

An Explorative Study on Cooperation among Municipal Corporations

Avraham Ketko¹, Simona Shechter Gilboa², Ana-Maria Bercu³, Maria-Viorica Bedrule-Grigoruta⁴

Abstract: The literature on local government management seldom relates to the issue of collaboration between municipal corporations. This article seeks to contribute to this subject, while projecting the existing knowledge of management of organizations in general to the local municipal sphere in particular. The main aim of the article is to evaluate the preparatory activities required as a preliminary stage for the initiation and promotion of collaboration between municipal corporations. The methodology used is based on quantitative analyze and qualitative ones (Likert scale). We focused on the perceptions of the senior managers of these municipal corporations and found out that defining the managers' resources (time, authority, money, personnel, equipment, ego, and information, skills), ensuring the support of municipality's top management, undergoing early activities of openness to change have positive influence on the managers' perceptions of the importance of collaboration and their willingness to promote it.

Keywords: collaboration; management commitment; innovation; and municipality companies/corporations; public administration

JEL Classification: G32

1. Introduction

Collaborations within organizations in general and across sectors in particular, like any process, require planning and advance attention (Fink et al., 2013; OECD, 2006). There is a built-in gap between theoretical thinking and the basic concept of

¹ Alexandru Ioan Cuza University of Iasi, Romania, Bureau of Municipality Corporations, Tel Aviv, Israel, Address: 11 Carol I Blvd., Iasi 700506, Romania, Tel.: +4 0232 20 1000, Fax: 0232. 20 1201, E-mail:

² Research Center of Tel-Aviv-Yafo Municipality, Tel-Aviv, Israel, Address: Municipality of Tel-Aviv-Yafo, 69 Ibn Gvirol Street. 64162, Tel-Aviv, Israel, E-mail:

³ Associate Professor, PhD, Alexandru Ioan Cuza University of Iasi, Romania, Address: 11 Carol I Blvd., Iasi 700506, Romania, Tel.: +40232201102, int. 2377, Fax: +40232217000, Corresponding author: bercu@uaic.ro.

⁴ Alexandru Ioan Cuza University of Iasi, Romania, Address: 11 Carol I Blvd., Iasi 700506, Romania, Tel.: +4 0232 20 1000, Fax: 0232. 20 1201, E-mail:

collaboration that sees the importance, the positive, the benefits and the advantages of partnership and sharing, and the actual implementation and difficulties of realization. Collaborations require breaking conventions, changing patterns of thinking, work habits, and traditions, overcoming personal and/or group interests and the ego of employees and managers (Sullivan & Skelcher, 2017). The implementation of collaboration is even more difficult since the concession, change and replacement of the conceptual paradigm are required in the immediate stage, while the results are presented only in words and declarations, in thought and perception, and will be achieved, if at all, only in the future (Ansell & Gash, 2008; Feiock, 2013). Therefore, it is necessary to identify the factors that influence the willingness of senior managers to collaborate with potential partner organizations.

This article contributes in several ways. First, there are articles dealing with collaboration between organizations and within the organization itself, however, there are few articles dealing with collaboration between subsidiaries in general and in the municipal arena in particular. Second, the managers' attitudes towards collaboration are less emphasized and so are the relationships between variables such as the managers' willingness to forgo resources in order to collaborate, quantity of resources, support from top management, and the importance of collaboration. Moreover, an understanding of these relationships can lead to practical implications. In this article, we focus on the relevant actions in the planning stages of the collaborations and the needed preparation of the managers and the organizations in order to enable the success of the collaborations.

2. Literature Review

There are several definitions in the literature for collaborations that cross departments, organizational units, line of business and organizations in general. Most of the definitions focus on cooperation between involved parties sharing common goals and objectives. The collaborations are aimed to achieve goals that are not possible and/or too complex to achieve alone. Achieve better and more appropriate results (business, social, public), act more efficiently and efficiency, pooling resources, achieve economies of scale, reduce risk and improve performance. The characteristics of the collaboration include, inter alia, the types of partners' entities, the agreement on a shared vision, goals and objectives, transparency, open communication and the dispensation of powers and resources (Emerson & Nabatchi, 2015; Gardner, 2016; Gray & Stites, 2013; Kolk & Lenfant, 2015; Liedtka, 1998; Moseley, Cherrett & Cawley, 2001; OECD, 2006; OECD, 2015; Wanna, 2008; Wyrwa, 2018).

Wyrwa (2018) reviews the words and terms used by the literature to describe partnership as: "cooperation, coordination, collaboration, working together, working

groups, integrated jointly operating organizations or networks, (...) interagency, inter professional collaborative, joint-up working, joined-up thinking, whole systems or holistic approach”.

Liedtka (1998) claims that the collaborative process includes three necessary steps: identifying opportunities for collaboration, achieving partners' commitment and implementing the partnership. The sharing process begins by identifying opportunities and building business cases for collaboration. For this purpose, an information network and cross-organizational connections should be created in order to recognize and reach all the centers of expertise and capabilities that constitute the basis for sharing. In the second stage, the interests of the partners must be committed and engaged to the process. This stage requires the ability of management to motivate those involved in the various levels of the organization and its various parts. This motivation can be achieved through a system of compensation, rewards and recognition of short-term achievements despite the long-term investments that required. Therefore, allocating appropriate resources is essential in addition to clearly articulating policy statement.

In the third stage, the implementation stage, the participants must learn to work together, since the sharing goes from vision and perception to practical steps. The parties involved in cooperation should maintain the attention and energy required for the strenuous and sometimes exhausting work involved in putting the cooperation into practice.

From the above, and from the broad literature on collaboration and partnership, it emerges that for the success of the sharing processes and achieving desired results and outcomes, a number of necessary elements are required. Without the presence of these elements and components in the various stages of collaboration, the possibility of successful collaborations is not guaranteed, to say the least.

The components of collaboration include: shared vision of goals and objectives agreed upon in advance, management commitment, trust, knowledge sharing, open communication channels, transparency, mutual respect, openness to changes, change management, shared decision making, innovation, resources allocation and risk sharing (Beer, 1988; Campbell, 2018; Ito & Souissi, 2012; Lambert, Emmelhainz & Gardner, 1996; Murphy & Coughlan, 2018; Piltan & Sowlati, 2016; Tanner & Otto, 2016; Van Ortmeressen, van Woerkum & Aarts, 2014; Wyrwa, 2018).

