# Inter-Organizational Networks in Politics : A Case Study of the National Democratic Alliance in India

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#### **Abstract**

Inter-organizational networks have a wide-ranging presence in fields as diverse as sociology, mergers & acquisitions, business management, political science, and public administration. Inter-organizational networks are especially important for strategic alliances. The present study is an illustration of such networks. It developed an understanding of inter-organizational dynamics through a case-study of NDA, a major political alliance in India.

Keywords: Inter-organizational network, power, NDA, political alliance, organizational conflicts

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hen more than two organizations come together and share common affiliations, they form interorganizational networks. Typically, organizations enter into exchange relationships and build networks to increase their revenues through cooperation, access complementary resources, or share resources to achieve economies of scale. While vertical integration can facilitate the achievement of these motives, inter-organization networks prove to be a more efficient solution under certain circumstances. There are many instances when two organizations with different ideologies, which cannot otherwise be integrated, come together to share resources.

### **The National Democratic Alliance**

The National Democratic Alliance (NDA) was the ruling political coalition in India from 1998 to 2004. It is currently heading India's central government since its victory in the 2014 general elections [1]. The alliance is akin to a network of organizations - member (political) parties interact with each other as individual bodies. Presently, NDA is a coalition of 29 political parties; the Bharatiya Janata Party (BJP) is its largest member (Table 1). As in a network, these organizations interact in a complex manner - competing in some markets

[1] The Republic of India follows the federal model of governance. Dual governments are elected – one at the Union level and others at the state level.

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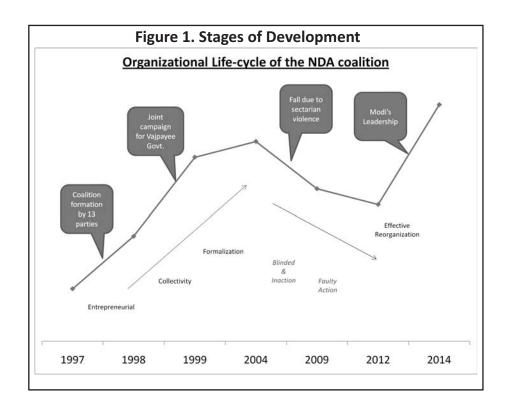
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**Table 1. National Democratic Alliance** 

Major Parties (By Lok Sabha) (Alphabetically arranged)		
Party	State/ National Level	Region/ State
Akali Dal	State Party	Punjab
Bharatiya Janata Party	National Party	India
Jammu & Kashmir People's Democratic Party	State Party	Jammu and Kashmir
Lok Jan Shakti Party	State Party	Bihar
Rashtriya Lok Samata Party	State Party	Bihar
Shiromani Akali Dal	State Party	Punjab
Shiv Sena	State Party	Maharashtra
Telugudesam Party	State Party	Andhra Pradesh, Telangana

Minor Parties (By Lok Sabha seats) (Alphabetically arranged)

Party	State/ National Level	Region/ State
All India N.R. Congress	State Party	Puducherry
Apna Dal	State Party	Uttar Pradesh
Naga People's Front	State Party	Nagaland
National People's Party	State Party	Meghalaya
Pattali Makkal Katchi	State Party	Tamil Nadu
Swabhimani Paksha	State Party	Maharashtra



(states) and collaborating in others [2]. For example, Shiv Sena and BJP are presently acting as a team in the central government, but had competed against each other in the Maharashtra Legislative Assembly elections in 2014. In such an ecosystem, individual organizations evolve with others so that each gets stronger. For example, NDA and BJP have been evolving towards projecting growth as the principal agenda of the coalition from their earlier agenda of 'Hindutva' [3].

