



The mobilization of supplier resources for complex projects: A case study of routines in the offshore wind turbine industry



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ABSTRACT

Companies depend on supplier resources and boundary spanning managers need to find suppliers, and combine and coordinate resource bundles in exchange. But adequate and fitting resource flows are not automatic, as suppliers allocate and activate their resources for more customers in their portfolio. Therefore, buying companies also need to influence supplier actors to prioritize and optimize resource flows into their specific exchange. Based on a theoretical basis comprising the literature on buyer-seller relationship, including resource based research of the Industrial Marketing and Purchasing (IMP) group, as well as Dynamic Capabilities theory and the project management literature, this paper presents the results from a study of applied buying company resource mobilization routines. We report on a qualitative investigation of routines applied in complex construction projects in the North European offshore wind turbine industry. Complex construction/production projects are widespread global business phenomena, but knowledge of resource mobilization routines in this context is scarce in the literature. We find that the complex project owner (buying company) applies a series of 11 particular routines to mobilize resources for the wind turbine constructions and that several of these routines differ from the routines applied in conventional production exchanges.

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CHINESE ABSTRACT

那些依赖供应商资源和跨越管理人员的公司需要寻找供应商，并在此过程中结合和协调资源包。然而充足和适当的资源流动并非自动发生的，这是因为供应商会为与其相关的更多客户分配并激活资源。因此，购买方公司还需要影响供应商负责执行行动者使其优先分配并优先资源流。本论文的理论基础包括IMP文本和动态能力理论，展示了对某个实际购买方公司的资源调动程序所进行的一项研究的结果。我们的报告是关于北欧的海上风力涡轮机行业的一个复杂的建设项目中所应用的惯例的定性调查。复杂的建筑/生产项目是全球业务中的广泛现象，但是与此相关的资源调动程序方面的知识却缺乏文献报道。我们发现，此复杂项目的所有者（购买方公司）使用了11个特定的程序来调动资源，用于风力涡轮机的建造，同时，其中的一些程序与常规生产交流所使用的程序不同。

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1. Introduction

Certain products attain a size and complexity that make conventional industrial channels incapable of producing and delivering them. These complex and engineering heavy products are manufactured by a project network of companies brought together for a discrete period of time (Caldwell et al., 2009; Hobday, 1998). Resource management represents a particular challenge in this context, where a bounded project network of companies must contribute

with various types of resources from their portfolio. This task is not just complex because of the complex patterns of coordination required to undertake such a manufacturing and development task. Access to suitable network partners with relevant resources cannot be taken for granted (Schiele, 2012), and therefore the ability to mobilize other companies in the project network and make their resources available takes centre stage (Zhang et al., 2013). In other words, the search and selection of partners with fitting resource profiles, and traditional trading and acquisition skills are not sufficient. Routines for attracting and accessing partner resources are required (Baxter, 2012; Stadler et al., 2014) and the task of influencing (Ford et al., 1986; Håkansson et al., 1976) partners becomes central. We adopt a perception of companies as not simply combiners of

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resources (Hunt and Arnett, 2004) but resource “getting” entities (Yuchtman and Seashore, 1967).

In this article, we build on research on buyer–seller exchange routines, particularly studies of resource ties and interaction associated with the IMP group (Håkansson, 1982). We also draw on the literature on Dynamic Capabilities (Eisenhardt and Martin, 2000; Teece et al., 1997) to study resource mobilization routines in complex project environments. In accordance with the Dynamic Capabilities literature, we define resources as “a tangible, intangible, or human assets that a firm owns, controls, or has access to through other means on a semi-permanent basis” (Stadler et al., 2014). Much research has examined resource ties in industrial buyer–seller exchange. But research on specific capabilities and routines for resource mobilization in the B2B context has been infrequent. The project management literature deals extensively with the related problem of selecting appropriate suppliers for the project task (Martinsuo and Ahola, 2010; Ruuska et al., 2013; Rwelamila and Edries, 2007) and managing relationships with project suppliers (Eriksson and Westerberg, 2011; Ojansivu et al., 2013; Olsen et al., 2005; Söderlund, 2011). However, research on resource mobilization routines in the specific context of complex projects, where multiple structural elements interact and change as they progress (Whitty and Maylor, 2009; Williams, 1999), has to our knowledge not been carried out. In this paper, we seek to fill some of that gap, by illuminating the specific routines (Schilke and Goerzen, 2010; Zollo and Winter, 2002) required for mobilizing resource in this context. We seek to answer the following research question: “What routines are applied by complex project owner companies to mobilize the resources of project network suppliers?”