The same concepts and ideas of collaboration are relevant when examining collaboration and partnership between government bodies in the central government and local government. Although municipalities do not always tend to cooperate as a first option (LeSage, McMillan & Hepburn, 2008), but according to literature and as it in practice, government and municipal authorities promote collaboration. These collaborations are carried out in order to realize economies of scale, cost savings,

economic efficiency in services delivery, pooling resources, sharing costs of shared service and so on (Feiock, 2013; Spicer, 2017).

Cooperation between local authorities allows them to overcome some of the challenges arising from problems of municipal fragmentation and external influences. In addition, another advantage of these partnerships is that there is no need for intervention and involvement by the central government. Such collaborations are vital because the decisions and actions of a single local authority can directly affect residents of nearby authorities (for example, dealing with air pollution, natural disasters, various hazards etc.). Cooperation, in general, and in such cases, in particular, can overcome and/or deal optimally with such issues and provide efficient and appropriate services (Agranoff & McGuire, 2004; Bel & Warner, 2015).

The literature focuses more on the need for sharing and less on the methodology and ways to implement mechanisms of action to achieve such cooperation in the municipal sphere in general and with municipal corporations in particular (Giguère, 2007; Mattessich, Murray-Close & Monsey, 2008).

For proper planning as a preliminary stage in the process of collaboration between municipal corporations, several variables were chosen, since they exist in the management and collaboration literature. By learning the relationships between these variables, we can shed light on their place in the municipal sphere and on municipal corporations. In this paper, we have chosen to examine the importance of collaboration in the managers' eyes and their willingness to forgo resources to promote these collaborations (the dependent variables). The other variables, which affect the importance of collaboration and the willingness to forgo resources, are the amount of resources the manager has to carry out the work, encouragement of innovation in the organization by the management of the municipality, openness to changes among employees and their desire to improve work processes (the independent variables).

2.1. The Importance of Collaboration

Collaboration is a visionary, strategic, managerial and leadership process. Without the commitment of the senior management that derives from the importance of the subject in their eyes - it is not possible to promote the processes of collaboration, cooperation and partnership. The importance of managers at the various levels of municipal corporations is a crucial factor in the success of collaboration. The managers' perceptions of the importance of collaboration have a direct impact on the priority that this topic will occupy in their agenda. The importance of collaboration is "projected" from the senior managers to the middle-level managers and to all employees of the municipal corporations. There, the managers' perceptions,

statements and actions will mobilize the entire organization for collaboration or will remove the organization from it.

The complexity of collaboration requires the mobilization of senior management, allocation of appropriate resources, and resolution of conflicts, joint decisions, and relinquishment of resources, authority and independence to a certain extent. Without the commitment of management, accountability and genuine recognition of the need arising from the understanding of the importance of the subject, cooperation and work will not be possible (Almog-Bar & Schmid 2018; Bryson, Crosby & Stone 2006; Crosby & Bryson 2010; Brinkerhoff 2002; Jones & Hooper 2017).

2.2. Willingness to Forgo Resources

Collaboration represents a cross-border idea both pragmatically and conceptually. As mentioned above, it is necessary to enlist all the stakeholders for implementation joint work at the immediate stage and to see results, if any, in the future. For these two reasons (support for the concept and the need for current investment in return for future benefits), the parties involved in the partnership are ready to make an effort at this stage without immediate compensation. In this effort, people are willing to give up resources for the construction of something new even if it is future. People in the framework of sharing are willing to take into account the interests of others and give up personal gain, to change priorities, to give up personal and organizational reputations and to reduce the level of control to a satisfactory degree in order to find solutions that are considered better for the whole group.

In the framework of the joint work, the individual is willing to make concessions, at times, to make sure that everyone is cooperating. The parties that join the strategic cooperation are prepared to maintain cooperation even if a response is required against those who act not in favor of the common goal even at the price of giving up and without expecting personal gain. The parties involved in the process of cooperation understand the benefits and the advantages inherent in the common product (which could not be achieved individually) and to this end are willing to forgo resources to obtain more benefits than the price of the current concessions (Almog-Bar & Schmid, 2018; Dessalegn, Kiktenko, Zhumagazina, Zhakenova & Nangia, 2018; Falk & Fehr, 2003; Gintis, 2000; Jacobson, Hughey, Allen, Rixecker & Carter, 2009; Linden, 2003; Snaveley & Tracy, 2002; Thomson & Perry, 2006; Vatn, 2007).

2.3. Resources Involved in Partnerships among Municipalities Corporations

Roussos and Fawcett (2000) relate to the resources available to those involved in the partnership within others factors that contribute to successful collaborations. These resources include tangible resources (money, manpower etc.) and intangible resources (information, authority, ego, time etc. Arya & Lin, 2007). These resources are important in their very presence and have an impact on the allocation of risks and

responsibilities between the partners. Guo and Acar (2005) point out that organization (especially non-profit organizations) tend to develop formal cooperation activities when they are more mature, with large budgets and large government funds. Foster-Fishman, Berkowitz, Lounsbury, Jacobson and Allen (2001) argue that the coalition should have or acquire financial and human resources to implement and operate the sharing activity. Collaborative efforts need significant resources including financial capabilities to implement new programs and successfully run the partnership.

2.4. Top Management Municipalities for Innovation and Entrepreneurship

Another important factor mentioned in the management literature is top management's support for change (Armenakis & Harris, 2002). Hence, an ongoing commitment expressed by top leaders is required for changes (Tanner & Otto, 2016). Likewise, top management that supports innovation and entrepreneurship among its municipal corporations will show consistency between its values, words and deeds.

Innovation is defined as the adoption of a new idea or behavior for the organization or implementation of a new or significantly improved product, service or process, or a new organizational method. It is a process that generates development and implementation of new ideas or behavior. Innovation is a result of response to changes in the external environment or as a response to the influence of the environment on the organization (Damanpour, 1996; Diamond & Vangen, 2017; OECD, 2005). Chesbrough (2006) displays an "open innovation" term, which is an antithesis to traditional vertical integration (vertical model is a model of closed innovation). An open innovation model involves using knowledge flow (in and out) to accelerate internal innovation and expand markets for external use of innovation. Innovation of this type is a collaborative innovation involving more participants with a wider diversity. Lee, Olson and Trimi (2012), define co-innovation as a new innovation paradigm that new ideas and approaches from different internal and external sources are united on the platform to create new-shared organizational values. The core of co-innovation involves commitment, joint creation, and attention to value creation.

