

## **Collaborative public procurement; an institutional explanation of legitimised resistance**

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This paper reports the barriers to regional collaborative procurement from an empirical study of five UK public authorities in the emergency services sector. Despite political pressure to collaborate, strategic responses of institutional logics, protectionism and symbolic tick boxing legitimise stakeholder resistance to isomorphic forces and entrench operational barriers. The findings expose choice mechanisms in public procurement by exploring tensions arising from collaborative procurement strategies within, and between, organisations. Multiple stakeholders' perspectives add to current thinking on how organisations create institutional logics to legitimise their actions. The Economic and Social Research Council and the Technology Strategy Board supported this work.

### **Introduction**

The UK public sector spent £109billion on the procurement of goods and services in 2013 (HM Treasury, 2013b). The 2010 Comprehensive Spending Review saw the UK government embark on a reduction of public sector spend and the implementation of a period of austerity, which underlines the centrality of financial resources in the public sector (Kioko, Marlowe, Matkin, Moody, Smith and Zhao, 2011). Public sector collaboration is seen as an imperative to deliver value for money (HM Treasury, 2013a) but gaps exist in understanding its origins, prevalence and impact on organisational performance (Dunleavy, Margetts, Bastow and Tinkler, 2006; Wright and Pandey, 2010). Collaborative procurement is increasingly on the public policy agenda (Walker, Schotanus, Bakker and Harland, 2013) as it can provide savings, promote financial transparency, rationalise specifications and simplify evaluation processes (Gobbi and Hsuan, 2015). Despite studies exploring collaboration with public service providers (see, Kioko et al., 2011; Hefetz and Warner, 2012; Lamothe and Lamothe, 2012) there is a paucity of research on member organisations and the barriers and enablers of collaborative public procurement (Walker et al., 2013).

Institutional theory explains how organisations are influenced by their environmental context (Meyer and Rowan, 1977; DiMaggio and Powell, 1983; Zucker, 1987). It can be a useful lens to explore current public management challenges, as it suggests that achieving legitimacy through conforming to key stakeholders' expectations takes primacy over achieving efficiency (Ashworth, Boyne and Delbridge, 2009). Collaborative procurement policies create tensions between cost, compliance and quality considerations across intra-organisational stakeholder groups, and between inter-organisational collaborating authorities, where different social values, rules and rationalities may exist.

There have been calls for public procurement research that shifts the focus beyond transaction cost and rational decision making perspectives to encompass broader collaborative governance and behavioural aspects (Hefetz and Warner, 2007; Hefetz and Warner, 2012; Lamothe and Lamothe, 2012; Walker et al., 2013). This paper contributes to a deeper understanding of how stakeholders resist and legitimise pressures to collaborate through exposing the underlying determinants of strategic responses to institutional pressures. Covert strategic responses (Oliver, 1991) entrench overt operational barriers through the use of institutional logics, protectionism and symbolic tick boxing, underpinned by a need to display external legitimacy and to protect autonomous decision-making abilities at local levels. The focus on stakeholder resistance contributes to a call in institutional research to fill the gaps in understanding the role of people and how they make sense of their decision-making relative to their contexts (Hallett and Ventresca, 2006).

### **UK public procurement**

The UK public procurement landscape is fragmented. There are approximately 50 professional procurement organisations as well as individual public bodies operating framework agreements for goods and services (National Audit Office, 2010). Framework agreements are subject to EU procurement rules and they set out terms and conditions under which specific purchases (call-offs) can be made throughout the term of the agreement (OGC, 2008). In the UK emergency services, individual authorities are responsible for their own procurement and some framework agreements are used at sector, regional or national levels with call-off ordering from these contracts locally retained. Collaborative procurement between authorities can lower prices, reduce transaction costs, exchange knowledge, improve quality and procurement processes (Schotanus, Bakker, Walker and Essig, 2011) and reduce the duplicated hierarchies of procurement functions (Dunleavy et al., 2006).

Maintaining integrity in decision-making is a fundamental pillar of public procurement (Schooner, 2002), and in some jurisdictions is viewed as the primary goal of competitive bidding (Dekel, 2008). The achievement of value for money is at the heart of UK public procurement policy (House of Commons, 2014). Value for money is defined as “securing the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought” (HM Treasury, 2013a, A4.6). Despite the clear mandate to deliver value for money in its widest sense, the need for public bodies to meet propriety and transparency requirements through compliance with the European Union Public Procurement Directives can take precedence over more commercial goals (Erridge, 2007). Value for money requires balancing costs with quality. In the case of the emergency services, value for money ensures cost considerations do not compromise operational responsiveness and resilience.

