JOINING FORCES

A case study on how the dynamics of strategic alliances unfold in a public-private joint venture

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Abstract

As competitive advantage is becoming more difficult to reach in the intense business world of today, many companies are turning towards cooperation to enhance their performance. A common way to achieve cooperation between firms has been through strategic alliances, where firms can fill their gaps in terms of resources and create common strategies for success. When creating a common legal organization, it is usually done through a joint venture. Joint ventures are often used as a way for private firms to expand internationally. However, lately it is not only the private organizations that are facing this competitive business climate, but the historical view on the public sector as being inefficient and rather bureaucratic in its coordination of business development, has also put an emphasis on markets and competition in the public sector. This has lately resulted in joining forces with the private sector, to create public-private joint ventures. As the literature published on the nature of these public-joint venture is still limited to few studies and cases, this called for further exploration of the phenomena.

Thus, this study aimed at exploring the dynamics of strategic alliances in a public-private joint venture. More specifically, this was done by looking at a public-private joint venture consisting of a municipality and the enterprise, using the case of Tillväxt Lidköping AB. By exploring these dynamics, the research wished to gain insight into the motives and objectives of why firms enter, stay and leave a public-private joint venture, as well as success factors and risk of failures. This was done through answering the following research question:

How do the dynamics of strategic alliances unfold in a public-private joint venture?

Through a qualitative case study with data collected from semi-structured interviews, this study operated inductively but in constant comparison with existent literature to formulate a model of the dynamics of strategic alliance in a public-private joint venture. The model includes a process starting with the motives and objectives to why companies and individuals engage in a public-private joint venture. After, influenced by the motives and objectives, the actual operation of the public-private joint venture including membership, strategies and management is presented, to end the process with impact of growth and cooperation. The practical contributions of this study will help managers of public-private joint venture with tools, such as how to avoid certain pitfalls and fill crucial positions. In term of theoretical contributions, this study added in exploring the gap of public-private joint venture by providing a conceptual model, as well as gave additional insights to how public-private joint ventures relates with social network theory. Moreover, the study provides policy implications, foremost for municipal and governmental bodies on how better access to centralized services can be implemented. Providing one place where all services can be accessed, can if successful facilitate smoother information sharing and enhanced competitive advantage.

Keywords: Growth, Cooperation, Strategic Alliances, Joint Ventures, Public-Private Joint Ventures, Business Development
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Key Concepts

In this section some crucial key concepts are explained in order to make it easier to follow our line of arguments throughout the text.

**Interfirm-Cooperation** - interfirm cooperation is happening when two or more otherwise individual organizations works in consensus to seek collective advantages (Borys & Jemison, 1989, p. 247, Combs & Ketchen, 1999, p. 867).

**Strategic Alliance** - a strategic alliance is formed by two or more partners with the intention of moving towards achieving a long-term strategic goal. This aspect of having strategic objectives differs strategic alliances from other forms of interfirm cooperation (Webster, 1992, p. 8).

**Joint venture** - a joint venture is formed when two or more organizations establish a new separate business unit (Boyle, 1968, p. 81). A joint venture is a type of strategic alliance (Das & Teng, 2000, p. 44).

**Public-Private Joint Venture (PPJV)** - a public-private joint venture is an independent legal entity, composed by one or several- public and private organizations (Andrews et al., 2015, p. 265).

**Incubator** - A business incubator is the comprehensive term for organizations working on building an environment that is supportive to the contribution of establishing and developing new firms (Bergek & Norrman, 2008, p. 20).

**Accelerator** - A business accelerator is in broad terms a program offering help to new businesses in the form of for instance mentorship, building products and securing resources (Cohen & Hochberg, 2014, p. 4).

**Enterprise** - When writing enterprise, this study refers to the various value activities existing within a geographical area, such as public or private companies or associations.

Abbreviations

- **PPP** - Public-Private Partnership
- **PPJV** - Public-Private Joint Venture
- **SMEs** - Small and Medium-Sized Enterprises
1. Introduction

Chapter Overview

The following introductory chapter begins with providing the problem and theoretical background on which this study is built upon. Here, background information on cooperation between the enterprise and municipality is presented, as well as theoretical linkages of interfirm cooperation, strategic alliances and joint ventures. A case overview is provided, followed by the defined research gap of the study. Thereafter, the research question and purpose are derived and explained. The chapter ends with providing the study's focus and delimitations and gives a continued structure of the research.

“Our future rests on our capacity to cooperate” are words of the author and former advisor Charles Leaderbeater in an article published in The Guardian. Leaderbeater (2012) explains that it has been shown through analysis of everything from economics and psychology to evolutionary biology that cooperation has been highly crucial to our evolution. According to the author, the best way to find effective solutions to complicated problems is through cooperation. In modern time, cooperation is used as a mean to be successful. This was where our study started, wanting to explore ways in which modern cooperation can unfold. Moving on, we were fortunate to stumble upon a case which had received much attention in one of our hometowns. The case was rather unique and concerned modern cooperation between the public and private sector, which without a doubt became the subject of this thesis. More and more cities and enterprises in Sweden are moving towards other options for enterprise development, and some have decided to start cooperation to handle these questions. This type of cooperation is the basis of this study.

1.1 Problem Background

1.1.1 Current Relationship Between Swedish Municipality & Enterprise

In the Swedish society today, municipalities are responsible for a large part of the community services existing around us (SKL, 2019). The municipalities are obligated by law to make decisions concerning the citizens and companies of the city (Svenskt Näringsliv, 2014, p. 5). Some of the services a municipality offers are also obligatory by law, such as providing elder care facilities, schools, environmental and health protection, civil and emergency protection. Other services are voluntary or optional, such as the development of the enterprise (Regeringskansliet, 2019). This allows for the construction of municipalities to differ from each other (Svenskt Näringsliv, 2014, p. 5). Commonly, municipalities choose committees responsible for delimited areas of activities, working in-depth with specific issues and questions related to their area (Svenskt Näringsliv, 2014, p. 5). Officials, also called civil servants, manage the daily work in the committees. These municipality officials are responsible for preparing and investigating cases the politicians are to decide on, in order to later work on executing the decisions made (Svenskt Näringsliv, 2014, p. 6). One of the committees concerning business is traditionally the employment service committee. The employment service committee is responsible for the overall labour market issues, and often the business development. The most common decision of a municipality is to have an enterprise development office with an official
working as a manager over this enterprise development office (Svenskt Näringsliv, 2014, p. 6). In order to make it easier for businesses, many municipalities can offer a special unit responsible for coordinating the corporations’ contact with the municipality. The unit usually pilots the corporations amongst administrations, committees and all the different forms. These business pilots, in good working business climates, can be of help to coordinate and shorten the processing time of issues regarding business (Svenskt Näringsliv, 2014, p. 7-8).

1.1.2 New Ways of Cooperation Between Swedish Municipality & Enterprise

As competitive advantage is becoming more difficult to reach in today's intense business world, companies, and municipalities, must find new ways to continually advance their achievements. One of the ways for firms to increase the performance is through cooperation (Crisan-Mitr & Borza, 2014, p. 170). Businesses can cooperate and collaborate in different ways (Hoffmann & Schlosser, 2001, p. 357). One way is through the cooperative strategy of forming a strategic alliance (Child et al., 2005, p. 71). Formations of strategic alliances are increasingly becoming more common strategies for companies to succeed instead of the “go-it-alone” strategies (Hoffmann & Schlosser, 2001, p. 357). Alliances help fill the gap between the resources a company currently possess, and what the future demands (Eisenhardt & Schoonhoven, 1996, p. 136). A common form of a strategic alliance is a so called joint-venture, where two or more firms have created a common legal organization in which they have inquired some part of their resources into (Kogut, 1988, p. 319). More and more cities and enterprises in Sweden (e.g. Business Region Göteborg 2019; Näringslivsbolaget Sundsvall, 2019; Tillväxt Lidköping, 2019) are moving towards other options for enterprise development than the earlier mentioned way of having an employment service committee and an enterprise development office. Some businesses have decided to create subsidiaries in form of co-owned corporations, strategic alliances and joint ventures together or in collaboration with the municipality, with the hope of becoming more successful (Business Region Göteborg, 2019; Näringslivsbolaget Sundsvall, 2019; Tillväxt Lidköping, 2019).

1.2 Theoretical Background

The theoretical underpinning of this paper is built upon research of interfirm-cooperation as a strategic decision, and more specifically cooperative strategy in the form of strategic alliances trough public-private joint ventures. Thereby, this theoretical background provides, with the help of above-mentioned theory, how all these phenomena and concepts coincide and are intertwined, for these concepts to be further described and discussed in the theoretical point of departure and theoretical frame of reference.

Authors (Borys & Jemison, 1989, p. 247; Combs & Ketchen, 1999, p. 867) refer to interfirm cooperation as happening when two or more otherwise individual organizations work in consensus to seek collective advantages. Different forms of interfirm cooperation, such as strategic alliances have increased tremendously since around the 1980s (Child et al., 2005, p. 6). Among firms today, alliances are modern networks viewed as a mean to accomplish fundamental strategic objectives (Child et al., 2005, p. 6) and to reduce strategic uncertainty (Hoffman & Schlosser, 2001, p. 359). Such fundamental strategic objectives can for example be important knowledge obtaining (Hoffman & Schlosser, 2001, p. 359), considerable reductions of cost, and forceful market power (Child et al., 2005, p. 6). When the alliances are ongoing, the partners
involved can observe things they had not expected, such as perceived mutual learning. (Child et al., 2005, p. 7). The roots of alliances are usually cooperative strategies resulted in cooperative agreements in the form of different strategic alliances, partnerships and joint ventures (Child et al., 2005, p. 71). Firms enter alliances for various strategic objectives (Parkhe, 1993, p. 796). It can be shorter-term objectives such as gaining knowledge and competencies from the other partner, or it can be longer-term objectives such as protecting yourself from conditions of uncertainty in the future (Child et al., 2005, p. 7).

One type of partnership is when the public sector cooperates with private actors (Hodge & Greve, 2007, p. 545), creating one form of a cooperative venture (Linder, 1999, p. 35) which is usually defined as a public-private-partnership (PPP) (Hodge & Greve, 2007, p. 545). One alliance form of a public-private partnership is a public-private joint venture (PPJV). A public-private joint venture is an independent legal entity, composed by one or several- public and private organizations (Andrews et al., 2015, p. 265).

1.3 Case Overview

In order to fully understand the case study carried out in his paper, an overview of the case at hand is provided. In this case overview the idea and overall description of this PPJV is described. A further description of the case context, how equity is divided, and more in-depth information is provided under research setting in the methodology chapter.

The regarded company in this specific case study is the co-owned company Tillväxt Lidköping AB. In their annual report (Tillväxt Lidköping AB, 2017, p. 3) Tillväxt Lidköping AB is defined as a joint stock company where the municipality of Lidköping share ownership together with the council of enterprises, in Swedish named Föreningen Bolagsrådet för Lidköpings näringsliv. After speaking with the chairman of the board, who also was one of the initiators of Tillväxt Lidköping AB, together with reading the report made by Pon’tus Företagskonsult AB (2011) about the establishing of Tillväxt Lidköping AB, an understanding was formed on how this venture started. Before 2012, the municipality of Lidköping used to have the common traditional constellation consisting of an enterprise committee. This committee was somewhat perceived as conducting lobbyist operations, where the larger companies of the city were mostly involved and influenced the major decisions. This resulted in companies feeling as though this committee was only focusing on ‘heavy’ projects, requiring much work and manpower, but gave little outcome to the enterprise of the city in its entirety. This led to an investigation on new ways for the enterprise and municipality to cooperate and resulted in the report ‘Lidköpings Näringsliv- Förslag till former för ett bra samarbete mellan kommun och näringsliv’ by Pon’tus Företagskonsult AB (2011), a consulting company in management and business administration.

According to the report the enterprise of Lidköping and the municipality have always had a sincere desire to cooperate (Pon’tus Företagskonsult AB, 2011, p. 2). Despite the willingness and interest from both parties, the cooperation had not been successful. Pon’tus Företagskonsult AB found one mutual aspiration from both the enterprise and the municipality, which was to achieve growth. This mutual aspiration started the idea-generation for creating a new constellation of cooperation between the enterprise and the municipality, where the main common goal was always to achieve growth (Pon’tus Företagskonsult AB, 2011, p. 4-5).

Pon’tus Företagskonsult AB (2011) investigated municipalities using other models for their enterprise development work instead of the common constellation: Vårgårda, Nässjö and Skövde (Pon’tus Företagskonsult AB, 2011, p. 12-14). From investigating how these
municipalities worked in terms of their cooperation in developing the enterprise, some conclusions were made about the most important aspects. It pointed at the conclusion that a strong combination of good qualities is what creates a strong business chain, as no single entity can create a good business climate on its own. Moreover, as the enterprise has a focus on commercial issues whilst the municipalities traditionally have a more formal and democratic starting point, it can at times be challenging to understand each other. This fact makes mutual understanding and respect crucial in the cooperation. The most dynamic municipalities seemed to view the enterprise as clients and worked on creating a relationship based on this (Pon’tus Företagskonsult AB, 2011, p. 5). From these inspirational results, the municipality and the enterprise of Lidköping sat down and worked on the idea which later, in 2012, turned into Tillväxt Lidköping AB. The aim of Tillväxt Lidköping AB is to act to promote business in the municipality, and to carry out general marketing initiatives in order to make Lidköping an attractive place for new companies to establish. Further, the company should serve as a pilot for businesses and business owners wanting to contact the officials and decision makers in the municipality.

Tillväxt Lidköping can be viewed as a strategic alliance in the form of a public-private equity joint venture as it is formed by two or more partners with the intention of moving towards achieving a long-term strategic goal (Webster, 1992, p. 8). Further, Tillväxt Lidköping fits the description of an independent legal entity, composed by one or several public and private organizations (Andrews et al., 2015, p. 265). Furthermore, as Tillväxt Lidköping works on building an environment that is supportive in establishing and developing new firms (Bergek & Norrman, 2008, p. 20) and offers start- and establish services (Cohen & Hochberg, 2014, p. 4), it can also be considered as having characteristics of an incubator and accelerator.

1.4 Research Gap

A meaningful way of conducting business over national borders, increasing lately, is establishing strategic alliances (Kauser & Shaw, 2004, p. 8). Accordingly, most of the research conducted over the years is of strategic alliances and joint ventures importance as a mean of doing business internationally (e.g. Blodgett, 1991; Dadfar et al., 2014; Garcia-Canal et al., 2002; Hamel, 1991; Kauser & Shaw, 2004). Over the years, international strategic alliances have been well researched using main theories such as transaction cost theory (Child et al., 2005; Hennart, 1988; Parkhe 1993), strategic behavioural approach (Kauser & Shaw, 2004; Kogut, 1988; Vernon 1983), resource dependency theory (Barney 1991; Blodgett, 1991; Peteraf, 1993) and organizational theory (Child et al., 2005; Kauser & Shaw, 2004, p. 11). Studies have suggested that international alliances can be used as tools to reduce environmental uncertainty, gain efficiency and pursue growth strategies (Ahern, 1993, p. 1242). Moreover, authors have studied the success and failures of strategic alliances. Kale and Singh (2009) are two of these authors, and in their study, they look at the critical success factors in each step of the alliance cycle. In their study however, they mention that their research has just as many others, focused on traditional inter firm alliances, between commercial and for-profit firms. Hence, they call for further research to investigate in greater depth non-profit and other types of cooperation, as their function and objectives might differ (Kale & Singh, 2009, p. 56).

Further, despite this long history of studying international multi-firm alliances in the management literature, there has been little research examining cross-sectorial organizational alliance (Fischbacher & Beaumont, 2003, p. 171). Even though during the past 20 years national PPJVs have been more widely used, it is surprisingly how little has
been published on the nature of them and how to manage them successfully (Andrews et al., 2015, p. 265). Thus, Andrews et al. (2015) tries through their study to examine the distinctness of PPJVs and gives suggestions for how this cooperation can be best managed. They draw an initial outline of PPJVs but suggests for further exploration on how to deal with the sectorial mixing taking place in this type of cooperation. There has also been one study on the success factors of the PPJVs by Trafford and Proctor (2006), where they present a model of communication, openness, planning, ethos and direction. However, the study is limited to only one case between a municipality and a private sector partner. Thereof, the researchers call for more case studies to give additional support for the findings as well as consider other kinds of public-private initiatives (Trafford & Proctor, 2006, p. 126).

Taken together, the research gap as outlined above calls for further examination of strategic alliances in the form of PPJVs. As these cross sectorial relationships are complex and can consist of different organizations, a wider spectrum of additional public-private relationships should be examined to improve the overall understanding of them and what constitutes the success of these specific alliances.

1.5 Research Question

Based on the previously stated problem background and research gap, this study aims at answering the following research question:

*How do the dynamics of strategic alliances unfold in a public-private joint venture?*

1.6 Purpose

This study aims at exploring and understanding the dynamics of a strategic alliance in a public-private joint venture. More specifically, this study looks at a public-private joint venture consisting of the municipality and the enterprise of a city, using the case of Tillväxt Lidköping. By exploring the dynamics, the research provides insight into the motives and objectives of why firms enter, stay and leave a public-private joint venture, as well as success factors and risk of failures. The exploration of the dynamics allows for seeing the differences of municipality-enterprise collaboration in the form a public-private joint venture contrastingly to the traditional municipality-enterprise development setups.

1.7 Focus & Delimitations

This qualitative study has been conducted in an exploratory manner as the case at hand and the research area had not been extensively covered. The study is based upon semi-structured interviews with both representatives from the municipality, Tillväxt Lidköping, member companies and exited companies. Interviewing the different stakeholders provided a more widespread perception of the constellation. From the member and exit companies, the interviewees have been of decisive positions such as owners and vice presidents, this because they possess the strategic insights regarding why they are or once where members in Tillväxt Lidköping. Moreover, they are often deciding or accepting their employees’ participation in Tillväxt Lidköping’s services, which makes them insightful in this aspect as well.
In order to conduct this research in a timely and comprehensive manner, some delimitations were made. The study has focused on one case of a PPJV, working with enterprise development, in order to understand it in its completeness. A comparative study with a similar, or even a traditional enterprise development constellation, would have allowed for further insights to the dynamics of PPJVs. Furthermore, due to time and budget constraints the study is limited to a medium sized municipality in Sweden. However, contributions might be applicable to similar Swedish municipalities and perhaps a few other Western municipalities, which share similar characteristics.

An outline of the continued structure is presented as follows. In order to fully answer our research question and fulfil the purpose, we next present a methodology chapter. The methodology chapter is presented before the theoretical chapters in order to provide the reader with comprehensive insights into the case context, to easier understand the presented theories. The method chapter includes both the scientific method as well as the practical method, this as the practical choices are underpinned by the methodological stances. After the methodology chapter the theoretical points of departure with a focus on synthesizing alliances and incubators and accelerators is presented. The aspects brought up in the theoretical points of departure is further elaborated in the theoretical framework, where literature on growth, cooperation, alliances, public-private partnerships, joint ventures, and incubators/accelerators are covered. Continually, the findings of the interviews are presented, all leading up to a conclusion of the study in the form of answering the research question. Lastly the study's contributions, limitations as well as suggested future research is given.
2. Methodology

Chapter Overview

In the following chapter the methodological approach is presented and motivated. This is done through critically assessing, comparing and motivating the advantages and disadvantages of existing methods. The chapter begins with outlining the pre-understandings and choice of subject to understand our influence on the study. Moreover, the philosophical framework is stated, followed by the approach, design, literature review and setting of the research. Lastly, the practical methodology is covered by explaining the data collection, sampling technique, transcription and data analysis before ending with highlighting the ethical considerations of the study.

2.1 Pre-understandings & Choice of Subject

Bryman and Bell (2015, p. 40-43) argues the importance in outlining what pre-understandings the researchers of the paper entail. This is important because previous understandings and experiences affect the processes of the research, such as the chosen area of the research, the research question, the elected methodology and design of the research, as well as the analysis and interpretation of the collected data. We, the researchers of this study, are enrolled at Umeå School of Business, Economics and Statistics within the International Business Program. As our specialization is management, we studied courses within strategy which have contributed to our theoretical understanding of strategic alliances, joint ventures and other forms of cooperative strategies and the drivers behind these. It was also during these strategy courses we became interested in growth strategies, and more specifically cooperation strategies. In a world of growing internationalisation and the increasing competition it can bring, many companies are joining forces in order to survive and grow in the face of fierce competition. When looking for potential cases of growth strategies and forms of cooperation, one was found close at hand.

The case takes place in the city of Lidköping, Sweden, surroundings which one of us is familiar with since it is her hometown, giving a reasonable amount of pre-understanding of the context in which the case takes place. By a deeper investigation of the specific case, as well as browsing articles regarding strategic alliances, cooperation, motives and competitive strategies our interest for this area increased further. We saw potential in using our management studies on an existing case which could both increase our own understandings, but also be beneficial for academicians and practitioners in the future. These theoretical understandings as well as practical experiences from working for both small and large corporations, together with one of us having experience from working in the public sector, further elaborated the pre-understandings of municipalities and the enterprise. One of us does not come from the city where the case is taken place, and has never visited the city, which makes her bring a different mind-set which is of importance to avoid the preconceptions that could be biased for the other researcher. Furthermore, both of us have lived in cities other than the city we study in and where the case is taken place, meaning we have experienced other municipalities, also helping avert biased perceptions.
2.2 Philosophical Framework

Research philosophy constitutes precise assumptions and beliefs which will be the foundation of the methodological choice, research strategy, data collection and analysis (Saunders et al., 2016, p. 125). Before engaging in a new study, it is important for researchers to recognize and decide on a framework regarding these assumptions and beliefs. These considerations are called ontology, epistemology and axiology and regard the theory of knowledge, perception of reality and the roles of values.

2.2.1 Ontology

The research process is influenced by assumptions about the nature of social phenomena (Bryman & Bell, 2015, p. 6). Ontology is about the considerations regarding the existence of social phenomena (Bryman & Bell, 2015, p. 6), in other words about the nature of reality (Collis & Hussey, 2014, p. 47). There are two main perspectives within ontology, if social entities can and shall be treated as objective entities with an external reality to social actors, or if they can or shall be treated as social constructs developed from actions and awareness of social actors (Bryman & Bell, 2015, p. 32). These two views are called objectivism respectively constructionism (Bryman & Bell, 2015, p. 32).

The ontological position of constructionism implies that the social phenomenon is composed by social actors as realities that are external (Bryman & Bell, 2015, p. 32). Collin and Hussey (2014, p. 47) states interpretivists having this belief of a subjective social reality due to it being socially constructed, meaning every person has their own view of reality and thereby multiple realities exists. As this study aims at exploring PPJVs and is based upon interviews with people viewing the case differently, a constructionist ontological assumption is the only suitable option as the given social reality is subjective. The rationale for this choice is the different dynamics of the PPJV which are not easily measured solely in numerical terms, but rather needs to be found through the method of qualitative research by conducting semi-structured interviews. This kind of interview is a way of gathering subjective observations and further the data analysis is also performed through the author’s subjective eyes.

