

Borgmäster & Mohlin
A QUALITATIVE JOURNEY



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How to develop the quality of Swedish public bus transport by public-private cooperation

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Abstract

The Swedish public bus transport sector is showing a negative development as costs are escalating and the number of passengers is stagnating. Based on theories in Public-Private Partnerships and inter-organizational cooperation, this paper presents an exploratory study how the cooperation between public and private actors affects the quality of public bus transport. Evidence shows that the negative development in the sector is mainly due to the nature of the contracts between public and private actors. Despite the contracts, two of four cases have increased their quality and public welfare through cooperation between the actors.

The results highlight the importance of customizing the cooperation based on each actors' driving force in the contract. Additionally are detailed goal setting and a clear inter-organizational structure strongly correlating with increased quality, finally is trust identified as a corner stone for the construction of a successful cooperation.

Keywords

Public Transport; Tender; Public-Private Partnership; Principal-Agent; Control; Trust; Cooperation;

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Imagine this...

You are the manager of a production unit with almost no profit, your only client is the government where your company has a 10 year contract. Your production consists of driving vehicles. The contract specifies exactly where and when you should drive your vehicles, it also states your vehicles must be blue and they must carry exactly 48 seats with 440 mm spacing between them. The government pays you 10 SEK per kilometer to perform the contract.

Sometimes passengers tend to enter your vehicles. These passengers make your vehicle consume more fuel, they increase the wear and tear and they make the interior of your vehicle dirty. According to a clause in the contract, your company gets fined if the interior is dirty.

Based on these facts, which investment would you choose for your company?

A. Perform a marketing campaign to promote more passengers.

B. Hire a welder to seal the doors of your vehicles to prevent the passengers from entering.

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Introduction

The laws governing public procurement¹ in Sweden are based on the principle to achieve lowest possible cost for the desired product (Konkurrensverket, 2012). As the laws is constructed today it allows no major contractual changes without a new tender process, a new tender process is both expensive and extended (Konkurrensverket, 2009). Tendered welfare services are also included in the laws despite the difference in nature compared to purchasing standardized goods. Ordinary complexity for the actors such as specifying what service that is needed over the lifetime of the contract, which also should be aligning with external changes. Another problematic issue is to predict several years ahead what level type of service the citizen and the society desire in the future (SKL, 2012). The contracts in these laws has received criticism for creating stiff and un-dynamic business climate for the different actors, which is contradicting with services as they are dynamic by nature in comparison to standardized products (Lee *et al.*, 2011).

The recent debate regarding the “Carema scandal” in DN (2012) and profit taking in independent schools elucidate in quality problems within Swedish tendered welfare services. The debate highlights the problematic issue of controlling publicly financed private companies that is performing welfare services. Similar quality control issues are also visible in tendered public transport services, despite the tender process, where the aim is to achieve lowest price possible, costs have escalated without a corresponding increase of journeys. At the same time the public transportation system is facing large investments over the next decades, this is meanwhile the large private operators are unprofitable. Nilsson (2011) did an investigation for the Swedish government to analyze the tendered public transport sector, where he concludes it exist an unsustainable development for the citizens, with increasing ticket prices and increasing public funding. He also finds that the public side regulates the tendered contracts in detail and leaves little room for the operators to use their know-how. This is contradicting with the public procurement laws LOU and LUF, the laws are constructed to take advantage of private companies’ creativity and flexibility in order to create more cost efficient solutions and products (Upphandlingsstod, 2012). The stiff legal framework is according to Nilsson (2011) one of the reasons for the unsustainable situation and is emphasizing for increased creativity and innovation in the public transport sector.

Chart 1 shows how the costs for the public transport have increased, meanwhile the development of numbers of journeys is modest. The chart also reveals how the public funding has increased almost four times as fast compared to the number of journeys. (Trafikanalys, 2011).

¹ *Lag (2007:1091) om offentlig upphandling, and, Lag (2007:1092) om upphandling inom områdena vatten, energi, transporter och posttjänster.*

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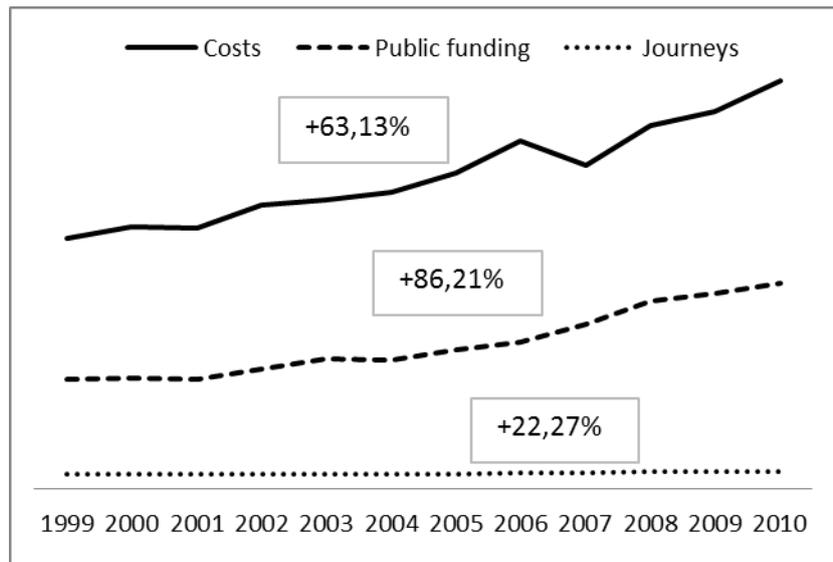


Chart 1, Trafikanalys (2011)

Today, public and private actors within public transport are facing turbulent times, when both the government and the private owners are demanding better performance (Nilsson, 2011). With lacking performance and cost management, many cities are facing a problematic future with increased public funding for their public transportation whilst the demand for higher quality in public transport increases (Trafikanalys, 2011). However, these problematic circumstances does not exist in all cities in Sweden, there are some cases where the municipality have managed to keep the public funding under control and despite this, increase the number of journeys. Some cities has even doubled their amount of journeys and even imprinted a better overall quality for the passenger. This even though stiff legal contracts and changing external factors, for some cities manage to successfully rule and control the issues regarding public tendering against a private actor. Academic research regarding different issues and problematic processes in the area of public-private partnerships (PPP), business relations, trust and control are given fairly high degree of attention, the question how business relations and cooperation within public-private relationships are affecting each other is not yet explored to the same degree. With this paper we intend to explore how a public-private relationship is affecting the quality of the Swedish public bus transport.

Definition of Quality

As the introduction mention there are quality issues in the Swedish public transport, the following part will develop and explain what quality in public transport is. Below in table 2 is a compilation of quality definitions by Reeves and Bednar (1994).

Quality is:	Authors:
<i>Value</i>	Abbott, 1995; Feigenbaum, 1951
<i>conformance to specifications</i>	Gilmore, 1974; Levitt, 1972
<i>fitness for use</i>	Juran, 1974, 1988
<i>loss avoidance</i>	Taguchi, cited in Ross, 1989
<i>meeting and/or exceeding customers' expectations</i>	Grönroos, 1983; Parasuraman, Zeithaml & Berry, 1985

Table 1, All definitions cited in Reeves and Bednar (1994)

The quality of local public transport can be viewed from two perspectives, from the common public and from the individual users. The two sides are in this matter inseparable as the public is “owned” by its citizens. Thus the two views are united in the further analysis.

Through the definitions above there are three main concepts to be distinguished; (1) *efficiency* found in; loss avoidance, value, conformance to specifications. (2) *effectiveness* found in; value, fitness for use, meeting/exceeding customer expectations. (3) *customer perception* found in; value, fitness for use, meeting/exceeding customer expectations.

By the term quality in public transport we describe the efficiency of the process (low costs – low ticket price and low tax cost) combined with the output of transported passengers (amount of passengers and journeys), and the users perception of the product (customer satisfaction). Figure 1 visualizes how the concept of quality connects to each variable. These variables are to be used in the results model for comparison with case variables.



Figure 1, Quality in public transport

Purpose

Based on our definition of quality and the introduction of public transport in Sweden as explained above, we find indications of a negative quality development in Swedish public transport, particularly in local bus transport. Due to a gap in previous literature regarding management issues in public transport and cooperation, we will take a broad aim to create an understanding of the main issues of cooperation between public and private actors in public bus transport. As there are some cities performing well over average in the generally negative sector, we will explore this phenomenon to find what factors that differ between the cities in their cooperation's. Our purpose is to identify important factors for a successful collaboration in local public transport with the following research question;

What factors in the public-private relationship are significant with the quality of public bus transport over time?

Literature review

Our approach to the issues in Swedish public transport is based on the inter-organizational relations between the CPTA's, the municipalities and the private operators. Since the relation exist between public and private actors, we start the theoretical review with a review of successful factors in business to business partnerships. The following section will clarify the aspects of Public-Private Partnerships (PPP) to understand the foundations of these specific relations. The national public transport project the Doublement slogan is "Partnership for a Doublement" which further increases our interest for the partnership aspect in PPP.

Due to the variety of perspectives of PPP theories, we are focusing on European scholars, mainly due to the significant differences between American and European public management and tradition. Additional Swedish literature is used to provide theories based on the same external factors in our cases.

The Art of Alliances

In terms of collaboration and joint products, Kanter (1994) speaks of alliances and partnerships as key corporate assets. She labels a good partnership as a *collaborative advantage*, though the pitfalls are many. She describes of how top management often spend more time and energy on controlling a relationship rather than nurturing and developing it. Kanter (1994) provides a fairly generic and normative theory of cooperation, it is well suited for our exploratory study as we seek to identify and classify factors in the Swedish public bus transport.

To establish and nurture a successful partnership or a relationship, Kanter (1994) describes "*eight I's that create successful We's*", these criteria's are; (1) *Individual excellence*: Both sides have to be successful, they must have something positive to offer the relationship and it should not be built to hide other problems. (2) *Importance*: There has to be a strategic fit between the actors, they must share long-term goals and see the relationship as a model to reach them. (3) *Interdependence*: The partners must complement each other, the partnership should be characterized by "1+1=3". (4) *Investment*: To provide evidence of a relationship, the partners devote resources to each other. (5) *Information*: There must be an open communication, sharing information about objectives and the goals, technical data and trouble spots. (6) *Integration*: There must be linkages and broad connections between the organizations on different levels with many people. Both parts must teach and learn. (7) *Institutionalization*: There cannot be a project-like partnership, it must be given formal responsibilities and decision routines, the partnership should not break easily. (8) *Integrity*: The relationship must be honored by both parties, they must behave in a way to enhance trust and cannot abuse information.

