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Conference Paper

Co-production on the Edge of Project and Process Management - The Sijtwende development project

45th Congress of the European Regional Science Association: "Land Use and Water Management in a Sustainable Network Society", 23-27 August 2005, Amsterdam, The Netherlands

Provided in Cooperation with:

European Regional Science Association (ERSA)

Suggested Citation: Edelenbos, Jurian; Teisman, Geert (2005) : Co-production on the Edge of Project and Process Management - The Sijtwende development project, 45th Congress of the European Regional Science Association: "Land Use and Water Management in a Sustainable Network Society", 23-27 August 2005, Amsterdam, The Netherlands, European Regional Science Association (ERSA), Louvain-la-Neuve

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Co-production on the edge of process and project management

The Sijtwende development project

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Paper for the 45th Congress of the European Regional Science Association, “Land Use and Water Management in a Sustainable Network Society”, 23-27 August 2005. Vrije Universiteit Amsterdam, The Netherlands.

Abstract

The goal of this paper is to describe and analyze co-production in public private partnerships in spatial planning. We will describe one specific case study, the location development project Sijtwende on the edge of two municipalities (The Hague and Voorburg), on the edge of public and private investments and on the edge of urban development and extension of the mobility system. We will elaborate the bottlenecks in the cooperation between several actors involved. Furthermore we will look for important breakthroughs in the process of collaborative development of the area. How was it possible that after a public lock in situation that took more than twenty years a private party was able to force a breakthrough? Finally we will deal with the question what this case learns us for the management of these complex processes of co-production. We will combine theoretical thoughts and empirical insights from our in-depth case study in order to find balances in using project management and process management strategies for managing complex spatial planning processes.

Key-words: public-private partnership, process management, project management, complex decision-making, planning

1. Introduction

Our emerging network society is facing an increasingly important need to manage inter-organizational relationships. This transition is known as the shift from “government” to “governance”. A government is an organization with formal goals and tasks, and clear lines of responsibility and accountability. As such, it is necessarily hierarchical. Governments as organizations have well-institutionalized structures. Governance, in contrast, refers much more to a process of working and to joint efforts between different organizations. Because of the complex relationships between these organizations, governance is a less formal approach to steering the public domain. Classical governmental authority has made way for a more dynamic interaction based on interdependence (Castells, 2000).

Highly developed societies have witnessed an increase in the number of actors in planning processes - involving a whole range of interests and perceptions on the nature of the problem and the preferred solution. These societies are also seeing the emergence of a complex and loosely-coupled set of subsystems that form the framework for urban and regional development. Systems consisting of sets of loosely coupled subsystems produce highly complex and unpredictable outcomes (Scharpf, 1997).

Complexity in network societies is only partly a matter of the cognitive uncertainty that comes from the lack of information about a problem or solutions to it. Complexity cannot be overcome simply by gathering more information; it is also caused by the inherent ambiguity of the problems and the strategic and institutional complexity of the interactions involved in the decision-making process itself (Koppenjan/Klijn, 2004).

Problems can be ambiguous, in this sense, when different actors have different views on the nature of the problems and the desirability of particular solutions, or the role that different actors play. Even if it were possible to gather all the information available, we would not know everything because different actors would interpret that information differently (Weick, 1995; Noordegraaf, 2000). The result of this ambiguity is a lack of agreement on how to define complex problems or evaluate possible solutions. The actors need to cooperate if there is to be enough problem-solving capacity to solve seemingly intractable problems (Teisman, 2001).

Public-private partnerships (PPPs) exemplify co-production in complex networks that seem well adapted to the characteristics of a network society (Osborne, 2000). PPPs can be described as durable forms of cooperation between public and private actors that enable those actors to develop products or services jointly and to share risks, costs, and benefits (Klijn & Teisman, 2003). PPP is based on the idea that added value can be gained by synergy – a combined effort leading to products that would not be achievable for each party acting alone.

The aim of this paper is to describe and analyse co-production in public-private partnerships in the field of spatial planning. We will describe one specific case study, namely the Sijtwende development project. This development project lies at three interfaces, namely those between: 1) the municipalities of the Hague and Voorburg; 2) urban development and the development of the mobility system; and 3) public and private investment. We will discuss the problems that hinder collaboration between the different actors involved and important breakthroughs in the process of collaborative development. In this context, we will examine how a private party managed to force a breakthrough in a public lock-in situation that lasted over twenty years. Finally, we will try to determine what lessons this case holds for the management of these complex co-production processes.

Several research methods were used in this project. For one thing, extensive discussions were carried out with the key figures involved in the Sijtwende project. The same people were interviewed several times over a period of three years. This made it possible to learn about experiences in the collaboration behind the project. Secondly, frequent use was made of written sources, such as covenants, contracts, minutes and policy documents. By using different research methods (triangulation) the researchers were able to obtain a good picture of the public-private co-operation process.

Section 2 will outline a conceptual model for the goal described above. This will cover the concepts of complex decision-making, public-private partnership and managing urban development processes. Section 3 will discuss in detail the Sijtwende case. This was one of the first examples of multiple land use in the Netherlands, initiated by private companies and adopted by the government. We will analyse the case in Section 4, and draw conclusions in Section 5.

2. Theoretical concepts of managing public-private partnerships

Historical background of public-private partnerships

There are different explanations for the emergence of public-private partnerships (PPPs). These range in their focus from financial/economic reasons to bureaucratic/strategic factors (Osborne, 2000). Budget deficits have played an important role in the emergence of PPPs, but do not explain the need for their use (Kouwenhoven, 1991, p.79). One important explanation has arisen from the need to streamline the interdependence between the government and the private sector. An important element in complex decision-making is interdependence between actors. Actors may not have all the resources they need to make decisions, and depend, therefore, on other actors who do have those resources, which can include money, knowledge, permissions or licences. (Teisman, 2001; Koppenjan/Klijn, 2004).

In several European countries, especially the United Kingdom, budgetary constraints have been important motives for looking for new ways to bear the costs of spatial and infrastructural investments (Osborne, 2000). During the 1980s, the involvement of the private sector in public services in Britain was encouraged through top-down initiatives. These government initiatives can be classified as follows: efficiency measures aimed at increasing the involvement of private financing and services; the introduction of market forces (agencies, for example); and the drafting of contracts with the private sector. PPP falls into the first category, as does the “Private Finance Initiative” (PFI) announced in 1992. The aim of this initiative was to use private capital to finance important infrastructure projects. In the Netherlands, PPPs are generally not top-down initiatives; rather, they tend to be products of local government decisions. Political and financial-economic factors have played a larger role in Great Britain than in the Netherlands.

Managing the blurred borders created by partnerships

As soon as PPP arrangements are re-created, the border between the public and private domains becomes blurred. This inevitably creates tension between the hard core of the public domain (public interests and support from citizens) and the hard core of the private domain (self-interest and the profit motive).

