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ORIGINAL ARTICLE

An Agile and Collaborative Framework for Effective Governance to Enhance Management in Large-Scale Enterprise Business Systems: The Case of Apple Inc

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Abstract *The struggle of multinational organizations has long been on the mind of researchers studying the multinational operations of large scale enterprise systems. To counter the struggle, several approaches have been suggested, focused on aligning business strategy with the allocation of resources. However, existing governance issues have led enterprises to employ quick ad-hoc strategies. Through this paper, we emphasize on the need for an agile and collaborative approach to effective governance in order to enhance management in large-scale business systems like Apple Inc through consistent value creation. The proposed framework aligns the key elements of the enterprise system that can act as enablers for effective governance.*

Keywords Agility · Collaboration · Effective governance · Large-scale enterprise systems

Introduction

In the recent past, rapid and drastic changes in the business environment have had a significant impact on the prosperity of modern society. Due to this, large-scale human centered systems referred to as 'Enterprises', have had a difficult time over the last couple of decades or so to sustain their impressive past performances with regards to business leadership. Enterprise performance and strategic success exerts a far wider effect than the enterprise itself. Due to intense competition and limited resources, there has been a constant struggle to capture as much market ground as possible. In the quest to achieve this, enterprise strategies have been built on keeping short-term goals in mind. However, reports of strategic success have not been overly positive due to growing complexities, along with high demands for sustainable competitive advantage.

Multinational organizations have had the stiffest of challenges to maintain their leadership status in which they rule the market in terms of the overall capture. The size and complexities of these enterprises is constantly growing, which has resulted in particular focus on number of key stakeholders while introducing new lines of business. It has brought up chinks in their governance dynamisms and tested the enterprise agility to the core. This paper makes an effort to come up with a governance framework through the route of value creation that can possibly enable enterprises to focus on sustaining their performances in the long run in order to deal with the complexities. The structure of the paper follows a certain pattern, wherein, first we explain the need of an agile and collaborative enterprise culture to ensure business sustainability in the long run. Secondly, we follow it up with the research methodology employed to justify the need for agility and collaboration in large-scale enterprise business systems, followed by the development of a governance framework to enhance collaboration through the link between enablers of agility, collaboration and the value creating capabilities.

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The Need for an Agile and Collaborative Enterprise Culture

Highly dynamic business environments require businesses to adjust rapidly and act accordingly in a swift manner, that is, to be 'agile'. By reporting sudden market changes and unexpected threats to businesses and how agility can help overcome these, professional press and literature have laid emphasis and discussed the topic of agility. In order to be agile, organizations need to be able to anticipate and respond to changes in a timely manner and with ease. Moreover, it is relevant to two different levels, that is, the enterprise level and the business network level. As a result, it is important for an organization to develop an agile and collaborative culture with respect to its business network (Venkatraman et al. 1993).

Since change is the only permanent that twenty first century organizations have to deal with, managing continuity and change are critical to strategic performance. However, these are two different strands that need to be aligned together due to a thin line between them. An agile culture can align the two, managing continuity and change on one hand, while strategic performance on the other (Sushil 2014a, b). An agile and collaborative culture runs deep among matured and established organizations, which separates them from the rest of the pack. While many organizations adopt agile, and those that bring in outside aid tend to do it much faster than others, few are able to sustain their agile transformation. Therefore, the effort is to focus on agility as a strategy and not the goal. It is imperative for a large organization to build on an agile and collaborative culture that can set the benchmark for its identity and reputation in the market. Figure 1 highlights the focus on the culture which involves values and beliefs of the people/stakeholders that collaborate internally or externally to fulfil the primary goal of an enterprise system, that is, to do business. An agile and collaborative culture, in turn, impacts the structure and form of relationships between the organization and its stakeholders, that has a direct impact on the whole process. Also, the process constitutes of the resultant stakeholder behaviors that emerge as a result of the collaborative culture. Therefore, the primary logic behind the concept is to focus on the culture that runs deep and has a lasting impact on the collaborative process. Consequently, it is a part of the business process that enables the enterprise business system, counter change and turbulent environments to sustain its performance. In terms of the enterprise perspective, it can be better put in a way that, culture is to the organization what personality is to an individual.

To essentially, illustrate and emphasize more on the need for an agile and collaborative culture, the research methodology adopted is the case analysis of Apple Inc and its digital media product business. We first discuss the reasons for its success prior to 2011 along with the strategies it employed through the effective operation of its business model. After that, we highlight the issues and challenges that it had to face post 2011 to all the way until 2013, despite its reputation of being a technology giant. Lastly, we come up with a conceptual model that focusses on the value creating capabilities that potentially possess the ability to create an agile and collaborative culture for Apple Inc that would enable long-term success for the enterprise.