### **Institutional theory and legitimacy**

Institutional theory acknowledges that organisations’ structures are influenced by social values that are typically taken-for granted, widely accepted and resistant to change (Meyer and Rowan, 1977). One aspect of institutional theory suggests that organisations conform to external environmental pressures to demonstrate their legitimacy to key stakeholder groups (Ashworth et al., 2009). Conforming to shared norms enhances the perceived legitimacy of organisations, protects them from external pressure and scrutiny, and enhances their potential for survival (Meyer and Rowan, 1977; Suchman, 1995). Legitimate activities resonate with the shared understanding among stakeholder groups of acceptable standards of performance, and in regulated environments legitimacy can take a more dominant role than enhancing economic performance (Zucker, 1987; Deephouse, 1996). The socially constructed patterns of practice, and the assumptions, beliefs and values that underpin the meaning of legitimate

practices are referred to as institutional logics (Thornton and Ocasio, 1999). Institutional logics are important as they provide mechanisms to drive change, and crucially, also enable changes to be resisted through sustaining the legitimacy of current practice and shared values.

To acquire or maintain legitimacy, organisations respond isomorphically to their institutional environments (Meyer and Rowan, 1977; DiMaggio and Powell, 1983). Isomorphism refers to the degree of homogeneity between organisations caused by the internalisation of external influences (Frumkin and Galaskiewicz, 2004; Ashworth et al., 2009). Isomorphic responses are classified as: coercive, referring to convergence of responses driven by compliance or legislation; normative, seen through adherence to professional standards; or mimetic, where an organisation copies the structures and/or practices of others that are seemingly successful (DiMaggio and Powell, 1983). An important consideration in institutional research is to recognise that organisations, and decision-makers within organisations, are active rather than passive in their responses (DiMaggio and Powell, 1983), and through institutional logics actors can create and legitimise change or resistance to change (Suddaby and Greenwood, 2005). Strategic responses have been classified on a varying passive-active scale of resistance from acquiescence, compromise, avoiding, defying, through to manipulation (Oliver, 1991).

### **Collaborative public procurement**

Public procurement's role is to ensure regulatory compliance, prudent use of the public purse and third-party delivery of contracted goods and services (Russell and Meehan, 2014). The centralisation of public procurement is a growing worldwide trend to achieve efficiencies (Albano and Sparro, 2010; Walker et al., 2013) and requires a level of collaboration between authorities. Collaborative procurement refers to two or more buying organisations working together, pooling knowledge and purchasing power, to increase buyer-side leverage in the market and/or to deliver other economies. Economies of scale provide commercial benefit through increased volumes coupled with product rationalisation and standardisation (Joyce, 2006). Economies of process reduce duplications in tendering and provide supplier management efficiencies (Trautmann, Bals and Hartmann, 2009). Knowledge sharing between collaborators provides economies of information through the development of purchasing expertise (McCue and Pitzer, 2000).

Institutional theory suggests that coercive governmental pressure would push public authorities to adopt collaborative procurement. Unfortunately, collaboration is notoriously conflict-ridden and challenging to manage (Amirkhanyan, 2009). Barriers to collaborative public procurement include lack of standardised product coding, lack of strategic buying, resistance from suppliers, reliance on suppliers' data and a lack of market consideration (Walker et al., 2013). Despite the political rhetoric there is currently no mandatory commitment for procurement collaboration in the UK public sector as the complexities of compulsion together with the potential to compromise the delivery of locally-appropriate and locally-accountable solutions are recognised (CLGC, 2014). The relative force of the real need to deliver commercial efficiencies against the desire to retain local control of procurement decisions creates institutional pressures on how authorities respond to collaborative procurement.

In the UK, public sector organisations share similar goals, regulatory environments, structures and procurement needs, arguably increasing their potential for collaborative procurement (Schotanus et al., 2011; Walker et al., 2013). In the emergency services, front-line co-operation between authorities is essential particularly for cross-border incidents and despite

operational challenges, organisations can work together effectively at the local level without higher-order legal harmonisation (Princen, Geuijen, Candel, Folgerts and Hooijer, 2014). Professional codes of cross-border cooperation capture the behavioural expectations (Ashworth et al., 2009) and create normative forces to collaborate (Princen et al., 2014).

