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Making sense of partnering: discourses, governance and institutional change

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Coordination in construction projects has traditionally been based on contractually defined relations involving high degrees of surveillance. In recent decades, partnering has been advocated as a project-specific, communicative alternative to this contractual mode of project governance. Taking a perspective of institutional theory, however, the development of partnering can also be understood as a strategic intervention that has destabilized the established regulative context in which the traditional contractual mode of project governance takes place. Drawing on a historical document study and data from an ethnographic case study of a public partnering project, it is shown that rather than providing a well-defined alternative to the traditional form of project governance, the institutional destabilization has cultivated an organization field offering a legitimate frame for local sense making. Thus, as a project governance mechanism, partnering emerges as a collective sense-making process directed at (re-)creating a new form of rational behaviour under changing institutional conditions.

Keywords: Discourse, governance, institutional history, partnering, sense making.

Introduction

During the past decades, industry actors in the Danish construction sector have been advocating partnering as a new type of project governance approach that builds on ideals of coordination based on trust and common objectives. However, addressing partnering as an independent contract element (Hartmann and Bresnen, 2011) and fixated type of project governance critically limits our understanding of how the concept has emerged as well as the effects that it generates. Rather, partnering has as much to do with changes in government policy and legal frameworks, as it has to do directly with project governance itself. Thus, a key element in the development of partnering has been a series of interventions in the regulative institutional context, i.e. in the formal legal, political and economic arrangements (North, 1990; Orr, 2004), of project governance, which has made traditional project governance virtues such as 'hierarchy' and 'certainty' non-functional. In this paper, we show that no coherent and stabilized project governance alternative to these virtues has yet been defined. Instead, we illustrate how the project-level response to these regulative institutional interventions takes the form of a diversity of sense-making efforts directed at re-creating a coherent sense of rationality able to replace the traditional project governance ideals.

Methodology: studying partnering

In developing the above argument, we describe the background to and development of partnering in Denmark and present a case study of how the partnering ideal was perceived and enacted in a specific project. In so doing, an institutional theory perspective was applied. The strength of this approach is that it enabled us to bridge the gap between the industry-level discourse of partnering and project practices (cf. Bresnen, 2009). Following March and Olsen (1984), we observed institutions not just as the aggregate

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consequences of individual behaviour, but mechanisms that shape action. Specifically, we drew on discursive institutionalism which focuses on how institutions are constituted, framed and transformed through discourse (Schmidt, 2008).

This approach entailed a series of delimitations. As our objective was to analyse how partnering had been contextualized as an industrial change discourse by situated actors in the field, we do not deal with the academic discourse on partnering even though much emphasis has been placed on developing different models, analyses and conceptualizations of partnering. Others have dedicated full papers to reviews of the different positions (cf. Bresnen and Marshall, 2000; Bygballe *et al.*, 2010; Gadde and Dubois, 2010) and done this much more rigorously than we were able to in the course of a single section. Second, we did not focus on how partnering practices are reported in papers and interpreted by different theoretical frameworks unless these have been actively articulated elements in the construction sector discourse. Third, we refrained from taking a normative stance and from discussing benefits, advantages and factors contributing to the success of partnering, which Hartmann and Bresnen (2011) observed are the focus of the early strand of partnering research. Rather, following Hartmann and Bresnen (2011), we approached partnering as a highly contextual and transient phenomenon with the purpose of understanding how partnering emerges in construction practice and is constituted and re-constituted over time.

Study design

The empirical analysis falls in two parts. First, we explored how the concept of partnering had been discursively framed through a sector-level criticism of an established governance ideal in the industry. We then analysed how this discourse had become embedded in the legal framework and what specific project governance effects were produced by this regulative institutional intervention.

The first part of the analysis employed empirical material consisting of policy documents, white papers and evaluation reports of development projects that were part of a sector development discourse in the 1990s and onwards. Documents from public authorities made up the core empirical content, as these authorities were central in the framing of the national sector development agenda and further possessed the legislative power.