The following section focuses on the case study of Apple Inc and its digital media sector (iPhone, iPad, iPod, iTunes) in order to justify how effective governance through agility and collaboration would ensure sustainability of its digital media sector over a longer period of time and help overcome some of its issues and challenges that it had to face in the period between 2011 and 2013.

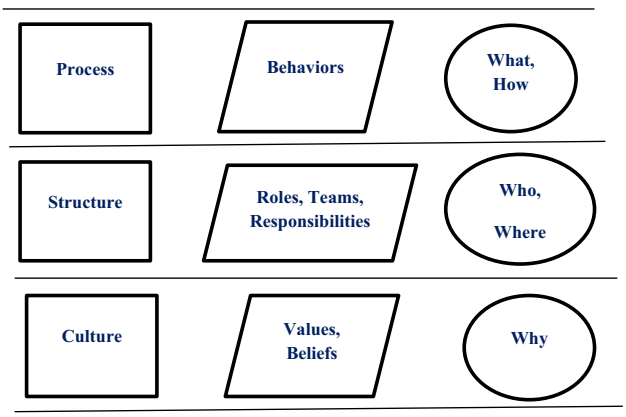

Fig. 1 The culture of agility and collaboration (↑impact↓focus)

Research Methodology

The methodology adopted is a case study of Apple Inc and its multiple business lines of iPhone, iPod, iPad and iTunes for which it has built a solid reputation of an innovative technology giant. Case study is a research strategy which focusses on understanding the dynamics within single settings. Also, case study analysis involves numerous levels of analysis ranging from observational, numerical etc and others to combine data as evidence (Yin 1984). The most important contribution, however, is that, it can be used to accomplish various aims: to provide description (Kidder 1982), testing of theory (Anderson 1983; Pinfield 1986) or generation of theory (Harris and Sutton 1986; Gersick 1988).

A Case Study of Apple Inc (iPhone, iPod, iPad, iTunes)

Apple Inc, headquartered in Cupertino, California, has been a leader in the consumer electronics/IT segment of the digital media industry for the past decade or so. It, launched iTunes, the now famous digital music application, on January 9, 2001, for the Macintosh Computer. A little over 9 months later, Apple launched the 1st generation iPod on October 23rd, 2001. About 2 years later, Apple launched the iTunes store on April 28, 2003. The iPhone was released 4 years later after the runaway success of the iTunes-iPod-iTunes store combination that sort of revolutionized the retail music industry (Saddington 2011).

Traditionally, a computer manufacturer company, Apple's transition into the consumer electronics industry was led by co-founder Steve Jobs, whose leadership skills got Apple to where it is today. It has developed a reputation of the leading consumer electronics company for at least a decade now showing unprecedented growth over a period of time. Many believe that Apple's success stems from a combination of several factors, including the remarkable leadership skills of CEO Steve Jobs, a corporate culture of enthusiasm and innovation, and the high-tech products for which Apple is well known (Vitalari 2009). These combining qualities have made Apple revolutionize the technology and retail industries.

Before the transition, the company had its share of failures when several of its products failed to meet expectations of the customers, as a result of which the company's stock price declined. During that phase, the organization had to undergo several CEO changes in an effort to re-build lost ground but the attempts failed. Soon the future of Apple was in jeopardy. After Jobs returned to save the struggling company, it underwent a change in strategy and deployed a flat organizational structure in order to have transparent communication between executive management and the subordinates. Jobs employed a "closed door" policy, thereby ensuring that information remains proprietary. The most noticeable change from a company-wide perspective was Apple's entry into new product lines within the electronics industry.

In 2001, Apple launched the iPod—a portable music player which forever changed the music industry. The company also introduced iTunes, a type of 'jukebox' software that allowed user to upload songs from CD's onto Macs and then organize and manage their personalized song libraries. And then, was introduced the iTunes store which allowed users to download their favorite songs for $0.99 each online (Sawayda 2011).

A successful business enterprise (Apple Inc in this case), either explicitly or implicitly employs a business model that best describes the design or architecture of value creation, product delivery and capture mechanisms it employs based on the particular product that it is trying to sell. Essentially, a business model is a conceptual rather than a financial model of business (Teece 2010). It defines the manner by which the enterprise delivers value to its customers, entices them to pay for the value created and converts those payments to profits. A successful business model possesses the capability of articulating the logic, data and other evidence that supports a value proposition for the customer along with a viable structure of revenues and costs for the enterprise delivering that value. Moreover, it is more generic than a business strategy. Also, coupling of strategy and business model analysis is required in order to protect competitive advantage resulting from new business model design (2010).