Despite the apparent suitability of collaborative procurement and normative pressure for its use, the austere economic climate can change the desire for collaboration if organisational or personal positions are threatened. Individual organisations are unlikely to seek collaborative solutions if a consequence might involve the loss of their own resource (Flynn, 2007), creating dilemmas between optimising outcomes for individuals, departments, organisations and taxpayers. Resistance to collaboration can arise across institutions and at the institution-individual interface leading to legitimising behaviours that portray goal congruence yet conceal incompatible goals (Oliver, 1991; Vangen and Huxham, 2011). Organisations with unique attributes are better positioned to resist isomorphic pressures (Hefetz and Warner, 2007). Unique attributes usually centre on innovation, although the emotive nature of emergency service organisations may provide resistant qualities. The legitimacy of public sector collaboration reflected in the literature rests on its commitment to public justification (Johnston, Hicks, Nan and Auer, 2011), yet there is little known to date of the legitimacy of *not* collaborating and how such resistance is normalised within an organisation.

### **Empirical context**

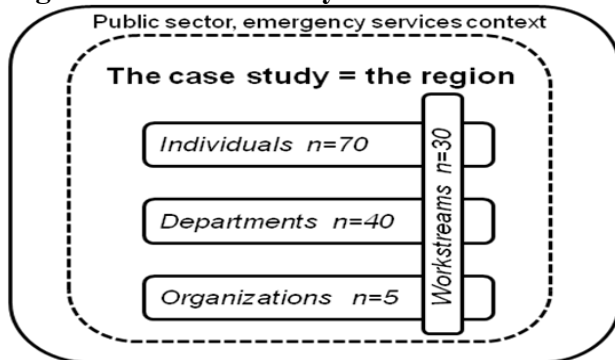
This research is set in the emergency services sector and covers five neighbouring authorities (anonymised) in the UK. Each authority has a separate procurement team and different organisational structures, with one authority outsourcing procurement and another outsourcing their accounts payable function. Regional and national collaborative structures exist and a regional management board was tasked with delivering an integrated service and collaborative procurement. A National Procurement Board (NPB) provides a forum to promote collaborative benefits nationally and at regional/sub-regional levels. Collaborative procurement was a key strand of the UK government's 2008-9 Operational Efficiency Programme (OEP) (HM Treasury, 2009). The second National Procurement Strategy (2009-12) specifically focused on collaboration. The OEP recommended that 80% of common central government spend and 50% of all available wider public sector spend should be channelled through collaborative frameworks. Authorities were strongly encouraged, but not mandated, to coordinate requirements through the NPB. Other collaborative mechanisms existed through a regional working group consisting of the heads of procurement and numerous technical collaborative groups at a regional level. Despite high-level support for collaborative procurement in all five organisations the uptake was low.

### **Methods**

An action research based case study of the geographical region was the focus of the analyses. Through a two-year ESRC/TSB funded Knowledge Transfer Partnership, the research team was commissioned by the regional management board to complete the project and were granted unique access across all five authorities ensuring the results are truly anchored in practice (Yin, 1994). One researcher was seconded to work with the five authorities for the project's duration. Researchers were given open access to individuals and internal information providing contextually-rich data (Barratt, Choi and Li, 2011). The access gave opportunities to attend operational meetings, observe, map and explore decision-making processes, engage with key decision-makers and influencers and interrogate supporting documentary evidence of spend data, strategy documents and internal communications. The multi-stakeholder approach addresses the risk of homogeneity of responses noted in previous

studies that only gathered data from procurement staff (Walker et al., 2013). As illustrated in Figure 1, the unit of analysis is the region with multiple embedded units of assessment (Barratt et al., 2011). The strategies and structures for regional collaborative procurement are consistent across the five organisations but they have diverse operational considerations as some service metropolitan areas while others are predominantly rural.

**Figure 1: Units of analysis**



Six representative spend workstreams were selected as the empirical focus based on the significance of aggregated spend, potential for collaboration and potential impact. The workstreams selected were two revenue categories (operational equipment and maintenance spares) two capital categories (vehicles and ICT) and two service categories (consultancy and training). Collectively these six areas had a combined annual spend of circa £30M. Internal stakeholders (N=70) participated in interactive discursive process mapping workshops (one for every workstream in every authority; 30 in total) to capture embedded knowledge (Tuggle and Goldfinger, 2004), assess levels of collaboration and highlight constraints and barriers. Process maps can identify problem areas as issues are visible and transparent (Klotz, Horman, Bi and Bechtel, 2008) and are suited to projects requiring cross-functional collaborations, tangible cost reduction (Wang, Zhao and Zhang, 2009) and change (Fenton, 2007). Stakeholders were classified generically as; Users (departmental heads, technical staff, requisitioners, budget holders, end users); Procurement (procurement officers, buyers, procurement managers, procurement directors); and Executives (finance executives, accounts payable managers, finance heads).

