

# **BUILDING THE EDUCATION REVOLUTION (BER) PROGRAM: GOVERNING THE IMPLEMENTATION OF PROJECT POLICIES**

DURO KOLAR, DEREK H.T. WALKER and PETER S.P. WONG

*School of Property, Construction and Project Management, RMIT University, Melbourne,  
Australia*

The project world is plagued with the interest and influence of diverse stakeholders shaping major project policy strategies. From deception, strategic manipulation to illusions of control, stakeholders using power and any other means to influence project strategies to achieve their desired ends: the tribalism and Machiavellianism of the project world. Governing tribalism or Machiavellianism especially at the front-end of projects is absolutely essential for project policy success. But how does a project manager shape a major project policy into success? The purpose of this research is to investigate tribalism and Machiavellianism and implement the necessary governance mechanisms to shape the implementation of project policies to optimize its success. This requires a deep understanding of human relational behavior. A case study approach was adopted that investigated Australia's largest infrastructure program in history, the AUD \$16.2 billion Building the Education Revolution (BER) program, which was plagued with power and politics and Machiavellianism of the project world. Factors such as collective institutional leadership with formal and informal governance mechanisms in rationalizing decisions were identified as essential aspects from the case study. It was also revealed that if the factors are implemented at the front-end of project policies and managed appropriately it could significantly limit the potentness of the tribal or Machiavelli plague and optimize the chances of project policy success.

*Keywords:* Governance, Strategic decision making, government, Infrastructure, megaprojects, Machiavellianism, Institutionalization theory.

## **1 INTRODUCTION**

The implementation of public policy has a history of failure (Larson 1980). Time, and time again, scholars are baffled with the unexpected moves within policy processes and unanticipated outcomes (Van Buuren *et al.* 2009). An understanding of factors that influence organizational strategic decision making on the implementation of project or program policies is therefore essential to optimize its success (Flyvbjerg 2012). However, megaprojects continue to fail to achieve most of their objectives and outcomes which tends to cause tremendous loss in productivity, profitability, and impacts stakeholder morale (Flyvbjerg 2014). Unsurprisingly, these problems can be seen as Machiavellianism<sup>1</sup> (Heath 2009). However, there is little information as to why these phenomena occur.

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<sup>1</sup> Machiavellianism stands for power, deceit, coercion and using any means to achieve desired ends (Bass and Bass 2008).

This paper begins with a review of the salient literature on factors that influence organizational strategic decision making on project policy implementation including an explanation of coping mechanisms to optimize its success. It then reports the findings of the case study and implications for future research and practitioners.

## 2 IMPLEMENTATION OF PROJECT POLICIES

The traditional view of strategy focuses on the long-term goals and objectives of a firm and plans for achieving those objectives with the allocation of the necessary resources (Mintzberg 1978). Such a view still dominates contemporary organizational theory, a strategy hierarchy in which organizational objectives filter to divisional units and guide functional tactics (Kay *et al.* 2006). This turns an organization into a rather mechanical, long-driven and engineered system of formal and informal patterns of (inter)actions (Baligh 2006). The implementation of today's project policies tends to follow *in situ*, organizational strategies cascading through strategic business units or divisions, which often fail to achieve their objectives and outcomes (Young and Grant 2015). Decision making tends to be seen in the same light as strategy, a rational and easy process (Mintzberg and Westley 2010). However, this rational process turns out to be uncommon in organizations, where decision making is seen as strategic, complex, dynamic and characterized by plurality (Tsoukas 2010). Such decision making from an organizational context is considered to significantly influence project policy outcomes (Flyvbjerg 2014), which includes external and internal environmental factors (Nutt and Wilson 2010). As with theories on organizational strategy and decision making, the literature on governance and project governance also tend to follow *in situ*, project governance mechanisms implemented to align with corporate governance mechanisms (Biesenthal and Wilden 2014). Such linear and bureaucratic governance is associated with a negative cycle of relational coordination (Gittell 2012), which often leads to high cognitive biases, such as delusions, illusions, deceptions, optimism, strategic misrepresentation and overconfidence in decision making which is commonly seen on major project policies (see Flyvbjerg 2009, Flyvbjerg *et al.* 2009). On the whole, what the literature implies is that organizational strategic decision making on the implementation of project policies needs a project-specific strategy, where such a strategy requires an understanding of *strategically governing the relational actor space* where collective understandings of organizational actors emerge that create an institutionalized project reality.