Table 1 represents the generalized business model employed by Apple which has been the base for its success story and changes based on the iPod/iTunes/iPhone business so far, that has enabled the company reach greater heights through its transition from a computer manufacturer to a broader product line.

The above business model employed by Apple has proved to be the lynchpin of Apple's foray as one of the richest business organizations in the world. It has been successful in solely targeting the customers based on the products (iPhone, iPod, iPad) that it manufactures. This has enabled them to innovate with the addition of the range of software applications in its products, thereby winning the heart of its most fancied customers on a consistent basis. However, the focus is only on the most important stakeholder, which is, the customer. It has always been a consumer oriented company employing unique business strategies targeting numerous consumers along with the potential ones. Consequently, the governance and collaborative activities of Apple have focused primarily on the customer, thereby, neglecting other stakeholders that are equally important to its business sustainability.

Issues and Challenges

The success story of Apple, over the years has been because of its capability to innovate its products on a consistent basis under the leadership of the legendary CEO Steve Jobs. Consequently, from the enterprise perspective, it has been a one man army rather than the enterprise as a whole. Moreover, due to the constant growth of technology in the consumer electronics/IT sector that Apple is in, makes it a part of one of the most unpredictable industries nowadays. Apple, with the help of technology, itself changed the definition of a smartphone by introducing the first iPhone (Copeland 2010) in 2007, before which there was no touch screen phone that people could use by hand. Furthermore, Sont had created the first portable music player in 1979, and then after 11 years, the Japanese

Table 1 The Apple Inc Generalized Business Model (*Source* www.businessmodelgeneration.com)

Key partners/collaborative stakeholders	Key process activities	Value propositions	Customer relationships	Customer segments
Depends on respective industry	Managing legal relationships for product distribution	Sleek design	Existing Hardware distribution	Apple Lovers
	Software development	Range of applications	Free software downloads	Smartphone/Music/Computer
	Hardware design	Legal avenue for increased distribution	Pay-by-the-use downloads	Lovers
				People interested in electronic gadgets
				Respective industries (Telecommunications/Music/Portable Computers)
	Key		Channels	
	Resources			
	Software Patents			
	Lawyers			
	Program Analysts			
	HW designers			
Cost structure			Revenue streams	
Fixed costs			Hardware initially compatible with only Apple software	
Economies of scale			Subscription fees	

company changed the music industry again by introducing the Discman in 1990 (Bertolucci 2009). After eleven more years, Apple changed it all over again with the introduction of its first generation iPods (Bertolucci 2009). It reveals that, through the use of technology, an industry can change really rapidly and no one would know what the next big level of technological breakthrough would be (Johnson et al. 2012a, b).

While Apple Inc has been receiving praises for its supply chain, there have been issues with the high tech company's system. The issue is related to the relationship of the enterprise with its suppliers. The high tech company was unable to match its expected number of sales in 2012 due to an insufficient supply chain, according to Lessin and Sherr in the Wall Street Journal. Apple Inc, being the technical giant it has been over the years, has many suppliers all over the world. Despite that, when the supply chain is assessed piece by piece, it was found that some components (which are very important for the company consumer electronic products) were chips and LCD panels (Lessin and Sherr 2012). Samsung, the Korean company, which is the largest LCD screens supplier for Apple, declared that it would no longer provide its products to Apple, as it did not find it beneficial to cooperate with the high tech company (Cho and Kim 2012). This meant that, LGD and AUO were the only two leftover suppliers, both having a severe lack of experience, that Apple had to support their new products in 2012 (Cohan 2012). All in all things, went downhill by the end of 2012 for Apple, after the demise of Steve Jobs in 2011 that was led by an insufficient number of products to match the market demands during the holiday season.

Figure 2 shows Apple Inc's fourth quarter financial results in 2011 for iPhone/iPad/iPod and its other products to chart down the comparison that a major portion of its revenue is generated from the sale of its consumer electronic products of the iPhone, iPad and iPod that represent its ground in telecommunications, portable computers and the music industry respectively.