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The professional alliance is much like a personal relationship where you must fit your partner on different levels, you will discover unexpected sides of your partner, in difficult times you must interact together and you must be able to learn from each other. (Kanter, 1994)

According to Kanter (1994) is the purpose of collaboration the potential of value creation, where the actors go beyond their own personal goals to achieve larger and more ambitious goals together. She further speaks of trust and commitment as vital for a successful collaborative partnership. Kanter's (1994) definitions of successful partnerships are justified by Ford et al (1998, p. 197) state that "Relationships is argued to conduct with collaboration and mutual dependence" and Gadde (2003, p. 363) state "continuous combining and recombining in business relationships that new resource dimensions are identified and further developed".

Kanters (1994) argument does however not consider when the fundamental structure for the actors changes. When a public and a private actor jointly perform together there are several essential differences that are significant to consider while engaging a relationship.

Initiating a Public-Private Partnership

The definitions of public-private partnership (PPP) are not unanimous among researchers, however the definition presented by Ham & Koppenjan (2001, p. 598) based on Osborne's (2000) definition has been adopted by many researchers (Mörth & Sahlin-Andersson 2006; Hodge & Greve 2007):

"we define public-private partnerships as co-operation of some durability between public and private actors in which they jointly develop products and services and share risks, costs and resources which are connected with these products or services"

Mörth and Sahlin-Andersson (2006) describe PPP as a long-term mutual development of a product or a service, where the parties are on an equal level of risk and authority. The partnership is characterized by horizontal cooperation and mutual relations to develop a joint product. Mörth and Sahlin-Andersson (2006) summarize six different motives for the public side to adopt a PPP; (1) a wish to modernize the public sector, (2) gain access to private funding for public services, (3) gain legitimacy, (4) handle and share risks, (5) a form of cut-backs in public sector, and finally (6) a form for sharing of influence and more developed horizontal relations between the private-public sectors. The wish to modernize the public sector is aligning with the New Public Management ideas, where traditional methods how to conduct operations are insufficient and financially unjustified. Reforms such as privatizations or creating incorporated companies are methods to facilitate the modernization.

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Public-private partnership is also one of these ideas for a more open society that moves from government to governance and hierarchies to networks. The partnerships are often used by the government to liberate the classic measurable “harder” activities in favor for softer ones where exploration, creativity and innovations are the main principles. (Mörth & Sahlin, 2006)

Van Ham and Koppenjan (2001) describe how the fundamental characteristics of private-public actors differ when it comes to cultural and institutional perspectives. Both parties have different qualifications and originate from two different structures or “worlds”. Their driving forces differ as private companies seek to maximize profit and governmental organization seeks to maximize the services with the least usage of tax money. Consequently the two sides have different perspectives on common tasks, where different strengths and weaknesses are obvious. Table 4 presents the main motives for public and private parties to engage cooperation with each other.

Public Parties	Private Parties
Private Investments Increased efficiency Input of private market experience Creation of surplus value and innovative solutions	New investment opportunities in new markets Reduction of long-term uncertainties Public contributions to uneconomic investments

Table 2, Van Ham and Koppenjan (2001, p.597)

With a successful partnership, a possible surplus value will be created when the two different structures collaborate and create a joint product. The purpose of a public-private partnership is according to Van Ham and Koppenhan (2001) to achieve a task or goal almost impossible to accomplish individually, through an efficiency, cost and funding perspective. The public sector wants to achieve higher efficiency, take part of the markets know-how with the ability to adapt and create innovative solutions. On the other side, the private party desires the stability a public actor provides. With long-term investments the public side can provide a normally unviable investment and “open up” new market opportunities for the private actors (Van Ham & Koppenjan, 2001). The joint collaboration could, according to Hodge and Greve (2003), create higher performance and achieve more ambitious goals, i.e. 1+1=3. For the public side, the joint product has a theoretical possibility to achieve greater societal benefits demanding less public resources (Mahalingam, et al. 2011). But acting jointly also means both should gain from the mutual effort and success, i.e. sharing of both positive and negative risks (Hodge & Greve, 2007).

Savas (2000) describes PPP as a form of privatization, he distinguishes the differences from contracting out which is a stage of outsourcing where the government contracts with a private organization to construct a product or realize a service, which is ideal for standardized products. A partnership differs from contracting as the partnership focuses on continuous cooperation and collaboration to create customized products. The contracting relationship has a clear principal - agent

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relationship as a vertical cooperation, compared to the horizontal cooperation in a partnership (Mörth & Sahlin, 2006). By contracting out, the strengths of both sides will not be apprehended, where strengths of the private part are not taken into account with strict guidelines how to operate, most likely will the product lose potential. Van Ham & Koppenjan (2001) argue this is visible when the principal party is not yet mature for a partnership. Both Savas (2000), Van Ham and Koppenjan (2001) mention this as a principal-agent relationship where the government acts as a principal and dictates the conditions of the relationship. Gadde *et al.* (2004) mention the statement with an additional paradox; influence or being influenced. If one actor is dominant and directs the development of the relationship, it has a high risk of becoming a hierarchy, where the one-way perspective could harm the potential for further creativity and innovative solutions.

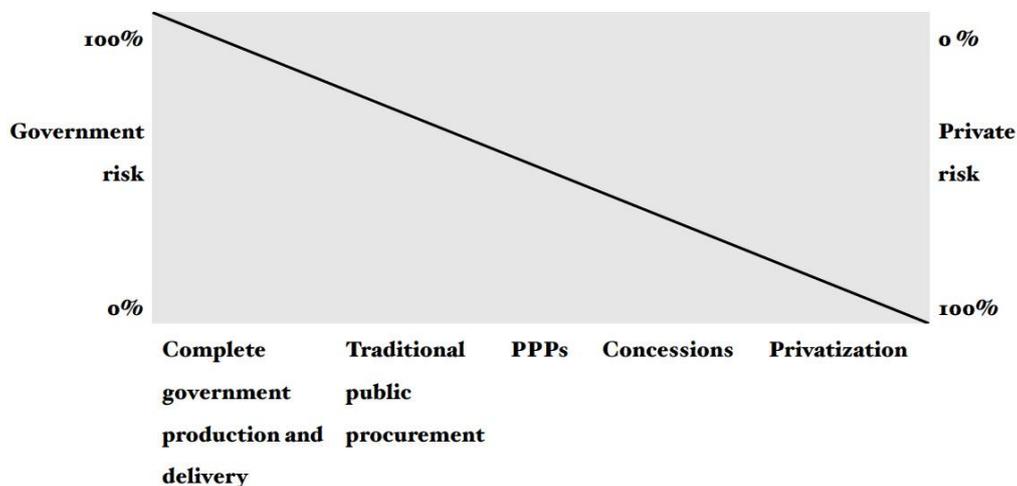


Chart 2, Ticar and Zajc (2010, p.197)

Tičar and Zajc (2010) are presenting in the chart above different forms of public or private production with risk-sharing as an indicator. The principal-agent relationship would in this graph exist in “Traditional public procurement”, where a task is being contracted out to an external actor to perform. The horizontal continuum could (except risk) also be an indicator of responsibility, vertical integration or as an expansion in the value chain. The principal - agent relationship arises in traditional public procurement as the principal hires an agent to conduct a service for the principal. Anyhow, in this perspective the principal lose the close connection to the end-customer and its environment. With the distance aspect, Guald (2007) mention problems as moral hazard or conflict of interest often arise, were difficulties in specifying what the principal’s vision actually is. Moral hazard problem occurs when the agent performs activities outside of the principals vision, and where the risk falls on the principal. The principal have to rely the agent perform their wish, but control can be created through detailed legal contracts. To assure the result is aligning with their stated vision, the principal can conduct performance monitoring and inspections. The principal can additionally use two

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tools if the agent's performance is not aligning with their stated vision; penalties or incentives, breaches of the agents' results affect the relationship negatively (Gauld, 2007).

The partnership also contains of different risks when the two different parties are trying to collaborate (Van Ham & Koppenjan, 2001). However, everything cannot be written into a detailed contract to cover the uncertainty of the future. Innovative products, markets or structural changes can for instance affect the outcome of the current partnership (Hodge & Greve, 2007). Questions about risk-sharing, who takes the costs and provides resources, are of high priority in this type of relationship. According to Van Ham and Koppenjan (2007) is additional interaction to jointly create a customized contract needed to shape a successful partnership and avoid future conflicts, the customization could increase the flexibility and uncover uncertainties. Hodge and Greve (2007) argue PPP is not effective in short-term perspective, where the ability to share the risk is of major concern to maintain and further develop the partnership, and Tičar and Zajc (2010) mention the risk-sharing as a default rule, where the party who can handle the risk at lowest cost, should bear it. However, when the partnership is not optimal distributed through a risk perspective, where incentives and each actor own driving-force is being miss-matched, the partnership might not be as efficient as it could be.

Kanter's model describe important factors in a business partnership, though she misses one fundamental part. She focuses on how to nurture the relationship, and less on how to set up and control the partnership. PPP explains why, and the following section will explain how to govern a partnership by the set-up of contractual control systems, as a contract provides the foundation of the partnership. The contract between the actors sets the framework and the rules for the partnership, a fundamental piece of control in these types of relationships. As the interdependence of tasks increases, consequently the need for coordination and joint decision making increases to maintain control. Dekker (2004) classifies different control mechanisms as follows.

Outcome control (formal)	Behaviour control (formal)	Social control (informal)
<i>Ex ante mechanisms</i>		
Goal Setting Incentive systems/ Reward structures	Structural specifications: - Planning - Procedures - Rules and regulations	Partner selection Trust (goodwill): - Interaction - Social Networks - Reputation
<i>Ex post mechanisms</i>		
Performance monitoring and rewarding	Behavior monitoring and rewarding	Trust building: - Risk taking - Joint decision making and problem solving - Partner development

Table 3, Dekker (2004)

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Dekker (2004) concludes the partner selection is a vital aspect of mitigating the likelihood of problems, and formal control as a measure to manage problems. Thus spending more resources on partner selection reduces the need for formal control. Ouchi and Maguire (1975) suggest output control is to be used to provide evidence of performance. And when the means-ends relations are known, behavioral control are more appropriate. Within the social control, the intangible mechanism of trust exist, Langfield-Smith & Smith (2003) argue a high level of trust will decrease the risk of opportunistic behavior. Chenhall and Langfield-Smith (2003) argue common values and principles should be united through trust. However, strong trust can exist without legal or contractual agreements, mentioned as personal trust. In contrast to this, organizations cannot always rely on high level of personal trust, legal agreements and contracts are inevitable, this is referred to as contractual trust. To achieve the strengths of the two different types of trust, organizational trust is a unitization of the both perspectives.

