual employees at different companies (Newell 2000). SNT research suggests the ways that IO social network interaction is both similar to and different from inter-personal (IP) social network interaction (Faulkner & de Rond 2000; Galaskiewicz 2007; Kilduff & Tsai 2003; Monge & Contractor 2003; Provan et al. 2007). SNT also suggests that IO SN interaction can be one of the most productive forms of inter-organizational cooperation, since the organization’s network position (social connectivity and social interactions) is more indicative of its success than the actual characteristics of that organization.

Organizations are already experimenting with IP SNIS inside the enterprise to improve organizational performance (Brzozowski 2009; Forrester 2010; Wu 2010) and a few inter-organizational online information systems are testing “social features” (like recommending connections to other members). Qualitative and quantitative studies of IP SNIS identify several socio-technical design elements inherent in these online platforms for social networks that promote the rapid adoption of the most successful IP SNIS instantiations. In principle, these elements offer similar advantages to organizations that look to replicate offline social networks in an online digital domain. The IS researcher is tempted to “exapt” (Gregor and Hevner, 2013) directly from these design elements. To do so, however, is to risk ignoring the subtle differences between how and why organizations and individuals interact in social networks.

Our research model suggests that organizations are at once attracted to adoption of SNIS because of several perceived advantages over offline social network interaction, and, at the same time, repelled by IP SNIS because of key differences between the inherent nature of IP and IO Social Network formation as shown in the following IO SNIS Research Model (Figure 1).

Figure 1: IO SNIS Research Model



Inter-Organizational Social Network Theory (Contributing Theoretical Base)

There is not one established Social Network Theory (SNT). Instead, SNT is a composite of several sub-theories of social network interaction and connectivity with the majority of the research focused on the inter-personal level of analysis. SNT generally suggests that when organizations interact in social networks they do so at the inter-personal level. Perhaps unsurprisingly though, IO and IP interactions and connectivity have been found to differ. An extensive comparison of existing SNT literature provides evidence that IO SNs are fundamentally different from IP SNs in several important ways. Our research worked to consolidate these differences into a Framework of IO/IP Trade-offs (adapted from “An organizing framework for social media research”, Aral et al, 2013). When the differences are combined and consolidated we find that unlike IP SN, organizations interact in IO SN where:

- the organizing purpose is a very specific desired outcome (a specific, common goal)
- connectivity is strongly restricted by concerns for resilient trust among organizational partners
- the number and volume of interactions is restricted by competitive information sharing risks

We do not suggest that these are the exhaustive or exclusive differences between IO and IP SN. These three differences allow the formulation of the research model with research evidenced propositions for why and how IO SNIS might need to differ from IP SNIS. And, we find them to be readily understood by practitioners for the purpose of evaluating the model and partial artifacts. As the ADR process evolves we anticipate the addition to, modification of and possible deletion of each of these propositions for the IO SNIS artifact. Here we briefly explore each of these propositions.

P1: Organizing Purpose

First, it is important to recognize that the IO social network organizing purpose is fundamentally different from the organizing purposes of other types of IO networks. The organizing purpose in IO social networks is characterized by long-term, non-contractual cooperative behavior with the fewest “coordination” mechanisms - without formal agreements, with norms and behaviors, tending to parity, symmetry, and reciprocity (Newell 2000) - between representative individuals acting as organizational proxies based upon mutual obligation, loyalty, and resilient trust (Ring 1996). IO SN are markedly different from and

frequently more effective than other IO networks such as the low trust environments typified by short-term, transactional markets (e.g. auctions) or by long-term, contractual inter-firm environments (e.g. supply chains). (Casson and Cox 1997)

Second, Organizations form IO social networks in order to pursue a specific common goal such as (1) the joint exploration of innovation in products and services; (2) cooperation to share resources in ways that increase revenues, lower costs, and mitigate risks; and/or, (3) the efficient coordination of economic activities. (Aldrich 1990; Casson and Cox 1997; Grandori and Soda 1995, 2006)

IP SN form primary to increase social capital as an end in and of itself and frequently measured in terms of the number and types of links and interactions. IP SNIS research, specifically, finds that the most common organizing purposes for IP SNIS are self-presentation, relationship initiation, and management of ongoing relationships (Dwyer 2007; Perotti 2011). These studies conclude that the principal organizing purpose in IP SNIS is “connecting” and the principal measures of success are related to the number of ties, frequency of connection and volume of content posting (sharing). (Ellison et al. 2007; Grossman 2011; Joinson 2008; Stengel 2011)

Organizations exhibit some of these same behaviors among actors in social networks but fundamentally form to increase the probability of a desired outcome or goal that matters to an organization. Without that central organizing purpose IO SN are shown to disintegrate (Wilkinson 2006).