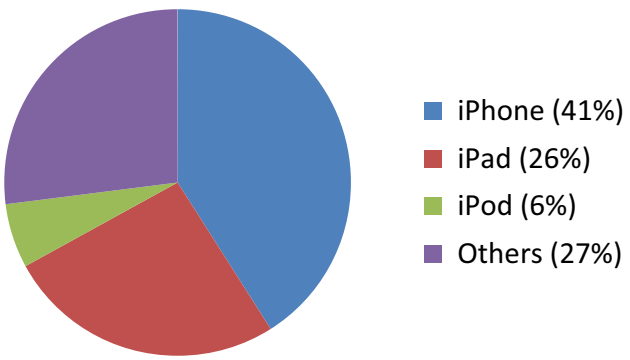

Fig. 2 *Source* Apple 4th quarter 2011 financial results revenue percentage

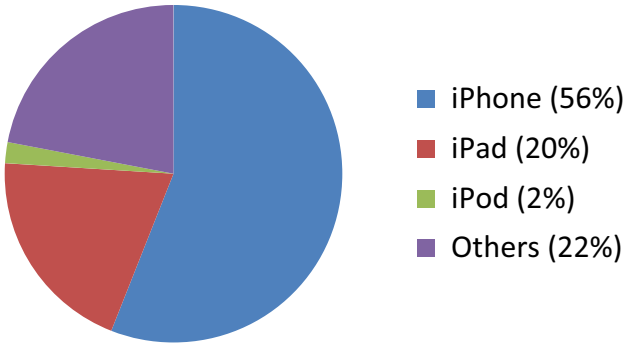

Fig. 3 Apple financial results revenue percentage 2013 (*Source* www.Apple.com)

Figure 3 shows the revenue percentage generated from each of its consumer electronic products in the year 2013 that depicts a fall in the sale of a majority of its consumer products except the iPhone. It suggests that the company has not been able to sustain its success in each of its multiple business lines that it developed over the course of time since the introduction of the personal computers (its original industry). It was a case of ineffective governance that led to this fall of sales post 2011, that the company was not able to sustain its previous success. As a result, in the context of the research, the governance focus is from the sustainability point of view in adding value to all its stakeholders (not just the customer) through the concept of agility and flexibility which are interchangeably used.

Strategic flexibility is important to twenty first century organizational success and its sustainability. The strategic discontinuities encountered by firms (loss of trust in Apple Inc from its major supplier Samsung) are in a way transforming the nature of competition. In order to develop strategic flexibility and competitive advantage, firms need to exercise strategic leadership, build core competencies and focus on developing human capital effectively by using new information and communication technologies along with building a new organizational structure and culture that is flexible enough to deal with unpredictable circumstances. Consequently, the twenty first century firms will require new types of organization and leaders in order to maintain global market leadership (Hitt et al. 1998).

From the context, agility is defined as, "An effective integration/alignment of the response ability and knowledge management among enterprise entities in order to rapidly, efficiently and effectively adapt to any unexpected (or unpredictable) changes in both proactive and reactive business/ customer needs and opportunities without compromising with the cost and quality of the product/process" (Ganguly et al. 2009). Also, an enterprise demands some kind of flexibility for its diverse stakeholders. Taking this into consideration, it would be more rewarding if both the enterprise and its stakeholders work towards providing flexibility to each other as opposed to demanding from one another. More responsive stakeholders, being provided with a flexible framework can prove to be a win –win situation for both (Srivastava 2014; Sushil 2014b). Hence, collaboration for overall systemic governance is at the core of the governance framework that would enable agility of the system as a whole.

From the product perspective, Apple has demonstrated agility over the past decade in targeting the requirements and interest of its fancied customers, who were music, digital and Apple lovers thereby carving an innovative niche for itself in the digital media market. Since innovation is the foundation of its business strategy, it has successfully managed to satisfy its most valued customers through product agility responding quickly to the changing needs of the customers. However, the same cannot be said from the enterprise perspective, since after the return of Steve Jobs, it has followed a closed loop structure and strategy that has raised its doubts in terms of creating value for the entire enterprise for business sustainability. In comparison, its counterparts like Google and Microsoft, have been implementing a more open source mentality that is, changing by the way with net neutrality (Bertolucci 2009). It implies that enterprise business sustainability would thrive on the development of an agile and collaborative culture throughout the enterprise from a holistic systemic point of view.

Enterprise Elements as Enablers of Agility and Collaboration

Stakeholders/Human Actors

According to Mayo, people are the most important asset for any organization but they do not fit the strict financial definition of an "asset". It happens to be that the valuation of companies has changed progressively from the 1990's staking a much higher value on intangible assets such as knowledge, competence, information systems and technical systems. However, it is the people/human actors alone termed as 'human capital' that build value for firms (Mayo 2001).