The alternative ontological position of objectivism entails that we are encountered by social phenomena as external factors, apart from our reach or control (Bryman & Bell, 2015, p. 32). This is further explained by Collin and Hussey (2014, p. 47), who writes that positivists often take on an objective view on social reality, meaning there is only one reality which is the same for everyone. In this paper, an objective position needs to be disregarded as the aim is to explore different views of the people involved in a public-private joint venture, and thus reality is always subjective.

2.2.2 Epistemology

The theory of knowledge, epistemology, aims to clarify what the conception of knowledge involves, how it is applied, and explain its features (Rescher, 2003, p. 3). One can say epistemology concerns what should be regarded as approved knowledge in a field. A central question within epistemology issues whether the social world can or should be studied accordingly to the natural sciences regarding procedures, principles and ethos (Bryman & Bell, 2015, p. 26). There are different acceptable positions in epistemology, which gives a great choice of methods one can use in the context of business and
management (Saunders et al., 2016, p. 127). The two main positions used are interpretivism and positivism.

Interpretivism derived from the view that positivism inadequately meets the need of social scientists (Collis & Hussey, 2014, p. 44). The main belief in interpretivism is that social reality is not objective but highly subjective as it is shaped by our perceptions (Collis & Hussey, 2014, p. 45). An interpretivist epistemology is utilised in this paper as it does not aim to draw discoveries from empirical research, but rather acknowledges that the research is subjective when looking at different stakeholders' perceptions of the PPJV. This interpretivist paradigm is also appropriate when conducting a qualitative study (Collis & Hussey, 2014, p. 46; MacIntosh & O’Groman, 2015, p. 60), as is the chosen methodology of this thesis.

Contrastingly from the interpretivist views, positivism can be difficult to define precisely as it is used in numbers of different ways by different researchers (Bryman & Bell, 2015, p. 27). However, there is an underpinned belief to positivism that reality is independent of us and discoveries from empirical research is the basis of discovering theory. Under positivism, explanation consists of establishing causal relationships between variables, linking casual laws to a deductive or integrated theory (Collis & Hussey, 2014, p. 44). Under positivist paradigm, authors usually conduct tests on facts or theories in a qualitative methodology (MacIntosh & O’Groman, 2015, p. 59-60), which is not the direction of this thesis. This thesis aims to answer the research question, how do the dynamics of strategic alliances unfold in a public-private joint venture? which is not something that calls for empirical research of casual effects.

2.2.3 Axiology

When discussing axiology in the research process, one is referring to the role of values and ethics (Collis & Hussey, 2014, p. 48; Saunders et al., 2016, p. 128). Here again, the positivist and interpretivist differ in their beliefs. The belief of positivists are they regarding themselves as detached and independent from the objects they are researching. Contrastingly, interpretivists consider the researcher as involved with the object of research (Collis & Hussey, 2014, p. 48). In line with the ontology and epistemology of this thesis, the chosen axiology is of interpretivism reasoning as values of the researchers, present during the face-to-face interviews, is not able to be fully removed. Further, as we as researchers are interpreting the findings of this study, it is impossible to remove our perceptions and values from the research outcome. This approach might allow for biases and influence from the researcher, which would not be in the case of a positivist approach. Although, on the other hand the interpretivist approach gives the researcher the possibility to capture important nuanced information, which is not possible to attain as an observing and detached positivist.

Having outlined the preconditions of the study, we reflected on the relation to the study and our own values. As one of us has some relations with businesses in the city, some of which were interviewed, she risks bias and influence on the study. However, this fact also provided the opportunity to gain insights which not anyone could have obtained, giving the research even more in dept information about the dynamics of the PPJV.
2.3 Research Approach

The research approach is what determines the logic of research and describes the relation between theory and research (Bryman & Bell, 2015, p. 27; Collis & Hussey, 2014, p. 45; Saunders et al., 2016, p. 144). The types of research approaches are called inductive, deductive and abductive.

A common view of the relationship between theory and research is called inductive theory. In inductive theory, theory is rather the outcome of the research. In the inductive process, the researcher draws generalizable inferences from observations (Bryman & Bell, 2015, p. 25). This method then, can be referred to as moving from the specific to the general (Collis & Hussey, 2014, p. 7). In this thesis, the approach is induction as the aim is to look at a specific case and move to the general through finding generalizable inferences from observations. Hence, the outcome would be the dynamics this paper is trying to explore through conducting interviews. The other view, deductive, is according to Bryman and Bell (2015, p. 23) the most common view of relationship between theory and research. In deductive theory, the researcher deducts a hypothesis embedded with concepts that needs translation into researchable entities. This method is referred to as moving from the general to the specific (Collis & Hussey, 2014, p. 7). As this study does not test a hypothesis or test a relational causation, a deductive research approach can be disregarded. The research question of how the dynamics of strategic alliances unfold in a public-private joint venture, is not something aiming to find a causal relationship, but rather explore and find generalizable inferences through looking at a case.

2.4 Research Design

The research design is about the steps one needs to take in order to answer the research question (Saunders et al., 2016, p. 163). This includes how one relates the research question to the data collection, the purpose of the collection as well as the data analysis procedure (Saunders et al., 2016, p. 163). It is important to show one has thought through the methodology and purpose (Saunders et al., 2016, p. 164). There are two main methodological choices, qualitative and quantitative research (Saunders et al., 2016, p. 164).

Qualitative research aims at indicating words (Bryman & Bell, 2015, p. 38) and non-numerical data (Saunders et al., 2016, p. 165). As mentioned in earlier sections, this study is of qualitative nature and the data collected is the foundation upon which the analysis is built. The most common method for data collection technique is through conducting interviews (Collins & Hussey, 2014, p. 130; Saunders et al., 2016, p. 165), which was the chosen method of this study as well. Regarding data analysis, the procedure often involves categorizing data (Saunders et al., 2016, p. 165), something this study utilized. Bryman and Bell (2015, p. 38) describes that an inductive approach is the most common linkage between theory and research, where the focus is on the formation of theories. Commonly the qualitative research presents an interpretivist methodology as its epistemological assumption, where natural scientific models' practices and norms have been denied (Collins & Hussey, 2014, p. 130). The interpretivism ontological assumption views reality is as a social construct, where every person has its own reality and therefore exits multiple realities (Bryman & Bell, 2015, p. 38). Having established an interpretivist approach in the philosophical framework of this thesis, naturally connects to the choice of qualitative data as norms and practices of natural science is denied, and social reality is instead viewed as socially constructed.
Different from the qualitative research, quantitative research often indicates data collection which is numeric (Saunders, 2016, p. 165) and which regards measurement (Bryman & Bell, 2015, p. 37). The data collection technique in quantitative research is usually conducted through questionnaires and then the data analysis procedure is most likely done by using graphs or statistics (Saunders et al., 2016, p. 165). This is different from the data collection and analysis of this qualitative research. According to Bryman and Bell (2015, p. 37) in a quantitative research the relationship between theory and research often take a deductive approach, giving attention to the testing of theories. As this study does not test theories but rather find relevant theories regarding the dynamics of strategic alliances in PPJVs, quantitative research is not applicable. Furthermore, quantitative research usually relates to having positivism as epistemological assumption, where the norms and practices of the natural scientific model are integrated. Further, it usually takes objectivism as its ontological assumptions, as the view on reality is that there is one reality and this reality is the same for everyone (Bryman & Bell, 2015, p. 37). This was already disregarded as this study wanted to explore a phenomenon perceived differently from all the stakeholders.

The next choice in the research design regards if the nature of the study should have an exploratory or explanatory purpose (Saunders et al., 2016, p. 164). A research can be designed to fulfil one of these purposes, and it starts with how one asks the research question as it will steer the path into either an exploratory, explanatory, or a combination of the two (Saunders et al., 2016, p. 174). In an exploratory study a useful way is to ask open questions, this because of the purpose of exploring and identifying circumstances and gain insight into a specific issue (Collis & Hussey, 2014, p. 4). The research question in an exploratory study usually starts with a “what” or a “how” (Saunders et al., 2016, p. 174), to be able to clarify a phenomena or problem (Saunders et al., 2016, p. 175). Accordingly, as this paper conducts an exploratory study aiming at exploring a phenomenon, the following open research question was asked “How do the dynamics of strategic alliances unfold in a public-private joint venture?”. The literature reviewed in this research serves as a foundation for the study, but in-depth data from interviews needs to be gathered for presenting empirical inputs, helping to answer the research question. An explanatory study is rather building occasional relationships between different variables, e.g. test a hypothesis (Saunders et al., 2016, p. 176), which is not applicable to the scenario of this study.

A research strategy is the plan for how to answer the asked research question (Saunders et al., 2016, p. 177). In exploratory research, the base for the strategy could be action research, ethnography, grounded theory or case study (Saunders et al., 2016, p. 178; Yin, 1994, p. 13). A case study differs from other research design as it focuses on a specific situation and emphasis an intensive examination of the setting (Bryman & Bell, 2015, p. 68). A case study is a kind of research approach investigating a natural phenomenon, real life context as it is discussed by Sachdeva (2008, p. 177). Qualitative methods such as unstructured interviews and participant observations are usually most helpful in deriving a detailed examination of a case (Bryman & Bell, 2015, p. 68). Therefore, this study performs a case analysis to help fulfil the purpose and answer the research question.

As some are critiquing case studies for lacking in their scientific and generalizable contributions, Yin (1994, p. 21) gives five important components needed in guaranteeing high accuracy in case study research. The elements of these components have been acknowledged and applied in all steps of this research. Firstly, the research question components should appropriately include ‘how’ or ‘why’ questions (Yin, 1994, p. 21; Sachdeva, 2008, p. 181), which has been utilised in this study. Moreover, the second
component regards the study proposition and that it will be possible to answer the research question within the scope of the study. This was seen to when conducting the data analysis, which is further explained under the practical methodology. The third component relates to the hard task of defining what the case is and which components of it will be analysed (Yin, 1994, p. 21). In the chosen case of this paper, the unit of analysis is the sample companies, Tillväxt Lidköping and the municipality representatives, which were all asked questions about motives and objectives for enter, staying and leaving a PPJV, as well as success factors and risk of failures in order to cover all dynamics. For the fourth component, Yin (1994, p. 25) stress the importance of linking data to theoretical propositions, for the current research to extend one previous research.

In this study, the theoretical gap and theoretical chapters positions this study in relations to other theory, and in this way show how the in-depth insights from the case is contributing. The last component includes the importance of quality criteria when interpreting the findings (Yin, 1994, p. 25; Sachdeva, 2008, p. 179). In this study this is dealt with under section 7.6 were credibility, dependability, transferability and confirmability are the criteria used to evaluate the quality of the research.

**2.5 Summary of Methodological Position**

Figure 1 shows a summary of the methodological choices for this study.

![Figure 1. Summary of Methodological Position](image-url)
2.6 Literature Review

Before beginning writing this paper, a literature review was conducted. A literature review makes up a foundation of relevant literature one needs to know when studying a certain phenomenon and identifies gaps a study aims to fill (Bryman & Bell, 2015, p. 100; Collis & Hussey, 2014, p. 76). To best find literature connected to the subject of this paper several databases were used such as Umeå University Library database, DiVA, Google Scholar and Business Source Premier. Several search words were used in order to find theory on everything from motives for joint ventures to municipality constellations. The literature used was mainly peer-reviewed and scientifically, however, to give more knowledge to the case at hand additional sources such as annual reports were used. Below is a list of the search words, both English and Swedish, used to find literature (see Table 1).

Table 1. List of search words in English and Swedish

<table>
<thead>
<tr>
<th>English</th>
<th>Swedish</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint ventures</td>
<td>Samägt bolag</td>
</tr>
<tr>
<td>Cooperation</td>
<td>Företagslots</td>
</tr>
<tr>
<td>Strategic Alliances</td>
<td>Inkubator</td>
</tr>
<tr>
<td>Interfirm cooperation</td>
<td>Kommun</td>
</tr>
<tr>
<td>Collaboration</td>
<td>Näringsliv</td>
</tr>
<tr>
<td>Cooperative strategy</td>
<td>Näringslivschef</td>
</tr>
<tr>
<td>Growth</td>
<td></td>
</tr>
<tr>
<td>Growth strategy</td>
<td></td>
</tr>
<tr>
<td>Municipalities</td>
<td></td>
</tr>
<tr>
<td>Incubator</td>
<td></td>
</tr>
<tr>
<td>Accelerator</td>
<td></td>
</tr>
<tr>
<td>Public-private partnerships</td>
<td></td>
</tr>
<tr>
<td>Public-private joint ventures</td>
<td></td>
</tr>
</tbody>
</table>

The literature review helps creating a good comprehension and give insight into the earlier research within an area. Saunders et al. (2016, p. 83-84) explains the two types of literature sources that are most likely used when writing a research paper; primary and secondary literature sources. Primary sources are the ones that are composed by all different levels of academics, governments and businesses, in both electronic and printed form. Examples of primary sources are company reports, emails, and certain government publications. Secondary sources are the ones who are formally published, and examples of secondary sources are books and journals.

2.7 Research setting

The case of this study takes place in the city of Lidköping in Västra Götaland, Sweden. The annual report of the municipality (Lidköpings kommun, 2017, p. 7) states that Lidköping continues to grow and reached 39 506 inhabitants by the end of 2017. The goal of the municipality is to reach 45 000 inhabitants by the year 2030 but as of now the prognosis is only 43 519, which makes reaching the goal challenging but not impossible. The growth seen is largely due to the occupancy of newly arrived (Lidköpings kommun, 2017, p. 7). Looking at the business life in Lidköping in a report by The Swedish Federation of Business Owners (Företagarna, 2018, p. 5), one can find that there are 3 254 workplaces that belongs to private companies, and that nine out of ten companies are
so called micro enterprises, meaning that they have less than 10 employees. In Sweden
the small enterprises (less than 50 employees) are the biggest tax payers, more specifically
in 217 out of 290 municipalities, whilst the public sector is the biggest tax payer in 59
municipalities, and lastly the medium enterprises (more than 50 employees) are
contributing most in 13 municipalities. In Lidköping, it is also the small enterprises that
pay the largest part of the municipality taxes (Företagarna, 2018, p. 7).

Considering some characteristics of the workforce, 22 per cent of the inhabitants have an
education of at least three additional year after gymnasium, lower than the 27 per cent in
the country, whilst 11 per cent only has pre-gymnasium which is better than the country’s
12 per cent. Moreover, the average age of the business managers are 53,1 years, and 14,6
per cent of the managers are women, leaving Lidköping at 149th place out of the 290
municipalities when it regards share of women as managers (Företagarna, 2018, p. 7-9).

When the Confederation of Swedish Enterprise conducted its yearly report on how the
companies are experiencing their local business environment, the municipality of
Lidköping came in at the 177th place of 290 municipalities (Svenskt Näringsliv, 2018, p.
24). According to an article published on Tillväxt Lidköping’s website, this result was
not perceived as a failure, but as something that will lift their purpose as a company and
their agenda further with the decisions makers in the municipality (Källson, 2018). Below
is a summary of the above-mentioned contextual facts (see Table 2).

\[\text{Table 2. Summary table of contextual facts about Sweden and Lidköping}\]

<table>
<thead>
<tr>
<th>Sweden (Country)</th>
<th>Lidköping (Municipality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Municipalities</td>
<td>290</td>
</tr>
<tr>
<td>Largest taxpayers</td>
<td>Small enterprises</td>
</tr>
<tr>
<td>Small enterprises are largest taxpayers in</td>
<td>217 out of 290 municipalities</td>
</tr>
</tbody>
</table>

As mentioned in the case overview, Tillväxt Lidköping AB is defined as a joint stock
company. The Municipality of Lidköping has ownership of 40 per cent, and the council
of enterprises, owns 60 per cent (see Table 3). The company board consists of seven
members, three representatives from the municipality and four from the enterprises
(Tillväxt Lidköping AB, 2017, p. 2). The company has three employees, a CEO, a market
coordinator, and a commercial developer (Tillväxt Lidköping AB, 2019) (see Figure 2).

\[\text{Table 3. Summary of contextual facts about Tillväxt Lidköping}\]

<table>
<thead>
<tr>
<th>Tillväxt Lidköping</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
</tr>
<tr>
<td>Number of member-companies (2019)</td>
</tr>
<tr>
<td>Companies that have exited</td>
</tr>
<tr>
<td>Ownership</td>
</tr>
</tbody>
</table>
The aim of Tillväxt Lidköping AB, as mentioned earlier, is to act to promote business in the municipality, and to carry out general marketing initiatives in order to make Lidköping an attractive place for new companies to establish. Tillväxt Lidköping AB consists of 174 companies (2019) who have chosen to become members (Tillväxt Lidköping AB medlemsregister, 2019). Membership consists of two fees, a membership fee of 1000 SEK and a contract fee. The latter has three levels, the cheapest being the service fee of 500 SEK per employee, then the business fee of 500 SEK per employee plus 10 000 SEK (and a maximum of 40 000 SEK), and the third and most expensive partner fee of 500 SEK per employee plus 20 000 SEK (and a maximum of 50 000 SEK). The contracts run over 12 months and then the member needs to renew it, or if wanting to terminate give notice 1 months before contract end (Tillväxt Lidköping AB, 2018). According to their web-page, Tillväxt Lidköping AB wants to offer its members different forms of consulting regardless of you a start-up or an established business. They write that they want to help members in the search for other companies, facilities or officials in the municipality. Moreover, they present three types of help in ’start’ which includes e.g. help in developing a business idea, ’establish’ including tying all kinds of contacts and ’develop’ where e.g. financial consulting is mentioned (Tillväxt Lidköping AB, 2019). These different membership types are summarized in a table (see Table 4).

Table 4. Membership overview

<table>
<thead>
<tr>
<th>Memberships</th>
<th>Details</th>
</tr>
</thead>
</table>
| 2 fees               | Membership fee: 1000kr  
                      | Contract fee: 3 types                                                  |
| Contract fees:       | Service fee (Serviceavtal): 500 SEK/employee                           |
|                      | Business fee (Tjänsteavtal): 500 SEK/employee + 10 000 SEK             |
|                      | Partner fee (Deligaravtal): 500 SEK/employee + 20 000 SEK             |
2.8 Practical Methodology

2.8.1 Data collection

Bryman and Bell (2015, p. 12) argues that the data collection is the essence of any research activity. In this study interviews were conducted, meaning primary data was collected. Another option would have been to collect data from existing sources, referred to as secondary data (Collis & Hussey, 2014, p. 59). Interviews are a frequent way to collect data in qualitative research (Bryman & Bell, 2015, p. 479; Collis & Hussey, 2014, p.133), which matches this thesis chosen research design. Interviews are means to detect what participants are doing and as this study aims to understand the dynamics in a public-private joint venture this is a reasonable choice (Collis & Hussey, 2014, p. 133). Information and background knowledge that is based on the participants experiences arises from interviewing, where the participants reflect upon certain actions, opportunities and restraints (Tracy, 2013, p. 132). Thereof, interviews best support the study of understanding and exploring the dynamics in PPJVs, where the participants are employees from Tillväxt Lidköping, municipality officials, member companies as well as former member companies.

There are three central ways of structuring when conducting interviews, *structured*, *unstructured* and *semi-structured* interviews (Bryman & Bell, 2015, p. 479). Choosing the most suitable one is of great importance for the success of the research (MacIntosh & O’Gorman, 2015, p. 120). A structured interview usually includes a set of questions that are asked in a chronological order and asked in the same way to all interviewees (Saunders et al., 2012, p. 374). Tracy (2013, p. 139) argues that structured interviews do not always enable depth or flexibility, due to its strictness and not room for excursions. This type of structuring is therefore not applicable in this study as the aim is to go in-depth into the interviews in order to explore the dynamics of a PPJV. Unstructured and semi-structured interviews are the most common in qualitative research (Bryman & Bell, 2015, p. 479). An unstructured interview has a few questions, on occasions only one question, and the questions are to serve more as a guide in order to enable the interviewee to speak freely (Bryman & Bell., 2015, p. 481). However, unstructured interviews hold the risk of receiving answers that do not connect to the initial purpose and research question of the study (Bryman & Bell., 2015, p. 481). Unstructured interviews could have been applicable to the study of dynamics in a PPJV, even though knowledge of the area exists, more skills and expertise would have been favourable (Tracy, 2013, p. 140) to avoid the risk of not getting full answers to connect back to the purpose.

Thus, to gain understanding and explore the dynamics in a public-private joint venture, semi-structured interviews are the most appropriate, as this will allow for themes of questions serving as a guide and allows for supplementary questions (Bryman & Bell, 2015, p. 480-481). A semi-structured interview places in the middle of a structured and unstructured (MacIntosh & O’Gorman, 2015, p. 120). The questions in a semi-structured interview gives the interviewee some freedom in the way it wants to reply, the order of the questions can vary depending on where the conversation is leading, and additional questions based on what is being said can arise (Bryman & Bell, 2015, p. 48). This type of structuring allows for greater flexibility and it facilitates an understanding of the interviewees experience rather than letting only the theoretical knowledge steer the direction and answers (Bryman & Bell, 2015, p. 481). This is in line with the thoughts of MacIntosh and O’Gorman (2015, p. 119) where they discuss that the flexibility and freedom for the interviewee to voice their opinions is one of the core strengths of a semi-structured interview. As this study aims at looking at how the dynamics unfold in a PPJV,
both by interviewing member companies but also former members, this freedom in voicing opinions are important to be able to truly investigate and understand the wholeness of the dynamics. However, it is important to have in mind that semi-structured interviews can be time consuming and rather resource intensive (MacIntosh & O’Gorman, 2015, p. 119), something that was taking into consideration when scheduling the interviews in this study.

2.8.2 Sampling Technique

Sampling techniques regards how to classify, designate and obtain the data sources that are applicable to a study (Mason, 2002, p. 120). It is about choosing sources that can help fulfilling the purpose of exploring how the dynamics in a PPJV unfolds. The population is the complete number of people that contemplates for the statistical purpose (Collis & Hussey, 2014, p. 131). If one has a population of a manageable size, then one could collect data from the whole population. However, when not being able to do this, due to different constraints such as budget or time, one can use a sample (Saunders et al., 2016, p. 297). A sample is the sub group of this whole population (Collis & Hussey, 2014, p. 131). As this study is of qualitative matter the focus is to bring in-depth understandings into the dynamics of a PPJV and not to draw shallow undifferentiated conclusions, makes it suitable for the use of sampling (Collis & Hussey, 2014, p. 131; Mason, 2002, p. 121; Saunders et al., 2016, p. 297). It is important that the researcher recognize that qualitative data is reliant on the context from where it is obtained, and that this influence the result of the data collection (Mason, 2002, p. 126-127). When using sampling, it is crucial to argue and motivate your choices as it can always be suggested that another sample could have been used (Mason, 2002, p. 122). It is highly essential to try to aim for a sample that represent the whole population, however this demand that the researcher know all the characteristics of the population which is not that common (Mason, 2002, p. 125-126). Therefore, it is rare in a qualitative study that a representative sampling is collected (Mason, 2002, p. 126).

