HOW DO INTER-INSTITUTIONAL TEAMS SUCCEED?
A CASE OF NATIONAL PROJECT

Abstract. Considering phenomenon of inter-institutional collaboration, the paper aims to investigate the issues of inter-institutional collaboration in Lithuanian public organizations. The paper is based on the study of collaboration aspects relevant to the project implemented by the Lithuanian Republic Ministry of Foreign Affairs. Based on theoretical discussion related to the success of project implementation and team work, two studies were conducted. Firstly, a sample comprised of seven project managers expressed the assumptions about decision-making process, obstacles of project implementation and measures for efficiency. Secondly, 65 responses were collected from project participants representing different public institutions. The results revealed that inter-institutional projects in public organizations are still characterized as following traditional and strictly hierarchic structure. The project leaders underestimate the potential of project group members and do not involve them into the decision-making process. The findings let us develop recommendations for managers and policy makers involved into inter-institutional projects.

Keywords: inter-institutional collaboration, project, teamwork, success factors, decision making, leadership

JEL Classification: M1, M12, M19

Introduction

Inter-institutional collaboration has become an increasingly prevalent phenomenon in contemporary world. Some forms of collaboration have emerged in business and have gained popularity in particular industries such as: ship building (Ahola et al. 2008), film-making (Beckky 2006) and etc. Inter-institutional collaboration requires combining efforts of different organizations by implementing various projects in a limited time period. Hence, temporary nature of collaboration is a distinguished feature impacting interaction process. However, prevailing discussions revealed that inter-institutional collaboration is slow process and provides mixed results (Levering et al. 2013).

Public organizations are confronted with the growing pressure to integrate and increase quality of services while lowering costs (Drach-Zahavy 2011). Corresponding to these pressures organizations aim to apply approaches prevailing in business field. Hence, inter-institutional projects have been gaining considerable attention of managers and policy makers in such fields as: health sector (Jones et al. 2004) and higher education (Tadaki, Tremewan 2013).
Collaboration is mainly based on five pillars: prevailing common goals, reciprocal trust, and exchange of information, share of resources and capabilities and share of risks (Raišienė, 2011). The barriers to effective collaboration include mistrust, different priorities of organizations, different values and goals (Palinkas et al. 2014).

Notably, collaboration of organizations requires considerable efforts of various teams. However, effectiveness of teamwork is seen as a challenge, impacted by increasingly complex and innovative tasks and environmental disruptions (Harvey et al. 2014). In addition, inter-organizational teams are confronted with even more complex problems than organizational teams. Collaboration issues in public sector arise due to traditional hierarchical command and control structures and the need to coordinate across organizational boundaries (Piercy et al. 2013). Hence, decision-making process becomes complex and impacts interaction of various stakeholders.

The paper aims to investigate the issues of inter-institutional collaboration in Lithuanian public organizations. The paper is based on the study of collaboration aspects relevant to the project implemented by the Lithuanian Republic Ministry of Foreign Affairs (MFA) in 2012-2013. The research is grounded on the survey of 84 project participants representing different public institutions and interviews of project managers.

The remaining of paper is organized as follows. The first part provides insights into the success of project implementation. The second part investigates team work as a factor of project success. The third part provides information related to procedure and methods applied. The fourth part provides results of the study. The final part draws conclusions.

1. The attitudes to the success of project implementation

The scholars assert that the use of projects has become as a mean of conducting business in almost every sector in the economy (Phelan 2005). Hence, the investigations linked to the project management distinguish efficiency indicators such as, increasing profitability and reducing costs, cycle time and risks of failure (Judgev, Muller 2005). However, project success can be perceived differently by different stakeholders in different time scales (Turner, Zolin 2012). Hence, a broader understanding of success in scientific literature has been evolving. The broader approach has led to a number of different success indicators explored in scientific literature.

Judgev and Muller (2005) conducted assessment of project success over the past 40 years and discussed conditions for success, critical success factors and success frameworks. The scholars developed a historical review and focused on the time frame of project life cycle. Meanwhile, the investigations carried out by Davis (2014) complemented to the research of Judgev and Muller (2005) by focusing on the stakeholders involved and success factors.