The traditional corporate governance measures concerning with shareholder value is not enough to create value for the firm but a holistic stakeholder value might deliver substantial stakeholder value for the firm. Charreaux and Desbrieres introduced the concept of value creation and the need to measure shareholder and stakeholder value. The shareholders point of view appears to be limited to build a corporate governance theory as opposed to an enlarged definition of value termed as 'stakeholder value'(Charreaux and Desbrieres 2001).

Spitzeck and Hansen conclude that stakeholders are granted voice regarding operational, managerial as well as strategic issues in their exploration of stakeholder governance of 46 companies. The power granted to them varies for non-participating to co-decision making (Spitzeck and Hansen 2010). As a result, the stakeholder approach to human capital of the enterprise system signifies relevant importance from the organizational business sustainability.

Capabilities of IS/IT

From the enterprise governance perspective, the development, direction and control of IS/IT resources should ideally be in alignment with the enterprise goals through value adding contributions that account for balancing risk versus return over IS/IT resources and processes. Consequently, business sustainability and corporate responsibility in the corporate world calls for simultaneous management and integration of service contribution. Due to this, it is evident that there is an ever increasing dependence on effective IT/IS systems (Sifonis and Goldberg 1996; Korac-Kakabadse and Kakabadse 2001).

The business value of IT was introduced first by Gustafsson et al. which was based on the analysis of the information that impacts technology has on an organizational functioning and the general market value (Gustafsson et al. 2009). Maes et al. expressed the need for a unified alignment framework to re-assess business and IT alignment. From the governance perspective, we firmly believe that this re-assessment is vital for any further elaboration of alignment as a useful and implementable tool for twenty first century organizations. Moreover, while proposing a model for alignment, Venkatraman et al. (1993), argued that the potential strategic impact of information systems requires "an understanding of the critical components of the IT strategy and its role in supporting business strategy decisions" and "a process of continuous adaptation and change" (working definition of agility in the research context) (Maes et al. 2000).

Galliers and Leidner introduce IT and its emergence as a strategic issue from the point of view of its impact on individuals, organizations and society in general. Its rapid change causes an already uncertain business environment to become even more unpredictable. As a result, an organization's ability to identify the relevant information needed to make important decisions is crucial, as decision making is no longer restricted to the manual systems of the organization (Galliers and Leidner 1994).

Business Process

While the alignment literature has so far focused on the alignment of business and IT, another key enabler of business agility is the business process. Governing it seems to be a challenge in the intra-organizational contexts, since it cannot be disentangled from the management of people, functions and organizations that perform the activities which form the business process. Prajogo et al examined the relationship between product quality, product innovation and process innovation to that of business performance of organizations. Through empirical data, they found that the relationship of product quality and its innovation with that of business performance to be weak as opposed to a strong relationship between business process innovation and the organizational performance (Prajogo and Ahmed 2007).

Just as product development cannot be effectively accomplished without the involvement of life-cycle processes, the enterprise processes must also cover a comprehensive set (Nightingale and Mize 2002). The life cycle processes include business acquisition, management, manufacturing, product development, distribution and support and others. On the other hand, the enterprise leadership and enabling infrastructure processes must also be considered in an integrated fashion along with the life cycle processes needed to produce a product. Some of the enabling processes involve information technology, human resources, quality assurance, facilities and services and so on, while the leadership processes involve strategic planning, business management, growth and strategic partnering.

In the case of Apple Inc, the business effort has been completely customer oriented and centered round activities that make it more efficient from the consumer's perspective. However, Markus and Jacobson argue that redesigning business processes in order to make them more efficient and customer centered is not enough to ensure process success. As a result, several multinational companies have eventually realized that attempting to redesign business processes to an existing organizational structure is a recipe for process failure (Lynne Markus and Jacobson 2010).

While governance has been examined from different perspectives and for various units of analysis, one aspect that has received negligible attention in the governance literature is that of the business process. Thus, it becomes an extremely essential element for effective governance since it forms the link between a firm's business strategy and its operational activities (Braganza and Lambert 2000). The business design involves specification of which people perform what tasks, in what location, under what circumstances, with what information and to what degree of precision. Moreover, most companies tend to overlay new processes on the already established functional organizations (Hammer 2007).

Business Strategy

Another key element of effective governance is a business strategy that goes hand in hand with the business process.