Customarily, there have been conflicts among the member parties, though they have also cooperated when required. In the run-up to the 2014 general elections, the member parties capitalized on their strengths and joined forces to achieve victory over the biggest competitor- the United Progressive Alliance (UPA). The member parties have allowed themselves to collaborate to increase value for all. Regional parties, such as the Akali Dal and the Telugu Desam Party (TDP), give the coalition the much-needed federal representation. The association with parties like the Lok Janshakti Party (LJP) helps in gaining share from specific segments, such as the minority *Dalits* in this case. Viewed from an inter-organizational perspective, this is the collaborative network aspect. Another aspect of inter-organizational perspective is institutionalism.

Institutionalism explains how and why organizations legitimate themselves in the bigger environment and design various structures by borrowing ideas from each other. In the context of the NDA, it can be seen how all the member parties have borrowed agenda of 'growth and development' from the BJP, of 'inclusive growth' from the LJP, of 'fight against corruption' from the TDP, and of 'minority welfare' and 'secular policies' from others. The common goal is to increase their relevance in the larger political environment of India. In the ensuing sections, this case study discusses NDA's organizational structure, how the NDA evolved to its current structure, its culture and values, the organizational conflicts faced by the alliance, and the dynamics of organizational politics.

## **History and Stages of Development**

Most of the governments in India until the 1990s were formed by the Congress party. The Indian National Congress (INC), commonly known as Congress, is the major political party in India. Founded as an organization during the British colonial times in 1885, it is one of the largest and oldest democratically-operating political parties in the world. Non-Congress coalitions were formed in 1977 under the direction of Mr. Jayprakash Narayan, and in 1989, under the leadership of Mr. V. P. Singh. However, none of these coalition governments were able to run a stable administration for more than a couple of years. The 1996 general elections resulted in Bhartiya Janta Party (BJP) as the single largest party, but it got a fractured mandate only. In the period that followed, India saw three Prime Ministers in 2 years. Subsequently, the National Democratic Alliance was formed under the leadership of Shri Atal Bihari Vajpayee in May 1998 (Figure 1).

(1) Entrepreneurial Stage: The NDA coalition was born to provide an alternative to the Congress-led governments at the Centre. Therefore, the founders devoted full energies to promote the idea among other parties with similar interests. The just-formed NDA consisted of BJP and several regional parties including the Shiv Sena, Samta Party (SP), and the Telugu Desam Party. It quickly grew into an alliance of 13 political parties and formed a formidable non- Congress political front in India. However, as the organization started to grow, problems arose due to conflicting ideologies and philosophies of various members of the network (i.e. the different parties). Since some of the parties like the Shiv Sena and some political leaders like Shri Lal Krishna Advani of BJP had a clearly visible sectarian image, a leadership crisis emerged as other parties wanted to be seen as secular.

<sup>[2]</sup> India is a union of 29 states. Additionally, it has seven union territories that are centrally administered.

<sup>[3]</sup> Hindu nationalism

- **(2) Collectivity Stage:** In such a time, Shri Atal Bihari Vajpayee of the BJP, who did not have a divisive image like that of Shri Lal Krishna Advani, emerged as the leader of the NDA coalition. He did not pursue the controversial rightist issues and instead gave directions and developed clear objectives of neoliberal economic policy centered on globalization and economic growth above social welfare. He appeased the coalition members and held them together through the coalition's growth phase. The NDA achieved a slim majority in the 1998 elections, and Shri Atal Bihari Vajpayee was sworn in as the Prime Minister. However, the government collapsed within one year after AIADMK [4] pulled back its support.
- (3) Formalization Stage: Subsequently, few more regional parties joined the NDA, and several alliances were made in different states in India. Formal seat-sharing procedures were carried out in many states (such as Odisha and Maharashtra) to ensure effective coordination among the constituent parties. The coalition won the 1999 general elections with a larger majority. Mr. Vajpayee was again sworn in as the Prime Minister and led a stable government for a full 5-year term. The coalition government successfully launched many business-friendly initiatives like privatization of PSUs, the Golden Quadrilateral project, and so forth. It also took an aggressive stand on national defence by conducting the Pokhran-II nuclear test. The term resulted in the highest-ever growth rates in the Indian economy until then.
- **(4) Coalition Decline:** Along with successes came failures that weakened the coalition government. The Centre-Right coalition neglected rural areas and instead followed neo-liberal policies. It also supported sectarian policies that were alleged to have led to the Godhra riots in Gujarat and other violent outbreaks in the country. The coalition started getting fractured too, with the exit of members like MDMK, TDP, and TMC before the 2004 general elections.

