



Vaasan yliopisto
UNIVERSITY OF VAASA

Karoliina Raula

Fostering Stakeholder Collaboration in a Public Sector Context

Case Finnish Customs

School of Management
Master's thesis in Strategic
Business Development

Vaasa 2023

VAASAN YLIOPISTO**Johtamisen yksikkö**

Tekijä:	Karoliina Raula
Tutkielman nimi:	Fostering Stakeholder Collaboration in a Public Sector Context: Case Finnish Customs
Tutkinto:	Kauppätieteiden maisteri
Oppiaine:	Strateginen liiketoiminnan kehittäminen
Työn ohjaaja:	Jukka Partanen
Vuosi:	2023 Sivumäärä: 93

TIIVISTELMÄ:

Maailma on jatkuvan muutoksen alla. Organisaatioiden kohtaamat ongelmat ovat moniulotteisia ja arvaamattomia, ja siksi niitä kutsutaankin usein termillä ”viheliäinen”. Ammatillisen osaamisen yhdistämisen ja tiedon jakaminen ovat tärkeämpiä kuin koskaan. Jatkuva toimintaympäristön muuttuminen on pakottanut organisaatiot löytämään tapoja synergiaedun hyödyntämiseen mm. sidosryhmäyhteistyön kautta, jolla saavutetaan adaptiivista strategista etua. Haastava toimintaympäristö ja siihen liittyvät moniulotteiset ongelmat vaativat julkista sektoria mukautamaan tekniikoita ja johtamisprosesseja yksityiseltä sektorilta, sillä ilman huomiota näihin samoihin kykyihin julkisilla organisaatioilla voi olla vaikeuksia saavuttaa tavoitteita ja vastata muutoksiin. Tämän tutkimuksen tavoitteena on selvittää, miten valtiohallinnon alaiset organisaatiot edistävät sidosryhmäyhteistyötä julkisen sektorin erityisessä ympäristössä, jossa viheliäisistä ongelmista on tullut osa toimintaympäristöä. Tutkimus painottaa erityisesti organisaatioiden välisen sidosryhmäyhteistyön ajureita, ja sitä, kuinka nämä ajurit voivat muodostaa käytäntöjä ongelmien ratkaisemiseksi.

Tutkimus muodostaa alustavan teoreettisen viitekehyksen, joka perustuu olemassa olevaan sidosryhmäteoriaan, organisaatioiden väliseen yhteistyöhön, ja julkisen sektorin kontekstin lisäyksiin. Viitekehys luo pohjan laadulliselle tutkimukselle, jossa tapausyrityksenä on Suomen Tulli. Suomen Tulli on valtiovarainministeriön tulosohejaama virasto, joka turvaa ja suojelee Suomea osana Euroopan tulliliittoa, edistää ulkomaankauppaa ja tasa-arvoista kilpailua sekä tarjoaa asiakaslähtöisiä palveluita tullien suorittamiseen. Empiirisen tutkimuksen ensisijaisena tietolähteenä toteutetaan teemahaastatteluja, joissa kerätään tietoa sekä Tullilta että Tullin aktiivisilta ulkoisilta sidosryhmiltä ilmiön mahdollisimman laajan tutkimuksen mahdollistamiseksi.

Tutkimus edistää organisaatioiden välisen yhteistyön ja sidosryhmäteorian tutkimuskenttiä. Tulokset osoittavat, että valtiohallinnon alaiset organisaatiot tunnistavat yhteistyön viisi ajuria, ja pitävät niitä tärkeinä tekijöinä tarkasteltaessa tehokasta yhteistyötä organisaatioiden ominaisuuksista tai tasosta huolimatta. Erityisesti luottamus ja vallan jakaminen koettiin yhteistyön perustavanlaatuisiksi ajureiksi, mutta minkä tahansa viidestä ajurista puuttuminen voi aiheuttaa ristiriitaa julkisen sektorin organisaatioiden välisessä yhteistyössä. Tutkimuksessa löydettiin kahdeksan käytäntöä ja ehtoa, jotka tehostavat ja tukevat julkisia organisaatioita yhteistyön edistämässä, jotta ulkopuolisten sidosryhmien toisiaan täydentäviä valmiuksia ja synergiaetua voitaisiin hyödyntää viheliäisten ongelmien ratkaisemiseksi. Julkisen sektorin erityispiirteet vaikuttavat kuitenkin selkeällä tavalla yhteistyön aloittamiseen, toteuttamiseen ja tehokkuuteen. Tulokset viittaavat siihen, että julkisten organisaatioiden tulisi vakauttaa yhteistyökäytännöt osaksi toimintamallejaan. Organisaation johdon tulisi myös haastaa vanhoja käytäntöjä ja toimintamalleja luodakseen organisaatiokulttuurin ja yhteistyöstrategian, joka voi kukoistaa lain ja julkisen sektorin toimintaympäristön mahdollistamissa puitteissa.

AVAINSANAT: Stakeholder, Collaboration, Wicked problems, Public sector, Leadership

Contents

1	Introduction	6
2	Theoretical background	9
2.1	Stakeholder theory	9
2.1.1	Analyzing stakeholder potential	13
2.1.2	Stakeholder engagement	15
2.1.3	Collaboration with stakeholders as a solution to wicked problems	18
2.2	Strategic interorganizational collaboration in the public sector	21
2.2.1	Interorganizational collaboration and its drivers	24
2.2.2	Characteristics of a public sector organization	30
2.3	Theoretical framework: Fostering stakeholder collaboration in a public sector context	33
3	Methods	34
3.1	Research approach	34
3.2	The case organization – Finnish Customs	37
3.3	Data collection	40
3.4	Data analysis	42
3.5	The assessment of the quality of data	43
4	Findings	46
4.1	Collaboration drivers and practices	47
4.1.1	Trust	48
4.1.2	Power sharing	51
4.1.3	Management strategies	54
4.1.4	Leadership	58
4.1.5	Formalization	60
4.2	The impact of public sector	61
4.3	Summary of the key findings and revised framework	65
5	Discussion	68
5.1	Theoretical contribution	68

5.2	Managerial implications	70
5.3	Limitations and avenues for future research	72
	References	75
	Appendices	88
	Appendix 1. Interview questions for interviewees from Finnish Customs	88
	Appendix 2. Interview questions for interviewees from stakeholder organizations (public sector)	90
	Appendix 3. Summary of interviewees	92
	Appendix 4. Data structure	93

Figures

Figure 1. Generic stakeholder map.	12
Figure 2. Theoretical framework.	33
Figure 3. The research onion.	34
Figure 4. Inductive reasoning adapted to the study.	36
Figure 5. Finnish Customs' organizational structure.	38
Figure 6. Finnish Customs Strategic priority themes in 2020-2023.	40
Figure 7. Summary of collaboration drivers and practices.	66
Figure 8. Synthesis of the theory and empirical finding.	67

1 Introduction

According to Parmar et al. (2010), stakeholder theory is one of the most significant instruments when trying to understand the strategy and leadership of a business organization. The soul of the theory exists in how cooperating with stakeholders creates value to both ends and how the value creation process itself is collaborative (Freudenreich et al., 2020). The nature of today's rapidly changing world has made the gravity of collaboration arguably more important than ever (Puonti, 2004). Bryson (2004), for instance, emphasizes that the problems organizations are facing are multidimensional, thus involving stakeholders in the problem solving is critical. Many scholars have identified collaboration as a viable solution to approach complex issues, often described as "wicked" due to the nature of being unpredictable or open-ended (Costumato, 2021; Head & Alford, 2015; O'Leary & Vij, 2012; Weber & Khademian, 2008). From this perspective, the benefit of bringing together different groups to solve issues and create joint value is in the means of combining professional expertise and sharing knowledge, hence creating collaborative advantage (Huxham, 1996; Vangen & Huxham, 2005). Fassin et al. (2017) on the other hand claim that as wicked issues influence public organizations as well, it demands the public sector to adapt techniques and management processes from the private sector. Without the attention to these same capacities, public organizations may face difficulties in achieving goals and responding to changes (Bryson et al., 2007, Costumato, 2021), and therefore, in securing future funding (Vangen & Huxham, 2003).

Regardless of the vast interest in the essentiality of collaborative frameworks, the academic contributions on the dynamics of collaboration, specifically in public organization context, has been neglected. For example, Costumato (2021) argues that most of the literature has focused on the different forms of cross-sectoral collaboration, involving non-state and non-profit actors. Two literature streams with different theoretical frameworks, namely collaborative governance, and public network performance, have periodically dealt with public interinstitutional collaboration, but there has not been much dialogue between them. These two streams have presented trends and determinants that

could be identified as relevant drivers of successful collaboration. However, the relationship between these factors and the different aspects related to how they work in public interinstitutional context have only been discussed on an abstract level. In addition, the hierarchical element present among public organizations is considered only in a handful of studies. Hence, this study answers to the call of Costumato (2021, p. 18) who states that “Future research should improve knowledge about how these determinants are mutually dependent, and how they work in a more hierarchical context, that is the public interinstitutional collaboration” and “whether public interinstitutional collaborations need different approaches based on the level of government (central, local or cross level) and the nature of organizations involved (ministries, agencies/departments or municipalities) in terms of determinants that enhance performance.” (p. 19). Other studies have also previously identified this same gap in the literature, for example Campbell in 2016 (p. 670), who notes that “future research should explore not only the individual- and organizational-level effects of intra-organizational collaboration, but also the conditions, both managerial and organizational, that foster and sustain effective collaboration.”

The purpose of this study is to dive into this research gap by answering the following research question: How does a government organization foster stakeholder collaboration in a public sector environment? To understand the complex operational environment of the public sector and how exploiting complementary capabilities and synergies through collaboration with external stakeholders may support in addressing wicked problems, further research on the relationship between these topics is required. More specifically, this study aims to explore the drivers of interorganizational collaboration, and how these drivers can form practices and conditions to solve wicked problems. This is achieved by creating a theoretical framework by reviewing existing research on stakeholder theory and interorganizational collaboration and then conducting a qualitative case study on how a government organization, Finnish Customs, is implementing interorganizational collaboration. Finnish Customs is implementing its strategy for 2020-2023, and one of the strategic priority themes is “Interest groups and networks”. The main goal related to the theme is for Finnish Customs to produce added value for stakeholders,

create awareness of the customs and be proactive when it comes to cooperation with stakeholder groups (Finnish Customs, 2022a). The study is carried out by applying qualitative research method. Semi-structured interviews will be used as the primary data source to form a thorough view of the context. The existing materials from Finnish Customs will be utilized as the secondary source.

The contribution of this study is threefold. The first and the main theoretical contribution is the framework the study builds based on the previous studies, such as the drivers of interorganizational collaboration identified by Costumato (2021), and the add-ons of the public sector context of this study. Secondly, the study contributes to collaboration literature by fulfilling the existing research gap of how the drivers of successful collaboration work in a public interorganizational context. Thirdly, the study extends the existing literature and knowledge of stakeholder cooperation and interorganizational cooperation with the empirical findings from the perspective of a government organization and by suggesting practices that support the collaboration drivers.

2 Theoretical background

2.1 Stakeholder theory

Operational landscape is in a constant change for organizations. When the reality changes, it demands organizations to have a fresh perspective for their management strategies. Traditionally, management studies consider only what is on focus inside the organization – stakeholder perspective brings an interface to the overall landscape of an organization. According to Phillips and Freeman (2003), stakeholder as a term has been presented as a very powerful one in many academic writings. What makes it powerful is the broadness of the conceptual term, and how many ways it has been interpreted and covered by different scholars. The strength but also the limitations of the concept lie in the same conceptual broadness, and the fact that the influential possibilities are close to limitless. When thinking about the possibilities of organizations being able to impact on the achievement of goals by caring for stakeholders, the concept is nearly compelling if examined through economic lenses. Savage et al. (1991) argue that managers often mistake their role as a body of enhancing and ensuring the profitability of the organization. However, studies have shown that organizations should instead seek ways to satisfy their stakeholders to decrease the financial risks. These implications are not exclusive to the private sector. The public sector has implemented the same mindset and principles from the private sector, as stakeholders have indisputable impact on strategic decision-making process across sectors, along with the impact on organization's performance and legitimacy (Cabral et al., 2019; Fassin et al., 2017).

Arguably one of the main contributors to stakeholder theory and particularly the managerial approach of it is Edward Freeman. Especially his publication "Strategic Management – A stakeholder approach" in 1984 is considered as a focal starting point in the research field. According to Freeman et al. (2001), the motivation to build such framework for stakeholder management was to support the managers in the midst of environmental changes that were happening largely in the 1980s. Freeman (1984) argues that the frameworks and analyses available at the time were not supportive enough.

Managers needed to adopt new tools to tackle the challenges deriving from the changing world and adopt the broadened concept of shareholders to stakeholders. New technologies and sources of power enabled the companies to think bigger, but at the same time the need to start satisfying more parties connected to the organization increased heavily. Freeman states in the work that to understand the business environment, one would need to understand the groups who are being affected by the company decision making – the stakeholders. Stakeholder theory was built to understand and control these strategic relationships in the everyday occurrence. For the public sector, the theory is still often considered as a missed opportunity. Govender (2019) argues that stakeholder theory should be further developed to meet the specific needs of a public organizations, as the principles of the private sector are not entirely or directly transferable to the public sector. In addition, the environment the public sector operates in is more politicized and the stakeholder groups are more diverse.

Before Freeman's work on stakeholder theory, the term stakeholder had already grown in the studies at Stanford Research Institute in 1960s and other subsequent work with other scholars (Freeman et al., 2001). Stanford Research Institute highlighted that stakeholder support was critical for a company's long-term success, and that the relationships should be continuously evaluated and actively managed (Donaldson & Preston, 1995). However, even after years of conceptualization and many theorists covering the subject, stakeholder theory is still often criticized for the fragmentation of the concept and contradictory views of the most effective model (Freeman et al., 2020). Goyal (2022) describes the approach as one of the most controversial studies introduced in the management field, due to it being vague, unstructured and without sufficient testable propositions. The theory combines different academic fields, although the foundation is in the strategic management studies. However, contribution from different academic fields has resulted in concepts that are somewhat disconnected to the main management studies. Despite the critics, stakeholder theory is pioneering in the way it proposes a holistic way of managing organizations. The theory acknowledges the role of stakeholders and how overseeing these relationships is critical in performance related success (Savage et al.,

1991). For instance, stakeholder management is referred to as means to achieve competitive advantage and create long term value, which may further generate financial benefits (Jones et al., 2018).

Many scholars find the available definitions to be miscellaneous when the different literature fields are compared. Donaldson and Preston (1995) and Goyal (2022) argue that the stakeholder concept is used in various ways depending on the author. As an example of the variation of the concept, Fassin (2010), for instance, introduced a dynamic model of stakeholders, where real stakeholders are the ones having a real stake in the organization, stakewatchers the ones who do not have stake themselves but watch the interests of real stakeholders, and stakekeepers the ones who do not have stake but have influence and control over the organization. To be consistent with the fundamental stakeholder theory, this paper follows Freeman's generic definition from 1984, stating that stakeholders include any individuals, groups, or organizations, which can impact the organization and/or are impacted by the organization's decisions and/or actions. Stakeholder groups can be roughly divided into internal and external stakeholders, with examples of employees and managers being internal stakeholders, and customers and suppliers being external stakeholders.

According to Savage et al. (1991), most of the literature has focused on further dividing these stakeholders into primary and secondary ones, as presented in Figure 1 as a generic stakeholder map. Primary stakeholders are the ones who have obligations towards the organization and are vital for the survival of the organization. The secondary stakeholders are not necessarily directly connected to organization's economic success but are being impacted by the organization's actions and can have an impact on the relationships the organization has with the primary stakeholders. The public sector carries a special characteristic of having stakeholders with multiplicity of dimensions. Often the interests are conflicting and there are multiple tiers in the management of the sector (Dixit, 2002). Freeman did not make a distinction on the prioritization of the interests of one stakeholder over the other but recognized the need to balance these relationships

between the organizations and the stakeholders (Goyal, 2022). Mapping generic stakeholders, such as the employees and customers, is usually an easy task for an organization. However, the essential part is to further analyze the stakeholders and their roles, the bargain between the organization and the stakeholders, and how different stakeholder groups are interconnected (Frandsen, 2018). The more the stakeholder is contributing to the organization, the more the organization should consider the share of value creation of the stakeholder. However, there is also a need to recognize the less marginalized stakeholders.



Figure 1. Generic stakeholder map (Freeman et al., 2007, p. 7).

2.1.1 Analyzing stakeholder potential

The key dogma of the stakeholder theory is the acknowledgement of the fact that each organization is circled by stakeholders that can impact the organization by threatening or strengthening it. Actions beyond identification are an essential component of the theory. It is important to understand the objectives of each stakeholder and their capacity, willingness, and opportunity to influence organization (Flak & Dertz, 2005). These critical best-case scenario assessments should also be done in terms of realizing organizations strategic objectives. Rather than dealing with a particular stakeholder, the management should be strategically capable. Savage et al. (1991) argue that for each stakeholder relationship, organization should establish individual goals based on the potential threatening or strengthening impact the stakeholder can have on the organization. These analyses can be further utilized in the organization's strategic management processes to avoid implementing plans that would be challenged by the stakeholders. Instead, organizations can recognize the needs and involve stakeholders in the strategy making.

The stakeholder theory provides several tools and techniques to identify and analyze stakeholders against their influence on an organization (Flak & Dertz, 2005). Freeman (1984) argues that organizations must determine their strategy on each stakeholder group and develop ways to implement and monitor these strategies to enhance collaboration and integration and avoid conflict. However, Savage et al. (1991) stress that the earlier described fragmentation of the concept has led to literature failing to agree on common classification on the types of stakeholders and how to form strategies to a specific stakeholder group. How high is the cooperative potential of a stakeholder is determined by how willing and capable the stakeholder is on increasing its interdependence with the organization. However, the assessment is also sensitive to the matter in concern. Other factors influencing the cooperative potential are for example any threat presented by the environment or power of the stakeholder. Therefore, how significant each stakeholder group or type is to an organization varies based on the situation. In accordance, Frooman (2010), for instance, has introduced a concept of subject related stakeholders. Nonetheless, this does not remove the reality of organizations calling for a framework

to deal with multiple stakeholders and their conflicting interests, which is, according to Oates (2013), of particular importance to public organizations. The stakeholder analysis is an ongoing action of balancing between the various stakeholder objectives and relationships and consolidating these perspectives into strategy making. Without a proper framework, organizations tend to respond to any issues in an ad hoc and non-sustainable way.

The scale of different frameworks for managing stakeholders available can be shortly presented through the following two very different kind of approaches. Frandsen (2018) discusses Freeman's early framework from 1984, which consists of three interactive levels, through which the organizations can analyze their processes related to building relationships with their stakeholders. The first level, rational level, supports the organizations to identify and map the stakeholders. The second level, process level, analyses the processes the organization has in relation to managing stakeholder relationships, and how the approach can be employed to enhance strategic direction. The third level, transaction level, is the level where the transaction and communication between the organization and the stakeholders is analyzed.

