Introduction: temporary organizations – a challenge and opportunity for our thinking about organizations

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Between 2004 and 2005 the highway around the City of Antwerp was renovated. This highway links, among others, the Dutch harbor of Rotterdam and the so-called Randstad area of the Netherlands – an urban area including the cities of Amsterdam, Rotterdam and The Hague – with the Belgian harbor of Antwerp and the southern part of Europe. 250 000 vehicles use this highway daily. Consequently, the renovation was a tremendous logistic operation and the challenge was to avoid paralyzing traffic. The undertaking involved ten different companies, public agencies and associations concerned with safety and traffic. Due to this complexity, it was predicted by many that this ‘big maintenance’, as it was called, would lead to an enormous amount of irritation and would last much longer than originally planned. But the outcomes turned out to be very different from these expectations.

The renovation resulted in very little irritation and was finished two weeks before the deadline. A number of innovations – specific measures taken to produce a smooth traffic circulation during renovation – have been kept in place, as they proved to have great benefits for traffic circulation and safety. On 30 August 2005 the completion of the ‘big maintenance’ was a major item on the Belgian news. Apart from proudly presenting pictures of the finished product, the newscaster also showed another remarkable photo: a six-foot-tall construction worker falling into the arms of a co-worker from another company involved in the operation, crying because they had to separate since their successful collaboration had come to an end.

The above account is a story of a temporary organization. Based on our knowledge of the functioning and outcomes of organizations, it is in many respects different from the stories that we, as organization scholars, would expect. This story describes a situation in which a great number of different actors worked together on different tasks. Although these actors had not known each other, they were expected to collaborate temporarily and work intensely to attain clear objectives, without a clear structure of hierarchical authority.
A temporary organization (TO) forms for the purpose of accomplishing an *ex ante*-determined task that has a predetermined termination point. It can be intraorganizational, occurring within an existing, non-temporary organization, or interorganizational, a joint collaboration among a number of organizations (Packendorf, 1995).

In *Temporary Organizations: Prevalence, Logic and Effectiveness*, we focus on interorganizational TOs. Based on a literature review of TO research described in Chapter 2, Janowicz-Panjaitan, Bakker and Kenis conclude that interorganizational TOs are significantly understudied. This is surprising, especially considering the strategic importance and increasing use of interorganizational collaborations in recent years (Muthusamy and White, 2005), particularly those of a temporary nature (Jones and Lichtenstein, 2008). Consequently, all the constituent chapters in this volume have *interorganizational* TOs as their unit of analysis and are generally defined as:

A group of two or more non-temporary organizations collaborating toward the accomplishment of a joint task with the duration of the collaboration explicitly and *ex ante* fixed either by a specific date or by the attainment of a predefined task or condition.1

Apart from the fact that they have fixed duration in common, we did not limit the definition of TOs in any other way. Theoretically, we expected them to exist in any kind of sector, produce any type of good and be any size. They may take, for example, the form of an independent legal entity such as a joint venture, or be more informal, when members of one or multiple organizations ‘work together on specific projects without becoming employees of a distinct and separate firm’ (Whitley, 2006, p. 80). They can also include sizable undertakings like organizing the Olympic Games and building major infrastructure projects such as the Sydney Opera House and the English Channel Tunnel (Engwall, 2003; Lundin, 1995). We take it as our point of departure that whether or not TOs cluster around a certain score on any particular dimension remains an empirical question.

An organization might be defined as an autonomous work system governed and managed through a system of rules, regulations and procedures. However, interorganizational temporary organizations are not organizations in the classical sense since they are composed of independent and sovereign organizations collaborating mainly to contribute to a common task. Instead of sticking to the more classical definition of an organization, in order to demarcate the objective of our study, we have concentrated on the study of work systems, or systems of coordination.
that produce a certain outcome. Sinha and Van de Ven (2005) provide an excellent foundation for this argument. However, in order to enrich the field of organization studies, we have called TOs organizations. Another cautionary remark with regard to terminology is that, in contrast to some other authors such as Ekstedt et al. (1999), Miles (1964) and Bryman et al. (1987), we do not use the label ‘permanent organizations’ as an antonym for temporary organizations. Since most organizations, even those without an explicitly defined termination point, are not meant to exist forever, we avoid the label ‘permanent’, except when quoting others. In contrast, we adopt the labels ‘temporary’ and ‘non-temporary’. What will later become clear is that such labels underscore the fact that we treat temporariness as a binomial variable, the presence of which has consequences for the outcomes of the organization and how it functions.