In the second part, we drew on an ethnographic case study of a public partnering project aimed at analysing how the partnering ideal was perceived and enacted in a specific project. The project (large-scale housing refurbishment project) was followed over a period of 10 months. During this period, 20 workshops and partnering meetings were attended and 11 interviews and group interviews were made. The observations took place at biweekly partnering meetings as well as at a 2-day kick-off workshop. The meetings were attended by 20–50 participants, including clients, contractors, architects and craftsmen. Each meeting lasted approximately 1 h. The purpose of the observations was to examine how the situated actors developed responses to the interventions in the legal framework in an effort to reconstruct a coherent project governance frame. The meetings were attended by one of the authors, who recorded and photo-documented the event for further analysis. After the meeting, the author would approach some of the participants for a brief and informal discussion of any controversial discussions that had taken place. The interviews, in turn, were used to explore various facets of how the regulative institutional (specifically the legal framework) environment impacted project practices and were used to condition certain actions. The interviews lasted between 1 and 2 h and were fully recorded and transcribed.

The data were analysed in accordance with the theoretical framework inspired by institutional theory. The section below presents the theoretical framework and its central analytical concepts. This section is followed by the empirical analysis and, finally, the conclusions where partnering is conceptualized as a destabilization of an existing institutional terrain rather than as institutionalization of a new project governance practice per se.

Institutions, institutional theory and institutional change

Institutional theory can be seen as an effort to understand and conceptualize the fabric of the social word, which holds actions together and gives them direction across time and space (Scott, 2003). As demonstrated below, institutional theory offers a specific conceptual platform for understanding the mechanisms and challenges involved in changing existing patterns of actions.

The basic argument of institutional theory is that the practices of the social world, as well as the perception of rationality that informs these practices, are shaped and conditioned by a type of social arrangement that exists relatively independent of individual practices. In institutional theory, a specific configuration of such arrangements is conceptualized as an institutional field (cf. Seo and Creed, 2002). A field consists of elements such as norms, cognitive frames and formal regulation that reproduce a dominant configuration of roles and

positions and define the way in which these positions are able to interact (cf. Greenwood *et al.*, 2002; Henisz *et al.*, 2012; Scott, 2012).

In order to avoid functional explanations (cf. Parsons, 1951), we adopted the position that a field could also be understood as terrain shaped by historical contingencies. In contrast to the functional perspective of a field, a terrain does not necessarily constitute a well-organized, coherent and consistent whole. From the point-of-view of the situated actor, a terrain can be experienced as a complex topography, which can be navigated and altered (Friedland and Alford, 1991; Jepperson, 1991) to generate new strategic opportunities.

In this paper, we observed project governance as a set of practices that were located within, and conditioned by, an established terrain of institutional structures and connections. This perspective was applied as it enabled partnering not only to be seen as an effort to intervene directly in a series of project governance practices, but also as an effort to intervene in the underlying terrain in which project-specific governance practices take place. In so doing, an institutional history approach (Pedersen, 1993; Kjær, 1998, 2001, 2008) was followed.

Discursive institutionalism and institutional history

Being situated within the paradigm of discursive institutionalism, institutional history (Campbell and Pedersen, 2001; Schmidt, 2008) is concerned with the question of how institutions are constituted, framed and transformed through discourse. Inspired by Andersen (1995) and Kjær (1998, 2008), we argue that processes of strategic institutional change could be understood by analysing how *ideals* are formed, turned into *discourse* and finally become *institutionalized*.

An ideal is an anchorage point for a discourse. It is a point of convergence for processes of problematization, or in other words, the creation of mutual awareness of a common enterprise (DiMaggio and Powell, 1991). As such, ideals are idealized conceptions of a social field on the basis of a set of constitutive distinctions (Kjær, 1998, p. 7) that constitutes the internal architecture of a discourse.

Ideals are transformed into discourses through processes of articulation whereby a series of differences, similarities and connections are established that order the representation of the social relations, interests and phenomena of the institutional terrain. A discourse thus constitutes a specific representation and delimitation of an established institutional terrain and offers a specific interpretation of how the terrain should be rationally organized. Discourses therefore do not constitute neutral representations of social reality as they

are generated by an underlying set of constitutive distinctions offered by the ideal.

This relationship between ideal and discourses can be exemplified by means of the contemporary literature related to construction management. This literature is characterized by as many interpretations of the challenges facing the construction industry as there are new management ideas. In fact, it appears that each of the solutions to the construction industry's problems carries with it a diagnosis and a problem representation of its own. Paraphrasing Cohen *et al.* (1972), new management ideas are by and large solutions looking for and indeed defining a problem to solve. As an example, Green and May (2003) showed that the business process reengineering wave of the 1980s and early 1990s addressed the construction industry as a backward industry compared with other industries and characterized the industry as being unresponsive towards the ideal of the '...customer in the marketplace' (Green and May, 2003, p. 104).