Theoretical discussion

Kanter's (1994) eight I's provide a platform of factors to base our research on, since her relationship factors focus mainly on business-to-business relationship, in the following section focused on PPP in order to understand Kanter's factors from a public perspective. With an exploratory perspective in mind we claim to find a fit between Kanter's factors and the theories focusing on PPP, by our meaning, Kanter's factors can be applied to a public-private relationship. The main reason to engage a partnership is according to both theories to create a surplus value, for example the "1+1=3" formula as mentioned earlier, which is not possible to achieve alone. The characteristics of the cooperation are also similar between the two theories as they focus on horizontal collaboration based on mutual trust and risk sharing. They both mention the joint product and claim the importance of structure, goal setting and information sharing. However, one factor by Kanter does not fit directly with PPP, that is regarding investments and how the organizations should invest in each other, as public organizations are limited and even in some matters regulated in this question. Though Kanter does not only speak of financial investments, for instance could the investment of time be done, financial investments in the common project and the visualization of dedication could likely be classified as investments by all parties. Both Kanter and PPP researchers mention trust as a fundamental piece in the cooperation, and the theories of trust provided earlier emphasize its importance in relationships. Therefore is the factor of trust added to the group of factors we base our exploratory research on.

Method

The base for our research is the presumption how inter-organizational relations between the three major stakeholders in public bus transport affects the quality of their joint product, which in this case is the local bus transport. Local public transport could be illustrated as a big machinery, processing in a slow pace, thus a long time perspective is required to identify the changes. Based on our definition of quality we will measure the development of efficiency, effectiveness and customer perception by the variables; changes of costs, changes of passenger numbers, and changes of customer satisfaction. Each actor in the relationship can directly affect at least one of these variables, through the relationship the actors can influence each other and thus indirectly affect all variables. The time period chosen for our research is between 2009 and 2011. Long enough to capture the development, but still not affected by structural changes and other contracts and operators. Naturally there are other factors affecting our variables, not only the relations but the actors in the cases control the main features of the product and its development. From this viewpoint we have scrutinized the relations in order to identify what factors that affect the development of quality in public bus transport.

According to Saunders *et al.* (2009) does a case study provide with several sources of evidence, it does however not distinguish a phenomena from the context. With this problem in mind, Otley (1994) describes that research of management control in extended enterprises requires case-based methods in order to be able to fully grasp all sides of the question of control. Eisenhardt (cited in Parkhe, 1993) states that case studies are particularly well-suited for exploratory research or when a fresh perspective is needed. In addition to this does Yin (2003) describe how interviews provide strong cause and effect connections. Since our research provides a fresh perspective on the softer areas in public private cooperation and control, we have chosen a case study as foundation. As we base our analysis on theories against business-to-business relationships in public-private environment theories, and according to Saunders *et al.* (2009) and Yin (2003) has the research of this paper a deductive framework. This is however supported by important questions how to achieve control and trust in these special relationships, as our subject is fairly unexplored, new insights and a first establishment of what factors affects the public-private relationship will be presented.

Selection

Our research is based on four cases in medium sized Swedish cities (80´-150´ citizens), where the only public transport is by bus, based on contracts with the private operator Nobina. All cities fitting to our limitation were ranked by an initial grading of passenger development, two were chosen from the top and two were chosen from the bottom. The development of passengers is one important

City:	Passenger development:
Karlstad	Strong
Örebro	Weak
Södertälje	Weak
Umeå	Strong

Table 4, Selection

variable of the quality and a large spread will probably show clearer results for our study.

We have chosen cities where Nobina operates as they are the biggest bus company in Sweden with 27% of the market share (Nobina, 2012). One of the authors is connected to Nobina and granted full information access, even though a lack of access to other operator's limits our breadth, the full access at Nobina gives us greater depth in the matter. The interviewed managers Wäreborn-Shultz, Lundberg and Kihlström, all witness of marginal differences between the operators, thus using a single operator for our case studies is unlikely to limit our results. Rather, using a single operator provides us the opportunity to analyze differences between cases without factors as strategies or internal policies interfering. Nobina financed our travel expenses for the interviews, but to avoid the interviewer bias as described by Saunders (2009), no one at Nobina had any insight in our work. The overall aim of the paper is to give an insight for the sector and for further research, not to promote any interest for the private operator.

Data Collection

The empirical framework is built on totally 14 interviews with respondents from all actors, which is aligning with what Parkhe (1993) describes, to triangulate multiple sources to find concurrence by performing interviews with top management. Our respondents were primarily: the traffic manager at Nobina, the public transport manager at the municipality and the area manager at the CPTA. To establish internal validity, according to Parkhe (1993), we gave all respondents the possibility to read a draft of the paper and provide their input. Response bias, as described by Saunders (2009), may have affected our results, as we informed all respondents about our connection to Nobina, they might have been more diplomatic in their answers. In contrast to this, the respondents at Nobina might have been more open and less restricted in their answers. All respondents accepted to be interviewed and several actors did spontaneously express their interest in our research subject.

The interviews were based on a questionnaire created by Wiehe (2009) who investigated the effects of public-private partnerships in Denmark. The questionnaire provides us a tested guideline created for similar setting as ours, a minor customization of Weihe's questionnaire was done in order to fit the

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purpose of our paper, questions regarding risk and information sharing were added. The entire questionnaire is available in appendix 1. With support from Wiehe's questionnaire we were able to establish a first step of the exploratory features in the Swedish public bus transport. The questionnaire is however used as a guide to collect information and uncover the features regarding the relationships between the actors, the questionnaire is not used for statistical usage. As Saunders *et al.* (2009) describe how exploratory studies benefits from the openness in semi- or un-structured interviews, with support from Weihe's questionnaire we have conducted semi-structured interviews. With the semi-structured interviews this case study have existing theories as foundation to further build an analysis from and later on an presentation of the results of each factor will be discussed. The results are further focused on analytical generalization rather than of statistical logic due to the small number of cases and to create a deeper understanding of the patterns.

Secondary data have also been gathered to create and present a deeper understanding of the contracts regulating the relations within public bus transport. One additional aspect have been included regarding how control mechanisms conducts on a higher level, the reasons is aligning with the exploratory nature of the paper to establish research within Swedish public bus transport. The data comes from Nilsson's (2011) report "Kollektivtrafik utan styrning" created for the expert group for studies in public finances (ESO) and ultimately the finance department of the Swedish government. Data regarding the quality variables were collected from; the Swedish government agency for transport analysis - Trafikanalys (2011), the public transport sector's quality analysis Kollektivtrafikbarometern (2012) conducted by Ipsos, the public transport sector's financial analysis Stadstrafikkompassen (2012) conducted by Sweco and from all actors internal documents. The figures are only used for their relative development, the cases will not be compared in absolute numbers as there are too many factors governing the size, but a strong development in the quality variables would indicate of a overall higher quality for the public bus transport.

Empirical framework

This chapter provides a general description of the Swedish public bus transportation and four cases are presented to give a deeper insight in public-private collaborations.

The bus market in Sweden consists of four big actors; Nobina, Keolis, Veolia and Arriva, where Nobina is the largest with about 5000 employees (Nobina, 2012b). Nilsson's (2011) analysis of the Swedish bus transportation sector reveals a financially moderate business with an average return of equity of 1,3% for the four big actors. Since public transport in Sweden is publicly funded, the operations are tendered by a principal which in the public transport sector is the County Public Transport Authority (CPTA). When the tender competition is finished, the winning operator will sign a contract with the public. The contract creates the foundation and the rules for the local public bus transport in the city.

The Contracts

Nilsson (2011) explains how each tender process is designed by the CPTA, based on goals set by the financier (municipality and/or county), the goals are ultimately set by the local politicians within the municipality. The chart below presents the

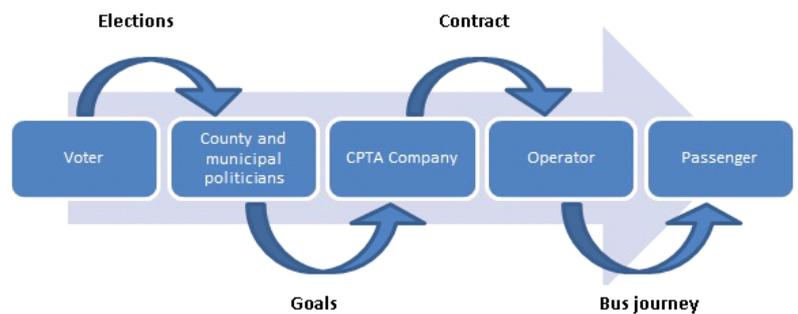


Chart 3, Developed from Nilsson (2011)

governance structure; the flow goes from voters, to politicians who make an "order"

to the CPTA which states what they desire of the public transport, the CPTA performs a tender competition and signs a contract with the winning operator who performs the traffic for the customers, i.e. the voters.

A majority of the contracts Nilsson (2011) examines are production contracts, or gross contracts. The contracts are signed for normally 8-10 years after the tender competition. In these contracts, the CPTA is accountable for design, price, routes and timetables. Nilsson (2011) identifies the created contracts are designed to give complete control to the CPTA, regarding the performance of the operations. The contracts are in a high degree detailed and specified how the operator should conduct their work. Additional specifications with detailed technical solutions are stated, one example is specifications of gas-fueled buses to reduce the CO2 emissions or how many millimeters it should be between the chairs within the bus. Nilsson (2011) finds the detailed level contradictory when the CPTA order how the operator should conduct their work, not what they should achieve. Nilsson (2011) concludes there

are significant control problems within Swedish public transport, and that governing organizations must become learners instead of teachers.

The gross contract is by several actors' (Brenden; Wäreborn-Shultz; Lundén) views obsolete and problematic, the static approach is argued to have caused a moderate development for the public transport in Sweden. However, in 2008 did several actors gather and created a united project to deal with the problematic development.

The Doublement Project

The moderate development of the public transport was one of the fundamental causes for the initiative of the project. Representatives for the trade organizations in the Swedish public transport sector had the intentions of finally succeeding to change the development, the Doublement project was born. Wäreborn-Shultz² tell how the vision “Public travel is a natural part of everyday travel in a sustainable society” was agreed upon, and from the vision the parties derived the goals of a doubled amount of passengers up until 2020 and a long term goal of a doubled market share. The involved actors are:

- Swedish Public Transport Association
- Swedish Taxi Association
- Swedish Association of Local Authorities and Regions
- Swedish Bus and Coach Federation
- Association of Swedish Train Operating Companies
- Swedish Transport Administration

Table 5, Doublement (2012)

Today all actors has joined the Doublement and the goals has been accepted. One part of the Doublement project is a “knowledge lift” which aims to increase the awareness and knowledge within public transport. Think-tanks and seminars for the involved actors have been conducted, whereas the main objective is to facilitate a shift in the public transport sector, a change from being a production-oriented towards a more service-oriented sector. Brenden, Högländer and Wäreborn-Shultz, witness how the view on how public transport should be conducted is traditional where the resistance for changes was apparent and in some cases still exists.

In the following section we present the stories of how four cities have developed their local bus transport in cooperation between the CPTA, municipality and operator. As these are a broad selection of cases, we try to give an indication of the general picture for the sector.