For this study the targeted data sources were different actors involved in the PPJV in order to bring a full in-depth insight in how the dynamics unfold. As it is not possible to interview all PPJVs, Tillväxt Lidköping was used as a case, this is called a sampling frame, where a smaller sample can be selected from (Mason, 2002, p. 140). As a full list of member companies, exit companies, employees and municipality representatives were presented, a sample from this list was collected consisting of employees at Tillväxt Lidköping, municipality representatives, member companies and exit companies. It is important to reflect upon the possible negative consequences of sampling from a sampling frame, such as getting a homogeneous sample (Mason, 2002, p. 140-141). However, due to previous mentioned practical limitations the use of having a sampling frame was unavoidable.

There are several sampling methods for qualitative studies in order to collect a non-random sample (Collis & Hussey, 2014, p. 132; Saunders et al., 2016, p. 295). In this case study a purposive sampling is the most applicable, as the interviewees need to fulfil certain criteria and are chosen based upon knowledge and experiences (Collis & Hussey, 2014, p. 132; Saunders et al., 2016, p. 301), as they need to be able to provide relevant information to the answering of the research question. In this case it needs to be of different sizes, experiences, industries and so on. A purposive sampling method is often applicable when having a small sample, such in case studies (Saunders et al., 2016, p. 301). There have been some aspects of snowball sampling in this study, as some of the interviewees have been identified through recommendations from previous found study
A snowball sampling is when the researchers can find new study objects through suggestions from previous study objects (Collis & Hussey, 2014, p. 132), which was also the case of this paper and allowed for the sample to be further expanded. Furthermore, there is something referred to as natural sampling or convenience sampling, which happens when the researcher has insufficient impact on the sample obtained, for example when only certain employees are available at the time of the study (Collis & Hussey, 2014, p. 132). This situation occurs once in this study, as one of the more experienced municipality representatives was not available, and we instead interviewed two other representatives.

When deciding upon how many interviews needed to be included in the study, hence what sample size, the most important part is to look at the sampling technique and purpose and contemplate if the sample will accomplish enough data to answer the research question (Saunders et al., 2012, p. 283). According to Saunders et al. (2016, p. 297), if the nature of the study is semi-structured, in-depth interviews the minimum sample size should be between 5-25 respondents. Collis and Hussey (2014, p. 155) brings up the aspect that the number of interviews could also be determined by the level of the study. Since this study is about exploring how the dynamics unfold in a PPJV, it was important to have a sample with stakeholder having different outlooks and roles in the PPJV. Thereby, the PPJV employees, the municipality representatives, the member companies as well as exit companies.

In the end, 2 out of 3 employees at Tillväxt Lidköping, 6 member companies out 174 in total, 3 exit companies out of total 26 and 2 municipality representative was interviewed. The study is therefore based on 13 interviews in total. The contact with employees at Tillväxt Lidköping has been established from the beginning, and the interviews were later scheduled via phone. The initial contact with the member and exited companies were through phone and email. People with leading positions at the companies were contacted as it was to believe that they knew mostly about their membership in Tillväxt Lidköping, they were also asked to forward us if they believed someone else at their company were more knowledgeable in the area. The interviewees from the companies ended up being owners, CEOs and one Vice President. When it comes to Tillväxt Lidköping’s employees we asked for their recommendation on who had the most knowledge and experience on the subject and the interviewees ended up being the CEO and the market coordinator. As mentioned earlier, in the aspect of convenience sampling, two municipality representatives were interviewed. An overview of the respondents is provided (see Table 5).
Table 5. Overview of respondents, type and time of interviews

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Current Position</th>
<th>Size (amount of employees)</th>
<th>Type of interview</th>
<th>Time of interview (m:s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company A</td>
<td>Vice president</td>
<td>Large</td>
<td>Face-to-Face</td>
<td>34:17</td>
</tr>
<tr>
<td>Company B</td>
<td>CEO - owner</td>
<td>Small</td>
<td>Face-to-Face</td>
<td>41:33</td>
</tr>
<tr>
<td>Company C</td>
<td>CEO - owner</td>
<td>Micro</td>
<td>Face-to-Face</td>
<td>31:26</td>
</tr>
<tr>
<td>Company D</td>
<td>CEO - owner</td>
<td>Micro</td>
<td>Face-to-Face</td>
<td>32:46</td>
</tr>
<tr>
<td>Company E</td>
<td>CEO - owner</td>
<td>Small</td>
<td>Face-to-Face</td>
<td>31:07</td>
</tr>
<tr>
<td>Company F</td>
<td>CEO - owner</td>
<td>Micro</td>
<td>Face-to-Face</td>
<td>29:39</td>
</tr>
<tr>
<td>Exit company 1</td>
<td>CEO - owner</td>
<td>Micro</td>
<td>Face-to-Face</td>
<td>36:03</td>
</tr>
<tr>
<td>Exit company 2</td>
<td>CEO - owner</td>
<td>Micro</td>
<td>Face-to-Face</td>
<td>20:03</td>
</tr>
<tr>
<td>Exit company 3</td>
<td>CEO - owner</td>
<td>Micro</td>
<td>Email</td>
<td>-</td>
</tr>
<tr>
<td>Municipality representative 1</td>
<td>Town council</td>
<td>-</td>
<td>Face-to-Face</td>
<td>35:56</td>
</tr>
<tr>
<td>Municipality representative 2</td>
<td>Town council</td>
<td>-</td>
<td>Email</td>
<td>-</td>
</tr>
<tr>
<td>CEO</td>
<td>Tillväxt Lidköping</td>
<td>-</td>
<td>Face-to-Face</td>
<td>48:03</td>
</tr>
<tr>
<td>Market coordinator</td>
<td>Tillväxt Lidköping</td>
<td>-</td>
<td>Face-to-Face</td>
<td>35:30</td>
</tr>
</tbody>
</table>

### 2.8.3 Interview Guide

A qualitative interview can be tiresome and complex and requires a huge amount of planning as well as structuring (Mason, 2002, p. 67). Although semi-structured interviews are conducted, interview guides are needed in order to serve as foundation for the topics at hand (Saunders et al., 2012, p. 386). The structure of the interview guides for semi-structured interviews can be different (Bryman & Bell, 2015, p. 486, although it is important to present the questions in a logical order as it is favourable to move from broad questions down to more limited (Bryman & Bell, 2015, p. 488; Collis & Hussey, 2014, p. 136). The themes and questions of the interview guide is conducted through examination of earlier literature and the actual research question, in order to serve the purpose of the study (Collis & Hussey, 2014, p. 135; Saunders et al., 2016, p. 402; Tracy, 2013, p. 143).

In this study four different interview guides were conducted, one for the employees at Tillväxt Lidköping (see Appendix 1), one for the municipality representative (see Appendix 2), one for the member companies (see Appendix 3) and one for the exit companies (see Appendix 4). Four basic themes were included in the interview guides as well as an introduction and closing, the introduction allowed us to present the area and background information, explain some practicalities of the interview, as well as ask permission about recording. After the introduction, the starting theme was warm-up questions, in order to make the interviewee comfortable as well as gain an understanding of the participants experience and backgrounds. It was followed by a section of establishing, entering and joining to later lead into what happens inside the PPJV, ending with a last section about Exit and Termination. The themes were the base to several smaller questions that led in to different sub-themes. The interview guide ended with a sum-up and closing, as well as a part of thanking the interviewee for participating.

The interview guides for this study were based on mainly open questions, however one closed question and one summary question was included as well. Open questions are useful when exploring and gathering extensive information (Collis & Hussey, 2014, p.
and thus works well with this study, holding an exploratory approach when investigating the dynamics of a PPJV. Additionally, the open questions are beneficial as the interviewee have the space to elaborate their thoughts and answers, which is favourable to avoid bias (Saunders et al., 2016, p. 408). The closed question in the interview guide where to gain factful information (Collis & Hussey, 2014, p. 135) about the memberships of the companies. In order to collect details and understand the order of events, as well as examine values and needs, probes and comparison questions are not excluded to use as follow-up questions (Bryman & Bell, 2015, p. 486; Collis & Hussey, 2014, p. 135). In this study the usage of theoretical concepts has tried to be avoided as much as possible, in order to ensure that the interviewee understand and feel confident (Bryman & Bell, 2015, p. 488). The questions were asked rather concrete than abstract in order to not create any misinterpretations (Saunders et al., 2012, p. 390).

2.8.4 Interview Procedure

The interviews were conducted between the two of us conducting this study and a single participant. Both of us were present at all interviews, when there is an area that needs to be fully explored it has been proven that this gives an increased contribution (Collis & Hussey, 2014, p. 135). All the interviews except two were performed face-to-face. The two remaining ones were conducted through intranet-mediated via email, as the participants had time constraints, and answered when they had the possibility. An email interview is a row of emails consisting of questions and replies (Saunders et al., 2016, p. 424). The constraints of these interviews have been discussed and considered, such as non-facial expression and restricted answers (Collis & Hussey, 2014, p. 134). However, Saunders et al. (2016, p. 424) also suggest the advantages of email-interviewing, such as allowing the respondent to provide a considered response and data are recorded as it comes in. The face-to-face approach is the traditional one and can be conducted in any convenient place.

When conducting interviews, the location is an important factor to take into consideration (Saunders et al., 2016, p. 403). The location is crucial both for personal safety and for the fact that the location could impact the interviewees, hence impact the data collected (Saunders et al., 2016, p. 403). In this study all the face-to-face interviews were conducted in the interviewee's offices due to convenient and comfortability for the participant. It was made sure that all the interview places were quiet, and the interview could take form undisturbed (Saunders et al., 2016, p. 403-404). Face-to-face interviews are usually slightly more time consuming and expensive due to traveling, than a phone or online interview (Collis & Hussey, 2014, p. 134), which was applicable in this study as travelling with flight for the interviews was needed. However, the method offers many advantages, such as collection of comprehensive data through the possibility if asking complex questions, as well as reading facial expressions (Collis & Hussey, 2014, p. 134). Furthermore, all the interviews were conducted in the same city, with close distance between the different interview places so it decreased the time consumed.

Before proceeding with the interviews, Tracy (2013, p. 161) suggest testing and try the relevant equipment that will be utilized during the interviews. Since permission for recording the interviews were asked, the audio-recording devices were tested beforehand. Two different audio-recording phones were used in order to prevent losses or potential recording problems. To make sure of the quality of the audio-recordings, a quiet environment is needed (Saunders et al., 2016, p. 412-413). When conducting the interviews, the interviewees were informed about purpose of the study, approximate length and themes, as this is important (Tracy, 2013, p. 161). The introduction with
background information was presented and the interviewees were asked to give permission to be recorded and were ensured anonymity by explaining how they would be presented in the research which, according to Tracy (2013, p. 146) is an important aspect when performing audio-recordings. Proceeding to the themes and questions of the interview, the behaviour of the researchers is an important factor to take into consideration, as this can reduce the bias along the interview (Saunders et al., 2012, p. 393). Important that the researchers are there to clarify and interpret answers through active participation (Tracy, 2013, p. 161). Listening, rather than asking follow-up questions right away is important in order to let the interviewee explain and elaborate on their knowledge around the theme (Tracy, 2013, p. 161), in order to get out as much insights in the dynamics of a PPJV as possible. Attentive listening is suggested by both Bryman and Bell (2015, p. 491) and Saunders et al. (2012, p. 393). Attentive listening contributes to impressions and observations that the recordings might not have caught (Bryman & Bell, 2015, p. 491).

All the interviews were held in Swedish, as this was the mother tongue of the interviewees. This allowed for more in-depth answers and elaborations without being limited by language barriers, which hopefully results in higher quality of data. However, it is important to keep in mind that the presented results may not be an exact replication of the wording due to translation (Saunders et al., 2016, p. 416).

2.8.5 Transcription

In order to present an as sincere answer as possible, the interviews were, as mentioned earlier, recorded and transcribed (Bryman & Bell, 2015, p. 493). The choice of recording was made in order to keep the focus on the interviewee and asking the right probes, instead of having to take notes (Bryman & Bell, 2015, p. 494). Additionally, recording and transcribing the interviews reduce the risk for misinterpretations, as well allow for the opportunity to go back and forth between the interviews and review answers again (Bryman & Bell, 2015, p. 493). Tracy (2013, p. 177) argues that the transcription makes the process of moving back and forth easier than just listening to the audio when presenting the empirical findings and performing the analysis. A choice of transcription method can be made, and the method depends on the approach of the research and method of analysis (Saunders et al., 2012, p. 400). This study focuses on context and therefore the transcription part has had focus on what is being said and not how (Bryman & Bell, 2015, p. 497). Continued, symbols and signs were used during the transcribing in order to highlight pauses as well as abbreviations for certain words (Tracy, 2013, p. 178). In order to keep the transcriptions relevant, nonsense and repetition was excluded (Bryman & Bell, 2015, p. 497). The application Audipo was used in order to slow down the pace of the audio, helping the transcribing process run smoother. Saunders et al., (2012, p. 400) suggest using software to support the transcribing.

2.8.6 Data Analysis

A large part of conducting a research project consist of interpreting and analysing of data (Collis & Hussey, 2014, p. 11). The method chosen for the data analysis are supposed to reflect upon the research question, objectives, strategy as well as the philosophical assumptions (Saunders et al., 2016, p. 571). When analysing qualitative data, a thematic analysis is suggested as it provide means to identify recurring themes in the data collected (Bryman & Bell, 2015, p. 599). Furthermore, the study is under a interpretivist paradigm thereof the goal is to find richness and depth in the data and in order to analyse this data
the volume of data needs to be restrained to a manageable level, thereof the chosen amount of interviews (Collis & Hussey, 2014, p. 154).

In this study, data was first analysed individually by both of us and then together, to confirm and ensure that the findings were coherent and not biased. Similar findings were grouped into several categories, and then these categories were analysed to find greater themes. Grouping and categorizing findings is a common way for analysing data (Saunders et al., 2016, p. 165). This strategy is inspired by a grounded theory approach, as it operates inductively but in constant comparison with existent literature (Tracy, 2013, p. 246). To begin with, first order concepts are presented, followed by second order themes, to result in aggregated dimensions (see Figure 6). The dimensions are not only stated, but also further explained in relation to each other, to help formulate a model of the dynamics of strategic alliance in a PPJV (see Figure 7). Altogether, the goal is to create a new model with the help of existing theory.

2.8.7 Ethical Issues

The concept of ethics regards the guidelines of the moral values and principles, furthermore the concept of research ethics refers to aspect of the research and how results and findings are described (Collis & Hussey, 2014, p. 30). Further explained, the ethical considerations in research guides our behaviour when studying the chosen area in that it concerns the relation to how the ones involved may be affected by our research (Saunders et al., 2012, p. 226). In the context of this thesis, it would regard following the rules of academic writing, be in accordance with the law and other rules, as well as being respectable of all participant involved in the study. There are several ethical considerations to be aware of when conducting research, Bryman & Bell (2007, cited in Collis & Hussey, 2014, p. 31-32) have composed a list of these kinds of ethical principles to think about; harm to participants, dignity, privacy, confidentiality, anonymity, deception, affiliation, honesty and transparency, reciprocity, misrepresentation. A few of this will be discussed further and how they have been applied to this specific research.

When performing research, it is crucial to not cause harm to the participants or any other involved parties (Collis & Hussey, 2014, p. 31; Bryman & Bell, 2015, p.135-136). It concerns both the psychological and physical wellbeing of both the participants and the researchers themselves (Collis & Hussey, 2014, p. 31). It is important to consider the risks of the research method but as well the risk of infraction to the previously agreed terms (Saunders et al., 2012, p. 231). Reassuring harm to participants leads into what Collis and Hussey (2014, p. 32) believes is the most important ethical consideration, voluntarily participation. In this study all interviewees have been asked for their voluntary participation.

Another ethical principle that needs to be put under serious consideration is the invasion of privacy, which regards the topics that are sensitive to the participants (Bryman & Bell, 2015, p. 143). This continues the track of confidentiality and anonymity which was offered to all participants in this study, which encourage more free responses and greater expressions (Collis & Hussey, 2014, p. 32). However, the CEO and Market coordinator and municipality was acceptable of having their positions stated, as their opinions can be more appreciated to the context if stated (Collis & Hussey, 2014, p. 33).

Saunders et al. (2012, p. 241) also reflects upon ethical considerations during the data collection techniques. When conducting the interviews, the purpose was outlined, and it was made sure that participants knew how the data would be treated. It was reassured to
the participants that if not wanting to answer a question or withdraw is completely acceptable. This, together with respecting the participants time, are some of the aspects that are important to keep in mind when conducting interviews (Saunders et al., 2012, p. 242).
3. Theoretical Points of Departure

### Chapter Overview

*In the following chapter of theoretical points of departure, we lay the foundation for our understanding of the relevant theories. The focus of the chapter is on synthesizing alliances and incubators and accelerators, with the related theories of transaction costs and resource-based view. This is then the foundation on which we continue to build in the Theoretical Framework.*

3.1 Strategic Alliances, Incubators & Accelerators

Extended research on dynamics, such as motives, objectives and success factors of engaging in alliances has been done over the years (e.g. Das & Teng, 2003; Gulati, 1998; Kauser & Shaw, 2004). It has become a fundamental part of organizations growth and competitive strategies have been to engage in alliances (Kale & Singh, 2009, p. 45). Moreover, incubators and accelerators has become the subject of more research (e.g. Cohen & Hochberg, 2014; Stevenson & Lundström, 2001; Torun, 2016) as entrepreneurial success has become a key to economic growth is on agenda of many governments (Stevenson & Lundström, 2001, p. 11).

The main motives behind forming a strategic alliance is for organizations to enhance their competitive advantage and pursue growth strategies, and this is done in different ways (Kale & Singh, 2009, p. 45). It is done through strengthen market power (Kogut, 1991, p. 22), entering new markets (Garcia-Canal et al., 2002, p. 92) and most of all getting access to other and new resources and capabilities in fast and flexible ways (Dyer et al., 2001, p. 37). A strategic alliance can reach over one part or all parts of the organizations value chains and have a variety of configurations based on having equity or not having equity in the relationship (Kale & Singh, 2009, p.46). The different shapes are joint ventures, partnerships, outsourcing, joint R&D projects just to name a few (Dadfar et al., 2014, p. 813; Das & Teng, 2003, p. 280; Li et al., 2013, p. 490). Common equity arrangements that are strategic alliances are equity investments and swaps, and even more common are joint ventures. Joint ventures can either be of unequal investment or be of 50-50 investments. When it comes to contractual strategic alliances that are not based on equity agreements, joint R&D, joint manufacturing and arrangements to access complementary assets or skills are common forms (Kale & Singh, 2009, p. 47).

Successful entrepreneurship has become an important key to economic growth for governments worldwide, motivating Sweden included to launch several national incubator programs as a part of their policies (Stevenson & Lundström, 2001, p. 322). There are not only national incubator programs, but different directions of business incubators can be found under this broad concept, distinguishing private vs. publicly owned, profit vs non-profit driven, and having a physical vs virtual presence (Clarysse et al., 2005). Simply explained, a business incubator is a company that provides an office space for early stage, start-up companies and entrepreneurs where they can utilize strategic, value- adding management resources such as consultants, industry contacts, investors and an advisory board (Hackett & Dilts, 2004, p. 59). Incubators usually last for 3-4 years and then the aim of economic growth and job creation for the start-up should hopefully have been met (Torun, 2016, p. 8).
Accelerators entered the industry in the beginning of the 2000s, and hence there is not substantial amounts of literature about the phenomena (Torun, 2016, p. 8). However, accelerators hold certain similar characteristics of incubators, which is a more established concept. The accelerator programs can also vary, from non-profit or profit, length of the mentorship, and the availability of co-working space (Cohen & Hochberg, 2014, p. 4-5). Accelerators are however different from incubators as they have a significantly lower duration, lasting three to four months, with the goal to test the validation of the business or innovation (Torun, 2016, p. 8).

Regarding the case of this thesis, there is one noticeable difference to the common forms of accelerator or incubators. Even though the two of them have different durations, they both have a definite exit for the start-up or early stage companies, whilst in Tillväxt Lidköping the goal is for them to stay in the joint venture, even after being provided with the initial support. Even though having establish some differences of characteristics between incubators and accelerators, the accelerator programs are sometimes initiated and organized by incubator (Cohen, 2013, p. 19). This fact and given that the case at hand is concerned with one company, we agree with Cohens’ (2013) definition that (1) accelerators are shorter programs organized by incubators, and that (2) accelerators and incubators have the same role. Tillväxt Lidköping is a joint venture that holds several incubator and accelerator characteristics, without this being the sole purpose of the company. Thus, it is important to conceptualize the business incubator as part of Tillväxt Lidköping business, as they offer office space, connections to industry contacts, and network provision. Having characteristics of a both being public and private owned business incubator that offers physical presence and guidance to start-ups in the form of a joint venture, provides a rather unstudied area for research.

Both strategic alliances and incubators/accelerators are initiated with the goal of economic growth (Ahern, 1993, p. 1242; Stevenson & Lundström, 2001, p. 322). They share the characteristic of providing the companies and start-ups involved with new resources needed in order to achieve their goals. Moreover, they aim at making processes such as negotiating, writing contracts, administrative work and networking easier and less expensive. These similarities can be explained by the two theories, transaction cost theory and resource-based theory, which is further synthesized in the following section.

### 3.2 Transaction Cost Theory & Resource-Based View

The transaction cost theory developed by Williamson (1981), holds the transaction as the basis of analysis and suggests that firms choose the way they operate with the goal of minimizing production costs and transaction costs. When talking about transaction costs, one is referring to expenses associated with writing and enforcing contracts, bargaining about terms and options, administrative work connected to the transaction and so on (Kogut, 1988, p. 320). This transaction cost theory has later been used as one of the motives for forming a strategic alliance, using the alliance as a mean to reduce capital investments by individual firms (Kauser & Shaw, 2004, p. 12). Furthermore, the transaction costs approach by Williamson has also been used by Hennart (1988), to show the similar elements of joint ventures, and to draw a static theory of equity joint ventures. In his paper, he describes equity joint ventures as when two or more companies contributes with assets to create an independent legal entity (Hennart, 1988, p. 362). Beamish & Banks (1987), have used the transaction cost theory to explain why international joint-ventures at times are preferred over wholly owned subsidiaries. This connects to the question of why firms would even choose to share ownership? Kogut (1988, p. 320) answers this connecting to transaction costs, and states that in conditions
were at least one partner can achieve significantly lower production costs through the joint venture, it will be preferred over external sourcing. As incubators offers an office space, shared services, management assistance and networking, this suggests that they would lower the transaction cost (Williamson, 1981) of the start-ups by reducing both resource and information costs (Peters et al., 2004, p. 85). Furthermore, some start-ups require patents for their products and thus need to frequently contact and trade with external companies, making the transaction frequency high (Hsieh et al., 2016, p. 2139). Being a part of an incubator would thus mean that they could obtain experienced assistance dealing with these transactions. The resource-based view regards the external resources motives for strategic alliances and joint ventures (Hoffmann & Schlosser, 2001, p. 358-359). The resource-based view regards what extra attributes the resources need, if maintaining or creating a continued competitive advantage (Barney, 1991, p. 106).