Finally, institutionalization designates a stabilization and formalization of the relations of power and authority advocated by the discourse. Institutionalization denotes the process through which discursively articulated ideals are authorized and legitimized. The institutionalization of a discourse, in other words, signifies a reorganization of the terrain in which activities take place. In conclusion, the institutional history approach provides an understanding of how ideals are mobilized to represent and problematize an established institutional terrain and how such a representation may inform interventions in the established terrain.

Using the emergence of partnering in Denmark as a case for studying such a process of institutional change, the paper is structured in three sections following the analytical framework presented above. First we analyse the policy development in the early 1990s and show how a sector-level problematization of the productivity of the Danish construction industry led to a search for new ideals. Then we illustrate how trust and collaboration was mobilized as one such ideal, and how it informed the articulation of a partnering discourse. Finally, we show how the development of partnering led to a series of interventions in the regulative institutional context that constitutes the terrain in which project governance takes place. On this basis, the following case study analysis illustrates how the institutional-level interventions are translated into project-level responses. This is accomplished by focusing on specific sense-making processes (Weick, 1979, 1995) where situated actors attempt to (re-)create a new form of rational behaviour under changing institutional conditions.

The empirical part of the paper thus combines a historical document study with an ethnographic case

study. Where the purpose of the former is to describe the changes in the institution of project governance, the latter provides an outline which makes it possible to observe the impact and effects produced in the existing patterns of action.

An institutional history of partnering in Denmark

The Danish partnering policy was formally launched in April 1998 when the Ministry of Housing and Urban Affairs published their construction policy action plan (By- og Boligministeriet, 1998), which for the first time mentioned the term partnering as a new form of cooperation in an official government document. However, the emergence of partnering dates back a few more years, at least to 1990, where a number of actors sought to introduce cooperation and productivity on the political agenda as an inter-linked problem.

The following analysis takes its starting point in 1990 and continues up to present day. It focuses exclusively on the development of partnering in Denmark and does not consider the development in other Nordic or European countries, neither when discussing international influences on Danish development, nor in relation to the 'cultural traffic' of change principles and recipes across nations. However, this does not entail a bracketing of the notion of culture in the analysis. Rather, in institutional theory, culture is embedded in, and indeed the very focal point of, the analysis. As for example Kadefors (1995, p. 399) stated: '…institutions can be described as cultural rules which function as templates for the way we perceive our environment and how we act'. The analysis therefore constitutes an analysis of a culturally specific contextualization of partnering. Consequently, the findings are not representative of partnering in general, but are limited to a Danish context.

Problematizing construction

In the last 20 years, the Danish construction industry has been subjected to a series of industry-level development initiatives, one of which is partnering. The precondition for these initiatives was an industry-level problematization launched in the early 1990s, which framed the Danish construction industry as a coherent industrial field in need of strategic development.

The problematization was initiated by the Danish Building Development Council (BUR, 1990) which released a report on the productivity of the Danish construction sector. Being a central point-of-reference for the following year's debate on the problems of the

sector, this report documented that the resource consumption in the construction of a housing project had almost doubled from 1969 to 1986. On this basis, it was concluded that although the complexity of the construction process had drastically increased, something had to be wrong with the way in which the construction industry as a whole was organized. The report thus framed productivity as a problem pertaining to the overall sectorial organization of the industry (Jensen *et al.*, 2011).

This field-level problematization was further developed in 1993, when a series of working groups under the Ministry of Business and Industries published eight resource area analyses, which were said to: '…draw a picture of the Danish business conditions and put the development opportunities in the 90s into perspective' (EfS, 1993, p. 7; authors' translation). The aim of these analyses was to establish a new and forward-reaching basis for the future business policy in Denmark. The work triggered a series of efforts to put productivity and innovation on the agenda, and perhaps more important: to do so from a so-called 'resource area' perspective.

The construction/housing area, being one of these resource areas, was described as idiosyncratic in comparison to other industries, most prominently the manufacturing industry. A distinctive trait identified in the analyses was that the production in the on-site construction-market segment was characterized by fragmentation and discontinuity in the form of changing collaborative constellations at different locations each time. The construction sector was furthermore characterized as a thoroughly home market business with great dependency on the public sector both as a purchaser and as regulative authority. The analysis therefore pointed to the need for increased competitiveness of the industry through a streamlining of the construction process and long-term collaboration between companies (EfS, 1993, p. 13).