² Charlotte Wäreborn-Shultz, CEO of Swedish Public Transport Association, and CEO of X2AB (The company behind the Doublement)

CASE ÖREBRO

Background

Örebro has for the last years shown a moderate development of the public bus transport with fluctuating demand and increasing costs.

A new route network was implemented the 1st of April 2010 in order to increase travelling with the city buses, but as Persson describes, the implementation of the new network were not painless.

ÖREBRO		
CPTA	Thony Lundberg	Area Manager Örebro
Municipality	Jan Persson	Manager Public Transport
Nobina	Tex Kihlström	Traffic Manager
Passenger development 2009-2011	Customer satisfaction 2009-2011	Cost development 2009-2011
+5,2%	-1% 2009:70% 2011: 69%	+49%

Table 6, Case Örebro

The first year of operation was a problematic period for all actors, Nobina lacked experience of new gas-fuelled buses which generated technical issues resulting in canceled and delayed departures. At the same time did Sweden experienced one of the worst winters in decades with heavy snowfall which affected the availability due to over-snowed roads, the city were still covered of snow in early April 2010 (Lundberg; Persson; Kihlström; SMHI, 2012). As the new route network was initiated on the 1st of April 2010, the city was also affected by ongoing road renovations which resulted in temporary route changes from day one. The communication and coordination between the three organizations did not work smoothly either. One example is when the plowing company did not get information about changed routes and plowed according to the old route network. Persson states humbly that the timing for implementation of the new route network was not ‘optimal’. The result of this turbulent time was high penalties for Nobina due to canceled trips and late arrivals, it also created a great deal of irritation at Länstrafiken. The customers experienced a chaotic time with changed routes, cancelled and delayed trips which led to a decrease of passengers together with bad publicity for the city buses. (Persson; Lundberg; Kihlström) The public did not receive the new route network well and gave it the nickname as the 1st April joke of 2010 in Nerikes Allehanda (2010).

Development of the cooperation

There was a foundation for cooperation established years before Nobina’s entry with two groups consisting of members from all three organizations. The first group was created as a result of a series of robberies, this security forum worked for a safer environment for drivers and passengers. The group had monthly meetings but faced difficulties to create specific actions and results. Both Lundberg and Persson describe how questions and issues were tossed back and forth between the organizations without anyone actually taking responsibility, the blame game was obvious and no

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problem-solving solutions were created. Kihlström describe a problem of cooperation between Nobina traffic dispatch and LT traffic information; the two offices had difficulties communicating and coordinating their mutual activities. The solution was to conduct study visits at each other's offices. As the two offices gained a further understanding of “the other sides” processes and problems, coordination and communication was greatly enhanced. Parallel to the previously mentioned security group, an accessibility group for questions of road accessibility was working on the same premises and struggling with similar internal problems. Their purpose was to solve current problems with an ad hoc approach as it came to the group's knowledge. The groups lacked specific goals and the members lacked authority to take action, and no one within the groups was accountable for the problems. The endless discussions led to a fresh re-start of the groups, together with a new organizational structure for cooperation in late 2011. (Kihlström; Lundberg; Persson,)

In December 2011 the re-start was initiated with a management team and three additional focus groups to improve the public transport in Örebro. Lundberg describe how the new structure created clearer work procedures with an overall goal to increase travelling and customer satisfaction, though there is no specific target. The focus groups are divided into different areas of responsibility similar to the old structure. Each focus group has one member from the management team who is accountable for the coordination and the progress within the group.

The three members (Kihlström; Persson; Lundberg) of the common management team indicate an overall good and hassle-free relationship today, even though they might be a bit careful in their criticism towards each other. Although, it is not the same match between their organizations, all three respondents indicate there are still difficulties in communication and coordination between their organizations. Kihlström describe one problem concerning information sharing, Nobina sometimes has to ask several times in order to apprehend desired data or information. Though the focus groups work constructively, Kihlström sees another mismatch as the new focus groups are dedicated to their short-term tasks, with the risk of setting aside long-term questions. The focus groups have an overall long term goal of increased passengers and customer satisfaction, the goal setting is aligned with the national Doublement project.

Persson and Lundberg mention the Doublement has created a common view and a mutual understanding about the national goal. Lundberg further mention the Doublement has affected them locally and created a more focus on the three parties common interests. Even though it has created a further focus, Kihlström describe how the Doublement did not have any greater direct impact on their common agenda. Lundberg mention there will always be different interests as driving forces for the different organizations, mainly financial. Kihlström continues about the different view on the financial perspective, where the actors are not coherent in their views of what is financially viable and

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financially arguable. One issue is regarding a new campaign, created by the marketing group to encourage increased travelling with the city buses. It is about to be launched (late march 2012), but Kihlström see a potential problem as the campaign will mostly attract new customers at peak hours where the capacity is already closing its maximum, and an increased capacity requires investments in new buses. Though delivery of new buses takes about 8 months, and during this time the new customers who were an effect of the marketing campaign will be gone to alternative transport methods.

To conclude, the three actors in Örebro faced a tough start with the city traffic, though the initial problems are now history. The actors are now entering the next phase for cooperation to strengthen and develop the quality of the city bus traffic in Örebro.

CASE UMEÅ

Background

The three actors in Umeå operate the public bus transport under the united brand ULTRA. The public transport is designed, ordered and financed by the municipality owned company Umeå Kommunföretag AB (UKF). The CPTA Länstrafiken Västerbotten (LT Västerbotten) acts as middleman

UMEÅ		
CPTA	Maria Högländer	CEO Länstrafiken Västerbotten
Municipality	Fredrik Forsell	Manager Public Transport
Nobina	Sjur Brenden	Operations Officer
Passenger development 2009-2011	Customer satisfaction 2009-2011	Cost development 2009-2011
+17,9%	-2% 2009: 78% 2011: 76%	+16%

between the financier and the operator. **Table 7, Case Umeå**

LT Västerbotten is responsible for the tender process, coordination with other municipalities and is accountable towards the municipality that the operator fulfills the contract. (Högländer; Forsell; Brenden)

Until 2006 the city buses in Umeå had been operated by a municipality owned bus operator, the traffic was tendered and won by Veolia with a substantially lower price than the public operator. The public opinion was strong against the change and privatization of the business, it was even resistance within the municipality office as they lost direct control of the bus operator. The traffic with the new operator did not run smoothly and the relations quickly got frosty as disagreement escalated with disparate views of the contractual terms. The new positions for the actors together with a diffuse contract made the parties defensive towards changes. The actors refused to change as prestige hindered problem solving and development of the cooperation. These problems caused LT Västerbotten and the operator to cancel the contract only two years after its launch. The public opinion of the handling of the public transport got even louder and the criticism were severe. (Högländer; Forsell)

The analysis from LT Västerbotten concluded the cancelled contract was an effect of sometimes vague initial tender information, which made it difficult for private operators to make covered calculations for their tender offers. LT Västerbotten explains this as they lacked sufficient information and data about the traffic to fully inform the tendering operators. The solution was to clarify the responsibilities between LT Västerbotten and UKF, as CPTA and financier. Due to the cancelled contract, LT Västerbotten had to conduct a quick tender process were Nobina won and started their traffic only a few months after the decision. The buses Nobina used caused a lot of technical problems, together with a problematic ticket system, the public opinion and the customer satisfaction of the city buses hit an all-time low. As a result, Högländer describe how strong voices from the public and politicians demanded a return to a public bus operator.

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With poor performance and a chaotic start the three parties felt something had to be done. Högländer and Forsell initiated discussions together with Nobina and all actors describe how these discussions were constructive and prestigeless, with a focus towards problem solving rather than blaming. Within the first year, solutions were found on most problems and the discussions evolved into a formalized structure for further cooperation.

Development of the cooperation

The new structure of the cooperation was created with a management team consisting of the highest management from all actors. The work groups were given each focus area, for example; marketing, operations and planning. The groups were not fixed and could be dissolved, for instance as vehicle problems were solved, the vehicle group was finished. Goals were set with focus on three areas; finance, customer satisfaction and efficiency, the goals were for each group broken down into more detailed goals per area. Additionally a common perspective to have the customer in focus was agreed upon. The structure was organized with the management team focusing on goal follow-ups and strategic planning, and the work groups collaborating with operational questions and continuously report to the management team. (Forsell; Högländer; Brenden)

Today, the cooperation has a mutual understanding of customer satisfaction as a common ground for the cooperation, which also aligns with the actor's individual aims. The national goal of a Doublement was accepted in an early phase and is today a central agenda within the collaboration, the Doublement has contributed to a clear and common goal for the actors. Högländer and Brenden describe the manager for public transport at Umeå municipality and UKF, Fredrik Forsell, as the central person in this cooperation. He is the coordinator for the entire cooperation and participates in all meetings for the management team and work groups, the respondents also describe him as the strong force for the development of ULTRA. Forsell explain the focus and drive from UKF as they not only order the service but also finance it, and consequently want to assure the delivery meets their demands. The relationship is described as good with an open mindedness, low prestige with a mutual understanding of the nature of each other's aims and intentions. Even though the initial problems, the actors have settled into their new roles, abandoned the prestige competition and have created a collaborative climate with a common focus on the development of ULTRA. All though there is an open and constructive cooperation with shared goals, there is not a shared responsibility for the overall growth of ULTRA. LT Västerbotten has tried to further bring Nobina into the cooperation with shared financing of expanded capacity, though this was denied by Nobina as their compensation is limited to production volumes in kilometers/hours and does not include passenger volumes. (Högländer; Brenden)

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Infrastructure questions are of utmost importance for the efficiency and development of public transport, which has led to a high priority for the urban planning department at Umeå municipality. According to Forsell and Högländer is this since the CEO of UKF³, represented in the management team, also is the director of the entire municipal office. All actors describe how the cooperation with the urban planning department operates smoothly as their internal cooperation within ULTRA. A fresh view on the relationship comes from Brenden who replaced his predecessor early in 2012. His spontaneous opinion is that the cooperation needs to further clarify the actors individual and common goals, also maybe strengthen their strategic focus and gain the courage to explore more innovative solutions “outside the box” to further develop the competitiveness of ULTRA.

³ Mikael Öhlund, CEO of UKF, Director of Umeå Municipality

CASE KARLSTAD

Background

The County of Värmland has a unique setup with two separate CPTA's, Värmlandstrafik for the regional traffic in the county and Karlstadsbuss for the city traffic in Karlstad. Karlstadsbuss is a division under the city office for urban planning in Karlstad. (Bergerland)

Bergerland started his present position in 2005, he came from a background in the transport sector working mainly for operators. Bergerland possessed fresh insights of how private operators work, he argues this insight

where beneficial for the setup of their cooperation. At the time when he joined Karlstadsbuss the situation was poor with a stagnating number of customers and low customer satisfaction. Bergerland came from a company with a consistent high customer satisfaction record and he saw great potential for Karlstadsbuss to improve their customer satisfaction and number of customers.