Process mapping workshops lasted two-three hours and typically comprised of a procurement manager, requisitioner, technical manager, budget holder, buying assistant, stores supervisor (if a stocked item), finance officer and systems manager. Process maps were constructed using colour-coded cards to signify activities, outputs and decision points. Participants wrote key activities on the cards and placed them on a large template, pre-printed with generic functional areas (horizontally zoned) and generic stages in the purchasing cycle (vertically zoned). Participants used their own wording to describe the stages of the activity (Powney, 1988). Participants 'walked through' completed maps as a group and on separate cards identified and discussed the barriers to collaborative procurement. This holistic view of the procurement process facilitated interactions between individuals and allowed them to build on each others' responses (Stewart and Shamdasani, 1990). The research team took extensive notes throughout the workshops and photographs of the maps were taken for reference. Workshop data were supplemented with 1:1 open interviews with key decision-makers (procurement heads, budget holders) who held specific regional roles related to collaboration and with influencers who did not necessarily interact directly with operational actions (executives, departmental managers, standards and policy technicians). Interviews explored

the barriers raised in the workshops capturing the strategic and political dimensions influencing collaborative procurement in addition to the rational and technical elements often prioritised in management literature (Hefetz and Warner, 2012). Interviews lasted between one-two hours.

The process maps were input into Microsoft Visio process mapping software. Copies were circulated with the discussion notes to the participants for their sign off to ensure accuracy. Interview data, process maps and accompanying notes were systematically compared and analysed to inductively identify the relationships between activities, people, data and policies (Biazzo, 2002). Extensive internal sources provided documentary evidence for triangulation, including observational data from 21 regional workstream and/or functional collaborative meetings, organisational documents, policy statements, internal communications, spend and contract databases, minutes and regional strategy review documents. The barriers to collaborative procurement identified were logged onto a stakeholder map, grouped by generic role. Cyclical grounded analysis of the data was reviewed against institutional theories to locate the underpinning values, beliefs and behaviours related to the espoused barriers. The analysis identified operational-level barriers between stakeholder groups (see figure 2) and the isomorphic pressures and strategic resistant responses used (figure 3).

## Results and discussion

**Figure 2: Stakeholders' perceived barriers to regional collaborative procurement**

<b>Barriers</b>	<b>Procurement</b>	<b>Executives</b>	<b>Users</b>
Lack of supplier strategy	x		
Aggregated spend increases work	x		
Need for bespoke contract terms	x		
Lack of data	x		
Too many suppliers	x		
Too many frameworks	x		
Unsuitable frameworks	x		
Better deals for bespoke contracts	x		
Contract standing orders	x	x	
Approval sign-off procedure	x	x	
Different systems	x	x	
Protectionism	x	x	x
National sector specific frameworks	x	x	x
Local suppliers for fast response	x		x
Lack of supplier management	x		x
Different life cycles for products			x
Lack of standardised equipment			x
Stock condition surveys not aligned			x
High level plans not aligned		x	x
Supporting 'local' business		x	
Local members' objections		x	

### *Stakeholder perceptions*

Figure 2 illustrates the collaborative procurement barriers identified by participants. Procurement's concerns relate to the supply market and stem from their lack of strategic control over frameworks and management of the routes-to-market. Users echo concerns of local supplier management with other barriers relating predominantly to internal inconsistencies. Executives recognise the problems of misaligned strategic plans and have

concerns over the threats to local relationships and community commitments. The two barriers identified by all stakeholder groups are; inappropriate national sector specific frameworks and protectionism by individuals and departments. Procurement are pro-collaboration as they are judged on savings delivered, and collaboration is seen as a way to achieve these (Nollet and Beaulieu, 2003). Procurement's push for collaboration creates some normative pressure on other stakeholders yet their lack of status compared to technical stakeholders minimises this pressure. Normative pressure in the technical professions encourages collaboration generally, but concerns arise for collaborative procurement specifically, as other departments feel that it reduces local control.

The range of constraints identified represent four emerging themes of; national, regional, organisational and individual level barriers. The four themes conceptually illustrate individuals', groups' and organisational conflicts between protecting professional roles and demonstrating compliance to political pressures. The tensions create conflicts between functions and organisations and can prevent best value for taxpayers. Decision-makers legitimise their resistance to numerous isomorphic forces that further heightens the operational barriers.

