

Trust development in megaprojects between public and private partners

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September 21th 2023

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What are megaprojects?

- Temporary endeavours, where multiple actors seek to optimize outcomes by combining resources from multiple sites, organizations, cultures, and geographies through a combination of contractual, hierarchical, and network-based modes of organization (Scott et al. 2011)
- Budgets frequently over € 1 billion
- Megaproject are popular with decision makers
- Megaprojects distinguishes themselves from other projects in their structural complexity

What is the problem with megaprojects?

- Outcomes in terms of budget, planning and scope are disappointing
- Fragmentation due to large number of actors
- Phase transition frequently is problematic
- Lack of democracy and participation of citizens
- Megaprojects are rarely uncontested; 'political and physical animals' (Flyvbjerg et al. 2003)
- We do not know how megaprojects exactly work

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- **Distrust among public and private partners**

Trust development in megaprojects

- The development of trust is a major challenge for the governance of megaprojects (Maurer, 2010).
- “The willingness of a party to be vulnerable to the actions of another party based on the expectations that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control the other party” (Mayer et al., 1995: 712).
- The process of trust development for governing megaprojects is not yet well understood (Lau & Rowlinson, 2009; Maurer, 2010; Swärd, 2016).

Research aim

- Study practices of trust development used to enhance the collaboration between public and private partners in the governance of an infrastructure megaproject
- Auto-ethnographic field study (Ellis, 2004) from 2014 to 2019
- The road infrastructure megaproject 'Schiphol, Amsterdam and Almere' (SAA)