Savage et al. (1991) approach the possible framework from a different angle, by focusing on the threat and cooperation possibilities the stakeholders highlight. The author suggests dividing stakeholders between these two dimensions to supportive, marginal, non-supportive, and mixed blessing stakeholders. Based on these categories, organizations should use strategies to transform less favorable stakeholders to more favorable categories. The supportive stakeholders are, as the name tells, the ones who cause minimum amount of threat and their cooperative potential should not be overlooked. The marginal stakeholders rank in the middle when considering the threats and cooperative potential, and they should be monitored. Nonsupportive stakeholders hold the greatest threat to organization and should be managed by reducing the dependence to them. On the other hand, greater risk is related to the mixed blessing stakeholders, as they oppose both potential threat and cooperation potential to the organization, thus, they are best

managed through collaboration. Even with the multiple different frameworks developed by different scholars to support the stakeholder management, the role of stakeholders and performance measurement has been rarely raised in these frameworks (Wisniewski & Stewart, 2004), and the studies often lack theoretical foundation (Flak & Dertz, 2005).

What differentiates the stakeholder theory from other strategic management theories is the way it considers value creation being at the center of the relationship between the organization and its stakeholders (Freeman et al., 2010). Value creation happens on a two-way street, where not only the economic perspective is considered but also the building of a mutually beneficial relationships. Stakeholder management analyses how these key stakeholders evaluate the organizations and supports the organization by forming strategies to govern and operate with each stakeholder (Rainey, 2014). The difference from a plain planning process can be argued by the intention of a more flexible and active management process, where no end is in sight (Freeman et al., 2001). Stakeholder theory demands attention to the interests of stakeholders, as caring for these relationships is crucial for potential maximization (Phillips & Freeman, 2003).

2.1.2 Stakeholder engagement

The practical implementation of stakeholder theory is transforming it into stakeholder management or engagement. Stakeholder management was briefly discussed in the earlier chapter, where the process of identifying stakeholders and creating strategies for them was examined. Stakeholder management can therefore be described as a very systematic process, which combines planning and implementation phases of strategic management. Freeman (2010) challenges this approach by stating that, in addition, organizations' have a duty towards the interests of the stakeholders and that the relationship must be protected. As the economic perspective is withdrawing to give room for more cooperative approaches, there is a need to understand the dynamic nature of relationships more profoundly. Stakeholder engagement responds to this call with an approach, which is related to a more influential process of relationship building and interaction, building up on the stakeholder theory (Andriof et al., 2017; Freeman et. al, 2017; Sachs

& Rühli, 2011). Stakeholders can provide perspective to a common issue, but the overall goal of the process should be the collaboration (Airike et al., 2016). Therefore, stakeholder engagement is considered as a complementary process to stakeholder management, highlighting the engagement rather than the rational process of management. Frandsen (2018) suggests that the term stakeholder management should be replaced with the stakeholder engagement in total, because the relationship between the stakeholders is the element that is being managed. This may be one of the reasons why the stakeholder engagement approach has become one of the most popular themes in the management research in today's environment and is in the interest of both public and private sectors.

Stakeholder engagement is associated in many organizational activities, such as value creation, strategic decision making, innovation, knowledge creation and CSR (Myllykangas et al., 2010). In recent years the focus of the theory has been more on the relationship aspect, and more specifically on how to manage and understand this interaction. According to Freudenreich et al. (2020), business models often describe the value creation process as a process between the customers and a business. However, stakeholders should be considered as recipients and creators of value as well. Stakeholder theory concludes that value creation is a collaborative process, happening in the relationships between the stakeholders. In the stakeholder engagement process an organization involves its stakeholders, who can impact the organization and/or are impacted by the organization's decisions and actions. A joint value creation process extends beyond financial outcomes, for example to sociological and ecological value.

Strategic communication and engagement in general play a critical role in the interaction between organizations and the stakeholders. Manetti and Toccafondi (2012) explain that stakeholder engagement can be defined as practices where stakeholders are involved in organizational activities. The process is dynamic – engagement means a set of actions related to interaction and dialogue, rather than a unilateral management process. Dynamic actions are more complex, such as communication, collaboration, negotiations,

consultation or joint decision-making or simpler actions as one-way information shared with a stakeholder (O’Riordan & Fairbrass, 2014). Freeman et al. (2007; 2010) emphasize active engagement with stakeholder, and that organizations should serve stakeholder on individual basis as the interests are often complex. The attraction of stakeholders is collected through a long-term commitment to develop these policies and processes, and there should be a purpose behind each action. Rixon (2010) argues that these activities are often neglected by the public sector by replacing stakeholder participation with pure consultation mechanics, even though the stakeholders are expecting deeper involvement. However, the importance of facilitating stakeholders’ involvement cannot be overstated in terms of enhancing the accountability also in the public sector.

Cabral et al. (2019) and Kujala et al. (2022) find that the potential related to collaboration with stakeholders is often neglected because of the emphasis on threats related to the inherent conflicts between stakeholder interests. However, joining forces may just as likely result in better management of operational environment and sustainable operating model. Capabilities the organizations develop in stakeholder management can support them in harnessing their competitive advantage in the operational environment, in terms of the resource-based view. Phillips and Freeman (2003) stress that rather than being content with some amount of value being allocated to a stakeholder, stakeholders tend to want to voice on how the value is created in the organization. According to Goyal (2022), stakeholders should therefore be a part of organization’s decision making in some level. In the public sector, this is extremely visible in the expectations of stakeholders being consulted for example in questions related to strategy planning (Rixon, 2010). If these communication channels and collaboration procedures are effective, organizations can take advantage of opportunities such as cost reductions or policy changes, or solve complex problems, which may be otherwise unreachable or not feasible for some. Other impacts of stakeholder engagement are efficiency (in terms of used of resources, reduced costs, and performance), reduced uncertainty, innovation outcomes, brand image, learning, control management, and flexibility in operations (Kujala et al., 2022).

2.1.3 Collaboration with stakeholders as a solution to wicked problems

Collaboration with stakeholders means a process where parties join their forces to create a joint value. Cooperation can include exchanging viewpoints, finding solutions to a joint issue, or working together towards a common goal, but it goes beyond parties only participating in stakeholder engagement process (Ecoregional Conservation Strategies Unit, 2020). Sharing information and knowledge is fundamental in collaboration, and it can be either invisible or visible. Knowledge sharing between individuals and groups is often invisible especially in circumstances, where a homogenous professional background is shared (Norros et al., 1998).

Collaborating with stakeholders and engaging them with the organization is today more important than ever due to the recent turbulent and revolutionary threats the organizations are facing in their operational environment. The nature of the world is interconnected, and the emphasis is on flexibility. Bryson (2004) argues that one can choose any problem from global warning to economic development or war, and still, each of these issues resonate with multiple people and affect several organizations and institutions. This means that the power is also shared – the responsibility to act is similarly divided to the affected groups. According to Bardach (1998), stakeholder participation is a crucial part of any organizational problem solving, and both public and private organizations should be more focused on the attention. Stakeholders should be included in the heart of a strategic process. When management realities change, the force achieved through collaboration may be central in creating a joint advantage, and the implications through such collaboration can reach far. Collaboration can be delivered reactively (in response to external pressure), proactively (to prepare for future issues) or adaptively (in response to adapt to emergent issues) (van Tulder et al., 2016).

Research suggests that collaboration improves the value deliverables of all participants through combining professional expertise (Baptista et al., 2020). Shared value and combination of capabilities are one of the main motivational aspects for joining stakeholder collaboration, as collaboration is expected to deliver better and more innovative

solutions to economic, social, and environmental problems (Brinkerhoff 2002; Huxham & Vangen 1996). Thus, the importance of collaboration has been understood in many organizations, but this does not mean that implementing successful stakeholder cooperation would be a straightforward task. Freudenreich et al. (2020) conclude that joint value creation and commitment to collaboration requires not only a transactional process, but a joint purpose and common understanding on the problem. If the purpose is not beneficial for all parties, it can culminate to a result that is unsatisfactory not only to the main organization but to its stakeholder groups. However, if the collaboration is successful, attending parties tend to develop ties for a collective identity, which can have a positive long-term impact on the organizations and stakeholder networks (Norris-Tirrell et al., 2010; Savage et al., 2010).

Norris-Tirrell et al. (2010) claim that strategic collaboration is sometimes used to show the inadequate support for formal organizational structure. Collaboration allows organizations to gain adaptive advantage. That is, to engage in a collaborative manner in finding solutions to wicked problems, which would be more challenging or ineffective for an organization to reach or untangle on their own (Kell, 2003; Roloff, 2008; Seuring & Gold, 2013; Svendsen & Laberge, 2005; Turcotte & Pasquero, 2001; Kujala et al., 2022). The decision is oftentimes a long-term commitment to join forces for around a particular issue. Many scholars have identified the value of stakeholder theory as a viable solution to complex situations and demonstrated the ability of the theory to unveil wicked problems (Brugha & Varvarovszky, 2000; Daake & Anthony, 2000). The stakeholder theory contains different management tools which are developed to address challenging settings. These complex and multidimensional problems are frequently described as “wicked” due to the nature of them being unpredictable, challenging to solve and open-ended (Costumato, 2021; Head & Alford, 2015; O’Leary & Vij, 2012; Weber & Khademian, 2008).

Collaborative advantage is created when the stakeholders unite to address wicked problems in a collaborative environment (Huxham, 1996; Vangen & Huxham, 2005).

Establishing an organization which would be efficient to handle the turbulent environment extends to stakeholder approach by connecting organization and stakeholders' power and values (Savage et al., 1991). According to Savage et al. (2010) and Norris-Tirrell et al. (2010), collaboration releases additional resources, exploits complementary capabilities and synergies, and attains economies of scale, but only if coordinated effectively. Further, it may grant an organization an access to an information that was previously unavailable, which allows organizations to protect their own when under turbulent environment. The approach is about building on the existing strengths of an organization and encouraging change and attaining innovation. Combined competences build collaboration based intellectual, human, social, political, and cultural capital (Bryson et al., 2007). If the collaboration is effective, it can enhance the process of achieving goals and increase the capacity of organizations to deliver solutions to directly affect the wicked problems. Effectiveness of collaboration should not be evaluated based on the impressiveness of collaboration, but through the impact on performance. Therefore, no collaborative ecosystem should be implemented because of a "hype" on collaboration (van Tulder et al., 2016). Strategic thinking and planning play a significant role when designing collaborations to address wicked issues and to avoid the lack of progress among parties. Collaborations may just as likely fail due to insufficient planning and conflict between aims, procedures, culture, and perceived power (Huxham, 1996).

Fassin et al. (2017) explain that as the environmental changes and need for efficiency and effectiveness in operations have an impact on the public organizations as well, it demands the public sector to adapt techniques and management processes from the private sector. The emergence of new threats has made the sector to realize that traditional ways of working may not be sufficient as they are, as the challenges are not as unconnected and isolated as they may have previously been (Jalonen et al., 2021). Therefore, applying stakeholder theory to the public sector is justified. Austin et al. (2000) allege that the ability of organizations to participate in interorganizational collaboration is the decisive success factor of the 21st century. When the aim is deliberate, organizations may better understand the interconnections between successful collaboration and

related strategic actions (Norris-Tirrell et al., 2010). However, what hinders the stakeholder collaboration within the public sector is that it is often resource-consuming, hierarchy and process-heavy to accomplish sustainable and effective collaboration between the actors (Costumato, 2021). As the stakeholder theory is barely tested in the public sector context and no set practices have been established within the sector, it creates certain uncertainty to the implementation and a governance gap to the mechanisms to address the collaboration.

2.2 Strategic interorganizational collaboration in the public sector

Especially in the 21st century, public organizations have changed the way of working. According to Kekez (2019), the change from a clear-cut and black-and-white organization to a more collaborative and active organization has been an evident outcome of the new operational environment, as an increasing number of problems cross ministerial lines. At the same time, reinforcing the legitimacy of government and improving the capabilities of public organizations have been critical to supply public services. One of the most viable solutions is to apply collaboration between organizations. In line with the interest towards collaboration, the focus of the public sector has shifted from whether collaboration is needed to how it should be implemented or organized. According to van Tulder et al. (2016), these are the most essential elements in addition to effectiveness when forming collaborative frameworks and considering their possible outcomes. In many ways public organizations' existence depends on satisfying numerous stakeholders. When collaboration is placed into a strategic context, it ensures stakeholders engage together towards goals that have been mutually agreed on. The mandate towards each stakeholder is different, and in contrast to the private sector, it does not focus on profit. Public organizations do not have the freedom to choose for example their customers or operational environment, which changes the dynamics towards value creation with stakeholders.

Several researchers have concluded that the concept of interorganizational collaboration is both fundamental and beneficial for public organizations when perceiving collaborative advantage in addressing wicked problems (Agranoff, 2012). Public sector organizations, often characterized as closed organizations, can facilitate the exchange of knowledge and information through collaboration. The public sector may pursue external knowledge through collaboration, to further refine approaches and routines beyond their own expertise, but also avoid duplication. In addition, as concluded by Baptista et al. (2020), solving government level problems, such as reinforcement of the legitimacy of regulatory standards issued by the European Union or conflict management, are cross-cutting and beyond the capacity of a single organization. Other external drivers of collaboration in the public sector can be for example political regime or pressure from other external stakeholders that in the end obligates the government. On the contrary, these problems require the attention from actors in different levels of the public sector and transboundary interaction in vertical or horizontal way (Page et al., 2015; Lægreid & Rykkja, 2022).

Collaboration in a public environment is often described as chaotic, when organizations with hierarchical paradoxes are responding to challenges related to changing environment (Cornforth et al., 2015). Norris-Tirrell et al. (2010) argue that too often public organizations tend to use collaboration in an improvised manner to meet immediate threats. Instead, authorities should find common values to reduce tensions between the organizations and limit the waste of resources or “turf battles”, a term created by Benson and Cullen (1998). The private sector has proven that when synergy in operations and strategies is reached for example through partnerships, excellent outcome is reached. However, the existing ensemble of knowledge and theory of organizational strategy and collaboration is not directly translatable for public organizations due to the explicit characteristics. Rosenberg Hansen and Ferlie (2016) and Rainey (2014), for instance, identify several differences between public and private organizations because of the nature of decision-making processes and multiple stakeholders in the public sector organizations. The wide array of stakeholders results in a need to consider a broader scope of impact

with a diverse set of stakeholder opinions. Balancing between stakeholders' understanding of value may create complex governance of organization (Page et al., 2015). This has presented challenges to the public sector as there would be an increasing need to rely on interorganizational collaboration, but organizations need to apply theories to their practices which have just recently received attention from the public sector and therefore, are not fully tested or modified to fit the sector (Kramer et al., 2019).

The acknowledgement of strategic management and the dynamics of interorganizational collaboration are still developing in the public administration field, albeit the argued importance of the concept in the performance of public organizations. The existing literature on organizational strategy is limited in relation to public sector context, as it does not consider the restraints the sector encounters (Boyne & Walker, 2004). However, without the attention to creating strategic capacities through collaboration, it will become increasingly burdensome for public organizations to create public value and response to the changes in the environment at a reasonable cost (Bryson et al., 2007). Vangen and Huxham (2003) argue that the ability and willingness of public sector organizations to participate in collaborative models may be directly related to their ability to secure funding for the future. Still, investing time and money to collaboration in a sector, which is accountable to the public, demands proven impact. The pressure for the public sector to measure impact instead of focusing on the output relates to budget constraints, increased regulations, and the need of monitoring (Khagram and Thomas 2010; White 2009).

Participating in collaboration may significantly have an effect to organizations' existence in many ways. For instance, especially for small organizations involved, there is a risk of losing control over the way the organization would like to proceed in their scope of activity inside the collaboration. According to Vangen and Huxham (2003), this may even lead to the funding of an organization to be partially or fully transferred to the collaboration, making the existence of a collaboration a threat for an individual organization. As a result, participating organizations often try to influence or control the agenda of a

collaboration so that they become the owner of it, concept described as a “context based bargaining power” (Yan & Gray, 1994). The likelihood of these conflicts and tradeoffs among the dimensions of value increases especially when the variety of stakeholders participating in collaboration is high (Page et al., 2015). Taking a strong lead in a collaboration associate with power struggle between organizations, and hence, building trust becomes dependent on common understanding of the shared issue and each participants’ territories.

2.2.1 Interorganizational collaboration and its drivers

In the private sector, interorganizational collaboration has become an accustomed aspect in corporate strategies and strategic alliances. However, there has been a little academic attention towards the dynamics of collaboration specifically between public sector organizations, especially without any participants from the other sectors. Costumato (2021) discovers in his literature review that articles around collaborative governance and public network performance address collaboration among the public and private and/or non-profit sector. The streams emerge and evolve around the interorganizational field, but do not have enough dialogue between them to naturally combine them for the context of interorganizational collaboration in the public sector. Elements of collaboration differ when participants are from the same sector than when they are from different sectors. Therefore, interorganizational collaboration in the public sector may be distinct from these individual streams of collaborative governance and public network performance, which leads to the need to better understand the factors truly affecting the ways to foster interorganizational collaboration in public context, by examining the contact points from previous studies and several relevant literature streams.

Interorganizational collaboration within the public sector can take effect either formally or informally. Problems that cut across jurisdictions are governed with integrated processes and the relationships between the actors are negotiated in an ongoing cooperative way (Majchrzak et al., 2015). Formal interorganizational collaboration can mean for

example collaboration incentives or arrangements initiated through formal processes, whereas informal interorganizational collaboration can be visible in networks or other similar type of contracts, where information is touched upon in a lighter way (Mu et al., 2019). Costumato (2021) further indicates two types of ways to implement interorganizational collaboration. In horizontal collaboration the participative organizations have equal status, and in vertical collaboration the participative organizations are at different levels of government, and often hierarchically ordered. Public sector relationships are regularly examined in articles specifically from a vertical top-down perspective between government agencies, for example between the head agency and subordinative agencies. Research on horizontal collaboration has therefore received less interest so far, even though in interorganizational collaboration context the area would provide the greatest insight to the possibilities of collaboration within the public sector. For example, in the private sector, collaborations are often implemented between organizations operating in a same capability level.

As collaboration in general, interorganizational collaboration is demanding to initiate when there are matters such as conflicting policies, power disparity and lack of perceived interdependence to consider (Mu et al., 2019). Sowa (2009) emphasizes that the drivers of collaboration and the interrelationships between them should be examined in more hierarchical context, as in the public interorganizational collaboration, to understand how to effectively manage the challenges. The form of fostering performance of collaboration may be found in determining the dynamics of the drivers and whether they are hierarchical, mutually dependent or interrelated. Many authors have produced reviews of potential drivers, although some differences exist in how these factors are presented (Kenis & Provan, 2009, Turrini et al., 2010). Costumato (2021) associates trust, power sharing, management strategies, leadership, and formalization as the main determinants that foster specifically public interorganizational collaboration. These drivers are examined further in the following paragraphs. However, it cannot be ignored that due to the limited research in the specific context all drivers may not yet be confirmed or identified

by any literature, and different approaches may be needed based on the nature of organizations involved in the collaboration (Mu et al., 2019).