The activities following the sector-level problematization were characterized by a search for ideals that would be able to generate discourses offering a unifying representation of the construction sector as a whole. The immediate industrial response to the governmental framing was, however, a series of mutually uncoordinated experimental development activities instigated by different interest groups and industry players. Although these activities did not succeed in establishing a coordinated response to the sector-level problematization, they did generate a series of discursive elements, including lack of specialization, inconsistent and uncoordinated information flows and organizational fragmentation, which became resources for the formulation of more coherent responses to the problematization in the form of e.g. modularization, digitalization and not least partnering (Jensen *et al.*, 2011).

From traditions and fragmentation to partnering and trust

Drawing on the discursive element of organizational fragmentation, the inter-linked ideal of trust and collaboration was mobilized. This ideal was rooted in the large-scale development programme entitled 'Project Productivity' (later renamed Process and Product Development in Construction). This programme, which was based on a 'public sector push' strategy, combined issues of productivity with collaboration and paved the way for the initial development of partnering as a strategy for increasing the productivity of the sector. The initiative was initiated in March 1994 when the Ministry of Housing and Urban Affairs invited the actors of the construction industry to take part in a competition on process and product development (Clausen, 2002, p. 108). By November 1994, four consortia were appointed to participate in the programme.

One of these consortia developed into a paradigmatic case for the introduction and development of partnering in a Danish context: the so-called PPU consortium (PPU is the Danish abbreviation of Programme project, Project proposal, Execution project). This consortium set out to make the building process more efficient by realizing vertical integration between project designers and contractors (EfS, 1997, p. 5). This focus on 'vertical integration' between designers and contractors was further developed in a governmental action plan from 1998 and in an initiative called 'New forms of collaboration'. These initiatives very explicitly mobilized 'collaboration and trust' as ideals for representing and problematizing the sector as a whole. In the governmental action plan, it was accordingly argued that:

> The [traditional] work-form [in construction] implies a potential communication problem between the client and the contractor in the form of risk of misunderstanding the client's intentions or conscious exploitation of the ambiguities in the tendering material […] the Ministry of Housing and Urban Affairs will seek to change this situation by pushing towards an increased emphasis on cooperation between the different parties in a construction project. (By- og Boligministeriet, 1998, p. 20; authors' translation)

The action plan articulated a sector-level discourse that represented and problematized the traditional, fragmented organization of the construction industry as a whole. Informed by the ideal of collaboration and trust, the discursive articulation suggested that the root problem of the industry is a lack of collaboration based on trust. Further, it stated that the traditional hierarchical coordination between the different actors in construction projects, being based on contractually defined duties and responsibilities, generates misunderstandings and promotes sub-optimization and adversarial behaviour.

In this discourse, partnering was seen as a new mode of collaboration, which was to be developed and tested in a series of demonstration projects. The initiative 'New forms of collaboration' framed partnering as a new type of project governance defined as a distinct form of collaboration between two or more parties based on dialogue and trust rather than on conflict and mistrust (EBST, 2004). Central elements of this form of project governance were an active client, early collaboration with selected partners, open interaction between clients and construction companies and the establishment of a collaboration agreement prior to the signing of construction work contracts.

Institutionalizing trust and collaboration

'New forms of collaboration' sought to operationalize partnering as a collection of project governance tools such as collaboration agreements, workshops and open-book accounting. As shown in the previous section, partnering was not merely articulated as an alternative project governance approach, but rather as a sector-level discourse. In this section, we show that the effect of this sector-level articulation was that the partnering discourse not only conditioned the development of alternative project governance tools, but also questioned the very regulative institutional context constituting the terrain in which project governance takes place.

One such intervention was the three-phase model developed by the aforementioned PPU consortium. This three-phase model (Figure 1) was formulated as an effort to establish an overarching frame of coordination for all relevant parties in the project. This included a contractual procedure with a focus on economic clarification in the very early parts of the project. The three-phase model was further seen as a means of ensuring dialogue-oriented collaboration between consultants and contractors already in the very early planning phase and as a means of involving clients more actively in the design process. The three-phase model was seen as a replacement for the traditional four-phase model, which was introduced by the Danish Association of Engineers in 1968 in order to ensure a clear contractually defined distribution of responsibilities among the different project participants through an unequivocal assignment of roles, tasks and responsibilities.