### ***Theme 1: National-level operational barriers - inappropriate national solutions***

All stakeholders felt existing national frameworks, particularly sector specific ones, frequently fail to provide optimal solutions and “...for larger requirements, the proposed efficiencies don't materialise”. This drives a perception that collaborative procurement is not beneficial. Users expressed concern that large-scale frameworks limited innovation resulting in supplier complacency, supporting the view that rewarding suppliers for volume not excellence can stagnate market innovation (Caldwell, Walker, Harland, Knight, Zheng and Wakeley, 2005; Walker et al., 2013). Concerns were raised that highly leveraged frameworks have irreversibly damaged markets and some SMEs no longer traded as a direct consequence. While frameworks are not mandatory, and despite the problems aired, all authorities used these for major sector-specific requirements owing to significant political pressures.

Executives believed national and even regional procurement conflicts with sustainable public procurement as the opportunity to use local SME suppliers in their immediate communities was hindered, thus supporting extant research in local government contexts (Walker et al., 2013). Users had concerns that the removal of local suppliers would damage relationships and affect service delivery, particularly for areas requiring regular on-site interaction. A cautious approach, evidenced through a lack of collaboration to stay under spend thresholds enables authorities to retain control and supports research on tensions between socioeconomic opportunities and cost savings (Knight, Harland, Telgen, Callender, Thai and McKen, 2007).

### ***Theme 2: Regional-level operational barriers – the lack of intra-regional alignment***

The outsourcing of most, or part, of procurement operations by some authorities has led to varying levels of control and difficulties in making regional decisions. Different structures create conflicts over whom to collaborate with, particularly for non-emergency-service products, with the choice of routes-to-market and potential collaborative partners described by one buyer as “overwhelming”. The numerous frameworks available can dilute volume-based benefits so they lose their natural efficiencies. The culture within individual authorities is insular; thus, while collaborative procurement is acknowledged by most as “potentially beneficial”, as it is not mandatory the coordination of spend is not high on the agenda. Pressures to conform can be ignored more easily when regulatory pressure is weak (Quirke, 2013). Collaboration was viewed to add extra time and the perception was that “there's no

*way it would be delivered on time*”, adding to the reticence to align. For technical products, procurement’s pre-tender design phase is extensive (12months+) to consider specifications, locations and operational risk control. Adherence to performance standards is “*crucial*” in the design of these solutions and users deemed collaboration to be “*operationally too risky for complex products*”.

For capital workstreams procurement derives from an integrated risk management plan, typically covering a 6-10 year period. Operational requirements are embedded within each authority’s integrated risk management plans limiting collaborative flexibility. Integration relates to internal consistency of operational planning rather than being indicative of regional collaboration. Authorities have differing timeframes and review points in these budgetary cycles limiting alignment. Although the review points are known across the region and users could align these, there is no compelling reason or pressure to do so. Procurement provides normative pressure to collaborate but they are generally excluded from operational planning decisions and meetings limiting the reach of their pressure. Plans are continuously reviewed but users are reluctant to align these - “*It would mean more complications, more delays, extra committees and meetings, and we’d end up with a compromised solution for everyone*”.

The region has demonstrated that these barriers are not insurmountable and there were pockets of successful collaborative procurement. Numerous stakeholders referred to a regional personal protective equipment contract as “*best practice collaborative procurement*”. A regional solution was deemed “*better value for money*” than either individual or national agreements and was subsequently adopted. Operational plans were aligned and different authorities came on-line at various stages. Interestingly, the driver for this regional collaboration was in response to pressure to align to a national framework.

### ***Theme 3: Organisational-level operational barriers - perceived need for bespoke solutions***

Operational autonomy has led to a lack of standardised equipment. Product specifications are dependent on usage patterns of urban/ rural locations making regional standardisation a low priority over safety and operational effectiveness. However, a lack of standardisation persists even in less emotive workstreams where operational risks are negligible. As an example, across the five authorities, 20 fast-moving generic common stores items were analysed; the data identified 56 ‘main’ suppliers and 94 different prices despite all suppliers being available to all authorities, demonstrating a lack of collaborative knowledge sharing. Information is shared across technical collaborative forums but procurement is not involved in all technical forums (and vice-versa) limiting opportunities for collaborative procurement options in the exploration phases. While consensus on complex issues is not necessarily achievable or desirable, the lack of cross-functional representation in working groups marginalises the commercial challenge in procurement processes.