Due to economies and equity markets becoming increasingly unpredictable and the faith in corporate governance facing a steep decline, stakeholders of all types have a growing interest in the sustainability of companies. Therefore, it becomes evident that the business strategy is formulated keeping in mind not only the short-term benefits but also the long-term sustainability. According to Fang Lo and Jiun Sheu, an effective business strategy causes a firm to increase its value in the long run. Moreover, companies with better sustainable development strategies are more likely to be rewarded by investors with a higher valuation in the financial markets (Fang Lo and Jiun 2007).

Collaboration and leadership from the strategy perspective are strong concepts for global organizations in order to sustain their stranglehold on the business environment that they are operating within, as it is clear, that neither governments nor businesses have the capacity to engage society in such a transformation process of their own (De Bruijn and Tukker 2002). In addition, the role of 'Act' in successfully executing the strategy is key to achieving desired organizational performance. The mediating role of 'Adapt' influences the role of 'Act' on strategy execution (Srivastava 2014).

The Conceptual Model

After elaborating the key elements of the enterprise system that play a major role in the enterprise operations, we make a sincere effort in developing a conceptualized governance model that aligns them together with the value creating variables, thereby enabling firms to sustain their competitive advantage. The dynamics of the governance activities comprises of the value creating capabilities of trust, commitment and shared leadership that enable the enterprise/business organization to deliver sustainable performance in the long run. Identification of all the stakeholder groups and the recognition of their value to the firm lay the foundations of trust building (Dovey 2009). It proves to be the basis for a long-term commitment in terms of business, for organizations and their stakeholders. Trust and commitment are critical variables for any relationship from the business point of view. Commitment, described by the willingness to invest in a relationship (Anderson and Weitz 1992; Ganesan 1994; Gundlach et al. 1995; Geyskens et al. 1996), long-term orientation and loyalty, is also critical in value creation. Moreover, research has indicated that poor performing teams tend to be dominated by a team leader whereas high performing teams tend to display more dispersed leadership patterns, i.e. shared leadership (Pearce 2004). The concept of aligning the enterprise elements to the value creating capabilities is more of an enterprise strategy than a goal to maintain competitive advantage.

Strategic failure is mostly the avoidable result of inadequate governance resulting in inadequate strategy development and implementation. As a result, the demands for effective governance have risen due to existing risks and compliance silos thereby giving rise to a number of complexities and uncertainties. Therefore, in the case of multinational organizations (Apple Inc in this case), the gap between growing complexities and effective governance is constantly growing due to improbable business strategies in the quest for achieving maximum business ground.

In an effort to bridge this gap, the governance model shown in Fig. 4 is an effort to align the enterprise elements to the value creating variables, to consistently create value for ensuring sustainable business performance in the turbulent business environment for twenty first century modern enterprises.

Value Creating Capabilities

Trust Building

Trust building forms the basis of collaborative activities within or outside the enterprise. Although, it is a time consuming process but, at the same time a very essential one for the survival or sustainability of any organization. The lack of trust among stakeholders is a common starting point for collaborative governance (Weech-Maldonado and Merrill 1999). Moreover, organizational transformation involves change and, change possess the potential to jeopardize trust dynamics for reaching intended goals. The resultant uncertainty being provoked can scrutinize the management intentions and thereby reduce trust (Sorenson et al. 2011). According to the literature, collaboration is just not about negotiation with the stakeholders. However, it is also about building the trust factor between them (Alexander et al. 1998; Glasbergen and Driessen 2005). It evidently becomes a long-term commitment and a time consuming process but healthy for any enterprise in the longer run (Yin 1984).

Commitment to the Process

Stakeholder commitment or involvement is another critical aspect in creating value for the enterprise. Varied stakeholder interests or lack of interest from stakeholder tend to trigger different expectations from the board thereby complicating their roles and responsibilities towards the enterprise. Literature suggests that stakeholder's level of commitment or involvement to collaborative activities is a critical value creating variable that is important in determining the success or failure of the enterprise (Alexander