With its focus on dialogue-oriented coordination and early involvement of the contractor, the three-phase model thus represented an intervention in one of the

Traditional process (4-phase model)	The PPU process (3-phase model)
Construction client's programme	**Construction client's programme**
1. Project disposition suggestion	**1. Programme project**
Collaboration between client, consultants and authorities	Collaboration between client, consultants, contractor and authorities
2. Project proposal	**2. Project proposal**
Collaboration between client, consultants and authorities	Collaboration between client, consultants, contractor, subcontractors, manufacturers, suppliers and authorities
3. Scheme design	**Contracting**
Collaboration between consultants and authorities	
4. Final design	**3. Execution project**
Collaboration between consultants	Collaboration between consultants, contractor, subcontractors, manufacturers and suppliers
Call for tender – Award – Negotiation	
Contracting	
Execution	**Execution**

Figure 1 Differences between the traditional project design process and the PPU process (EfS, 2001, p. 29)

most central and well-established regulative institutional pillars of project governance. This intervention resulted in a series of debates. Concerns were raised by clients, contractors and architects alike in relation to the distribution of responsibility (EfS, 1998). The three-phase model was criticized for diluting the certainties that had formed the underlying rationality of the traditional phase model. Other concerns were raised concerning the PPU consortium's remuneration scheme, price formation model and use of open project finances, which were said to bypass all safeguarded 'good practices' of project governance. Moreover, the consortium succeeded in empowering the contractor in the early phases of the process to such an extent that vertical integration was problematized as turnkey contracting in a new guise (EfS, 1998, pp. 3–7). As a result, the client was not placed in the central role envisioned from the outset of the 'Project Productivity' programme. The reason for this was that the client's role was not formulated in binding terms (EfS, 2001, p. 6).

The three-phase model, however, was not the only intervention in the established regulative institutional context of project governance. Another was an intervention in the established public procurement regulations

(effectuated by Act no. 216 of 8 June 1966 on tendering and the 1968 ministerial circular on fixed price/time) that obliged public clients to accept the lowest bid, irrespective of other concerns. These pieces of regulation had been developed as a response to the problem of increasing time and cost overruns in public construction projects. The main purpose of this regulation was to transfer the main part of the risk of wage drifts, inflation and unforeseen incidents to craftsmen and contractors. An important side effect was, however, that the fixed price/time circular could only be implemented if project design had been finalized before on-site work commenced. Hence, the four-phase model was introduced to ensure exactly such an unequivocal relation between design and construction work that enabled the fixed price/time ministerial circular to be implemented (Gottlieb, 2010).

During the development activities in the 1990s, the ministerial circular, together with the law on tendering was increasingly seen as hindering increased levels of quality and productivity. Based on the experience from the Project Productivity Programme, a new law on tendering was passed in 2001 (Act no. 450 of 7 June 2001). This law opened up for the selection of partners

based on the most economically advantageous offer (EU, 2004, p. 121), rather than on the lowest priced. Selection based on the most economically advantageous offer thus enables a client to complement selection by price with a series of other specified criteria such as the organization of work and quality management procedures.

The examples above constitute the most important interventions in the legal framework and they show that in Denmark partnering has not been limited to the development and promotion of project governance tools and procedures. Core effects of partnering have been a destabilization of the established regulative institutional context constituting the terrain of project governance activities. This is further reflected in the 2004 and 2006 governmental guidelines to public clients concerning partnering (EBST, 2004, 2006). In addition to a description of practical procedures and tools that can be used to support a partnering process, the guidelines link the discourse on 'collaboration as partnering' to the regulative institutional context of project governance. The guidelines put forward the notion that partnering critically depends on the ability to dispense with a series of established 'general conditions for contractual agreements' that public clients are normally obliged to use without departure. In the guidelines, it is stated that:

> In some areas partnering agreements differ, however, substantially from the contract agreements that AB 92, ABT 93 and ABR 89 are intended to cover. This means that the standard documents, in several situations, will be insufficient and even in contradiction to the structure of a partnering agreement […] On these grounds, the National Agency for Enterprise and Construction, through circular letter no. 9099 of March 3rd 2004, has informed that public clients can dispense with these standard agreement documents as regards building and engineering works completed in partnering. (EBST, 2006, p. 37; author's translation)

In line with this quote, the three-phase model and the new public procurement regulation, allowing for selection based on the economically most advantageous offer, can be seen as efforts to question a 'juridico'-discursive ideal of project governance, which was established in 1960, and incorporated into the regulative institutional terrain. The crux of this traditional governance ideal was to minimize the uncertainties and contingencies of the construction processes by decomposing the project process into a series of individual elements, connections and processes that could be ordered, planned and controlled. In contrast, the ideal of partnering has been to embrace uncertainties and contingencies as a condition for project governance, and to develop the capacity to deal with these conditions through mechanisms of collaboration and trust. Instead of representing a well-defined and prescriptive alternative to the traditional project governance complex, partnering has been constituted as a strategic opening of the 'juridico'-discursive regulative institutional context of project governance, thus enabling a multitude of new project governance forms to emerge.