Nobina started their traffic in 2005 after a turbulent tender competition. In an early phase Karlstadsbuss and Nobina initiated a deeper cooperation to construct the principles for how they would further develop the city traffic. The initiative was created by the executive vice president and market director at Nobina, Henrik Dagnäs. Just as Bergerland where Dagnäs new on the position and had previous experience from a CPTA as marketing director. It could be said that Bergerland and Dagnäs had "switched sides", which meant they had valuable experience and understanding for each other organizations. Bergerland describes the mutual understanding as a valuable basis for their cooperation. The parties created a joint management team to lead the cooperation, additional focus groups was created with members from both Nobina and Karlstadsbuss. Each person in the focus groups had full accountability for a task, and they were free to use the most appropriate resource from either Nobina or Karlstadsbuss. (Bergerland)

The actors jointly shaped the basis for cooperation of the city traffic with tough goals regarding passenger numbers and customer satisfaction. A goal to annually increase customers by 4-5% was agreed upon, Salomonsson state they thought the aim was too hard to achieve, but joined the goal. Both actors claim it exist a mutual understanding of the customer as the primary focus. (Bergerland; Salomonsson)

KARLSTAD		
CPTA and Municipality	Sören Bergerland	Manager Public Transport
Nobina	Lennart Salomonsson	Traffic Manager
Passenger development	Customer satisfaction	Cost development
2009-2011	2009-2011	2009-2011
+11,1%	+18% 2009: 72% 2011: 90%	+12%

Table 8, Case Karlstad

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In 2005 Karlstadsbuss initiated a new simplified route network along with an innovative traffic planning, according to Bergerland this is the fundamental aspects of the great increase of passengers and market share. When the new route network was implemented, a mix between detailed and general goals was set, one general goal was to increase the annual passenger to 30% until 2013. Already in 2007 the development reached the goals of 2013, at the same time the number of buses decreased from 60 to 55 due to efficiency gains, (Nobina, 2012a). Later on the Doublement project was initiated but was not perceived as a goal, Bergerland describes how it rather was perceived as a confirmation that Karlstadsbuss was on the right path.

Together with the new route network an aggressive marketing campaign was introduced to encourage traveling with public transport. Bergerland witness of how successful the campaign was and how it supported the new route network. Later on the marketing campaign was nominated as the best marketing campaign in the county of Värmland.

Development of the cooperation

Bergerland describe different innovative solutions by Karlstadsbuss, for instance “hockey buses” and “pub buses” where the ticket for is financed by the local pubs and nightclubs in Karlstad city. Customer satisfaction increased as the availability improved for bigger events. Additionally, an innovative payment system was introduced as the union and the work environment authority banned cash payment in buses due to robberies. Karlstadsbuss created their own “fake” currency solely for bus journeys, and since the note is destroyed upon payment there is no risk of robberies. The solution is highly cost efficient compared to other technical solutions as SMS or electronic tickets. All these innovations were mainly created by Karlstadsbuss with some cooperation from Nobina.

The traffic planning is jointly performed by Nobina and Karlstadsbuss, Salomonsson describe how the traffic planner at Nobina spends most of his time in cooperation with the traffic planner at Karlstadsbuss. The tasks for the two planners are a bit different; the planning performed by Karlstadsbuss is for the time table and the important outcome is to create a timetable that is useful for the customer, the planner at Nobina aims to maximize the efficiency and usage for the buses and staff. Both Salomonsson and Bergerland describe how CPTA’s traditionally create a timetable for their own purposes, and later hand it over to the operator as a “production scheme” to fulfill. The time schedule is usually created as a tool to control the supply of services to the customers and it is created from the single passengers’ perspective. Since the time table has a large impact on operators costs, it is important to construct it as optimal as possible with the operator’s perspective in mind to control the costs more efficiently, both Brenden and Wäreborn-Shultz witness of this as a general picture in

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public bus transport. The cooperation between the planners in Karlstad has created the most efficient usage of buses and also the most efficient time table for Nobina in Sweden (Bergerland).

Both Bergerland and Salomonsson describe an easy going and relaxed relationship from day one. There are no struggles and questions never grow into problems since they are effectively and proactively solved. Though Bergerland describe some issues that persist, mainly regarding how the traffic dispatch manages the buses. For instance, when there are empty buses at the depot while there are cancelled routes due to lack of buses, the ability to take “extra measures” is what Bergerland lacks from Nobina. He also mentions when extra buses are ordered for hockey games, and the buses leave the arena on scheduled time, despite the hockey game ends a few minutes later.

Except for these minor defects the actors’ witness of a relationship built on trust and a high level of reciprocity. Both actors understand the driving forces for each organization, consequently they can manage the relationship and cooperation smoothly. At the question whether the relationship could be labeled as a partnership, Salomonsson describes that even though they cooperate on many levels, Karlstadsbuss is the stronger part with the final decision in most questions due to the nature of the contract. There are no significant incentives for Nobina to further improve the traffic, the revenue for Nobina is based on production volume. Salomonsson describes Nobinas role as a production unit with limited risk, where the contract reaches for 8 years it is more of an administrative role to deliver and retain production, rather than actively participate in a partnership to develop the quality.

CASE SÖDERTÄLJE

Background

Södertälje is characterized as an independent city in Stockholm County, where the public transport is governed by the CPTA Storstockholms Lokaltrafik (SL). Since SL is the undoubtedly largest CPTA with over 50% of all public transport in Sweden, they are a key player for the development of Swedish public transport. Though most municipalities in Stockholm County are suburbs with a large amount of work commuters to or through

SÖDERTÄLJE		
Municipality	Anna Gustafsson	Accessibility Manager
Nobina	Mackis Tiflidis	Traffic Manager
Nobina	Ulf Håkansson	Traffic Dispatch/Accessibility
Passenger development 2007-2011	Customer satisfaction 2009-2011	Cost development 2007-2011
+6,7%	-18% 2009: 80% 2011: 62%	+42%

Table 9, Case Södertälje

central Stockholm, Gustafsson describe how Södertälje has a larger inflow than outflow of work commuters. The city buses in Södertälje are just as all public transport in Stockholm County operated by SL, which is financed by tax shifts from the municipalities. SL does in their turn tender and finance operators and takes full accountability of all public transport in the county. (Tiflidis; Gustafsson)

Nobina started their present traffic in Södertälje in August 2006. Gustafsson and Håkansson initiated their communication in 2008 as both were new on their positions. Håkansson was at the time working in the traffic dispatch for Nobina and shared responsibility for infrastructure accessibility with other dispatch operators, and Gustafsson had the corresponding responsibility at the municipality. The relations were initially problematic as there was an un-clear structure and lack of routines for road accessibility questions, resulting in ambiguous communication from Nobina. Initially, Nobina were not included in the communication between SL and Södertälje, urban planning information passed Nobina who got notified as road works were initiated. Håkansson and Lundén witness of a lack of communication and information which led to frustration for the operator and created a misbelief towards the other actors. Thus road works caused problems for the bus traffic as Nobina's desires were not fulfilled, these problems caused the union and the work environment authority to claim protective stops of operations due to hazardous work environment for the bus drivers.

Today both actors witness of a tight and open cooperation between the municipality and Nobina. Håkansson is solely responsible for the road accessibility at Nobina in Södertälje and get information of all planned road works, Gustafsson acts as a link to the rest of the urban planning office at Södertälje municipality. Nobina is involved in an early stage of urban planning and can contribute regarding bus accessibility. The planning departments at SL, Södertälje and Nobina have alongside

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developed a productive cooperation as the traffic planning is closely linked to the urban planning. Though Gustafsson and Håkansson describe a professional and effective cooperation on an operational level, the strategic cooperation is less fruitful.

Development of the cooperation

Gustafsson and Lundén describe SL as a large and powerful organization which has the authority to control the public transport within Stockholm County, Södertälje is consequently dependent on SL's planning and their resources. In order for Södertälje to induce changes in their bus traffic, a yearly "wish-list" is presented to SL who prioritizes and allocates resources for the overall planning of the county. Tiflidis describe how SL used to be a "heavy" and slow moving organization to work with. One example is how Nobina had to send regular statistical reports through 4-5 different channels to SL, even though they all were based on the same data. Tiflidis suspects the reports was based on old habits and believe they did not contribute to the development of the traffic. On top of this, Nobina and SL had monthly follow up meetings to discuss the reports and the results, but the discussions rarely led to any impact on the operations. Today, the top management and owners at SL has adopted the Doublement vision, though Tiflidis view is that it had no direct impact on associates who continue to work according to traditional behavior, though he witness of a change in this matter during 2010.

Lundén describes how SL traditionally has been restrictive towards involvement from municipalities and operators in the development of the bus traffic. SL has reorganized their entire organization which has created a shift in their focus towards cooperation. SL is transferring more responsibility to the local actors for the development of the public transport and Lundén mention SL will take a more strategic and designing role as CPTA. He indicates the municipalities would be the driving actor in the collaboration of public transport, he also wishes the operator to be more active. Though he doubts this will happen as long as the contract with Nobina is based on gross-production with no financial incentives to increase passenger numbers.

The cooperation between the three actors is today based on yearly meetings to oversee the bus traffic, additionally SL and Nobina have monthly business meetings discussing questions concerning the contract. In 2007 a project to develop a sustainable public transport in Södertälje was initiated with actors from Södertälje, SL and Nobina among other actors. So far has the project proposed a new route network which has not yet been realized due to delays in re-constructions of the commuter train and lack of funding, (Sweco, 2007; Tiflidis, Lundén). Further there is no formal discussion about continuous development or collaboration between the actors regarding the existing bus traffic, also there are neither common goals nor strategic vision for Södertälje. They all (Lundén; Tiflidis; Gustafsson) discuss how these problems are caused by the organizations different incentives in the contract and contradicting individual goals.

Empirical discussion

Brenden⁴ and Wäreborn-Shultz⁵ mention the interest for the operators close know-how and view-point of the public bus transport is increasing. The Doublement project affects the decision makers to create better and smarter public transport. One of our interviewed CPTA managers is self-critical in this matter and state: *“no one has explained what they want to achieve with the public bus transport”*. The statement indicates the traditional way of working, a more administrative approach rather than a development of current assets. Brenden who possess a long background from various management positions within the public transport sector recognize the traditional view. He explains how the operators historically have been passive and just accepting orders from the CPTA, who has solely been constructing the terms. Brenden illustrates this as the operator acts as a production unit performing CPTA wishes, ironically, according to Nilsson (2011) the wish is based on a traditional behavioral pattern as the operations in the public bus transport always have been conducted. However, Brendens´ view on the market situation today is more optimistic, a change is happening where the operator take a more active role to persuade and affect the CPTA, but also the politicians in the municipality are becoming more active in their “ordering”.

