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Program management and the creative art of coopetition: Dealing with potential tensions and synergies between spatial development projects

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Abstract

Public ambitions have traditionally been implemented by line managers. Project management has become more prevalent in recent decades, especially in the domain of spatial investments. Recently, a new branch of management has emerged: program management. This can be seen as an attempt to overcome the fragmentation caused by several autonomous project organizations working side by side in the larger regional system.

This paper describes the application of program management in comparison with project management. Both these types of management are aimed at integrating interrelated activities that are otherwise dealt with separately. Program management also aims to synchronize project implementation trajectories.

A case study is conducted of a program management experiment in the Amsterdam Metropolitan Region, where an analysis of how program and project management compete and complement each other is conducted. The case study shows that program management will not and cannot be a substitute for project management, but that attempts to combine the strengths of both have to be made.
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1. Introduction

Decision-making on urban and regional development is challenging and difficult (Salet, 2003; Teisman, 2008; Teisman et al., 2009). It requires not only 'rational' competencies such as the ability to generate a well-defined problem definition, to develop alternative strategies and to choose between these alternatives, but also the ability during the implementation of the 'best' alternative to navigate and compromise between a variety of emerging claims and interests, and to take into account the consequences of external events and developments. Collective decision-making about regional development is not completed after the choice of the 'best' alternative is made. A variety of implementation studies have shown how challenging the implementation can be (Flyvbjerg et al., 2003; Szyliowicz and Goetz, 1995).

Implementation has traditionally been done by public line managers. During the last few decades, however, the implementation of spatial investments has more often than not been placed in the hands of project managers. This has meant that a temporary organization has been established particularly for the implementation of one decision and a project manager has been appointed to complete the job within a fixed time span and budget (Glasbergen and Driessen, 2005).

However, the main characteristic and focus of project management seems to also be its main disadvantage: it

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tends to focus primarily on the realisation of one single project ambition, suffers from a singular logic and is limited in terms of scope and time. In complex social and governance systems this can become problematic. There are often a variety of problems as well as a variety of projects in these systems. All these projects have to be realised in the same implementation space. In cases where there are conflicts, project managers seem to behave in the same way as their fellow line managers have behaved: they choose defensive and combative strategies to safeguard their initial scope and conditions and to minimize external interventions (Newell et al., 2008).

An in-depth case study of the Amsterdam metropolitan region provides a good example of how many projects are run at the same time within one regional area. Every project has specific elements of public interest and delivers a specific objective of regional development. However, high quality regional development does not result from a single project or even from a multitude of isolated projects. Rather, it depends on the aggregated effects of a set of projects and on the mutual impact of and synergies between these projects.

The goal of integrated development calls for approaches in which separate economic, transport, spatial and environmental objectives can be considered as a whole and can thus be combined into multi-functional sets of connected projects (Priemus, 2007).

A recently introduced branch of management theories that is potentially helpful and increasingly utilized in this context is that of program management. In this approach, the processes of project development as well as the potential interrelatedness between projects and actions are managed with the goal of accomplishing high quality and integral development of, for instance, metropolitan areas (Williams, 2006; Buijs et al., 2009).

This article analyzes the theory of program management in light of the strengths and weaknesses of project management, and shows its application in the Amsterdam Metropolitan Area. It deals with the following question: does program management integrate project actions, organizations and processes and generate added value by achieving cohesiveness, or does it weaken the advantages of project management (single goal, purposeful, efficient organization) and undermine the potential of diversity and competition between projects?

First, a brief overview of the theory and application of project management in the field of spatial planning and regional development is provided. The shortcomings of such an approach are highlighted. Then, the idea of program management is introduced as a way to deal with the weaknesses of project management. The paper discusses how program management can deal with the integration of project actions into program objectives and how a separation can be made for the sake of the efficient realisation of project ambitions. It establishes how both approaches deal with the challenge of project *coopetition*: the fragile balance between fruitful

cooperation and vital competition between projects within a program.

1.1. Methodology

The research question was addressed by conducting an extensive longitudinal case study in the Amsterdam Metropolitan Area. The Dutch Cabinet decided in 2003 to apply a program management approach to this and three other regions, as a reaction to the disappointing ineffectiveness of the various isolated projects.

From the start of the program organization, the researchers were invited to follow the work of the program team up close. This was set up as an action research project, in the sense that the researchers and practitioners aimed to produce joint knowledge (Argyris et al., 1985; see also Gibbons et al., 1994 about Mode II knowledge). The knowledge that has been accrued can be applied to academic knowledge development and theory building by scholars and to reflection and adaptation on the part of the researchers in the development of the program approach. Over a period of 3 years, some 15 in-depth interviews were conducted with members of the program team, representatives of the project teams that were involved, the public officials responsible for the project and representatives of institutional stakeholders. The interviews were based on a semi-structured list of items that focused on project and program management features and their mutual relationship. In particular, the interviewees were asked what kinds of tensions between the two management styles project and program managers experienced and how they dealt with them. Several official meetings of the program organization as well as moments of interaction between the program team and the project representatives were also observed. In addition, the relevant documents (notes, reports, policy documents and letters) about the program and the projects involved were analyzed, especially with regard to their management and the way in which both management approaches have coevolved. In feedback sessions with the program management, reflections were made about their actions and the findings that validated the data. In this way, the action research took the process of reflexivity out of the epistemological debate and into social life (Byrne, 2005).

A case study was chosen because up until now, the program approach in spatial planning has been rather unique, not only in the Netherlands but also abroad. In addition, relatively little is known about the coevolution between project and program management and certainly not in the context of spatial planning. A single case study allows for detailed knowledge about a social phenomenon to be obtained by following the phenomenon in its natural context over a certain period of time (Yin, 1984). Case studies are aimed at gaining detailed and contextual knowledge of complex governance processes (Buijs et al., 2009) and provide the opportunity to approach a social system and all of its elements as a coherent whole (Flood, 1999).