INVESTIGATING THE “HARD” AND “SOFT” ISSUES OF PROBLEM RESOLUTION IN PARTNERING – DEFINING THE RESEARCH BOUNDARIES

N.E Mustaffa\(^1\) and G. Bowles\(^2\)

\(^1\)School of Built Environment, Heriot-Watt University, Riccarton Campus, Edinburgh EH14 4AS, UK

Partnering is an innovative procurement method that includes a problem resolution mechanism to resolve disputes as amicably as possible. This ongoing postgraduate research study proposes to build conceptual model(s) of problem resolution mechanism based on selected partnering project characteristics. A review of the debate surrounding different paradigms in built environment research highlights pertinent research issues relating to ‘soft’ and ‘hard’ aspects of partnering problem resolution. In so doing, it leads to a discussion on the combination of research strategies adopted to gather information for the research. Reports on interim findings of a questionnaire survey conducted to determine the extent to which problem resolution mechanisms are being applied are also incorporated. Follow up in-depth interviews are underway to gather information that cannot be elicited by questionnaire. It is suggested that the two different hard and soft issues should each be dealt with by a separate paradigm, and the boundaries in which the current research lies in terms of its paradigms are highlighted.

Keywords: partnering, research paradigm, methodology

INTRODUCTION

The highly fragmented nature of construction has resulted in an industry with a reputation for adversity, poor quality, cost escalations and schedule overruns. The fact that 80% of the Official Referee’s cases related to the construction industry in the early nineties (Murdoch and Hughes, 1992) was evidence of the extent of the problem relating to disputes. In response, partnering has been promoted in the UK by both government and industry interest groups dedicated to reform (NEDC, 1991; RCF, 1995; NEDC, 1995). Introduced formally in 1994 by The Latham Report, partnering was represented as an arrangement that embraces integrated project teams who shift away from adversarial contract administration. Hence, dispute resolution has been a primary aim and forms a key plank of the recommendations of partnering in the UK. The underlying philosophy of partnering is that collaborative working and improved communication will increase efficiency by reducing disputes and costs and the time taken to complete a work. Instead of resorting to litigation and attaching blame when problems arise, the focus of the partners is to find an effective and amicable satisfactory solution.

Partnering now is a well established approaches to contracting in the UK and has been seen as a way of dealing with fragmentation and lack of integration that have hindered
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attempts to improve project performance over the years (Bresnan & Marshall, 2000). No specific data have been found to demonstrate the reduction in disputes and arising from the use of partnering. Nonetheless it can be highlighted that the numbers of new actions commenced in the Technology and Construction Court that hear construction cases have reduced sharply over recent years (Roe and Jenkins, 2003) suggesting that the adoption of partnering contributes to the reduction of disputes in projects.

This paper outlines the issues related to the ‘hard’ and ‘soft’ aspects of partnering problem resolution and discusses the combined research strategy adopted in the information gathering process for the research. Reports on interim finding of a survey also forms part of the paper.

**PROBLEM RESOLUTION IN PARTNERING**

Partnering may be described as a rigorous and structure procedure designed to create improved business relationship in the construction procurement process. Construction Industry Institute’s Partnering Task Force (CII, 1991) can be considered to be the most origin definitions of partnering (Barlow and Cohen, 1996). Amongst others, it has been described as ‘putting handshake back into doing business’ (Donald, 1991) or as a ‘process of establishing a moral contract or charter among the project team members’ (Uher, 1994). Literature seems to suggest that partnering seem appears to a be a concept which means differently to different people (Cox and Townsend, 1998; Ellison and Miller, 1995) but Naoum (2002) confirms that ‘there appear to be more similarities than differences in opinions concerning the definition of partnering’. The most often cited terms used to define partnering include mutual objectives, agreed problem resolution, continuous measurable improvements, partnering charter, trust and an understanding of each others’ commitments (Barlow and Cohen, 1996).