According to Amit and Schoemaker (1993, p. 39) the resource-based theory centres on knowledge resources or on the mix of skills and knowledge, admitted as the competencies or capabilities. The research by Barney (1991, p. 105-106) explains that according to the resource-based theory, resources, assets and skills, that can be quickly and easily obtained by all companies or most of them will not furnish competitive advantage, only the strategic resources will. The strategic resources refer to capabilities, knowledge and assets that are rare, inimitable, not changeable and valuable. These resources are valuable as they are able to achieve economic profits (Peteraf, 1993, p. 183). Barney (1991, p. 106) claims that resources can be physical, organizational or human, however as physical resources can be substituted or duplicated, and human resources can switch and leave, it is safe to say that continued competitive advantage can only be reached by organizational resources, or as they often referred as, competencies or capabilities. Knowledge is brought up in the resource-based view by Barney (1991, p. 106), and according to Gulati et al. (2000, p. 209) knowledge is the most valuable resource due to its distinctiveness and difficulty to imitate. This concept of looking at knowledge most often go under an organizational learning perspective of strategic alliances and has the focus of how to increase the skills of the partners in order to create value (Gulati et al., 2000; Khanna et al., 1998). About the resource-based view the external resources provided by the incubator suggests a motive for engaging. Moreover, the knowledge resources and the mix of skills and knowledge provided by the incubator, would imply as a reason for the start-ups to want to engage in the incubator.

Transaction cost theory and resource-based theory, in relation to alliances and accelerator/incubator, contributes to the development of the frame of reference and provides a ground on where the dynamics of public-private joint ventures can be explored and understood.
4. Theoretical Frame of Reference

Chapter Overview

This chapter reviews the earlier extended literature of concepts, definitions, theories and dynamics of: growth and interfirm-cooperative strategies, strategic alliances, joint-ventures and specifically public-private joint ventures, and characteristics of incubators and accelerators. The literature presented gives a profound understanding of the case, which further helped when conducting the interviews to explore the dynamics of public-private joint ventures.

4.1 Overview of Theoretical Framework

![Diagram of theoretical framework]

A goal of some organization is to achieve growth. Growth is perceived differently over time and differently by individuals (Davidsson et al., 2006, p. 45). One mean to achieve growth strategies can be through interfirn-cooperation, when two or more otherwise individual organizations works in consensus to seek collective advantages (Borys & Jemison, 1989, p. 247, Combs & Ketchen, 1999, p. 867). One way to achieve interfirn-cooperation can be through the use of a strategic alliance. A strategic alliance is formed by two or more partners with the intention of moving towards achieving a long-term strategic goal (Webster, 1992, p. 8). One type of a strategic alliance is that of a joint venture, which is formed when two or more organizations establish a new separate entity (Boyle, 1968, p. 81). If this joint venture consists of one public actor and one private, this is called a public-private joint venture. To sum up these relations an overview is provided (see Figure 3). The concepts of growth, interfirn cooperation, strategic alliances and joint ventures is thereby be the pillars in the theoretical frame of reference. Relevant research and literature surrounding these topics, as well as characteristics of incubator and accelerator is examined throughout this theoretical frame of reference.
4.2 Growth

Growth, and economic growth has different meanings for different people and actors and can also be different depending on what perspective one utilises. Looking at a nationwide perspective, according to Kuznets (1973, p. 247) a country's economic growth can be defined as when there is a long term increase in the capacity to meet different needs for economic goods in the population, which is based on institutional and ideological adjustments that technological improvements demands. Similarly, economic growth has been defined as when most citizens experience a clear improvement in their standard of living (Friedman, 2006, p. 15).

When talking about firm growth it is hard to state implicitly what is growing. According to Davidsson et al. (2006, p. 45), as a firm is over time “growing”, the firm will have changed in terms of activities, assets and ownership, and thus changed in itself and how it views growth. Growth is perceived differently over time and differently by individuals. One way to look at growth is from a resource-based perspective where the firm is made up by resources that makes them perform the necessary activities, growth would then refer to expanding the existing activities of the firm from combining or utilizing new resources. Another part of the resource-based perspective is to have the individuals or governance structures as the unit of analysis for growth, as these can be associated with certain resources such as financial resources or a highly educated staff (Davidsson et al., 2006, p. 45).

Furthermore, differences have been found in how companies with certain characteristics perceive growth. Studies show that small businesses are not as keen to pursue growth strategies (Davidsson, 1989; Delmar, 1996; Storey, 1994). Wiklund et al. (2003) wanted to examine this further, by looking at managers motivation to expand their firms and their overall attitudes toward growth. The authors found that differently to many big firms, the non-economic concerns may be more important than the financial outcomes in determining managers attitudes towards growth. The most concern relating to growth that they found the manager had, was the risk that the growth could have negative effect on employee wellbeing (Wiklund et al., 2003, p. 264).

In general, literature have identified three strategies for firms that aims to create growth; generic growth, acquisition and network expansion (Peng & Tan, 1998, p. 145). Connecting to transaction cost by Williamson (1985), Peng and Tan writes that generic growth can be growth through hierarchy whilst acquisition can create growth through new markets. Furthermore, network expansion by Powell (1990), is also a strategy for growth which is not done through hierarchy nor market but is when two companies combine forces and decides to cooperate (Peng & Tan, 1998, p. 145). This leads into the concept of cooperation, which is one of the ways firm can achieve growth.

4.3 Interfirm Cooperation

To be globally competitive firms, both small and large, in both service and product industries, are creating strategic partnerships. Inter-firm cooperation is happening when two or more otherwise individual organizations works in consensus to seek collective advantages (e.g. Borys & Jemison, 1989, p. 247, Combs & Ketchen, 1999, p. 867) Already in 1986, Perlmutter and Heenan (p. 136) wrote about how these global strategic partnerships had become an important strategic tool, and that cooperation through alliances was the way to compete globally. The concept of interfirm alliances developed
throughout the years, and today it is often referred to as strategic alliances, which is broken down into different types of relationships. Two authors that have clarified how these relationships are interrelated are Kale & Singh (2009), which developed on a table by Yoshino & Ragan (1995) (see Figure 4).

This overview shows that some interfirm relationships can be categorized as strategic alliances. Some of them are contractual whilst some are equity based. The following section will go more into depth in understanding strategic alliances.

4.4 Strategic Alliances

4.4.1 Framing Strategic Alliances

Strategic alliances are becoming even more used as a strategy for organization to achieve fast and economic growth (Kale & Singh, 2009, p. 357). Several different frameworks and definitions of strategic alliances have been developed from different perspectives by different authors (e.g. Das & Teng, 2003, p. 279; Parkhe, 1993, p. 794; Webster, 1992, p. 8). Porter (1990) overall defines strategic alliances as long-term relationships and agreements that extends beyond standard market transactions, Phan and Peridis (2000, p. 201-202) provides a similar definition where they simply state that strategic alliances are trust-based long term relationships. Dussauge et al. (2000, p. 99) describes strategic alliances as a cooperation agreement between two or more self-sufficient organizations in order to improve its performance and competence, providing that such an improvement could not have been achieved by any of the self-sufficient organizations alone. Das and Teng (2003, p. 279) presents a similar description where the definition of a strategic alliance is seen as an interfirm cooperation with a goal to seek the same strategic objectives, Takac and Singh (1992, p. 32) also brings a comparable definition. According to Gulati (1995, p. 85) a strategic alliance is an appropriate relationship between two or more independent organizations where the parties share, exchange or jointly develop resources or abilities to achieve mutually relevant benefits, this is the same definition as Kale & Singh (2009) provides. As can be viewed in literature (Parkhe, 1991) the concept of strategic alliance refers to a range of long-term interfirm cooperation between organizations, and this explains the width of definitions (Dadfar et al., 2014, p. 813).

As the cooperation between organizations can be outlined differently, there are different types of strategic alliances (Dadfar et al., 2014, p. 813). The alliances can take the form
of joint ventures, partnerships, networks, outsourcing, cooperative marketing arrangements, joint R&D projects and other types of relationships between organizations (Dadfar et al., 2014, p. 813; Das & Teng, 2003, p. 280; Li et al., 2013, p. 490).

4.4.2 Success & Failures of Strategic Alliances

The success of a strategic alliance is dependent upon some key stages in the alliance process (Gualti, 1998). Firstly, the formation phase is crucial, initiating the alliance and deciding on an appropriate partner. Secondly comes the design phase where a suitable governance structure of the alliance should be set by the members. Following this comes the post formation phase where the alliance should be ongoingly evaluated by its members to make sure it realizes its value.

Kale & Singh (2009) further evaluated these factors and their impact in alliance success and the relationship between the alliance members. Regarding the alliance formation phase, they state that there has been much support in accordance with resource-based theory, that the greater the complementary between the member partners, the greater likelihood of alliance success (Kale & Singh, 2009, p. 47). However, this alone is not enough for an alliance to be successful. Beamish (1987, p. 23-27) suggests that partners should also have a fit between working styles and cultures, and in this way, they will be compatible as well as become committed. All these three, partner complementary, partner compatibility and partner commitment are crucial for alliance success, but are more important under different conditions, so managers need to pay attention to what condition calls for which attributes (Kale & Singh, 2009, p. 47). In the formation phase Bamford et al. (2003, p. 173) brings up the crucialness of alliance staffing. The authors state that staffing is a fundamental component of successful alliances. From studying a broad range of alliances, it all points to the suggestion of six “alliance positions” that are the main ones for success. These six positions are; an alliance chief or joint venture CEO, dealmaker, launch manager, governor, corporate alliance manager and alliance operating staff. There are three main tasks for alliance success analogous to these positions, and they are start-up, operations and coordination.

In the design phase, the members face several transaction and coordination risks, and thus how they choose to structure its governance is crucial to the alliance success (Kale & Singh, 2009, p. 47). Here, transaction costs theory by Williamson (1985), proposes equity ownership to be an effective governance of the alliance. This is because it aligns the interest of the partners, creates hierarchical supervision, and creates a basis on which each member receives a share. Moreover, relational governance is also an important aspect in reducing transaction costs, as contracting costs are lower due to trust in partners to behave fairly, monitoring costs are lower as there is less need to external monitoring, and costs of adaptation are lower as the members are willing to be flexible when faced with uncertainty. Relational governance allows partners to work together on initiatives that enables them to share tacit knowledge, something that is hard to put in a contact (Kale & Singh, 2009, p. 49).

In the post formation phase, the emphasis is on managing the alliance. Alliance partners needs to coordinate their actions in order to successfully manage their interdependence and to benefit from the cooperation (Kale & Singh, 2009, p. 50). Galbraith (1977) gives three classic mechanism for managing coordination successfully; programming, hierarchy and feedback. Programming is about providing clear guidelines of what is expected from each member, who is accountable for tasks, and timelines for when to implement it. This in turn facilitates clarity and predictability, making the partners more
coordinated. The second mechanism of hierarchy includes the members being assigned formal roles and structures with authority and ability to make decisions. This provides the ability to supervise interactions and to enhance employees to share information and resources. Finally, in alliances where members are regularly updating and informing each other of their operations, successful coordination can be achieved. This feedback can be obtained through mechanisms such as creating joint teams, sharing spaces and meetings. The last important key to success is trust enhancing mechanisms. Trust in the alliance is critical, as it as mentioned facilitates governance, but also helps the partners relationship become more cooperatively (Kale & Singh, 2009, p. 50). Trust can be built by firms by showing that it trusts the other partner, this through for example making substantial one-sided commitments. Once again relating to transaction costs, trust is an important factor as it facilitates easier information sharing between partners (Dyer & Chu, 2003, p. 59). In Figure 5, an overview of the phases and the key drivers to alliance success is provided.

Other authors bring in another perspective on strategic alliances, which is that of social networks. In a study by Gulati (1998), the author writes about how social networks of earlier ties influences not only the formation phase of an alliance, but also the design phase as well as evolution, and in the end the success. According to Gulati (1998, p. 300), the embeddedness of a firm in a social network can both constrain and give opportunities in the formation phase. The extent to which a firm can have access to information from having a trusted partner from the current network can make the alliance a great opportunity, while on the other hand choosing a partner from your existing network may constraint the extent of which another potential partner could have been chosen. When it regards the success of an alliance, the embeddedness in social networks might influence the performance as the partners are likely to have more confident in each other as they have more information about each other (Gulati, 1998, p. 308). However, there is not much understanding of the extent to which these network ties perform better or worse than other alliances and why (Gulati, 1998, p. 309).

According to Kale & Singh (2009, p. 45-46) there exists a paradox when it comes to alliances. On one hand, alliances are formed or entered for organizations to achieve increased growth or competitive advantage, but on the other hand, the rate for alliances succeeding is extremely low. In the study by Dyer et al. (2001, p. 39), it can be concluded that the failure rates for alliances are high. According to studies made (Dyer et al., 2001, p. 39; Bamford et al., 2003, p. 1) the failure rate for alliances are between 30 and 70 per
The meaning of a failed alliance is that the alliance does not meet the initial goals that the partners had, and do not provide the strategic benefits intended (Bamford et al., 2003, p. 1).

In a study by Hoffman and Schlosser (2001) on SMEs the authors analysed the characteristics of companies and alliances to see what influence they had on alliance success. Firstly, the rate of success shrunk as the partners in the alliance became more than two. These results can be understood as indicating that alliances with several partners are more difficult to handle. Moreover, it was shown that the success decreased as a foreign partner was introduced to the alliance. One can assume that SMEs usually have less experience when it comes to managing different cultures, which can be the reason why the success rate of these alliances are less. Furthermore, when an alliance is lacking a clear strategic position, this has a significant influence on the failure on the alliance. It did not have any impact which strategic position, but rather the fact was that one needs to have a clear strategic position (Hoffman & Schlosser, 2001, p. 367).

All studies face difficulties in defining what alliance success is (Hoffman & Schlosser, 2001, p. 359). Some studies consider the profitability that comes from engaging in the alliances is the benchmark for success (Hagedoorn & Schakenraad, 1994, p. 291), whilst some sees the survival of the alliance as success of the alliance (Mitchell & Singh, 1996, p. 169). Das and Teng (2003, p. 283), define alliance success as when both partners achieve their strategic objectives in the alliance. If an alliance meets the objectives and motives set by the individual firms, one can assume they would perceive the alliance as successful. As the meaning of a failed alliance is that the alliance do not meet the initial goals that the partners had, and do not provide the strategic benefits intended (Bamford et al., 2003, p. 1-2), a success should be when an alliance do meet and provide what is expected.

4.5 Joint ventures

4.5.1 Framing Joint Ventures

A strategic alliance can have different organizational compositions based on the existence or absence of equity in the cooperation. Joint venture is one type of equity-based alliance (Kale & Singh, 2009, p. 46). A joint venture is formed when two or more organizations establish a new separate entity (Boyle, 1968, p. 81). The same applies when one partner is from the public sector and one is from the private sector. When these two sides create a partnership, these may too choose the form of a joint venture.

4.5.2 Public-Private Partnerships & Public-Private Joint Ventures

To face the challenges that are growing in the world, a common strategy used has been a collaboration between the public and private sectors (Andrews et al., 2015, p. 265). Public services have earlier in history been viewed as having rather bureaucratic coordination and being seemingly efficient. This has in later years put an emphasis on markets and competition in public services. These public-private cooperation are one illustration on how the governments are being transformed, into becoming more open for collaboration and networking to strengthen their competitive strengths and be more innovative (Trafford & Proctor, 2006, p. 117-118). When there is a cooperation between the public sector and private actors (Hodge & Greve, 2007, p. 545) or more clearly described by Linder (1999, p. 35) as when the state and the private businesses has a cooperative
venture, this can be defined as a public-private-partnership (PPP) (Hodge & Greve, 2007, p. 545). There are several ways to look at the actual meaning of PPPs. It is by some (Hodge & Greve, 2007, p. 545) seen as a replacement for traditional governance methods, others (Linder, 1999, p. 42) view it as a new way of public management, use the rooted knowledge of private organizations in order to distribute services to the public.

Cooperation between the public and private sectors in order to pursue a common purpose is traced back to wartime solidarity and small-town life, where the responsibilities to the community and workforce was shared by the enterprise and the local government (Linder, 1999, p. 36). The PPPs are rather complex as the public and private organizations may differ some in goals, environments, structure and values and this extends the already complicated area of managing alliances (Andrews et al., 2015, p. 265). Consideration and control of these differences can be crucial in order for the PPP to be successful (Andrews et al., 2015, p. 265). According to Huxham and Vangen (2000, p. 293) the final goal with creating PPPs are to achieve an advantage through providing value that would not been accomplished without cooperating.

One alliance form of a public-private partnership is a public-private joint venture. A PPJV is an independent legal entity that is composed by one or several- public and private organizations. In this independent legal entity, the expenses, revenues and control are shared among the partners involved. (Andrews et al., 2015, p. 265). The PPJVs are different from other forms of cooperation between public and private sectors in certain ways. The biggest difference being that PPJVs are not just a contract, it is an establishment of a new separate entity. This new entity’s board is usually represented by both the public and private sector, but in most cases chosen by the public sector partner. (Andrews et al., 2015, p. 265). The voting rights, as well as the division of economic ownership can vary greatly between different PPJVs, as it often depends on the legal framework of the country, how much the public sector is allowed to be involved in a business (Andrews et al., 2015, p. 267). Castro & Janssens (2011, p. 3) mentions that in a large amount of countries, the public sector owns the majority of the shares in a PPJV, this due to the fact that the public sector wants to make sure that the PPJV maintains the goal of creating public value. However, Castro & Janssens (2011, p. 2) bring up that there are cases where the private side has had majority of the shares. According to Andrews et al. (2015, p. 266) the main features of PPJVs are that a specific legal agreement needs to be established, that there must be common goals agreed upon by all involved and the distribution of power must be divided equitably among the partners. PPJV are most appropriate when a project calls for complementary capabilities from the public and private sector (Schaeffer & Loveridge, 2002, p. 178). Commonly, the public sector can seek help from private business to work together in a joint venture in order to achieve economic development in a certain area (Schaeffer & Loveridge, 2002, p. 179).

The differences between the public and private sector is something that has been studied extensively over many decades. In order to fully comprehend the dynamics of PPP and PPJV, the following section goes more deeply into research on these differences and the challenges they may bring.

4.5.3 Public Private Differences & Challenges

Traditionally, research has found that the goals and governance of public and private organization differs. For private firms, profits and self interest in the overall goals, whereas for the public organizations the goal is social improvements that would not be fulfilled by private firms (Rainey et al., 1976, Wamsley & Zald, 1976). In a more recent
study, Andrews et al. (2015, p. 269) writes that finding a degree of alignment between the collective interest as well as the interest of the partners in a PPJV is certainly challenging. Having different goals is a problem, not only because multiple goals leads to confusion, but also because it could lead to partners questioning the purpose of the alliance itself.

In regard to management, Rainey et al. (1976) found that public firms do not have the same flexibility as managers of private firms. When constructing a PPJV, managers face several challenges, especially how to benefit from complementing each other’s organizational structures, and try to mix these distinct goals, structures and values (Andrews et al., 2015, p. 267). Another interesting difference that managers in PPJV needs to consider is pointed out by Nutt (2006, p. 297), who explains that public organizations are often held accountable for political issue by the citizens even though they might not even use the specific service. This is different from the private sector where one is accountable to the shareholders that have invested in the business. Thus, to make peace between the demands of different stakeholders, the management needs to extensively use instructive practices in which many viewpoints, as well as exercises, are incorporated to make sure shareholders can receive as much benefits as possible.

As many PPJV’s are set out to accomplish large and complex project, there is a risk of opportunistic behaviour from the partners. Public and private organizations are thought to have different value sets, in that public employees are said to be driven to serve the public interest whilst the private serves the organizations interest. This is presented as one other major challenge facing PPJV (Andrews et al., 2015, p. 270).

4.5.4 Success & Failures of Public-Private Joint Ventures

Having acknowledged the at times fundamental differences in the public and private sector, studies have suggested how to fortify a strong relationship between the two. Trafford & Proctor (2006) found five characteristics that are helpful in ensuring a successful PPJV under the following: communication, openness, planning, ethos and direction. Regarding communication, the authors found that motives are often misunderstood in a joint venture and that members tend to assume the other members motives. Furthermore, communication can often occur in smaller interpersonal groups of the joint venture, meaning those outside the groups are not shared access to the same information (Trafford & Proctor, 2006, p. 121). To overcome this, Kanter’s (1999) effective collaboration on three levels is suggested which includes continues contact amongst (1) top management who should develop the broad goals and manage the progress, (2) middle managers who should develop plans for joint activities, and (3) the operational employees who carries out the day to day work of the joint venture. To further elaborate on the issues of communication, Bamford et al. (2003, p. 174) highlights that one of the tasks of the joint venture’s CEO is to oversee the communications with involved partners. Bamford et al. (2003, p. 174) also mentions that the coordination and management of the core alliance staff is the responsibility of the joint venture CEO.

About openness, trust is viewed as crucial for PPJV success. Trust between the members reduces the need for control, and results in lower transaction costs (Hoffmann & Schlosser, 2001, p. 361). In order for PPJV to be successful, the partners need to manage both trust and control, which are unavoidably interlocked with risk. Like any other newly established relationship, the issue of trust needs to be seen to, in order it to be successful (Trafford & Proctor, 2006, p. 122). Under planning, the importance of having a coherent strategy for the joint venture success is emphasized. According to Gomes-Casseres (2000,
companies that put strategy before deal making, are usually the ones succeeding. He emphasizes that many companies create “strategic alliances” but fails in providing “alliance strategies”. Thus, four elements should be in a coherent strategy, (1) it should shape the logic and design of the alliance, (2) it should provide a dynamic view for the management in the alliance, (3) there should be a portfolio approach to enable flexible coordination, and (4) there should be a clear infrastructure to make the most of the collaboration. If this can be achieved and managed properly, it will create great value for the members. Companies that does not create a clearly formulated strategy, have been found more likely to fail their collaboration (Hoffmann & Schlosser, 2001, p. 367).

Ethos regards the difference in company culture in terms of objectives and leadership styles, which can lead to lack of trust and conflicts in decision making. In PPJV when the cooperation firms continue to be independent, the interaction between the firms might be difficult due to them at times great cultural differences. Therefore, it is important for the organizations to acknowledge these potential differences and be proactive in order to be successful in their partnership (Trafford & Proctor, 2006, p. 123). Under direction, the importance of strong and clear leadership for PPJV is emphasized. The public sector is today pressured into improve their service and become more efficient to compete. Thus, there is pressure on leaders to carry out this fundamental transformation, which makes the public sector question the idea of what good leadership is (Trafford & Proctor, 2006, p. 124). This pressure, together with the sometimes-conflicting accountabilities of public sector leaders, makes them sometimes differ in regard to those leaders in private-sectors. It is therefore important that leaders all take part in the corporate management processes, and not just in the formulation of strategy (Hoffmann & Schlosser, 2001).