Why do interorganizational temporary organizations deserve further study? First, much thinking in the field of organization studies is still framed in terms of what James Herndon commented about organizations in 1971: ‘an institution must continue to exist. Every action must be undertaken with respect to eternity’ (1971, pp. 109–110 in Weick, 1974, p. 499, emphasis added). This focus on eternity is the basis of the durability of institutions and explains why organizations sometimes do things contrary to their intended or declared purpose for existence (Weick, 1974). In their brilliant booklet Permanently Failing Organizations, Meyer and Zucker (1989) demonstrated, among many other things, that the persistence of organizations is a dominant force and often even sustains when organizations permanently fail. In view of this, we might ask: how are organizational actions and those of their members affected when the intention of existing for eternity no longer holds? Or in other words, what are the consequences for an organization of being temporary?

A second reason for studying TOs is that they are considered to be a prevalent form of organizing in the contemporary economy and society (Grabher, 2002; Sydow et al., 2004). A survey conducted among executives of large and medium-sized Western European firms revealed that in the period from 1992 to 1996, ‘[p]roject-based structures became more pervasive, with 51% of firms placing greater emphasis on them in 1996 compared to 1992: 42% of firms placed much or great emphasis on project structures in 1996, against only 13% in 1992’ (Whittington et al., 1999, p. 588). This trend has made TOs prevalent in many industries – engineering, construction, architecture, film making and theatre production among others (see Bechky, 2006; Engwall, 2003; Ekstedt et al., 1992; Goodman and Goodman, 1972, 1976; Morley and Silver, 1977). Examples of TOs included strategic alliances formed for the sake of entering a new market; research and development consortia set up for the purpose of
Temporary organizations developing a new technology or product; or a task force entrusted with the task of bringing about organizational renewal (Goodman and Goodman, 1972, 1976; Lundin, 1995; Lundin and Söderholm, 1995). TOs can also be encountered in the public and non-profit sectors, where they may take the form of presidential commissions, court juries, election campaigns, rescue operations and disaster relief operations, among others (Goodman and Goodman, 1976; Lundin and Söderholm, 1995).

A third reason to study temporary organizations in greater detail is that because they are expected to be more and more prevalent, we need to learn much more about the role of time in organizing. Time has always been, and still is, an under-conceptualized phenomenon in organization studies: ‘despite the pervasiveness of time in all aspects of our lives, it has not been a central theme in organizational research’ (Goodman et al., 2001, p. 509). In particular, there still exists ‘very little theory about . . . durations’ (Ancona et al., 2001, p. 647) or consideration of ‘when an activity starts and stops and how a changing deadline impacts behavior’ (2001, p. 645). ‘The expected duration of organizations and collaborations are an understudied phenomenon in management and organizations’ (Jones and Lichtenstein, 2008, p. 233). As Janowicz-Panjaitan, Bakker and Kenis argue in their literature review (Chapter 2), although scholarly attention devoted to temporary organizations has been increasing steadily since the 1960s, the understanding of what temporariness entails and what consequences it has for the functioning and outcomes of temporary organizations remains limited and constitutes the ‘primary stumbling blocks to the development of a fully fledged theory of TOs’ (p. 57).

Our fourth reason for plunging into the world of interorganizational temporary organizations is that as social science scholars of organizations, we thought we could make valuable and unique contributions to the existing project management literature. This literature has often addressed the same empirical phenomenon that we study here. The literature on the topic is impressive but could profit from students who study projects from a social and human agency perspective, in addition to just technical and instrumental perspectives. For example, the project management literature does not ‘assess how the expectation of limited duration shapes and modifies [the] interactions’ of collaborating organizational actors (Jones and Lichtenstein, 2008, p. 232) nor many other structure-, process- and outcome-related properties. In the project management literature, time is the dominant scarce resource that needs to be managed to finish a project. Consequently, time has mainly been addressed as time pressure.

In this volume we go beyond viewing time merely as a scarce resource to understanding the impact that limited duration and temporariness have
on the social processes and outcomes of temporary organizations. The message of this book is that the limited duration of temporary organizations implies much more than scarcity of time to execute a task. As contributions to this volume demonstrate, the ex ante limited duration and the awareness of this impending termination among the temporary organization members fundamentally alter the behavior of the individuals involved and, consequently, the functioning and outcomes of the entire temporary organization. The lack of attention in the project management literature to these effects is probably due to the mainly prescriptive and normative, rather than descriptive and explanatory character of research, and a lack of empirical support (Ekstedt et al., 1999; Jugdev, 2004; Packendorf, 1995). Project management literature has been repeatedly reproached for treating projects instrumentally and lacking theoretical grounding (Shenhar and Dvir, 1996; Shenhar, 2001; Shenhar et al., 2001). A Guide to the Project Management Body of Knowledge (PMI, 2008), first developed in 1976, despite a number of revisions, continues to stress the importance of professional qualifications and competences without theoretically backing up these arguments (Jugdev, 2004). Consequently, it is our view that this book will bring the theoretical bases of organization studies and the rich empirical information provided by the project management literature closer together.