The focus of the research is on problem resolution. It can be suggested that this is the area where the commitment of the partners to the arrangement is challenged. Dispute avoidance or early problem resolution of contentious issues is also one of the key objective measures of the success in any partnering arrangement (RCF, 1995; ECI, 1997). Successful partnering strongly depends on a systematic approach to problem resolution banking on the strategy, which eliminates problems or totally stop them spiralling and become contentious (Mohr and Spekman, 1994, Ng et al, 2002).

It is a fundamental aim of a partnering relationship to avoid disputes and accord the parties the opportunities to find solutions to problems as and when they arise. It is wise however to provide a mechanism for the resolution of disputes in order that these can be addressed promptly and where possible, avoid the need to resort to protracted litigation or arbitration. It is common to see provisions in partnering arrangements on major projects for the negotiations of problems through different tiers of management.

The Reading Construction Forum (RCF, *Trusting The Team*, 1995) for example recommends three levels of internal dispute resolution involving management in the partnering process (involving first level management, project management and finally senior management) and so does the CIC Model Heads of Terms for Multi-Party Project Partnering Contract. Therefore, the approach is for partners to anticipate problems and devise action plans to address how these problems are jointly identified and resolved (Cowan et al, 1992) with reference to increasingly senior management personnel should the problem remain unresolved at the lower level. Hence, all partners involved are encouraged to seek solutions rather than apportion blame, which in turn steer themselves away from the adversarial position. Whilst partnering may not solve
Problem resolution in partnering – defining the boundaries

all the problems encountered in the construction process, it creates a framework for problem resolution, improved communications and reduced litigation (Sanders and Moore, 1992; Larson and Drexler, 1997)

RESEARCH METHODOLOGY

Research is conducted to achieve certain aims and the general principle is that ‘research strategies or strategies and the methods or techniques employed, must be appropriate for the questions you want to answer’ (Robson, 1993). Practitioners and researchers in construction industry have been giving a lot of attention to partnering since its introduction leading to a great number of researches conducted (Heng Li et al, 2000)

The force for the research effort in construction partnering stems from the aspiration to revive the industry from its adversarial nature. Other contributing factors might be from the awareness that partnering-type relationship exist in other industries and from political stance to improve the performance of the construction industry (Barlow, 1996). He therefore stresses the fact that closer attention should be given to the question of methodology to ensure rigorous approaches when ‘analysing issues such as teambuilding, intergrating personal across and within organisations and changing organisational culture’.

Debate as to the appropriate way to conduct research has been held in the construction management community as within other disciplines. Runeson (1997, p118) was of the view that construction management is a ‘discipline, based on a theory or science’ asserting that construction management is a positivist research and claimed that it best insurance against bad research. Seymour et al (1997, p 118) were concerned that ‘construction management is dominated by research carried out under a rationalist paradigm’ and urged that ‘...[the] suggested alternative is to concentrate upon the interpretative method that researchers and managers use to make sense of the world. This approach yields an investigation that is primarily concerned with meaning rather than causality; and produces an account that recognises the respective viewpoints of practitioners in the process. It is our account that such an account better reflects the realities of construction management as a practice’. They assert that construction management ‘...objects of study are people’ and ‘tend to underestimate or ignore the importance of the interpretative process (p119). Rooke et al (1997) proposed that to get a better understanding of the world, it ‘verstehen understandings rather than causal ones should be the aim of social research and that management studies are primarily a social discipline’.

The paradigm in partnering research

The positivist approach is looked upon as quantitative in nature with the emphasis being made on the objective nature of the analysis and that the researcher being distance or independence from the subject matter of the research. The emphasis is on the causal explanations. In terms of its application in partnering research, the oft-quoted research in partnering by Larson (1995) was conducted quantitatively using a large number of respondents. The results highlighted the fact that partnering is the best arrangement to handle client-contractor relationship. Black et al (2000) and Cheng & Li (2002) adopted a quantitative approach in determining the associated critical success factors in construction partnering process. Chan et al (2003) also adopted the quantitative approach in their investigation of problems that can hinder partnering implementation. The questionnaire survey findings suggested that the major hindrance