From terrain-level opening to project governance

The effect of the strategic openings of the established terrain, identified above, has been the cultivation of a space for developing and specifying alternative project governance ideals and practices. As an example of how the terrain-level opening of the traditional project governance ideal has been turned into specific project governance activities, we present some illustrative case study findings from a Danish partnering case in the next section.

The project reported from was selected as it constitutes an extreme case (Flyvbjerg, 2006) on the recursive relationship between local project governance activities and the terrain-level opening identified above (cf. Bresnen *et al.*, 2004). Analogue to Bresnen's (2009) study of the importance of sense making to the construction of partnering in practice, we do not suggest that the project (and study) is representative of partnering in general. Rather, our aim was to develop analytical generalizations and contribute to theory development.

A case study of partnering in public housing refurbishment

The purpose of this case was to illustrate how terrain-level interventions motivated by the sector-level partnering discourse impact on specific project governance processes. More specifically, the case focused on a contract-awarding process organized by means of 'most economically advantageous offer' rather than 'lowest price' of a refurbishment project.

The project reported from was a EUR 35 million contract for the refurbishment of 80 000 m^2 of facades, and surrounding open spaces, in a large social housing complex in a socially marginalized area of Zealand in Denmark. The project was completed in a complex partnership organization among (1) the client, a large social housing association, (2) the client's consultant, a local architect working as 'process consultant' and 'change agent' responsible for developing the tender documents for the partnering process, (3) a delivery team, consisting of engineers, architects, landscape architects as well as main and sub-contractors; and (4)

two research and vocational training institutions. The project was completed under a design-and-build scheme based on a negotiated fixed-price agreement.

In using the most economically advantageous offer rather than the lowest price, the contract was awarded based on the following weighed criteria: (1) price formation model – 25%, (2) architectural quality – 25%; and (3) organizational setup and plan for collaboration – 50%. This contract-awarding model was motivated by the client's efforts to appoint a delivery team that could meet the rather abstract and idealistic project objectives formulated, including (1) optimizing value creation in all phases of the project, and (2) developing collaboration as well as dialogue and learning processes to set the standard for future projects. The background for this focus was that the client organization had a history of being heavily involved as a leading reform agent in the Danish construction sector change movement to promote not only partnering but also lean construction, value management and mass customization, to mention but a few of the most relevant change initiatives. From the client's perspective, the project was seen as the culmination of previous years' efforts to promote value creation in the housing sector.

One of the most interesting features of the contract-awarding process itself was the staging of a meeting at which five invited delivery teams made oral presentations of their offers in front of an assessment committee consisting of six representatives of the tenants, three representatives from the client organization and three representatives from the client's supervisor. Based on the oral presentations and the written proposals, two delivery teams, including the one with the most expensive offer, were selected to take part in a second round of the contract-awarding process.

Whereas the assessment committee, based on the oral presentations alone, concluded that all teams would be able to cope with the tasks at hand according to the extended partnership obligations, the assessment of the written proposals served to shed light on the type of project governance rationality motivated by the contract-awarding model. An especially prominent element of this project governance rationality was the problematization of hierarchy. Consider the below organizational chart (Figure 2) reproduced from the project proposal of one of the losing delivery teams.