Protecting public interests remains an important task of government. It must ensure that the parties involved in the public domain do not focus exclusively on their own

interests, but rather, strive to serve a public interest. In co-production, however, governments can no longer base their behaviour on a one-sided, top-down approach (Teisman, 1995; 2001). In co-production, an organization cannot be a partner and, at the same time, a judge who sets the rules for the partnership. These roles must be separated and combined to ensure that the government does not end up being the judge and jury in its own court.

Complexity as a fact of life in governance

In an ideal situation, the added value of a PPP is that it safeguards the public interest while at the same time giving the partners the chance to invest in preferred solutions in a way that is more efficient and more effective than would be possible outside a partnership. The traditional steering activities of government, focused on a politically-defined public interest, now become part of a much more complex network of steering activities. In networks, government policies become part of an expanded political process that combines aspects of representative and participatory democracy in a way that is new and still poorly understood (Edelenbos, 2005).

This combination can be seen as an engagement of conflicts of interests that emerge when none of the parties is in charge. The combination has the structure of a network in which parties are interdependent. Co-production and cooperation are the only effective way to deal with interdependency (Teisman, 1995, 43). This, however, leads to a more complex management situation. The participants are rooted in several “home-networks.” Each network has its own basic values and defining beliefs and all of these influence the way actors behave in co-production. The tensions that arise between conflicting values and beliefs are major obstacles within partnerships.

Inventory of definitions

An inventory of the different definitions for PPP would reveal what a rich body of insight has been built up over the years. The *Kenniscentrum PPP* (PPP Knowledge Centre) (1999) describes PPP as a joint venture in which the government and businesses implement a project collectively in a process based on a clear division of tasks and risks, while retaining their own identities and responsibilities. This is a relatively broad definition of PPP. Savas (2000, 105) defines PPP as “ *a joint public-private arrangement that harnesses - more fully than conventional government arrangements do - the different strengths of the two sectors to provide public services*

and satisfy people's needs". This description of PPP rests on the idea that the role of government is to "steer" and not to "row". In Savas's opinion, companies are better equipped to take such an approach thanks to their competitive nature and practical experience. By combining the strengths of both sectors, added value can be created for the benefit of society. Van Ham and Koppenjan (2002, 25) emphasize the structured nature of PPP as an alliance. In their view, a partnership can only be said to exist if the collaboration takes on the form of an alliance model (this will be discussed in more detail later). They define PPP as a form of structured cooperation in establishing and running public services (Van Ham and Koppenjan (2000, 22). One important aspect of their approach is the attention they devote to two issues: 1) the differences between public and private values and aims; and 2) the options for abandoning the contractual separation between customer and contractor. Osborne (2000, 14) go further and define PPP as a strategic partnership intended to realize the broader aims relating to the longer-term issues involved in project and programme development. The underlying basis for partnership is the high degree of mutual trust and the belief that it offers both partners advantages.

Van Kouwenhoven (1991, 27) describes PPP as an inter-organizational phenomenon. It is a form of joint management via public-private networks. In achieving their aims, the parties in the network take account of the strategic behaviour of other actors and adapt their actions accordingly. The strategic variation in the network varies between the extremes of collaboration and rivalry. In a situation characterized by rational action, the actors do not succeed in harmonizing their own interests with those of the other actors. Each party strives to optimize its own interests. We have based this paper on the following definition of PPP, which includes certain elements of the definitions outlined above (see also Edelenbos & Klijn, forthcoming): "*PPP consists of sustainable cooperation between public and private actors, who develop mutual products and/or services, and who share risks, costs and benefits*". PPP involves collaboration between public and private parties that focuses on achieving a common aim, which will in its turn, enhance the benefits of that collaboration.

Arrangements of public-private partnerships

In practice, a wide variety of coproductive arrangements can be found. In the literature a well-known distinction is made between the "concession" and "alliances" models, which are described below.

The concession model is a form of cooperation in which the government sells the long-term exploitation rights (the concession) for a lump sum. According to the European Public Works Contracts Directive 93/37/EEG, a concession is a work order. This directive applies to agreements between governments and market partners concerning construction, infrastructural and hydraulic engineering works. Usually, however, this involves integrated (construction) projects. As it becomes increasingly possible to integrate project components into the market, and the more that integration improves, the greater the transfer of risk. Agreements about risk-sharing and task-sharing are set out in the concession.

Whether or not the government performs a participatory role in these projects will depend on the degree of risk transfer. In cases of complete risk transfer, the government acts as a facilitator by lending its cooperation to zoning schemes, or by granting exploitation rights (rental of the land or water needed).


In many cases, the government stipulates an interest of its own in the framework of its role as a facilitator. For instance, in exchange for granting the long-term exploitation right to a facility, the government may require transfer of the title to itself following completion. The duration of concessions makes them very attractive to market parties. The potential financial gains in the long term motivate the parties involved to contain costs and work efficiently.

The concession model is frequently associated with what is termed “innovative contracting out.” This can take various forms (Savas: 2000):

1. Design-Build contract: The private sector produces the design for a public project and constructs it.
2. Design-Build-Finance-Maintenance contract: In addition to the design and construction, the private sector also provides the financing, maintenance and management for the public facility. The government retains the title to the facility.
3. Build-Operate-Transfer contract: The private sector builds the facility and runs its operations for the duration of the contract. At the end of the contract period, the private party transfers the management of the facility to the government.
4. Build-Operate-Own-Transfer contract: Comparable to BOT, but with the understanding that the private sector will hold the title to the facility for the entire period of the contract and will only transfer that title to the government once the contract expires. This type of contract is often used in concessions.

The alliance model is a form of cooperation characterized by intense involvement on the part of the government in the different phases of the project. The government may lend its cooperation to joint planning and development, or may work with several initiators to achieve objectives within a cohesive framework. Involving private parties at an early stage in the planning can lead to synergy effects and enhance results. This is because the sharing of resources, expertise and market knowledge can improve both the quality and effectiveness of the final product.

In many cases, public-private partnership is the only project development option available. In these cases, the parties are more or less dependent on each other. The parties need to be able to agree on a plan for the contents of the project components. This complicates cooperation. At the same time, however, it is what constitutes the added value the collaboration model offers. The parties make agreements about the rules governing their conduct and the framework for their cooperation. The partners can also complement each other. A local authority, for example, may have sufficient knowledge of the local land market, but lack commercial insight when it comes to selling or leasing real estate. An important aim for local authorities is to guarantee quality standards, specifically for the projects intended in the planning area and the methods chosen to incorporate plans into public space.