Consequently, the NDA coalition performed badly in the 2004 elections and could win only 185 out of 545 parliamentary seats, as against 286 in the previous general elections. The coalition saw a further decline for the next 5 years due to its choice of wrong policies. For instance, the NDA supported Mr. Varun Gandhi, a BJP member, who publicly gave hate speeches against Muslims. Also, the network was too vast and complex to be managed through formalized rules. There were many differences among the constituent members of the alliance. Biju Janata Dal (BJD) parted ways with the NDA on the issues of the Kandhamal riots and seat-sharing formula. Even the Chandra Babu Naidu-led TDP parted away from the NDA over the issue of sectarian policies chosen by Shri Narendra Modi (the then Chief Minister) in Gujarat. The absence of a strong leader to put things in order exacerbated the decline. Consequently, the NDA lost the 2009 General Elections too, in the face of infighting and lack of strong leadership.

# **Reorganization and Elaboration**

The subsequent period saw the rise of a leader in Shri Narendra Modi, who took charge of the BJP's election campaign (the leading member of the NDA coalition). In June 2013, Mr. Modi was appointed as Chairman of the Election Campaign Committee of BJP for the 2014 General Elections. His leadership and aggressive campaigning motivated the party workers for the campaign. Under his direction, innovation was institutionalized in the form of digital campaigning and agenda revision. Points of differences were adjudged, and agenda of growth and development, which reconciled with all, were highlighted. The leader's rise assured many old partners of their belief in the coalition's goals. They returned to the NDA coalition, TDP and MDMK being the major ones. The 2014 elections saw the rise of NDA's tally from 141 seats to a staggering 336 seats.

<sup>[4]</sup> All India Anna Dravida Munnetra Kazhagam (AIADMK) (English: All India Anna Dravidian Progress Federation) is a state political party in Tamil Nadu and Puducherry.

## **Organizational Structure**

The National Democratic Alliance does not have a strictly formal governing structure. The heads of the member parties have been observed to make decisions on various issues, such as seat-sharing in elections, portfolio allocations, and Parliamentary debates. NDA's current convener, in 2015, is Mr. Prakash Singh Badal (Chief Minister of the state of Punjab). Other main members of the alliance are Shri Narendra Modi, Prime Minister of India and leader of the lower house (Lok Sabha) and Shri Arun Jaitley, leader of the upper house (Rajya Sabha).

#### **Culture and Values**

The National Democratic Alliance (NDA) is a collaboration of many political parties. All these parties exhibit differences in their organizational cultures, primarily because their culture is influenced by the region in which they have a strong presence. For example, the Telugu Desam Party (TDP), an ally in NDA and active in Andhra Pradesh and Telangana, follows a regionalist culture with pro-Telugu ideology. The mission is to "protect the self-respect & dignity of Telugu people and ensure adequate food, shelter, & clothing for the common man at sustainable and affordable prices, achieve empowerment of women, and welfare of all backward segments of Telugu society across the world" (Teludesam Party, n.d.). Shiromani Akali Dal, another ally of NDA, has a strong presence in the state of Punjab and is a Sikhism-centric political party. The basic philosophy engraved in the organizational culture of Akali Dal is to provide political voice to the Sikh community. It believes that religion and politics go hand-in-hand. It controls Sikh religious bodies such as the Shiromani Gurudwara Prabandhak Committee, Delhi Sikh Gurdwara Management Committee, and so forth. On the other hand, the Shiv Sena in Maharashtra is a Marathi regional and Hindu nationalist political organization. Since its advent, Shiv Sena's culture has gradually moved away from advocating a pro-Marathi ideology towards supporting broader Hindu nationalist agenda.