Top management's support for innovation and entrepreneurship is related to the importance of collaboration and willingness to forgo resources in order to promote cooperation. Thus, as other components and enablers of collaboration, top management's support for innovation has an important role.

2.5. Openness to Change

A process of collaboration, regardless of the reason for it, constitutes a change in the organization. The very process towards collaboration (interacting with others, revealing information, sharing information, changing and adapting goals) and the activity itself (teamwork rather than individualism, different work environment, new

tools and support, culture and language etc.) is a significant change. Every change includes resistance to the idea of change and a desire to continue with what is known, familiar and comfortable. Instead of dealing with the implications of change in general and the change that results from cooperation in particular.

Augustsson, Richter, Hasson, and von Thiele Schwarz (2017) define openness to change as the extent to which employees are willing to support the change and their positive effect on the potential implications of change. In order to facilitate the implementation of cooperation processes, among other collaboration enablers, an organizational environment that supports change and is open to change is required. Kirsch, Chelliah and Parry (2012) indicate that cultures and organizations with a greater tendency toward individualism are less suitable for teamwork. Teamwork and collaboration will be easier to implement in organizations with a collaborative culture. In organizations where employees at various levels have access to information, goals and objectives are clear and intelligible to all, communication channels are open - there is a greater chance of success in the change involved in the implementation of cooperation. In addition, a combination of available resources and appropriate organizational climate (including openness to change) is a key factor in the success of change and collaboration (Harper, Kuperminc, Weaver, Emshoff & Erickson, 2014; Lehman, Greener & Simpson, 2002).

2.6. Improving Work Processes

In order to achieve cooperation, both individuals and organizations need to change the way they perceive their environment and respond to the situation in which they are. In order to move from individual action to dependent work and from bureaucratic activity to joint actions, a process of conceptual and social change is required (Augustsson, Richter, Hasson & von Thiele Schwarz, 2017; Benzer, Charns, Hamdan, & Afable, 2017; Celep, Brenner, & Mosher-Williams, 2016).

Processes and methods of change management must be part of the collaboration steps from the very beginning. According to the theories of change management, readiness for change depends on the satisfaction level of the current situation, clarity of vision and goals. Hence, preparedness for change is also one of the important components of the sharing process and part of the organizational infrastructure for it. This factor is the responsibility of senior management and is part of the commitment to lead the process of cooperation (Beer, 1988; Tanner & Otto, 2016; Van Tulder & Keen, 2018).

The motivation of employees to work together and to create cooperation includes many factors: financial reward, recognition of contribution to work, advancement and progress, improvement of status at work, greater responsibility, risk sharing, increased interest in work, exposure to other and new areas, creation of working relationships with new and other employees at various levels of the organization, satisfaction resulting from the creation of additional value and more. The more

managers at all levels of management are able to express, encourage and empower these motivation factors, the greater the willingness and readiness of employees to promote cooperation on their own initiative or to lead management initiatives.

Employees expect to work more collaboratively than before. This expectation can also come on a background of recognition that current work processes are inefficient and/or effective enough. Employees usually have the most knowledge about the failures in their work and that of those around them. They have the ability to point out the points needed to improve work processes. Since most of the work processes in organizations are cross-organizational, cross-sector and cross-border processes, the improvement can clearly result from cooperation between all these factors (Bergman & Baker, 2000; Détienne, 2006; Lacerenza, Marlow, Tannenbaum & Salas, 2018; Patel, Pettitt & Wilson, 2012; Salas, Sims & Burke, 2005).

We argue that there is amplifying effect of existing resources and openness to change on the importance of collaboration, since both are vital to the success of collaboration. Each one is considered as a necessary condition, especially in the public sector; therefore, we assume that they may have amplifying effect together.

3. Methodological Approach

The main aim of the research is to analyze what the antecedents that will affect the planning and implementation of collaboration between the municipal corporations in the Tel- Aviv-Yafo City. The correlated objectives follow to examine what are the antecedents that will affect the managers' importance of collaboration between municipal corporations and to reveal what are the antecedents that will affect the willingness of the managers to forgo resources in order to promote cooperation and partnership in municipal corporations. The Tel-Aviv-Yafo municipality owns thirty municipal corporations. These municipal subsidiaries engage in a diverse and wide variety of areas, including: urban development, commerce and economic initiatives, infrastructure, transportation and parking, tourism, sport, recreation and leisure, urban renewal, conferences, construction of public buildings, projects execution, welfare and education.

In order to test the research question and the hypotheses (presented above), a quantitative research was conducted among the municipal corporation managers and employees. The study was conducted among the senior managements of the municipal corporations. The participants were 94 senior managers, 87 responded to the survey with a response rate of 93%. The questionnaires were sent by organizational e-mail to all the participants via a survey program that guarantees anonymity of the participants. 44.8% of the managers are senior managers (Directors General, Deputy Directors General), 55.2% hold other senior positions (e.g. Finance Department Directors, Legal Advisors, Operation Directors, etc.), and 50.7% of the

respondents are women and 49.3% men. The average years in the corporation of all respondents is 9.0 years ($SD = 7.8$). 46.9% of the managers are active in the area of infrastructure, 16.8% of the managers' work in the corporations dealing with leisure time and sport, 20.5% in corporations dealing with culture, 10.8% in tourism and conferences and the others in education and welfare, 86.0% of the managers' work in the corporations fully owned by the municipality and the others in corporations partly owned by the municipality. Regarding the level of education: 6.4% of the managers finished high school with or without matriculation, 34.2% managers have a first degree diploma and 59.5% have a second degree diploma.

The measures that are based on subjective responses of the participants are of *Likert scale* of five levels. The scale is from 1-5 and the possibilities of the answers are from 1 – “to a very slight extent” to 5 – “to a very great extent”.

Whenever possible, we used questionnaires that had already appeared in the literature with established reliability (Hobfoll, 1989). The reliability of the multiple item indexes was estimated using *Cronbach's alpha coefficient*.

According with the main aim of the research, the tested hypotheses and sub-hypotheses were:

H1. The perceived managers' resources at work are related to the managers' importance of collaboration among municipal corporations.