The selection of a particular form of contract depends on the complexity of implementation and the risk borne by the government. To keep these plans under control, local authorities exercise statutory instruments. These instruments include their powers to set up zoning schemes or grant planning permission, although this offers no guarantee of spatial quality. Private law instruments can be used to this end. Construction can, for instance, be supervised by a civil engineer  and commissioning can be executed jointly. Certainly in cases where several building projects are underway, as with an area development project, the task of commissioning should not necessarily fall entirely to local authorities. The statutory instruments of zoning schemes and planning permission could slow down the progress of the project. Zoning schemes are intended primarily for excluding certain combinations of functions. This makes them more of an obstacle to achieving spatial quality than a means to it (Teisman, 2001). The partnership construction can take the form of a legal person in which the local authority participates with one or more private parties. In this case, the local authority would perform the commissioning role jointly with the

private parties and could, if necessary, influence the quality of the construction project. The difference between the concession and alliance models is summarized in the table below (see also Klijn/Teisman, 2003; Van Ham and Koppenjan, 2002)¹:

Table *Public-private partnership in the concession and alliance models*

Characteristics	PPP seen as concession model	PPP seen as alliance model
Type of relation / partnership between the PPP partners	Clear distinction between commissioner (public party) and contractor (private party). Cooperation limited predominantly to the phase preceding the contracting out. This is followed by control/supervision of the private actor carried out solely by the public actor, with little or no mutual interaction.	Government and private party are jointly involved in the design, construction and operation based on joint commissioning status. Collaboration continues throughout the whole process. Initially, it focuses on the nature of goals and the search for connections. Later, it is geared towards joint realization of goals.
Role of contract in the establishment and running of the PPP	Strong emphasis on (the use of) contracts to inject clarity and certainty into the collaboration.	Less emphasis on (inspecting compliance with) contract. More emphasis on mutual trust.
Determining the issues and direction of solutions for the project	The public party (largely) defines and specifies the problem and the solutions.	The public and private parties are involved in a joint process of defining problems and solutions.
Scope of the project	Tendency to look for clear distinctions and boundaries. Any broadening of scope should take place within demarcated areas of responsibility.	Tendency to seek expansion of scope and, from the perspective of coherence, laying connections between substantive elements within the project.
Management principles upheld in the establishment and running of the PPP	Strongly founded on principles of project management: specify / distinguish clear objectives, set out schedules and supervise them, and organize human resources.	Founded more on principles of process management: goal-oriented operation, development of a solid cooperation process (rules, roles) and efforts to interconnect goals.

In practice, there are also development company models that fit well into the alliance model described above. A Dutch example of this is the neighbourhood development company (*Buurtontwikkelingsmaatschappij*, or BOM) (Kouwenhoven, 1991). In this model, which is mainly used at local government level, the government is more open in involving its market partners in its programme of requirements. Neighbourhood development company is an umbrella organization for the development and support of projects aimed at stimulating economic activity in particular urban districts. The local

¹ In practice there are also mixed forms. The distinction between concession and alliance models has analytical value.

community usually participates in social renewal projects. The BOM fits into a contemporary perspective that advocates new forms of public-private relationships and greater responsibility for citizens regarding developments in their own town or city. Another Dutch example is the district development company (*Wijkontwikkelingsmaatschappij*, or WOM), which also operates mainly at a local government level. This is a legal form in which public and private parties accommodate an independent company (Hulshof & Kort, 2004). Collaboration here focuses on urban renewal and the improvement of the quality of city life by restructuring the living environment in existing districts. It is characterized by risk-bearing public and private participation during the restructuring process and an integrated approach.

How a PPP is established

The decision to use a particular form of PPP collaboration takes shape during the different phases of the PPP's establishment process. The following phases of PPP can be distinguished (Van Ham and Koppenjan, 2002, 22):

- A. Setting up the PPP:
 1. Exploration
 - i. Need and benefit
 - ii. Social costs
 - iii. Budget agreements
 2. Plan development
 - i. Definition of design and output
 - ii. Establishing scope of objectives and preconditions
 - iii. Financial structure
- B. Collaboration focused on (a part of) the project:
 3. Preparation
 - i. Further development of the plan
 - ii. Procedural agreements
 - iii. Contracting out strategy
 4. Implementation
 - i. Build and construction
 5. Exploitation, maintenance and management
 - i. Assessment of whether or not to use a legal form

The division into these five phases - exploration, plan development, preparation, implementation, and, finally, exploitation, maintenance and management - is a frequently used division for PPP projects in area development and infrastructure. It should be mentioned here that the PPP phases have a strong dynamic; the establishment process shows an iterative character.

Osborne and Murray (2000, 71) employ a model in which cooperation between the public and private parties is determined through a multi-phase process. Two important differences in the Osborne and Murray model are the division of the exploratory phase into three phases (“pre-contact phase”, “preliminary contact phase” and “negotiating phase”) and the identification of an evaluation phase following the implementation phase. During the evaluation phase, environmental factors and contextual factors that could disrupt collaboration are incorporated into the model. The most important function of the pre-contact phase is the careful weighing of the special interests of the parties and third parties involved in the public domain. The model focuses on the structure of organizational collaboration in terms of goals and the impact of this harmonization process on the collaboration. Negotiation tactics and, more importantly, the process agreements that the parties make with each other in the start phase determine the results of the process. These process agreements should be seen as steering arrangements that determine the context of PPP. The process approach in this model emphasizes the organizational dimension of a PPP. The way in which collaboration is organized is more or less the product of the negotiation and decision-forming processes. Osborne and Murray (2000,71) place greater emphasis on the interaction process and adequate harmonization and negotiation in the initiative and preparation phases.

Managing PPP

The basic principle of PPP is that of bringing and keeping together parties by creating a solid basis for sustainable collaboration. For Klijn and Teisman (2003), however, that is not so self-evident since interdependencies and the number and pluriformity of the participants can seriously complicate the collaboration. It is therefore necessary to actively facilitate the collaboration in the PPP. Management of PPPs can be approached from either of two perspectives – from the perspective of project management and the perspective of process management. These two management

perspectives are summarized in the table below (De Bruijn et al., 2002; Edelenbos, 2000; Teisman, 2001; Hertogh, 1997):

Figure dimensions of project and process management

Dimension	Project management	Process management
Focus	A thoroughgoing analysis of the issues. Focuses on a sound, well substantiated project proposal.	An analysis of the parties concerned, their interests, their means of exercising power, their views and mutual relationships. Focuses on the most important parties and how to bring and keep them together.
Core element design	An thorough solution for the problems	A description of the process, which is intended to lead to a solution of the problems.
Generate support	Through the content of the initiative: it should be so good it persuades everyone.	Through process: the relevant parties are allowed to influence the form of the initiative, which makes it more attractive for them.
Dealing with dynamics	Through decisiveness: rapid and clear decision-making, as a result of which changing circumstances have no hold on the initiative.	By keeping options open: the initiative must remain attractive for the actors.
Communication	Consists of explaining the plan to the actors and persuading them of its merits. This follows decision-making.	Is a process of discussion and negotiation. Decision-making is the <i>product</i> of this.
Main problem	Result is not sufficiently accepted	Creating acceptance via process and process rules takes time

Process management is therefore different from project management (see also: Hertogh, 1997; De Bruijn et al., 2002). If project management is carried out, the process is divided into successive phases. Project management focuses strongly on managing the phases based on five aspects: quality of contents, costs, time, organization and information (Meredith, 2000; Mantel, 2005). Each phase transition is marked by a foundation document containing the results of the previous phase and describing the requirements and approach for the following phase. The results of each phase are tested against the foundation document. Project management focuses mainly on internal project management and less on continuing interaction with the environment. In a project approach, the assumption is that problems and solutions (within certain limits) are reasonably stable. This makes it possible to use project managerial techniques: a clear objective, a fixed schedule, clear preconditions and an end product agreed at the start. An approach of this sort could, of course, only work in a static world.