Concludingly, cooperation between the public and the private sectors have a long history where there is a need to deal with common responsibilities. Many public and private partnership established today are initiated by governments to enhance entrepreneurship in their countries (Peters et al., 2008, p. 84). This is often done in the form of incubators and accelerators, which is explained and discussed in the following section.

### 4.6 Characteristics of Incubators & Accelerators

Although no two incubators are exactly the same, in general they share some common characteristics (Cohen, 2013, p. 20). Developing on this point, Torun (2016, p. 8) combined eight recent papers to provide a table of the most common characteristics of incubators, further explaining its dynamics clearly. Firstly, under the structural characteristics, the legal status of an incubator is mostly non-for profit. The management resources are mostly professionals and academics and the aim are economic growth and job creation. The goal of the incubator is to mature the companies, and thus lasts 3-4 years. When it comes to the characteristics of the selection process, the companies can vary in the incubator. They are usually selected from the local community and can be operating in any industry. Both individuals that are self-employed as well as groups can be of focus, and incubators target both companies and ideas. Regarding the characteristics of the services offered, incubators offers office facilities, mentoring, technical assistance, education and sometimes graduation support. Regarding finance, incubators does not seed funding or take equity stake in the companies but pays the rental fees and receives public funds. Lastly, incubators usually provide networking with investors and alumni.

Accelerator differs from incubators along some dimensions. The accelerator helps the business try their wings and advance the market interaction (Cohen, 2013, p. 21). In relations to incubators Torun (2016, p. 8) also provided some common characteristics of
Accelerators. Foremost, accelerators are mostly for-profit, and the management profile consists of entrepreneurs or angel investors. The aim of accelerators is usually to achieve return on the investment and the goal is to test the validation of the business or innovation. Thus, the duration of an accelerator in usually significantly lower, lasting for about three months whilst as incubator can last for 3-4 years (Cohen, 2013, p. 21; Torun, 2016, p. 8). Continued, regarding the selection of accelerators, Torun (2016, p. 8) argues that it can usually be more competitive and take a larger scale such as regional, national or even global. Accelerators usually focuses on companies and teams over individuals or ideas. The characteristics of the services offered is similar to an incubator, offering mentoring, technical assistance and at times also office facilities and education. Regarding finance, accelerators do seek funding and take equity stake, whilst not always taking on rental fees and getting public funds. Lastly, accelerators are generous in providing all sorts of networking with investors, costumes and alumnus and offers demo days.

4.7 Chapter Summary

In this chapter, a theoretical framework for the research area of strategic alliance dynamics in public-private joint ventures has been provided. Several theories and research have been discussed in depth, in order to provide a thorough theoretical foundation for further study. Growth as a broader concept, as well as a strategic goal through establishing interfirm cooperation began this chapter to provide an overarching shell in which then strategic alliances and joint ventures lie. Strategic alliances were framed by presenting different definitions and then the key factors to an alliance success was given. These were divided into phases of firstly the formation phase where partner fit and the right staffing was emphasised, then design phase where governance was crucial, and lastly the post formation phase where management of the strategic alliance was highlighted. All phases supported and making use of transaction cost and resourced based theory. Joint ventures between public and private companies was then discussed, providing a difference between the two parties and what challenges these venture faces. Moreover, the under the key to success for PPJV, theories such as ethos, planning, openness, direction and communication were discussed. Ending the chapter, characteristics of incubators and accelerators were explained to understand this aspect of the case at hand. As a whole, this chapter served the purpose of establishing a solid ground for the study, identified gaps in existing literature, provided useful conceptualization and models, and gave basis for the interviews.
5. Empirical findings

Chapter Overview

This chapter provides the findings from the interviews, starting with the contextual information. Continued, an overview of 1st order concepts, 2nd order themes and aggregated dimensions is presented to provide the reader with a basis to understand why the findings are structured the way they are. After, the findings from the interviews are presented under different themes, to provide a basis for a structured analysis in the following chapter.

5.1 Contextual Information

Due to the fact that the research setting is taken place in a quite small and familiar environment where many member companies are quite distinct in their characteristics, the interviewees will not be explained individually more than in the table above, but instead together in broader terms in order to keep their anonymity. Five of the interviewees were female, and eight were male and the age ranged from 25 years to 65. Their revenues ranged from under 5000 tkr to over 70 000 tkr and the interviewees came from different industries and professional backgrounds. This shows that there was a range in respondents, aiming at covering a large part of the population. An overview of the interviewees is provided below (see Table 6).

Table 6. Overview of interviewees

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Current position</th>
<th>Industry</th>
<th>Revenue (tkr= thousand SEK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company A</td>
<td>Vice President</td>
<td>Technical Production</td>
<td>&gt; 70 000 tkr</td>
</tr>
<tr>
<td>Company B</td>
<td>CEO - owner</td>
<td>Hospitality</td>
<td>5000 – 70 000 tkr</td>
</tr>
<tr>
<td>Company C</td>
<td>CEO - owner</td>
<td>Consulting</td>
<td>&lt; 5000 tkr</td>
</tr>
<tr>
<td>Company D</td>
<td>CEO - owner</td>
<td>Wholesale</td>
<td>&lt; 5000 tkr</td>
</tr>
<tr>
<td>Company E</td>
<td>CEO - owner</td>
<td>Food production</td>
<td>&gt; 70 000 tkr</td>
</tr>
<tr>
<td>Company F</td>
<td>CEO - owner</td>
<td>Wellness</td>
<td>&lt; 5000 tkr</td>
</tr>
<tr>
<td>Exit company 1</td>
<td>CEO - owner</td>
<td>Consulting</td>
<td>&lt; 5000 tkr</td>
</tr>
<tr>
<td>Exit company 2</td>
<td>CEO - owner</td>
<td>Consulting</td>
<td>&lt; 5000 tkr</td>
</tr>
<tr>
<td>Exit company 3</td>
<td>CEO - owner</td>
<td>Retail</td>
<td>&lt; 5000 tkr</td>
</tr>
<tr>
<td>Municipality</td>
<td></td>
<td>Town council</td>
<td>-</td>
</tr>
<tr>
<td>representative 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipality</td>
<td></td>
<td>Town council</td>
<td>-</td>
</tr>
<tr>
<td>representative 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CEO</td>
<td>Tillväxt Lidköping</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Market coordinator</td>
<td>Tillväxt Lidköping</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
5.2 Findings

In the following sections the main findings from the interviews are presented. To understand how the information derived from the interviews ended up as central themes, an overview is presented below (see Figure 6). To begin with, the reasons to why firms wanted to engage and are engaging in the PPJV is naturally discussed first under the dimension Motives & Objectives. Following, the strategies and how they are perceived are be deliberated under the dimension of Strategies. This then leads in to the perceptions of the people associated with the PPJV, which goes under the broader dimension of Management. After this, the findings regarding fees and equity revolving the PPJV is presented under the dimension of Membership. All these dimensions deal with the actual operation of the PPJV, which in turn has the goal of creating the impact of Growth and Cooperation, which are the last dimensions presented and discussed. The order of the findings are structured in accordance with the aggregated dimensions.

5.2.1 Data Grouping

![Figure 6. Data Grouping](image-url)
5.2.2 Motives & Objectives

During the interviews with Tillväxt Lidköping's CEO and market coordinator, it was expressed that the biggest motive to why companies should join the PPJV is to be involved in doing the best for Lidköping. The CEO emphasized that if you want to do something and exercise some form of influence you should become a member. The market coordinator mentioned several times that the main motive for joining should be the interest of doing good and wanting to contribute to the whole city's development. They both stated that there can certainly be other reasons for why companies join, such as individual reasons- attending seminars and lectures, networking and receiving establishment support. The CEO stated that one other main objective for establishing the PPJV was it to lead into “..... a densified dialogue between the enterprise and the municipality” by providing natural contact areas where a simpler exchange between the two sides can take place. The market coordinator also talked about the objective of making companies feel closer and participate in municipal decisions. The CEO ended the discussion of motives and objectives with saying “It is important to understand that this is a long-term project”.

According to Municipality representative A, one of the bigger goals with establishing Tillväxt Lidköping was to solve a dissatisfaction that had been growing amongst companies during the traditional business development constellation. Similarly, Municipality representative B explained that creating the PPJV was perceived as a good suggestion to achieve closer cooperation between the municipality and the enterprise and that “... it was the enterprise that wanted to take a step closer to the municipality”. Municipality representative A believed that even though the PPJV has contributed to a closer collaboration and cooperation between the enterprise and municipality, “...there is still a long way to go”. The respondent believed that the main objective with Tillväxt Lidköping, from the municipality’s side was to have business owners engage in wanting to contribute to the development of the enterprise and the municipality. The municipality representative A stated that the municipality’s main mission is to “…create pre-conditions so that the enterprise can succeed”. Thus, the main goal for the municipality is that the investments in Tillväxt Lidköping will lead to companies hiring more people, as this is good for the welfare in the area. Municipality representative B gave a similar response when stating that the main objectives are to strengthen the business climate, achieve a good dialog between the municipality and enterprise, as well as create new jobs in the municipality.

When asked about why they decided to join the PPJV, all member companies’ main reason was to be able to contribute to the development of the municipality and its companies. Although in the end, they all had the expectation that the development of the city will and should give back to their company. Company A and B stressed that even though they believe in contributing, they still put their company first, and would not participate in something that they do not believe could give back to the success of their company. The following quotes show this emphasis on contributing:

“We want to participate, work locally and contribute, to see if we can benefit from it.” - Company A

“We want to contribute and help Lidköping grow in the right direction, while getting help with issues that we encounter.” - Company B

“Want to be a part to the contribution and want Lidköping to develop”- Company C
“The municipality and enterprise want to accomplish something positive, then you want to be involved” - Company E

“You want to benefit and contribute to the success of the city” - Company F

Contributing to the success and development of the city is not something exit company 1 expressed. Instead the main motive to join was to be able to have an influence and affect different issues and questions, as well as taking part in lectures and seminars regarding current topics. The interviewee of exit company 1 had the mentality when joining that “If one is not involved then one cannot influence”. Exit company 1 also had the objective of developing as a company and make an appearance to the other members.

Company B, C and D mentioned the issue of manpower and stressed the problem of getting educated students to return to Lidköping for work. They believed that contribution to the development of the whole municipality would indirectly result in attracting educated workforce to return. The challenge of attracting workforce to the city was further stressed by the CEO as something that PPJV needs to focus on in the future. The market coordinator also emphasised the aspect of recruiting workforce, making the city an attractive place to work.

When joining the PPJV, most of the companies had low or no expectations. However, company B, C, D, E and exit company 3 agreed on that the main objective was to participate in the networking offered by Tillväxt Lidköping. Company B, C and D expressed a desire to meet, exchange knowledge and find new possibilities, while company A expressed that they had a desire to act locally. Contrastingly, exit company 3 did not have any focus on operating locally. This together with perceiving the membership fee as a heavy burden as their liquidity is usually uneven during a year, made them decide to leave the PPJV.

For some companies (B, E and F), one of the motives for joining was to have the opportunity to participate in the activities and services offered by the PPJV. The ambitions for participating were high among these companies when joining, however these ambitions had automatically reduced over time. The same applied to exit company 1, and dissatisfaction was expressed over the fact that most of the activities offered was during working hours. Thereof, exit company 1 and its employees failed to attend many of these events and activities. Exit company 2 expressed that moving from operating an own company full-time, to taking a full-time employment elsewhere and running the company on the side, made attending breakfast meetings hard. The motive for joining that initially had been to tie contacts and getting help developing the company, was not necessary anymore, and thus the interviewee decided to exit the PPJV.

Company D also mentioned the motive of receiving inspiration from joining the PPJV, by other members and by the events offered by Tillväxt Lidköping. Company D continued describing that one main goal for the company was to find common projects through the PPJV and accomplish things together. Company A, B and D mentioned the objective of receiving help in rather individual issues and questions. It could be questions varying from property issues, establishing support and procurement questions, to marketing and guidance. For company E and F however, it was more about having the opportunity to show the municipality officials and other companies how they operated their companies, with the goal of increasing the understandings of each other. Some of the companies (C and D), joined with the hope that the PPJV would be a forum where their voice could be heard.
All the member companies mentioned they believed the objective of establishing the PPJV was to increase the dialog between the municipality and the enterprise. However, all member companies stated that this requires further work. The fact that the PPJV still needs to improve, was the reason behind why company B, D and E have decided to stay members in Tillväxt Lidköping.

5.2.3 Strategies

When speaking with the CEO and market coordinator at Tillväxt Lidköping about how they recruit new members, it became obvious that the strategies had changed from the start of the PPJV. Earlier, the previous CEO was active in the recruitment of new members. The former CEO would give companies a call and then follow up with an email. Today, the CEO explained that they have many walk-ins, meaning that companies take contact with the PPJV themselves to become members. According to the market coordinator it could be companies that read about the PPJV on the website or companies that know of other members that are satisfied, and thus wants to join. The current CEO had other methods and believed in offering many activities beneficial for the members, such as inspirational lectures, process descriptions, assist in procurements and so on. By doing this, they want to create an energy in the network, so that people that are not members want to join. Moreover, the CEO explained that “to not isolate those who are not members, is the best way to recruit new ones”.

When asking the companies about how they were recruited, many of the companies (F, B and exit company 1) mentioned that they were approached by the previous CEO. Company C, D and E mentioned they were in the “circuits” and knew the people initiating this new constellation. Some were rather critical in the interviews in perceiving Tillväxt Lidköping as a “club”. Company F expressed the feeling of it constantly being “internal recruitment after internal recruitment” in the board, member recruitment and member care.

The municipality representative A was quite critical to the presence at the meetings and the other activities, the majority present are usually men over 40, describing it as an “old men in suits-feeling”. It was perceived as slightly better when it came to the members, but only slightly. The interviewee expressed a frustration in that even though there are many female entrepreneurs in the Municipality, often in the welfare industry, they are completely not represented in the PPJV. Additionally, the municipality representative A said that there are new Swedes, and Swedes that moved here during the 60s, 70s and 80s that own quite big companies, who were never asked to join the PPJV. The interviewee perceived this as a fundamental structural issue in Tillväxt Lidköping. This was also acknowledged by the CEO as one of the greatest challenges of the PPJV, how to make all companies feel welcome and become members in the PPJV. Additionally, the municipality representative A also saw a problem in that if you want to engage in Tillväxt Lidköping, you basically need to be in the board. There were no commitments that are smaller and have shorter durations.

Moving on to exit strategies, the CEO was asked to reflect upon why companies had decided to exit the PPJV. The interviewee had heard many different reasons, for some the membership fee was financially troublesome, some were too busy, and some had discontinued their business, “We have not seen one distinct answer” she said. Moreover, when asked about if the goal is to keep members, the CEO said yes. Both the CEO and the market coordinator said that they have tried to keep a dialog with companies leaving,
but that there is no explicit strategy for keeping members. However, when asked they both believed that some strategy to keep members should be implemented. Municipality representative B thought it was hard to know exactly why companies chose to exit. The municipality representative A mentioned that on the board meetings the focus is on members that have joined, but less attention is given to members that have left. When asking the exit companies, exit company A had not been asked about why they left, whilst exit company B had been asked. Municipality representative B further clarified that they do not have a clear strategy on how to make companies stay as members.

Regarding communication strategies, companies were asked about what services Tillväxt Lidköping offer and have communicated to them. The companies were not always sure what services the PPJV offers and gave different answers about what services exist. Company A knew they have some seminars and some exchange with a city in USA. Company F mentioned lectures and company visits as well as that Tillväxt Lidköping helps companies that wants to establish in Lidköping. Company E said they were unsure when asked about services but mentioned that they had been to breakfast lectures and that the municipality had visited them. When asked, company D mentioned that the PPJV offers different networks, as well as gives establishment support to those who wants to start their business in Lidköping.

Company C knew that Tillväxt Lidköping have two CEO-networks, one for younger people that just started their position and one for more experienced CEOs. The interviewee further mentioned a business pilot and that the PPJV helps business in their establishment. Company B mentioned a specific network that the PPJV offer, where the company is active, as well as lunch seminars and breakfast meetings. Moreover, the interviewee also mentioned that the PPJV helps companies establish in the city. Exit company A answered breakfast lectures and a gala.

When asked about their overall opinion on the communication from Tillväxt Lidköping, some companies were unsure. Company A did not really know if the communication from Tillväxt is clear but said they often did not have problems to find people or events when they decide on it. Exit company 1 was overall not happy with the communication about what was included in the membership. The interviewee said they had even sent emails about the membership but did not receive any reply. Further, the respondent thought that there is too little information in the news letters, and suggested there should be a link in the newsletter to the website. Company C believed the information is good, and that the newsletter is informative but suggested that you can increase the number of channels to magazines and social media. Company D believed the communication is enough and that there are many channels to reach Tillväxt Lidköping, both phone and email. Moreover, company E had no problem with the communication and thought the newsletters were enough. Company F thought the newsletters are frequent and informative, which Company B also agreed on. Municipality representative A argued that emails sometimes can be overwhelming and that you do not read them. The interviewee added that the only way to go was social media.

When asked about how they stay percipient to members’ opinions, the CEO of Tillväxt Lidköping mentioned that besides the monthly letters, they have a counsel two times a year where they give the opportunity for any member to lift questions. Additionally, she said that the company-visits are where they foremost register the challenges that companies are facing, and then try to work with these challenges. The market coordinator mentioned the same means of communication and said that in their email register they have 1200 companies. Further, when asked if they have some standard feedback routine,
he mentioned that feedback in the form of a questionnaire would probably be necessary and possible to implement with the resources they entail, but as of now they are not offering it.

When asked about the services under the offered concept of start, establish, develop, the market coordinator answered “... this concept is not something we have invented; it is rather something that almost everyone is running with”. When asked to further explain the specific services undertaken in the concept, he explained that the ‘start’ is about the newly educated or those who want to make a change in their career by starting their own business. He continued explaining that it is when you have idea, but do not know how to take it to the next level. As Tillväxt Lidköping have a close collaboration with “Jobs and Society” a counselling firm for start-ups, the first step in the ‘start’ is Tillväxt Lidköping recommending the individual to take an introduction course in how to run a business. After the recommended introduction course, Tillväxt Lidköping continues the help through offering activities such as counselling, support, network, marketing and help with municipal permits. The market coordinator adds that the, PPJV is also in the process of creating a shared office space.

When the marketing coordinator was asked about if he believes the start-up service being a reason to why companies become members, he explained as many new companies wants to establish a network and get to know the right people, becoming a member is a great way to achieve that. Nonetheless, it is important to mention that the start-up help most likely happens before becoming a member, as you need to have a company when becoming a member. The market coordinator developed on this thought by saying that after they have helped a company start-up, they hopefully want to take their business and utilize the services offered by the PPJV. When explaining the ‘establish’ step, he said that it is more about helping a company that has already started that wants to expand with office-space, premises and so on. Regarding ‘develop’ the marked coordinator explained “It is about when you want to take your company to the next level, and you feel the urge to grow”. Tillväxt Lidköping has large contact network consistent of for example collaboration with Business Sweden, the export credit committee and the property owners. Thus, the PPJV and its various partners can help in developing a company further.

The CEO explained these concepts in a more overreaching way, as wherever you are in the business chain, you may need help from the PPJV. Members can for example receive help with contacting the municipality to receive permits or raise certain issues. This might not be something that the companies do in their everyday business, and therefore Tillväxt Lidköping provide expertise in solving these problems. When working with establishment, the CEO spoke about helping companies who are not established in Lidköping today but are considering expanding their business to the city. If this is the case, the PPJV serves to provide the knowledge and requirements specifications, help with location, provide statistics, and overall provide the information that would contribute to the business choosing Lidköping as their next establishment. To sum up, the CEO clarified that it can be a member that need advice and counselling in all kind of issues, as well as it can be someone from outside that want to expand and establish. It can be someone that is on the collision course with the municipality and then Tillväxt Lidköping serves to mediate, “These matters are what we spend the most time on, ”, said the CEO.

When asked about the usage of the business pilot, none of the companies interviewed had utilized the service. The reasons varied from having started their companies before the establishment of Tillväxt Lidköping, to not feeling the need to take help through the business pilot. Company D highlighted the importance of offering establishment support
in order to push individuals into starting businesses. However, using the business pilot and its included service were not motives for joining or staying in the PPJV. Furthermore, questions were asked regarding if the member companies and exit companies were members or participating in any other support systems, joint ventures or similar. Both company A and F mentioned that they are members in industry-specific associations and support groups, “...here (other support system) we are probably more active than we are in Tillväxt Lidköping”, said company A. Several of the interviewed companies (B, E, exit company 1) mentioned wanting more industry-specific groups and networks within Tillväxt Lidköping.

Exit company 1 mentioned that they have asked for help from The Swedish Federation of Business Owners, which is a network offering knowledge and practical help, and believed that they got more specific help from them. Although they had to pay for that service the interviewee thought it was worth it. Exit company 1 also mentioned that they believe Tillväxt Lidköping should focus on more up-to-date topics. The CEO of Tillväxt Lidköping spoke about The Swedish Federation of Business Owners, in that they have been better at attracting the micro and small companies. However, they do not aim at being compared to these other support systems.

5.2.4 Management

Something that reoccurred in the interviews, was the fact that this new constellation despite its faults, was still preferred over the traditional one. When asked about the difference between Tillväxt Lidköping and the traditional business development constellation, many expressed feelings about the earlier constellation feeling more distant than the current one.

“I would say I barely knew it existed. But the new one is more profiled. Now, someone or some people are working actively with these questions. They have highlighted it. Before it was more or a blur, and now it is clearer.” - Company F

“I believe the current one is better. It has become a clearer forum where companies can meet. I you compare it to the old one that was driven in a municipality perspective, we now have a concept where the enterprise actually is involved” - Company C

“The previous business development constellation was bad, to express it mildly.” - Company E

Exit company 1 believed that as the members are essentially the ones running the enterprise and want it to develop, it is important that they are involved in the business development and so that not only the municipality works with these questions. The interviewee however also stressed that the municipality needs to be involved. One company (A) did not see a big of a difference from the previous constellation, only that there is a little bit more activity around the new constellation. They had visitors from the municipality come in to their company, even before Tillväxt Lidköping started.