H1.1. The perceived managers' resources at work are positively related to the managers' importance of collaboration among municipal corporations.

H1.2. The resources that the manager has at work are in a positive relationship to the manager's willingness to forgo resources to promote collaboration.

H2. The encouragement of the municipality's senior management for innovation and entrepreneurship has a relationship with the importance of collaboration between municipal corporations.

H2.1. The encouragement of the municipality's senior management for innovation and entrepreneurship has a positive relationship with the importance of collaboration between municipal corporations.

H2.2. The encouragement of the municipality's senior management for innovation and entrepreneurship has a positive correlation with the extent to which the manager is willing to forgo resources in order to promote cooperation.

H3. The openness to changes among the employees in the corporation is in a relationship with the importance of collaboration between municipal corporations.

H3.1. The openness to changes among the employees in the corporation is in a positive relationship with the importance of collaboration between municipal corporations.

H3.2. The openness to changes among employees in the corporation is in a positive relationship to the manager's willingness to forgo resources to promote collaboration.

H4. The desire to improve work processes has a relationship with the importance of collaboration between municipal corporations.

H4.1. The desire to improve work processes has a positive relationship with the importance of collaboration between municipal corporations.

H4.2. The desire to improve work processes has a positive relationship on the willingness of the manager to forgo resources in order to promote cooperation.

H5. Openness to changes among the employees will moderate relationship between resources that the manager has at work and the importance of collaboration between municipal corporations.

H5.1. Openness to changes among the employees will moderate the positive relationship between resources that the manager has at work and the importance of collaboration between municipal corporations.

H5.2. Openness to changes among the employees will moderate the positive relationship between resources that the manager has at work and the manager's willingness to forgo resources in order to promote collaboration.

The analyze is based on variables that describe the collaboration process among municipalities bodies. One of the dependent variables analyzed is *collaboration importance* that can be reflected in questions as *to what extent do you agree with the following ...*; or *In my opinion, it is important to cooperate with other corporations, even at the cost of additional work*; or *In my opinion, it is important to cooperate with other corporations*; or *Collaboration with other corporations may increase the degree of success of my corporation*. Other variable take into analyze is *willingness to forgo resources in order to promote collaboration*. Collaboration consists of elements including the ability to cooperate, to grant, to make possible, and to give the need and desire for collaboration priority to your own wishes. Therefore, the variable *willingness to forgo resources in order to promote collaboration* is a very important variable and was selected to be one of the dependent variables in this research. In order to measure the willingness to forgo resources, the questionnaire included specific questions such as: willing to forgo time, equipment, ego, information etc. (Bryman & Bell, 2015).

One of the independent used variables is *resources that the manager has at his job*. This measure has been constructed in accordance with Hobfoll's (1989) model. The questionnaire contains 7 resources, which fall into four categories: objects (e.g., tools for work), conditions (e.g., people I can learn from), personal characteristics (e.g., control over the situation) and energies (e.g., feeling of success). Respondents were

asked to indicate how much of each resource they had in their work. The independent variable *the extent to which the municipality's senior management encourages innovation and initiative* in the corporations was also taken from the organizational climate questionnaire of Brown & Leigh (1996) and was adjusted to this research. Among the questions were: *the senior management of the municipality encourages initiative and innovation* and *the senior management of the municipality encourages us to "dream" about all kind of issues related to our corporation*. The independent variable *openness to change among employees in the company* was evaluated by 2 items. Questions asked included: *my employees tend to consider the benefits rather than the disadvantages of changes taking place in our corporation* and *my employees tend to accept change in work processes relatively easily*. The independent variable *the desire to improve work processes* is tested in the questionnaire through questions such as: *my corporation holds regular meetings on processes of improvement* and *in my corporation, regular meetings are held with internal or external customers in order to coordinate expectations*.

The control variables were included in the model to control characteristics of the firm and of the managers: The ownership of the organization by the municipality (full or partly), the domain of activity (Transportation, leisure, sports, urban development, culture, housing, education, conferences, water, welfare tourism, urban infrastructure) the income of the organization for 2016 and gender of the manager.

4. Results and Interpretation of Data

The results of regressions predicting willingness to forgo resources and importance of collaboration are presented in table 3 and 4. In the first step, the control variables were entered. In the second step all the independent variables were entered. The interaction term of resources that the manager has at work and openness to changes among the employees were entered in the third step.

Overall 28% of the variance in willingness to forgo resources and 29% of the variance in the importance of collaboration was explained by the regression equations.

Consistent with hypotheses 1 (and sub-hypotheses 1.1. and 1.2), the manager's resources at work show positive statistically significant coefficients in the full model. The manager's resources at work positively related to the willingness and importance of collaboration ($\beta=.28$) and it is positive related to the manager's willingness to forgo resources in order to promote collaboration ($\beta=.27$). Hypotheses 2 (and sub-hypotheses 2.1. and 2.2) are also supported. The encouragement of the municipality's senior management for innovation and entrepreneurship has a positive relationship with the importance of collaboration ($\beta=.25$) and with the extent to which the manager is willing to forgo resources in order to promote cooperation ($\beta=.31$).

However, hypotheses III (and III.1. and III.2.) were refuted. The openness to changes among the employees in the corporation is not positively correlated with the importance of the collaboration ($\beta=.00$) and to the manager's willingness to forgo resources in order to promote collaboration ($\beta=-.09$). In the same way, hypotheses 4 and 5 (with sub-hypotheses 4.1. and 4.2.) were refuted. The desire to improve work processes has not had a positive effect on the importance of collaboration ($\beta=-.09$) and on the willingness of the manager to forgo resources in order to promote cooperation ($\beta=-.05$).

The following tables present descriptive data of the research variables, their reliability, the mean and standard deviations.