Trust

Trust has been studied vastly across different academic streams, covering it from different perspectives (Carnevale & Wechsler, 1992; Schoorman et al., 1995; Ysa et al., 2014). According to Ran and Qi (2019), in interorganizational context trust entails a confident expectation of the outcome of an uncertain situation. One party is required to give up control over the outcome of the uncertain situation and be exposed to the other party's inability to realize the expected outcome. When looking at the relationship between a trustor and a trustee, ability, goodwill, and integrity are considered as characteristics that feed trust within a relationship.

The challenges that relate to collaboration between public sector organizations, such as reconciliation of strategies, goals, and processes, may create an uncertainty to the relationship between organizations. Costumato (2021) argues that these challenges can be resolved if trust and confidence between the parties is embraced. Trust increases the efficiency and effectiveness through parties understanding each other's needs and values and encourages the parties to exchange information and knowledge which in turn will support confliction resolution capacities. In addition, trust has a positive impact in transaction costs. Overall, trust is seen as the most crucial element for a collaboration initiative to succeed (Emerson et al., 2012; Huxham et al., 2000). When trust is built between organizations, both individual and organizational relationships should be considered, as these both develop through interactions over time. Personal level of trust is tied into the interorganizational level through the collective trust orientation towards the other organization (Dyer & Chu, 2000).

Trust is highly connected to the other drivers of interorganizational collaboration and is often described as either the result or the cause of these drivers. Especially, the ambivalence and balance between trust and power are relevant in the public

interorganizational context. Ran and Qi (2019) observe that trust and power as drivers of collaboration are studied on an individual level in the literature, for example, how to manage stakeholder conflicts or how to budget the needed time and cost in power and trust building. However, trust is highly influenced by the power dynamics, and can act as the foundation of the better working relationship between the participants of collaboration.

Power sharing

Power distribution within an organization causes an unequal involvement of individuals in collaboration, which means the trust orientation of one individual becomes a powerful tool in affecting other individuals' orientation, and further the behavioral constraints of the whole organization (Ran & Qi, 2019). When the level of trust is low in collaboration, it can cause issues such as lack of commitment, strategies of manipulation and dishonest communications (Ansell & Gash, 2008). However, it is common especially in the public sector to set up control systems instead of building trust. Mu et al. (2019) claim that this is because establishing trust is time-consuming and costly in a sense that it requires organizations to make the effort on sharing financial and human resources and knowledge. In general, control systems can be beneficial in a simple collaborative context, but when the issues become more complex, choosing to form trustful relationships may be more effective.

Power in the public sector collaboration context, as explained by Purdy (2012), is related to authority as the right to make decisions or action, resources as in tangible or intangible form, and discursive legitimacy as the right to represent a dialogue in public domain. Power disparity exists among the participants of collaboration in the difference between authority, resources, and discursive legitimacy. It may have an impeding effect to collaboration or even eliminate it, as collaboration requires the organizations to be vulnerable to each other. Thus, as emphasized by Mu et al. (2019), it exposes organizations with less power to strategic behavior and manipulation by an organization with more power, which may further lead to conflicts. The author reasons that by distributing power

among participating organizations, organizations can create favorable conditions for collaboration, making it more effective and efficient. If the collaboration has been initiated as a formal process and if power disparity occurs in the beginning, a higher placed authority actor outside of the collaboration may be able to support with reorganizing the power and coordinating the collaborative process. This concept is especially relied on in horizontal cooperation. However, hierarchy-based relationships between public organizations exist in several circumstances, despite the context of the cooperation, due to the characteristics of the sector.

In the public sector the goals are related to government regimes and agendas, which are temporary in nature and therefore, the position of power is rotating (Baptista et al., 2020). This environment may hinder the adoption of collaborative initiatives, as more robust organizational environment produces trust in the regimes and confidence on the outcomes of power sharing (Ran & Qi, 2019). In the same way as in building trust, power sharing may require time and effort, especially within organizations not experienced in power sharing. When managed properly, power sharing can embellish trust building, knowledge, and resource distribution, as well as encourage organizations to share responsibility and risks (Costumato, 2021).

Management strategies

Meier and O'Toole (2001), for instance, have identified that there is a clear linkage between the performance of public interorganizational collaboration and specific management strategies, and the perception of an outcome achievement. Ysa et al. (2014) argue that there is a connection between management strategies and trust as drivers of collaboration, and between these drivers there is a mutual influence. However, Costumato (2021) observes that the management strategy topic has only been covered on preliminary basis in the public organizational collaboration related literature. According to Agranoff & McGuire, 2001, network related literature describes management as a deliberate attempt to facilitate or lead interaction in networks. Through management strategies, organizations can positively impact the structure of the network and further its

performance. If the network is not managed properly, it can create challenges to reach outcomes that would meet the set goals and satisfy the whole network. Markovic (2017) concludes that the relation between management strategies and performance varies based on the degree of centralization of the network, higher centralization producing higher performance.

Leadership

Traditionally, leadership studies focus on people working in one organization. However, interorganizational collaboration is exposed to a set of challenges due to the diversity of individuals between and inside different units, in addition to the collaborative setting (Campbell, 2016). Further, each unit has different strategies, accountabilities, values, and goals. Therefore, the conditions to foster collaboration from a managerial level should be carefully considered. In the context, leaders should be seen as a stable link bringing people together to work on the same goal.

According to Eglene et al. (2007), certain leadership styles may have a positive impact on the performance of public interorganizational collaboration. In their study, leaders with a charismatic and facilitating style enhanced trust and collaborative behavior in the participants, as well as motivated and encouraged them to innovate and inspire change within the organization. When communicative strategies focus on inspirational values, consultation, and alliance, it results in voluntary participation. Furthermore, leaders emphasizing individuals' roles are seen as a contributive factor to the success of interorganizational collaboration. Costumato (2021) identifies transformational, adaptive, or collaborative approaches as effective leadership styles for public interorganizational collaboration. Transformational leadership, as revealed by Campbell (2018), has a positive impact on trust building and understanding of collaborative patterns. In the approach leaders on one hand set the future direction for the organization and on the other inspire and enable individuals to pursue that set goal. However, in the context of wicked problems, it may be challenging for leaders to set the future direction (Head & Alford, 2015). According to Crosby and Bryson (2005), in the previously mentioned adaptive style,

leaders encourage individuals to confront the problem together. In the collaborative style the hierarchical level is reduced to engage individuals in finding solutions to the problem. Thus, the two latter approaches may be more suitable to the unpredictable and complex environment of the public sector.

Formalization

Formalization and standardization of rules and procedures are seen as the foundation of how the decision-making competencies are divided between the organizations participating in collaboration (Markovic, 2017). Thus, formalization can be described as the forerunner of all the other drivers (trust, power sharing, management strategies and leadership), also fostering the accountability in public interorganizational collaboration context (Cristofoli & Markovic, 2016). Macciò and Cristofoli (2017) indicate that formalized rules can enhance goals even in a situation where there is a lack of structure and agreed strategies in the collaboration. Coordination through the formalized rules and procedures can enhance collaboration capacity, implying that some level of hierarchical involvement may be beneficial in collaboration.

2.2.2 Characteristics of a public sector organization

According to Virtanen and Stenvall (2019), the managerial authority in public sector organizations differs from the private sector as organizational structures and political decision-making have a wider impact on the management. Public organizations use public authority in their operations, and decision-making requires involvement from both political and organizations' officials' side. Creditability is visible in the public sector similarly as in private, however, in the public sector it relates to ensuring successful and efficient activities and achieving operational goals. The public sector organization is accountable to the public, and goals are agreed in the government performance agreements. According to Rajala et al. (2017), this creates an issue of fragmentated missions, when goals are set outside of the concerned organization. When performance is measured based on vertical hierarchies of government departments and developed only inside the individual

public organizations, it prevents public organizations from moving to an outcome-based performance management.

Policies and legal frameworks provide instruments to guide decisions and actions of a public sector organization, either encouraging or discouraging collaboration. If these policies and legal frameworks are comparable between different organizations, it becomes easier for them to engage in collaboration and yield purposeful results. Lægreid and Rykkja (2022) claim that barriers are set when the policies and frameworks establish rules and structures which lead organizations to drown into hierarchical silos and too high transactional costs. Arranging interorganizational collaboration is hindered by these traditional silo structures and vertical specialization in the public sector. External aspects such as the political environment and government priorities also have an impact on how leaning organizations are towards collaboration.

Internally, the public sector organizations tend to set obstacles to cocreation initiatives due to the specific characteristics of the sector. Baptista et al. (2020), for instance, indicate organizational culture and more specifically the absence of inviting structures, budgetary constraints, misalignment of short-term and long-term strategic goals, and lack of technology as barriers often connected to public sector organizations and their obstacles for collaboration. Studies have shown that strategic competition, in terms of finances or resources, for instance, have a negative effect on the efficacy of organizations (Jokela & Saul, 2023). In addition, difficulties in assessing the effects across the sector if investing in collaboration and forecasting beyond uncertainties in long-term may impede collaboration programs in the public sector. Individuals within an organization may also have behavioral barriers, such as resistance to change, which alone may have an enormous force in the success of a collaboration. If the individuals do not for example hold the knowledge or are not willing to participate in collaborative initiatives, their behavior directly affects the organizational culture.

Managing collaborative arrangements in the public sector is complex due to the participants traditionally operating on an individual level, with a high level of autonomy, and having multiple goals across different hierarchical levels (Costumato, 2021). Complexity relates also to the characteristics of having an insufficient understanding of the role in the chain of government organizations and bureaucratic ways of operating inside and across the organizations. According to the Final Report of the Project on Developing Collaboration Between Authorities (Ministry of Finance, 1999) finding working frameworks for the public sector is essential. In the public sector, collaboration practices between authorities resemble more of army operations, where units are responsible for their own field with a separate operational leader for each unit, and “where all branches act according to their best knowledge, but independently of each other; who have no common vision of the situation based on military intelligence, and the units of which do not even have a common understanding about who the enemy is” (p. 16). Rajala et al. (2017) believe that organizations at the same hierarchical level do not necessarily align with the goals either and neglect the interdependence with the other organizations, when these should rather be the foundation of a collaboration.

Jalonen et al. (2021) claim that identifying the challenge of public sector organizations competing on information, resources, finances, and authority is especially in the security sector should be acknowledged. Development of practices and critical thinking is often challenged when the question relates to power or resources. At the same time, the importance of continuity in information and operations is undeniable when considering for example national security. When government targeted performance goals fall upon a specific organization only, it decreases the probability of a wider thinking, impedes efficient management, and creates silo structures. Time needs to be invested in creating a relationship between the participants before the collaboration activities can be effective. Suddenly, these organizations used to operate on an autonomy basis become accountable to other participants of the collaboration and acting alone around a collaborative incentive can even be seen as an issue. Huxham (1996) argues that formal authority

hierarchy, often connected to the public sector, cannot exist in collaborations in similar way, as organizations will need to release their autonomy in some level to succeed.

2.3 Theoretical framework: Fostering stakeholder collaboration in a public sector context

The literature review examined existing research regarding stakeholder theory and inter-organizational collaboration as a tool to address wicked problems. The significance of stakeholder collaboration was endorsed in the public sector, while the exploration revealed the collaboration drivers that should be further explored against the obstacles typical in the sector. The following framework, presented in Figure 2, combines the findings of the main theories discussed earlier in this chapter, and acts as the basis of the case study to understand how to foster stakeholder collaboration in a public sector context.

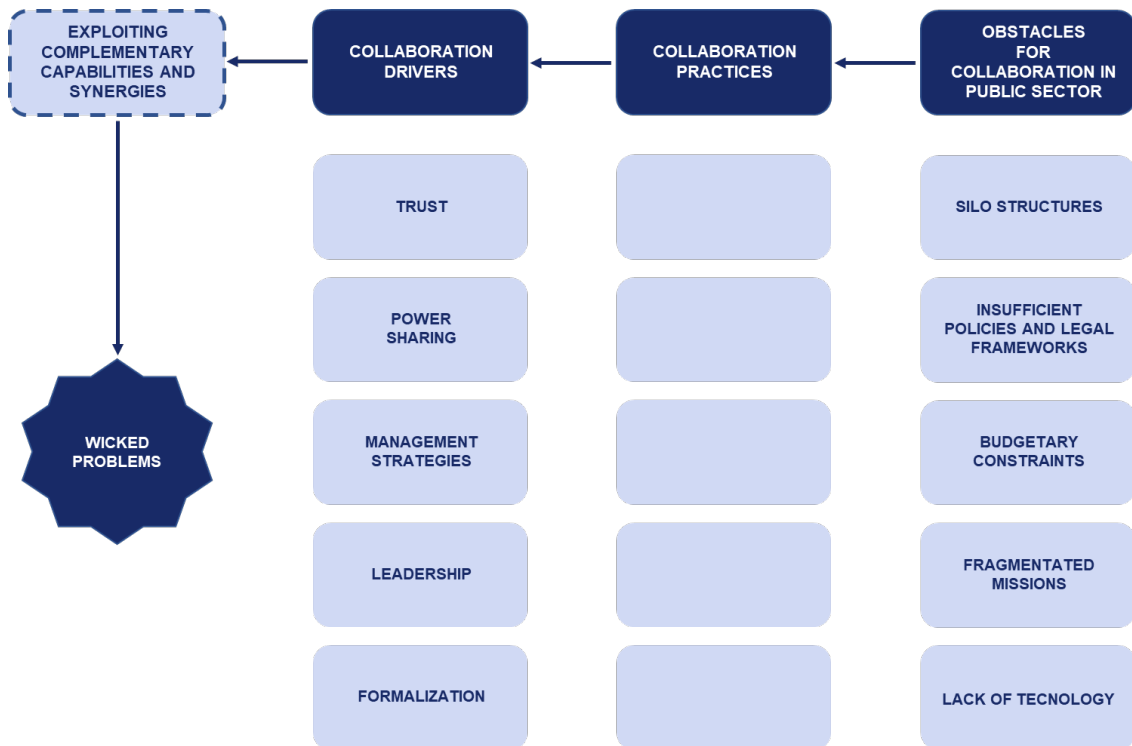


Figure 2. Theoretical framework.

3 Methods

3.1 Research approach

In order to conduct a high-quality research study, finding a methodological fit is critical, particularly in terms of ensuring consistency between the aspects of the study (Edmondson & Mcmanus, 2007). Saunders et al. (2019) introduced a research onion to describe the elements of research methodology and the process of writing a research study. The onion includes six layers, as presented in Figure 3, from the choice of philosophy to the choice of data collection and data analysis methods.

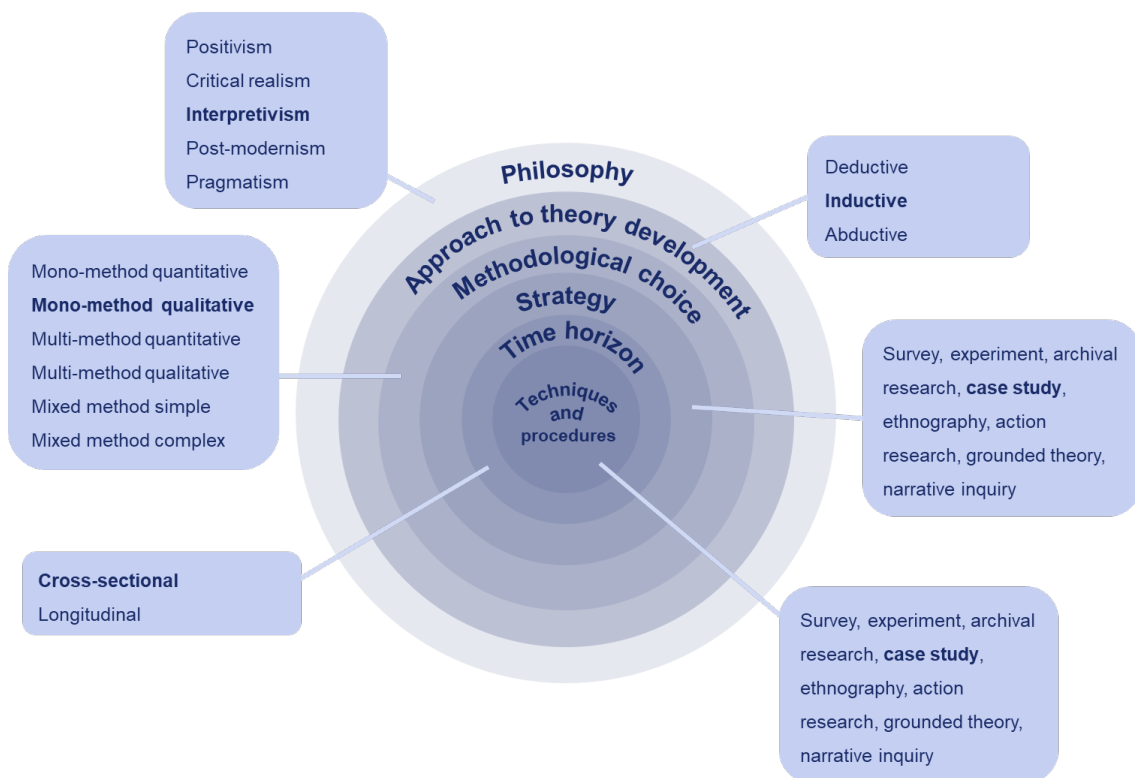


Figure 3. The research onion (Saunders et al., 2019).

The first layer of the onion addresses the question of how a researcher views the world and the relationship between knowledge and the process by which it is developed. The research philosophy builds the foundation of the research strategy and the chosen methods. A researcher emphasizing facts may have a different approach to the methods of

the study and what is important, when compared to a researcher who is more concerned about feelings and attitudes. The research onion addresses five fundamental research paradigms – positivism, critical realism, interpretivism, post-modernism and pragmatism. The nature of the research has a central influence on the selection of the most appropriate approach. This study is adapting interpretivism as the research philosophy. According to Alharahsheh and Pius (2020), interpretivism enables a researcher to gain richness in the insights and in-depth variables and factors in the research, by examining the experiences of a particular context. Rather than a generalized concept, the approach adopts qualities such as focusing on whole experience rather than specific parts of it and exploring expectations through qualitative methodologies such as interviews and discussions.

The second layer of the onion refers to the research design approach taken in the study. Saunders et al. (2019) present deductive approach, where the theory and hypotheses are developed to test those in the study, and inductive approach, in which collected data is used to develop a theory. The paper also introduces an abductive approach, which could be considered as intermediate between induction and deduction. Conaty (2021) states that unlike in deductive approach, abductive does not require the researcher to select a theory to be verified in the study. The difference to inductive approach is that abductive is not developing a theory based on an analysis of empirical data. In abduction, hypotheses are generated from fact inference that is suggesting new or existing theory development. Here, an inductive approach is applied, as it is aligning with the aim of the study to develop existing theories through the collected empirical data, as further presented in Figure 4. Inductive approach allows multiple perspectives to emerge from the data, creating a holistic picture of the phenomenon, rather than demanding the researcher to make a prior decision on one particular aspect.