### ***Theme 4: Individual-level operational barriers - resource pressures***

The fragmented options via national, regional and sector level tendering portals result in numerous potential routes-to-market. Where the ‘best’ deal sits is largely untested and resource is not focused on comparative analysis of these, making the decisions malleable to changing political pressures and partner allegiances. The increased time commitments needed to run Official Journal of the European Union (OJEU) tenders were deemed to cause operational issues in fast-paced supply environments where the products may be changing faster than the procurement cycle. Budgetary constraints have stretched resources making it increasingly difficult to invest time in these assessments. As pointed out by procurement, “*frameworks are a quick route to market - we use them when the timescales are tight*”.

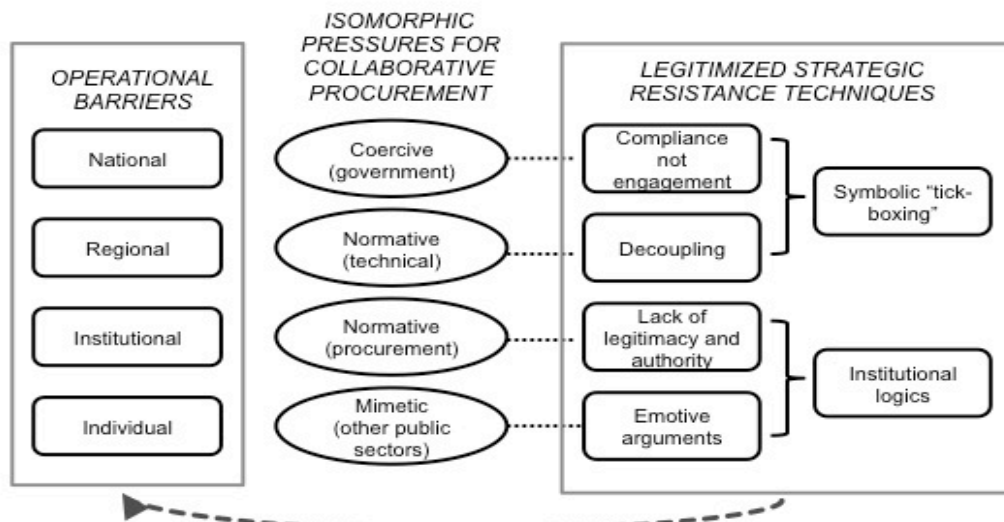


There is a strong view that scale alone does not always provide the best outcomes and that heavily leveraged contracts damage supply chain innovation, particularly for workstreams with safety implications. Users spoke of their “*moral obligation*” and “*guardian role*” to get the best technical products often with minimal commercial attention. It was considered “*inappropriate*” and “*dangerous*” to pass this accountability to other authorities that lack local context-specific knowledge. This strong professional core is valued internally within authorities but is an area for tension and competition between authorities. The locally grounded expertise provides unique attributes enabling isomorphic pressure for regional standardisation to be resisted (Hefetz and Warner, 2007).

**Legitimised strategic resistance**

The project enabled the strategic defensive routines employed and the processes of how these gain legitimacy to be exposed. Interestingly, strategic resistance is in direct response to the isomorphic pressures encountered, rather than a response to operational barriers, yet as operational barriers are rationally orientated, it is to these barriers the participants refer. The legitimised resistance heightens the operational barriers, or at least ensures they persist. Figure 3 illustrates the operational barriers, isomorphic pressures and strategic responses.

**Figure 3: Barriers, Pressures and Resistance in Collaborative Procurement**



**Institutional logics**

Institutional logics focus decision-makers attention on issues and solutions consistent with their views (Ocasio, 1997; Thornton and Ocasio, 1999). For collaborative procurement these derive from the interplay of two elements, 1) procurement’s lack of status and 2) the emotive nature of the emergency services. Lack of authority is evidenced when procurement decisions fall to operational or financial roles (Schiele and McCue, 2006). The process maps highlight that of all decisions taken in the procurement process, 60% were by users, 19% by executives and only 21% by procurement. For complex workstreams procurement’s role is limited further to solely checking process compliance. The lack of status emanates from their hierarchical position. Structurally, procurement reports to a Finance Director/Executive, which is perceived internally as a lack of status, influence and authority.

