Collaborative relationships in facility services

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**Abstract**

**Purpose** – The aim of this study is to identify success factors of collaborative relationships and the attributes that distinguish collaborative relationships from arm's-length relationships in facility services. Additionally, in order to understand why companies are moving towards the more collaborative approach in managing relations with their facility service providers, the underlying problems in earlier practices are analyzed.

**Design/methodology/approach** – The research is qualitative, based on semi-structured and focus group interviews. Representatives from both client and service provider companies were interviewed.

**Findings** – Collaborative relationships in the facility services context are by nature similar to those in other areas of supply chain management. The prerequisite for the successful establishment of a collaborative relationship is that both parties have a particular readiness for it. This includes both capability for co-operation and a collaborative mindset. Instead of self-seeking behavior and short-term contracts, mutual trust, commitment, openness, the involvement of different organizational levels, continuous development, and the promise of mutual benefits are needed. In the long run, relationship success is guaranteed by co-operation, two-way information sharing and goal congruence. In addition to the business perspective, relationship success includes the end-user perspective. Earlier practices have suffered from poor communication, shortcomings in service management and lack of development activity.

**Originality/value** – As well as contributing to the current body of knowledge on inter-organizational relationships, this study offers potential benefits to both facility service providers and buyers in terms of describing how to formulate successful relationships and to improve the performance and efficiency of collaborative relations.

**Article Type:** Research paper

**Keyword(s):** Channel relationships; Facilities; Services; Supply chain management; Services marketing; Strategic alliances.