Notably, the early success literature mainly focuses on the operational side, tools and techniques (time, quality and costs) of a project implementation phase. The success was mainly defined by individual (e.g. project manager) and was assessed subjectively and objectively. Later on critical success factors were developed (Kerzner 1987). However, the scholars point out that these factors weren’t grouped or organized to identify common themes (Davis 2014). The investigations carried out by Pinto and Slevin (1988) have led to ten success factors: project mission, top management support, schedule and plans, client consultation, personnel, technical tasks, client acceptance, monitoring and feedback, communication and trouble shooting. However, these factors emphasize the operational level rather than strategic level and do not take into consideration overall organizational objectives (Judgev, Muller 2005). The scholarly investigations carried out in 1990s to 2000s mainly focused on success frameworks and
distinguished the dependence on internal and external stakeholders. However, Davis (2014) concludes that there was a lack of new factors being created. Latest investigations in the field aimed to investigate perceptions of various stakeholders in the different stages of project life cycle (Turner, Zolin 2012).

The investigations have been expanded into international projects what has led to the conclusion that the factors closely interrelated and at times overlapping can be grouped into three major categories, namely competency, motivation, and the enabling environment (Khang, Moe 2008). The competencies required for project success comprise project manager, team members or institutional competencies. While project managers’ and team members’ competencies are related to technical, interpersonal and administrative competencies, institutional competencies are recognized as effective control and communication systems, good planning and scheduling, strong teamwork and leadership, lack of dysfunctional conflicts and etc. (Khang, Moe 2008). Meanwhile motivation factors comprise understanding of project goals, objectives and mission. The researches of factors linked to motivation include commitment of project team (Cooke-Davies 2002), clear terms of references (Andersen, Jessen 2000), communication and trust (Diallo, Thuillier, 2005) and etc.

Finally, enabling environment refers to internal factors such as: top management support, adequate allocation of resources, compatible rules and regulations and factors related with external environment such as: political, economic and etc. (Khang, Moe 2008).

It should be noticed that nowadays success of project implementation is related especially to potential of people working together and leaders’ managerial skills. Nevertheless, formal leadership in itself does not determine management success anymore (Goulding, Walton, Stephens, 2012). Success is influenced by specific characteristics and skills of the manager which he develops on his own (Wijepala, Wijesundara, 2011) and entrepreneur characteristics that are revealed by working in both macro and micro levels of the organization (Jinadasa et al., 2011). Thus, project implementation and teamwork are interconnected; this is discussed properly in the next section.

2. Team work as a factor of project success

Teamwork is essential in today’s complex and technologically sophisticated environment (Thamhain 2004). Hence, the concept of project team reemerged. Work teams play a significant role in traditional projects. For example, new product development, system design and construction are seen as the areas requiring considerable effort of teams (Korsakiene 2009). On the other hand, team work is essential in organizational change processes. In addition, team work has attracted considerable attention of public sector organizations aiming to meet growing needs of a diverse range of consumers (Piercy et al. 2013).

Considering decisions, the scholars observed that systematic differences exist between choices made by groups of individuals and individuals making choices in isolation (Ambrus et al. 2009). While traditional top-down decision-making has become obsolete in the companies, group decisions have been gaining popularity due to the following advantages: the group has a bigger amount of knowledge accumulated, the group has a wider variety of attitudes when understanding and evaluating the problem, a group generates a higher amount of alternatives (Lunenburg 2010).

As the bureaucratic hierarchies and support systems decline, team building has become more complex and requires appropriate managerial competencies. Thamhain (2004) asserted that not too long ago managers were concerned with successful integration of the project (e.g. how to
define work, time and resources, how to establish procedures for control). However, today’s environment requires fast and flexible teams who can work towards established objectives.