APPROACH AND STRUCTURE

The approach we chose for this volume was based on the need for theory-grounded insights into the consequences of temporariness for the structure, functioning and outcomes of interorganizational temporary organizations. The prevalence and variety of TOs and the relative absence of temporary organizations in core organizational theory literature were the prime reasons for our writing Temporary Organizations: Prevalence, Logic and Effectiveness.

The authors are experts in various areas of organization studies and are actively engaged in a wide range of organizational research. Working in the tradition of viewing organizations as open and networked systems, the contributors became aware that increasingly, the workplace is organized differently from the way it had been in the past. Temporariness and temporary forms of organizing began to take a more central place in their thinking. Thus, although none of the authors had previously studied temporary organizations or contributed to the project management literature, they undertook to juxtapose the idea of temporary systems with their knowledge of organizations. This merger has resulted in what we
Temporary organizations consider to be an important, organization theory-based contribution to the understanding of temporary organizations.

Now, more than ever, organizations are reaching their goals through temporary collaborations. It is important to stress that the aim of this book is not to create a new field for the study of these temporary collaborations. Rather, it is more important to us to rejuvenate the field of organization studies by introducing it to the emerging realities of the role of temporary organizations.

We believe that the field of organization studies can profit considerably from insights into temporary organizing, and in this volume we hope we have contributed to a better understanding of TOs. To fulfill our objective, we assessed the applicability and generalizability of established organization theories to temporary contexts. In addition, we used existing organization theory to formulate novel insights into the effectiveness of temporariness for the structure, function and outcomes of interorganizational temporary organizations. It is from this perspective that we approached temporary organizations and the existing knowledge on TOs.

The main message permeating this book is that temporariness is the primary characteristic distinguishing a temporary organization from other forms of organizing. Throughout the chapters, temporariness is understood as the *ex ante* determined limited duration of a work system. It also became clear, however, that the duration of a TO’s existence is only one of many important characteristics of a TO.

We have divided this book into two parts. In the first part, Chapters 1–3, we explore the prevalence of interorganizational temporary organizations in the economy, review literature on organizations with a predefined end point, and investigate the effect of temporariness on existing organizational theories. In Part II, Chapters 4–9, we focus on the consequences of temporariness on the structure, function and outcomes of temporary organizations.

Part I is also a review of what we already know about TOs. This covers empirical prevalence, up-to-date research, and the applicability and generalizability of established organizational theories for studying TOs. While there are numerous accounts of the prevalence of intraorganizational TOs in particular projects (for example, see Whittington et al., 1999), much less is known about the prevalence of interorganizational TOs.

Before devoting an entire volume to interorganizational TOs, we thought it imperative to demonstrate the empirical relevance of the phenomenon. Thus, in Chapter 1, Oerlemans et al. present the results of a large-scale, cross-sectoral survey of the empirical prevalence of interorganizational TOs among Dutch small and medium-sized enterprises (SMEs). The high frequency of interorganizational TOs that Oerlemans et al. observed,
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underscores the need for more in-depth study of interorganizational TOs, which we address in the rest of this volume.

Similarly, we considered it crucial to map what has already been achieved in research projects on temporary organizations. To get a better idea of the current state of research on TOs, in Chapter 2, Janowicz-Panjaitan, Bakker and Kenis survey the extant literature on TOs. Their review focuses on interorganizational TOs as well as on TOs in general, as the scope of research on the former is very limited and research on intraorganizational TOs is potentially helpful for understanding interorganizational TOs. In addressing the various shortcomings of the existing literature, the chapter provides an agenda for what we undertake to achieve in the second part of this book.

One of the knowledge gaps identified by Janowicz-Panjaitan, Bakker and Kenis’s review was the ‘lack of rigorous and systematic theoretical development in the literature on TOs’ (Chapter 2, p. 80), a contention supported by other authors (Jugdev, 2004; Shenhar and Dvir, 1996; Shenhar, 2001). The authors’ review suggested that ‘A first step to amend this situation would be to assess the applicability of some well-established organization theories to temporary contexts: This exercise would assist in taking stock of those areas of theoretical development that are most needed’ (Chapter 2, p. 80). In response, Kenis et al. (Chapter 3) systematically examine the applicability and generalizability of five well-established organizational theories to temporary organizations. They conclude that while the dependent and independent variables in contingency, resource-dependence, neo-institutional, transaction cost and population ecology theories are also relevant in the context of TOs, the mechanisms underlying the relationships between these variables seldom hold. Consequently, there is a need to develop theories in order to understand organizations in which time plays a central role. It is precisely this need that is addressed in the second part of this volume.

In Part II the authors present the anticipated consequences of ex ante limited duration on an organization’s structure, function and outcomes. Table 0.1 summarizes the conceptual status of time in the chapters.