## 3 RESEARCH METHOD

This research adopted a case study approach from an interpretivist paradigm with an ontological stance to uncover the meaning of socially constructed reality as understood by individuals or groups. Evidence was gained through an interview process with open-ended questions. Senior executives and project managers were chosen that had detailed knowledge on the complexity and dynamics of project delivery as it unfolded throughout implementation. Data was analyzed from a grounded theory approach (Corbin and Strauss 2008). A modified Delphi technique was then adopted to obtain reliable consensus of opinions from a group of handpicked experts by a series of online questionnaires with feedback (Maijala *et al.* 2015). Termination of the Delphi from further rounds, or stopping criterion, was determined when another round would not significantly add to the results (MacCarthy and Atthirawong 2003), based on predefined criteria. Consensus was achieved over one round and thus no further rounds were necessary. Table 1 provides a structured account of the seven step analytical approach adopted for this research.

Table 1. Data analysis approach (partially adapted from Walker and Jacobsson 2014, p. 656).

No.	Steps	Data Analysis Approach
1	Familiarizing with the data	Reading, re-reading, identification of initial ideas, transcription of interviews, writing memos and drawing diagrams – capture participants' view.
2	Generating initial codes and categories (open coding)	Codes and categories abductively generated (Kelle 2007) based on grounded theory approach using NVivo.
3	Naming and making connections between categories (axial coding)	Based on codes, enriching and making connections between developed categories.
4	Refining categories and themes	On-going critical analysis to refine the specifics of each category and theme – make sense and understand the 'true' meaning of the data for theory development i.e., inductive top-down theorizing (Shepherd and Sutcliffe 2011).
5	Producing the report	Refining analysis, selection of compelling extract examples, final analysis of selected extracts, relating analysis back to the research question and literature. Extract propositions.
6	Modified Delphi technique	Define consensus on a 5-point Likert scale (Von der Gracht 2012). Obtain reliable consensus of opinions from a group of handpicked experts by a series of online questionnaires with feedback to generate consensus (Maijala <i>et al.</i> 2015).
7	Validation of findings	Adopt the 'natural science model' (Eisenhardt and Graebner 2007) based on four rigour dimensions: construct validity, internal validity, external validity (or generalizability), and reliability (Yin 2014); and 'talk the walk,' priority ordering of validity types, and necessity is the mother of rigour (Gibbert and Ruigrok 2010).

#### 4 EMPIRICAL FINDINGS

In line with the data analysis principles adopted for this research, the following seven propositions emerged from the data analysis for the implementation of project and program policies:

- Proposition 1. Creating, maintaining and disrupting institutional project relations requires collective institutional leadership.
- Proposition 2. Creating, maintaining and disrupting institutional project relations requires a relatively stabilized and strategic governance framework of formal or regulative (e.g., contracts, agreements, guidelines, formal meetings etc.) governance mechanisms, and informal or normative (e.g., norms, values, beliefs, morals, casual meetings etc.) governance mechanisms.
- Proposition 3. The decision to implement a strategic governance framework is based on a combination of trust, power and control mechanisms. In a project environment with a relatively weak institutional governance framework, power and regulative (or formal) control tend to be the dominate governance mechanisms to coordinate expectations and (inter)actions between individuals and organizations.
- Proposition 4. The decision to implement a strategic governance framework is based on a combination of trust, power and control mechanisms. In a project environment with a relatively strong and stabilized institutional governance framework, trust and informal (or normative) control tend to be the dominate and coevolving governance mechanisms to coordinate expectations and (inter)actions between individuals and organizations.

- Proposition 5. When a relatively strong and stabilized institutional governance framework is legitimately (e.g., change in human resources, change in project scope etc.) or illegitimately (e.g., self-serving interests, hidden agendas, opportunistic behavior etc.) disrupted, collective institutional leadership and informal (or normative) control with collaborative co-creation tend to be the dominate mechanisms to coordinate expectations and (inter)actions between individuals and organizations.
- Proposition 6. A project environment with a strategic governance framework which is dominated by power i.e., powerful decision makers and regulative (or formal) control tends to increase the risk of cognitive biases (e.g., overconfidence, illusory control, strategic misrepresentation or manipulation, outcome etc.) in rationalizing decisions.
- Proposition 7. A project environment with a relatively strong and stabilized governance framework tends to alleviate the risk of cognitive biases (e.g., overconfidence, illusory control, strategic misrepresentation or manipulation, outcome etc.) in rationalizing decisions.