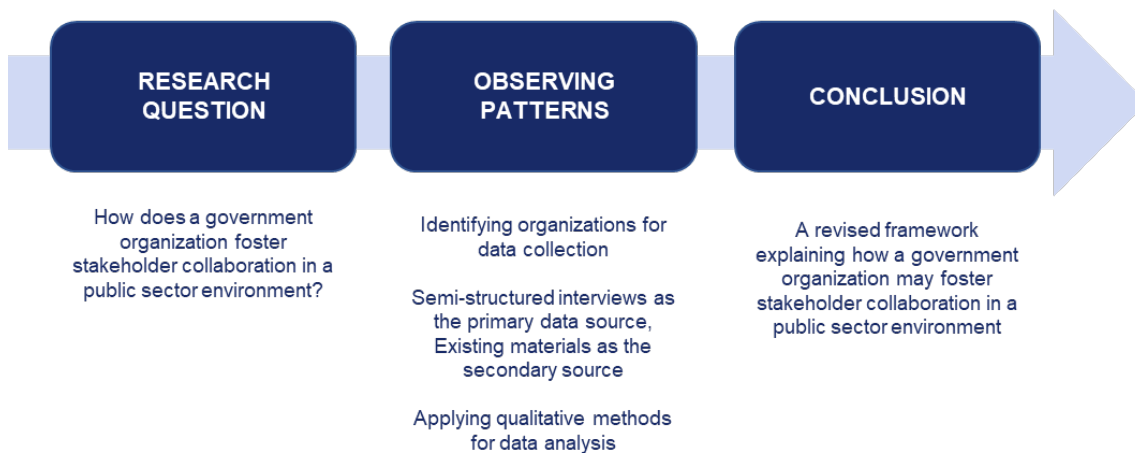


Figure 4. Inductive reasoning adapted to the study (Saunders et al., 2019).

The next layer of the onion proposes methodological choices. Saunders et al. (2019) consider mono-method qualitative or quantitative, multi-method qualitative or quantitative, or mixed method simple or complex the options when designing a research study. This study employs mono-method qualitative study methodology because it supports the aim of the research – understanding how a government organization fosters stakeholder collaboration in a public sector environment. In addition, as the study is adapting interpretivism as the research philosophy, qualitative data collection methods are the most suitable methods to reinforce an explanatory study, allowing researcher to gain in-depth insights to causal relationships of a specific context (Alharahsheh & Pius, 2020).

The strategy applied in this research is a single case study composed of semi-structured interviews with interviewees from Finnish Customs and its stakeholder groups. Case studies are considered as a versatile research strategy as it requires an in-depth analysis of the organization or the situation in question by using various quantitative and qualitative data sets such as interviews, surveys, existing material, and observations (Yin, 1994). Robson (2002) defines a case study as a strategy involving an empirical investigation within real-life context, using multiple sources of evidence. Here, the context is in particular importance, as in case study the boundaries between the context and the phenomenon are not evident, which enables the researcher to gain a rich understanding of the context. The depth of the research may bring greater realism to the specific situation

or topic, but simultaneously case studies are time consuming and cannot be similarly generalized as quantitative methodologies (Hill, 1993). Hill (1993) argues that the lack of control in case studies may even compromise the validity of the study. However, as this study is complex in nature and the research question itself provides an opportunity to observe a critical phenomenon, case study is justified for in-depth analysis. Further, as the phenomenon is studied at a particular time, the research is cross-sectional.

3.2 The case organization – Finnish Customs

Finnish Customs is a public authority organization operating in a complex and multidimensional operating environment. According to Finnish Customs (2022b) the purpose of the organization is to secure and protect Finland as a part of the European Customs Union, facilitate foreign trade and equal competition, and offer customer-oriented services for performing customs transactions. More specifically, the tasks include customs clearance and taxation, control of foreign traffic, prevention of customs offences, maintaining and gathering foreign trade statistics, and customs laboratory examination. The organization, led by the Director-General, employs around 1900 professionals, and is divided into different units (general staff, internal audit, supervision of state rights and interests, and the departments) and operational units (functions and customs offices) as presented in the Figure 5.

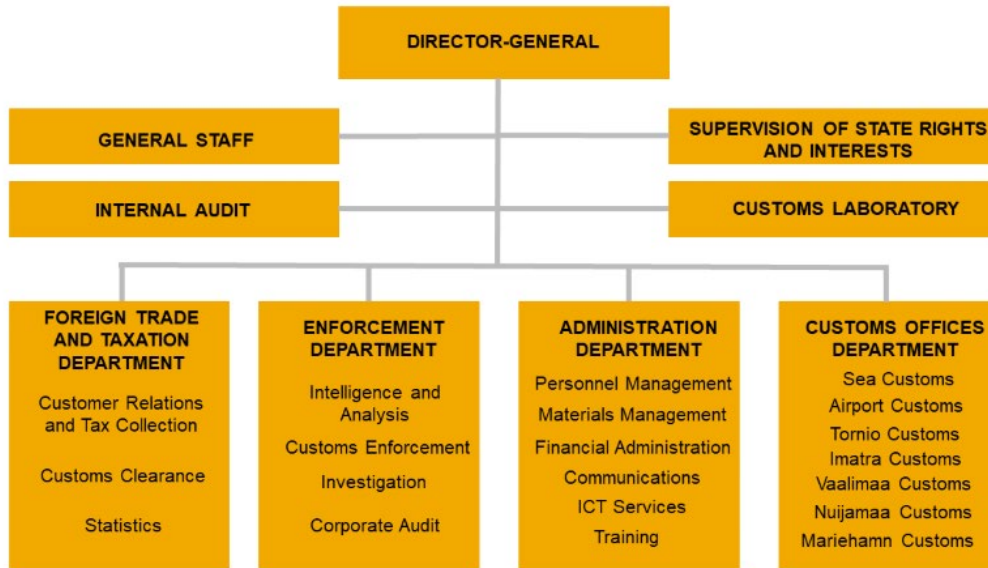


Figure 5. Finnish Customs' organizational structure (Finnish Customs, 2022c).

Operations are regulated by the (European) Union Customs Code (UCC), which outlines the legal framework for customs rules and procedures in the EU customs territory, and by the national legislation, Customs Act (304/2016). The Customs Union was established in 1984, and in 1992, EU endorsed the Common Customs Code, which allowed the free movement of goods within the internal borders (European Commission, 2022). The common code between the Member States enabled the trade between the countries to multiply and a stable economic growth to flourish. According to the Ministry of Finance (2022), this was at the time an example of a successful integration within the European Union, and an incremental decision paving the way to the foundation of enhanced standardized processes and investment in economic growth. The income received from the common customs tariff applied to all trade of goods to countries outside the EU, is part of EU's traditional own resources, but the Member States are entitled to withhold 25% of the collection fees of the customs duties they collect. In 2021, Finnish Customs collected 294 million euros of taxes and other fees, which was almost 42 million euros more than in 2020 (Finnish Customs, 2022d).

Finnish Customs is a government agency operating within the administrative branch of the Ministry of Finance. However, the organization has a special characteristic when compared to other authorities, as its operative functions extend under 11 ministries. This brings certain challenges to the operations and the ability of Finnish Customs to increase the awareness of its organization and prepare for changes. The organization is highly impacted by any changes in the operational environment or regulatory framework. Finnish Customs Enforcement department's annual publication in 2021 (Finnish Customs, 2021) states that the organization is not involved in the discussions with the heart of the decision-making where the change is being prepared for in advance, even though they would have the desire to proactively attend to ensure the changes are reasonable and feasible to implement. Due to Finnish Customs not being involved in defining the future actions, the organization is only able to react to future changes, often a little late. Most of the organization's operations require international and/or national cooperation either with the other government authorities, public organizations or with the private sector (Finnish Customs, 2022b). Finnish Customs is a national control authority and national law enforcement authority and has ability to carry out concrete control work throughout Finland and especially at its borders (Finnish Customs, 2021). Therefore, many other government authorities rely on the operational experience of the organization.

Finnish Customs renewed its strategy for 2020-2023 to respond to the changes of the operating environment. One of priority themes chosen for the strategy (presented in Figure 6) is interest groups and networks. Finnish Customs has identified that cooperation is one of their operational strengths when trying to achieve goals, produce additional value for customers and partners, and create awareness of the customs within the 11 ministries and other stakeholder groups (Finnish Customs, 2022e). In the future, the organization's desire is to be proactive in the stakeholder cooperation, in order to enhance the beforementioned operational goals.



Figure 6. Finnish Customs Strategic priority themes in 2020-2023 (Finnish Customs, 2022e).

3.3 Data collection

The study exploited multiple data collection methods to ensure the possibility for exploration and strengthen the creditability of outcome (Yin, 2009). As the primary data collection method, semi-structured interviews were chosen as an interview method, as those leave room for discussion and the questions and structure of the interviews are not completely controlled (Cross et al., 2013). Interviewees were allowed a possibility to uncover organizational models and values in a richer and in-depth way that cannot be discovered solely with surveys. In addition, semi-structured interviews enable inviting themes to arise from the discussions for the interviewer to follow further (Saunders et al., 2019) and provide flexibility over the content of the question (Rixon, 2010). The questions were open-ended in nature, establishing a more conversational style to conduct the interviews. Further, casual environment offered a place to gather extensive data for

the study, as suggested by Eriksson and Kovalainen (2008). Interviews were organized through Teams and the discussions were held in Finnish, as it was the native language of all the interviewees. Thus, the interview conditions could be kept as natural as possible. The creditability of the research was supported by recordings of each interview to capture the data (Phillips et al., 2008). All interviews followed the same themes, but the specific structure differed based on the interviewee's organization (Finnish Customs or external stakeholder) and the order of the questions changed according to how the discussion moved forward (see Appendix 1 and 2).

Finnish Customs has a large number of stakeholders due to its operating environment. The scope of the study was limited to only external stakeholders and their relationship with the case organization. The external stakeholder organizations and interviewed persons were selected based on their frequent operative interactions with case organization, their relevance to the study and contribution to the phenomenon (Creswell, 1994). In addition to the external stakeholders, 3 representatives from Finnish Customs were interviewed to gain an understanding of case organization's perspective and whether it differs from the external stakeholders' perspectives.

To increase the objectivity and gain diverse perceptions of the operational models, all interviewees were selected from a variety of organizations and units and from different levels from management to specialists. The background of the interviewees was in particular interest during selection, in order to ensure the organizational practices were analyzed from as many angles as possible. In addition to making sure that the external stakeholders represent fields as different as possible when compared to each other, also the interviewees background, history in organization and current role varies. In total, 7 interviews were conducted, out of which the earlier mentioned 3 were from Finnish Customs and 4 from external stakeholders (see in Appendix 3). Due to the sensitivity of the case organization, its external stakeholders and the subject, the findings are presented as anonymous so they cannot be linked to the organization, unit, or the specific interviewee. All interviewees were instructed individually to consider the sensitivity matter

during the interview. Interviewer's responsibility was to keep the discussion within the limited scope but to allow a conversational atmosphere and interesting themes to arise from the conversation.

The secondary data sources were utilized in addition to the interviews as the primary source. According to Yin (2009), using various data sources enable the establishment of a comprehensive view of the phenomenon to be studied, which further increases the reliability of the study. In the aim of a holistic understanding, the study utilized existing data such as annual reviews, the official website, and organizational strategy as secondary data sources.

3.4 Data analysis

In line with the inductive approach, the data collection and analysis follow the empirical nature of the study. Following the interviews, the data analysis started with transcribing process, as the qualitative data analysis should be proceeded soon after the data collection process (Eriksson & Kovalainen, 2008). As the inductive approach allows multiple perspectives to emerge, observations related to the emphasis in the discussions, for instance, were included in the interviewee notes, and further combined into the transcribed interviews. The interviews were covered in a total of 90 pages of transcript.

Especially in cases of complex in-depth interviews, structuring the qualitative data is essential in allowing the theory to be developed (Saunders et al., 2019). In the aim of structure and categorization, the empirical data was analyzed by using the Gioia methodology. The methodology is a disciplined research approach which allows a holistic path to theory development (Magnani & Gioia, 2023). The balance between developing new concepts and meeting the high standards of precision justify the compatibility to standards of qualitative research. The data was first coded into different themes and categories. Secondly, the structure was further assembled to first-order and second-order concepts, as presented in Appendix 4. First-order themes and dimensions included recognition of

phrases and words commonly and frequently used by the interviewees. The more abstract, second-order theoretical level examined whether there are any patterns between these first-order concepts, or connections that link the concepts, that would give suggestions to explain the studied phenomenon. Moreover, the stage was to capture the themes even further, as in creating aggregate dimensions. The last stage of the analysis was to compare the data across the presented theoretical framework to develop a presentation of the detailed study findings advanced through the data-based narrative (Magnani & Gioia, 2023).

3.5 The assessment of the quality of data

As a part of a rigorous research effort comes the discussion on how the research can achieve validity and reliability (Yin, 2009). Atkinson and Delamont (2006) argue that when assessing the value of the case study, the validity claims and how the researcher can discuss these claims become integral to the case study contribution. Prejudices are general limitations of case study research, but the advantages are visible in how case studies can examine the development of phenomenon in practice. Transparent discussion of how the data yields into findings limits the effects of prejudices. The reliability of a study is measured based on the consistency of the results, in terms of measures and findings (Saunders et al., 2019; Yin, 2009). According to Saunders et al. (2019), participant error, participant bias, observer error, and observer bias pose a threat to the reliability. Participant error refers to the difference in results based on for example the timing of the interview. Participant bias appears when the interviewees' responses are influenced by external factors, such as how they think they are expected to answer the questions. Participant bias befalls in authoritarian organizations in particular. Similarly, the observer may be subject to error or bias. These relate to individual characteristics of interviewers questioning styles and interpretation. The observer can be influenced by their own feelings and perception.

Reducing the threats to reliability in this study evolved around the anonymity and flexibility of the interviews to explore the complexity of the phenomenon. To promote credibility especially in the authoritarian organization context, the interviewees were contacted by email and provided information about the themes of the interview. The anonymity of the interviews was discussed thoroughly, and the interviewees were encouraged to give honest responses in the discussion. The interviewees were enabled to consider the themes of the interview before they engage in the discussion, as suggested by Saunders et al. (2019). The value of validity and reliability was enhanced by an approach of letting the interviewees to affect the timing of the interview. Responsive interaction in semi-structured interviews reduced the probability of misconceptions. All the interviews were recorded to protect the reliability, and as all the interviews followed the same guide, the data collection stayed consistent throughout the data collection process. To increase transparency of the study, the full research process is described in detail and linked to referenced theories in the methods-section.

The validity of the research refers to data accuracy and how the causality of a specific indicator is measured (Saunders et al., 2019; Edmondson & McManus, 2007). Gibbert et al., (2008) imply the rigor of case studies being especially important as this type of field research seeks to study a phenomenon in the context. However, relevance of case studies can be compromised if there are problems in the early stages of theory development and without rigor in creating managerial knowledge. Internal validity, external validity, and construct validity are adequate to assess and ensure this validity. According to Yin (2009), internal validity is essential to measure in explanatory studies observing causalities. The researcher should be concerned whether the interview guide measures the intention of the study. Support to internal validity was drawn by looking multiple different studies for relevant evidence to build the theoretical framework. Construct validity refers to the extent of the quality of the concept the study intends to measure. To promote the construct validity and mitigate issues, the study transparently describes the whole research process from formulating the research question to analysis of the findings. The

use of multiple data sources supports the evidence claims, reliable and consistent measures and reader's comprehensive understanding of the validity.

Assessing external validity is often referred to as generalizability of the study (Saunders et al., 2019). According to Yin (2009), single case studies and case studies related to organizations that have distinctive features are often indigent in generalizability. However, exploring the complexity of a phenomenon through such study would not be possible if the research would be standardized. As the aim of this study is qualitative and explanatory in nature, the aim is not to obtain insights on data with a strong statistical base. The focus of the research is the theoretical analysis of circumstances and outcomes and effects of the context to extend the findings to similar cases, which justifies the adoption of transferability, emphasizing the authentic knowledge through empirical findings (Carminati, 2018). Sampling choices and sample details in the form of case study selection are rationalized in the methodology, supporting the feasibility and sensibility of the data to purposively address the objectives of the study (Saunders et al., 2019).

4 Findings

The operating environment for Finnish Customs in 2022 and 2023 was shadowed by changes that could each be individually considered as wicked problems affecting the organization, such as the end of Covid-19 pandemic and Russian invasion of Ukraine. The world is in (the) midst of change, making the problems more dispersed and multidimensional. When the participants, both from Finnish Customs and external stakeholders, were asked about the importance of collaboration in the middle of these changes, the majority from both sides emphasized the necessity due to multilateralism in the public sector.

“Stakeholder collaboration is overall very important to ministries as our work would not be possible without it. The government should and it is good to consult stakeholders. It is very crucial for us to discuss and engage with our key stakeholders, which is why we have a fairly open collaboration and a lot of different working groups. In Finland we have quite open and transparent preparatory work in the public sector and ways to involve different stakeholders.” (Interviewee 5.)

“Now more than ever, matters handled in ministries have points of connection with matters of other ministries, so in that way collaboration is absolutely necessary.” (Interviewee 4.)

“Collaboration has been strongly developed over the past few years. We have been developing this stakeholder collaboration...and we aim to be part of the most connected society possible, especially with those [actors] involved in foreign and security policy. It is definitely the will of the organization at the moment to be well connected in society and to know the actors.” (Interviewee 7.)

“If I look at [collaboration] inside of the organization, then I think it is seen as a positive thing, regardless of in which level it is implemented in.” (Interviewee 3.)

“In a way, [collaboration] is always looked at from the point of view of the task and if something is needed. We also have a lot that [type of work], we cannot do everything by ourselves.” (Interviewee 2.)

Admittedly, the need of collaboration in practice is acknowledged by the interviewees and is supported by their experiences. However, many of the participants raised

requirements coming from the legislation as the main driver of collaboration. Some unit or organization may have, for example, a legal obligation to handle one part of the work or prepare some part of a legislative matter. Therefore, a specific collaboration ecosystem is often created, rather than collaborations being initiated based on a natural and mutually beneficial interest or based on a leadership or management strategy, and there was no difference in the views between Finnish Customs and the stakeholders.

"In general, collaboration initiatives are related to some common issue, i.e., there is a new EU law coming out that affects my organization and Customs. I have not seen other type of collaboration forums." (Interviewee 5.)

"In EU matters, legislative projects go into very detailed issues and implementation, and related questions...we need to collaborate with Customs on their views on how this proposed legislation would work in practice and how it affects resources." (Interviewee 4.)

"In my opinion, it should be considered that [collaboration initiatives] are regulated in many places, [for example in] state treaties, or is it based on something [agreed] like an EU-level instrument....whether I am encouraged or not, it depends on what would be Customs role in the collaboration by the legislation." (Interviewee 3.)

