

# **The nature of inter-organizational relationships in FM services**

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## **Abstract**

There is an on-going transition towards more collaborative approaches in the procurement of facilities management (FM) services. However, sometimes collaboration is used also in cases in which it is not the optimal choice. This paper tries to create a deeper understanding of the selection criteria of relationship type and the differences between alternative relationship types in FM services. The paper is based on literature review and qualitative research. Empirical data was collected from both clients and service providers using semi-structured interviews, informal discussions and focus group interviews. The results indicate that a collaborative approach is recommended in cases where the importance of the service is high for the client's or end-user's business, there is a need to share sensitive and strategic information, the purchasing volume is high or the management of the purchasing situation is difficult because of the complexity of the purchased service package or market conditions. From relationship management point of view, three different types of relationships (i.e. arm's length relation, operational partnering and strategic partnering) can be recognized in the FM context.