When an activity is not static, but dynamic, a project approach is not possible and a process approach is needed instead. This dynamic can have both external and internal causes (De Bruijn et al., 2004). It is evidence for external dynamic if an activity begins as a project but develops into a process because external parties interfere with the project and simply introduce their own definitions of problems and solutions for them. A sign of an internal dynamic is that an activity begins as a project but develops into a process because the project owner learns during the project that the problem is wider or more complex than he had imagined.

Process management, in contrast, is actually based on the assumption of dynamics and complexity in the interests and perspectives of many actors (Edelenbos, 2000; Teisman, 2001; De Bruijn et al., 2004). The problem is wicked and unstructured as a result of insufficient objective information and the absence of consensus about the norms to be upheld in defining problems and solving them. In addition, the parties have different perceptions of reality because they have not been involved in the decision-making process from the start. Process management sees problem solving as a continuous process in which the contribution of the parties' own values and information creates greater consensus between them. This openness in decision-making creates respect for each other's interests.

An environment-oriented approach of allowing all interested parties to participate in the process on the basis of open dialog fits in with this point of view. Project management can nevertheless be useful in a particular round or period of a policy process because during the process quality of content (well-specified programme of requirements), quality control and similar), costs, time, organization and information need to be monitored. Through interaction between interested parties, the formulation of the problem becomes clearer and solutions are chosen and drawn up. This can be a different solution to the one the initiator had in mind at the start. In process management the premature declaration of a solution to a problem is discouraged because it denies the need to know all interests and, moreover, gives the impression that other interests are not being taken seriously.

3. Case study: PPP Sijtwende

Historical overview

The Sijtwende development project has a long history, even by Dutch standards. As long ago as 1938, plans had been drawn up for the construction of Highway 14 – a connection between what was then Highway 4 (now Highway 44) and Highway 4a (now Highway 4), which had not yet been built. The project involved considerable discord, even then. The Ministry of Transport, Public Works and Water Management was engaged in a bitter struggle with Voorburg, which opposed the construction of the link road, also known as the *Verlengde Landscheidingsweg*, or VLW. The VLW lies to the north of Voorburg and forms part of the Northern Ring Road around The Hague (see Figure below).

Figure site overview of the “Verlengde Landscheidingsweg



The conflict between the Ministry of Transport and the local authority reached its climax late in May 1988. The minister increased the pressure on Voorburg, threatening to punish any stubbornness on their part by having the provincial

government issue a direction. In 1995, the province gave Voorburg a direction that the zoning plan must be made to conform with the decision on the route for the road. Voorburg, however, allowed the Sijtwende plan to be developed further. Furthermore, it had a zoning plan prepared that conformed to this plan. The direction had failed to specify how the road should be laid.

Voorburg eventually agreed to cooperate in the laying of the VLW, subject to certain conditions. In principle, however, it still opposed the project. This acquiescence, however, was linked (by means of the Sijtwende plan) to the requirement that the road should pass through a tunnel. With this plan accepted, the developer Bohemen BV, the tunnel builder Van Hattum and Blankevoort BV and building contractors v/h Boele & Van Eesteren entered the scene. This setup later gave rise to 'Sijtwende BV', which was formed from Volker Wessels Real Estate and Bohemen BV. During this process, Van Hattum and Blankevoort's (VHB) role changed from that of developer to building contractor. Sijtwende BV delegated the design and implementation of the road to VHB.

Initially reticent about the plan (due to its late timing) and seeing it as just one more delaying tactic from Voorburg, the ministry was worried that the plan was too far removed from the route decision. This, in turn, might well mean that a supplementary Environmental Impact Assessment would be necessary, with all the delays that would involve. The minister requested that the provincial government of Zuid-Holland should still proceed with issuing a direction to Voorburg. From that moment on Voorburg gambled everything on the Sijtwende plan. An important alteration was that the road no longer needed to be entirely underground, lying instead in what is called a "hollow dyke", which would be much cheaper.

The ministry became increasingly supportive of the Sijtwende plan. It was pleased with the breakthrough in the decades-long impasse and showed substantial interest in the innovative plan. As support for the plan increased, the ministry began to shift its focus to structuring the conditions for implementation. Amongst other things, a programme of requirements from the ministry and an urban development plan created by Sijtwende BV served as a model for the further elaboration of the Sijtwende plan. The starting point centred on urban planning, together with the technical and financial aspects, with the ministry acting as plan inspector. Although it had been invited to take part in the regular consultation about the zoning scheme for the Voorburg section

of the VLW, Sijtwende BV chose to keep its distance. The consortium did, however, join the consultations in several project groups.

In July 1996, Sijtwende BV, Voorburg, Haaglanden and the state signed a declaration of intent. This was followed by a four-party agreement in September of the same year. Then the direction procedure was halted and the ministry cancelled work on its own plan to lay the road at ground level, without building any housing estates. The four-party agreement of September 1996 was further developed in June 1997 in a series of bilateral agreements between three of the four central stakeholders in the establishment process: Rijkswaterstaat, Sijtwende BV and Voorburg (see next section concerning details of the arrangements). In March 1997, the city council of Voorburg agreed to a partial revision of the Sijtwende zoning plan. In October 1997, this revision was approved by the Provincial Executive.

On 13 January 1999, the minister of Transport officially initiated the proceedings for the project that is now referred to as Northern Ring Road and Sijtwende. This event marked the transition from the development phase of the Sijtwende plan to its implementation. The Sijtwende plan was finally implemented between 1999 and 2003. By the end of 2003, the road was ready for opening. The implementation process went fairly smoothly, although some hurdles still had to be overcome (see section on process interventions). Following the plan's completion, Sijtwende transferred the road to the ministry for management and maintenance. The public areas and buildings were transferred to Voorburg.

Central actors in the game

Four actors were involved in the process: the Ministry of Transport and Water Management (through the ministry's Zuid-Holland Directorate, called "Rijkswaterstaat"), the Haaglanden metropolitan district, Voorburg, and the private consortium Sijtwende BV. Up to 1996, the process was characterized by 'go it alone' strategies from the parties concerned. The parties only began to work together following the mediation conducted by the private initiators of the Sijtwende plan. That moment marked the start of the public-private collaboration process, within which the four parties began to move in the same direction, and to jointly implement the Sijtwende plan.