4.1 Collaboration drivers and practices

All five collaboration drivers presented in the theoretical background (trust, power sharing, management strategies, leadership, and formalization) stand out from the interviews as enablers of effective collaboration with external stakeholders. Interestingly, all drivers seem to be well connected to each other and must be, to act as a driver. In connection to each driver, interviewees evidenced practices that have enhanced and fostered collaboration, but in addition, interviewees also identified gaps in the practices to navigate through wicked problems. One of the significant findings is that each of these practices also has an ability to either reinforce or diminish the drivers by developing conditions through day-to-day activities. The collaboration drivers together with applicable

supporting practices can form conditions for an operating model more resilient to take on the changing operating environment and tackle wicked problems.

4.1.1 Trust

The meaning of trust and shared purpose – fundamental drivers of collaboration – were emphasized in some connection by all the interviewees from Finnish Customs and external stakeholders. One interviewee explained that “trust is the alpha and omega of collaboration”, demonstrating the need of the public sector to shift away from strict hierarchies towards more trusting relationships. In relation to trust, having a common view on the end goal and steering the ship to the same direction were considered as the heart of a collaboration that benefits all parties.

“Trust is the basis of transparency and collaboration.” (Interviewee 2.)

“This is a small country, and there are few players, so the starting point is that there is trust in Finland. This is positive in a sense that it facilitates our cooperation between the authorities, that the default value is that we trust the other's expertise, and the ability to solve things and manage them in practice.” (Interviewee 6.)

“...and of course, to build that kind of trust where all parties are invested and know what the goals and starting points of the different parties are, that is very important to achieve.” (Interviewee 5.)

“You have to think that your own organization also benefits from cooperation, what is the goal of that cooperation, that you do not cooperate just for the sake of cooperation, but you have to be clear that what you want to achieve and usually the best is that it benefits both parties.” (Interviewee 7.)

Noteworthy from the whole study is that collaboration in the public organization context may often relate also to competing, for instance, for the same resources or finances, especially if the collaboration is initiated based on legislative requirements. Consequently, the trust relationship may be compromised when the participants are not sharing the same goal, or collaboration is overall dismissed to avoid conflicts. On an

organizational level, conflict of interest and deep emotions can often arise in collaborations. Negotiation is easy when you have the same goal, but it becomes hard when you have a conflict of interest.

"I guess as a watershed, if there is a common interest and the situation is a bit like a win-win, then it is easier to collaborate. Then again, the situation is different, if the counterpart, it does not matter whether the party is Customs or some other organization, feels that it loses something in [collaboration]. You can and you have to practice stakeholder cooperation in both ways, in the kind of way where something is built jointly or it can be the kind where you compete for some resource or money or whatever, and if you are competing for money, then the experience can be different. Some negative features are inevitably linked to collaboration. In the end, Finland is such a small country that almost all people know each other. If you can agree on common goals, then I think [successful collaboration] usually starts from there." (Interviewee 3.)

Altogether, the interviewees highlighted that people play a significant role in building trust and furthering the success of a collaboration, as the below quotes elaborate further. In front of a wicked problem, collaborative teams especially in the public sector profit from working life skills and understanding human behavior. Finding solutions to a wicked problem together should be tempered with humanity.

"It is also a lot about personal chemistry, or not necessarily chemistry, but how skillfully people work together. It is usually easy to develop that cooperation when there is a reliable counterparty or a reliable partner, and it is easy to agree with them. I think that it is perhaps the single most meaningful thing, that you are easily reachable, and that you have such working life skills." (Interviewee 7.)

"So even if it is said that organizations handle stakeholder cooperation, if we have the Ministry of Agriculture and Forestry as a party, it is not that faceless, as there are some people with whom we do it, and it is the same for every other agency or if it is then international or whatever, in the end it is that person at the same table and with that person, yes, it depends a lot on the individual characteristics of the person, how [the cooperation] goes, etc., how innovative and fruitful it will be or even pleasant." (Interviewee 3.)

"That is what stakeholder cooperation is all about, it does not mean that you always have to agree on everything, but it is more about a similar attitude and operating model, where everyone can openly justify their position, and if we disagree,

we have our own tools for that, which is used, either by us, or our partners or customers." (Interviewee 6.)

The findings show that cross-functional linkages and relationships with the external stakeholder organizations are the key to enhance trust. Collaboration is often initiated with people you know, and therefore, trust. Using time to build relationships with external stakeholders has lowered the interviewees threshold to share information with their partners. It was also considered as an efficiency matter – having a trusted counterpart you can contact when relevant not only decreased the time used to initiate collaboration but overall increased the probability for a cooperation to be initiated.

"These informal contacts are important, but they also require that you know the Customs experts, that you know how to contact them directly. The threshold for reaching out is then lower." (Interviewee 4.)

"You have to have good relationship with all relevant actors to make [cooperation] possible." (Interviewee 5.)

"Let's put it this way, it is more efficient, because both of us, both Customs and my organization, these are quite big organizations, and if that cooperation depends on writing letters or e-mails, a bit like through a registry office, and we wait for it to reach the right person, then it is quite time consuming. In that sense, in a way, when you know which people are doing what, it speeds up the progress of things. And now I do not mean that it will affect the result, but that we find the right people faster, so that has perhaps been what has made my own work easier. When there are quite a lot of these cooperation parties other than Customs." (Interviewee 6.)

"Then again, not all of this kind of stakeholder cooperation necessarily have a certain structure... some of it runs with personal contacts or that you have worked with someone for decades, that is what stakeholder cooperation is all about." (Interviewee 3.)

"Nowadays, there are different networks, which are really good, you can discuss there with different people and that is where the contacts come from. Then if we find out during breaks that some other organization has something interesting going on, it creates a natural interest in collaboration." (Interviewee 1.)

4.1.2 Power sharing

The level of trust was displayed in the discussions on how transparent the organizations were in cooperation and therefore, how power was altogether shared between the organizations. Power sharing was seen as the continuum of trust, an ecosystem where one cannot exist without the other. As two interviewees from the Finnish Customs put it, transparency (especially in knowledge sharing) is considered as a folklore within Finnish government officials.

"In the end, we Finns say what we think and not hedge. If we are discussing about something, people usually tell what they base their views on, etc. In my opinion, it is pretty much a Finnish folklore that what is said and agreed upon is kept." (Interviewee 3.)

"What I would say in general among the authorities is that we have a really open atmosphere, and we can have very open discussions. We are very much in the same boat; we work together, and we have that discussion and dialogue, and we think about what is meant by certain frameworks etc." (Interviewee 2.)

External stakeholders agreed on the importance of transparency as a form of power sharing, and one interviewee from Finnish Customs emphasized it. The most effective collaborations were those where power was shared between organizations and the atmosphere was viewed as open and invited. Without transparency in knowledge and information sharing, interviewees deemed it as challenging to initiate collaborations. Power sharing was also seen as a new way to share resources and save finances, rather than re-inventing the wheel which was found to be a common practice in the public sector.

"That kind of openness and sharing of information is absolutely important for everyone involved...you cannot know if there are any cooperation needs if you are not aware that there is something pending somewhere that we would like to influence." (Interviewee 4.)

"Of course, an open atmosphere and that there is a low threshold for commenting and asking questions, that is really important, and I really value that myself...and

also that kind of easy and transparent communication and exchange of information...where the need for cooperation is identified." (Interviewee 5.)

"Knowledge and information sharing is so important, because when we think about why we think in a certain way and why someone else thinks in another way, knowing the task and the purpose makes it a little easier to find a solution together." (Interviewee 6.)

"In collaboration, with expertise and shall we say with a positive attitude you try to solve those problems, that is perhaps the key thing in it. Usually, when collaboration is pursued or practiced in the field of authorities, there is ultimately something that needs to be resolved together in a way, and if you have such a solution-oriented approach, then in my opinion that is the core." (Interviewee 3.)

"Usually, if we notice that another authority has a similar issue to resolve, or a process in use, then we will or would like to try to find out, try to understand, if we can make use of it, so that we do not reinvent the wheel again and tax funds are used for the same thing that has already been developed. A transparent meeting where information is shared and we find solutions together, where everyone is genuinely interested in the matter, that is a natural way to start collaboration." (Interviewee 1.)

In addition to not being able to know whether there would be a place for collaboration, the lack of transparency can lead to issues for example in law drafting, as the below excerpt shows at worst, when the power was not shared accordingly. In the below example, the interviewed external shareholder expressed the clear absence of trust between the organizations. Promoting trust promotes power sharing as the driver of collaboration.

"I think that the people involved in this work understand very well that if the cooperation is left to the final stage, it will come back at some point... and then things are already more difficult to fix, if something important has been overlooked because other ministries have not been informed during the drafting. It is somewhat in one's own interest to try to clarify things already at an early stage and at a lower level than, for example, solving it among the ministers...When matters related to customs were being prepared in other ministries, it happened once that there had been problems from Customs point of view...we only got to hear about them (at a somewhat too late, when the drafting ministry was already in a hurry to start moving the matter forward and we still had something in the details that we thought should be corrected. If we had been aware of those from the beginning, we could

have directly discussed with that other ministry, and maybe then they would have believed us more easily than Customs...They could have asked us for support at an earlier stage." (Interviewee 4.)

According to the findings, stakeholder collaboration should not indicate a need to fully compromise on organization's values or the end goal. The environment within a collaboration should be solution-oriented, where the power is shared in the actions towards a common good.

"It does not mean, as the public often thinks, that we always cave in on everything, instead we discuss together and try to learn from both sides. It means e.g., that when the instructions are written, we listen to what the stakeholders think, not necessarily agreeing, but the comments and views are genuinely analyzed and then we conclude." (Interviewee 6.)

The majority of the interviewees saw the softer aspect of power disparity as a place for discussion. The common view was that roles and responsibilities should be discussed in all cases, and there should be clear accountable roles to avoid any conflicts in collaboration. This was seen as the natural process step of collaboration initiatives.

"On the public side, when joint work is done between different organizations, it is really good that it is clear what the tasks of each organization are, so that there is no overlap or competition, because we always talk about resources in the end if we do a bigger project. Maybe when the division of resources is clear, it will also facilitate that collaboration, and the representatives of both organizations will recognize their own role." (Interviewee 7.)

"If you think about who takes and who steals, we and Customs are sister organizations, and it can be seen in the collaboration that colleagues discuss so to speak, so it is not like one takes and the other steals, but we take care of those things together here, and both organizations have those areas of strength, and we try to combine them. There has never been a problem like that, that one of them would try to pull the boat more than they should, as each organization has its own roles." (Interviewee 6.)

"If there is something that is being developed, then a responsible person is naturally appointed, and then a deputy person is appointed, and then the responsible

person checks who should participate, and asks others if they are interested. It is also allowed that everything does not always work out." (Interviewee 1.)

As expected, when discussed in the context of the public sector, interviewees commonly referred to the legislation with power disparity. However, one interviewee from Finnish Customs especially saw power sharing as unambiguous due to the legislation.

"For us, [power sharing] comes a lot from the fact that it does come directly from the legislation what kind of role everyone has. I do not think there is any ambiguity in that. This sector in which we operate in it is quite unambiguous." (Interviewee 3.)

4.1.3 Management strategies

None of the interviewees had experienced that there would be explicit management strategies in place when it comes to stakeholder collaboration. Interviewees from Finnish Customs and external stakeholders did raise that strategic touch from the management to collaboration would be beneficial as collaboration is currently carried out more reactively in a practical level. Interestingly, the concept of management strategies seemed unfamiliar to many no matter the organization, and it was not characterized as a clear driver for collaboration as it could have maybe been in the discussions with the private sector. The government programs determine the operative focus in the public sector to a great extent. Therefore, the lack of clear strategies from the management that work together with the government processes was seen as a challenge by Finnish Customs especially.

"We are trying to bring customer understanding and through that stakeholder collaboration, through the structures and move [collaboration strategy] forward in a that way." (Interviewee 6.)

"Another bigger one that affects all public organizations in some level is, of course, that every time there is a new government and a new government program, if something is defined or prescribed for a sector, it is the sum of many things... if you think about the future, for example, the next government, etc., so first of all it is

very much influenced by what kind of coalition will be there. It is hard to say what (the) measures etc. are recorded in the government negotiations, but in my opinion, in principle, in all this type of process, Customs is consulted, but of course you can always think about whether you should be heard more, or what kind of influence channels and mechanisms there are...The lower you go in the hierarchy, the less influence that person probably has on the government program negotiations, it is still a pretty small group that affects it." (Interviewee 3.)

Both Finnish Customs and external stakeholders saw resources as one single important enabler of collaboration that can be influenced through management strategies. It was commonly agreed that management considers collaboration being important in the public sector and actively promotes it across organizations, but there are generally no proper resources or time allocated to it. Therefore, strategic decisions and investments behind collaborations are missing, which further has an impact on the implementation of collaboration with other public sector organizations - in practice, it becomes problematic.

"There are never enough resources. The people that I see have remained the same. Much the same people who were already there in the 90s". (Interviewee 6.)

"This is such an eternal question – it is always in a political discussion that [collaboration] should be done between ministries, and the borders disappear and blah blah blah. Per se, of course, something to aim for, but there are two things here - the first is that you have the official duties for which you are responsible for, each officer, so it must be handled as cost-effectively as possible, it is a requirement of the Administrative Law that they be handled efficiently and effectively, so that means in Finnish that you do not have extra resources for anything in general. It may even be that there are too few resources, depending on the state of the state's finances, and how Customs has managed to get resources or how much has been deducted from us. Then, when it would be very rational to [collaborate], to do something together, between different authorities, unfortunately no resources have been allocated to that. It is a really beautiful and worthwhile thing, but if it requires resources, it usually falls apart because no one has the extra resources to make that connection...it is the management's job to see that there are enough resources, that is normal leadership." (Interviewee 1.)

"What is currently happening in working life in general, which also affects this stakeholder collaboration, is of course the fact that everyone is in a terrible hurry." (Interviewee 2.)

"I know roughly what [collaboration in my unit] is, but not everything is reported to me, and even if it is reported, the other thing is that I do not have time to read what anyone has agreed on and discussed, but maybe something could be developed for that coordination...On the international side, there is really good coordination, and it will probably also come as a legacy of the Ministry of Foreign Affairs. But it is also a matter of time allocation." (Interviewee 3.)

One external stakeholder highlighted the benefits of organizations having a dedicated person for stakeholder relationships. In particular, the interviewee felt an allocated resource in all organizations of the public sector would streamline collaborations and lower the threshold to initiate one.

"I have noticed that in many public organizations, no one is ring-fenced for stakeholder relations. When there is no such role in public organizations, it is difficult to recognize a contact person if you are creating something new or looking for contacts through which to start developing something. Then the person has to be identified somehow from inside the organization in a different way than if you could just contact stakeholder relations and ask from which angle we should start approaching this, or who could be contacted. It is often advised to contact the management, where it is usually really busy, so how can you focus on this single issue, and often then it is delegated to the substantive units. If there would be a dedicated person whose job it is to create connections would make collaboration a lot easier, in my opinion." (Interviewee 7.)

Another pattern that evidently emerged in relation to management strategies is strategic focus and development of technologies. The pandemic drastically increased the use of technologies and forced the public sector to think new ways of collaboration. The findings show that one factor that has clearly hindered collaboration is insufficient technology development and delivery. It was admitted that Finnish Customs' operations make enormous use of technology, but the focus has been en masse on the internal processes, such as analytics and decision making. A strategic shift of the capabilities to driver and enabler type of mindset could benefit also other public sector organizations when knowledge could be used effectively, in addition to making the work itself more efficient.

"[How to advance knowledge sharing] has been investigated for several years as well as various system integrations, joint systems, and what is possible and on what schedule. Some have progressed and some are ongoing, we have these in very

different stages, but we are constantly working to identify them. On the other hand, what information is formed and what everyone uses and where...when operating methods of different authorities change, they can then use that information in a slightly different way, so [sharing knowledge] is a constant discussion that seem to have no conclusion." (Interviewee 2.)

"Technology has become an important tool in recent years. It also has an effect in Customs, that they are also starting, probably due to the fact that these remote meetings can be organized, to have experts or similar tasks that have previously been here in Helsinki, so they have been able to move them around Finland a bit. There are such important experts and partners in Customs who are important to us, and even though they are in Vaasa, we could easily hold meetings through some tools." (Interviewee 4.)

"It is really tiring if you are traveling for a few hours within the country or you have a meeting somewhere in Brussels or no matter where it is, it is really a pain and really annoying to spend some weekends and evenings and nights hanging out at an airport, so it is not really that long-term solution. But then these [technologies] must have the security level to deal with our issues...there are these safer solutions that not everyone has access to, and the other thing is that even though sometimes it feels like you have access, in the end you do not always get in, it does not work, etc. But let's say that technical tools for secure communication or maintenance, they could be a bit easier to access and more widely used, and then the whole mechanism [in the public sector] needs to be developed in some level." (Interviewee 3.)

"When the state pays all of our salaries, you would think that there would be some kind of an idea bank that could be used. It would be more systematic if you could set up something at the state level that others could then look at. It is unlikely that things are so secret that you would not be able to set up something, it would be very useful. Why is [information] kept [inside one organization] when it has been paid with state funds, and it should be available to everyone. And in a similar way, what Customs feels could be useful to someone else, you could put Custom's own section there, and there could even be a discussion feature there. Now there is no such system - everyone does their own thing, and those are probably quite good, but how can you find out about the others if you do not specifically ask. It requires that inquiry and contact and more." (Interviewee 1.)

4.1.4 Leadership

On an organizational level, Finnish Customs has been able to facilitate collaboration through leadership decisions – one unit has for example created a space for new initiatives for collaboration to emerge. Interviewees felt that the environment is encouraging when it comes to starting collaborations, and the external stakeholders had similar experiences when collaborating with Finnish Customs.

"In our unit we have started a kind of artificial intelligence cafe, where different innovations come, it does not have to be artificial intelligence, but to present any new innovations, and then we discuss these innovations with the organization, and then internally innovate how it could be utilized in Customs. It has really enriched collaborations." (Interviewee 1.)

"In many parts it is also regulated that we cannot discuss everything with everyone. If looking at a general sentiment, at least I do not ever remember in my own career that anyone has ever said that it would not be appropriate to collaborate or approach some organization, and I have been very encouraged to do so." (Interviewee 3.)

"The collaboration has been very smooth and very forward-looking, we have been able to seize these big issues very quickly, which require developing new skills very quickly as well as creating new ones. We have been very positive about the way in which Customs has taken over this matter." (Interviewee 5.)

The findings show that establishment of empowered culture through leadership enables the public organizations to seize the collaboration opportunities to solve wicked problems. Leadership style was described as vital in engaging parties in finding solutions to a common issue. Leaders are expected to act as coaches that create an environment where people are allowed to find new opportunities while acknowledging the accountability.

"It is good that when there is some kind of driving force or initiator, if you think that some ministry is driving [collaboration], etc., then of course it affects how the organization leads that collaboration and what kind of atmosphere it creates for the processing of the matter." (Interviewee 3.)

"I do not appreciate teams that are too bureaucratically created. For example, a situation where the top management of the agencies has mutually agreed on some formal collaboration, then there is a risk that they are not necessarily very effective when that collaboration is so formal. Maybe those people feel that they are not capable of a very free development, that they have a specific thing that they need to get done. The best [collaborations] are those that are self-initiated, where different people in the organization have heard about something from another organization, feel empowered, and want to get to understand it. The best ideas are created in an open environment, not by force." (Interviewee 1.)