The interpretivist, also known as phenomenological or qualitative approach, on the other hand understands reality as holistic and socially constructed rather than objectively determined. The weight is given to appreciation of different constructions and meanings people place upon their experiences and the reasons for these. Badger & Mulligan (1995) adopted a qualitative approach in determining the different sets of criteria that were likely to influence the success of global partnering. As interpretivist approach is to understand reality as holistic and socially constructed, in terms of partnering research, Lazar (1997) proposes ‘gaining a heightened understanding of how to fine tune the partnering process environments where partnering might otherwise not succeeded’. This involves the exploration of issues ‘how’ and ‘why’ partnering process works. His findings shows that understanding the processes which can diffuse disputes before they become relationship-eroding problems is a tremendous step toward improving contract performance. Many of the existing publications of partnering are qualitative studies that discover a rich body of knowledge in terms of theories and insights of partnering (Cheng and Li, 2002)

In terms of future direction of partnering research, Larson (1997) and Li et al (2000) advocates more empirical research for partnering and should be a major construction research agenda. Bresnan and Marshall (2000) states that systematic and in-depth empirical research set out to examine partnering can produce more reliable and valid materials for practical application. These authors are putting a signpost that future research focus for partnering should be more on a quantitative or positivist approach.

**THE CURRENT RESEARCH**

More generally, research on partnering as a whole is notable for its reliance on anecdotal evidence and prescription. Much reliance is given to the discussion of ‘tools and techniques’ somewhat suggesting that collaboration and trust is possible to be engineered through these mechanisms.

Bresnen and Marshall (2002) suggested that emphasis should be given to both the ‘formal dimension’ and ‘social dimension’ of partnering. The ‘formal dimension’ or ‘hard issues’, which they suggest, goes back to technical managerial aspects which consists of formal integrative mechanisms through tools and techniques such as charters, dispute resolution, procedures, team building workshops and the use of facilitators. The complexities and dynamics of relationships between organisations and individuals must not be ignored. This is what they referred to as ‘social dimensions’ or ‘soft issues’. This is further supported by the fact that solutions to problems requires both the technical and people skills to be able to diagnose the problems as well as generate feasible solution options (Walker and Loosemoore, 2003)

This research employed a balanced philosophical approach in terms of its the research method and data collection techniques. Hence both ‘positivist’ and ‘interpretivist’ philosophical approach is adopted. The deductive method via the ‘positivist’ approach usually strips out complicating factors that could be important to construction practitioners (Remenyi et al, 1998) Thus, it is impossible for this research
to adopt a pure positivist approach. The researcher intended to understand the partnering practice, which leads to interpretative approach, which would provide the means to interpret practice as such. Using pure interpretative approach, the researcher could delve further into the questions of ‘how’ and ‘why’ disputes are able to be avoided in partnering projects. It gives the researcher the opportunity to interact with these practitioners. Positivist approach would not be able to answer them.

Quantitative data were generated and focused on the ‘hard issues’ or ‘formal dimensions’ of partnering process. Qualitative data on the other hand help to complement the former by providing insights of partnering practitioners and opinions regarding the mechanism by which problems are resolved in partnering projects. These insights helped the ‘softer issues’ or ‘social dimension’ associated with partnering by allowing an understanding and at the same time answers the questions posed by the questions of ‘how’ and ‘why’. This multi-paradigmatic position reflected the pragmatic approach adopted within this study in particular, and construction management research in general.

THE RESEARCH STRATEGY

After consideration of the methodological and philosophical issues discussed above, the research strategy adopted in the research is discussed below. The research is conducted in two different data collection phases. The first stage of data collection is the postal survey questionnaire, seeking to capture the current practice of partnering problem resolution mechanism in the construction industry. This formed the quantitative (positivist) approach to the research. The qualitative phase (interpretivist) followed as the second stage of data collection.