Key activities including sourcing and interfacing with suppliers are dispersed to functional areas, particularly in technical workstreams. Only exceptionally did supplier management

become the responsibility of procurement. The majority of stakeholders, including procurement themselves, predominantly see procurement's value in "*ensuring process compliance*", supporting previous research on legitimacy in decision-making (Erridge, 2007). One user referred to procurement as the "*process police*". The largely administrative role of procurement provides insight into how pressures for collaborative procurement are strategically resisted. At an organisational level, procurement builds normative pressures to collaborate, yet their hierarchical position leads to a low degree of internal social legitimacy that increases other functions' ability to resist these changes (Townley, 1997), who are deemed more powerful and legitimate (Dhalla and Oliver, 2013).

The emotive nature of the emergency services is the second element driving the institutional logics of the unsuitability of collaborative procurement in the emergency services. The dominant institutional logic from technical staff is that collaborative procurement requires standardised products that could dilute their professional, legitimised expertise and potentially compromise safety. These logics provide a professional justification for bespoke solutions that non-technical staff including procurement and elected members find difficult to challenge. Technical personnel with backgrounds in front-line operations dominate user and executive groups that provide credibility and legitimacy to these institutional logics. Views are encoded in the deep-rooted mission and culture of the emergency services enabling defensive routines to resist change (Ocasio, 1997; Thornton, 2002). Over time local norms emerge relating to product specifications that limit options deemed acceptable (Ashworth et al., 2009).

Procurement teams have relevant business qualifications, but no backgrounds in frontline operations. As one buyer stated, "*I have all the CIPS qualifications and procurement experience but that's not enough if you're not [frontline] operational your voice isn't heard*". Through creating and embedding a legitimate differentiation from other public sector contexts, stakeholders effectively resist mimetic isomorphic pressures to collaborate. Whilst these institutional logics and issues are understandable, and indeed desirable in workstreams directly responsible for frontline operational performance, these repertoires were frequently used in non-technical, non-frontline operations as a reason for non-collaboration, demonstrating their depth of acceptance across the organisations.

### ***Protectionism and symbolic tick boxing***

Protectionism and symbolic tick boxing represent strategic responses to resist coercive government pressures for collaborative procurement and normative forces of professional communities. Both responses demonstrate the tensions between resistance and conformity. Protectionism is displayed at multiple, embedded levels - organisational, departmental and individual, and relates to a perceived threat that collaboration could make individual roles redundant through economies of process (Trautmann et al., 2009). When faced with job redundancy threats, people heighten operational barriers and downplay potential benefits. In regional collaborative meetings people openly aired their concerns about their future job security, although this was often shrouded behind the emotive veil of compromising front-line operational resilience if jobs were centralised.

There was evidence that the lack of regional alignment is artificially retained in some instances, supporting the view that individual organisations are unlikely to seek collaborative solutions if this reduces their own resource (Flynn, 2007). One user stated, "*I'm happy to be involved as long as we lead and others align to us*". People often raised concerns of "*where would collaboration end?*" creating a climate of suspicion that regional collaboration could

lead to, as one user stated “*super-regions with no geographic identity*” and further loss of control and impact on individuals’ job security. When individuals sub-optimize overall performance because of these conflicts of interest at a personal versus organisational level, they legitimatise their decisions through increasing the saliency of operational barriers coupled with strategic responses that create additional barriers or sustain existing ones.

There was no outright defiance (Oliver, 1991), rather low-levels yet persistent avoidance and resistance that infused suspicion towards collaborative procurement. Despite the concerns voiced over inappropriate national solutions these issues are not formally raised with the contracting bodies, which was viewed as “*a futile exercise*”, and the frameworks are still used, albeit reluctantly in many instances. There was a higher usage of collaborative contracts in sector-specific workstreams that were visible politically. Symbolic tick boxing conveys legitimacy through complying with isomorphic pressures for collaborative procurement while simultaneously retaining local decision-making for other less visible spend.

Institutional theory suggests that the inherent legitimacy of national frameworks ensures that their use is not questioned and it is in the best political interest of the organisation (and the individual) to demonstrate compliance. Indeed, when describing the benefit of collaborative frameworks, participants predominantly used the word “*compliant*” rather than identifying commercial or technical benefits. The desire for organisational effectiveness and legitimacy is a less confrontational resistance where reform is promised but delayed (Townley, 1997). In workstreams with a degree of external control and monitoring the response is more likely to be strategic (Scott, 2005). Procurement felt similar coercive pressures to use existing frameworks, as they are compliant processes, even though they felt they were commercially inferior. Procurement decision-making centres largely on ensuring procedural adherence that often obscures other commercial decisions and challenge. Consequently, while both users and procurement feel that existing collaborative frameworks are not meeting their needs, the legitimacy they provide through regulatory compliance drives their use but creates a vicious cycle through further damaging perceptions of the benefits of collaborative procurement.