One interviewee from Finnish Customs, in particular, examined critically the role of a leader in fostering collaboration. The interviewee emphasized the need to enhance trust and collaborative behavior, where individuals confront the problems together. In case of impairing empowerment, it should be in the leader's core to be adaptive and establish a different kind of atmosphere. To call for similarities in the private sector, the interviewee interestingly pointed out that "if I were working for a private company and I had these different teams, would I be okay with them doing good things by themselves, but not talking to each other?"

"My task as a leader is to create an [encouraging] atmosphere in our unit. How you are able to collaborate depends precisely on what kind of management culture you have, and how much the organization opens up and talks about itself and offers to collaborate. It depends on that culture. When this unit was established, I emphasized that we have common resources. That even though everyone has their own tasks and job descriptions, and statutory stuff, we still have the philosophy that we have common resources, we help each other and are encouraged to be naturally curious, we can study other people's stuff and the broader the job descriptions, the better. The more efficient, competent, and high-quality we are. The bigger the unit, there can be different cultures, and it is the task of the manager of that unit, that if you notice that there are cultures there that the manager does not think are good, then the task of that is to create the wanted environment, that the whole function or the unit or department would function in the desired way as far as possible. Leaders have a big responsibility in that." (Interviewee 1.)

4.1.5 Formalization

It appears from the interviews that collaboration practices differ widely across and within Finnish Customs and external stakeholder organizations. Findings show that there are no common practices inside Finnish Customs, and different units are not aware of each other's operating models in relation to stakeholder collaboration. Although, in general formal drafting mechanisms for example in relation to EU-politics are found to be important. Similarly, interviewees recognize formalization as a way of enhancing transparency, and that the information is shared in the public sector efficiently.

"Probably those collaboration models could be more thoroughly outlined like in the whole field, as it is not necessarily appearing to me as clear either." (Interviewee 3.)

Closer examination of the results reveal that some level of hierarchy and formalization are in place in Finnish Customs in the form of frequent meetings and structures that help to monitor collaborations, their purpose and effectiveness. Frequent scheduled meetings have also helped with the trust relationship building. These processes have not been implemented for wider use within the organization but are found to be very helpful.

"We have frequent coordination groups of different authorities, which then go through annual planning, results and more of a strategic aspect. We have different ad-hoc groups that discuss about a specific problem that has come up, for example some legislative change is at hand, and we think about how it affects, what we want to do with it, what should be prepared, and what to comment on. Then we have these kinds of one-on-one meetings with different authorities, where we partly share the work, exchange information, and where we are. Experts have different networks, where they exchange information, know-how, etc.." (Interviewee 2.)

"Our unit has a stakeholder collaboration table, which includes everything we are involved with, what we are aiming for, who are the representatives, and then that table tells us whether we have achieved the goals that we seek from that collaboration. We can check from it whether there is something new that needs to be added to it, and if there is some collaboration that is currently not producing anything and can be temporarily stopped until it possibly starts again if something happens. You do not have to collaborate for the sake of collaboration, but so that everyone benefits from it of course". (Interviewee 1.)

External stakeholders agree that the beforementioned formalization foster collaborations in the public sector, as similar structures and processes have been enforced in their organizations. However, due to the relationship an external stakeholder may have with Finnish Customs, some of these formalizations may be based on the law.

"There are permanent structures, and they are also important. With our matters or in these steering matters of the ministry that concern Customs, we are collaborating with the top management of Customs. We have regular structures according to the annual clock, how things progress, and we keep certain quite official meetings. Then we have topical discussions maybe every couple of months. Even if nothing important is on the agenda, we usually always notice that it was necessary to meet again when we go over with each other the things that are going on." (Interviewee 4.)

"I have seen it as important that we have such a regularly and irregularly recurring tool [as meetings] in this communication, so that the information will be managed as systematically as possible, and it will not be left to memory. If there is less to talk about, a shorter meeting will be held, and if there is a bit more, then a longer meeting will be held. [The meetings' agenda] include introduced topics, so it is not free debating, but we try to use [the time] quite effectively. If necessary, the experts continue with it even in pairs or whatever they do with a smaller group, but this is perhaps a bit of a high-level collaboration body that ensures that we are all on the same page." (Interviewee 6.)

"Processes must always be as clear as possible even in the ministry, for example we and Customs in this working group have formal processes, we have nomination requests for different organizations and then the appointment decision from the working group, so of course there is a very formal process, but I feel that these support the clarity of work in state administration and that is needed. [Collaborations] are in many respects open statutory matters and that is why those [related] documents, for example, are public, so you cannot really get over or around that there are certain processes, and you just must get along with them." (Interviewee 5.)

4.2 The impact of public sector

The final part of the interviews included a set of questions regarding the context of the public sector in a collaboration setting. The interviewees were asked to describe, based

on their experience, if they are familiar on the features commonly linked to the public sector, and how those may or may not affect to collaboration within the public sector. All the interviewees had similar experiences about the public sector, despite the organization they present. Finnish Customs' position in the public sector is intriguing, as it performs tasks under 11 ministries. The collaboration between ministries is rather straightforward in Finland, as the country is not facing similar challenges as other bigger countries may be facing, such as high level of hierarchy or lack of communication within the government. Finnish Customs is perceived as a trustful enforcement organization within the public sector, as no other public organization has similar knowledge and data on foreign trade than Finnish Customs does.

Based on the interviews, the main forces for resistance of collaboration in the public sector were silo structures and fragmented missions. The aspects that can sector-wise affect the collaborations most significantly, are sufficient policies and legal framework and investments to budgets and development initiatives. The data shows that the recent changes in the operational environment have forced the public sector to start carrying out actions to facilitate collaboration more effectively.

"Of course, there are these [features in the public sector], but the public administration has tried to invest in that customer perspective, which now perhaps reflects the pretty big change that has been experienced in the last couple of decades". (Interviewee 6.)

"If you think about the Covid-19 era, the EU's sanctions against Russia after the invasion started in Ukraine, I think they are being handled flexibly and at a very brisk pace, which I would have not necessarily been able to see a few years ago that they can be managed, both nationally and as EU-wide, with such a speed from start to implementation." (Interviewee 3.)

If transparency and power sharing were identified as one of the fundamental drivers of effective collaboration, silo structures and fragmented missions were considered as factors that try to knock collaborations off the course. Political interests and legislation were mentioned as aspects that have an impact on the missions of each organization, and

their ability to carry out long-term strategic planning and decision making when it comes to collaborations. The interviewees had witnessed silo structures developing due to these fragmented missions. Taken together, if the organizations would be able to release autonomy and commit to an empowering environment within the public sector framework, they could foster the collaboration in the time of wicked problems.

"When we talk about collaboration with other ministries, we have quite different interests. There might be a bit of a tug of war between the authorities, like for example between the police and customs, because the ministries have slightly different agendas, and sometimes it has come across that something has pretty much been prepared somewhere and we have not been told on purpose so that we are not able to influence it." (Interviewee 4.)

"Political will can sometimes be a limiting factor - whether you want to do something, whether the management wants to do something and move something forward or not. In other words, it is often a question of, for example, at the ministry level, the different perspectives and different goals of the ministries, or even just political guidance. For example the current government, which has many different parties, and if there is a really strong political guidance, the management of a certain ministry, for example, sees that you have to be active in some matter, or that the matter has to be in the care of a certain ministry, so the same thing can affect, for example, collaboration between ministries....but that is not what we are aiming for, but of course there are some cases where collaboration at the official level does not work." (Interviewee 5.)

"Silos are often caused by those statutory tasks, you have to manage them with the resources you have been given, so of course it is a silo. That is what management culture is all about, if you have completely different theses, then it becomes a kind of unapproachable silo. In other words, the silo comes from legislation, but if it is real, it is because of that culture." (Interviewee 1.)

"Of course, there are some differences in emphasis, and sometimes there can be a difference in goals, because we each have our own tasks. Then you must think about certain kinds of compromises, what kind of regulations are created and what kind of operating models are created." (Interviewee 6.)

The legal frameworks and policy limitations were seen as general and unavoidable features of the public sector. Still, the data shows that interviewees sometimes struggle with the resulting inflexibility and attempt to balance between the limitations and

possibilities. Inefficiency was found to be especially frustrating. Fragmentation in the legal frameworks also caused interpretability.

"It is frustrating, you cannot deny it, if your own work is not progressing because something is simmering for a really long time or you do not know who it belongs to, but sometimes these are difficult decisions and sometimes these also political decisions, so you have to wait patiently for them. Sometimes the officials do, well, I do not want to use the word useless work, but there are such situations that even though the government term is coming to an end and certain government proposals expire, an officer could have prepared that proposal for years, and then when it has not been presented in parliament in this government term, it expires and then the work has to be started again, when the next government starts its work." (Interviewee 5.)

"The limitation to utilizing stakeholder cooperation relates to the fact that we have to revise some legislation to be able to provide information. We do have this kind of ad-hoc reporting, so that if something is detected in our own activities, we can be in touch with, for example, a municipal authority. We notice something that is not part of our field, but another authority could use the information, we face these situations all the time. It is more about how to get that information also about those results, so that others can use the results of others in their own work, that is the question at the moment, how we get information transferred and what we can transfer." (Interviewee 2.)

The last features that emerged from the data were budgetary constraints and lack of technology development and delivery. As discussed in connection to collaboration drivers, the interviewees felt that political focus, which directly affects the budget and therefore, resourcing discussion of each organization, restricts them to start and continue collaborations with other organizations. In addition, as the operational model has been shifting to online, technology solutions have not followed in step. Even though the interviewees have accepted the limitations in their working environment, it is clearly raised in the discussions that sufficient, and most of all consistent, technology solutions across the sector could significantly impact collaboration possibilities.

"During [a meeting] break, you may hear what others are doing, but at the same time, it could really be the file or database that you were going through instead, and you could contact someone based on that." (Interviewee 1.)

"If you think about stakeholder collaboration not on face-to-face basis, then even in the PCB-collaboration between the Police, the Customs and the Finnish Border Guard, you enter the matters into common information systems and common databases, from there you get the information you possibly need and it does not need to be delivered to anyone separately, so that kind of common information systems would help which are similar type as at the Union level, there are no such common systems currently available." (Interviewee 3.)

4.3 Summary of the key findings and revised framework

This study embarked to find out how a government organization can foster stakeholder collaboration in the public sector environment. Altogether, the findings show that government organizations acknowledge the drivers of collaboration (trust, power sharing, management strategies, leadership, and formalization) and find them as important factors when looking at an effective and efficient collaboration in the public sector, despite the organizational characteristics or the level of organization. Especially trust and power sharing together were considered as fundamental drivers of collaboration. At the same time, the lack of either one of these drivers can be the cause of major conflict in collaboration. An interesting public sector feature that emerged from the data is that collaboration may as well lead to competing about resources and finances instead of exploiting competitive advantage. Management strategies as a driver were the only notable exception when looking at the experiences of the interviewees. Whilst the right type of leadership was considered as a vital driver, according to the findings, strategic thinking in collaboration in the public sector was not familiar, despite the clear expression of need. Interestingly, each driver is found to be individually important, but together they are mutually dependent. Losing one driver can be the determining factor on whether a goal is reached or not in a collaboration.

Collaboration in the public sector was discovered to be as much about its drivers as it is about the organizational practices. The study revealed eight practices and conditions, as presented in Figure 7, that support government organization to foster collaboration in order to exploit the complementary capabilities and synergies external stakeholders to

address the wicked problems. Even though the practices are enhancing each driver individually, they are also mutually connected to each other. Therefore, each driver will not only form practices fostering collaborations, but is also intensified by each practice. By embracing these drivers and practices, government organizations are able to positively impact the success of a collaboration.



Figure 7. Summary of collaboration drivers and practices.

Another significant finding was that the features of the public sector affect the initiation, implementation, and efficiency of collaborations in an eminent way. Despite government organizations being adapted to the operational limitations, especially silo structures and fragmented missions were still identified as hindering factors for collaboration. Organizations consider that the constantly shifting political focus that further affects to the budget and development possibilities of each organization in the sector, causes competition and long-term strategic limitations to the operations. Even though the changes in the operational environment have forced the public sector to already action on lowering the impacts of these characteristics linked to the public sector, they present a noticeable dimension to collaboration and solving problems that are already wicked in nature. The current legal framework is not serving the future oriented planning and operations that would meet the emergent threats of the environment.

To summarize, the figure 8 is presenting the synthesis of theory and the empirical findings. Based on the evidence of this study, government organizations can foster stakeholder collaborations in the public sector environment by embracing the drivers and related practices of collaboration. As expected, changes in the environment resulting to wicked problems added another dimension to the operational environment, but at the same time can be viewed as the rationale to initiate a collaboration. The study confirmed with empirical findings that the fundamental drivers of collaboration in the public sector are trust, power sharing, management strategies, leadership, and formalization, out of which management strategies was the less known driver in the public sector.

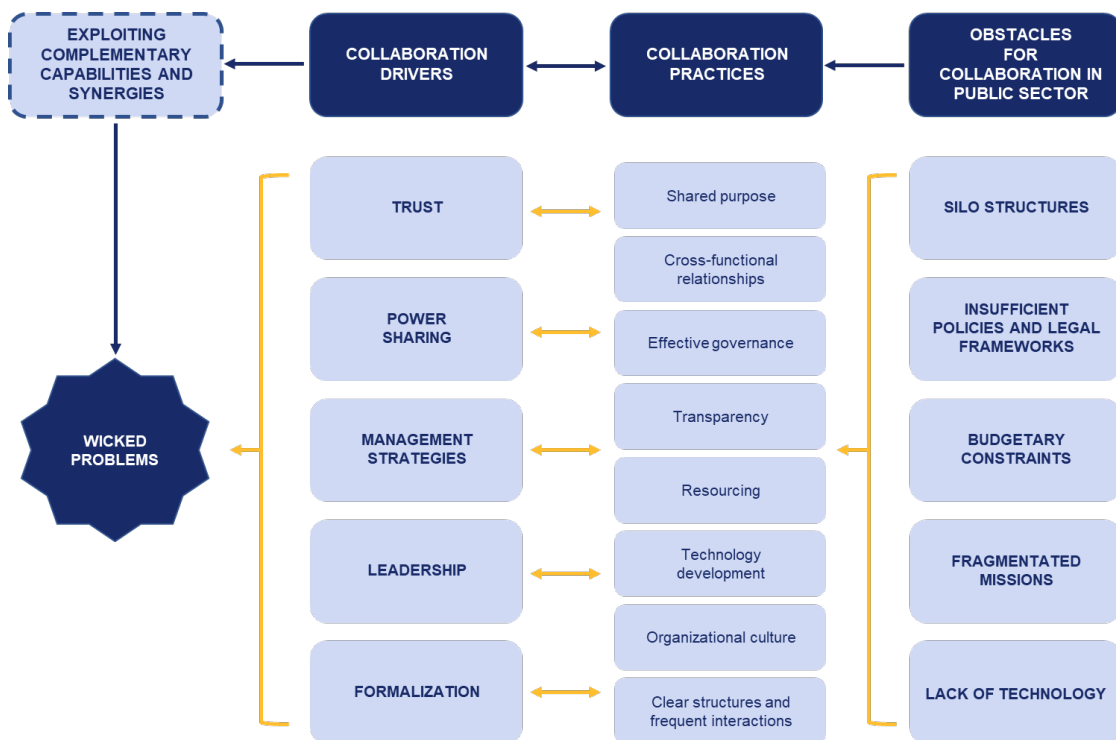


Figure 8. Synthesis of the theory and empirical finding.

5 Discussion

5.1 Theoretical contribution

As reasoned in the theoretical review, engaging stakeholders to create joint value and adaptive advantage is critical for organization's long-term success (Donaldson & Preston, 1995; Freeman et al. 2001; Jones et al., 2018). Stakeholder collaboration is a viable solution to unveil wicked problems in changing operating environment (Agranoff, 2012; Brugha & Varvarovszky, 2000; Daake & Anthony, 2000). This study extends the knowledge of stakeholder collaboration in the public sector context by fulfilling the presented research gap (Campbell, 2016; Costumato, 2021). The study continues the prior research on stakeholder collaboration with the public sector and government organization context. More specifically, the study unfolds how a government organization fosters stakeholder collaboration to solve wicked problems in the public sector environment and examines how related practices can enhance the drivers and embrace collaboration.

The findings implicate that the public sector can benefit from stakeholder collaboration similarly as the private sector, especially when finding solutions to wicked problems, which would be more challenging or ineffective for an organization to reach or untangle on their own (Kell, 2003; Roloff, 2008; Seuring & Gold, 2013; Svendsen & Laberge, 2005; Turcotte & Pasquero, 2001; Kujala et al., 2022). The stakeholder collaboration model, presenting the fundamental drivers of collaboration and adaption of public sector attributes, is a robust framework for a government organization to foster collaboration to tackle wicked problems. A clear and positive link between the presence of specific collaboration drivers and performance also occurs in the public sector context (Costumato, 2021). In line with Costumato (2021), the findings of this study identified the typical collaboration drivers, i.e., trust, power sharing, management strategies, leadership, and formalization, and that these approaches are mutually dependent and remain the same despite the level of government. However, as Costumato (2012) observes, the management strategy concept is familiar only on preliminary basis in the public sector. Altogether, the findings display in evidence the structure of the framework.

The findings agree with the features often linked to a public sector organization, i.e., silo structures, insufficient policies and legal frameworks, budgetary constraints, fragmented missions, and lack of technology (Baptista et al. 2020; Costumato, 2021; Lægreid & Rykkja, 2022; Rajala et al. 2017). Interestingly, while the operational environment has forced the public sector to facilitate collaboration more effectively, especially silo structures, fragmented missions, constraints on budget and technology and related side effects still hinder government organizations' ability to implement collaborations to solve wicked problems. The findings suggest that embracing the collaboration drivers and related practices, a government organization can foster collaboration within the obstacles caused by the features of the public sector. In line with Huxham (1996), the findings suggest that public sector organizations release their autonomy in collaborations but extend the existing theory with a need to commit to an empowering operational environment.

Furthermore, the study adds the public sector context to the concept of "context based bargaining power" presented by Yan and Gray in 1994. The findings show that collaboration in government organization setting can just as likely lead to competing for example about finances or resources. In relation, the study emphasizes especially the fundamental importance of trust and power sharing in the public sector collaborations (Costumato, 2021; Emerson et al., 2012; Huxham et al., 2000). However, these attributes tend to be overlooked by the significance of legislative requirements. When strategic thinking is missing behind the collaboration, building on trustful cross-functional relationships may be forsaken. If the relationship building is not addressed or is compromised, it can also result in conflicts or organizations neglecting collaborations altogether (Cabral et al., 2019; Kujala et al., 2022).