The researchers assert that teamwork plays a significant role in team performance (Yang et al. 2011). Hence, the discussions focus on team communication, collaboration and cohesiveness. Communication as the process for disseminating information to other team members is seen as a critical determinant of team performance (Yang et al. 2011). Communication influence uniformity of team members and increase work effectiveness. Meanwhile, other scholars emphasized successful team collaboration contributing to effective team performance (Kotlarsky, Oshri 2005). Collaboration is critical to group environment and consists of working together with others. Notably, collaboration is essential for joint intellectual efforts. Team cohesiveness is assumed as the extent to which team members feel a part of team and are motivated to remain part of the group (Wang et al. 2005). Hence, team cohesiveness is seen as one of the most important facets of teamwork quality.

Some scholars emphasized the necessity of positive interpersonal relations and effective inter-group interaction impacting organizational performance efficiency. For instance, investigations carried out by Yang (2014) shed some light on the changing nature of trust in newly formed teams. Meanwhile, other scholars focused on interaction among individuals in the project work context (Koskinen et al. 2003).

Summing up, a number of factors contribute to the effective interaction of teams. However, leadership is seen as a key driver of team processes and team performance (Wang et al. 2005). Leadership refers to influencing other to take responsibility. Leaders influence team cohesiveness, i.e. to remain on the team and work for each other. The leaders have to develop appropriate competences and understand team work factors. In opposite, neglecting these factors and their interrelations may hinder effective team work, organizational and inter-organizational interactions, thus diminishing performance.

3. Research methodology

The above discussion leads to several research questions. The first relates to the decision making framework. The second research question aims to reveal the major obstacles in project implementation. The third research question relates to the success factors.

In order to carry out the investigation qualitative (expert interview) and quantitative (survey) approaches were adopted. These approaches seek to reveal why the phenomenon has occurred in particular case.

Quantitative survey

Sample and procedures. The population of the research was 84 individuals, related to the implementation of the project carried out by the Lithuanian Republic Ministry of Foreign Affairs. The questionnaire was developed and sent to all individuals by e-mails in 2014. Completed questionnaires numbered 65 which is a response rate of 77%.

Measures and analyses. The questionnaire comprised open questions related to the investigated problem. The respondents were invited, based on their experience, to name:

- the directions of information flow, decision making and decision implementation;
- the main obstacles of project implementation;
- the measures how to increase efficiency of project implementation.

One question aimed to assess the assumptions of the project success factors and to compare with theoretical considerations. Firstly, the respondents were asked to indicate ten the most important factors contributing to the successful implementation of an inter-institutional project. The obtained answers let us develop the final list of suggested success factors. Secondly, each
factor had to be assessed on a five-point scale ranging from (1) “very unimportant” to (5) “very important”. Finally, the questionnaire included two questions, aiming to reveal the position in the project and the department of the respondents.

The answers to the open questions were analyzed by applying framework for descriptive analysis what let to define elements and dimensions, refine categories and classify data. Hence, a final categorizing was agreed upon.

Qualitative survey

Sample and procedures. The interviews were conducted with seven team leaders (experts) of the project.

Measures and analyses. In the interview process semi-structured and open questions were conducted. The interviewees were invited, based on their experience, to name:

1) the directions of information flows in the project,
2) what structure facilitates decision-making and decision implementation in the project,
3) what obstacles appear to be of the highest significance in implementation of the project,
4) what suggestions could help to overcome these problems.

The 60 minutes interviews were recorded and transcribed. Later on, the answers to these questions were grouped into different categories according to their content. Considering the fact, that questions of survey and interview are similar, later on the answers were compared.

4. Findings

Decision-making structure

The first question of the survey let us reveal the directions of information flows, decision-making and decision implementation in the project. Grounded on the obtained data, a framework of decision-making in the project was defined. The framework revealed that decision-making and decision implementation take place in different departments and organizational levels of project participants. Notably, strategic decisions related to the project (e.g. direction and deadlines of activities) were made at the highest level. Meanwhile, decisions related to the implementation of strategic decisions were made at the middle level. Finally, the executors at the lowest level implemented decisions accepted at the highest levels. The interviewees confirmed that the highest level leaders had a lot of freedom in decision-making process. Meanwhile, the executors were not involved in the process due to clearly defined assignments. Hence, the opinions of executors do not have significant impact. On the other hand, the interviewees highlighted that strategic decisions accepted in the project management group were collegially discussed in the meetings.