Table 1. Statistical Characteristics of the Research Variables

The variable	Number of items	Mean	Standard deviation	Answers range	Reliability coefficient	subjects number
Importance of collaboration	4	4.24	0.68	5-1	0.86	87
Willingness to give up resources to promote cooperation	8	3.41	0.83	5-1	0.85	82
Encouragement of the municipality's senior management for innovation and entrepreneurship	2	3.70	0.98	5-1	0.86	78
Openness to changes among employees	2	3.10	0.80	5-1	0.84	81
Desire to improve work processes	2	3.32	1.00	5-1	0.77	82
Perception of the resources the manager has at work	7	3.90	0.56	5-1	0.84	82

Table 2. Relationships between the Research Variables

#		1	2	3	4	5	6	7	8	9	10
1.	Income	-									
2.	Owner	.15	-								
3.	Area of activity	-.12	.09	-							
4.	Gender	.06	-.15	.05	-						
5.	Willingness to forgo resources	-.11	-.03	-.02	.17	-					

6.	Importance of collaboration	-.39**	-.06	.07	-.05	.41*	-				
7.	Openness to changes among employees	-.00	-.13	.01	-.06	.19	.21	-			
8.	Desire to improve work processes	.20	-.05	.06	-.04	.14	.08	.50*	-		
9.	Current resource quantity	.11	-.09	.05	-.01	.16	.26*	.42*	.46*	-	
10	Encouragement of the municipality's senior management for innovation and entrepreneurship	-.07	-.03	-.04	.04	.30*	.26*	.21	.20	.24*	-

P<.05 * P<.001 **

Table 3. Regression Analysis on willingness to forgo resources

variable	Model 1	Model 2	Model 3
Control variables			
Income	-.08	-.10	-.03
Owner area	-.03	-.02	-.00
gender	-.02	-.03	-.01
	-.17	-.18	-.26*
Independent variables			
Employees openness to change		-.06	-.09
Desire to improve work processes		.05	-.05
Current resource quantity		.17	.27*
Encouragement of the municipality's senior management for innovation and entrepreneurship		.32*	.31*
Current resource quantity X Employees openness to change			.32*
N	70	70	70
ΔR ²	.04	.16*	.08*
Adjusted R ²	-.02	.09*	.17*

p< 0.05*

Table 4. Regression Analysis on importance of collaboration

variable	Model 1	Model 2	Model 3
Control variables			
Income	-.36*	-.36*	-.36*
Owner area	.00	.02	.02
gender	.04	.03	.03
	-.03	-.03	-.03
Independent variables			
Employees openness to change		.00	.00
Desire to improve work processes		-.08	-.09

Current resource quantity		.27*	.28*
Encouragement of the municipality's senior management for innovation and entrepreneurship		.25*	.25*
Current resource quantity X Employees openness to change			.03
N	71	71	71
ΔR^2	.14*	.15*	.00
Adjusted R ²	.09*	.20*	.19

p < 0.05*

Hypothesis 5 with sub-hypotheses 5.1., suggested that openness to changes among the employees will moderate the positive relationship between resources that the manager has at work and the willingness and importance of collaboration in the eyes of the manager, but it was refuted ($\beta = .03$ n.s).

Whereas Hypothesis 5, with sub-hypotheses 5.2., which proposed that openness to changes among the employees will moderate the positive relationship between resources that the manager has at work and the manager's willingness to forgo resources in order to promote collaboration, was supported ($\beta = .32^*$).

5. Discussions

This study extends the local government management literature in relation to the issue of collaboration between municipal corporations. Thus, contributing to this subject, while integrating the existing knowledge of management of organizations in general to the municipal sphere in particular. We examined the antecedents related to collaboration in order to emphasize what are the preparatory activities required as a preliminary stage for the initiation and promotion of collaboration between municipal corporations. In this study, we focused on the perceptions of the senior managers of these municipal corporations.

We found that the resources (tangible and intangible) of managers at work have a significant positive relationship with the importance of managers to collaborate and with the extent to which the manager is willing to forgo resources in order to promote cooperation. The literature also refers to the available resources as one of the facilitators for sharing ideas among managers. Without resources available for day-to-day activities, managers will turn their attention to obtaining additional resources for achieving business objectives first and foremost and will not be able to direct resources (which are not abundant) to the subject of collaborations (Arya & Lin, 2007; Guo & Acar, 2005; Roussos & Fawcett, 2000). One of the key strategic explanations for cross-organizational collaboration lies in the organization's need to seek access to complementary resources. Complementary resources among partners represent a theoretical and practical puzzle for firms seeking collaboration. Research shows that when such resources exist, the formation of collaborative ventures

becomes more likely and the potential for success increases. Also, in a business environment, companies that regularly evaluate assets and those who are highly aware of their resources, are open to sharing with other organizations (Deken, Berends, Gemser & Lauche, 2018; Vasudeva, Spencer & Teegen, 2013; Wang & Zajac, 2007).

Moreover, the encouragement of the municipality's senior management for innovation and entrepreneurship has a positive relationship with the importance of collaboration and with the extent to which the manager is willing to forgo resources in order to promote cooperation. Innovation and the fostering of initiatives are considered as one of the factors that enable collaboration. In organizations where innovations and initiatives are on the organizational agenda, there are ongoing activities of brainstorming, exchange of views, team meetings, and working and thinking relationships from different disciplines and different organizational sectors. This activity supports and promotes cooperation and raises ideas for implementation by virtue of cross-sectorial acquaintance and joint teamwork. In cooperative organizations, there is willingness and readiness to give up personal interests in order to achieve and promote common interests. Such willingness is the result of a personal example (in declarations and actions combined) from senior management to other managers at all levels of management and the organization as a whole. (Reddy, Desai, Sifunda, Chalkidou, Hongoro, Macharia & Roberts, 2018; Sergienko, 2001; Willis, 2012).

In this study, we have not found a relationship between openness to changes among the employees and importance of the collaboration and the manager's willingness to forgo resources in order to promote collaboration. There are articles that claim that organizations involved in cooperation are required to preserve their knowledge and therefore have less openness. The sharing process takes a long time and has a high level of risk - issues that reduce openness in the organization (Jones & Hooper, 2017; Laursen & Salter, 2014; Qin & Fan, 2016).

Although, in the literature we can find studies that connect process of improvement with collaboration importance (Cheruvellil, Soranno, Weathers, Hanson, Goring, Filstrup & Read, 2014; Daniels & Walker, 1996), in this study there is not a relationship between these two variables. A possible explanation for this may be that corporate managers are constantly operating in a challenging environment on a regular basis and in the ecosystem of constant improvement. Therefore, they do not place a particular emphasis on the desire to improve work processes.