Finally, the study contributes to the existing literature and knowledge of stakeholder and interorganizational collaboration by presenting empirical evidence from the perspective of a government organization on how in practice stakeholder collaboration can be fostered in order to exploit the complementary capabilities and synergies to address wicked

problems. In connection to the drivers, the study discovered ten mutually dependent practices and conditions, i.e., shared purpose and common goal, clear accountable roles, transparency, resourcing, technology development, organizational culture and empowered people, clear structures and frequent interactions, and process monitoring. Surprisingly, the study discovered that even though these practices are enhancing each driver individually, each driver will not only form these practices, but is also intensified by each practice. More effort is required from government organizations to balance between the obstacles of the public sector and effective stakeholder collaboration, as well as to thrive on strategic planning and implementation of collaborations and embracing these drivers and practices to foster successful stakeholder collaboration in the public sector environment.

5.2 Managerial implications

The growth of interdependence has connected the public sector organizations more closely to each other, and thus also increased the vulnerabilities. Operational matters are more dispersed and multidimensional, different causes and consequences are intertwined, and affect various actors across the sector. In a complex operating environment and conditions of shared power, public sector managers must increasingly participate in inter-organizational collaboration in order to efficiently achieve the set public goals and find solutions to wicked problems constantly occurring due to the operating environment.

There is no longer a possibility that a government level issue would be managed by only one organization or unit. This means that information is needed more than ever, and it should be analyzed and shared more effectively. The information should flow vertically and horizontally between the applicable organizations in the public sector, as the future-oriented planning and preparing will continue to be a challenge also in the future. Situational awareness is achieved and maintained only with the help of shared communication and knowledge. Competent authority is a very important term, which means that

every authority, especially in times of crisis, knows its own tasks and areas of responsibility. The problem is that when the operational environment is significantly more complicated than it might have been before, the competent authority also easily prevents the flow of information and joint management. This aspect asks us to consider the role of management and the ability of management to lead people effectively. The focus should be shifted from whether collaboration is needed to how it should be implemented in the public sector within the existing framework.

Concerning the role of management in collaborative context, the findings present several actions that public sector managers can take to foster collaboration. First of all, building trustful relationships with external stakeholders is fundamental in the success of collaboration. Collaboration parties having a common view on the end goal and sharing the same purpose ensures that the ship is steered in the same direction. The level of trust towards another organization is shown in the transparency and knowledge sharing, and how open the organization is in sharing power with another organization. From a management perspective, leadership style is essential in preventing conflict of interests in collaboration and promoting evidence-based management. Sharing relevant information is essential, and it will further enable purposeful strategic management.

Establishment of empowered culture through leadership decisions is critical in order for the organization to seize collaboration opportunities to solve wicked problems. Leaders are expected to adopt a leadership style that allows them to act as coaches and create an environment where people are allowed to seek new opportunities, whilst understanding the accountability feature of the sector and the existence of different cultures within and between organizations. Leaders should monitor, facilitate, and encourage others within the organization to organize frequent meetings and make cross-functional linkages with other organizations. One should keep in mind that the role of a leader is to show the way for the rest of the organization. If needed, leaders should dare to challenge old practices and react to an organizational culture that does not serve the organization's vision, as otherwise the benefits are inaccessible.

Leaders should also pay special attention to strategic management of collaboration. While the government programs determine the operative focus of government organizations, the lack of strategic thinking that echo these government processes clearly affects the organization's ability to develop stakeholder collaboration in long-term. As collaboration within the public sector is connected also to competing of resources and finances, leaders should form a strategy for collaborations and monitor it, as it can further impact on the number of resources and ability to deliver sufficient technology and other capabilities. Through strategic management, a public sector organization may increase its relevance in the eyes of other public sector organizations and therefore, impact for instance the future funding.

It should be acknowledged that building trust between organizations, facilitating cross-functional relationships and re-structuring processes take time and willpower. Reluctance to new ways of working may be extensive especially if similar processes have not been implemented in the organization previously. The majority of the collaboration initiatives of the public sector originate from legislation. From this perspective, what was found in the study was that if the collaboration is forced due to legislative requirements, it may not be productive and embrace the drivers that foster collaboration which could further exploit synergies between the organizations for the benefit of both. Withdrawing from public sector features completely is unrealistic but embracing the opportunities of collaboration and open mindset would make the concept more approachable for a public sector organization. The leaders are challenged to make time in strategy planning to remain relevant and motivate their organization to discover collaborative elements in the operational model.

5.3 Limitations and avenues for future research

Even though the study is rich from the theoretical contribution perspective, it is not without limitations. The study concentrates on one case organization - a public sector

organization operating in a specific field. As the case organization has special characteristics in terms of field and operations under several different parent organizations in the public sector, the generalizability of the findings to other public sector organizations is limited. Within the sector each organization has various operating models, and in international context, for instance, public sectors differ in ways of structure. In addition, the author's bias should be considered, as the findings may be influenced by subjective sentiments. It should be also noted that the author has been in service relationship with the case organization before the research was conducted. Lastly, the reader should consider other factors that may influence the findings of the study, such as the time of the study and respondents' roles. Individual aspects such as cultural variations and previous work experience may influence the findings. Thus, information gained from the interviews with the respondents who work in the organizations involved in the collaboration may be biased towards the respondent's perceptions of the factors. The study evolves around issues that are sensitive and cannot be freely discussed about. Much of the information is also confidential from a legal point of view. Due to such sensitivity of the subject and organizations involved in the study, it may have limited the comprehensiveness of the collected data.

The aim of the study was to extend the knowledge of stakeholder collaboration in the public sector context, and how government organizations could foster the stakeholder collaboration in practice to solve wicked problems. As the academic contributions on the dynamics of collaboration specifically in the public organization context has been limited, it presents opportunities for future research. In order to generalize the study, the next stage would be to repeat the study in a multiple case study context with other public sector organizations. Comparing other public sector organizations would broaden the research data and theoretical contribution. Moreover, applying these findings related to stakeholder cooperation to other organizations could reveal similarities and dissimilarities between the organizations in the sector. This would be valuable in terms of research as the organizations have unique characteristics when compared to each other. Internationalizing the study would however be challenging and require comprehensive

understanding of the politics and government and organizational operating models of the specific countries to reliably analyze the findings. As this study only touched upon the characteristics of a public organization and the related threats and did not widely analyze the development needs of legal framework, an ambitious study would continue this research by finding government level ways to reshape the sector towards a more efficient and effective operations and to mitigate the effects of strategic competition.

Based on the findings of this study, aligned with Costumato (2021), it would be suggested to study, in depth, the measurement frameworks of collaboration, and how collaboration in the public sector can be evaluated within the organization. The importance of public sector collaboration is clearly visible, but the ways to measure, monitor and assess the effectiveness would require further study. Even though the measurement framework is beyond the scope of this study, the public sector would benefit from it, as the significance of how to facilitate the collaborations can have a direct impact in the financing of the organization, as financing demands proven impact. The focus of (the) collaboration in the public sector is subject to change based on the changes in the operational environment and the public interest. Thus, related value attributes may change. At the time of the study, the geopolitical crises were likely to influence the assessment of value attributes. Therefore, in all further studies, attention should be put into the complexity and variability of external context of the collaboration, and how those affect the stakeholder involvement over time.

References

- Agranoff, R., & McGuire, M. (2001). Big Questions in Public Network Management Research. *Journal of public administration research and theory*, 11(3), 295-326.
<https://doi.org/10.1093/oxfordjournals.jpart.a003504>
- Agranoff, R. (2012). *Collaborating to Manage. A Primer for the Public Sector*. Georgetown University Press.
- Airike, P., Rotter, J. P., & Mark-Herbert, C. (2016). Corporate motives for multi-stakeholder collaboration – corporate social responsibility in the electronics supply chains. *Journal of cleaner production*, 131, 639-648.
<https://doi.org/10.1016/j.jclepro.2016.04.121>
- Alharahsheh, H. H., & Pius, A. (2020). A Review of key paradigms: positivism VS interpretivism. *Global Academic Journal of Humanities and Social Sciences*, 2(3), 39-43. <https://doi.org/10.36348/gajhss.2020.v02i03.001>
- Andriof, J., Waddock, S., Husted, B., & Rahman, S. S. (2017). *Unfolding Stakeholder Thinking: Theory, Responsibility and Engagement*. Taylor & Francis Group.
<https://doi.org/10.4324/9781351281881>
- Ansell, C., & Gash, A. (2007). Collaborative Governance in Theory and Practice. *Journal of public administration research and theory*, 18(4), 543-571.
<https://doi.org/10.1093/jopart/mum032>
- Atkinson, P., & Delamont, S. (2006). Five Misunderstandings about Case-Study Research. *Qualitative inquiry*, 12(2), 219-245.
<https://doi.org/10.1177/1077800405284363>
- Austin, J. E., Hesselbein, F., & Whitehead, J. C. (2010). *The collaboration challenge: How nonprofits and businesses succeed through strategic alliances*. John Wiley & Sons, Incorporated.
- Baptista, N., Alves, H., & Matos, N. (2020). Public Sector Organizations and Cocreation With Citizens: A Literature Review on Benefits, Drivers, and Barriers. *Journal of nonprofit & public sector marketing*, 32(3), 217-241.
<https://doi.org/10.1080/10495142.2019.1589623>

- Bardach, E. (1998). *Getting Agencies to Work Together: The Practice and Theory of Managerial Craftsmanship*. Brookings Institution Press.
<https://doi.org/10.7864/j.ctv86ddm>
- Benson, M. L., & Cullen, F.T. (1998). Combating corporate crime: Local prosecutors at work. *Northeastern University Press*. DOI:10.2307/2654448
- Boyne, G. A., & Walker, R. M. (2004). Strategy Content and Public Service Organizations. *Journal of public administration research and theory*, 14(2), 231-252.
<https://doi.org/10.1093/jopart/muh015>
- Brinkerhoff, J. M. (2002). Assessing and improving partnership relationships and outcomes: A proposed framework. *Evaluation and program planning*, 25(3), 215-231. [https://doi.org/10.1016/S0149-7189\(02\)00017-4](https://doi.org/10.1016/S0149-7189(02)00017-4)
- Bryson, J. M. (2004). What to do when stakeholders matter: Stakeholder Identification and analysis techniques. *Public management review*, 6(1), 21-53.
<https://doi.org/10.1080/14719030410001675722>
- Bryson, J. M., Ackermann, F., & Eden, C. (2007). Putting the Resource-Based View of Strategy and Distinctive Competencies to Work in Public Organizations. *Public administration review*, 67(4), 702-717. <https://doi.org/10.1111/j.1540-6210.2007.00754.x>
- Brugha, R., & Varvasovszky, Z. (2000). Stakeholder analysis: A review. *Health policy and planning*, 15(3), 239-246. <https://doi.org/10.1093/heapol/15.3.239>
- Cabral, S., Mahoney, J. T., McGahan, A. M., & Potoski, M. (2019). Value creation and value appropriation in public and nonprofit organizations. *Strategic management journal*, 40(4), 465-475. <https://doi.org/10.1002/smj.3008>
- Campbell, J. W. (2016). A Collaboration-Based Model of Work Motivation and Role Ambiguity in Public Organizations. *Public performance & management review*, 39(3), 655-675. <https://doi.org/10.1080/15309576.2015.1137763>
- Campbell, J. W. (2018). Efficiency, Incentives, and Transformational Leadership: Understanding Collaboration Preferences in the Public Sector. *Public performance & management review*, 41(2), 277-299.
<https://doi.org/10.1080/15309576.2017.1403332>

- Carminati, L. (2018). Generalizability in Qualitative Research: A Tale of Two Traditions. *Qualitative health research, 28*(13), 2094-2101.
<https://doi.org/10.1177/1049732318788379>
- Carnevale, D. G., & Wechsler, B. (1992). Trust in the public sector: Individual and Organizational Determinants. *Administration & society, 23*(4), 471-494.
<https://doi.org/10.1177/009539979202300404>
- Conaty, F. (2021). Abduction as a Methodological Approach to Case Study Research in Management Accounting — An Illustrative Case. *Accounting, Finance & Governance Review, 27*. <https://doi.org/10.52399/001c.22171>
- Cornforth, C., Hayes, J. P., & Vangen, S. (2015). Nonprofit–Public Collaborations: Understanding Governance Dynamics. *Nonprofit and voluntary sector quarterly, 44*(4), 775-795. <https://doi.org/10.1177/0899764014532836>
- Costumato, L. (2021). Collaboration among public organizations: A systematic literature review on determinants of interinstitutional performance. *The International journal of public sector management, 34*(3), 247-273.
<https://doi.org/10.1108/IJPSM-03-2020-0069>
- Creswell, J. W. (1994). *Research design: Qualitative & quantitative approaches*. Sage Publications.
- Cristofoli, D., & Markovic, J. (2016). How to make public networks really work: A qualitative comparative analysis: How to make public networks really work. *Public administration (London), 94*(1), 89-110. <https://doi.org/10.1111/padm.12192>
- Crosby, B. C., & Bryson, J. M. (2005). A leadership framework for cross-sector collaboration. *Public management review, 7*(2), 177-201.
<https://doi.org/10.1080/14719030500090519>
- Cross, W. E., & Galletta, A. (2013). *Mastering the Semi-Structured Interview and Beyond: From Research Design to Analysis and Publication*. New York University Press.
- Customs Act (304/2016). Finlex. Retrieved October 9, 2022, from
<https://www.finlex.fi/fi/laki/ajantasa/2016/20160304>
- Daake, D., & Anthony, W. P. (2000). Understanding stakeholder power and influence gaps in a health care organization: An empirical study. *Health care*

management review, 25(3), 94-107. <https://doi.org/10.1097/00004010-200007000-00010>

- Dixit, A. (2002). Incentives and Organizations in the Public Sector: An Interpretative Review. *The Journal of human resources*, 37(4), 696-727.
<https://doi.org/10.2307/3069614>
- Donaldson, T., & Preston, L. E. (1995). The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications. *The Academy of Management Review*, 20(1), 65–91. <https://doi.org/10.2307/258887>
- Dyer J. H., Chu W. (2000). The determinants of trust in supplier-automaker relationships in the US, Japan and Korea. *Journal of International Business Studies*, 42(1), 10-27. <https://doi.org/10.1057/jibs.2010.34>
- Ecoregional Conservation Strategies Unit. (2020). *Stakeholder Collaboration, Building Bridges for Conservation*. World Wildlife Fund. Retrieved February 20, 2022, from https://wwf.panda.org/wwf_news/?4263/Stakeholder-Collaboration-Building-Bridges-for-Conservation
- Edmondson, A. C., & Mcmanus, S. E. (2007). Methodological Fit in Management Field Research. *The Academy of Management review*, 32(4), 1155-1179.
<https://doi.org/10.5465/AMR.2007.26586086>
- Eglene, O., Dawes, S. S., & Schneider, C. A. (2007). Authority and Leadership Patterns in Public Sector Knowledge Networks. *American review of public administration*, 37(1), 91-113. <https://doi.org/10.1177/0275074006290799>
- Emerson, K., Nabatchi, T., & Balogh, S. (2012). An Integrative Framework for Collaborative Governance. *Journal of public administration research and theory*, 22(1), 1-29. <https://doi.org/10.1093/jopart/mur011>
- Eriksson, P. & Kovalainen, A. (2008). *Qualitative Methods in Business Research* (1st edition). Sage.
- European Commission. (2022). *History of the EU Customs Union*. Retrieved October 9, 2022, from https://taxation-customs.ec.europa.eu/history-eu-customs-union_en

- Fassin, Y. (2010). A dynamic perspective in Freeman's stakeholder model. *Journal of Business Ethics*, 96, 39–49. <https://doi.org/10.1007/s10551-011-0942-6>
- Fassin, Y., Deprez, J., van den Abeale, A., & Heene, A. (2017). Complementaries between stakeholder management and participative management: Evidence from the youth care sector. *Nonprofit and Voluntary Sector Quarterly*, 46(3), 586–606.
- Finnish Customs. (2021). *Finnish Customs Enforcement department's annual publication 2021* [Tullin valvonnan vuosijulkaisu 2021]. Retrieved October 9, 2022, from <https://tulli.fi/documents/2912305/3775682/Tullin%20valvonnan%20vuosijulkaisu%202021/d6140cc9-a7a8-100b-aaf9-d01207ab219a/Tullin%20valvonnan%20vuosijulkaisu%202021.pdf?version=1.1&t=1647611869178>
- Finnish Customs. (2022a). *Finnish Customs strategy for 2020-2023*. Retrieved October 9, 2022, from <https://tulli.fi/en/about-us/our-activities/strategy>
- Finnish Customs. (2022b). *Our activities*. Retrieved October 9, 2022, from <https://tulli.fi/en/about-us/our-activities>
- Finnish Customs. (2022c). *Organization and management*. Retrieved October 9, 2022, from <https://tulli.fi/en/about-us/our-activities/organisation-and-management>
- Finnish Customs. (2022d). *Lukuja Tullin vuodelta 2021*. Retrieved October 9, 2022, from <https://tulli.fi/web/tullinvuosi/2021/luvut>
- Finnish Customs. (2022e). *Finnish Customs strategy for 2020-2023*. Retrieved October 9, 2022, from <https://tulli.fi/en/about-us/our-activities/strategy>
- Flak, L. S., & Dertz, W. (2005). Stakeholder theory and balanced scorecard to improve IS strategy development in public sector. Retrieved October 20, 2022, from <https://www.stou.ac.th/schools/shs/upload/article2.pdf>.
- Frandsen, F. (2018). Stakeholder Management. In R.L. Heath and W. Johansen (Eds.), *The International Encyclopedia of Strategic Communication*. <https://doi.org/10.1002/9781119010722.iesc0168>
- Freeman, R.E. (1984). *Strategic Management: A Stakeholder Approach*. Pitman.
- Freeman, R. E., Harrison, J. S., & Wicks, A. C. (2007). *Managing for Stakeholders: Survival, Reputation, and Success*. Yale University Press. <https://doi.org/10.2307/j.ctt13kh1qh>

- Freeman, R. E. (2010). *Strategic management: A stakeholder approach*. Cambridge University Press.
- Freeman, R., Harrison, J., Wicks, A., Parmar, B., & De Colle, S. (2010). *Stakeholder Theory: The State of the Art*. Cambridge University Press.
<https://doi.org/10.1017/CBO9780511815768>
- Freeman, R. E., Kujala, J., Sachs, S., & Stutz, C. (2017). Stakeholder Engagement: Practicing the Ideas of Stakeholder Theory. In Freeman, R. E., Kujala, J., & Sachs, S. (Ed.), *Stakeholder Engagement: Clinical Research Cases* (pp. 1-12). Springer International Publishing. https://doi.org/10.1007/978-3-319-62785-4_1
- Freeman, R. E., Phillips, R., & Sisodia, R. (2020). Tensions in Stakeholder Theory. *Business & society*, 59(2), 213-231. <https://doi.org/10.1177/0007650318773750>
- Freudenreich, B., Lüdeke-Freund, F., & Schaltegger, S. (2020). A Stakeholder Theory Perspective on Business Models: Value Creation for Sustainability. *Journal of business ethics*, 166(1), 3-18. <https://doi.org/10.1007/s10551-019-04112-z>
- Frooman, J. (2010). The issue network: Reshaping the stakeholder model. *Canadian journal of administrative sciences*, 27(2), 161-173.
<https://doi.org/10.1002/cjas.150>
- Gibbert, M., Ruigrok, W., & Wicki, B. (2008). What passes as a rigorous case study? *Strategic management journal*, 29(13), 1465-1474.
<https://doi.org/10.1002/smj.722>
- Govender, D. (2019). Police and society: Emerging dimensions in South Africa. *International journal of criminal justice sciences*, 14(2), 376-391.
<https://doi.org/10.5281/zenodo.3723998>
- Goyal, L. (2022). Stakeholder theory: Revisiting the origins. *Journal of public affairs*, 22(3). <https://doi.org/10.1002/pa.2559>
- Head, B. W., & Alford, J. (2015). Wicked Problems: Implications for Public Policy and Management. *Administration & society*, 47(6), 711-739.
<https://doi.org/10.1177/0095399713481601>
- Hill, F. M. (1993). Research methodology and the management disciplines: The need for heterogeneity. *The Irish journal of management*, 14(2), 46.