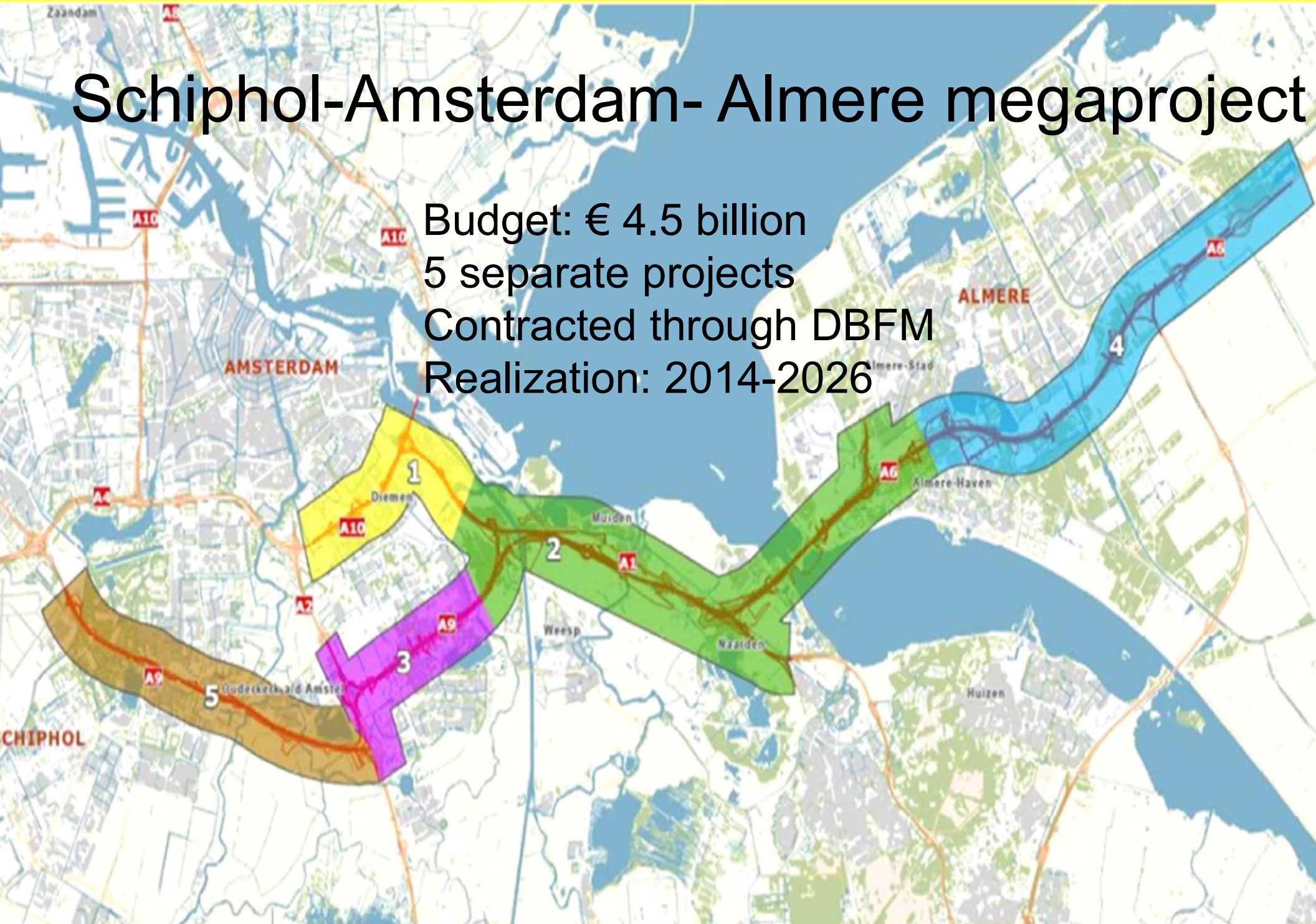
Schiphol-Amsterdam- Almere megaproject

Budget: € 4.5 billion

5 separate projects

Contracted through DBFM

Realization: 2014-2026



Theory

- The development of trust is understood as a process with changes over time (Swärd, 2016)
- Calculative and normative trust are entangled (Latusk & Vlaar, 2018; Swärd, 2016)
 - Calculative trust is impersonal and based on a structure of rewards and penalties
 - Normative trust is related to personal relations and based upon past behavior and shared identity (Rousseau et al. 1998)
- Schilke & Cook (2013) suggest that the development of trust relations coevolves with partnership stages:
 - Initiation, negotiation, formation and operation

Findings

- Financial agreements and legal systems (in DBFM contracts) helped to develop *calculative trust* between the commissioner and the contractors
- SAA project management expressed the ambition to develop *normative trust* by developing a more facilitating relationship: resilient partnership
- Six different types of workshops were used to develop *normative trust*;
 - (1) shared values, (2) dealing with dilemmas, (3) story-telling, (4) fishbowl, (5) the chair, and (6) role-playing.

Workshops in different stages

- Initiation stage: the defining values workshops
 - The providing of a set of competences and related core values
- Negotiation stage: dealing with dilemmas workshops
 - Supported reciprocal acts of helping each other
 - Develop a common language on which project partners could openly and transparently discuss dilemmas related to the work
- Formation stage: storytelling workshops
 - Facilitate the uncovering of multiple, and sometimes opposed, understandings of experiences with collaboration

Workshops in different stages

- Formation stage: discussing in a fishbowl setup
 - Participants learned in this session how they communicated from very different perspectives
- Formation stage: the chair workshop
 - SAA employees were encouraged to share their stories, fears and dilemmas with their colleagues
- Operation stage: negotiating over balanced reciprocity through role-playing
 - Reflecting upon negotiations over the 'endgame'
 - Uncovering the patterns of collaboration by putting oneself in the position of the other

Discussions

- Partnership philosophies in megaprojects run the risk of remaining a hyperreality (Alvesson & Sveningsson, 2016)
- Writing down tailored arrangements in which shared sets of coordination, procedures and rules are defined (Ahola et al., 2014) is too simplistic
- Trust development in projects is not just developed through coincidental events (Swärd 2016), but through a designed and laborious process
- Reflective skills are needed to trust building