We have not found the amplifying effect of openness to change and amount of resources a manager has on the importance collaboration. In the literature, there is a connection between the quantity of existing resources and the perception of the importance of collaborating (Arya & Lin, 2007; Guo & Acar, 2005; Roussos & Fawcett, 2000). In addition, there is a connection between openness to changes and

the importance of sharing (Celep, Brenner & Mosher-Williams, 2016; Ehls, Korreck, Jahn, Zeng, Heuschneider, Herstatt, Koller & Spaeth, 2016; Wiener, Gattringer & Strehl, 2018). However, this amplifying effect was refuted in this study.

On the other hand, the amplifying effect of openness to change and amount of resources a manager has on willingness to forgo resources to promote collaboration was confirmed. Thus, openness to changes among employees empowers and strengthens the positive correlation between the amount of resources the manager has and his willingness to forgo resources to promote collaboration. This finding emphasizes the need of companies to simultaneously engage in openness to changes among its employees and redefining and elaborating the perceptions of the managers' resources in order to achieve successful collaborations among local government corporations.

6. Conclusions and Implications to Management

The amount of resources the manager has to carry out his work (time, money, responsibility, authority etc.) affects the importance he attributes to the collaboration and his willingness to forgo resources to promote it. The importance of collaboration in the eyes of the manager is one of the main factors in promoting the issue. Therefore, it is important to ensure that from the initial stages of preparing the sharing action plan; these resources will be considered and allocated in accordance with the different stages of the collaboration. The municipality's senior management must ensure that these resources are indeed well defined and are available for use as an integral part of the entire sharing process.

The municipality's top management plays an important role in promoting collaboration between the corporations. The support and commitment of the municipality's senior management in general and on encouraging initiatives and innovation in particular is preliminary step in a collaboration process. Therefore, the recruitment of the municipality's senior management is a vital and necessary condition in order to implement collaboration between the municipal corporations. As the municipality's management in general and top senior management in particular will carry out activities such as resource allocation and promoting a supportive organizational environment - corporate executives will appreciate the need for collaboration in a positive manner and will be willing to promote partnership in their corporations.

In order to achieve the commitment of senior management, it is necessary to prepare an initial outline that shows the directions of action, the potential benefits and resources required and to receive the consent of the senior management based on this presentation as a first step in the process.

In light of the importance of resources that the manager has to perform his work (time, authority, money, personnel, equipment, ego, information, skills) and their effect on promoting cooperation - specific attention is required in advance. In the framework of the early stages and planning for the initiation of collaboration, it will be appropriate to establish an activity for the managers that will include: defining these resources, mapping the resources, whether they can be increased and/or redesigned, their awareness and their proper use.

As part of the preparation of the organizational infrastructure for the purpose of collaboration, appropriate activity is required for the change management among managers and employees alike. After increasing awareness of the issue, a detailed plan for change managing will be presented (by a professional). This program will include, inter alia, communicating and explaining to the various levels in the organization, identifying stakeholders who can be positive change agents within the organization, identifying points of resistance and preparing a coping plan, and so on.

Within the framework of the detailed plan (which will be prepared after receiving a principle approval and appropriate resources), preparatory activities should be included in those issues. Our future research will include these steps to determine the effects on collaboration process among municipalities' corporations.

7. Reference

- Agranoff, R. & McGuire, M. (2004). *Collaborative public management: New strategies for local governments*. Washington, D.C.: Georgetown University Press.
- Almog-Bar, M. & Schmid, H. (2018). Cross-Sector Partnerships in Human Services: Insights and Organizational Dilemmas. *Nonprofit and Voluntary Sector Quarterly*, 0899764018771218.
- Ansell, C. & Gash, A. (2008). Collaborative governance in theory and practice. *Journal of public administration research and theory*, 18(4), pp. 543-571.
- Armenakis, A.A. & Harris, S.G. (2002). Crafting a change message to create transformational readiness. *Journal of organizational change management*, 15(2), pp. 169-183.
- Arya, B. & Lin, Z. (2007). Understanding collaboration outcomes from an extended resource-based view perspective: The roles of organizational characteristics, partner attributes, and network structures. *Journal of management*, 33(5), pp. 697-723
- Augustsson, H.; Richter, A.; Hasson, H. & von Thiele Schwarz, U. (2017). The need for dual openness to change: A longitudinal study evaluating the impact of employees' openness to organizational change content and process on intervention outcomes. *The Journal of Applied Behavioral Science*, 53(3), pp. 349-368.
- Beer, M. (1988). Leading Change. *Harvard Business School Background Note 488-037*.
- Bel, G. & Warner, M.E. (2015). Inter-municipal cooperation and costs: Expectations and evidence. *Public Administration*, 93(1), pp. 52-67.

- Benzer, J.K.; Charns, M.P.; Hamdan, S. & Afable, M. (2017). The role of organizational structure in readiness for change: A conceptual integration. *Health services management research*, 30(1), pp. 34-46.
- Bergman, R. & Baker, J.D. (2000). Enabling collaborative engineering and science at JPL. *Advances in Engineering Software*, 31(8-9), pp. 661-668.
- Brinkerhoff, J.M. (2002a). Assessing and improving partnership relationships and outcomes: a proposed framework. *Evaluation and program planning*, 25(3), pp. 215-231.
- Brinkerhoff, J.M. (2002b). Government–nonprofit partnership: a defining framework. *Public Administration and Development: The International Journal of Management Research and Practice*, 22(1), pp. 19-30.
- Brown, S.P. & Leigh, T.W. (1996). A new look at psychological climate and its relationship to job involvement, effort, and performance. *Journal of applied psychology*, 81(4), p. 358.
- Bryman, A. & Bell, E. (2015). *Business research methods*. 4th Ed. U.S.A: Oxford University Press.
- Bryson, J.M.; Crosby, B.C. & Stone, M.M. (2006). The design and implementation of Cross-Sector collaborations: Propositions from the literature. *Public administration review*, 66, pp. 44-55.
- Campbell, J.W. (2018). Efficiency, Incentives, and Transformational Leadership: Understanding Collaboration Preferences in the Public Sector. *Public Performance & Management Review*, 41(2), pp. 277-299.
- Celep, A.; Brenner, S. & Mosher-Williams, R. (2016). Internal culture, external impact: how a change-making culture positions foundations to achieve transformational change. *The Foundation Review*, 8(1), p. 12.
- Cheruvilil, K.S.; Soranno, P.A.; Weathers, K.C.; Hanson, P.C.; Goring, S.J.; Filstrup, C.T. & Read, E. K. (2014). Creating and maintaining high-performing collaborative research teams: the importance of diversity and interpersonal skills. *Frontiers in Ecology and the Environment*, 12(1), pp. 31-38.
- Chesbrough, H.W. (2006). *Open innovation: The new imperative for creating and profiting from technology*. Boston: Harvard Business Press.
- Crosby, B.C. & Bryson, J.M. (2010). Integrative leadership and the creation and maintenance of cross-sector collaborations. *The Leadership Quarterly*, 21(2), pp. 211-230.
- Damanpour, F. (1996). Organizational complexity and innovation: developing and testing multiple contingency models. *Management science*, 42(5), pp. 693-716.
- Daniels, S.E. & Walker, G.B. (1996). Collaborative learning: improving public deliberation in ecosystem-based management. *Environmental impact assessment review*, 16(2), pp. 71-102.
- Deken, F.; Berends, H.; Gemser, G. & Lauche, K. (2018). Strategizing and the initiation of interorganizational collaboration through prospective resourcing. *Academy of Management Journal*, Vol. 61, no. 5, pp. 1920–1950, <https://doi.org/10.5465/amj.2016.0687>.
- Dessalegn, B.; Kiktenko, L.; Zhumagazina, B.; Zhakenova, S. & Nangia, V. (2018). Explaining farmers' reluctance to adopt recommendations for sustainable ecosystem management. *Ecological Processes*, 7(1), p. 24.
- Détienne, F. (2006). Collaborative design: Managing task interdependencies and multiple perspectives. *Interacting with computers*, 18(1), pp. 1-20.