The first two chapters in Part II deal explicitly with time-related phenomena that are likely to emerge in temporary organizations. In Chapter 4, Bakker and Janowicz-Panjaitan analyze the likely consequences of temporariness on the functioning and outcomes of TOs as opposed to non-temporary organizations. Arguing that TOs can be conceived as temporal zones, they show how the temporary character of an organization is likely to result in three time-related phenomena among its members. Temporary organizations are more likely to be oriented to the present, have a higher likelihood of experiencing timelessness and be less entrained to the
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Table 0.1  The conceptual status of time

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Note:  Time-related variables in bold.

temporal parameters of the environment than non-temporary organizations. These three effects, Bakker and Janowicz-Panjaitan argue, are in turn likely to influence the collective outcomes of a temporary organization and, in comparison to non-temporary organizations, will result in greater creativity and innovation and lower knowledge sedimentation.

In Chapter 5, Janowicz-Panjaitan, Kenis and Vermeulen introduce a concept of TO, atemporality, which is a direct result of their temporariness and which is responsible, the authors argue, for the variance across TOs
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in the degree of goal accomplishment and external legitimacy. In short, both Chapters 4 and 5 explore the time-related qualities of TOs. Whereas the former chapter looks at the implications this has for TOs compared to non-temporary organizations, the latter explores its consequences for variance among TOs.

Chapters 6–9 cover four fundamental organizational topics – proximity, structure, discretion over resources and effectiveness – and analyze these in the context of TOs. In Chapter 6, Knoben and Gössling explore the consequences of temporariness, atemporality and TO duration for the three types of proximity – spatial, organizational and technological. They show the difference between the three types of proximity among TOs and non-TOs depending on their levels of atemporality and duration. In Chapter 7, Raab et al. address the structural characteristics of TOs, arguing that TOs are structurally different from non-temporary organizations but also differ among themselves. For emphasis, they develop a typology of TOs along the dimensions of preparedness – the extent to which TOs are prepared for the work they seek to accomplish – and representativeness – whether a TO is individually or organizationally based. Using these two dimensions, they identify four types of TOs and theorize their differences on two structural features – formalization and hierarchy. They also propose that higher atemporality will result in a TO being less formalized while a TO’s duration is expected to be positively related to the formalization and hierarchy of the organizational structure.

Chapters 6 and 7 tackle structural aspects of TOs. Chapter 6 examines the configuration of organizational actors involved in a TO with respect to their location and the distance between them, and Chapter 7 focuses on the internal structure of the TO.

In Chapter 8, Bakker et al. explore the resource dilemma faced by TOs. On one hand, TOs depend on non-temporary organizations for the resources necessary to operate. On the other hand, they need discretion or autonomy over these resources to be effective. The authors explore how the temporal embeddedness of the TO – the extent to which a TO is embedded in activities beyond its inception or its past – and its termination or the expectation of future involvement affect the level of a TO’s discretion over resources and how the anticipated duration of the TO moderates this relationship. Finally, the authors argue that not only does a TO’s performance increase with greater autonomy, but that the reverse is likely to be true as well: that optimal performance can result in increased autonomy.

Finally, in Chapter 9, Oerlemans and Meeus consider the effect that managerial interventions in the TO process may have on the relationship between TO complexity and effectiveness. They identify two groups of interventions depending on the underlying assumptions about innovation
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process – compression and experiential models. While interventions from the experiential model are likely to mitigate the negative effects of complexity on effectiveness, interventions based on the compression model may further aggravate the negative effects. Therefore, the question arises, how to counter the negative effects of complexity. Contrary to what is proposed by Eisenhardt and Tabrizi (1995), Oerlemans and Meeus develop a dynamic perspective on the timing of interventions, arguing that the compression and experiential models are complementary rather than mutually exclusive.

In sum, this volume aims to bring closer together organization theory and the phenomenon of temporary organizations. This endeavor is predicated on two assumptions. First, in our view organization theory is able to cast light on the unique processes and outcomes that occur in temporary organizations. Second, we believe that simultaneously confronting organizational theories with temporariness can test their robustness and lead to a strengthening of their generalizability. We trust that Temporary Organizations: Prevalence, Logic and Effectiveness makes a step forward in accomplishing both goals – gaining theory-based insights into the structure, functioning and outcomes of interorganizational temporary organizations, as well as reinforcing, complementing or replacing extant organization theory to better deal with temporary phenomena. Rather than simply being surprised by a number of elements in our case example of the highway renovation project around the City of Antwerp, we hope that our work will enable a better understanding of how and why such temporary interorganizational organizations function and perform.

NOTE

1. Unless otherwise stated by the authors, when the term ‘temporary organization’ is used in the chapters, it refers to interorganizational TOs.

REFERENCES


Temporary organizations