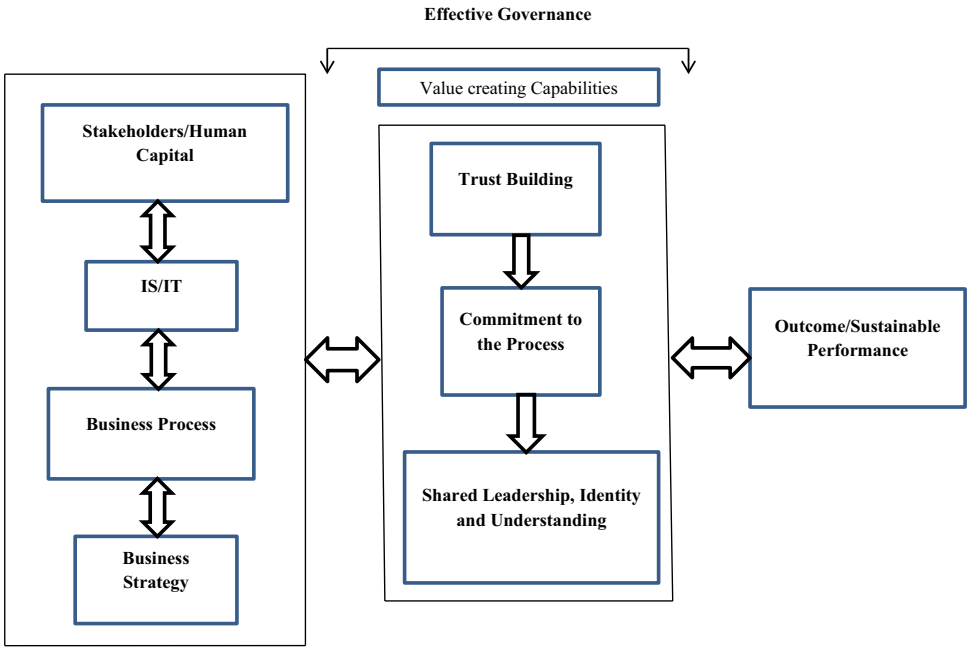

Fig. 4 The conceptual model for effective governance

et al. 1998; Tett et al. 2003). In terms of decision making, collaboration refers to the process of obtaining the best possible decisional outcomes for the enterprise through collective stakeholder participation. It is rather easy to see why trust is such an important element for collaboration. Commitment or involvement depends on trust that other stakeholders will respect your perspectives and interests. It is also easy to see how clear, fair and transparent procedures are critical for commitment. Prior to committing to a process that could divert in unpredictable directions, stakeholders must feel confident that the procedure of deliberation and negotiation has integrity. A sense of commitment and ownership can be enhanced as involvement increases (Gilliam et al. 2002; Ansell and Allison 2008).

Shared Leadership, Identity and Understanding

The Steve Jobs era as Apple's co-founder and CEO, was all about the charismatic leadership offered by the person through brilliant demonstrations of visual storytelling that motivated its customers, employees and investors. However, the post Steve Jobs era hasn't seen the same results for Apple under the leadership of the current CEO, Timothy Cook. This calls for shared leadership at all levels of the enterprise to enable agility and enhance transformation. Shared leadership calls for leadership as a team sport. In the context, it shifts the traditional enterprise thinking from leadership as an individual trait to leadership as an organizational capability.

From an organizational agility point of view, such a perspective fits the maximum surface area structure through the spread of knowledge and power throughout the organization to process and respond to information quickly, without requiring a high-level of top down direction. It enables to build on a deep cadre of leadership talent across the organization. Through the involvement of more people in decision making activities, a company can develop the leadership and management skills of many employees (Worley and Lawler 2010). Most importantly, shared leadership supports a change capability. In a change effort, there is typically more to do than a single leader or few leaders can do. Consequently, enterprises that are led by a single hero leader are fragile entities. More so, if that individual falters or has more to do than he/she is capable of or leaves, then the change effort tends to stall. With shared leadership, competent others are available to support the effort.

Identity goes hand in hand with shared leadership to keep the organization from being whipsawed by environmental demands for change. It is a crucial aspect that represents a long term value proposition which integrates the organization's internal culture and external brand, image and reputation. It is one of the central concepts that, enables enterprise agility since it is the most stable of them all. Similar to an individual's personality, an identity of the organization or enterprise is the most defining characteristic that changes slowly if at all.

Agile organizations tend to have a clear sense of who they are or what they stand for. Also, with such a clear understanding, it makes it easier for them to pursue their respective strategies. Leaders are less likely to propose adjustments to the business strategy or the strategic intent that will not be supported by the organizational culture or the brand image of

the enterprise, when they are aware of the organization's identity. Moreover, when new set of ideas tend to unfold or bubble up, they tend to be easily implemented and supported, since built-to-change organizations have an identity that favors change (Sushil 2014a, b).