Diamond, J. & Vangen, S. (2017). Coping with austerity: innovation via collaboration or retreat to the known? *Public Money & Management*, 37(1), pp. 47-54.

Ehls, D.; Korreck, S.; Jahn, R.; Zeng, M.A.; Heuschneider, S.; Herstatt, C.; Koller, H. & Spaeth, S. (2016). Open Foresight: Exploiting Information from External Sources. *SSRN*. <https://ssrn.com/abstract=2764208>.

Emerson, K. & Nabatchi, T. (2015). *Collaborative governance regimes*. Georgetown University Press.

Falk, A. & Fehr, E. (2003). Reciprocal Fairness, Cooperation and Limits to Competition. In E. Fullbrook (Ed.). *Intersubjectivity in economics: Agents and structures*, pp. 42-56. London: Routledge.

Feiock, R.C. (2013). The institutional collective action framework. *Policy Studies Journal*, 41(3), pp. 397-425.

Fink, M.; Raz-Shechter, A.; Eshrl-Rabinovitz, A.; Simhon, O.; Morag-Faktor, Y.; Elroy, I.; Goldenshtain, M. & Rotstein, R. (2013). *A model for Cooperation between Government ministries. Written by participants of the 21st cycle of the Civil Service Commission's and the JDC Institute for Leadership and Israeli governance's program for Senior Civil Servants*.

Foster-Fishman, P.G.; Berkowitz, S.L.; Lounsbury, D.W.; Jacobson, S. & Allen, N.A. (2001). Building collaborative capacity in community coalitions: A review and integrative framework. *American journal of community psychology*, 29(2), pp. 241-261.

Gardner, H.K. (2016). *Smart collaboration: How professionals and their firms succeed by breaking down silos*. Harvard Business Review Press.

Giguère, S. (Ed) (2007). Publishing, OECD & Giguère, Sylvain & Local Economic and Employment Development (Program) & Organisation for Economic Co-operation and Development & Source OECD (Online service) (2007). *Baltic partnerships: integration, growth and local governance in the Baltic Sea Region*. Organisation for Economic Co-operation and Development, Paris: OECD Publishing.

Gintis, H. (2000). Beyond Homo economicus: evidence from experimental economics. *Ecological economics*, 35(3), pp. 311-322.

Gray, B. & Stites, J.P. (2013). Sustainability through partnerships. *Capitalizing on collaboration. Network for business sustainability, case study*.

Guo, C. & Acar, M. (2005). Understanding collaboration among nonprofit organizations: Combining resource dependency, institutional, and network perspectives. *Nonprofit and voluntary sector quarterly*, 34(3), pp. 340-361.

Harper, C.R.; Kuperminc, G.P.; Weaver, S.R.; Emshoff, J. & Erickson, S. (2014). Leveraged resources and systems changes in community collaboration. *American journal of community psychology*, 54(3-4), pp. 348-357.

Hobfoll, S.E. (1989). Conservation of resources: A new attempt at conceptualizing stress. *American psychologist*, 44(3), p. 513.

Ito, K. & Souissi, M. (2012). Managerial Accounting as a Tool for Corporate Strategy: Synergy Creation and Anergy Inhibition. *Journal of International Business Research*, 11(1), p. 63.

Jacobson, C.; Hughey, K.F.; Allen, W. J., Rixecker, S., & Carter, R. W. (2009). Toward more reflexive use of adaptive management. *Society and Natural Resources*, 22(5), pp. 484-495.