When asked about if they felt closer to the decisions in municipality after Tillväxt Lidköping took over, the answers varied. Company F did not feel closer but thought other companies might. Company C believed some decisions had become closer, but that there is some work left. Company E, though that they personally were not closer, but possibly the ones that are in the board of Tillväxt Lidköping.
However, the interviewee had gotten to know the municipality representatives that are involved in the PPJV, who previously had been more in the periphery. As these representatives had visited their company now, something that had not happened with the traditional constellation, the interviewee felt more trust in that they would take them into consideration:

"I have more faith now that they will consider me when making decisions as they have visited and know me and what I am doing." - Company E

Company D was unsure if the companies had come closer to the decisions making in the municipality. The interviewee believed it displayed as though it would become easier to receive help from the municipality, but thought that by creating this new constellation, the municipality “backed away from the fight”. They had been receiving much criticism, much regarding the department of the environment, that instead of taking charge and try to deliver something, the interviewee thought they took away their own opportunity to make good decisions:

“I believe that the resilience has gotten a little less. Suddenly, we are sitting down as friends and co financiers, and then some questions that needs to be put forward with some cogency, tends to be presented in a more friendly tone.” - Company D

Company B brought up the issue of the department of the environment, which the interviewee still thought was not successful. The impression was that for example companies that want to apply for a property or establish a business, are usually rejected from this department. This issue reoccurred and was brought up several times together with the low ranking scored in the Confederation of Swedish Enterprise yearly report, which is mentioned as one of the greatest challenges for PPJVs management. Even two companies (B & E) who were not asked this question, brought up the issue up of the low ranking. It was also mentioned by the municipality representative A and market coordinator:

“We have spent plenty of time reviewing it... I believe the score is built upon the perception of the department of environment office, a perception that has been there for a long time.” - Municipality representative A

“The business climate is clearly the biggest one (challenge). I have worked with it for many years. 2007-2019 we had a project in the municipality where the purpose was to improve it and then we had several meetings with companies, visits and all you can think of. But it has only gotten worse since we started working with it.” - Market Coordinator

Additionally, company B mentioned that they had asked Tillväxt Lidköping about how they are planning to work on improving the ranking but did not believe that Tillväxt Lidköping gave a clear answer.

Similarly, company B mentioned in their interview that people move to Lidköping for the city itself as it is a friendly town with proximity to the water, but not for the business climate “Lidköping is a city many moves to, but more for the location and how pretty it is here. Not for doing business.” Company C also mentioned that Lidköping has several good qualities as city, one of them having plenty of money, but thought they could seize those opportunities better. Additionally, company D mentioned the challenge of the trade in the city centre as many small businesses are struggling. The interviewee argued that in this matter, most members are critiquing Tillväxt Lidköping.
The municipality representative A also spoke of how in the previous constellation, the enterprise and the municipality would meet a few times of the year, and the enterprise committee would spend the time complaining, and then the municipality would just be irritated over their whining. The interviewee mentioned that there is a feeling amongst many people that the department of environment of the Municipality does not want to help, but rather work against decisions. Moreover, the interviewee believed that there is a still a long way to go in the relationship between the enterprise and the municipality, even though the board itself of Tillväxt Lidköping and the municipality has a closer relationship today.

Another issue highlighted in the interviews was trust in the leadership, as companies explained that they had faith in the CEO and the team of Tillväxt Lidköping. Company F believed that the current CEO is doing a great job, contributing with knowledge and perspective from working outside the municipality, something the interviewee also wanted to contribute with from working in another city. Additionally, company E believed the people working in Tillväxt Lidköping are competent, and that the interviewee has respect for the work that they are doing. Exit company 2 brought up that the previous CEO of the PPJV and the market coordinator did a really good job. Even though these companies were unsure what they were doing completely, they still expressed confidence in them:

“I believe they are good people working in Tillväxt” - Company B

“Even though I do not attend all the events; I still want to stay a member. I think the people working in it are very competent, and I have faith in what they are doing.”. - Company E

5.2.5 Membership

As three different memberships are offered for three different costs, the CEO and market coordinator of Tillväxt Lidköping were quizzed about the meaning and thoughts behind these different memberships. Their first answers were rather similar:

“I am completely up for getting rid of them. They are completely pointless” - CEO

“I can hardly even answer the question; it is just a copy of the Nässjö model” - Market coordinator

Both the CEO and the market coordinator expressed that there has not been so much thought behind the membership creation. The market coordinator described it as some larger companies contributing with larger amounts of money, and therefore they have a partner membership, whilst the rest of the companies have standard service memberships. The middle membership, no one really possess. He believed the reason behind establishing the different types of memberships lies in the fact that it is easier to sell something if you have a message behind it, so in this case a form of packaging. The CEO believed it would be better if each one payed according to his or her ability. The possibility varies according to revenue and number of employees. She went on and said that there may be a reason why big companies with high revenue can and should pay more for their membership than a small company. Both stated that they help everyone equally, and the CEO said that most of the time, the little companies need the most help, while the big companies just need help with one big issue barley on a yearly basis. Although the CEO added that they have helped some larger, established companies in
some tricky situations and thus believe it to be rather disloyal to not stay a member after that. The CEO and market coordinator were clear and explained that they also help non-members, especially with municipality issues. The CEO emphasized that they would never deny anyone getting help, guidance, advice or use the business pilot, however if wanting to access the network-based events, lectures or seminars the companies had to become a member of Tillväxt Lidköping. The market coordinator also said:

“A non-member receives the same service as a member” - Market coordinator

Municipality representative A described the motivation for having the membership fee to be that the municipality matches the amount of money the enterprise contributes with, “you have to think that what you add to the membership fee is doubled”. When asked about how the municipality looks at the issue of non-members feeling like they should have the right to business development help solely through paying taxes, municipality representative A clearly stated that everyone receives help no matter if you entail a membership or not. The question regarding what membership the member and non-member companies entailed was discussed, but no one of the interviewees could answer this question. The answered varied between, “...unfortunately I do not know” to “I do not really know, but some kind of basic”. Company A and D, as well as exit company 1 knew approximately how much money they paid, but the remaining companies did not know how much their yearly fee was. Exit company 1 expressed that there is a lack of information about how much and how often you are supposed to pay for the membership and what is included in the membership. Exit company 1 described that for some events you had to pay to attend even though you were a member and continued saying:

“Bad amount of information, really bad” - Exit company 1

The interviewees had not reflected on why they had picked their specific membership. Exit company 1 could not remember that there had been any offer of different types of memberships presented. Company F only added that something more expensive would not be of relevance.

The discussion led on to thoughts of the actual fee, and company A and B believed it is a reasonable price if you utilize all the services. Company C believed it is small sum if you are self-employed, while company D stated that if the service is good you are willing to pay. However, the interviewee believed it would have been more motivating to pay for a specific service used, as you might not take advantage of 98 per cent of the services offered. The interviewee continued by saying that it is natural to think the municipality should pay for it, and maybe when establishing projects where there is a need for co-financing, the municipality should instead reach out a hand to the enterprise and ask for support. The issue of not having time to participate as much as you want was brought up by company F, who said that sometimes when not utilizing the services you question what you are really paying for. The interviewee tried to think of it as benefitting other companies as well as supporting the development of the city, even though their company could not attend everything. When company E became aware of the highest membership cost, the interviewee said paying the amount would come with higher requirements from them, even though it was hard to say what the actual requirements would be. Exit company 1 believed that either you should only have to pay the membership fee and then all the events arranged should be free for paying members, or you should only pay when you attend or utilize the services. The interviewee also brought up the issue of lost earnings if you attend an activity or event, since they are almost always taking place
during working hours. In the end, exit company 1 was of the belief that business development is a service the municipality has an obligation to provide for free.

5.2.6 Growth

When asked about what meaning growth has, the participants varied in their answers. Two companies (A & E), expressed that operating internationally and finding new markets was crucial for their growth. Company A said that growth is to increase with a certain per cent financially every year:

“We have always tried to create a basis for growth through being international. We do not only want to operate in the Swedish market but be a global company.” - Company A

Similarly, company E explains their growth:

“For us, growth is to find new markets.” - Company E

For company B, growth was more related to the financial result, also leading to being able to employ more people:

“In the end, growth is to have a better result on the last row, if your being frank. And then it is that the company is operating well and employing more people. Instead of the opposite.” - Company B

Another take on growth was expressed as hiring more people. For company D growth was to hire employees in order to have a “real company” where you can work for something you are passionate about. From the municipality representative A, it was expressed in the terms that it is great if companies achieve growth. Nonetheless, as a representative of the municipality, the interviewee stated that the most important aspect is how many people working in the Municipality. The more people who work, the more tax goes to the municipality budget, and then they can operate the municipality. The interviewee explained that Lidköping has many small companies and not one big company such as for example Volvo who can easily just hire 200 new employees. Thus, the interviewee explained the importance of all self-employed, hiring at least one person to achieve the same result as if though a big player would hire.

For company F, growth meant making the city even better. This was also expressed by exit company 1, which added that in order to achieve growth in the city, both small and big companies need to be involved. Moreover, growth for the city was expressed by companies (C & E) in terms of getting people to move to and back to the city from other places, and not only because of the beautiful nature, but because of the business climate. This fact, to grow in numbers of people was also expressed by the municipality representative A and the CEO. Lastly, for company C, growth meant that nothing is standing completely still, either you grow, or you decrease, and you rather grow.

5.2.7 Cooperation

According to company C growth requires cooperation, because you cannot develop and grow if there is no cooperation between the enterprises and municipality. As was often expressed when speaking about achieving growth, cooperation was a crucial component. When asked what cooperation meant to them, three interviewees expressed that cooperation should be a win-win situation:
“We have always tried to create an exchange with others. But it is hard as you need to find economy in it. It needs to be a win-win situation.” - Company A

“In the best of worlds, cooperation is a win-win situation.” - Company C

“Cooperation is essentially based on two factors, and the most important one being that you see a classic win-win concept.” - Company D

Much emphasis was put on the exchange. Company E stressed that cooperation is a place where you can share knowledge. The company representative expressed that they had many partners with whom they cooperate but are in general not active in cooperation such as the PPJV. Similarly, company F said that it is about giving and taking, you contribute with the knowledge and skills you have, and others do the same. Company C said cooperation is when you support each other and said that you sometimes need to sacrifice something, to gain something in return. The basis of it is taking help from each other, and continuously working on the relationship.

Furthermore, Company B highlighted the importance of making sure you meet and discuss with others, and that all voices are heard. This fact was expressed by exit company 1, who said that in a cooperation it is important to get along, and that all members should be acknowledged in the cooperation. Company D emphasised the importance of liking each other in the cooperation as much can be put in a contract, but a contract is something you generally look at once and then put aside. Exit company 1 further highlighted that there needs to be a good cooperation between the municipality and the businesses, as there are large differences in their operations, but both are equally important. This was also expressed by company A, that the municipality might have other purposes where creating a basis for the inhabitants is the focus, and thus cooperation with a municipality might differ from cooperation with another company.

For the municipality representatives in the PPJV, their role in cooperation is to be peacemakers, often between officials and managements of companies if a conflict arises. Moreover, they should meet the needs of the large masses, meaning that if many in the municipality needs something, they try to make it happen. For the CEO of Tillväxt Lidköping, cooperation is crucial because otherwise you have no real weight in changing something. The market coordinator gave a similar answer in that together you are stronger and when cooperating you need to work for a common goal.
6. Analysis & Discussion

Chapter Overview

This chapter encloses an analysis and discussion that compares aspects of the findings on how the dynamics of a strategic alliance unfold in a public-private joint venture. The chapter compares the findings in relation to previous literature, in order to see what corresponds and what is distinguishing. This is done in accordance with the research approach motivated in the Methodology chapter.

Research Question

How do the dynamics of strategic alliances unfold in a public-private joint venture?

Purpose

This study aims at exploring and understanding the dynamics of a strategic alliance in a public-private joint venture. More specifically, looking at a public-private joint venture consisting of the municipality and the enterprise of a city, using the case of Tillväxt Lidköping. By exploring the dynamics, the research wish to gain insight into the motives and objectives of why firms enter, stay and leave a public-private joint venture, as well as success factors and risk of failures.

Figure 7 displays a conceptual model of the dynamics within a PPJV derived from the findings. The model will help encompass the analysis and will be further discussed in the conclusion chapter.

Figure 7. Conceptual model of the dynamics in a PPJV
6.1 Motives & Objectives

Strategic alliances refer to a range of long-term interfirm cooperation between organizations (Parkhe, 1991). This is something which was reflected in the findings, as the CEO emphasised that this PPJV is a long-term project. The wide and long-term motives were displayed in members wanting to contribute to the development of the city, achieve a closer relationship between the municipality and enterprise, and recruit attractive workforce to the municipality. However, more narrow and short-term motives to joining the PPJV were also expressed, such as attending events, utilizing services, networking and exchanging knowledge. This is coherent with what was written in the theoretical framework, that firms enter the alliances for various strategic objectives (Parkhe, 1993, p. 796). Accordingly, as in the case of the PPJV, shorter-term objectives mentioned in the theoretical framework for engaging could be gaining knowledge and competencies from the other partner, or it could be longer-term objectives such as protecting yourself from conditions of uncertainty in the future (Child et al., 2005, p. 7).

Furthermore, according to researchers (e.g. Hoffmann & Schlosser, 2001, Kauser & Shaw, 2004) the resource-based view regards the external resources as motives for strategic alliances and joint ventures. It concerns what extra attributes the resources require to maintain and create a continued competitive advantage (Barney, 1991, p. 106). This was expressed in the findings as some motives for joining were to network and exchange expertise. Additionally, the transaction cost theory has been used as one of the theories for analysing the motives for forming a strategic alliance, using the alliance as a mean to reduce capital investments by individual firms (Kauser & Shaw, 2004, p. 12). This was further analysed and discovered through these findings, as companies used the PPJV to assist with administrative tasks such as property issues, procurement questions and other more individual issues. This in turn implies a result of lower transactions costs for the enterprise and municipality sides, as the PPJV makes the processes between them smoother and shorter, and issues can be more easily solved than if the PPJV did not exist. The aim regarding lowering transaction costs for the enterprise and municipality is in the extension to achieve better result, leading to both sides collectively achieving growth.

As mentioned in earlier chapters, other main motives behind forming strategic alliances are for organizations to enhance their competitive advantage and pursue growth strategies (Kale & Singh, 2009, p. 45). This was displayed in the wish that the PPJV would result in people and educated workforce choosing to move to the municipality over others. Davidsson et al. (2006, p. 45) describes having individuals as the unit of analysis for growth as a part of the resource-based view, as individuals can be associated with certain resources, and one of them being highly educated staff. The findings present this aspect to be one of the main challenges for a PPJV in a small city, as there need to be workplaces attractive enough to make people want to move there for work. This leads into one of the other main challenges for the PPJV, which is the low rankings in the local business climate. Achieving a high ranking in regard to the business climate is important to make educated workforce and companies to want to establish themselves in the municipality.
6.2 Strategies

As was mentioned in the frame of reference, communication is one of the key characteristics in ensuring a successful PPJV presented by Trafford and Proctor (2006, p. 121). Trafford and Proctor (2006) found that communication in terms of motives are often misunderstood in a PPJV as members tend to assume each other motives. This was somewhat supported in the findings as members varied in their answers regarding what the PPJV was offering in terms of services, as well as could not answer in few sentences exactly what the goal of the PPJV was. Moreover, it has been found that communication can often occur in smaller interpersonal groups of joint ventures, meaning those outside the groups are not shared access to the same information (Trafford & Proctor, 2006, p. 121). This complies with the findings of some members being critical towards the communication and recruitment process as the PPJV felt like a “club”. Furthermore, this was displayed in the recruitment strategy, where companies in the “circuits” who knew the people in the constellation were the ones recruited. This was further emphasized by the municipality representative who believed diversity was missing in the PPJV and said that this was a fundamental structure issue. These findings can be connected to those of Gulati (1998, p. 300) who writes about how social network embeddedness influence the formation phase as well as the evolution and success of an alliance. As per the findings of Gulati (1998), one can see signs of social embeddedness displayed in this PPJV when it comes to recruitment, attendance on decisive meetings, engagement and membership.

The overall perception regarding the communication strategies of the PPJV varied. Some perceived the information and channels as sufficient, whilst some believed it could improve. In terms of feedback, Kale & Singh (2009, p. 50-51) argues that when members are regularly updating and informing each other of their operations, successful coordination can be achieved. This feedback can be obtained through mechanism such as creating joint teams, sharing spaces and meetings. As per the findings, the PPJV offered some networks, meetings, company visits and a co-working space which were used as forums for feedback. However, the employees at the PPJV thought a recurrent feedback questionnaire should be implemented. As written in the theoretical framework, feedback is emphasized in the post formation phase in order to achieve successful coordination (Kale & Singh, 2009, p. 50). When it regarded exit of some members, the findings revealed that there was no explicit strategy for collecting feedback from exiting members.

As it was several times emphasized in the findings, there seem to not be a clearly defined and communicated strategy on how matters are operated in the PPJV, such as the recruitment of members, collecting of feedback and so on. This also connects to one of the five characteristics for successful PPJV, which is planning. The characteristic of planning regard the importance of having a coherent strategy (Trafford & Proctor, 2006, p. 124). From the findings it is easy to assume that other things have been prioritized over the planning and strategy. If listening to Gomes-Casseres (2000, p. 14) this is not an ideal if wanting to succeed with the PPJV. According to the authors, planning should always come before deal making, as the ones who do usually succeeds. Hoffmann & Schlosser (2001, p. 367) emphasized that not having a clearly formulated strategy, which seems to be the case for this PPJV, risks a failure of the collaboration.

In the findings, it is realized that one of the main services provided by the PPJV is giving the enterprise help in matters such as applying for permits, municipal issues and contracts. This can too be analysed with the help of transaction cost theory. As mentioned in the theoretical chapters, transaction cost is referred to as expenses associated with writing and enforcing contracts, bargaining about terms and options, administrative work
connected to the transaction and so on (Kogut, 1988, p. 320). The findings show that this is a large part of the daily work in the PPJV and according to Kauser and Shaw (2004, p. 12) this side of transaction cost theory can be one of the motives for forming an alliance as it reduces capital investments by individual firms. Furthermore, the findings show that the PPJV provides some incubator services such as counselling, support, networking, marketing and municipal permits, as well as a shared office space. It also complies with the characteristics of an incubator, described by Torun (2016, p. 8), where the services offered by an incubator usually are office facilities, mentoring, technical assistance and education. This follows what was earlier mentioned in the theory, that services offered by an incubator, such as office space, shared services, management assistance and networking could lower the transaction cost (Williamson, 1981) of start-ups by reducing both resource and information costs (Peters et al., 2004, p. 85).

The findings also present that the PPJVs services of lectures and networking opportunities are the most attentive as they provide a place for an exchange of knowledge for the members. This adhere to what is said by Amit and Schoemaker (1993, p. 39) when it comes to RBT, where they state that RBT centres on knowledge resources, or on the mix of skills and knowledge, admitted as the competencies or capabilities. The findings of these forms of knowledge gain and exchange complies with what Gulati et al. (2000, p. 209) writes regarding that knowledge is the most valuable resource. Continued in the theoretical chapter, it was explained by Barney (1991, p. 105-106) that only strategic resources will furnish competitive advantage and that strategic resources refers to capabilities, knowledge and assets that are rare, inimitable, not changeable and valuable. However, according to the findings there is a division of opinions regarding the rareness and valuableness of the knowledge provided in the PPJV. Some believed that they could obtain more knowledge exchange in other support system and industry specific groups than in the PPJV, and in regards to the theoretical perspective of Barney (1991, p. 105-106) this could indicate that the knowledge in the PPJV is not a strategic resource as it seem to be easily accessed elsewhere.

Torun (2016, p. 8) states that the goal of an incubator is to help companies mature and according to the findings this is also a goal of the provided service of the business pilot, as well as with the concepts of “start”, “establish” and “develop”. What is mentioned in the findings is that the incubator services the PPJV offers in the form of the business pilot focuses on individuals with an idea, while the parts of “establish” and “develop” focuses more on the already existing companies. This reflects upon what Torun (2016, p. 8) states about accelerators, that accelerators usually focus on companies over individuals or ideas, however, have similar services of for example mentorship and technical assistance. As can be understood from the findings the services offered by the PPJV has not changed tremendously over the time. The findings also state that exit companies as well as member companies believe the topics brought up and worked with in the services concerned are not always relevant in time, therefore some companies have chosen to leave the PPJV.

Even though the PPJV offers incubator and accelerator services, the objective is for companies to stay members for eternity, different from an incubator or accelerator where the process usually has an end date (Cohen, 2013, p. 21; Torun, 2016, p. 8). Mentioned in the theoretical framework by Torun (2016, p. 8) the incubator and accelerator have the aim of creating economic growth, job creation and test the validation of the business, with the goal that the company should be ready to stand on its own. Connected to this, it is thus seen as a successful accomplishment if a company leave the accelerator, which is different from the PPJV at hand, where it is viewed as failure if companies leave because of the long-term goal of the PPJV. Keeping companies from exiting is thus another faced
challenge for the PPJV, which is hard to overcome as many of their services is of temporary character.

6.3 Management

The findings highlight the aspect of trust. Higher trust was displayed towards the PPJV than the traditional business development constellation. This reflects upon what was said earlier by Kale & Singh (2009, p. 50), that trust in the alliance is critical. It facilitates governance, but also helps the partners’ relationships become more cooperatively. Even though the findings suggest that the companies do not believe they have gotten closer to the decision making in the municipality, it is shown in the findings that the cooperation between the board members, which entails both enterprise and municipality representatives as well as employees of the PPJV, has improved. This can as well be related to transaction costs, as trust is an important factor facilitating easier information sharing between partners (Dyer & Chu, 2003, p. 59). In this case the trust between the board members could result in easier information sharing, hence lower transaction costs. Through the findings there is a pattern of trust shown towards the leadership of the PPJV, especially towards the CEO, but also the other employees. This can be due to the reason that the employees of the PPJV has shown commitment towards member companies, as well as helped both them and non-member companies with individual issues and questions. This goes in line with Dyer & Chu’s (2003, p. 59) argument that trust can be built by showing trust to the other partner, through substantial one-sided commitments.

In the findings it is expressed a lower trust for the municipality and its officials. However, it could be worth to mention what has been discussed earlier by Rainey et al. (1976) that regarding management, public firms do not have the same flexibility as private firms, which could lead to less room to create trust. In the findings it is discussed that people would rather do business with someone they know and trust and this aspect of the public and private differences in their culture is important to keep in mind. As brought up in the theoretical frame of reference, Trafford and Proctor (2006) suggest five characteristics helpful in ensuring a successful PPJVs, and one of the characteristics is openness, which regards the concept of trust and its importance for PPJVs success. As the findings show, knowing a person and trusting the person is in line with what is said by Hoffman & Schlosser (2001, p. 361) that the trust between members reduces the need for control and results in lower transaction costs. It is important for partners manage both trust and control.

From the findings it can be argued that the leadership styles, or at least the perception of the leadership styles, differs between the public and private parties. This can be connected to another of the five characteristics for ensuring successful PPJVs by Trafford and Proctor (2006). The one characteristic is of Ethos, which incorporates that when having a difference in company culture in terms of both objectives and leadership styles, this can lead to lack of trust and conflicts in decision making (Trafford & Proctor, 2006, p. 123). The difference between the municipality and enterprise company cultures and leadership styles presented in the findings, could be one of the reasons for the enterprise having lower trust in the municipality, and this could be the reason for the absence of increase in coming closer to the decision making. Acknowledging these potential differences and being proactive is one of the solutions to be successful in a public-private partnership (Trafford & Proctor, 2006, p. 123). The relationship between the municipality and enterprise is one of the main challenges for the whole PPJV. Like Andrews et al. (2015, p. 267) points out, when constructing a PPJV, managers face several challenges, especially how to benefit from complementing each other’s organizational structures.
This applies to this PPJV, as the municipality and the enterprise differs greatly in their structures, and the real challenge lies in trying to mix these structures, goals and values.