Figure 1 provides a simplified illustration of the seven propositions for the implementation of project and program policies.

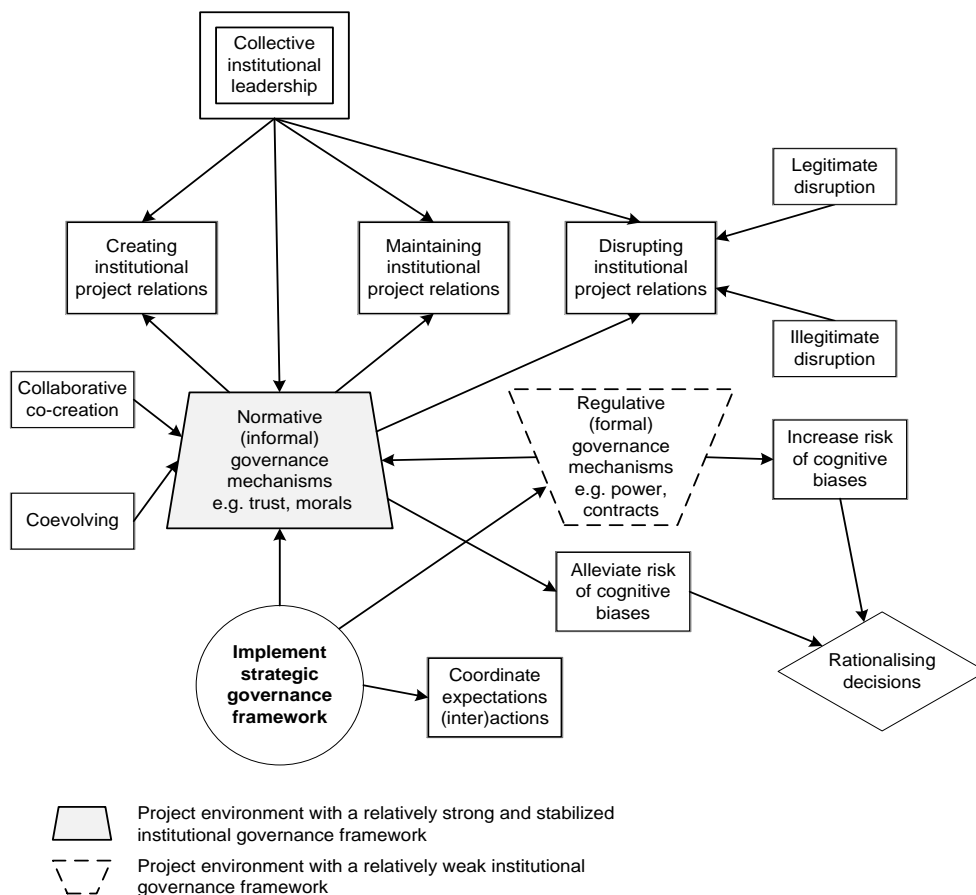


Figure 1. A simplified illustration of the propositions.

## 5 DISCUSSION AND CONCLUSIONS

The purpose of this research was to examine a coping mechanism for the successful implementation of project policies, especially in today's tribal and Machiavelli project world. The findings explain not only how the BER program and its subsidiary project panned out (or came to reality) but also the necessary transformations needed to optimize success for other government project and program policies. From the case study, it can be concluded that project mal-governance can significantly be tamed or even eradicated if project managers work with the project or program sponsor to implement an effective governance mechanism at the front-end of project or program policies. This is achieved through *strategically governing the relational actor space* with the processes of collective institutional leadership, normative and regulative governance mechanisms in rationalizing decisions with the aim to achieve an institutionalized project reality.

## 6 IMPLICATIONS FOR FUTURE RESEARCH AND PRACTITIONERS

This research reports upon a single case study within the realm of tribalism and Machiavellianism for the implementation of project and program policies. The research adds to the body of knowledge surrounding project shaping and governance in rationalizing project decisions, especially to the critical front-end phase of project policies. With its implementation, it can assist practitioners to understand how to strategically implement a governance framework to coordinate expectations and (inter)actions between individuals and organizations and achieve project policy success.

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