- Jones, S. & Hooper, T. (2017). New Zealand's ICT Strategy: The Respective Roles of Senior and Middle Management in Promoting Collaboration and Innovation. *Asia & the Pacific Policy Studies*, 4(3), pp. 484-495.
- Kirsch, C.; Chelliah, J. & Parry, W. (2012). The impact of cross-cultural dynamics on change management. *Cross Cultural Management: An International Journal*, 19(2), pp. 166-195.
- Kolk, A. & Lenfant, F. (2015). Cross-sector collaboration, institutional gaps, and fragility: the role of social innovation partnerships in a conflict-affected region. *Journal of Public Policy & Marketing*, 34(2), pp. 287-303.
- Lacerenza, C.N.; Marlow, S.L.; Tannenbaum, S.I. & Salas, E. (2018). Team development interventions: Evidence-based approaches for improving teamwork. *American Psychologist*, 73(4), p. 517.
- Lambert, D.M.; Emmelhainz, M.A. & Gardner, J.T. (1996). Developing and implementing supply chain partnerships. *The international Journal of Logistics management*, 7(2), pp. 1-18.
- Laursen, K. & Salter, A.J. (2014). The paradox of openness: Appropriability, external search and collaboration. *Research Policy*, 43(5), pp. 867-878.
- Lee, S.M.; Olson, D.L. & Trimi, S. (2012). Co-innovation: convergenomics, collaboration, and co-creation for organizational values. *Management Decision*, 50(5), pp. 817-831.
- Lehman, W.E.; Greener, J.M. & Simpson, D.D. (2002). Assessing organizational readiness for change. *Journal of substance abuse treatment*, 22(4), pp. 197-209.
- LeSage Jr, E.C.; McMillan, M.L. & Hepburn, N. (2008). Municipal shared service collaboration in the Alberta Capital Region: The case of recreation. *Canadian Public Administration*, 51(3), pp. 455-473.
- Liedtka, J.M. (1998). Collaboration: Synergy Revisited: How a "Screwball Buzzword" can be Good for the Bottom Line. *Business Strategy Review*, 9(2), pp. 45-55.
- Linden, R. (2003). The discipline of collaboration. *Leader to Leader*, 2003(29), pp. 41-47.
- Mattessich, P.W.; Murray-Close, M. & Monsey, B.R. (2008). Collaboration: what makes it work? A review of research literature on factors influencing successful collaboration. Amherst H. 2th Ed. St. Paul: Fieldstone Alliance.
- Moseley, M.J.; Cherrett, T. & Cawley, M. (2001). Local partnerships for rural development: Ireland's experience in context. *Irish Geography*, 34(2), pp. 176-193.
- Murphy, L.E. & Coughlan, J.P. (2018). Does it pay to be proactive? Testing proactiveness and the joint effect of internal and external collaboration on key account manager performance. *Journal of Personal Selling & Sales Management*, 38(2), pp. 205-219.
- OECD (2006). *OECD Leed forum on partnerships and local governance. Successful Partnerships - a guide*. Retrieved from <https://www.oecd.org/cfe/leed/36279186.pdf>.
- OECD (2015) Development Co-operation Report 2015: Making Partnerships Effective Coalitions for Action, *OECD Publishing*, Paris. <http://dx.doi.org/10.1787/dcr-2015-en>.
- OECD (2005). *Oslo Manual: Guidelines for collecting and interpreting innovation data: Proposed Guidelines for Collecting and Interpreting Innovation Data*. 3rd Ed. Paris: OECD Publishing, 10.1787/9789264013100-en.
- Olson, J.G. (2004). *Co-development: Collaborating across boundaries on joint strike fighter*. In M. Beyerlein, D. Johnson, & S. Beyerlein (Ed.). *Advances in Interdisciplinary Studies of Work Teams*, vol.

- 10, Complex collaboration: Building the capabilities for working across boundaries, pp. 27-58. UK: Elsevier Ltd.
- Patel, H.; Pettitt, M. & Wilson, J.R. (2012). Factors of collaborative working: A framework for a collaboration model. *Applied ergonomics*, 43(1), pp. 1-26.
- Piltan, M. & Sowlati, T. (2016). Multi-criteria assessment of partnership components. *Expert Systems with Applications*, 64, pp. 605-617.
- Qin, C. & Fan, B. (2016). Factors that influence information sharing, collaboration, and coordination across administrative agencies at a Chinese university. *Information Systems and e-Business Management*, 14(3), pp. 637-664.
- Reddy, P.; Desai, R.; Sifunda, S.; Chalkidou, K.; Hongoro, C.; Macharia, W. & Roberts, H. (2018). You Travel Faster Alone, but Further Together: Learning From a Cross Country Research Collaboration from a British Council Newton Fund Grant. *Short Communication*, 1-5. Available at: https://ecommons.aku.edu/eastafrica_fhs_fhs/15.
- Roussos, S.T. & Fawcett, S.B. (2000). A review of collaborative partnerships as a strategy for improving community health. *Annual review of public health*, 21(1), pp. 369-402.
- Salas, E.; Sims, D.E. & Burke, C.S. (2005). Is there a “big five” in teamwork? *Small group research*, 36(5), pp. 555-599.
- Sergienko, I. (2001). A Cooperative Model of Business Management. *Problems of economic transition*, 43(10), pp. 53-64.
- Snavely, K. & Tracy, M.B. (2002). Development of trust in rural nonprofit collaborations. *Nonprofit and Voluntary Sector Quarterly*, 31(1), pp. 62-83.
- Spicer, Z. (2017). Bridging the accountability and transparency gap in inter-municipal collaboration. *Local Government Studies*, 43(3), pp. 388-407.
- Sullivan, H. & Skelcher, C. (2017). *Working across boundaries: collaboration in public services*. London: Palgrave Macmillan.
- Tanner, G. & Otto, K. (2016). Superior–subordinate communication during organizational change: under which conditions does high-quality communication become important? *The International Journal of Human Resource Management*, 27(19), pp. 2183-2201.
- Thomson, A.M. & Perry, J.L. (2006). Collaboration processes: Inside the black box. *Public administration review*, 66, pp. 20-32.
- Van Tulder, R. & Keen, N. (2018). Capturing collaborative challenges: Designing complexity-sensitive theories of change for cross-sector partnerships. *Journal of Business Ethics*, pp. 1-18.
- Vasudeva, G.; Spencer, J.W. & Teegen, H.J. (2013). Bringing the institutional context back in: A cross-national comparison of alliance partner selection and knowledge acquisition. *Organization Science*, 24(2), pp. 319-338.
- Vatn, A. (2007). Resource regimes and cooperation. *Land Use Policy*, 24(4), pp. 624-632.
- Wang, L. & Zajac, E.J. (2007). Alliance or acquisition? A dyadic perspective on interfirm resource combinations. *Strategic management journal*, 28(13), pp. 1291-1317.
- Wanna, J. (2008). Collaborative government: meanings, dimensions, drivers and outcomes. In J. O’Flynn, and J. Wanna (Eds.), *Collaborative Governance A new era of public policy in Australia?* Canberra: Australian and New Zealand School of Government and ANU E-Press, pp. 3-12.

Wiener, M.; Gattringer, R. & Strehl, F. (2018). Participation in inter-organizational collaborative open foresight a matter of culture. *Technology Analysis & Strategic Management*, 30(6), pp. 684-700.

Willis, P. (2012). Engaging communities: Ostrom's economic commons, social capital and public relations. *Public Relations Review*, 38(1), pp. 116-122.

Wyrwa, J. (2018). Cross-sector partnership as a determinant of development - the perspective of public management. *Management*, 22(1), pp. 119-137.