The Bharatiya Janta Party (BJP), the biggest party of the coalition with a pan India base, has the official philosophy of "Integral Humanism". The BJP expresses a commitment to Hindutva, which it defines as merely cultural nationalism, which favours Indian heritage and culture over Westernization in order to naturally extend Hindutva to all Indians regardless of their religion. The popular belief is that the Hindutva ideology, as practiced by the BJP, has largely been an attempt to re-define Indian culture in terms of its Hindu heritage, and to recast India as a Hindu country. However, over time, BJP has adapted its cultural stance on Hindutva, in response to allegations of being non-secular and other criticisms.

Along with these differences in culture, the coalition members also have an overlap of beliefs. This shapes a common or shared vision that serves as the binding thread for the NDA. The parties that fall under the NDA umbrella are focused on action and result-based approach towards their political obligations. The coalition believes in the paradigm of sustainable development and delivering it through their political practices.

The culture of the NDA can be theoretically categorized as *mission based*. There is a strong emphasis on clear vision of the coalition's purpose and the achievement of goals. It is concerned with serving people in different parts of the nation. The top leadership shaped the behaviour by envisioning and communicating a desired future state for the coalition.

Leadership of the NDA can be easily identified as *value-based* because of their constant emphasis on the development and strengthening of the relationship between leader and followers, based on shared and strongly internalized values, which are acted and advocated by the leader. The coalition has seen different eras of leadership over its lifetime. In the initial stages, the leadership of Shri Atal Bihari Vajpayee marked the onset of India as a rising power on the world platform, and national security & defence was a key feature of that leadership. The current leadership of Shri Narendra Modi is primarily focused on propagating and executing the idea of development. This shift can be attributed to prevailing external factors and highlights the ability of

the present leadership to adapt.

The coalition claims to follow the norms of secularity, people-first, selfless service to the nation, and honest leadership among others. These norms directly influence the mission and vision of the coalition, and also account for the way these are perceived by Indian citizens. Besides these, some implicit traits of the coalition's norms include transparency of practices, accountability of measures, and fairness. These norms act as hygiene factors for the coalition's operations and, although not stated explicitly, impact the overall working and image of the NDA.

The coalition has, in a way, an intertwined cultural representation of the various member parties. The member parties have been able to co-exist despite ideological differences because of a shared vision. This can be regarded as the reason for the successful organizational and cultural scenario of the National Democratic Alliance.

## **Organizational Conflicts**

Like any other network of organizations, NDA has also experienced a number of conflicts among different parties. Recent examples include severing of the coalition between JDU and BJP before General Elections 2014 and conflict between BJP and AIADMK over the preferment of the Hindi language. Academic studies propose four basic sources of conflicts - goal incompatibility, differentiation, task interdependence, and limited resources. Goal incompatibility, differentiation, and limited resources were observed to be prominent sources of conflict within NDA.

- (1) Goal Incompatibility: When achievement of one member's goals interferes with another member's goals, conflict arises. For instance, prominent leaders of two member parties, Shri Narendra Modi (BJP) and Shri Nitish Kumar (JDU), nursed the ambition of becoming the country's Prime Minister. Both parties wished to project its leader as the PM candidate of NDA. Additionally, JDU did not want to lose its Muslim vote-base due to the 'Hindutva' image of Mr. Modi. The goals of the two parties were largely mutually exclusive (in the case of minority appearement as well as prime ministerial aspirations).
- (2) Limited Resources: All groups would want to expand their resources in order to accomplish goals. Limited and scarce resources, then, lead to conflict among group members. NDA has numerous political leaders and aspirants, but few positions of power in the coalition. A conflict was evident, for instance, between Shri Advani and Shri Modi during the decisive discussions on the prime ministerial candidate. According to some political analysts, PM candidature (a limited resource) was one of the reasons for JDU's desertion of NDA. The recent tussle between Shiv Sena and BJP over seat-sharing in state elections of Maharashtra is another example of conflicts over limited resources.
- (3) Differentiation: Groups within an organization tend to differ in their attitudes, values, and standards of behaviour. These sub-cultural differences can lead to conflicts. BJP has an image of a Hindu nationalist party due to its ideologies and organizational links with the Rashtriya Swayamsevak Sangh (RSS). AIADMK, on the other hand, is seen as strongly Tamilian and an anti-Hindi party. The parties clashed over the promotion of Hindi language in the country. AIADMK opposed the elevation of Hindi language, creating rifts in the coalition.