In the formation of an alliance, Bamford et al. (2003, p. 173) brings up the importance of alliance staffing and that it is a fundamental component of successful alliances. This is something which has been crucial for the PPJV as when it was created, both the enterprise side and the municipality got to commonly choose a CEO for the new constellation. This differed from the traditional constellation where the official head of the enterprise was an official chosen by only the municipality side. As mentioned in the theoretical frame of reference, it usually points to six “alliance positions” which are the main keys for creating a successful alliance (Bamford et al. 2003, p. 173). As can be seen earlier in research setting and findings, the PPJV consisted of three full time employees: a CEO, a market coordinator and a commercial developer. Complying these positions and roles with the six crucial “alliance positions” by Bamford et al. (2003, p. 173) it can be understood that the three employees' roles and assignments goes into several of these six “alliance positions”. The CEOs role and assignment complies with the joint venture CEO position, while the market coordinator goes in line with the responsibilities of the launch manager and both of them together with the commercial developer can be viewed as alliance operating staff, while the remaining three positions by Bamford et al. (2003, p. 173) can be undertaken by the board.

Another aspect of alliance staffing is to think about the importance of clear leadership, which is brought up under the characteristic of direction by Trafford & Proctor (2006, p. 124). The findings highlight that the enterprise was not pleased with the earlier traditional constellation solely operated by the municipality. It showed in the results that some participants almost did not know any constellation existed before the PPJV, and the ones who were familiar with it, were not satisfied with how they operated. This supports the statement that the public sector is today pressured into improving their services and become more efficient, and it is this pressure together with the sometimes conflicting accountabilities of public sector leaders, which makes them differ in to those leaders in private-sectors (Trafford & Proctor, 2006, p. 124). Hoffman & Schlosser (2001, p. 362) stands for the opinion of the importance of leaders taking part in the corporate management processes, and not just in the formulation of strategy.

### 6.4 Membership

As mentioned in the theoretical framework, the voting rights and division of economic ownership can vary greatly between different PPJVs, as it often depends on the legal framework of the country and how much the public sector is allowed to be involved in a business (Andrews et al., 2015, p. 267). This was the case of the PPJV, were the public owned 60 per cent and the private sector 40 per cent, due to legal constraints of ownership for public firms, but also because this new constellation should encourage public engagement. This contrasts to Castro & Janssens (2011, p. 3), who stated that in a large amount of countries, the public sector owns the majority of the shares in a PPJV, this due to the fact that the public sector wants to make sure that the PPJV maintains the goal of creating public value. According to Andrews et al. (2015, p. 265), the new entity’s board is usually represented by both the public and private sector, but in most cases chosen by the public sector partner. In the PPJV, it was accordingly a board consistent of both sectors, however it was chosen by both sectors as well.

Diving more into what equity members contributes with to the PPJV, membership fees are paid and then these are matched by the municipality. What the findings highlight is
that the different membership is not completely motivated. The employees in the PPJV thought they were pointless, and the members were unsure what membership they were paying for and what it entailed. Moreover, the findings showed that non-members could use the services such as guidance, business pilot, and other public services, whilst access to network-based events and lectures was given to members. This raised the question of why there should be a membership, and other suggestions such as paying accordingly to how much one earns or what one feel like wanting to give, was presented.

### 6.5 Growth & Cooperation

The findings suggested that the stakeholders in the PPJV had different perceptions on what growth meant. For some it meant gaining access to new markets and for some it meant better results and others it was hiring new people. This was consistent with Davidsson et al. (2006) who writes that it is hard to define implicitly what growth is, but rather it is perceived differently by different individuals. Having different perceptions on growth is thereby common. However, as growth (Tillväxt) is the name and sole purpose of why the PPJV was created, having different perceptions on growth might be an issue. Firstly, as Teng (2003, p. 283) define alliance success as when both partners achieve their strategic objectives in the alliance, having several perceptions on growth might make it difficult for all members to perceive the alliance as successful. Secondly, as many of companies had more firm specific perceptions on growth whilst the municipality and employees in the PPJV had a more collective view on growth, it can be problematic. As written in the theoretical frame of reference, Andrews et al. (2015, p. 269) states that finding a degree of alignment between the collective interest as well as the particular interest of the members in a PPJV is especially challenging. Having different goals is a problem, not only because multiple goals may lead to confusion, but because it can lead to partners questioning the purpose of the alliance itself, which in the PPJV case of facto is just growth.

According to Davidsson et al. (2006, p. 45), as a firm is over time “growing”, the firm will have changed in terms of services, assets and ownership, and thus changed and how it views growth. This can also be applied to the findings in that the life-time of the PPJV is now approaching 8 years. The management and memberships have developed and changed, and thus naturally this would imply that the impact of this growth will have changed the view on how growth is perceived.

In terms of cooperation, the findings suggested that members want it to be a win-win situation and that it should be an exchange of some sort. As previously mentioned in the theoretical frame of reference, interfirm cooperation is when two or more otherwise individual organizations works in consensus to seek collective advantages (Borys & Jemison, 1989, p. 247; Combs & Ketchen, 1999, p. 867). As emphasised with the win-win in the findings, the “collective advantages” is important for the companies to feel that the PPJV is motivated. This could potentially mean that the argument from the employees at the PPJV to do well for the city and contribute, might not be enough for it to feel like a cooperation of exchange and win-win situations.
7. Concluding Chapter

Chapter Overview

This concluding chapter revisits the research question and purpose through providing conclusions and recommendations, along with the theoretical contributions and practical implications of the research. Furthermore, the limitations of the study and suggested further research is presented. The chapter ends by raising the truth criteria of the study.

7.1 Conclusions

The purpose of this study sought to explore and understand the how the dynamics of strategic alliances unfold in a public-private joint venture. More specifically, this study looks at a PPJV consisting of the municipality and the enterprise of a city, using the case of Tillväxt Lidköping. The primary focus of this research on PPJVS has been to ask the 'how' question, which focuses on understanding the motives and objectives to firms entering a PPJV, what happens inside a PPJV, why firms choose to leave a PPJV, as well as the success factors and risk of failures involved in a PPJV. In accordance with the 'how', an exploratory, qualitative study began, conducting semi-structured interviews with different stakeholders of the PPJV to serve as the foundation to answer the research question:

*How do the dynamics of strategic alliances unfold in a public-private joint venture?*

Throughout the analysis of the subjective experiences of the stakeholders some themes reoccurred which helped form a model (see Figure 7) on the dynamics of a PPJV and how the different dimensions are interrelated. The model shows how the PPJVs undergo a process, where there are motives and objectives on why companies and individuals engage in the PPJV, enter, stay and leaves. Continued in the process, influenced by the motives and objectives, comes the actual operation of the PPJV, in the form of strategies, management and memberships. The operation of the PPJV has in turn the impact of growth and cooperation. When aspects in the operations might change, it will be reflected in the impact, and this could in turn create a change in the motives and objectives. Thus, the model has an arrow going back from impact to motives and objectives again. This is thus a continued process which is at all stages affected by challenges. In relation to this new model, earlier studies were revisited to be both confirmed and contradicted, to result in some main conclusions.

This study concludes that the main objective for the PPJV formation is to achieve a closer and better cooperation between the public and private counterparts. With this, the aim is to achieve faster decision making, mutual support and understanding, access to resources and lowering the transaction costs for the partners involved. Furthermore, conclusions can be made that all partners shared the motive of achieving growth, however it was evident that their perception on growth differed. What was first apparent as a common goal was engaging only to serve the greater good of the city, however what was later discovered when looking at the underlying dynamics of becoming a member, it always came with the expectation of receiving something in return.
Through looking at the analysis, it can be concluded that a coherent overall strategy is essential for a successful PPJV. With this said, when coherent and clear strategy is not fully provided in a PPJV, neither for recruiting, operating nor decision making, it can lead to the outcome of confusion among the members regarding the actual meaning of the PPJV. Conclusions regarding communication strategies were made and even though opinions on what is good communication may differ, but one aspect found to be crucial is more forums for feedback. Not having a continuous collection of feedback results in missing out on valuable insights and the possibility to be agile and responsive.

Crucial factors explaining the dynamics of a PPJV were trust in management. Foremost, as trust for the alliance staffing was high, the perception of the PPJV as a whole was trustworthy. The low trust expressed for the previous constellation of only public governance, displays the importance of choosing the right leaders for a local business development. Distrust in the previous way of business development, put pressure on the public sector to solve discontent with the business climate and was one of the main motives for establishing a PPJV. This pressure made the public side wanting to improve their services, however, what could be the case is that instead of becoming closer to the private partners through the PPJV, it risks distancing themselves even further by giving away much of the responsibility to the alliance staffing. A conclusion drawn from this is the dynamics of a PPJV looks different if the leadership changes. Having a trusted leadership in the PPJV was achieved through a common decision process, instead of it being a one-sided decision. However, there is continued distrust from the private towards the public partner. The reason for this seems to lie in the traditional misconceptions of each other’s company cultures and operations, creating a low or no understanding of each other’s intentions. The main conclusion is that the public and private sectors differs to a high degree, creating barriers for business development however many of these barriers are reduced through the trust in the alliance staffing.

Both trust and a clear strategy is mentioned as critical success factors for joint ventures and strategic alliances. However, a conclusion from this study can be made in that the trust in leadership is sometimes more important than strategy. This conclusion is because even though the perception of the strategy were not always clear for members, the expressed trust in the individuals of the PPJV were still high, and made companies stay as members.

Furthermore, another conclusion was that the PPJV relied on social networking when recruiting new members, creating new networks and enlisting new board members. In many regards this was efficient as it got some members to invest heavily in the PPJV early on. Decision could move smoothly as people were more like-minded, and people were already familiar with each other. However, as the PPJV aims at targeting all companies in the municipality, these social network ties seem to have hindered in reaching out to all the businesses. This also means some diversity is missing in the PPJV and as a public partner is involved who entitled to serve the whole public, it can be viewed as problematic. Regarding to why the companies stay as members the conclusion can be made that networking is a main factor. Through networking, the goal is to gain and exchange knowledge. Knowledge is the most valuable resource. However, conclusions can be drawn that the PPJV do not possess enough strategic resources to keep members from exiting the PPJV, nor acquire new members. Another drawn conclusion connected to members staying in the PPJV, are the lowering of costs, as they can use the PPJV to take administrative help with different individual issues it should result in lower transaction costs for the individual company.
In addition it was found that there seem to be much focus on start and establishing help from the PPJV, hence some incubator and accelerator features, however a conclusion made on this was that the focus of the companies were more on the everyday activities, such as networking, lectures and so on. A lack in focus on these services have resulted in companies leaving, as they believe the services has not focused on up-to date topics or been beneficial for them.

The viewed dynamics in the operation, with its challenges and benefits works to make an impact on growth and cooperation. The conclusion made is that even though all partners shares the goal of wanting to achieve growth and better cooperation, the definitions of these could differ among involved ones. How the partners view growth depends on their activities, assets and ownership, making the view on growth change if any of these components changes. An important conclusion to bear in mind is that a PPJV is usually a long-term project.

7.2 Theoretical Contributions

In terms of theoretical contributions, this study adds to the understanding of theory on public-private joint ventures, which according to Andrews et al. (2015, p. 265) is a rather understudied area as the increased use in the last decades have not yet had time to be fully investigated. The study contributes to theory in the following four main ways;

- Firstly, this study contributes with insights from a PPJV between the municipality and the enterprise which is a new and unique constellation. This resulted in the main theoretical contribution of the study, the conceptual model, which shows how the dynamics of a PPJV unfolds and how it is all connected. These overarching concepts were drawn from the findings of this specific constellation of enterprise and municipality, but the larger themes can also give better insights on PPJVs in a broader sense.

- Secondly, another theoretical contribution came from the uniqueness of having a PPJV with incubator and accelerator characteristics. The study provides to theory, a comprehensive understanding on how incubator and accelerator services can be incorporated in a PPJV successfully, as well as how such services might be mis-serving other purposes of the PPJV.

- Thirdly, the findings reveal that the management of a PPJV plays a great role in assuring the perceived success of venture, realising trust building, clear communication, structural planning, and mixing the goals structures and values of the public and private partners as key components. These findings are confirming prior research on strategic alliance and joint ventures critical success factors (Kale & Singh, 2009; Trafford & proctor, 2006). However, what this study adds is that even though at times the structure and communication was unclear, this could be complemented with a high level of trust in the management, to still perceive the PPJV as successful.

- Fourthly, in extension to the above-mentioned contribution, much research has been conducted using transaction cost theory (e.g. Hennart, 1988; Parkhe, 1993) and resource-based view (e.g. Das & Teng, 2000; Eisenhardt & Schoonhoven, 1996) on joint ventures in general, which also could be successfully applied on PPJVs. Furthermore, this study extends the knowledge on how social network theory could and should also be applied on PPJVs. In accordance with Gulti (1998) who writes about how social networks of
earlier ties influences not only the formation phase of an alliance, but also the design phase as well as its evolution, this study found the same to be true of the PPJV.

7.3 Practical Implications & Recommendations

This study can be used for several reasonable purposes. There are several practical applications, the main ones are enlisted as followed;

- Firstly, one practical application of the study is of managerial use, as the insights of how the dynamics unfold will help in guiding future PPJVs, what pitfalls to avoid, and what advantages to seek. It provides practical tools for understanding the phases of a PPJV and what characterizes each phase. It helps give recommendations to challenges which may arise as well as the benefits associated to this type of cooperation. The study has emphasized that there needs to be certain roles and responsibilities in a PPJV, and that it is of importance for the partners in a PPJV picking the right people for these roles and responsibilities.

- Secondly, there are practical applications for municipal use. Other municipalities looking to change into new forms of business development constellations can use this study in order to get inspiration and knowledge. It might be most applicable to municipalities with similar setting when it comes to inhabitants, as well as work places in similar size. As mentioned earlier the PPJV of this study consist of mostly micro companies and have around 39 506 inhabitants. To the municipalities who differs in their settings, sizes and characteristics the study still facilitates an understanding on how this kind of PPJV can work, but they need to be aware of having to do modifications to fit their specific setting.

- Thirdly, it can provide useful insights to companies thinking about using interfirm cooperation to achieve competitive advantage or growth. As it shows them the dynamics of success as well as important risk factors, they can use the information when designing their cooperation constellation, but as well in their continued operations.

- Fourthly, other public organs than municipalities for example on state level, can use the study in order to understand the necessity of the active participation required to create an understanding and trust between the public and private sides. How respected leadership is crucial in order to take the most advantage of this type of cooperation.

Based on these practical implications, several recommendations have come to mind on how to achieve successful PPJVs, and what pitfalls to avoid.

A first recommendation is to have a common, clearly stated goal as it otherwise may lead to confusion and in worse case doubt of the purpose of the PPJV. Even though there needs to be a unified, overarching goal, the PPJV needs to serve the individual members too. To overcome distance between the involved parties in the PPJV, a suggestion would be to not only have an isolated dialogue consistent of the central people of the PPJV, but rather a broader reach of involving all members of the PPJV. The openness in a PPJV is critical for its success, and what can be stated is that it is required from both partners to endeavour in creating trust, for the openness to happen.

A recommendation concerning the strategy issue involves prioritizing planning. Planning should come before decision making or processes. However, setting a clear plan, including milestones, with a coherent strategy, leads to everyone working towards the
same goal in order to achieve collective advantages, hopefully resulting in growth for all parties involved. This is today missing when solely having a long-term abstract goal of growth. Even though the recommendation is to prioritize planning, the trust in leadership should also be highly prioritized. This leads into the next recommendation, a PPJV should be meticulous when choosing the leadership as it affects the perception of the whole PPJV as it can even compensate for a lack in strategy sometimes.

A recommendation regarding the recruiting of new members, would be for managers initiating and designing a PPJV, to be proactive and know how their social network embeddedness might constrain them. It is important to have standardized strategies on how to target new members as well as how to operate in a manner making you reach not only those in the closest circle but everyone. Feedback should be a high prioritized aspect incorporated in the strategy, in order to solve dissatisfaction, keep up with member perception and be able to achieve continuous improvement. A focus on acquiring strategic resource, not inimitable resources, could improve the services provided and result in more new members and less exists. A suggestion here would be to have more industry specific forums and services, as well consider getting a broader range of engagement from all member companies to not be an excluded “club”.

Connecting back to the research question of how the dynamics of strategic alliances unfold in a PPJV, with the purpose of exploring and understanding motives and objectives, success and failure factors in the different stages, it is fair to state that there are several underlying dynamics in a PPJV which unfolds in different ways and stages.

Summarizing, to successfully manage a PPJV, this study concludes that it is important to have a clearly stated strategy, which is further clearly communicated to all stakeholders. A dynamic found to be the most crucial one was management and trust, trust for each other as partners in order to achieve a good cooperation, in the perception of the constellation, but mostly in the alliance leadership. The main motives and objectives for the formation of the PPJV was closer cooperation and understanding between the public and private sectors. Moreover, a main motive for both joining the PPJV and staying as a member was networking and knowledge. Reasons for leaving was concluded to be a lack in focus of services, both how the information was communicated, but also the content of the services offered. To some extent it was the fact of not receiving enough for what one paid that made companies leave. This study highlighted the social network embeddedness of a PPJV, which may lead to path dependency and missed opportunities. When exploring these dynamics, the recommendation found to achieve success in a PPJV can be concluded as having trust, a prioritizing planning and a coherent strategy with clear direction, a good communication and a continuous collection of feedback. These rich insights from these subjective experiences of the PPJV have advanced the understandings of how the dynamics of strategic alliances unfold in a PPJV in several ways.

7.4 Policy & Societal Implications

The policy implications are about how policies can be redesigned or changed in order to be more effective and reach certain goals, given the new knowledge this study has provided. Foremost, this study provides municipal and governmental bodies better access to how centralized services can be implemented. Providing one place where all services can be accessed, can if successful facilitate smoother information sharing and enhanced competitive advantage. With these findings from an actual operating PPJV with real experiences from the involved parties, knowledge on how these centralized services can achieve growth can be of valuable use. In turn these services can help facilitate
entrepreneurship and more citizens can be employed. Altogether, the possibility of increased entrepreneurship and employment that these centralized services may bring would in turn lead to an increase the GDP of a country.

The propensity of path dependency and social embeddedness found in this study that may hinder or steer a public-private partnership, is of importance for policy makers who wants to have diversity and inclusiveness, as this is usually found to facilitate innovation and idea-generation. The study shows that not working towards being a diverse organization risk having the outcome of people feeling excluded or rejected, which could lead to larger segregation in society.

This study has shown how the traditional relationship and perceptions between the public and private sector can take form, which is something of interest for municipalities and governments. With the insights provided from this research, the understanding of this relationship can be further understood, to be able to continue trying to improve it.

7.5 Limitations & Further Research

This study has explored the dynamics of a PPJV; however, the study has some limitations and the subject calls for further research. A limitation to this study is its focus on one unique case of a PPJV at one point in time and a specific setting. Thereof, one of the primary limitations of this study is the scope. The aim was to explore how the dynamics of a PPJV unfolds and given the nature of this topic there are some limits. It is important to be aware that more dynamics which could have been explored, than solely the ones found in this particular study. The findings are from only a few individuals at one point in time, which are reflected against a large amount of previous literature, and their experiences might not be able to be applicable to others. However, the goal of this paper was not to draw generalizable conclusions, but rather explore and gain insight. A further limitation is, as discussed earlier, not having the possibility to interview the municipality representative with the most knowledge. However, due to the information access from the other interviewees substantial information has been given, and it is believed that this do not have a big impact on the study’s results. Given these limitations, we have found further potential research that would strengthen the knowledge on PPJVs.

A longitudinal study could be suggested, instead of looking at the PPJV at one point in time, like this study, having followed the PPJV for a longer time could have allowed for a coherent exploration of the phenomena. Continued, as this study focuses on one PPJV in one setting, it would be of interest to extend and conduct a comparative study between either a similar municipality, or a completely different constellation. This would allow for further practical and theoretical insights into PPJVs. The findings of this study highlighted the importance the management play for the PPJVs success. Thus, it would have been interesting to further research what makes a good manager of a PPJV. As was indicated, the social network ties of a firm may have an underlying influence on the dynamics of a PPJV, such as reasons firms enter, structure, manage and change them, as well as the performance benefits sought after. This is something which calls for further research as examining the way social networks can constrain a PPJV might allow for managers to proactively design their networks, position in networks or look outside their networks. As PPJVs includes actors who might be in networks with different characteristics than a strategic alliance with more similar actors, this merits further examination.
7.6 Truth Criteria

When conducting a qualitative research, one needs to evaluate the work according to quite different criteria from that of quantitative studies. Guba (1981) defined some criteria for judging the trustworthiness of qualitative studies, which was later revised by Guba and Lincoln (1982) to become these: credibility, transferability, dependability and confirmability. These four criteria of trustworthiness are still used today in assessing a qualitative study and has been applied on this study presented in the following sections, an overview of the truth criteria is also provided (see Appendix 9).

7.6.1 Credibility

Credibility realises the multiple social realities, and thus that a researcher will determine the findings acceptability to others (Guba & Lincoln, 1982, p. 246). Therefore, the credibility criteria include ensuring the research is carried out in good practise and that the interviewees are allowed to confirm that the researcher has correctly understood their perspectives and experiences (Bryman & Bell, 2015, p. 401). The findings of this study were analysed using several theories and additionally, data was gathered from multiple interviews, which is considered to add to the strengths of the findings. Using multiple sources for information and theories is called triangulation and results in greater confidence in findings (Guba & Lincoln, 1982, p. 87). Moreover, the confirmation from the interviewees in this study was reached through member validation (Bryman & Bell, 2015, p. 401), where we provided the findings to the people taking part of the study, in order to ensure correspondence of results. Additionally, both of us were present during all interviews, and analysed all transcripts separately before sitting down together, which allowed creating an understanding and accurate view of the findings. Both of us also went through the recordings and transcripts several times making sure everything was presented accordingly to what had been said.

7.6.2 Transferability

Transferability is about the generalizability of a study, and as having been touched upon earlier in the method, this aspect is somewhat limited in this study due to the subjectivity of this qualitative research exploring personal experiences of a case. Even though, Guba & Lincoln (1982, p. 247) believes transferability is possible if “thick description” is given about the context to make a reasonable judgement about the degree of transferability. Thus, in this study the procedures and context of the interviews have been explained in detail in the method chapter, for the transferability criteria to be met.