Rijkswaterstaat made the decision to implement the VLW. Rijkswaterstaat in particular saw the main arguments for laying the VLW as the reduction of congestion

at the Vliet bridges (at Leidschedam) and countering cut-through traffic. During the development of the Sijtwende plan, Rijkswaterstaat gradually became enthusiastic about this solution and about a PPP approach and played a constructive role in setting-up the PPP.

Voorburg originally played a delaying and blocking role in the process. The local authority was not particularly inclined to cooperate in the road-building scheme. The road would have many adverse effects for Voorburg. People living nearby would suffer nuisance (noise, smell, visual pollution) from a ground-level road variant. Moreover, fitting in the VLW thwarted Voorburg's plan to build houses in this area. The council took the view that the VLW's drawbacks would be significantly ameliorated if the road were to be situated underground. During the development of the Sijtwende plan, the council also became enthusiastic about this solution. It subsequently made an important contribution to the establishment of the PPP. The involvement of Haaglanden with Sijtwende derived mainly from the task of developing public transport around the Hague.

Sijtwende BV's role in the process was multifaceted. In the plan development phase, it acted as the director and driving force behind the collaboration process. Of all the parties involved, the private consortium had the greatest interest in maintaining the process of interaction. Sijtwende BV had a complete overview of the Sijtwende plan and of the developments in the process. On the basis of this, it organized the public-private collaboration process between Haaglanden, Voorburg, Rijkswaterstaat and itself.

Sijtwende BV played various roles in the PPP. First of all, it took up the role of initiator and developer for the Sijtwende plan. The framework drawn up by the Ministry of Transport and Voorburg offers Sijtwende BV sufficient scope to further improve matters. Secondly, Sijtwende BV is co-financier of the plan. The state is contributing towards the cost of the road, but the remaining aspects of the project are being financed by receipts from the sale of homes and offices in the immediate vicinity of the tunnel. Sijtwende BV is wholly responsible for this integrated development. The latter was also responsible for all the necessary licences and an important part of the harmonization (communication) with the area surrounding the plan. Finally, Sijtwende BV implemented the Sijtwende plan. To some extent, these roles would normally fall to Rijkswaterstaat and Voorburg respectively.

In this way, Sijtwende BV's active role of taking the initiative led to another division of roles between the actors involved. Rijkswaterstaat, for example, is accustomed to acting as plan designer, while here it acted primarily as a plan inspector and upholder of quality. Rijkswaterstaat monitored the design and construction process at a distance, a process which involved the close coordination of road building and housing development. The role of Rijkswaterstaat was deliberately changed from close supervision to one of supervision at arm's length. It is not accustomed to such an approach. Rijkswaterstaat is also used to reasoning on the basis of its objective, which is to lay the road. Additionally, it tests and inspects the design and finished product against a variety of criteria, including the programme of requirements. The Rijkswaterstaat Construction Service (*Bouwdienst van Rijkswaterstaat*) oversees the actual implementation of the road. After completion, Rijkswaterstaat takes control of the road.

Perceptions of problems and solutions

Each of the various actors defines the problem that the VLW is intended to solve in their own individual way. The Ministry of Transport and Water Management emphasizes the problems of traffic jams and congestion on The Hague ring road. A new northern ring road including the VLW can help to solve this problem. The problem is thus defined in terms of accessibility.

The municipality of Voorburg mainly highlights the problem of nuisance if the VLW were to be built at ground level. People living nearby would experience nuisance (noise, smells and obstruction) from the VLW. The council itself would also be inconvenienced, as this would interfere with its plans to build new houses on the land in question. Voorburg was unable to understand why it was necessary for the connection from Leidscheveen to pass through its territory. It made a counter proposal that the road should be laid mainly through Leidscheveen. The Ministry of Transport and Water Management, however, envisaged technical problems with this approach, such as the need to retain the Vliet bridges. Voorburg repeatedly proposed the option of a sunken road, or one that was completely underground. This, however, would have involved additional costs that the ministry was not prepared to bear. Nor did the council have the necessary funds. Given these cost considerations, the ministry proposed that the road be built at ground level. Eventually it came round to the idea of a sunken design, since this was the only way to get Voorburg on board for the

implementation of the road. Voorburg's aim in pushing for a sunken design was not to delay or block the VLW, but actually to push forward with its implementation.

The private consortium Sijtwende BV then put forward its 'hollow dyke' solution, the Sijtwende plan, which safeguarded the interests of the Ministry of Transport and those of the council. The hollow dyke, which rises six meters above ground level, is both soundproof and landscaped. The Sijtwende plan involves a two-kilometre length of road that would be mostly covered by three lengths of hollow dyke (measuring 1,000 metres, 275 metres and 375 metres respectively). Between the three covered sections there would be two junctions. Covering the road in this way would increase the 22 hectares available for housing and office building in the area to a functionally useable area of 27 hectares. This multiple exploitation of the area provided financial compensation for the relatively expensive hollow dyke version of the VLW. A High-Grade Public Transport Link (*Hoogwaardige Openbaar Vervoerverbinding*) will be built alongside the road. About 700 new homes will be built on either side, some of them directly adjoining the dyke, but none will be situated directly on top of this structure. The plan also includes about 10,000 square metres of office space and the building of a recreational area, green space and leisure facilities.

Rijkswaterstaat will take over the road from Sijtwende BV for a previously agreed sum. It then becomes responsible for the management and maintenance of the road. Sijtwende contributes a sum - also previously agreed - to the road from the housing construction receipts. The total finance for the road also includes contributions from other parties - the Ministry for Housing, Spatial Planning and the Environment (VROM) is contributing from a reserve for emergency roads for Leidschenveen. Haaglanden bears the costs of the High-Grade Public Transport Link.

In its specific role of process manager, Sijtwende BV has been keenly aware of the interests of the actors involved from the very start of the collaboration process. The plan finally revealed its multiple 'win-win' character - it combined the laying of a highway (the interest of Rijkswaterstaat, the provincial government and the municipality) with new housing along the route (a long-standing objective of Voorburg) and the reduction of nuisance from the new road for people living nearby. Additionally, Haaglanden Metropolitan District gets the public transport link it wanted. In other words, a range of interests was combined in one multifaceted solution.

Other parties were also able to see the advantages of the Sijtwende plan, particularly its integrated approach, its financial feasibility, the multiple use of space and the urban development. Such was the success of this approach that it swiftly gained the backing of the local councils at the Hague and Leidschendam. This was subject to two conditions. The work on the Sijtwende alternative should not lead to delays (a condition imposed both by the Hague and by Leidschendam) and plans to improve the future accessibility of Leidschenveen should involve an appropriate degree of sensitivity (a condition imposed by Leidschendam).