Today, most of the CPTA’s and all municipalities in Sweden have incorporated the vision and goals from the Doublement project. Though, Nilsson (2011) identifies a weak link between the common goal and the contracts with the operators. He mention it does not exist any goal setting in the contracts, consequently the operators are limited and are given no space to contribute to the national goal due to the detailed gross production contracts. Nilsson (2011) concludes the sector is characterized by political top-down control with little delegation to the operators, he mentions this as a principal - agent phenomenon between the owners and the CPTA.

⁴ Sjur Brenden, Operations Officer at Nobina, member of senior management.

⁵ Charlotte Wäreborn-Shultz, CEO of Swedish Public Transport Association, and CEO of X2AB (The company behind the Doublement)

Analysis

Firstly an analysis of the general aspects in the public bus transport will be presented and later on an analysis of the four cases will be conducted together with a merged analysis of the listed PPP theories and Kanter's (1994) eight I's.

The principal - agent dilemma

The Swedish public bus transport is as Nilsson (2011) and Brenden describe characterized by a traditional way of conducting. However does Mörth and Sahlin (2006) mentions PPP as a tool to modernize the public sector, it is described as a platform for mutual development, a more equal perspective with shared risks and costs. Today does almost all of the risk fall on the public sector actors as they finance the whole public transport, the only risk for the private operator's stems from their own internal efficiency. The public actor as a financier is naturally in a position to influence the recipient, this is mentioned by Gadde *et al.* (2004) as influence or being influenced, where the municipality or CPTA influence the private operator to conduct their wish. The same setup is named by Savas (2000) and Van Ham and Koppenjan (2001) as the principal-agent relationship. The empirical cases indicate of existing principal-agent relationships, mainly due to the financier situation and the current design of the power structure. Based on Tičar and Zajc's (2010) graph is the Swedish public transport positioned in *traditional public procurement*, where we also identify the principal-agent relationship to occur. Additionally does Nilsson (2011) identify a principal-agent problem, but in the owner-CPTA relationship, consequently it exist a double principal-agent dilemma in the Swedish public bus transport.

How to maintain control and gain trust

Nilsson's (2011) description and analysis of the contracts within public bus transport witness of a reality far from idealistic public-private partnerships. With an analysis through Dekkers (1994) perspective are the existing contracts strict on behavioral control. Both *ex ante* mechanisms in form of detailed rules or regulation, and *ex post* mechanism in form of fines for breaking the contractual terms. It could be argued it exist some form of social control through trust. Several CPTA's have goals to increase the number of passengers, though Nilsson (2011) mentions that it is not stated in the contracts since the goals are agreed upon after the creation of the contracts. The commonly used gross contract creates whatsoever no incentives for the operators to promote an increase of passengers or increased quality. With this dilemma the CPTA's are dependent to trust the operators, and the operators intentions have to be aligning with the CPTA's intentions to achieve the goals. Even if the intentions could have a negative effect for the operator, i.e. increased operational costs caused by increased passengers. Gauld (2007) describe the dilemma as a moral hazard problem, or risk for an

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opportunistic behavior as Langfield-Smith and Smith (2003) mentions. These problems are in our cases avoided through the high levels of trust which exists as the parties go beyond the signed contract by working for tasks outside their area of responsibility. The identified high level of trust could also be connected to Chenhall and Langfield-Smith's (2003) description of personal trust, additionally is the level of contractual trust high too due to the detailed contract. The aspect of two high level of trust is conspicuously, and according to Chenhall and Langfield-Smith (2003) could these two aspects be merged into organizational trust.

Behavioral control is mainly used in the contracts and Ouchi and Maguire (1975) conclude it is most appropriate when the principal knows the means-ends relations, which leads to two conclusions; either do the CPTA know how to achieve their goals and should use behavioral control in the contract, or the CPTA need the knowledge from the operator to achieve their goals, then the control system is designed in the wrong way. But if the principal does not know their own purpose in public transport, due to the double principal-agent relationship as presented above, the CPTA will hardly know the means-ends relations. Nilsson (2011) highlighted this problem with the label of his report, *Public transport without control*⁶.

With the principal-agent dilemma, conflicts of interests are consequently apparent in the presented cases as the respondents describe how the organizations different incentives impede the development of the public bus transport. We find this in all of our cases due to the high level of details in the contracts and lack of shared goals. The contracts rarely regulates outcomes or goals, rather the focus is on the operator's behavior. Van Ham and Koppenjan (2001) mention the actors must interact and create a customized contract to establish a successful partnership. Nilsson (2011) describes how the conditions for the contracts in Swedish public transport are created prior to the tendering and "partner selection", thus Van Ham & Koppenjan's (2001) statement is not consistent with public-private relations in Sweden. The core conclusion of Van Ham and Koppenjan's (2001) argument is the need for a fit between the contract and the partnership. The solution is that the partnership must be structured with the contract as the base, simply because the contract cannot be changed. We find evidence of this in Karlstad where Nobina has a higher degree of authority regarding traffic planning as it is the major influence on their efficiency and financial results. Compared to Umeå, where the municipality and CPTA tried to include Nobina in new activities/investments, the attempt was declined because the act was not financially viable as the investment would not generate any revenue. The new investment was not adapted to their contract and thus there were no incentives for Nobina to

⁶ Translation from Swedish; "Kollektivtrafik utan styrning"

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participate. An adaptation with each actors driving force in mind seems to create the fit as Van Ham and Koppenjan (2001) describe.

We will continue our analysis with a grading of the factors found in the theoretical chapter based on the cases. The grading in the following text is based on our perception of the empirical cases, the grades are not set as absolute, instead how they fit according to theory. The grades are divided into three levels, high, medium or low, for further information see appendix 2. We use only three levels as we have no detailed knowledge of each case. Thus the grade *low* does not mean bad or poor, but lower than average of the cases or not achieving the level stated by the theories.

First factor – Trust

Nilsson's (2011) description of the Swedish tender process does not match Dekker's (1994) conclusion of partner selection as a method of mitigating future problems. Since partner selection is closely regulated by laws in public procurement with a lowest price competition, it cannot be an active partner selection by the public parties. Thus, the cooperation must rely on trust between the actors to mitigate future problems. Due to the high importance of trust, we have added it as a factor in our analysis. It seems to be a fairly high level of trust throughout our cases, no actor indicated low levels of trust, and this might be the reason to why we have seen no evidence of opportunistic behavior as described by Langfield-Smith and Smith (2003). Though the trust levels are not equally high, Bergerland and Salomonsson in Karlstad speak of a great personal trust and the actors in Umeå describe how they gave up the prestige in promotion of trust. Meanwhile Kihlström mention they are a bit careful towards each other in Örebro, and the actors in Södertälje describe a professional cooperation that is not reaching the same level as Karlstad and Umeå.

Karlstad	Södertälje	Örebro	Umeå
High	Medium	Medium	High

Second factor - Individual excellence

In all cases, (except Södertälje which we have no information of), did the operator face a tough operational start. Additionally in Umeå did LT Västerbotten face problems with their ticket system and the respondents in Örebro describe problems with their plowing. All major problems in the cases have been solved in an early phase, we find no major difference in individual excellence between the actors. All respondents' witness of declining customer satisfaction connected to the traffic starts, though we cannot conclude the connection to poor performance. Nobinas planning department in Karlstad has provided insights for the planning efficiency, but we have no proof of differences between the other actors. Through Kanters (1994) *individual excellence* we find all actors to

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contribute to their cooperations, but we have not identified any “hidden problems” or exceptional contributions. As Van Ham & Koppenjan (2001) describe a partnership to learn and benefit from each other, we find the intentions of both public and private actor to be good, possibly due to the high level of trust to engage a business relationship.

Karlstad	Södertälje	Örebro	Umeå
Medium	Medium	Medium	Medium

Third factor - Importance

We find the *importance*-factor fulfilled in Umeå and Karlstad, both of them have long-term goals set and they use their cooperation as the mean to reach those goals. Since Kanter (1994) also describe the *importance* as a requirement for a strategic fit. The creation of long-term commitment to a joint product is according to Van Ham & Koppenjan (2001) a fundamental piece in a successful cooperation. We perceive Karlstad as rather unique, as their cooperation has well adapted towards the contractual terms and to the actors different driving forces. For the public side in Karlstad is the driving force which is also described by Mahalingam *et al.* (2011) increased societal benefits, for the private operator Nobina is increased planning efficiency their driver. Örebro has during our test period not shown evidence of *importance* in their cooperation, their focus groups had a more ad- hoc approach to problem solving, with lacking focus on strategic development. Thus the actors in Örebro do not use their cooperation as a model to reach the desired outcome, which is not aligning with Kanter's (1994) *importance* factor, additionally there is no specific goal setting. Similar indications are also visible in the case of Södertälje, where we identify that the cooperation is unbalanced. The cooperation between Södertälje municipality and Nobina reveals a well working operational cooperation, but there are no signs of a strategic cooperation for development. The relations are characterized with a tactical approach with functional problem solving processes.

Karlstad	Södertälje	Örebro	Umeå
High	Low	Low	High

Fourth factor - Interdependence

Kanter's (1994) description of the factor *interdependence* becomes distinguished in all of the cases. From a higher perspective would the level of importance become high for all cases, due to the fact that the operator is providing both vehicles and drivers. Meanwhile, the CPTA is providing ticket systems, marketing and planning, whilst the municipality offer infrastructure and funding. Thus all parts together achieve a functional public transport that no one would achieve alone. But, in a more

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scrutinized perspective we identify how Karlstad and Umeå have achieved great quality development through a close and tight cooperation. The results indicate that both cities might have reached the 1+1=3 formula, which is also mentioned by Hodge and Greve (2007) that collaboration is achieving more ambitious goals. In Södertälje and Örebro are the relationships on a more operational level with less focus on what each actor actually can contribute with. However, we would argue the latter more scrutinized perspective indicates the correct significant factors for developing a qualitative public transport.

Karlstad	Södertälje	Örebro	Umeå
High	Medium	Medium	High

Fifth factor - Investment

Kanters (1994) description of *investment* is how the partners invest in each other's organizations, to prove their engagement for cooperation. Since investments in a public organization are not possible, we focus on investments in the relationship and the joint product. The operator shows no evidence of any investments in all cases for the sake of the cooperation, in Umeå where Nobina rejected the offer to share investments in extra buses is clear evidence. The differences we identify are the investment of time in the cooperation, where Umeå and Karlstad stand out with their tighter cooperation. Further we can deduce a high cost investment for the new route network in Örebro and escalating costs in Södertälje, which are major investments by the public side. We identify the cooperation between Nobina and SL in Södertälje origin from problem solving and discussion about control, not primarily for the development of cooperation. The invested time and resources in all cases is aligning with Mörth and Sahlin (2006) statement for a successful long-term mutual development of a joint product.