Next, consider this statement from the project's assessment committee on this organizational setup:

> We deal with an organization with short decision paths, where everything passes through a single person, who (according to the organizational chart) is the primary contact to the client and the process consultant. This form of organization has its
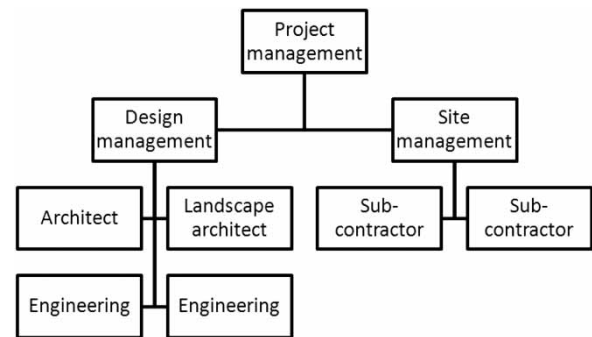

Figure 2 An organizational chart disliked by the assessment committee

advantages and disadvantages. On this particular project, the assessment committee sees it mostly to be a disadvantage to work with such a hierarchical model.

The assessment committee thus saw the delivery team as a '…highly professional, yet markedly top down team' that offered a classical approach to an untraditional project. As it was stated:

> They seem very competent; however, not very open in their approach to new forms of collaboration and innovation as regards the processual aspects […] and their presentation resembled more a presentation of a series of companies, than a possible response to how the team as such would approach the project.

Further, on the topic of collaboration, the assessment committee criticized the delivery team's proposed plan for a series of workshops. The team had in detail described the focus and objectives of these workshops in order to ensure user involvement and value creation during both project design and execution. According to the assessment committee, all of these workshops were deemed highly relevant. However:

> …because they are described in such detail, it is easy to focus on all the workshops that are not described. For instance, only one workshop is described, in which the tenants can propose new ideas for future initiatives.

Accordingly, the client's supervisor expressed concerns as to whether the delivery team had understood the basic intentions with establishing and working in a partnership model:

> Based on their written formulation and their way of performing […] we got a bit scared […] it was not at all the spirit we wanted the project to be characterized by.

In contrast, observe the stylized organizational charts used by two other delivery teams (Figure 3) to describe their setup.

Instead of promoting an organizational setup that offered precise and unequivocal descriptions of areas of responsibilities and routes of communication, a highly 'open' organization was envisioned. The assessment committee saw it as a clear strength that one of these delivery teams was organized in a 'heterarchical network' where responsibilities were delegated, thus calling for different dynamics (than traditionally) within a team.

Sense making in the absence of hierarchy and certainty

The case above illustrates how partnering at the level of a specific project does not constitute a fixed governance concept. Rather, it illustrates how partnering represents a series of efforts to re-construct a new form of rationality that dispenses with the traditional conception of proper project governance, being characterized by hierarchy and certainty.

In the case, the use of 'most economically advantageous offer' as the contract-awarding model represented an institutional intervention in traditional conception of proper project governance because of its use of the subjective assessment criteria. Both the client and the delivery sides, however, embraced the use of subjective assessment criteria as a legitimate aspect of the new type of project governance. According to the client's supervisor, the application of such subjective criteria was central to the very rationality of the project's governance approach:

Well, I believe it is problematic not to use subjective judgments especially when it's such a large project and you have to build so much on process and trust. As it is a partnering [project] with early contractor participation, the process as such is the most important element…and as such it [the choice] is fully deliberate.

Moreover, from a contractor's perspective, there was an acceptance of the use of subjective criteria in the selection of partners; an acceptance reflecting the increasingly dominant discourse of collaboration. As argued by the winning contractor's project director, it is possible to bid for a partnering project without really putting a price on it. Rather, being able to describe the orchestration of the project in terms of e. g. collaboration, safety and logistics emerges as the important competitive parameter even though it is not explicitly required by the client in the tendering documents.