**Table 1: Contract Classifications**

Type of Contract	Number	% of Total
Individual Authority Agreement	128	80%
Regional Framework	13	8.1%
National/Government Framework	10	6.3%
Other Partner Framework	9	5.6%

Symbolic tick-boxing is evidenced through regional structures that shield internal practice from scrutiny through decoupling (Hefetz and Warner, 2012). Regional and national infrastructure facilitates collaborative procurement through technical and functional forums to share knowledge and forums are well attended. Most participants identified these groups as evidence of their support of collaboration. Despite espoused support, there is little tangible evidence of collaborative procurement attributed to the groups suggesting only lip service or resistant responses to normative pressure (Scott, 2005). The number of regional collaborative contracts registered highlights low levels of activity (see Table 1).

The use of collaborative structures, separate to the decision-making processes, demonstrates this decoupling (Duimering and Safayeni, 1998). While there is infrastructure and some use of collaborative frameworks there is a lack of engagement and support for these

arrangements. All stakeholders frequently made distinctions between a “*tick box*” approach to collaborative procurement and “*effective*” collaborative procurement. The broad conceptualisation of collaborative procurement provides opportunities for organisations to maintain the pretence of conformity through loosely maintaining collaborative structures to provide sufficient ambiguity to evidence compliance.

## **Conclusions**

The data suggests that the barriers to collaborative procurement are many, complex and deeply engrained. This study contributes to public procurement research by exploring where, and why, tensions and conflicts occur in collaborative public procurement strategies, both within internal supply chains, and between organisations. The results show how managers reconcile these conflicts and legitimise resistance through symbolic responses to coercive and normative pressures. Institutional theory enhances the paper’s explanatory power, principally by way of framing our explanation of inter- and intra-organisational resistance to public sector austerity measures. The results contribute a central issue in institutional theory through identifying the social processes embedded in rational decision-making processes. By focusing on different internal stakeholder perceptions and their motivations, we shed light on how organisations legitimise their actions through institutional logics. From an applied perspective, for operational managers and public policy-makers the results highlight the impact of legitimised resistance to operational outcomes, adding insight into the challenges of delivering collaborative procurement for reducing the UK’s financial deficit.

Operational barriers to collaborative procurement persist at national, regional, organisational and individual levels. Although these are not insurmountable, multiple stakeholders are able to create strategic responses to isomorphic pressure through institutional logics, protectionism and symbolic tick boxing. This research highlights that failure to provide sufficient evidence while applying pressure at a political level leads to tick box approaches to collaborative procurement risking long-term damage and sub-optimised performance. Given the tensions between regulatory, commercial and socio-economic goals (Erridge and McLroy, 2002) the evidence for the benefits of collaborative procurement needs to be beyond dispute.

Legitimacy in decision-making within public procurement reflects the political and strategic pressures to demonstrate rationality. In line with institutional theory, if particular courses of action enhance perceptions of legitimacy, norms of behaviour emerge that limit choices available (Ashworth et al., 2009), even in the face of considerable pressure to reduce costs. A challenge for policy makers and individual authorities is the lack of consistent procurement data (Cox, Chicksand and Ireland, 2005; Walker et al., 2013). The evidence base and spend data used in public procurement demands urgent attention both from policy makers and academics.

Institutional theory is usually applied to organisations operating in competitive markets, where isomorphic forces have an inherent motivation; replication of ‘successful’ practices minimises risk and contributes to organisational survival, stability or growth. Whilst this might lead to a homogenised ‘iron cage’ (DiMaggio and Powell, 1983), this is at a field level rather than targeted at individual decision-makers so the consequences are diffused and take time to impact. In public sector contexts there is little motivation to comply with isomorphic pressures and indeed many disincentives. The consequence of collaboration is not risk minimisation but a contraction of resource required therefore the threat of redundancy increases. While operational barriers are used overtly as a ‘rational’ defence, covert strategic responses of institutional logics, protectionism and symbolic tick boxing protect individual

positions, legitimise decisions made, and further entrench operational barriers. The iron cage of homogeneity (DiMaggio and Powell, 1983) still emerges but around individual organisations and at a micro level around departments. Thus, this research highlights the criticality of understanding underpinning motivation in behaviour in institutional theory and the links between operational and strategic processes.

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