QUANTITATIVE DATA

Researchers in construction management field adopt questionnaire as a mode for data collection because of the ‘positivist methodological mindset’ of the research community. (Seymour and Rooke, 1995) This questionnaire survey has been conducted in order to understand the current practice of problem resolution processes in partnering projects. The data gathered from the survey have been analysed using descriptive statistical techniques. Discussion of the results focused on ‘hard issues’ which relate to the procedures and practices which the respondents adopted before they partnered and in resolving problems encountered.

Fifty nine different organisations replied to the questionnaire of which 83% from the private sector and 17% from the public sector. In terms of the numbers of years of establishment, most of the respondents have been established more than 15 years (84%) which in turn raises the reliability of the data collected from shared knowledge of long years of experience in construction field and more than two third (67%) of them have an annual turnover of more than £5M.

In terms of experience involving in partnering projects, 34% of the respondents have between five to ten years of experience in partnering. With respect to the number of partnering project in which they have been involved in, the results show that the majority of the organisations have been involved in more than 15 partnering projects.(58%).

Table 2.0 below also shows that most of the partnering projects have been carried out by the private sector. The public sector needs to be involved more in partnering.
projects. The results somehow reflect the frustration expressed by the Strategic Forum for Construction at the level of commitment to the partnering ethos given by the government. *Accelerating Change* (2002) observes that ‘the Government as Client needs more encouragement to become actively involved. More demonstration projects from them would be particularly welcome’ (p 15).

**Table 2.0: Number of partnering projects involved and the sector**

<table>
<thead>
<tr>
<th>No. of projects</th>
<th>Public</th>
<th>Private</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;6</td>
<td>1</td>
<td>14</td>
<td>15</td>
</tr>
<tr>
<td>6-10</td>
<td>3</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>10-15</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>&gt;15</td>
<td>5</td>
<td>29</td>
<td>34</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td>49</td>
<td>59</td>
</tr>
</tbody>
</table>

Identification of procedures adopted before partnering have been made from the literature and Figure 1.0 depicted the results of the survey in terms of the procedures that have been adopted by the respondents before they partnered. Getting the commitment from the top management level of the organisation was the common answer given with a response rate of 95%. Getting commitment from top management is one of the critical success factors for partnering (Black et al, 2000; Larson, 1997) suggesting that these respondents know what they are supposed to do before partnering since they have vast experience in partnering. Other procedures adopted by the organisations are contract specific partnering workshop (83%), identification and appointment of personnel who will become a ‘champion’ or ‘team leader’ (76%), staff training (76%) and empowerment of the staff (73%). The procedure which is least adopted by the respondents’ organisations are making deciding on how many projects will be implemented on partnering basis (29%) and track costs and savings associated with partnering (58%).
Procedures adopted before partnering – defining the boundaries

More than 90% of the respondents agreed that partnering is an effective arrangement to avoid disputes in a project and this is similar to the findings of the research done by Gransberg et al (1999) which demonstrated that partnering greatly facilitates the avoidance of disputes. The responses to the question showed that a vast majority of the respondents consisting of seventy-eight percent of them stated that their organisations have a defined problem resolution mechanism.

In order to generate information that specifically relate to experience in partnering problem resolution, the respondents were asked whether they had any experience involving in problem resolution processes. This was necessary because further specific questions relating to problem resolution will be asked on respondents who have been involved in the process. In terms of having the experience of involving in a problem resolution mechanism, from the overall, 26 (44%) of the overall respondents have been involved in a defined problem resolution procedure in partnering projects.

Procedure wise, the respondents who have been involved in the problem resolution mechanism were also asked about the procedures that had been laid down by their organisations for problem resolution mechanism. The results showed as depicted in Figure 2.0 that some of procedures stated were indeed adopted by the participating respondents’ organisations whilst other procedures have not.

The procedures, which are commonly adopted, are to have an open communication system, exchange of information, gather relevant information and identify options available. These are essential ingredients for sound decision making procedures which in turn echo that the there is a high culture which support them to collaboratively make solution when a problem emerge. This confirms that partnering support a framework for better communication and better cooperative decision-making process rather than it being dictated (Walker and Loosemoore, 2003).