Defined framework led to the investigation of the distribution of decision makers, specialists and executors of the project. The analysis of decision-making process let us reveal that the majority (42 percent) of the project participants do not participate in decision-making and do not have information related to the project issues, 22 percent are not involved in the decision-making, but are provided with the most important information about accepted decisions, 28 percent command the information about the project status and provide the leaders with the information required, but do not make decisions themselves. Only 9 percent of the respondents stated that decision-making process is carried out collegially. The investigation of the role of survey participants disclosed that, the latter opinion was expressed by individuals occupying leadership positions.
To conclude, prevailing decision-making and decision implementation process is seen as hierarchical and organized top-down. Investigation of scientific sources revealed that effective implementation of the project requires collaboration of team members (Kotlarsky, Oshri 2005). Hence, the decisions, corresponding to the needs of various stakeholders, require active involvement of all participants. Investigated structure reveals that some problems appear before implementation of the project. Prevailing hierarchy of decision-making restricts the development of mutual trust, exchange of information and resources of the project group. Hence, another question aimed to determine what obstacles of project implementation are of the highest significance.

**Obstacles of project implementation**

The results of the survey led to the following characteristics of the project: high complexity related to the three-level structure and low involvement of executors in the decision-making process. The respondents were asked to provide major obstacles which restricted the implementation of the project. Hence, a number of undesired consequences were revealed, namely: insufficient communication, lack of information, distrust of authority, low organizational commitment, low willingness to collaborate, high need personally control all issues. Table 1 presents the main categories, subcategories and supporting statements.

Table 1. Major obstacles of project implementation

<table>
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<th>Category</th>
<th>Subcategory</th>
<th>Supporting statements</th>
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</table>
| Collaboration disorder        | Insufficient communication and information flow | „One-way communication does not allow the project participants to feel competent and significant team members, diminish motivation and aspiration to seek higher goals of the project“. „Limited communication was observed among participating institutions“. „Other institutions received information for implementation of functions later than colleagues in MFA“.
| High need to control all issues personally | „Everybody, for example for the training purposes called and took concerns personally …., same tendencies were observed in organization of business trips, a lot of questions and uncertainties arose, …and nobody didn’t take care of [personnel management issues].“ „If the need appeared, everybody had to search for information personally. Everybody had to call and ask for required information, which had to be provided for everybody in clear and concentrated manner. Time was wasted on the expense of work“.
| Low willingness to collaborate | „The consultations between authorities and project executors are mandatory….. This is only one way to make the right decisions satisfying the interests of both management and project executors“.

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Due to the concentration of decision-making in a few hands, the executors were apathetic and ignorant to many issues. The lack of the involvement of employees into the decision-making decreased focus to the project goals.

The lack of executors’ involvement into the decision-making leads to the questions about transparency of decisions made in the project implementation. The executors of project not being involved in the decision-making loose opportunity to express their position and directly contribute to the project activities. Prevailing decision-making approach diminishes the relationships between executors and leaders. The lack of executors’ involvement in the decision-making indicates arrogance and lack of respect to the [project] executors.

All decisions have to be made in public to all project executors, because the lack of information hinders the possibility to carry out assignments properly. In project implementation we experienced the lack of general information. In fact, the project leaders [at political level] did not really know next to what tasks the executors worked, if it was good or bad and didn’t have possibility objectively assess due to weak communication.

In some cases, there was a lack of information about decisions made, their causes and necessity, only the fact about accepted decision was provided and following assignments were presented. I think that timely information about decisions is required for much effective implementation of functions. The lack of information increased new additional and unplanned tasks.

Source: own compilation

Summing up, strict hierarchy of decision-making process does not contribute to the achievement of common goals and development of productive relations. Next section presents the discussion of the respondents’ opinions about the main measures increasing efficiency and diminishing problems.