In the plan development phase Sijtwende BV handled the collaboration between the public and private parties, and acted as mediator and facilitator of the PPP. Firstly, in consultation with Voorburg, Sijtwende BV ensured that the zoning procedure went by the book. Various other stakeholders (such as social interest groups and individuals living nearby) were involved in this in an informal way (through sounding-board groups) as well as in formal ways (through formal public enquiry procedures). Sijtwende BV also facilitated the collaboration process between the Haaglanden Metropolitan District, Rijkswaterstaat and Voorburg. Because they were not linked to the turbulent history of the project, they were able to take a reconciliatory stance in their interactions with others. Sijtwende also ensured that the plan development connected both with the formal decision / decision-making of the Ministry of Transport (*MER/Tracéwetgeving*) and with the formal procedure for Voorburg's zoning plan modifications. Finally, the multiple-roles adopted by Sijtwende BV led other parties to take on more constructive roles. Rijkswaterstaat assumed the role of plan inspector and co-developer, rather than that of plan implementer. Voorburg also adopted a more constructive role, instead of that of the classic opponent.

In the implementation phase, which began in 1999, Sijtwende BV (as developer) distanced itself more and more from the role of process facilitator. Van Hattum and Blankevoort (as part of Sijtwende BV) became more active as the road's construction supervisor. This was partly the result of the contract structure: one single blanket partnership agreement between all parties supplemented with elaboration in bilateral agreements. In concrete terms, this means that the area development (housing plus public space) is mainly a matter for Sijtwende BV and Voorburg. The construction of the road mainly involves VHB (operating under the name of Sijtwende BV) and Rijkswaterstaat. No central project organization (involving all parties) was created to bring all bilateral relations together under a single umbrella organization.

Structure of mutual agreements

In July 1996, Sijtwende BV, Voorburg, Haaglanden and the state jointly signed a declaration of intent, followed in September the same year by a four-party agreement. The latter covered the construction of the new Sijtwende housing estate, together with the Northern By-Pass. The agreement included the intent to build, on a limited spatial site, a link road between the Hague and the A4 motorway at Leidschendam, in addition to which a high-quality housing estate would be built and provided with a High-Value Public Transport Link (*Hoogwaardige Openbaar Vervoerverbinding* or HOV). The four parties each have their own interests and responsibilities. Rijkswaterstaat is responsible for laying the road, the Ministry for Housing, Spatial Planning and the Environment for the opening up of Leidschenveen, Voorburg for a high-quality housing estate, Haaglanden for the HOV and Sijtwende BV for the implementation of the overall plan (road, HOV, housing and offices). The financing of the Sijtwende plan is shared by the parties involved in accordance with their responsibilities.

The four-party agreements of September 1996 was further developed in June 1997. This involved a series of bilateral agreements between three of the four central stakeholders in the establishment process, namely Rijkswaterstaat, Sijtwende BV and Voorburg. The process involved negotiating the detailed contents of the plan.

The bilateral agreement between Sijtwende BV and Rijkswaterstaat is primarily concerned with the construction of the tunnel and the necessary functional requirements for the road (headroom, width of carriageway, markings, hard shoulders, etc). The agreement between Sijtwende BV and Voorburg mainly dealt with the layout of the housing adjoining the hollow dyke. The agreement between the ministry and Voorburg mainly concerned the planned location of Sijtwende - primarily a question of filling in the zoning plan. Haaglanden was also involved, albeit at arm's length. The metropolitan district's involvement included agreements about its financial contribution to the HOV link (via the Ministry of Transport). It also made agreements with Voorburg about the planned placement of the HOV link.

The bilateral discussions surrounding all agreements were of a legal nature. Lawyers were constantly involved in the consultation rounds, as agreements went back and forth, and contracts were signed. The purpose of sharing joint contracts is to give the other parties a rolling overview of what is being arranged. Sijtwende BV implemented

the road on the basis of its own design, which has been accepted by Rijkswaterstaat. The sharing of cost and risks is set out in the contract. The risks lie primarily with the private consortium that is implementing the road on a turnkey basis, i.e. for a set price and within previously agreed functional and technical frameworks. An acceptance procedure for constituent products ensures that the development of the definitive design, the constituent designs and any necessary further agreed enhancements fall within the conditions of the programme of requirements. Should there be a difference of opinion, the parties consult a primacy, within which sit the directors and the heads of the parties. A board of experts was formed to settle disputes.

Rijkswaterstaat aims at careful contract management, for which purpose it has formulated a number of measures. Firstly, a programme of requirements should be put together so as to be as clear and functional as possible. Preparation and implementation take place under external quality assurance. Sijtwende BV reports periodically to Rijkswaterstaat. Constituent products, acceptance procedures and milestones are specified. The payment schedule is synchronized to the acceptance of the constituent products. There is a system of fines for failures to reach milestones. In the period of plan development, there was continuous and multilateral consultation between the various parties. Sijtwende BV's part in this was mainly to initiate and coordinate, in the role of process manager (see section *Arrangements of public-private partnership* for the central issues).

The implementation phase of the plan involves contact between Sijtwende BV and Rijkswaterstaat, particularly in thematic terms. Rijkswaterstaat checks the implementation of the plan against elements such as the previously formulated programme of requirements and its elaboration in the final designs. Sijtwende is paid when it achieves previously stipulated milestones in the implementation phase.

Interventions in the collaboration process

Process interventions occurred during the development of the plan (when setting-up the public-private collaboration) and in during implementation of the plan (when the collaboration is in operation).

The initiators work from mandatory requirements for an 'urban tunnel'. They adapted the dimensions of the tunnel to a maximum speed of 50 kph. In this plan, the ground level tunnel is open at two points, to allow for level road junctions (these were laid

down in the route decision, taking the form of roundabouts in the initiators' plan). Rijkswaterstaat took the view that this did not meet road safety requirements, as the tunnel openings are situated too close to the junctions. This excessively restricts drivers' lines of sight as they leave the tunnel. In addition, previous research by the ministry had shown that, in terms of traffic flow, roundabouts were not the best option for these junctions. The discussion was hampered by the fact that traffic safety regulations are only partially embodied in 'quantitative' regulations. Accordingly, assessment must be mainly based on practical experience.

In order to reach a common agreed starting point for traffic safety, the Technical Human Biology Group of the Netherlands Organization for Applied Scientific Research (*TNO-Technische Menskunde*) was asked to use virtual simulations to see which technical requirements are required to meet the need for safety. The study showed that the tunnel should open up at a greater distance from the junctions, all the more because the road had to be designed for a maximum speed of 70 kph. These adjustments to the plan had the effect of reducing the number of homes that can be built from about 1,000 in the original plan to about 700. The larger gaps in the tunnel result in a larger 'noise space', which cannot be used for the construction of homes. This naturally has financial consequences for the plan as a whole, although the lower revenues from housing construction are partly offset by the reduced costs of shorter tunnels.