7.6.3 Dependability

Under dependability, Guba (1981, p. 86) refers to the stability of collected data, and how it might be instable as realities differs. Qualitative research is hard to repeat in the same way in another place with a similar context, such as one can do in quantitative research (Guba & Lincoln, 1982, p. 246). As suggested by Guba & Lincoln (1982, p. 248), triangulation has been used in this regard together with accounting for instabilities and verify the variability of the data. Moreover, the different parts of the research process have been thoroughly argued for and explained to assure dependability.
7.6.4 Confirmability

The criteria of confirmability regard the biases of the researcher in the findings, and Guba (1981, p. 87) suggest triangulation and informing the reader about underlying philosophical perspectives, as an action taken to ensure this. Thus, as established earlier, triangulation is applied in this research and the epistemological, ontological and axiological views of the study have also been presented to the reader. Additionally, we have tried to minimize the risk for personal values which could affect the process and findings of the research, by having wider perspectives.
References


### Intervjuguide – Tillväxt Lidköping

#### Introduktion

Till att börja med vill vi tacka så mycket för att ni tagit er tid till att bli intervjuade. Som du vet vid det här laget så har vi börjat skriva vår rapport om hur samägda bolag fungerar, fördelar, nackdelar, varför företag väljer att lämna osv. Vi har hittills samlat på oss teori kring ämnet (såsom tillväxt- och samarbetssstrategier), samt skrivit hur vi ska gå tillväga med vår studie. Nu återstår intervjuer med er, kommunen och företagen, i förhoppning om att hitta möjliga förbättringsområden och se om en sådan här konstellation har en framtid.

Rapporten kommer publiceras i ett digitalt vetenskapligt studentarkiv, hur känner du kring att vi nämner dig vid din roll i Tillväxt Lidköping?

Företagen vi sedan intervjuar kommer bli benämnda med bransch och storlek.

Sedan vill vi fråga om vi skulle kunna få spela in intervjun? Det är endast vi som kommer lyssna på inspelningen för att transkribera det som sagt, efter det så kommer den att raderas.

Så, om det känns okej så kör vi igång, om det finns några frågor först?

Om det är något ni inte vill svara på så är det bara att säga till.

#### Uppvärmningsfrågor

**Kan du berätta lite mer om dig själv och din roll i Tillväxt Lidköping?**
Varför bestämde du dig för att arbeta för Tillväxt Lidköping?

**Kan du berätta lite kort om uppkomsten till Tillväxt Lidköping?**
Huvudsakliga mål?
(Marknadskoordinator) Stämmer det att ni har 174st medlemsföretag?

#### Gå med:

**Vad tror du är de främsta anledningarna till att företag går med i Tillväxt Lidköping?**

#### Inuti Tillväxt Lidköping

Vi ser att ni jobbar med tre linjer- starta, etablera och utveckla. Kan du berätta lite mer om vilka specifika tjänsten som går in under de tre? (affärsutveckling, co-working space, föreläsningar, rådgivning)

Upplever du att era kunder använder era tjänster till fullo?
Vad har varit mest lyckat?
Vad har varit mindre lyckat?

**Hur har ert utbud av tjänster ändrats under åren?**

**Vad är intentionerna med er företagslots?**
Tror du att företagslotsen varit en enskild anledning för vissa nystartade företag att gå med? Hur har företagslotsen fungerat?
| Vad är tanken med dem olika medlemskapen? (tjänste, service, delägare) |
| Vad erbjuder ni till icke medlemmar? |
| Vad har varit de största utmaningarna för er? |
| Vad betyder tillväxt för dig? |
| Vad innebär samarbete för dig? |

**Utgång**

När man läser teori om samägande och företagslotsar så behöver inte alltid en utgång av företag betyda någonting negativt, utan snarare positivt då man uppnått sina mål. Hur ser ni detta, är ert mål att företag alltid ska vara kvar?

Varför tror ni vissa väljer att lämna?

Har ni någon tydlig strategi för hur ni jobbar med att hålla kvar medlemmar?

**Avslutning:**

Tack så jättemycket för ert deltagande och ett bra samtal. Är det något ni skulle vilja addera eller fråga om innan vi avslutar?

Annars får vi ta och tacka så jättemycket för ert deltagande, och när vi sammanställt resultatet så förser vi er med det.
Appendix 2: Interview Guide in Swedish- Municipality

Intervju Guide – Kommunen

Introduktion

Till att börja med vill vi tacka så mycket för att ni tagit er tid till att bli intervjuad. Vi är två tjejer som läser internationella civilekonomprogrammet i Umeå. Vi skriver just nu vårt examensarbete angående hur samägda bolag fungerar, fördelar, nackdelar osv. Vi tittar därför på hur en konstellation som Tillväxt Lidköping fungerar i praktiken i förhoppning om att lära oss mer samt hitta möjliga förbättringsområden.

Intervjun kommer vara anonym, vi kommer endast att nämna i stora drag vilken bransch och storlek företagen vi intervjuar har, och för er från kommunen kommer endast representant 1 och 2 nämnas. Känns det okej?

Först vill vi fråga om vi skulle kunna få spela in intervjun? Det är endast vi som kommer lyssna på inspelningen för att transkribera det som sagts, efter det så kommer den att raderas.

Så, om det känns okej så kör vi igång, om det inte finns några frågor först? Om det är något ni inte vill svara på så är det bara att säga till.

Uppvärmningsfrågor

Kan du berätta kort om dig själv och din roll i kommunen samt i Tillväxt Lidköping? Vad är dina arbetsuppgifter osv. Varför valde du att vara delaktig i Tillväxt Lidköping? (Placerad, eller valt det själv?)

Gå med

Vad är unikt med denna konstellation av samarbete jämfört med det traditionella näringslivsarbetet? Vad var intentionerna med Tillväxt Lidköping? Fullbordas saker med Tillväxt Lidköping som inte gjordes i den traditionella konstellationen? I så fall vad? Hur skulle du beskriva vad samarbete innebär?

Inuti Tillväxt Lidköping

Hur ser ni till att ALLA företag gynnas av de olika tjänsterna som erbjuds av Tillväxt Lidköping?

Hurs motiverar ni företagen att betala för ett medlemskap? Varför borde företag gå med i Tillväxt Lidköping? Hur ser ni på att vissa skattebetalare anser att det borde vara kommunens ansvar att ge ut dessa tjänster gratis?

Vad är de främsta målen kommunen vill uppnå med konstellationen Tillväxt Lidköping?

Vad betyder tillväxt för dig/er?
<table>
<thead>
<tr>
<th>Vad betyder samarbete för dig/er?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Utgång</strong></td>
</tr>
<tr>
<td>Varför tror du att företag väljer att lämna Tillväxt Lidköping?</td>
</tr>
<tr>
<td>Har ni någon tydlig strategi för hur ni jobbar med att hålla kvar medlemmar?</td>
</tr>
<tr>
<td><strong>Avslutande</strong></td>
</tr>
<tr>
<td><em>Tack så jättemycket för ert deltagande och ett bra samtal. Är det något ni skulle vilja addera eller fråga om innan vi avslutar?</em></td>
</tr>
<tr>
<td><em>Annars får vi ta och tacka så jättemycket för ert deltagande, och när vi sammanställt resultatet så förser vi er med det.</em></td>
</tr>
</tbody>
</table>
Appendix 3: Interview Guide in Swedish- Member companies

**Intervju Guide – Medlemsföretag**

**Introduktion**

Till att börja med vill vi tacka så mycket för att ni tagit er tid till att bli intervjuad. Vi är två tjejer som läser internationella civilekonomprogrammet i Umeå. Vi skriver just nu vårt examensarbete angående hur samägda bolag fungerar, fördelar, nackdelar osv. Vi tittar därför på hur en konstellation som Tillväxt Lidköping fungerar i praktiken i förhoppning om att lära oss mer samt hitta möjliga förbättringsområden.

Intervjun kommer vara anonym, vi kommer endast att nämna i stora drag vilken bransch företagen vi intervjuar är aktiva i samt om det är ett micro eller litet företag. Känns det okej?

Först vill vi fråga om vi skulle kunna få spela in intervjun? Det är endast vi som kommer lyssna på inspelningen för att transkribera det som sagts, efter de så kommer den att raderas.

Så, om det känns okej så kör vi igång, om det inte finns några frågor förrst?
Om det är något ni inte vill svara på så är det bara att säga till.

**Uppvärmningsfrågor**

*Kan du berätta lite mer om dig själv och ditt företag?*
Storlek, Bransch?
Din roll i företaget?

*Gå med*

*Kar för bestämde ditt företag att gå med i Tillväxt Lidköping?*
Har du varit med i några andra former av sådana här samägda bolag/samarbeten, varför, varför inte?
Hur skulle du beskriva vad samarbete innebär?

*Vilka förväntningar hade du när du gick med?*
Möttes dina förväntningar? Till vilken grad?

**Inuti Tillväxt Lidköping**

*Kar det medlemskap innehar ditt företag?*
Varför valde ni detta framför de andra medlemskapen?

*Kar tjänster vet du om som Tillväxt Lidköping erbjuder?*
Har du/ditt företag någonsin tagit del av tjänsterna som erbjuds?
Ifall ja; vad har de bidragit med, givit er?

(För start-ups) *Vilken hjälp fick du/ni med att starta upp ditt företag?*

*Vad är de främsta målen med att vara medlem i Tillväxt Lidköping?*
Märker ni någon skillnad på ett näringslivsarbete som sker genom en konstellation som Tillväxt Lidköping jämfört med det tidigare traditionella näringslivsarbetet?
Känner ni att ni kommit närmare beslutstagandet i kommunen?

Vad betyder tillväxt för dig/er?
Vad betyder samarbete för dig/er?

Utgång
Vad är anledningarna till att ni bestämt er för att stanna som medlem?
Vad har varit de största utmaningarna för er?

Har du/ni några förslag på hur Tillväxt Lidköping skulle kunna förbättras?
Saknar du/ni något speciellt?
Vad borde vara deras huvudfokus?

Avslutande
Tack så jättemycket för ert deltagande och ett bra samtal.
Är det något ni skulle vilja addera eller fråga om innan vi avslutar?

Annars får vi ta och tacka så jättemycket för detta, och om det finns intresse så kan vi skicka den slutgiltiga rapporten till er när allt är sammanställt.
Intervjuguide – Före detta medlemmar

### Introduktion

Till att börja med vill vi tacka så mycket för att ni tagit er tid till att bli intervjuad. Vi är två tjejer som läser internationella civilekonomprogrammet i Umeå. Vi skriver just nu vårt examensarbete angående hur samägda bolag fungerar, fördelar, nackdelar osv. Vi tittar därför på hur en konstellation som Tillväxt Lidköping fungerar i praktiken i förhoppning om att lära oss mer samt hitta möjliga förbättringsområden.

Intervjun kommer vara anonym, vi kommer endast att nämna i stora drag vilken bransch företagen vi intervjuar är aktiva i samt om det är ett micro eller litet företag. Känns det okej?

Först vill vi fråga om vi skulle kunna få spela in intervjun? Det är endast vi som kommer lyssna på inspelningen för att transkribera det som sags, efter det så kommer den att raderas.

Så, om det känns okej så kör vi igång, om det inte finns några frågor först? Om det är något ni inte vill svara på så är det bara att säga till.

### Uppvärmningsfrågor

**Kan du berätta lite mer om dig själv och ditt företag?**  
Storlek, Bransch?  
Din roll i företaget?

### Gå med

**Varför bestämde du dig för att gå med i Tillväxt Lidköping?**  
Har du varit med i några andra former av sådana här samägda bolag/samarbeten, varför, varför inte?  
Hur skulle du beskriva vad samarbete är, och innebär?

**Vilka förväntningar hade du när du gick med?**  
Möttes dina förväntningar? Till vilken grad?
**Medlemskapet**

_Vilket medlemskap hade du?_
Varför valde du detta medlemskap över de andra? Hur länge var du medlem?

_Vilka tjänster som Tillväxt Lidköping erbjöd utnyttjade du?_

(För start-ups) Vilken hjälp fick du med att starta upp ditt företag?

_Tycker du att tillväxt Lidköpings tjänster ska vara gratis?_

_Vad betyder tillväxt för dig?_

**Gå ur**

_Varför beslöt du/ni att gå ur Tillväxt Lidköping?_
Hade du uppnått det du ville med att vara medlem eller inte?

_Har du några förslag på hur Tillväxt Lidköping skulle kunna förbättras?_
Vad saknades när du var medlem? Vad borde vara deras huvudfokus?

_Finns det någon chans att ditt företag kommer att gå med i Tillväxt Lidköping igen?_
Vad skulle krävas av Tillväxt Lidköping för att du skulle gå med igen?

**Avslutande**

_Tack så jättemycket för ert deltagande och ett bra samtal.
Är det något ni skulle vilja addera eller fråga om innan vi avslutar?_

_Annars får vi ta och tacka så jättemycket för detta, och om det finns intresse så kan vi skicka den slutgiltiga rapporten till er när allt är sammanställt._
### Appendix 5: Interview Guide in English – Tillväxt Lidköping

**Interview guide – Tillväxt Lidköping**

#### Introduction

To begin with we would like to thank you for taking the time for this interview. We are two students enrolled at Umeå School of Business, Economics and Statistics and we are currently writing our thesis about co-owned ventures, how they work, what benefits they bring, what challenges the face and so on. Thus, we are looking at Tillväxt Lidköping to see how It works in practice with the hope to learn more and to find possible areas of improvement.

The report will be published in a digital scientific student archive. How would you feel if we mention you by your roll in Tillväxt Lidköping? Is that okay with you?

Firstly, we would like to ask if we could record the interview? It is only for our listening to make the transcribing a bit easier, and then it will be deleted.

So, if you do not have any questions we can begin. If there is anything you do not like to answer, or if you have any question, feel free to stop us.

#### Warm up questions

**Could you tell us about yourself and your role in Tillväxt Lidköping?**

How come you decided to work for Tillväxt Lidköping?

**Could you shortly tell us about the history of Tillväxt Lidköping?**

What are the main purposes with Tillväxt Lidköping?

(Market coordinator) Is it true that there are 174 member companies?

#### Joining

What do you believe are the main purposes to why companies join?

#### Inside Tillväxt Lidköping

We see that you work with three concepts- start, establish and develop. Could you tell us more what services belongs to the three (business development, co-working space, lectures, counselling)

Do you believe the members are fully taking advantage of the services?

What have been most/least successful?

How have your services changed through the years since you started?

**What are the intentions with the business pilot?**

Do you believe the business pilot have been a sole reason to some companies joining?

How has the business pilot worked?

**What is the thought behind the three memberships? (Service, business, partner)**

What do you offer non-members?

**What are your greatest challenges?**
What does growth mean to you?
What does cooperation mean to you?

<table>
<thead>
<tr>
<th>Exit</th>
</tr>
</thead>
<tbody>
<tr>
<td>When reading about business pilot and cooperation exit of members does not always have to be negative. How do you view companies leaving Tillväxt Lidköping?</td>
</tr>
<tr>
<td>Why do you believe some decide to leave?</td>
</tr>
<tr>
<td>Do you have an explicit strategy to keep members from exiting?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thank you so much for your participation and for the insights you have provided.</td>
</tr>
<tr>
<td>Is there something you would like to add before we end?</td>
</tr>
<tr>
<td>If not, we would like to thank you so much for your participation and will provide you with the results after we have complied and completed them.</td>
</tr>
</tbody>
</table>
Appendix 6: Interview Guide in English – Municipality

**Interview Guide – Municipality**

**Introduction**

To begin with we would like to thank you for taking the time for this interview. We are two students enrolled at Umeå School of Business, Economics and Statistics and we are currently writing our thesis about co-owned ventures, how they work, what benefits they bring, what challenges the face and so on. Thus, we are looking at Tillväxt Lidköping to see how it works in practice with the hope to learn more and to find possible areas of improvement.

The interview is anonymous, and you will only be mentioned as a municipality representative. Is that okay with you?

Firstly, we would like to ask if we could record the interview? It is only for our listening to make the transcribing a bit easier, and then it will be deleted.

So, if you do not have any questions we can begin. If there is anything you do not like to answer, or if you have any question, feel free to stop us.

**Warm up questions**

Can you tell us about you, and your role in the Municipality and also in Tillväxt Lidköping?
What are you work tasks?
How come you are a part of Tillväxt Lidköping? (Placed or voluntarily)

**Joining**

What is the difference between the traditional constellation and Tillväxt Lidköping?
What were the intentions with starting Tillväxt Lidköping?
Can you accomplish more with this constellation than the previous?

**Inside Tillväxt Lidköping**

How do you make sure that all companies benefit from Tillväxt Lidköping?
How do you motivate the fee that the members have to pay?
Why should firms join Tillväxt Lidköping?
How do you view the fact that some tax payers believe it is their right as tax payers to use the services for free?

What are the main purposes of Tillväxt Lidköping?
What does growth mean to you?
What does cooperation mean to you?

**Exit**
Why do you think companies decide to exit Tillväxt Lidköping?
Do you have an explicit strategy to keep members from exiting?

**Ending**
Thank you so much for your participation and for the insights you have provided. Is there something you would like to add before we end?

If not, we would like to thank you so much for your participation and will provide you with the results after we have complied and completed them.
### Introduction

To begin with we would like to thank you for taking the time for this interview. We are two students enrolled at Umeå School of Business, Economics and Statistics and we are currently writing our thesis about co-owned ventures, how they work, what benefits they bring, what challenges the face and so on. Thus, we are looking at Tillväxt Lidköping to see how it works in practice with the hope to learn more and to find possible areas of improvement.

*The interview is anonymous, and it will only be mentioned in broad terms what industry and size the company has. Is that okay with you?*

Firstly, we would like to ask if we could record the interview? It is only for our listening to make the transcribing a bit easier, and then it will be deleted.

So, if you do not have any questions we can begin. If there is anything you do not like to answer, or if you have any question, feel free to stop us.

### Warm up questions

**Could you tell us a little bit about yourself and your company?**

Size, industry?

Your role in the company?

### Joining

**Why did your company decide to join Tillväxt Lidköping?**

Have you, or are you, involved in any other cooperation? Why? Why not?

What does cooperation mean to you and your company?

**What expectations did you have when joining?**

Has your expectation been met? To what extent?

### Inside Tillväxt Lidköping

**What membership does your company entail?**

Why did you choose this above the other memberships?

**What services do you know that Tillväxt Lidköping offers?**

Have you/your company utilized any of the services?

If yes: what have they given you?

*(For start-ups) What help did you receive when starting your business?*

**What are the main purposes you have with being a member in Tillväxt Lidköping?**

**Do you notice any difference between the traditional constellation and Tillväxt Lidköping?**
<table>
<thead>
<tr>
<th>Exit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How come you have decided to stay a member in Tillväxt Lidköping?</strong></td>
</tr>
<tr>
<td>What are the biggest challenges for your company right now?</td>
</tr>
<tr>
<td><strong>Have you any suggestion how to improve Tillväxt Lidköping?</strong></td>
</tr>
<tr>
<td>Are you missing something particular?</td>
</tr>
<tr>
<td>What should be Tillväxt Lidköping’s main focus?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thank you so much for your participation and for the insights you have provided.</td>
</tr>
<tr>
<td><em>Is there something you would like to add before we end?</em></td>
</tr>
</tbody>
</table>

*If not, we would like to thank you so much for your participation and will provide you with the results after we have complied and completed them.*
# Appendix 8: Interview Guide in English – Exit companies

## Interview guide – Exit companies

### Introduction

To begin with we would like to thank you for taking the time for this interview. We are two students enrolled at Umeå School of Business, Economics and Statistics and we are currently writing our thesis about public-private joint ventures, how they work, what benefits they bring, what challenges faced and so on. Thus, we are looking at Tillväxt Lidköping to see how it works in practice with the hope to learn more and to find possible areas of improvement.

The interview is anonymous, and it will only be mentioned in broad terms what industry and size your company has. Is that okay with you?

Firstly, we would like to ask if we could record the interview? It is only for our listening to make the transcribing a bit easier, and then it will be deleted.

So, if you do not have any questions we can begin. If there is anything you do not want to answer, or if you have any questions, feel free to stop us.

### Warm up questions

Could you tell us a little bit about yourself and your company?
- Size, industry?
- Your role in the company?

### Joining

Why did your company decide to join Tillväxt Lidköping?
- Have you, or are you, involved in any other forms of cooperation? Why? Why not?
- What does cooperation mean to you and your company?

What expectations did you have when joining?
- Have your expectations been met? To what extent?
**Inside Tillväxt Lidköping**

**What membership does your company entail?**  
Why did you choose this above the other memberships?  
How did you perceive the actual fee?

**What services do you know that Tillväxt Lidköping offers?**  
Did you/your company utilize any of the services?  
If yes: what did you get out from the services?

**(For start-ups) What help did you receive when starting your business?**

**What were the main purposes you had by being a member in Tillväxt Lidköping?**

**Do you notice any difference between the traditional constellation and Tillväxt Lidköping?**  
Do you feel closer to the decision making in the municipality?

**What does growth mean to you?**

**What does cooperation mean to you?**

**Exit**

**Why did you decide to leave Tillväxt Lidköping?**  
Did you accomplish what you hoped?

**Do you have any suggestions how Tillväxt Lidköping could approve?**  
What did you miss as a member?  
What should be Tillväxt Lidköping’s main focus?

**Is there any chance that you would join again?**  
What would it take for you to join again?

**Ending**

*Thank you so much for your participation and for the insights you have provided.  
Is there something you would like to add before we end?*

*If not, we would like to thank you so much for your participation and will provide you with the results after we have complied and completed them.*
## Appendix 9: Overview of Truth Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Description</th>
<th>Ensuring criteria is met</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credibility</strong></td>
<td>- Determine the findings acceptability to others</td>
<td>- Data gathered from multiple sources</td>
</tr>
<tr>
<td>✔️</td>
<td>- Ensuring that the research is carried out in good practice</td>
<td>- Several theories used</td>
</tr>
<tr>
<td></td>
<td>- Interviewees are allowed to confirm that the researcher has correctly understood their perspectives and experiences</td>
<td>- Multiple sources for information (triangulation)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Confirmation through member validation, participants taking part of findings</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Separate and collective analysing of data</td>
</tr>
<tr>
<td></td>
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<td>- Repeated the process of listening to recordings and transcripts</td>
</tr>
<tr>
<td><strong>Transferability</strong></td>
<td>- Generalizability</td>
<td>- Generalizability not the goal of the study</td>
</tr>
<tr>
<td>✔️</td>
<td>- Reasonable judgement of degree</td>
<td>- Procedures and context explained in methods chapter in order to meet transferability</td>
</tr>
<tr>
<td><strong>Dependability</strong></td>
<td>- Stability of collected data</td>
<td>- Triangulation, to account for instabilities and verify that the data is variable</td>
</tr>
<tr>
<td>✔️</td>
<td></td>
<td>- Research process argued for and explained</td>
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<tr>
<td><strong>Confirmability</strong></td>
<td>- Biases of the researcher in the findings</td>
<td>- Triangulation</td>
</tr>
<tr>
<td>✔️</td>
<td></td>
<td>- Informing the reader about underlying philosophical perspectives</td>
</tr>
</tbody>
</table>