Suggested measures

The participants of both survey and interview were provided with open-ended question about the main solutions and measures leading to increased efficiency of project implementation. Notably, the answers of participants from both groups were similar. However, the suggestions did not coincide in some cases.

Individual responsibility for results was indicated as the most important factor. It was mentioned by 67 percent of the survey respondents and 5 experts. According to the experts, assigned responsibility for personal results should motivate the executors. Notably, experts assumed motivation as a way to avoid unwanted behavior (e.g. to miss deadlines, to avoid low quality of work and etc.) but not as a stimulus and way to increase commitment. The experts assert that in the case of high scale projects, involving a number of executors, additional measures...
of control and accountability have to be established. Meanwhile, survey respondents expressed
the opinions about higher responsibility. The respondents explained higher responsibility as an
opportunity to solve problems that appear in certain situations. The conclusion we can draw
is that respondents assume individual responsibility as a motivational factor in the context of
positive stimulation.

The second most often suggested measure was to ensure feedback. This suggestion was
provided by 62 percent of the survey respondents and 4 experts. The respondents indicated that
feedback increase the opportunity to receive timely information about the situation and perform-
ance. Meanwhile, the experts stated that feedback was provided in the form of reports.

The third suggestion was to use information communication technologies (respectively 47 percent of respondents and 4 experts). According to the respondents, information communication technologies let more effectively share information. Meanwhile, the experts confirmed that it would enable the project executors to communicate faster, respond to changes and accomplish assignments.

The fourth suggestion was to diminish number of decision-making levels (respectively 45 percent of respondents and 3 experts). This suggestion assures faster and easier decision-making process. On the other hand, experts indicated that the project was implemented and managed by public organizations. Therefore, it is very difficult to shorten decision-making process due to clear subordination and inter-institutional structure.

The respondents also suggested other measures, such as: more frequent meetings with executors, share of project information, work flow management, information about decisions made and etc. Notably, some suggestions were cited less than 30 per cent and were not analyzed as insufficient for research conclusions.

The experts noted that successful inter-institutional project is significantly influenced by formiation of positive opinions about the project. Hence, positive response of executors about the project in general and outcomes is seen as important. Besides that, human resource and information management skills have to be developed adequately. Summing up, the research participants indicated measures that would allow overcoming obstacles of the project implement-

Assessment of project success factors

The analysis of scientific sources indicates that the most important factors contributing
to the successful project implementation are: human resources, management competences and
stakeholders’ involvement into the process of decision-making (Thamhain 2004). Hence, the
respondents were asked to indicate ten the most important factors contributing to the successful implementation of an inter-institutional project. The suggested factors were assessed on a five-
point scale. Table 2 presents the results of the assessment.

Table 2. Mean scores for importance of success factors

<table>
<thead>
<tr>
<th>No</th>
<th>Success factors</th>
<th>Importance</th>
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<tbody>
<tr>
<td>1</td>
<td>Well-grounded decisions</td>
<td>4.8</td>
</tr>
<tr>
<td>2</td>
<td>Professional skills of leader</td>
<td>4.8</td>
</tr>
<tr>
<td>3</td>
<td>Sufficient resources</td>
<td>4.6</td>
</tr>
<tr>
<td>4</td>
<td>Collaboration competences</td>
<td>4.5</td>
</tr>
<tr>
<td>5</td>
<td>Timely problem solving</td>
<td>4.4</td>
</tr>
<tr>
<td>6</td>
<td>Management competences of leader</td>
<td>4.4</td>
</tr>
<tr>
<td>7</td>
<td>Involvement of stakeholders into decision-making</td>
<td>4.1</td>
</tr>
</tbody>
</table>
The most significant success factors are: well-grounded decisions, professional skills of leader and sufficient resources. The obtained data let us conclude that project success factors assessed by the respondents can be distinguished into three groups:

1. *Factors related to the management of project.* The observed factors comprise involvement of stakeholders into decision-making, well-grounded decisions, timely problem solving.

2. *Factors related to human resources:* professional skills of leader, collaboration competencies, management competences of leader, teamwork experience.