To answer this research question, we investigate a project network of companies delivering large scale offshore transformer station systems to offshore wind turbine parks. Our study shares some characteristics with the study of Mason and Leek (2008). However, where their focus is on learning and knowledge exchange that lead to the development of routines for building an offshore supply network, our focus is on the identification of the already developed routines without considering the process of developing them. We employ a single case study research design to explore and illuminate the types and nature of the different routines applied by the project owner to mobilize supplier resources for the project. Resource mobilization routines are particularly critical in this industry because of its project based nature and high level of complexity. Furthermore, the industry is growing and availability of suppliers and capacity is limited. We contribute to the literature on resource mobilization in buyer–seller exchanges by offering in-depth evidence of the types and nature of routines possessed by buying companies to mobilize resources of suppliers. Moreover, we also make a particular contribution to that part of the project management literature dealing with buyer–seller exchanges in complex projects. The paper is structured as follows. First, we present a theoretical discussion of resource mobilization and routines and connect these to the complex project context. After a methodology section and a brief description of the case background we present the case study and findings, followed by a discussion and conclusion.

2. Resource mobilization

Companies on industrial markets rely on the resources of other companies to realize their objectives. Actors in one company control resources that actors in other companies depend on to carry out their value creating production activities (Johanson and Mattson, 1992). Resources are not simply acquired on market terms, but accessed through interactive processes (Ford and Mouzas, 2008; Johanson and Mattson, 1992). Through interaction, actors from different industrial companies carry out exchange activities, and in this

process bring their portfolio of resources into play in exchange. To optimize their external resource portfolio, actors not only search and select external partners with matching resource profiles and coordinate the resources flowing both ways through the exchange; they also attempt to expand and strengthen the resource flows from specific buyers and suppliers (Ritvala and Salmi, 2011). This implies both a task of assessing the resource profiles of other companies in order to structure effective resource combinations (Baraldi et al., 2012) and also a more active managerial task of influencing decision making in interdependent buying and supplying companies in order to obtain favourable resource flows from these external parties (Håkansson and Ford, 2002; Ulkuniemi et al., 2015). Business initiatives may be introduced by one company in the exchange or a focal company in a project network, and then the key tasks are to secure impetus and overcome resistance to this initiative from external actors (Mouzas and Naude, 2007). Securing needed resources may be a simple task if the uncertainties surrounding the exchange are low (Håkansson et al., 1976). However, when different types of exchange uncertainties are high, the influence task attains more challenging properties, and this paper deals with a particular industrial context characterized by high uncertainty and complexity. Hence, obtaining resources is not just an acquisition exercise, triggering the release of standardized services and products by providing stimulus in the form of money. It requires certain capabilities (Ford et al., 1986) and routines, and therefore companies differ in their ability to mobilize external resources. This also adds another layer of managerial complexity, as the management of exchanges with external resource providers cannot be reduced to a simple set of acquisition or trading capabilities, but requires capabilities and routines of a more complex character.

3. Routines

Routines for mobilizing external resources are frequently discussed in connection to Dynamic Capabilities (DC) (Teece et al., 1997). Dynamic capabilities are firm processes that integrate, reconfigure, gain, and release resources (Eisenhardt and Martin, 2000; Teece et al., 1997). They consist of “routines by which firms achieve new resource combinations” (Eisenhardt and Martin, 2000, p. 1107), and some of them work across organizational boundaries. “A capability and its associated routines confer the potential to carry out an activity” (Stadler et al., 2014, p. 1784). They may be aimed directly at coordinating exchange or they may be of a more influence-based relational nature, applied to access external capabilities of customers, suppliers, and other external parties possessing resources critical to the firm (Araujo et al., 2003). The former are often termed indirect capabilities, and play out through the interaction with external parties. Routines can be understood as complicated and repetitive processes that rely on existing knowledge and linear execution to produce predictable outcomes (Baraldi, 2008; Eisenhardt and Martin, 2000; Nelson and Winter, 1982; Zollo and Winter, 2002). Carried out by teams of people collectively, they incorporate communication and coordination practices (Larson, 1992; Stadler et al., 2014). For instance, Cannon and Perreault (1999) mention the monitoring and ordering routines of boundary spanners in buyer–seller relationships. They evolve over time and become sustained as managers gain experience with the routines, and sometimes they become codified in formal procedures (Håkansson, 1982; Larson, 1992; Ritter and Gemünden, 2003). This routinization of exchange generates clear expectations regarding roles and responsibilities (Håkansson, 1982). As such, routines become stable and regular patterns of collective activity and behaviour (Ford, 1978; Zollo and Winter, 2002).

In an attempt to clarify the nature of such routines, Eisenhardt and Martin (2000), discuss a wide range of dynamic capabilities and suggest that their applicability depends on the level of industry

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