- Huxham, C. (1996). *Creating collaborative advantage*. SAGE Publications.
- Huxham, C., & Vangen, S. (1996). Working together: Key themes in the management of relationships between public and non-profit organizations. *The International journal of public sector management*, 9(7), 5-17.
<https://doi.org/10.1108/09513559610153863>
- Huxham, C., Vangen, S., Huxham, C., & Eden, C. (2000). The Challenge of Collaborative Governance. *Public management (London, England)*, 2(3), 337-358.
<https://doi.org/10.1080/14719030000000021>
- Jalonen, H., Uusikylä, P., Keinänen, A., Kallunki, V., Huhtinen, A., Lonka, H., Laitinen, K., Jukka, L., & Jokipii, A. (2021). *Tiedon huoltovarmuutta etsimässä*. Vaasan yliopisto.
- Jokela, J., & Saul, A. (2023). *The Changing Dynamics Of The G7, G20 and BRICS: Informal multilateral cooperation is increasingly important in an era of strategic competition*. Finnish Institute of International Affairs. Retrieved May 5, 2023, from https://www.fiia.fi/julkaisu/the-changing-dynamics-of-the-g7-g20-and-brics?utm_source=fiia_julkaisutiedote&utm_medium=email&utm_campaign=fiia_bp_361
- Jones, T. M., Harrison, J. S., & Felps, W. (2018). How applying instrumental stakeholder theory can provide sustainable competitive advantage. *Academy of Management Journal*, 43(3), 371–391. <https://doi.org/10.5465/amr.2016.0111>
- Kekez, A. (2019). *Collaboration in Public Service Delivery*. Edward Elgar Publishing.
- Kell, G. (2017). The global compact: Origins, operations, progress, challenges. In M. McIntosh (Ed.), *Business, Capitalism and Corporate Citizenship*. Routledge.
<https://doi.org/10.4324/9781351284202>
- Kenis, P., & Provan, K. G. (2009). Towards an exogenous theory of public network performance. *Public administration (London)*, 87(3), 440-456.
<https://doi.org/10.1111/j.1467-9299.2009.01775.x>
- Khagram, S., & Thomas, C. W. (2010). Toward a Platinum Standard for Evidence-Based Assessment by 2020. *Public administration review*, 70(1), 100-106.
<https://doi.org/10.1111/j.1540-6210.2010.02251.x>

- Kramer, M. W., Day, E. A., Nguyen, C., Hoelscher, C. S., & Cooper, O. D. (2019). Leadership in an interorganizational collaboration: A qualitative study of a statewide interagency taskforce. *Human relations (New York)*, *72*(2), 397-419. <https://doi.org/10.1177/0018726718763886>
- Kujala, J., Sachs, S., Leinonen, H., Heikkinen, A., & Laude, D. (2022). Stakeholder Engagement: Past, Present, and Future. *Business & Society*, *61*(5), 1136–1196. <https://doi.org/10.1177/00076503211066595>
- Læg Reid, P., & Rykkja, L. H. (2022). Accountability and inter-organizational collaboration within the state. *Public management review*, *24*(5), 683-703. <https://doi.org/10.1080/14719037.2021.1963822>
- Macciò, L., & Cristofoli, D. (2017). How to support the endurance of long-term networks: The pivotal role of the network manager. *Public administration (London)*, *95*(4), 1060-1076. <https://doi.org/10.1111/padm.12349>
- Magnani, G., & Gioia, D. (2023). Using the Gioia Methodology in international business and entrepreneurship research. *International business review*, *32*(2), 102097. <https://doi.org/10.1016/j.ibusrev.2022.102097>
- Majchrzak, A., Jarvenpaa, S. L., & Bagherzadeh, M. (2015). A Review of Interorganizational Collaboration Dynamics. *Journal of Management*, *41*(5), 1338-1360. <https://doi.org/10.1177/0149206314563399>
- Manetti, G., & Toccafondi, S. (2012). The Role of Stakeholders in Sustainability Reporting Assurance. *Journal of business ethics*, *107*(3), 363-377. <https://doi.org/10.1007/s10551-011-1044-1>
- Markovic, J. (2017). Contingencies and organizing principles in public networks. *Public management review*, *19*(3), 361-380. <https://doi.org/10.1080/14719037.2016.1209237>
- Meier, K. J., & O'Toole, L. J. (2001). Managerial Strategies and Behavior in Networks: A Model with Evidence from U.S. Public Education. *Journal of public administration research and theory*, *11*(3), 271-294. <https://doi.org/10.1093/oxfordjournals.jpart.a003503>

- Ministry of Finance. (1999). Final Report of the Project on Developing Collaboration Between Authorities [Viranomaisyhteistyön kehittäminen selvityshankkeen lopporaportti 26/99]. Retrieved October 1, 2022, from http://www.vm.fi/vm/fi/04_julkaisut_ja_asiakirjat/01_julkaisut/04_hallinnon_kehittaminen/8006_fi.pdf
- Ministry of Finance. (2022). *Customs*. Retrieved October 9, 2022, from <https://vm.fi/en/customs>
- Mu, R., de Jong, M., & Koppenjan, J. (2019). Assessing and explaining interagency collaboration performance: A comparative case study of local governments in China. *Public management review, 21*(4), 581-605. <https://doi.org/10.1080/14719037.2018.1508607>
- Myllykangas, P., Kujala, J. & Lehtimäki, H. (2010). Analyzing the essence of stakeholder relationships: What do we need in addition to power, legitimacy and urgency? *Journal of Business Ethics, 96*(1), 65–72.
- Norris-Tirrell, D, Clay, J. A., & Berman, E. M. (2010). *Strategic Collaboration in Public and Nonprofit Administration*. Routledge.
- Norros, L., Hukki, K., Haapio, A., & Hellevaara, M. (1998). Päätöksenteko komentosillalla luotsaustilanteessa [Decisionmaking on bridge in piloting situations]. Valtion teknillinen tutkimuslaitos. Retrieved September 9, 2022, from <https://www.vttresearch.com/sites/default/files/pdf/julkaisut/1998/J833.pdf>
- Oates, G. (2013). Exploring the Links between Stakeholder Type, and Strategic Response to Stakeholder and Institutional Demands in the Public Sector Context. *International journal of business and management, 8*(21). <https://doi.org/10.5539/ijbm.v8n21p50>
- O’Leary, R., & Vij, N. (2012). Collaborative Public Management: Where Have We Been and Where Are We Going? *American review of public administration, 42*(5), 507-522. <https://doi.org/10.1177/0275074012445780>
- O’Riordan, L., & Fairbrass, J. (2014). Managing CSR Stakeholder Engagement: A New Conceptual Framework. *Journal of business ethics, 125*(1), 121-145. <https://doi.org/10.1007/s10551-013-1913-x>

- Page, S. B., Stone, M. M., Bryson, J. M., & Crosby, B. C. (2015). Public value creation by cross-sector collaborations: A framework and challenges of assessment. *Public administration (London)*, 93(3), 715-732. <https://doi.org/10.1111/padm.12161>
- Phillips, R., & Freeman, R. E. (2003). *Stakeholder Theory and Organizational Ethics*. Berrett-Koehler Publishers, Incorporated.
- Phillips, P. P., Stawarski, C. A., & Cathy A. Stawarski. (2008). *Data Collection: Planning for and Collecting All Types of Data*. Center for Creative Leadership.
- Puonti, A. (2003). Collaboration as a learning challenge: Constructing a common understanding between police officers and tax inspectors. *Police practice & research*, 4(2), 131-147. <https://doi.org/10.1080/15614260308016>
- Puonti, A. (2004). Tools for Collaboration: Using and Designing Tools in Interorganizational Economic-Crime Investigation. *Mind, culture and activity*, 11(2), 133-152. https://doi.org/10.1207/s15327884mca1102_4
- Purdy, J. M. (2012). A Framework for Assessing Power in Collaborative Governance Processes." *Public Administration Review*, 72(3), 409–417. <https://doi.org/10.1111/j.1540-6210.2011.02525.x>
- Rainey, H. G. (2014). *Understanding and Managing Public Organizations, 5th Edition*. John Wiley & Sons, Incorporated, 2014.
- Rajala, T., Laihonon, H., & Vakkuri, J. (2017). Shifting from output to outcome measurement in public administration: Arguments revisited. In E. Borgonovi, A-P. Eugenio, & C. Bianchi (Eds.), *Outcome-based performance management in the public sector* (pp. 3-23). Springer. https://doi.org/10.1007/978-3-319-57018-1_1
- Ran, B., & Qi, H. (2019). The Entangled Twins: Power and Trust in Collaborative Governance. *Administration & society*, 51(4), 607-636. <https://doi.org/10.1177/0095399718801000>
- Rixon, D. (2010). Stakeholder Engagement in Public Sector Agencies: Ascending the Rungs of the Accountability Ladder. *International journal of public administration*, 33(7), 347-356. <https://doi.org/10.1080/01900691003606006>

- Robson, C. (2002). *Real World Research: A Resource for Social Scientists and Practitioner-Researchers* (2nd edition). Blackwell Publishers Ltd.
- Roloff, J. (2008). A life cycle model of multi-stakeholder networks. *Business ethics (Oxford, England)*, 17(3), 311-325. <https://doi.org/10.1111/j.1467-8608.2008.00537.x>
- Rosenberg Hansen, J., & Ferlie, E. (2016). Applying Strategic Management Theories in Public Sector Organizations: Developing a typology. *Public management review*, 18(1), 1-19. <https://doi.org/10.1080/14719037.2014.957339>
- Sachs, S., & Rühli, E. (2011). *Stakeholders Matter: A New Paradigm for Strategy in Society*. Cambridge University Press. <https://doi.org/10.1017/CBO9781139026963>
- Saunders, M., Lewis, P., & Thornhill, A. (2019). *Research methods for business students* (8th edition). Pearson Education.
- Savage, G. T., Nix, T. W., Whitehead, C. J., & Blair, J. D. (1991). Strategies for assessing and managing organizational stakeholders. *Academy of Management perspectives*, 5(2), 61-75. <https://doi.org/10.5465/ame.1991.4274682>
- Savage, G. T., Bunn, M. D., Gray, B., Xiao, Q., Wang, S., Wilson, E. J., & Williams, E. S. (2010). Stakeholder Collaboration: Implications for Stakeholder Theory and Practice. *Journal of business ethics*, 96(1), 21-26. <https://doi.org/10.1007/s10551-011-0939-1>
- Schoorman, F. D., Mayer, R. C., & Davis, J. H. (2007). An Integrative Model of Organizational Trust: Past, Present, and Future. *The Academy of Management review*, 32(2), 344-354. <https://doi.org/10.5465/AMR.2007.24348410>
- Seuring, S., & Gold, S. (2013). Sustainability management beyond corporate boundaries: From stakeholders to performance. *Journal of cleaner production*, 56, 1-6. <https://doi.org/10.1016/j.jclepro.2012.11.033>
- Sowa, J. E. (2009). The Collaboration Decision in Nonprofit Organizations: Views From the Front Line. *Nonprofit and voluntary sector quarterly*, 38(6), 1003-1025. <https://doi.org/10.1177/0899764008325247>

- Svendsen, A. C., & Laberge, M. (2005). Convening Stakeholder Networks: A New Way of Thinking, Being and Engaging. *The journal of corporate citizenship*, 19(19), 91-104.
- Turcotte, M., & Pasquero, J. (2001). The Paradox of Multistakeholder Collaborative Roundtables. *The Journal of applied behavioral science*, 37(4), 447-464. <https://doi.org/10.1177/0021886301374004>
- Turrini, A., Cristofoli, D., Frosini, F. & Nasi, G. (2010). Networking literature about determinants of network effectiveness. *Public Administration (London)*, 88(2), 528-550. <https://doi.org/10.1111/j.1467-9299.2009.01791.x>
- Vangen, S., & Huxham, C. (2003). Nurturing Collaborative Relations: Building Trust in Interorganizational Collaboration. *The Journal of applied behavioral science*, 39(1), 5-31. <https://doi.org/10.1177/0021886303039001001>
- Vangen, S., & Huxham, C. (2005). Aiming for Collaborative Advantage: Challenging the Concept of Shared Vision. *Advanced Institute of Management Research Paper*, 15. Retrieved October 18, 2022, from https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1306963
- van Tulder, R., Seitanidi, M., Crane, A., & Brammer, S. (2016). Enhancing the Impact of Cross-Sector Partnerships: Four Impact Loops for Channeling Partnership Studies. *Journal of business ethics*, 135(1), 1-17. <https://doi.org/10.1007/s10551-015-2756-4>
- Virtanen, P., & Stenvall, J. (2019). *Julkinen johtaminen*. Tietosanoma.
- Weber, E. P., & Khademian, A. M. (2008). Wicked Problems, Knowledge Challenges, and Collaborative Capacity Builders in Network Settings. *Public administration review*, 68(2), 334-349. <https://doi.org/10.1111/j.1540-6210.2007.00866.x>
- Wisniewski, M., & Stewart, D. (2004). Performance Measurement for Stakeholders. The Case of Scottish Local Authorities. *The International Journal of Public Sector Management*, 17(2-3), 222 – 233. <https://doi.org/10.1108/09513550410530153>
- White, H. (2009). *Some reflections on current debates in impact evaluation*. International Initiative for Impact Evaluation. Retrieved November 1, 2022, from

https://www.researchgate.net/profile/Howard-White/publication/46448678_Some_Reflections_On_Current_Debates_In_Impact_Evaluation/links/0c96052b0b4c371658000000/Some-Reflections-On-Current-Debates-In-Impact-Evaluation.pdf

Yan, A., & Gray, B. (1994). Bargaining Power, Management Control, and Performance in United States-China Joint Ventures: A Comparative Case Study. *Academy of Management journal*, 37(6), 1478-1517. <https://doi.org/10.2307/256796>

Yin, R. K. (2009). *Case study research: Design and methods* (4th edition). Sage.

Ysa, T., Sierra, V., & Esteve, M. (2014). Determinants of Network Outcomes: The Impact of Management Strategies. *Public administration (London)*, 92(3), 636-655. <https://doi.org/10.1111/padm.12076>

Appendices

Appendix 1. Interview questions for interviewees from Finnish Customs

Unit/operational unit:

Basic information:

1. What is your role in the organization, how long have you worked in the organization?
2. What is your role path, have you advanced into your role in the organization?
3. What does your unit do?
4. How do you experience collaboration related activities overall in your organization?
5. Do you feel your organization is supporting collaborative initiatives with other public organizations?
6. Where is Finnish Customs failing in collaboration/ What would you do differently re. collaboration with other public organizations?

Collaboration drivers:

7. Do you feel you are encouraged to initiate or participate in collaboration with other public organizations?
8. What kind of atmosphere or environment you appreciate/depreciate in teams created through collaboration?
9. Do you feel that trust, power sharing, management strategies, leadership or formalized processes have facilitated or limited your participation in collaboration or ability of Finnish Customs to participate?

Collaboration practices:

10. What kind of practices does your organization have re. collaboration?
11. Are the practices aligned and agreed across units? Are they working?
12. What practices, processes or capabilities have you found central to your organization's success in collaboration?

13. What kind of support, tools, or practices would you need in order to utilize better the collaboration possibilities with other public organizations?

Obstacles for collaboration in public sector:

14. Do you feel that silo structures, policies, legal frameworks, fragmented missions, technology or knowledge capabilities or any other general characteristics of public organization have limited or facilitated collaboration incentives in your unit?

15. Do you feel something else inside the organization is limiting you or Finnish Customs to initiate collaborative incentives?

16. Do you feel something else outside the organization is limiting you or Finnish Customs to initiate collaborative incentives?

17. Do you feel your external stakeholders (in this case other public organizations) are open to collaboration with Finnish Customs? Do these organizations show initiative?

18. What obstacles you or your unit faces when initiating collaboration with other public sector organization?

Appendix 2. Interview questions for interviewees from stakeholder organizations (public sector)

Organization:

Unit/operational unit (if available):

Basic information:

1. What is your role in the organization, how long have you worked in the organization?
2. What is your role path, have you advanced into your role in the organization?
3. What does your unit do?
4. How do you experience collaboration related activities overall in your organization?
5. Do you feel your organization is supporting collaborative initiatives with other public organizations?
6. Where do you think Finnish Customs failing in collaboration/ What would you do differently re. collaboration with other public organizations?

Collaboration drivers:

7. Do you feel you are encouraged to initiate or participate in collaboration with Finnish Customs?
8. What kind of atmosphere or environment you appreciate/depreciate in teams created through collaboration with Finnish Customs?
9. Do you feel that trust, power sharing, management strategies, leadership or formalized processes have facilitated or limited your participation in collaboration with Finnish Customs or ability of your organization to participate?

Collaboration practices:

10. What practices, processes or capabilities have you found central to the success of collaboration with Finnish Customs? Have the practices been recurring through different collaborative initiatives?

11. What kind of support, tools, or practices would you need in order to utilize better the collaboration possibilities with Finnish Customs?

Obstacles for collaboration in public sector:

12. Do you feel that silo structures, policies, legal frameworks, fragmented missions, technology or knowledge capabilities or any other general characteristics of public organization have limited or facilitated collaboration incentives with Finnish Customs?

13. Do you feel something else inside your organization is limiting you or your organization to participate in collaboration with Finnish Customs?

14. Do you feel something else outside the organization is limiting you or your organization to participate in collaboration with Finnish Customs?

15. Do you feel Finnish Customs is open to collaboration with your organization? Do these organizations show initiative?

16. What obstacles you or your unit faces when initiating collaboration with Finnish Customs?

Appendix 3. Summary of interviewees

Inter- viewee	Organization	Level/role	Interview duration (hh:ss)
1	Finnish Customs	Director	57:31
2	Finnish Customs	Director	59:06
3	Finnish Customs	Director	45:54
4	External stakeholder – Ministry	Head of Unit	47:56
5	External stakeholder – Ministry	Senior Specialist	53:14
6	External stakeholder – Finance or- ganization	Senior Specialist	58:29
7	External stakeholder – Security organization	Senior Specialist	40:36

Appendix 4. Data structure