3. *Factors related to resource management of project:* meeting the budget demand and sufficient resources.

Surprisingly, the respondents distinguished current economic context, impacting success of the project. This factor could be linked to insufficient resources.

The comparison of obtained data to scientific considerations let us conclude, that the participants of the project agree with the notion that the emphasis has to be put on human resource management, management competences and participation of stakeholders.

**Discussion and conclusions**

The research data revealed that the respondents distinguished different issues related to the project and inter-organizational collaboration in general. Additionally, the respondents did not emphasize the significance of problems. Considering the ideal case of project implementation, the respondents didn’t reveal the most important factors discussed in scientific literature and contributing to the project implementation. The obtained data let us compare major obstacles of project implementation, suggestions related to the efficiency of project implementation and success factors of inter-institutional project implementation (Table 3). To conclude, the relationships between suggestions and success factors coincide only in some cases.

Table 3. The attitudes of respondents to major obstacles, suggestions and success factors

<table>
<thead>
<tr>
<th>Major obstacles of project implementation</th>
<th>Suggestions related to the efficiency of project implementation</th>
<th>Success factors of inter-institutional project implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaboration disorder</td>
<td>Insufficient communication and information flow</td>
<td>High need to control all issues personally</td>
</tr>
<tr>
<td></td>
<td>Drivers of collaboration</td>
<td>Information provided to executors about accepted decisions</td>
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<td></td>
<td>sharing of project information</td>
<td>Teamwork experience and collaboration competences</td>
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<td></td>
<td>Feedback</td>
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</table>
Insufficient managerial competences of project authorities

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<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insufficient managerial competences of project authorities</td>
<td>Low organizational commitment</td>
<td>Effective management</td>
<td>Flat structure of decision-making</td>
<td>Well-grounded decisions and timely problem solving</td>
</tr>
<tr>
<td>Distrust of authority</td>
<td>Lack of information and feedback</td>
<td>Work flow management</td>
<td>Frequent meetings with executors</td>
<td>Professional skills and managerial competencies of leader</td>
</tr>
<tr>
<td>Usage of information and communication technologies</td>
<td>Economy and meeting the budget demands</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal characteristics and attitudes</td>
<td>Individual responsibility for performance</td>
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</table>

Source: own compilation

The analysis revealed several characteristics common to Lithuania’s context:
- Inter-institutional projects in Lithuania are still characterized as following traditional and strictly hierarchic structure.
- Project executors are not assumed by top level management as a success factor. Their functions are restricted to performed assignments.
- Project leaders underestimate the potential of project group members and do not involve them into the decision-making process.
- The research revealed a gap between scientific discussions and prevailing experience. On the other hand, the opinions of research participants were not consistent. The respondents expressed their opinions about the obstacles of project implementation and indicated collaboration disorders and appropriate disorders related to the performance of assignments. Meanwhile, the suggestions related to the project implementation indicated both the measures that would solve the problems common to the project and the measures that are not related to the specific project. Additionally, the respondents indicated more general success factors but not the factors directly related to the implemented project. Hence, resources and internal management were emphasized.

The findings of research allow elaborating proposals for decision makers of Lithuanian public organizations. Communication process between the management and executors has to be improved significantly. The managers have to put considerable efforts to the communication of project goals and strategic priorities related to the particular project. Strictly hierarchic decision-making structure does assure the involvement of all executors into the decision-making processes. Hence, the executors loose an opportunity to express their opinions and timely report about the major problems arising in performing everyday assignments. Consequently, the goals of the project are not achieved appropriately. While strictly hierarchical decision making structure is less efficient, inter-institutional collaboration requires adopting different approach. For instance, flatter structure has to be considered by managers. Management and inter-personal skills are seen as the most important in inter-institutional project. Hence, the competences of managers should be developed through training and continuing learning. Limitations of the research are related to the sample of respondents. Hence, future research has to focus on a broader sample of respondents and involve respondents from different projects.
References


RECENT ISSUES IN ECONOMIC DEVELOPMENT