Proposition 1: Organizations will require a defined organizing purpose from any IO SNIS that achieves a specific goal of the organization before adopting the artifact.

P2: Resilient Trust

A second key difference between IO and IP SN stems from the IO SNT concept of *Resilient Trust*. Ring (1996) states that the formation of inter-organizational social networks rests on “resilient trust”. In his definition, resilient trust is a combination of moral integrity and goodwill displayed by organizations toward one another over a period of time. He compares resilient trust inherent in inter-organizational social interaction to “fragile trust” inherent in market and firm interactions characterized by “low-trust mechanisms of coordinating economic activities”. (Ebers 1999)

IO SNs avoid the cost of low trust mechanisms typical to the market and the firm. They therefore foster trust among member organizations in the defined social network through more open exchange of information and development of long-term interactions leading to stronger connectivity - all without the costs associated with long-term firm-type interactions (Casson & Cox 1997; Ebers 1999; Ring 1997; Molm et al 2009) Resilient Trust equals predictability of the moral integrity and goodwill of prospective network organizations (Ring 1996) and, conversely, reliance on classical contractual agreements increases distrust and opportunism. (Ebers 1999) As a boundary condition to the theory, inter-organizational networks that possess “fragile trust” are supported by contractual safeguards and generally lead to “arm’s length” short-term market interactions or expensively designed long-term inter-firm interactions typified by contractual agreements and bureaucratic costs of unified governance (Ebers 1999) Social networks therefore inherently provide organizations with a lower cost form of interacting as long as resilient trust is maintained. When resilient trust is eliminated this benefit of IO SN is lost as well and IO SN tend to disintegrate.

Levels of trust are not absolute in IP social networks. In fact, powerful central actors maintain significant connectivity to high and low trust partners without damaging their social capital. Evidence from research into online privacy in IP SNIS indicates that users of these systems also accept levels of disclosure and utilize privacy control measures in a manner inconsistent with the IO SNT concept of resilient trust. Throughout the literature surveyed, evidence suggests that many individuals do not act to protect confidential information – even when that information is their own – in spite of their professed commitment to guard their personal and professional information religiously. (Acquisti et al. 2008; Dwyer 2007; Young et al. 2009) IP SNIS owe much of their diffusion success to near-complete transparency of connectivity and interaction content. Numerous studies show IP SNIS participation correlating with near-complete transparency of actor’s networks to others in ways that promote self-presentation, looking at, looking up, and keeping up with others in and out of the actor’s 1st degree ties. (Joinson 2008) There is an inherent trade-off between the quantity and quality of connections in SNIS.

IP SNIS growth favors design elements that provide scale-free rapid growth in the quantity of ties and that increase the quantity of flows across those ties (shared content for example). IP SNIS design elements therefore tend to favor increases in the number of members, contribution of resources, and frequency of participation. IO SNIS, however, favor design elements that avoid connectivity to untrusted partners and limit visibility of one's links (contacts) to trusted partners. Organizations often consider their 1st degree ties a competitive advantage not to be shared so promoting transparency of actor's networks might yield the "unexpected effect" of lowering participation in the IO SNIS. Any artifact design that generates ties (connectivity) that promote low-trust interactions that will tend to lower IO SN participation. (Narayan & Cassidy, 2001)

Proposition 2: Organizations will require identification of trusted partners and control over connectivity to untrusted partners and their visibility of trusted partner interactions and contacts.

P3: Competitive Risk of Information Sharing

Unlike individuals, organizations in social networks are constrained by competitive, legal, regulatory, proprietary, and compliance strictures governing their information sharing - even among trusted partners. When competitive risks are high (e.g. to resource imitability, sustainability, or mobility) the partner's trustworthiness must be "near-absolute". (Ring 1996) Even when trust is absolute, organizations can not afford to have information sharing that violates the law or statutes governing regulatory or compliance activities and have established controls in each of these areas for representatives who act as proxies for the organization in inter-organizational social networks. Research of IT leaders and key managers by Forrester (commissioned by Cisco) (2010) identified that one of the three most important potential barriers to the online use of SNIS was "sharing too much" - typified by executives' concerns over controls, privacy, confidentiality, legal, and compliance online.