During the implementation phase, collaboration between the private and public parties was initially successful. The desire to make a success of the PPP ensured that people were prepared to take the usual bumps and potholes in their stride. There were, however, points of friction and differences of opinion in the collaboration. With respect to the construction of the tram tunnel there were problems in the collaboration between Haaglanden Metropolitan District and Sijtwende BV. At the Van Steelaan (one of the junctions in the Sijtwende plan) there was originally to be a crossing with a tramline at ground level. However, at the start of the implementation phase of Sijtwende it became clear that a tram tunnel would be needed for a good flow of all the traffic at the junction. The design changes required by the metropolitan district had financial consequences, particularly because the construction time became longer and introduced higher costs. This 'intervention' (in terms of time and money) led to a good deal of unrest in the PPP. It came down to whether or not to incorporate the

tunnel into the Sijtwende plan. Haaglanden considered this but, partly on the basis of legal advice, decided to contract-out the project rather than have it built by one of the PPP partners. A public contracting-out of the project and not to have it carried out by one of the PPP partners – and dealing with the extra costs that the tunnel adds to the project.

In 2002 an understanding was reached. Haaglanden would bear the net extra costs of the tram tunnel to the Sijtwende project. However, working out the details of this agreement of principles led to a discussion that raged for about a year. This concerned the specification of the net extra costs for Sijtwende.

Another point of discussion in the implementation of the Sijtwende plan concerned the parking garage at the Vliettoeren apartments in Subdivision 5 (realization of aqueduct). In the original plans, Sijtwende BV worked from the assumption of an underground parking garage against the tunnel wall. This possibility was subjected to a technical study by Rijkswaterstaat. The resulting report concluded that, although it was technically possible to put the parking garage against the tunnel wall, this would entail relatively expensive additional provisions. In saying this, Rijkswaterstaat intended to keep open the option open for a garage next to the tunnel. Sijtwende BV however saw it as meaning that it was no longer realistic to have a garage next to the tunnel.

The alternative solution of a parking garage on the roof of the tunnel led to negotiations between Rijkswaterstaat and Sijtwende BV that lasted about two years, during which both parties stuck quite rigidly to their starting positions. Rijkswaterstaat finally made an exception to its principle that nothing should be built on, over or above the road while Sijtwende BV accepted the costs for the extra provisions for this and other parking garages.

After finally reaching agreement about having the parking garage on the tunnel roof, Sijtwende BV were presented with a bill they hadn't expected from Domeinen, Ministry of Finance for the use of public space. The Ministry of Transport had pointed out right at the start of the discussion about this solution that this would have to be paid for.

The bill from Domeinen (an annual rent that can be bought out for €200,000) was a reason for Sijtwende BV to reconsider its intention to build the parking garage on the tunnel roof. In the context of this reconsideration, Sijtwende (again) examined the

technical options for building the parking garage. From this it appeared that implementing the original plan – an underground garage next to the road – was after all possible if relatively simple, though not necessarily cheap, provisions could be made to the aqueduct. Rijkswaterstaat, however, pointed out that the necessary provisions would actually cost more than the one-off payment to Domeinen.

As a result of previous ‘disappointments’ Sijtwende BV made a decision about the parking garage. There were two schools of thought within Sijtwende BV. Some thought that the garage should go on the tunnel roof despite the higher costs. This would be a striking example of the multiple use of space and would make it easier in other (future) projects to make use of the space over or above highways for urban development. But there was also the view that the advantages of a garage above the road could not justify its higher costs. On top of that, a parking garage directly under the apartments offered certain advantages - social safety, for example. Sijtwende BV eventually decided to build the garage under the Vliettoren apartments, although it was seen by Sijtwende BV as a missed chance for a recognizable and striking example of the integrated nature of the Sijtwende plan, namely a garage *on* the tunnel. Sijtwende concluded that the Ministry of Transport was responsible for the financial consequences of the decision to build the parking garage under the Vliettoren apartments. In the view of Sijtwende BV, this consisted of a reduction in the exploitation revenues (fewer apartments can be created in the Vliettoren). In addition, the designs had to be changed. Sijtwende BV informed the ministry about this, which then accepted no liabilities for the financial consequences regarding the parking garage. As a result of this reaction, Sijtwende BV submitted a claim that caused the relationship between Sijtwende BV and Rijkswaterstaat to sour.

4. Case analysis: project management versus process management

Sijtwende is something of a special case. It resulted from a long-term inter-administrative conflict between the Voorburg, which put up stiff resistance against a planning intervention and the Ministry of Transport, which championed a ground level variant of the new *Verlengde Landscheidingsweg* highway. This conflict lasted 60 years. The partnership, therefore, seems to represent a peculiar breakthrough in a public-public controversy.

A 'neutral' third party, the private consortium Sijtwende BV, showed itself to be a process manager capable of achieving reconciliation, able to break through the barriers between public organizations. At the same time, it played its role as a project manager, in the sense that it developed a creative and innovative multifunctional land use plan.

At the same time, Sijtwende is a more general case. Following the remarkable breakthrough, implementation commenced. And during the implementation we see ambivalence developing in the combination of project- and process management. We will elaborate upon these tensions, which hinder an ongoing process of co-production.

At the start of the PPP (period 1996 - 1999), the private initiators are real co-production oriented process managers (the project organization Sijtwende B.V. was one of the results). The initiators took an active steering role in the process. They brought public organizations and leaders together. They can be seen as account managers in the process.

However, to the extent that the implementation of the Sijtwende plan progressed (after 1999) the relationships took on a more bilateral character: diverging issues were discussed and solved within various bilateral relationships. This shift from network and process management to bilateral relation management can be explained from the bilateral contracts that were made in the first period of development. The contract structure was one of a single comprehensive co-production contract between all parties involved, supplemented with working-out in bilateral agreements. The area development (housing and public space) was, in particular, a matter between Sijtwende BV and Voorburg, while the realisation of the road was a matter between Van Hattum and Blankevoort (on behalf of Sijtwende BV) on the one hand and Rijkswaterstaat on the other.

These contracts create a bilateral game. To a large extent this seems to have been efficient. A less desirable outcome, however, was the reversal of the integrated plan: Sijtwende B.V. lost its role as process manager. A conscious decision was made not to set up a common central project organization. Voorburg, Rijkswaterstaat and Haaglanden wanted an arm's length role in the PPP because, as external parties, they would be in a better position to secure public interests and not to simply act from the interest of the project itself.

On the other hand, it should be mentioned that less central steering from the project organization - in which the total plan and the proposed interim changes in the implementation could have been discussed - has been possible. In a joint project organization - if necessary, under the leadership of an independent processes manager - certain problems probably could have been discussed earlier or approached more from the point of view of the interests of the project (e.g. speed in decision-making, cost containment, integration of housing and road). In a joint project organization a process manager might have been able to do more in terms of relation management.