As demonstrated in the above case analysis, the new 'soft' selection criteria were answered by efforts to imagine and communicate an alternative project governance universe in the absence of the traditional project governance virtues. The organizational charts reproduced in Figure 3 represent the most radical efforts of the delivery teams at imagining and communicate such new project governance universes. It is highly illustrative that the organizational units in these charts are represented by circles rather than squares. It is moreover illustrative that authority and control are not depicted as top-down ventures and that the lines between the units are conceptualized in terms of exchange relations rather than as functional routes of authority and control. Whereas one of these charts
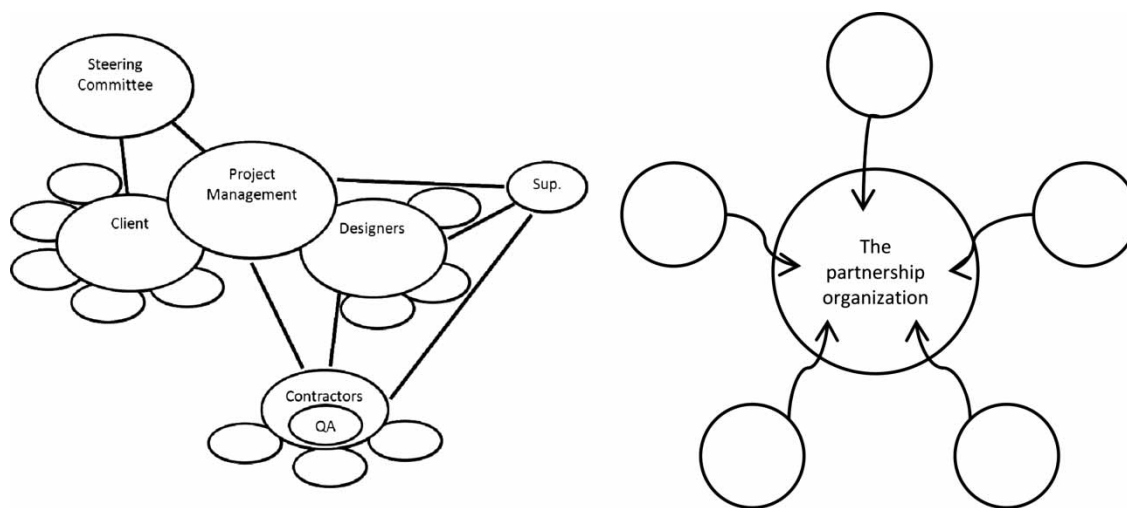

Figure 3 Stylized organizational charts from two project proposals

operates with some kind of a centre, the other dispenses with any central organizational unity altogether, thus offering the impression of a project governance universe characterized by autonomous self-organization based on communication.

Underlying these organizational designs is a logic not unlike Romme's (1999) notion of 'circularity of power', which also Clegg *et al*. (2002) associates with post-modern forms of contracting and organizing, namely that unequivocality and prescriptive certainty are substituted with mechanisms allowing for more flexible modes of organizing through a displacement of authority and control.

In relation to the organizational charts and written material, the oral presentations constituted an opportunity for the selection committee to test the depth and coherence of the project governance universes outlined by the delivery teams, i.e. their ability to act as a team rather than as a series of independent companies as well as their ability to demonstrate commitment to the process rather than to its results.

In conclusion, the case demonstrated how the terrain-level destabilization of the traditional project governance ideal based on hierarchy and certainty was reflected in a series of project-specific sense-making activities. We argue that partnering does not constitute as a set of established procedures that can be met at the level of the individual project. Partnering could be seen as a strategically designed space aiming to foster alternative project governance frames. In this sense, partnering should not be seen as a singular project governance phenomenon but as a configuration of effects generated in response to a strategically enacted absence of the traditional project governance ideal.

Conclusions

In our analysis, we have shown how partnering since 1990 has emerged as a response to a sectorial problematization of the construction industry's insufficient productivity development due to a lock-in to traditional ways of thinking and practising. It is demonstrated that the partnering discourse is based on an ideal conception of collaboration as a means of breaking this lock-in. It has further been illustrated that even though there is often a tendency to associate partnering with a series of tools and components to be employed at a project level, partnering can also be seen as an opening of the existing regulative institutional terrain of project governance. Thus, as a project governance mechanism, we illustrate that partnering could also be understood as a collective sense-making process directed at (re-)creating a new form of rational behaviour under changing institutional conditions, and that the legitimacy of

action is derived from the very new regulative openings that are constituted. In other words: when the traditional regulative institutional governance ideal is destabilized, actors are forced to negotiate and rethink their own roles, responsibilities and positions according to the partnering ideal.

On this basis, we conclude that a central element in the institutionalization of partnering has been the de-institutionalization of a traditional ideal of project governance. We further conclude that the predominantly regulative institutional constitution and stabilization of partnering as a continuous criticism and opening of 'juridico'-discursive means of project governance entails a series of distinct consequences for how expedient governance and management is thought to be and understood in a project-practice setting. In essence, we argue that the emergence of partnering has radically altered the basic 'rules of the game' (North, 1990, p. 3). Based on such a conceptualization of the institutional determinants of partnering, we believe that further institutional studies can shed renewed light on several 'sticky' as well as topical problems in partnering research, including the questions of how partnering is perceived and made sense of by situated actors, how and why different variants of partnering emerge over time and place and how to understand the relationship between macro-level industrial change and local project practices.

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