Organizational participation in social networks is a delicate trade-off between the benefit of reciprocal exchange and the risk to competitive, legal, compliance, regulatory, and/or proprietary disclosures. Organizations utilize policies and procedures to control the nature and type of information shared in non-contractual social interactions. IO SNs frequently restrict the size of the community in order to insure high quality exchange of information and resource sharing while meeting appropriate governance requirements. Inefficient institutional and relational factors may also be at work restricting the number of participants in the network. In either case, restricting the sub-network size reduces the probability of finding non-incumbent partners that could prove to provide valuable reciprocal exchange.

Proposition 3: Organizations will require controls that segregate and filter the information shared in an IO SNIS while accepting the digital trace of inherent in all SNIS interactions.

Social Networking Information Systems (Empirical IS Research into IP SNIS Technologies)

The provision of an information systems (IS) platform for social networks (SN) has been a prevalent topic of academic research. Articles on social software and internet based sites date to the mid-1990s and often explore the nature of the media and content on the sites. (Ellison 2007) In the middle of the last decade, though, the nature of the discussion morphed from a focus purely on content sites and how content sites are organized on the internet to a much broader discussion of how humans are organized on the internet (Mislove et al 2007). How humans are organized in social networks online is, to many researchers, much more interesting and difficult to understand than even questions of the content they are most likely to consume. Kleinberg (2008) states that the SNIS artifacts effect the "convergence of social and technological networks" through "online spaces to form connections with others, build virtual communities, and engage in (social) behaviors" that are both governed by longstanding principles of social network interaction and modified by the nature of the information systems and their effects on styles and types of communication possible between actors. He further observes that the convergence offers researchers an ability to study social networks through the data available at unprecedented levels of scale and resolution.

Recent empirical research into IP SNIS finds that the best instantiations of IP SNIS provide tools that allow individuals to connect virtually online in much the same way they would in offline social networks with the added benefit of much lower thresholds of cost to connect over large distances, fewer time

restrictions on communicating and sharing inter-personal content, increased numbers of weak ties in sub-networks leading to the introduction of more, different ideas, and greater expansion of connections (principally through inter-connectedness of first and second degree nodes) than with offline social networks (Dron 2007; Ellison et al 2007; Joinson et al 2008).

Through an exhaustive look at IP SNIS research (Mullarkey 2012), we are able to summarize the identified socio-technological design principles that current SNIS qualitative and quantitative research suggests have the most effect on the actors' motivations to join and participate in SNIS. IP SNIS literature provides evidence that the online instantiations of IP SNIS are fundamentally similar to and replicate many of the characteristics of offline IP SN. The IP SNIS literature also clearly shows that (online) IP SNIS have several key differences to (offline) IP SN that account for their widespread use. These differences can be summarized into three advantages:

- efficient connectivity;
- digital proximity; and,
- recommender algorithms.

P4: Efficient Connectivity

Since 1997, roughly 43 instantiations of online IP SNIS have evolved to replicate offline social network behaviors online. (Ellison 2007) The most prolific of these instantiations, Facebook, has connected more than 750 million people in roughly seven years. (See Ellison 2007, Figure 1 "SNS Launch Dates") Inter-personal SNIS with Individuals as Users have managed to replicate existing social networks and to facilitate new connectivity of individuals to extended networks well beyond the geographic and clannish social network structures endemic to human history (Boyd 2008; Skeels 2009; Wu 2010).

However, the establishment and growth of IO trusted partner social networks, historically, is expensive and often limited by distance, travel, temporal scheduling, clustering, and incumbent membership. Discussions with business leaders and interviews in this study suggest that in some industries like Mid-market Private Equity, building and maintain social networks of trusted partners consumes 20-50% of resources and leaders are constantly looking for more efficient ways to develop connections that generate economic benefits.

Proposition 4: Organizations realize a benefit in the efficient connectivity afforded by SNIS.

P5: Digital Proximity

Historically, IO SN form due to (and are frequently constrained by) institutional and relational level factors such as geographical clustering (Herrigel 1995), spatial "resource and know-how" clustering (Saxenian 1996), "pre-existing" social relations (Eisenhardt and Schoonhoven 1996), positioning with respect to direct and indirect linkages (Gulati 1995; Kogut 1992), and/or positioning through incumbency (Nohria and Garcia-Pont 1991). These interactions are strongly influenced by geographical and temporal proximity. Numerous industries – from Detroit's "big three" to California's "Silicon Valley" - in the United States are a product (in whole or in part) of the social interaction made possible by the geographical co-location of the organizations. The proximity leads to sharing of information, resources, and innovations that facilitated the growth of the industry and the success of the most important organizations.

As globalization of industries increases, the challenge of social connectivity among the key players in any industry – from automotive to electronics to pharmaceuticals to banking – becomes a significant impediment to the types of non-contractual, long-term relationships inherent in IO SN. Consequently, organizations are attracted to approaches that close the geographical and temporal divides affecting their social network growth and interaction.