Because the various project components were mostly discussed and resolved in bilateral discussions and negotiations, the parties gradually began to feel exclusively responsible for that part of the Sijtwende project where they are most involved with the implementation. This was more the case during the implementation of the project than during the development of the plan. So, for instance, Rijkswaterstaat felt most responsible for the road and less so for the housing in the overall plan. Haaglanden also showed exclusive responsibility in the process, namely for the tram tunnel crossing - despite the fact that this, strictly speaking, was not part of the Sijtwende plan. The primary interests of the council lay with housing and the layout of the public space.

As the plan development and implementation progressed, the sense of common responsibility for the totality of the Sijtwende project gradually declined. The parties concentrated on a particular part of the plan at the expense of the overall plan. This is an explanation for the failure of the Sijtwende plan to develop a more strongly multiple land use character during the implementation. In some areas, parties refused to participate on the basis of joint responsibility for the overall plural plan. Strikingly, the parties themselves evaded joint responsibility while expecting it from the partners for the part for which they were themselves mainly responsible. The parties look for certainty and security through a clear separation of tasks, competences and responsibilities. The parking garage at the Vliettoeren and the intervention over the tram tunnel show this happening. This way of working is consistent with the set-up of the Sijtwende PPP (in the contract Sijtwende BV is clearly handed the role of developer and leader; there is thus a clear and conscious decision not to have a common commissionership), but it is hard to see it as being consistent with the principles of process management, in which common commissionership and joint responsibility are precisely the things that are needed.

We can ascertain that the way of working described above, from a perspective of separation of tasks and responsibilities, has had a hindering effect on, particularly, the development and intensification of collaborative relations, but perhaps also on the further strengthening of the cohesion and multiple land use character of the plan.

When the plan went from development to implementation there was a noticeable switch from a process-based approach (with the plan development) to a project-based approach (with the plan implementation). The implementation phase of the Sijtwende project was strongly directed at internal project control in terms of costs, time and information. Plans were split up into sub-projects that had to be carried-out separately. There was mainly attention for quality control and containing costs and time with respect to the sub-projects. There is less attention, other than in the period of plan development, for the continuous interaction between stakeholders and the dynamics of the plan. In this scheme of things too little account seems to be taken of the changeability of plans; plans must sometimes, under the influence of unexpected developments, be modified during the implementation. For this to work, there must be continuous consultation and interaction, and this has to be organized. The organization of the PPP in the implementation was less well equipped for this.

During the implementation, circumstances changed in such a way, and interventions such as the Vliettoren parking garage occurred, such as to cause diversions from the original designs. During the plan development, the parties involved sought together for creative solutions. When it came to accommodating unforeseen developments during the implementation there was, however, less evidence of a common approach. The implementation of the project, including the collaboration, went more or less smoothly. The process interventions that did occur during the implementation came mainly from new and unexpected developments. The designs for both the area development (Definitive Urban Development Design) and the road (Definitive Design) can be found in the initial collaboration contracts. During the implementation - as happens in area development and infrastructure projects - situations emerged that forced changes in the original designs.

It is precisely in those places in the development of the Sijtwende plan where the parties involved have sought together for creative solutions that, when it comes to accommodating the effects of unforeseen circumstances, a common approach was less

obvious. Where there are deviations from the initial design, on the other hand, the parties try to take on as little as possible of the responsibility and its associated risks. This expectant attitude came partly from the collaborative relationships. These are, consciously and, in the context of the initiative phase, maybe even necessarily, mainly bilateral and directed at specific parts of the overall project. It is consequently not obviously of common interest that problems that occur during the implementation should be tackled jointly.

In the Sijtwende case the transition from plan development to plan implementation was marked by a transition from a process-based approach to a project-based one. We would not like to imply that the project-based approach should not have been followed and that only a process-based approach should have been used. We would rather say that there should have been a conscious decision for a workable mixture of the two approaches, even in the implementation phase.

Also, in public-private collaboration the balance can overshoot towards project-based operation, while little attention is given for the possibilities offered by a process-based approach. In the implementation phase a certain degree of process management is always necessary in order to keep an eye on changing needs, requirements and technical possibilities and in order to safeguard the cohesion and integrated nature of the overall project. The solution that has now been realized is of course a textbook example of integrated development and multiple land use. Yet it is still uncertain as to whether the final solution could have had a more integrated character if, during the implementation, people had been able to keep more of an open mind as to the benefits of seeking creative solutions with each other. It is not easy to answer this question because the project-based approach greatly contributed to the fact that - although the laying of the VLW had for years been a complex and sensitive issue - the Sijtwende plan was actually implemented and the PPP functioned right to the very end to the satisfaction of all parties involved, as they claim themselves.

5. Conclusion and discussion

The theories about and the practice of management in urban areas draw a clear distinction between project management and process management. In several cases,

we see that project management is geared more towards the realisation of a fixed project, whereas process managers focus more on mutual enrichment of the proposition. It is our understanding that both approaches are needed in order to create an efficient and effective process of co-production. Any one-sided approach, whether it is purely project-orientated or process-orientated, can easily create obstacles in the process of co-production. Effective combinations of project and process management are needed in order to implement multiple land-use development projects.

The Sijtwende case offers an example of a crucial breakthrough in a public-private conflict: here, private companies prove extraordinarily successful in implementing process management intervention. The private consortium also supervised a high quality project development.

During the implementation phase, however, the balances shifted towards a one-sided project approach. The process management approach was forgotten, which had clearly adverse effects. Cooperation between parties became more of a struggle, and co-production (in terms of ongoing care for quality improvement for the entire area) almost disintegrated.

Theorists interested in the management of multifunctional investment programs at the interface between the public and private sectors and between different jurisdictions must develop theories on how to combine process and project management effectively. The former has added value in terms of ongoing quality improvement for several actors. The latter offers added value in terms of efficient realisation.

In practice, the project managers' task orientation (i.e. that of ensuring the success of an investment) will constantly interfere with the way process managers interact (looking for added value throughout all development phases and for all actors involved). Combining both forms of management in an efficient way can undoubtedly be seen as a core issue in realizing multiple land use.

This is a core issue because differences in the style process management and project management often create a clumsy, dubious impression. In other words, it is difficult for the actors in the direct environment to accept that no further enrichment will be permitted following a period of enrichment and expansion. It is also difficult for them to accept that everything will suddenly become negotiable again and that there will be no consolidation of past achievements.

Project management and process management must both be adapted and extended throughout the collaboration process. The project manager will focus on the task of

realizing a – technical – investment. The process manager, in turn, will concentrate on generating support, enthusiasm and positive associations for a socially relevant investment. The exploration of new possibilities and the admission of new parties, ideas and interests all play an important role in this. Administrative clients should try to do justice to both forms of management and ensure that they are well developed.

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