Chapter 15
Harnessing Interagency Collaboration in Inter-Organizational Systems Development:
Lessons Learned from an E-Government Project for Trade and Transport Facilitation

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ABSTRACT
In spite of the increasing need for building interagency systems, the literature on effective inter-organizational collaboration is practically inexistend, both from the methodological and practical perspectives. Using an action research approach, this paper reports the findings of a four-year long action research that seeks to identify critical success factors for establishing and maintaining interagency collaboration in a large-scale inter-organizational system development project. The findings were drawn from direct experiences during the implementation of the cross-border internet-based system for trade and transport facilitation in Thailand, which required an involvement of more than 40 governmental and business stakeholders. This paper suggests a stepwise approach for the establishment and maintenance of interagency collaboration, and derives methodological and practical implications from this large-scale experience.

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1. INTRODUCTION

E-government systems have been touted as one of the major milestones in improving the efficiency and effectiveness of governmental operations (Bhatnagar, 2004). However, their implementation and deployment often face complicated challenges. Many of these challenges are related to organizational, managerial, financial, legal, and political issues (Aichholzer & Schmutzer, 2002; Gil-Garcia & Pardo, 2005). Dealing with these challenges require strong political will, unconditional commitment and support from top management, reliable institutional platform for collaboration, convincing management of stakeholders’ expectations and perceptions, workable business and architectural models, and, last but not least, necessary business and regulatory reforms.

Moreover, large-scale e-government systems often face higher risks of implementation failure. Bhatnagar (2004) argues that the implementation of these systems has proved to be more difficult due to their inter-organizational nature and the necessity to obtain appropriate levels of involvement from all stakeholders. To our knowledge, research in e-government has primarily focused on issues related to e-government development, integration, adoption, and evaluation. Not much research has been carried out to identify a practical approach for establishing and maintaining stakeholders’ collaboration during the implementation and deployment of a large-scale e-government development project due to the paucity and lack of uniformity of data coming from the diversity of involved agencies.

In their attempt to propose a comprehensive theory of collaborative alliances, Gray and Wood (1991a) review several theories from a variety of basic disciplines: organization science, economics, and political science. They claim that specific theories such as resource dependence theory, corporate social performance/institutional economics theory, strategic management/social ecology theory, macroeconomics theory, and political theory might help explain pre-conditions for and outcome of collaboration. Institutional/negotiated order theory, on the other hand, guides the examination of issues related to the process of collaboration (Gray & Wood, 1991a). These theories, however, offer little help in understanding the process of establishing and maintaining interagency collaboration.

Our research seeks to identify a stepwise approach in establishing and maintaining interagency collaboration necessary for successful implementation of large-scale e-government system. To gain insights on how the interagency collaborative platform is established and maintained, we carried out an action research approach in an e-government project that involved more than 40 parties from both government and business sectors.

This paper is structured into four sections. The first section introduces a project background and context under investigation, i.e., Thailand’s Single-Window e-Logistics project. It is followed by the discussion on concept of interagency collaboration, a process in establishing the collaborative platform, and issues that have to be taken into account at each step. The research methodology adopted for the study is described next. Discussion on interagency collaboration, practical implications for practitioners, and propositions for future research follow.

2. TOWARD A CROSS-BORDER INTERNET-BASED SYSTEM FOR SUPPORTING TRADE AND TRANSPORT FACILITATION

International supply chain encompasses activities related to the ordering and physical transfer of goods, and the payment for these goods (UNECE, 2001). It involves a large number of stakeholders including customers, suppliers of goods from various industries, intermediaries whom are known as commercial, financial, transport or insurance service providers, and a number of government