Proposition 5: Organizations realize a benefit in the digital proximity afforded by SNIS.

P6: Recommender Algorithms

Two sub-theories in SNT focus on the challenge facing social network actors that seek to improve their position in the network by growing the number and nature of their ties. Burt's (2004, 1992) theory of

structural holes suggests that actors benefit when a tie is made between two of an actor's previously unconnected first degree ties. Granovetter's (1973) theory "the strength of weak ties" argues that many benefits occur to an actor that is able to interact with one or more actors on the fringe of the actor's immediate network. These "fringe" actors are weakly tied to the actor's network and offer ties to a completely separate, typically heterogeneous network. Joinson's (2008) study of IP SNIS identified the benefit of a singularly IS artifact – the recommender algorithm – based upon the ability of the software to identify opportune structural holes and weak ties in any digital network. Suddenly, SNIS offer the actor a practical tool for acting to close structural holes in the network. Moreover, given a particular stated interest on the part of the actor, recommender algorithms can identify other actors outside the actor's established network that offer a "weak tie" benefits.

Proposition 6: Organizations realize a benefit in the recommender algorithms afforded by SNIS.

These key differences between offline and online IP Social Networks when juxtaposed by the key differences between IP and IO Social Networks provide a means of generating the testable propositions of this study as indicated in the IO SNIS Research Model in Figure 1. These propositions can then be used by the researcher and practitioner in the Building, Intervention, and Evaluation phase of the ADR Method.

Mid-Market Private Equity (The Problem as an Instance of a Class of Problems)

We selected a target industry domain of U.S. Mid-Market Private Equity [MMPE]. As described in detail in the accompanying box, we concluded that this domain provides a manageable population of actors against which we can identify a meaningful sample of organizations where the primary goal of all organizations is clear and where the IO social network is imperative to success.

After Sein et al (2011) we identified a specific firm willing to collaborate iteratively through the phases of the action research. The client firm confirmed that, "as much as 50% of our resources are spent annually on networking to find deals". Specifically, the representatives of the firm expressed an initial interest in the idea of evaluating an IO SNIS, or at least a robust model of the key propositions for an IO SNIS, to see if it could yield one or more new deals not possible through "normal" channels.

The ADR Study Context: U.S. Mid-Market Private Equity

In Mid-Market Private Equity (MMPE) companies transactions involve enterprise values in the range of \$10 to \$250 million. The average MMPE organization completes 2-3 deals per year (371 organizations completed 879 deals in 2011 (Sutton Place Strategies 2012)). 75% of mid-market PE organizations completed just 1 or 2 deals in 2011. The eleven largest MMPE firms (by number of deals) completed an average of just 14 deals in the year. Consequently, an increase of just one or two deals completed per annum may mean a substantial increase in a MMPE organization's revenue, profitability, capital deployment efficiency, and return to investors. Unlike many sectors where the organizing purpose for the social network may encompass a number of sector-wide goals, MMPE principals interviewed in the pre-study phase unanimously identified their goals as the addition of one or more deals concluded per annum.

The key to each additional Private Equity deal is targeted deal sourcing efforts tied directly to market visibility. And market visibility is historically a function of the Inter-organizational Social Networks (IO SN) of the principals in a Private Equity organization. The strongest PE actors occupy central positions as influential SN hubs in the broad network of organizations (lawyers, accountants, bankers, business owners, brokers, analysts, and other PE organizations). They have more ties and more interactions with homogenous neighbors and heterogeneous outliers in the network. Several mid-size deal PE actors occupy important positions in sub-networks by specializing in a particular industry, geography, or type of deal (e.g. distressed) cluster.

The growth and maintenance of a PE's IO SN is an expensive commitment of time and resources (on the order of 15%-50% of revenue) that includes meetings, site visits, tele/video-conferences, trade association participation, and multi-media marketing. Even with this level of expenditure, MMPE firms have market visibility through its social network to an average of just 21.1% of the deals completed in its target deal landscape annually and 75% of all PE organizations in this space see only 12.1% of deals in their target landscape (Sutton Place Strategies, Deal Origination Analytics 2011).

Finally, the entire MMPE industry consists of some 350 firms in total suggesting that the participation of 20 to 30 individuals from a representative sample of firms can be reasonably anticipated to reflect the population as a whole. The unit of analysis for the study is the MMPE organization. Within the MMPE organization several key players are involved in deal sourcing including the Vice President of Business Development and the Partners of the PE firm. Thus, each organization has one or more key informant that serves as a proxy for the organization and who can be integrated into the Action and Evaluating phases of the ADR cycle. Each respondent is chosen on the basis of observed and self-described knowledge of the social networking activities of the organization for the purpose of generating deal flow.

