Managing synergetic momentum: a grounded theory of the management of public-private partnerships

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Recommended Citation

MANAGING SYNERGETIC MOMENTUM:
A GROUNDED THEORY OF THE MANAGEMENT OF
PUBLIC-PRIVATE PARTNERSHIPS.

A thesis submitted in fulfilment of the
requirements for the award of the degree

DOCTOR OF PHILOSOPHY

from

UNIVERSITY OF WOLLONGONG

by

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SCHOOL OF MANAGEMENT, MARKETING AND EMPLOYMENT RELATIONS

2002
DECLARATION

I, Gary I. Noble, declare that this thesis, submitted in fulfilment of the requirements for the award of Doctor of Philosophy, in the School of Management, Marketing and Employment Relations, University of Wollongong, is wholly my own work unless otherwise referenced or acknowledged. The document has not been submitted for qualifications at any other academic institution.

Gary I. Noble
24 April 2002
This study uses an orthodox grounded theory methodology to discover the main professional concerns of managers responsible for the establishment and maintenance of public-private partnerships (PPPs) involving local governments and private sector firms. In addition, this study explains the social processes that these managers use to resolve these concerns over the life of a PPP project.

Orthodox grounded theory is an inductive research methodology capable of theory building. It was selected for use for several reasons. These included its ability to provide an explanation of the variation in the patterns of behaviour of respondents as they establish and manage a PPP project. Data was collected from ten PPP projects in both Australia and the UK through interviews with forty three respondents, non-participant observation and archival records. Data was analysed using the constant comparative method and involved the use of theoretical memos and theoretical sampling procedures.

The main professional concern of respondents over the managerial life of a PPP project involves the need to maintain the forward momentum of a project whilst also having to constantly resolve managerial issues through a process of seeking the cooperation of managers from the partner organisation. Key managers continuously resolve this concern through the social process of ‘managing synergetic momentum’ (MSM). The grounded theory of MSM suggests that in circumstances where there exists strong emotional bonds, mutual trust and respect, key managers are likely to make a conscious decision to manage a PPP project through largely informal methods that often rely on
the use of psychological contracts between individuals. In contrast, when there are low levels of emotional bonding between key managers, the style of management chosen by managers is often formal and bureaucratic in nature. This management style often involves the use of committee and other formal decision making processes to resolve managerial issues. An informal management style can be an effective means to address the issues of maintaining forward momentum of a PPP and managing in a cooperative manner with other key managers.

This study contributes to the extant literature in several ways. Firstly, it provides insights into, and an explanation of, the actions of key managers in the process of managing PPP projects. It provides another dimension in the PPP literature to the micro-management of PPPs. Secondly, it provides conceptual support to many of the themes contained in the cooperative inter-organisational relationship (CIOR) literature by contextualising the dynamics of the social processes that underlie these themes.

The grounded theory of MSM is also significant in that it provides practitioners in the substantive area of inquiry with a number of recommendations designed to assist in their control over the management of a PPP project. In addition, the grounded theory of MSM identifies a number of avenues for future research that may add further to our understanding of the management of PPPs.
ACKNOWLEDGEMENTS

There are a number of people without whose support and assistance this study and thesis could not have been achieved.

To Jan, my best friend and wife, thank you for your patience and tolerance during this endeavour.

I was most fortunate in this study to have as a lead supervisor Associate Professor Robert Jones. He gave more than freely of his time and constantly encouraged me throughout the course of this research. His intimate knowledge of orthodox grounded theory methodology was of immeasurable benefit to me and I have learned a tremendous amount from my association with him. To my other supervisor Professor Peter Carroll thank you for your patience, support and guidance.

Finally, I would like to acknowledge the various managers and others who participated in this study and gave so generously of their time, personal thoughts and experiences in managing PPP projects.
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