Interestingly, time frame set in place for each problem to be settled is not commonly adopted by the organisation even though numerous guidelines have promoted it (RCF 1995, CIC) and training given to staff in communication and decision-making skills to
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enhance the problem resolution process is not commonly adopted by the respondents’ organisations.

![Frequency of procedure adopted in problem resolution](image)

<table>
<thead>
<tr>
<th>Procedure Adopted</th>
<th>No. of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking all involved</td>
<td>12</td>
</tr>
<tr>
<td>Gaining confirmation</td>
<td>1</td>
</tr>
<tr>
<td>Having all parties involved</td>
<td>1</td>
</tr>
<tr>
<td>All parties involved have the authority to sign</td>
<td>1</td>
</tr>
<tr>
<td>Contacting all the parties involved</td>
<td>4</td>
</tr>
<tr>
<td>Gathering all information</td>
<td>5</td>
</tr>
<tr>
<td>Exchange of information</td>
<td>6</td>
</tr>
<tr>
<td>Collecting all options</td>
<td>7</td>
</tr>
<tr>
<td>Identifying all options</td>
<td>9</td>
</tr>
<tr>
<td>Making a decision</td>
<td>1</td>
</tr>
<tr>
<td>Agreement established</td>
<td>3</td>
</tr>
<tr>
<td>Level at which it is commonly faltered</td>
<td>3</td>
</tr>
<tr>
<td>Management level (46%)</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
</tr>
</tbody>
</table>

Figure 2.0: Procedures adopted in problem resolution process

The respondents were also asked about a certain criteria that should be in place in order to reach the most satisfactory solution for all parties concerned. They stated that contacting all the parties involved in the problem resolution and gain confirmation that all parties involved have the authority to sign for any agreement established are the important factors. It is also important that all information should be gathered first, there is an exchange of information between the parties and that all options are collected and identified before any decision is being reached.

Interestingly, 62% of the respondents who have been involved in the problem resolution mechanism said that the problem resolution mechanism did falter and the level at which it is commonly faltered is at the management level (46%) The common reasons given for the faltering were position taking, poor communication and lack of empowerment.

Qualitative data

Qualitative interview research is popular in the built environment research and can be defined as ‘ an interview, whose purpose is to gather descriptions of the life-world of the interviewee with respect to interpretation of the described phenomenon’ (Kvale, 1983) Its flexibility means it can be employed anywhere and its capability of producing data of great depth are the reasons why it has been popular (King, 1994).

At the time of writing, a number of semi-structured interviews have been conducted with the aim of gathering a broad perspectives from the interviewees on the issues of ‘how’ and ‘why’ problems arising in partnering have been handled. Those interviewed are from a selection of partnering practitioners that have been involved in problem resolution mechanism. All are at senior position and have identified from the questionnaire survey in which they have participated and consented to be involved in the second phase of the data collection. Snowballing method of gaining contacts is of
great value in the research. Interview times is at an average of 45 minutes and all of
the interview which have been conducted were recorded and transcripts prepared.
Considering the volume of data which will arise from the interview, analysis is
anticipated will be conducted with the aid of specialist software, in order to aid data
management and to aid rigour to the analytical process (Welsh, 2002). Hopefully the
analysis made out of this ‘interpreative data’ will be formed the basis of another
paper.

CONCLUSION
In terms of approach to partnering research, there is no uniquely best approach can
best suggested. The best way is to describe the ways in which the research is carried
out in a variety of situations. The final choice for a research design and the paradigms
chosen depends on the objectives of that specific research to be achieved.
This paper raised the difference of ‘hard’ and ‘soft’ issue in partnering research that
are being investigated. It also highlighted the different paradigm under which different
issues are accorded, implying the different boundaries existed under the research.
These combination of methodologies focus on the relevant strengths of each it. What
is hoped to be achieved, quoting Nau (1994) ‘blending qualitative and quantitative
methods of research can produce a final product which can highlight the significant
contributions of both’.

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