Building, Intervention, and Evaluation (BIE)

Together, the researcher and the practitioner establish the desired future state as: *generate an introduction to a company in position to pursue a transaction (a deal) for which prior approaches would not have worked*. The researcher and the client had a prior experience collaborating to achieve this goal through a proprietary network of 5,000 highly networked experienced professionals. This prior collaboration aided in the establishment of trust essential to the ADR approach and facilitated the consensus around the desired future state.

We (researcher and practitioner) initiated the study with a formal research agreement and informed consent (consistent with Baskerville 1999). We conduct the research through collaborative interaction between the researchers and the client “on the spot” (p. 19). Overall, we plan to engage over four sessions in situ in the BIE phase of this ADR. These sessions are outlined as:

Session 1: Confirm Problem Formulation with Practitioner including introduction of theory, research model, IO SNIS artifact creation as desired outcome

Session 2: Evaluate and refine the IO SNIS Research Model (quantitative and qualitative consideration of propositions)

Session 3: Evaluate the available MMPE online networking artifacts against the IO SNIS Research Model

Session 4: Define the design principles of an IO SNIS

Session 5: Identify the ways of using an IO SNIS thus designed to achieve the business goal

We identified several prominent online IT artifacts that are readily available to MMPE firm partners and business development executives. We identified five online artifacts that possessed aspects of IO SNIS (although we a priori assess that no one artifact in this ensemble possesses all desired aspects):

<http://www.axial.net/>

<https://www.dealcloud.com/>

<http://www.apexfundservices.com/blog/45-social-network-site-for-institutional-investors-hedge-fund-and-private-equity-fund-managers>

<http://www.pehub.com/>

<https://www.thetrustedinsight.com/>

From this evaluation first of the model itself and then relative to ensemble artifacts we anticipate the design of an ideal IO SNIS artifact for the MMPE domain. Our goal in the research is the identification of a clear set of design principles for the building of an effective IO SNIS in the MMPE context with subsequent reflection on the generalization of these rules to a wider range of industrial applications.

Summary and Future Directions

We expect the ADR approach to lead to specific criticisms of each of the propositions in the IO SNIS model and the development of a much more robust model founded in research and practice. We anticipate the possible elimination or modification of propositions suggested by research and the possible addition of propositions that must be considered when constructing an IO SNIS artifact. Once finalized with the ADR approach for the MMPE domain, we expect to propose future research for testing the generalizability of the model to different inter-organizational social networks.

Our future research direction includes the modification of the IO SNIS Research Model, the design and build of the IO SNIS artifact, and the testing of an IO SNIS artifact to determine if the goal of one more deal per annum is achieved.

The proposed research in this paper is Practice Inspired and Theory Ingrained (Sein et al. 2011). We use an ADR approach to insure the study is researcher involved with knowledge obtained and immediately applied in a cyclical process to create knowledge that modifies our theoretical model of IO SNIS (Baskerville 1999 p. 11-12). We use rigorous ADR to move beyond a consultative approach with research

that evolves and tests theoretical propositions (Baskerville 1999 p. 12-13). We are motivated to apply the ADR principle of change through action and learning through reflection with practitioners (Davison et al 2004 p. 75-78). We propose to generate a theoretical model that we can test and refine through ADR to inform IO SNIS researchers and practitioners in designing future IO SNIS artifacts (Davison et al 2004).

We identify a specific inter-organizational domain – US Mid-market Private Equity – that offers a specific class of organizations whose success in finding and closing deals is, in large part, due to the growth and maintenance of social networks. We identify a specific firm willing to test the theoretical propositions against five “ensemble” IT artifacts readily available to PE firm partners and business development executives. The researcher and the practitioner establish the desired future state (generate a new deal) and the changes to the existing approach when the ensemble IT artifacts are used. The planned approach with one or more artifacts is taken with directive, researcher-practitioner collaborative intervention. (Baskerville 1999 p. 15-16)

We take an ADR approach because we are faced with a theoretical model that hypothesizes an innovative IO SNIS artifact that does not exist in practice. Thus, we are optimistically future-oriented toward designing a new and innovative IO SNIS (Sussman and Evered 1978). We recognize the limits of theory outside of practice in an area where the artifact under evaluation will of necessity be modified and adapted by the organization in context. And, we recognize the “indivisibility of action and needed change” (Davison et al 2004, p 75) observable in the inherent conflict between the desire for SNIS and the needs of IO SNs.

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