## **Power and Organizational Conflicts**

Power is an intangible part of a network. Power is often defined as the potential ability of one group in an

organization to influence other member groups in order to bring results desired by it. Five forces of power have been discussed in literature - legitimate, reward, coercive, expert, and referent.

Observing the power centres within NDA, it can be seen that power lies majorly in the hands of the single largest member - the BJP. For instance, the overwhelming mandate enjoyed by BJP in the recent elections endowed it with huge influence in decision-making within the network. Furthermore, the play of power and politics can be seen within individual member parties as well. BJP, for instance, cradles many power centers - Shri Modi and Shri Advani claimed to be the major ones. BJP saw the formation of the Modi and the Advani sub-groups; the former bargained and negotiated in the strongest manner to retain power base.

Some power sources within the network are discussed below:

- (1) Legitimate Power: Legitimate power arises from a formal position of authority in the organization. Most of the top positions in the ruling government are under the control of BJP leaders. This gives authority to these leaders to take critical decisions.
- (2) Reward Power and Coercive Power: Possessing the ability to reward organization's members with promotions and so forth creates reward power. An authority to punish or recommend punishment bestows coercive power. BJP has the maximum number of seats in the NDA and the ruling government. Therefore, this gives power to BJP and its top leaders to reward other parties and their candidates with better posts in the government or punish them by removing them from posts.
- **(3)Expert Power:** Veteran political leaders, like Shri L.K. Advani, *possess skills derived from their* significant experience in politics and governance. They derive power from their knowledge. Leaders are designated to important positions.
- **(4) Referent Power :** Referent power, derived from personal characteristics, is enjoyed by charismatic leaders and public speakers like Shri Narendra Modi.

Organizational politics involves activities to develop, acquire, and use power and resources to obtain the desired results under circumstances of disagreement or uncertainty. A number of political tactics are employed for using power. These increase the exercising members power base in the organization. Building coalitions, expanding networks, assigning key responsibilities to loyalists, controlling decision premises, enhancing legitimacy and expertise, and creating subordinate goals make use of power.

# **Managerial Implications**

The study of interorganizational networks is as relevant for political organizations as for business firms. Theoretical concepts related to organizational structure, culture, values, conflicts, and power are demonstrated in the context of political organizations too. This is of special consequence to managers as professional management of organizations' dynamics and human resources are accorded due importance in businesses. It is now established that such specialized handling is also needed for political organizations, particularly alliances.

#### Conclusion

Being an extensive network of political parties, the National Democratic Alliance has experienced

organizational dynamics, such as structural changes in its life cycle, evolving organizational values and culture, various inter-group conflicts, power dynamics, and political tactics. Presently, NDA is undergoing changes in its working and organizational dynamics due to shifting of the power centre from senior leaders like Shri L.K. Advani and Shri Murali Manohar Joshi to younger leaders like Shri Narendra Modi, Shri Arun Jaitley, Shri Amit Shah, and so forth. This case study presents the political alliance and its contemporary environment into a theoretical framework of inter-organizational networks.

## **Limitations of the Study and Scope for Further Research**

The present study examines the manifestation of inter-organizational dynamics in the Indian context. Since every country has a distinct political environment and cultural values, case studies of political alliances can occupy a diverse spectrum.

Studies of inter-organizational networks can be conducted for political alliances that are younger, or older, than the present case. Consequently, effects of the age of an alliance on various network phenomena and properties can be explored.

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