Karlstad	Södertälje	Örebro	Umeå
Medium	Medium	High	Medium

Sixth factor - Information

The information flow between the actors in all cases is perceived as medium, where a functional information sharing exists, but not fully satisfying for all actors. Notable in the case of Södertälje, when the operator is forced to send in several reports with the same information to the CPTA, which creates confusion and is a time consuming phase rather than creating a surplus value. In Örebro is the operator forced to ask the CPTA for specific information, where the information sharing is insufficient. Lack of information was also the cause for the cancelled tender process in Umeå. However, we identify the information sharing as important but since there are no major differences,

we cannot draw any conclusions. Though, we find indications of problems caused by insufficient information sharing in our cases.

Karlstad	Södertälje	Örebro	Umeå
Medium	Medium	Medium	Medium

Seventh factor - Integration

The integration in Karlstad is based on the initial principles constructed by the CPTA/municipality manager Bergerland and the manager at Nobina, Dagnäs. The cooperation did strongly benefit from their shared experiences and insights, as they have “switch sides”. They both have created broad connections and linkages on several levels as Kanter (1994) describe the factor *integration*. The increased integration has led to a more horizontal cooperation as Mörth and Sahlin (2006) indicate as a more open and mutual relationship. In Södertälje, the integration has developed from non-existent into a professional operational relationship. There are several linkages between the organizations, but there seem to be less coordination between the different organizations, the connection is causing the integration in Södertälje to miss the aspect to be fully integrated. The cooperation in Örebro is neither fulfilling Kanters (1994) *integration* as the groups are created and dissolved based on problems, there are no collaborative development over time. Though the recent “new-start” of the collaboration in Örebro has potential to fulfill the criteria with broader connections and create learning between the organizations, as previously have been done in Umeå.

Karlstad	Södertälje	Örebro	Umeå
High	Medium	Low	High

Eight factor - Institutionalization

The formal responsibility differs in all of our cases. The task groups in Karlstad are given the authority to freely choose resources from the most appropriate organization, the groups have formal authority and responsibility. The work groups in Umeå do not have the same level authority as they propose actions for the management team. The linkage between UKF and the municipality created by Öhlund⁷ provides a strong foundation for the cooperation, which is important as Kanter (1994) describe how the cooperation cannot break easily and must have formal authority and responsibility. Södertälje has no formal cooperation established, but the actors have roles focused on the collaboration with public transport, but not for the cooperation. The actors’ further witness of low

⁷ Mikael Öhlund, Director of Umeå Municipality and CEO of Umeå Kommunföretag

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productivity as staff members do not have the proper authorities. The cooperation in Örebro is based on groups focused on problem solving, not strategically developing the public bus transportation. The respondents in Örebro further witness of how the groups struggled with internal problems as there were a lack of clear responsibilities and authority. Different durability that Van Ham and Koppenjan (2001) mention is obvious in all four cases, where commitment to the matter affects the durability.

Karlstad	Södertälje	Örebro	Umeå
High	Low	Low	High

Ninth factor - Integrity

We could not identify any abuse of information as Kanter (1994) describe with her factor *integrity* in our cases, all respondents describe their relationships as professional or functional. Though trust per se does not affect Kanter's (1994) *integrity* as it reflects how actors behave to enhance trust. As the actors in Umeå and Karlstad have a deeper trust, they consequently enhance trust further in their relations. In Södertälje the protective stops are actions proving low *integrity* by Kanter's (1994) description, since the relations have improved from these events we grade integrity in Södertälje as medium. Due to the functional, rather than professional, relationship we also grade Örebro as medium. The relationships in all cases are as Kanter (1994) mention honored by both sides, however according to Van Ham and Koppenjan (2001), Hodge and Greve (2007) is risk and authority sharing important in the collaboration, this is today limited by the contract. Though, Karlstad and Umeå shows higher degree of shared authority due to their deeper level of cooperation.

Karlstad	Södertälje	Örebro	Umeå
High	Medium	Medium	High

Results

RESEARCH FACTORS	KARLSTAD	SÖDERTÄLJE	ÖREBRO	UMEÅ	SIGNIFICANCE with QUALITY DEVELOPMENT
TRUST	HIGH	MEDIUM	MEDIUM	HIGH	MEDIUM
INDIVIDUAL EXCELLENCE	MEDIUM	MEDIUM	MEDIUM	MEDIUM	N/A
IMPORTANCE	HIGH	LOW	LOW	HIGH	HIGH
INTERDEPENDENCE	HIGH	MEDIUM	MEDIUM	HIGH	MEDIUM
INVESTMENT	MEDIUM	MEDIUM	HIGH	MEDIUM	LOW
INFORMATION	MEDIUM	MEDIUM	MEDIUM	MEDIUM	N/A
INTEGRATION	HIGH	MEDIUM	LOW	HIGH	MEDIUM
INSTITUTIONALIZATION	HIGH	LOW	LOW	HIGH	HIGH
INTEGRITY	HIGH	MEDIUM	MEDIUM	HIGH	MEDIUM
QUALITY VARIABLES					
PASSENGER NUMBER	<i>MEDIUM</i>	<i>LOW</i>	<i>LOW</i>	<i>HIGH</i>	
CUSTOMER SATISFACTION	<i>HIGH</i>	<i>LOW</i>	<i>MEDIUM</i>	<i>MEDIUM</i>	
COST	<i>HIGH</i>	<i>LOW</i>	<i>LOW</i>	<i>HIGH</i>	
QUALITY DEVELOPMENT	HIGH	LOW	LOW	HIGH	

Table 10, Results

Discussion

The phenomenon of large differences in performance between the cities could be described by our analysis where we have identified an inconsistent way of structuring cooperations in the cities, no cases are similar and they all use a unique setup for their cooperation. Based on our exploratory study and our experiences, we agree upon the critique presented by Nilsson (2012) regarding the lack of control and governance in the sector. We do however find in both Karlstad and Umeå that a structure with clear authority and long-term goal setting indicate significance for the development of quality.

Our results find the factors of *importance* and *institutionalization* as the most significant for the development of quality in public transport. These demand strategic goal setting and clear authority. The factors of *trust*, *interdependence*, *integration* and *integrity* shows a medium significance with the development of quality, our conclusion is that most factors are important for a successful cooperation, though they are important in different aspects. From our study we can distinguish how integrity and trust are two necessary factors to initiate or maintain cooperation, but it will not create success. Umeå is a good example of great development, as the three actors started to jointly cooperate instead of arguing. Another indication is how information sharing affects the customer satisfaction, this was demonstrated in Umeå and Örebro. We cannot present any direct results for individual excellence or information as it was difficult to distinguish the differences between the four cases. The only factor identified as un-significant for the quality in public bus transport is investment, as the contracts and

laws strictly regulates the question. Another interesting conclusion is how the contracts govern the relations, they clearly impede further development of public bus transport with the tight behavioral control. As the contracts are signed for about 8 years and cannot be changed over the time period, they do not promote innovation or development. However, the static approach is what creates the unique settings for our study.

The result of this exploratory study reveals different structures of the public bus transport in each city, in Karlstad and Umeå there are active principals who have clear visions of what they desire. An active principal who takes accountability for the public transport is in this paper shown to be linked to high quality development. In contrast, does the other two cases do not indicate the same formalized structure and accountability for the public transport, consequently this has generated a more moderate development. It can be concluded that the Swedish public bus transport is characterized by a traditional mentality. The active principal in Karlstad has created several non-traditional and innovative solutions which could be connected to the quality development. The Doublement project is pushing for a modernization and affects the actors to deal with the problems that characterize the business segment. One additional aspect is how the Doublement project creates a common goal for all actors in the business, which is what we argue that most cities need. Our study indicates how a clear goal setting and formalized structure have a positive effect on the quality of public transport. The Doublement project sets a clear common agenda, to solve the problems that characterize the Swedish public transport. However it is up to the actors to start questioning old habits and engage the development towards a more qualitative bus journey.

Future research

Our exploratory study has aimed to investigate the fairly unexplored area of management issues within public-private cooperation, despite our study this area still needs more detailed exploration for establish further conclusions. Further we have also identified that Kanter's model could be applied to a public-private setting, this also needs further testing for falsification. Other interesting future research would be to test our quality model on other settings when one want to identify the aggregated quality, not only quality in the perspective of the user or customer. Finally, we have identified two important factors for the quality development in public transport, and a continuance with a deeper and more detailed research on these factors would be positive for a sector in trouble.

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Appendix 1 – Interview guide

Del 1. Övergripande beskrivning

Beskriv din Roll? Ansvar? Ansvarsuppgifter? Etc.

Hur beskriver ni relationen mellan er och övriga aktörer? (THM, Operatör, Kommun)
Berätta om bakgrunden till samarbetet? Varför? Vems initiativ? Syfte? Mål?
Hur länge har du varit involverad i projektet?

Vilka aktörer medverkar? Hur är strukturen på samarbetet?
Beskriv hur samarbetet fungerar?

Vad begränsar ert samarbete?

(Begränsar likabehandlingsprincipen i LUF/LOU ert samarbete?)

Hur har Fördubblingen påverkat ert samarbete?

Har aktörerna tagit sig an fördubblingsmålen?

Ligger ni i fas med målen? Har ert samarbete uppnått de effekter ni önskat?

Vad har samarbetet uppnått hittills?

Hur har bussens konkurrenskraft utvecklats i er stadstrafik sedan 2007?

Del 2. Detaljerad beskrivning

Project Name:

Interview subject:

Role:

Mönster av interaktion

1. Beskriv hur ofta ni har **formell** kontakt med de övriga organisationerna? (Protokollförda möten, planerade träffar etc.)

	Aldrig	1 - 2 ggr /år	1 -2 ggr /6mån	1 - 2 ggr/3mån	1 - 2 ggr/mån	3-5 ggr/mån	Mer än 5 ggr /mån
Kommun							
THM							
Operatör							

2. Beskriv hur ofta ni har **informell** kontakt med de övriga organisationerna? (telefonsamtal, e-mails, face-2-face, ad-hoc, spontana möten)

	Aldrig	1 - 2 ggr /år	1 -2 ggr /6mån	1 - 2 ggr/3mån	1 - 2 ggr/mån	3-5 ggr/mån	Mer än 5 ggr /mån

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Kommun							
THM							
Operatör							

Beskrivning av interaktionen

Förtroende: "The stable perception concerns the idea that the other actor will refrain from opportunistic behaviour in situations, which give him the opportunity. So an actor believes that the other actor will respect his interests."

Swe: Uppfattningen gäller iden att andra aktörer avstår från opportunistiskt beteende i situationer där möjligheten finns. En aktör känner att de andra aktörerna respekterar dennes intressen.

3. Beskriv hur du ser på nivån av förtroende mellan respektive aktör?

- a) Betygsätt (1-10) nivån av förtroende mellan Kommun och THM? _____
- b) Betygsätt (1-10) nivån av förtroende mellan Kommun och Operatör? _____
- c) Betygsätt (1-10) nivån av förtroende mellan Operatör och THM? _____

4. Har nivån av förtroende förändrats över tiden?

	Starkt minskat	Minskad	Oförändrat	Ökat	Ökat starkt
Förtroende mellan Kommun och THM?					
Förtroende mellan Kommun och Operatör?					
Förtroende mellan Operatör och THM?					