In the course of the collaborative process, stakeholders are likely to develop a shared understanding of what they can collectively achieve together (Tett et al. 2003). Literature has described it as ''common mission''(Alexander et al. 1998; Roussos and Fawcett 2000), ''common ground'' (Wondolleck and Yaffee 2000), ''common purpose'' (Tett et al. 2003), ''common aims'' (Huxham 2003), ''common objectives'' (Padilla and Daigle 1998), ''shared vision'' (Manring and Pearsall 2004; Walter and Petr 2000; Wondolleck and Yaffee 2000), ''shared ideology'', ''clear goals'' (Glasbergen and Driessen 2005; Roberston and Lawes 2005), ''clear and strategic direction'' (Margerum 2001), or the ''alignment of core values'' (Heikkila and Gerlak 2005). Shared understanding can also imply agreement on a definition of the problem (North 2000; Bentrup 2001; Pahl-Wostl and Hare 2004) or, it might mean agreement on the relevant knowledge necessary for addressing a problem (Ansell and Allison 2008).

According to Daniels and Walkner, the development of shared understanding can be seen as a larger collaborative learning process while on the other hand, some researchers developed a useful survey strategy for the purpose of assessing the extent of collective learning across the organization for collaboration. In the next section, we put together a framework that aligns the four enterprise elements by way of developing he value creating capabilities that would help enhance collaboration and facilitate agility.

The Proposed Framework for Effective Governance

Governing development can be made effective if the enterprise value is delivered and realized throughout the enterprise systems as a whole. However, the major challenge seems to be the one of realizing it and thereby delivering on a consistent basis to ensure long term sustainability. As a result, Fig. 5 represents a framework that sincerely puts together the deeper relationships by way of alignment between the enterprise elements and its value creating capabilities to ensure long-term performance for the enterprise system. The proposed framework is a sincere and honest effort to support agility in the enterprise functioning, thereby enhancing enterprise transformation.

Conclusion

Multinational enterprises and their study have so far focused on their struggle for achieving sustainable competitive advantage while expanding their businesses across the globe. Enterprise literature has, therefore, emphasized on the alignment of business and IT as an effort to bridge

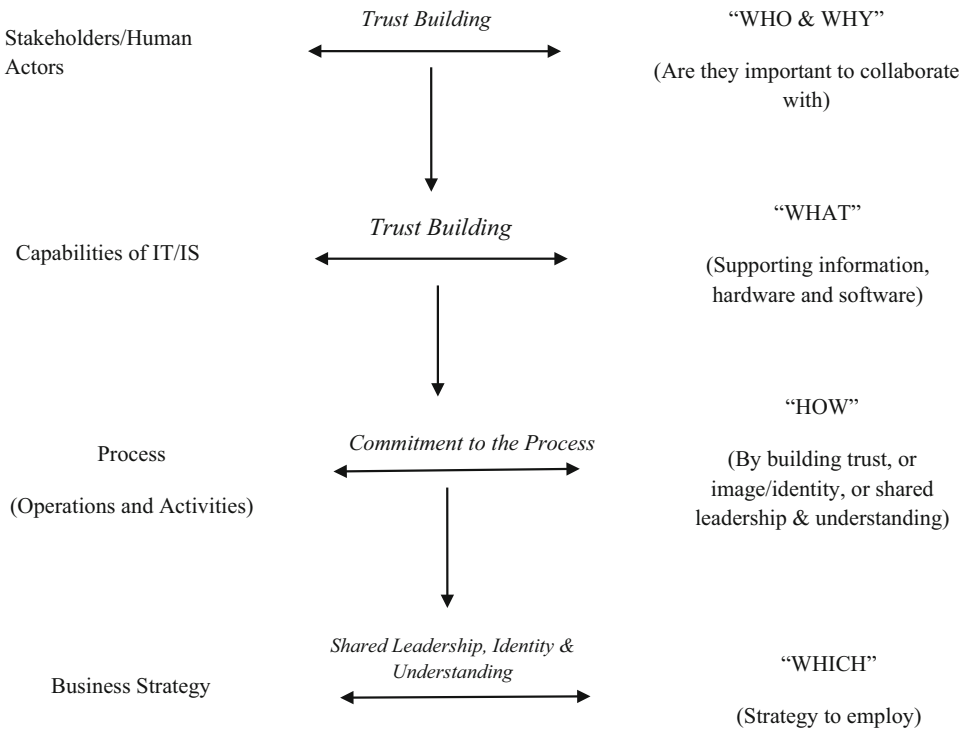

Fig. 5 Framework for effective governing development

the gap between them in order to achieve competitive advantage on a more consistent basis. However, the concept of enterprise governance runs even deeper than just business and IT combined together among the strategy and process components of the enterprise activities. Agility and collaboration are the key concepts from the point of view of large-scale enterprise systems governance to sustain competitive advantage in the long run, especially considering the case of Apple Inc with regards to where it is at the current moment.

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Key Question

How can governance be made effective to ensure long term business sustainability?

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