5. Till vilken nivå instämmer ni med påståendena nedan :

	Instämmer helt	Instämmer	Varken eller	Stämmer ej	Stämmer inte alls
1. Aktörerna inom projektet kan öppet ventilera problem med varandra (Benefit of the doubt)					
2. Aktörerna är lyhörda för varandras intressen					

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3. Aktörerna vill att projektet blir framgångsrikt både för det offentliga och det privata					
4. Aktörerna avstår från att eftersträva egna mål som påverkar de gemensamma målen negativt					
5. Det kan antas att de övriga aktörerna har principiellt goda intentioner					

6. Ange nivån av ömsesidigt ge-och-ta (reciprocity) i det operativa projektet? (1-10)

a) Nivå av ge och ta mellan Kommun och THM? _____

a.1) Har nivån blivit bättre över tiden? *Instämmer starkt, instämmer, varken eller, instämmer ej, instämmer inte alls*

b) Nivå av ge och ta mellan Kommun och Operatör? _____

b.1) Har nivån blivit bättre över tiden? *Instämmer starkt, instämmer, varken eller, instämmer ej, instämmer inte alls*

c) Nivå av ge och ta mellan Operatör och THM? _____

c.1) Har nivån blivit bättre över tiden? *Instämmer starkt, instämmer, varken eller, instämmer ej, instämmer inte alls*

7. Ange till vilken nivå du håller med om nedan påståenden angående kvaliteten på relationerna

	Instämmer helt	Instämmer	Varken eller	Instämmer ej	Instämmer inte alls
De individuella och kollektiva målen begränsar inte varandra					
Aktörernas inställning till partnerskapet är positiv					
Aktörerna anpassar/utvecklar kontinuerligt samarbetet med feedback och lärande					
Över tiden blir de organisatoriska gränserna "suddiga"					
Projektet har en hög nivå av gemensamma aktiviteter					
Det finns starka personliga band mellan nyckelpersonerna					
Erfarenheten av samarbetet har hittills varit positivt					
Konflikter löses konstruktivt och effektivt					
Vid oförutsedda konflikter hänvisar vi inte automatiskt till kontraktet					
Det finns vissa nyckelpersoner för projektets effektivitet					

Projektorganisationen

8. Aktörer

- a) Har några personer bytts ut under samarbetets gång?
- b) Har några aktörer bytts ut under samarbetets gång?

9. Avtalet

- a) Vilka tjänster ingår i avtalet? (dvs tillhandahållna av operatören)

- b) Har antalet tjänster förändrats över tiden? Vad har förändrats?

10. Kontroll-system

- a) Vilka utfallsmått på utförandet finns? Har dessa förändrats över tiden?

- b) Hur skapades dessa mått? (gemensamt, input från operatör, enhanda från THM)

- c) Utfärdas viten/böter omedelbart vid avvikelser eller utfärdas varningar först?

- d) Hur stora kan vitena bli? (I förhållande till hela trafikavtalet)

- e) Har vites-reglerna förändrats över tiden?

- f) Hur många och hur stora viten har betalats än så länge?

11. Finansiering

a) Har det skett några större förändringar i avtalet/utförandet? (ex. nytt linjenät) om ja, hur har "intäkterna/kostnader" från förändringen fördelats?

b) Har ersättningsmodellen förändrats under kontraktets gång? Hur?

12. Variationer

a) Hur många förändringar av kontraktet har skett utifrån samarbetsprojektet?

13. Förslag

a) Beskriv hur det fungerar om operatören kommer med förslag till förändringar i avtalet/trafiken etc?

b) Har denna process förändrats under projektets gång?

14. Nivå av gemensam beslutsfattning

a) Sätt betyg till vilken nivå det tas gemensamma beslut offentligt-privat? _____

b) Har detta förändrats över tiden?

15. Hur väl håller ni med följande påståenden:

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	Insträmmer helt	Insträmmer	Varken eller	Insträmmer ej	Insträmmer inte
Kommunikationen fungerar smidigt mellan privat och offentliga aktörer					
Koordinationen fungerar smidigt mellan privat och offentliga aktörer					

Strategier

16. A. Har den offentliga sidan vidtagit några försök att förändra organisations strukturen vid partnerskapet ? Vid ja, förklara åtgärderna:

B: Har den offentliga sidan försökt ta några åtgärder för att påverka relationerna inom partnerskapet? Vid ja, förklara åtgärderna:

C: Har den privata sidan vidtagit några försök att förändra organisations strukturen vid partnerskapet ? Vid ja, förklara åtgärderna:

D: Har den privata sidan försökt påverka relationerna inom partnerskapet? Vid ja, förklara åtgärderna:

17. Högre ledning

A. Har några högre beslutsfattare inom er organisation agerat för att påverka partnerskapets struktur?

B. Har några högre beslutsfattare inom er organisation agerat för att påverka partnerskapets relationer?

Partnerskapets utfall

18. Uppfattat utfall

A. På en skala 1-10 hur skulle du betygsätta partnerskapets utfall? _____

B. På en skala 1- 10 hur nöjd är din organisation med partnerskapets utfall? _____

19. Svara på nedan påståenden

	Instämmer helt	Instämmer	Varken eller	Instämmer ej	Instämmer inte alls
Partnerskapet skapar samhällsnytta					
Partnerskapet skapar värde för operatören					

20. Uppfattad arbetsfördelning

A. Till vilken nivå uppfattar ni att slutresultatet är i proportion med er organisations insats?

Instämmer helt, Instämmer, Varken eller, Instämmer ej, Instämmer inte alls.

21. Verkligt utfall

A: Har operatören levererat enligt förväntningarna?

B: Har projektet levererat enligt förväntningarna?

22. Svara på nedan påståenden

	Instämmer helt	Instämmer	Varken eller	Instämmer ej	Instämmer inte alls
Partnerskapet har skapat innovativa lösningar					
Partnerskapet har stärkt aktörernas varumärken/rykten					
Partnerskapet har lett till nya samarbeten mellan aktörerna (spin-offs)					
Partnerskapet har genererat kostnadsbesparingar					
Partnerskapet har skapat markant mervärde					

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23. Risk

A. Vilka risker finns för operatören i avtalet?

B. Vilka risker finns för THM i avtalet?

C. Vilka risker finns för kommunen i avtalet?

D. Anser du att den som bäst kan hantera respektive risk även har ansvar för den? På vilket sätt?

24. Hur kontrolleras operatören i avtalet?

A. Till vilken nivå används informell kontroll? (ex. utvecklingssamtal, tester av servicen, värderingar) 1 - inte alls, 10 - enbart) _____

B. Till vilken nivå används formell kontroll? (avstämningar, resultatuppföljningar, regler, viten, kontraktet, lagar) 1- inte alls, 10 - enbart: _____

C: Till vilken nivå används "input control" (dvs. regler för bussarna-detaljkrav, linjenättrafikplanering, miljö: "måste ha katalysator") : _____

D. Till vilken nivå används "output control" (Utfallsmätningar, resultat, kundsynpunkter, miljö: "g/CO2") _____

25. Informationsutbyte

A. Får ni all information/data ni önskar från THM? (1-10) _____

B. Får ni all information/data ni önskar från operatör? (1-10) _____

C. Får ni all information/data ni önskar från kommun? (1-10) _____

Appendix 2 - Explanation of the results model

The results model is constructed by the authors especially for this study in order to clarify the results of the complex connections in the analysis. Due to the exploratory nature of the study the results are fairly descriptive and derived from the authors own evaluation. The method of evaluating the scores and how the scores ultimately show the significance of the factors will be described in this appendix.

The research factors

The research factors are solely based on previous research and theories, mainly Kanters (1994) eight I's together with the factor of trust. The factors are the result of analytical comparison of Kanters model and PPP-theories, the theories are analyzed and the factors are common grounds between the theories. The factors are later used to create order and explain the development of the cases in a systematic and uniform way. Each factor is in the analysis chapter compared to the cases and scores are given based on how well each case fulfils the criteria's stipulated by the theories.

Score low = low or no similarities between theory and case

Score medium = some similarities between theory and case

Score high = significant similarities between theory and case

The variables

In order to draw conclusions from the research factors they must be compared to the variables, which are used as indicators of how well the quality develops over time. As described in the definition section we define quality in public transport over time as low increase of costs, high increase of passengers and high/increasing customer satisfaction.⁸ Since we have no reference point for the variables, they are given scores based on a ranking between the cases. Thus we can not find if a case is well performing *per se*, but we can identify if they are outperforming other cases. Cases with similar variable scores are given the same evaluation score (high/medium/low).

Score low = lowest variable score

Score medium = medium variable score

Score high = highest variable score

⁸ Absolute number of passengers cannot be compared between different cities due to their differences in both structure and measurement methods, though customer satisfaction can be compared thanks to coherent measurement methods.

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Analysis of the results table

In order to answer the research question (what factors are significant with the quality development) we need to find connections between the scores of the factors with the scores of the variables and ultimately of the quality development. As the definition of quality describes, quality is made up of the three variables together. The quality development score is calculated as a mean of the variable scores for each case.

DEVELOPMENT OF VARIABLES				
<i>Variable 1</i>	<i>Medium</i>	<i>Low</i>	<i>Low</i>	<i>High</i>
<i>Variable 2</i>	<i>High</i>	<i>Low</i>	<i>Medium</i>	<i>Medium</i>
<i>Variable 3</i>	<i>High</i>	<i>Low</i>	<i>Low</i>	<i>High</i>
QUALITY DEVELOPMENT	High	Low	Low	High

In order to find evidence of significant factors with the quality development score we have done a simple correlation analysis between the quality development scores and each factor scores. Since a mathematical correlation analysis cannot be done for many reasons, we have not done so, but we have used the logics behind it to find the correlation.

Example: Factor 3

Factor 3	High	Low	Low	High
QUALITY DEVELOPMENT	High	Low	Low	High

Score for factor 3 in “Significance with quality”-column = High

In the example above the correlation is full, or mathematically the score would be 1,0. This is given the highest score in the “significance with quality”-column for the corresponding factor. The second example below shows factor 5 which has very low correlation with the quality scores, and is given the significance with quality score low.

Example: Factor 5

Factor 5	Medium	Medium	High	Medium
QUALITY DEVELOPMENT	High	Low	Low	High

Score for factor 5 in “Significance with quality” = Low

Only factors with a “full” correlation is given the score high, factors with a little deviation in the correlation are given the score medium, and factors with bigger deviations are given the score low. If all cases are given the same factor-score, a correlation analysis cannot be done and the “significance with quality” is labeled not applicable.