The institutionalization of benchmarking in the Danish construction industry

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With a theoretical point of origin in contemporary institutional theory, this thesis is about the institutionalization of benchmarking in the Danish construction industry. By answering the following three research questions, the thesis embraces over an enquiry of the institutionalization of benchmarking:

- How and for what purposes has benchmarking originally been introduced as a solution to political issues in the Danish construction industry?
- How have political struggles and negotiations affected the institutionalization of benchmarking?
- How has the study contributed with recommendations on how to institutionalize new structures in the Danish construction industry?

In the methodology chapter, I outline how institutional theory facilitates new and important inquiries into understanding institutionalization of benchmarking. I account for how the choice of theory is influencing my analytical approach to conduct this study and how institutional theory is providing important insight in this study of benchmarking. In the methodology chapter, I present three analytical models that are applied in the study; “Three Pillars of Institutions,” “contradictions,” and “framings.” Further, the chapter accounts for the data collection methods used to conduct the empirical data collection and the appertaining choices that are made, based on the account for analyzing institutionalization processes. The analysis unfolds over seven chapters, starting with an exposition of the political foundation from which benchmarking originally arose as a political proposal for a future institution in the Danish construction industry. The second chapter demonstrates how benchmarking was introduced in the late 1990s as a technology addressing political focus areas from two development programs in the late 1990s. In the third chapter, it is demonstrated how private actors from the construction industry attempted to take control over the institutionalization of benchmarking by establishing an Evaluation Centre (Byggeriets Evaluerings Center, BEC) from which benchmarking was to be developed and disseminated to the construction industry. The fourth chapter demonstrates how benchmarking was concretized into a benchmarking system and articulated to address several political focus areas for the construction industry. BEC accordingly became a political arena where many local perspectives and strategic interests had to be managed. The fifth chapter is about the operationalization of benchmarking and demonstrates how the concretizing and implementation of benchmarking gave rise to reactions from different actors with different and diverse interests in the benchmarking initiative. Political struggles emerged as actors expressed diverse political interests in the institutionalization of benchmarking. The political struggles accounted for in chapter five constituted a powerful political pressure and called for transformations of the institutionalization in order for benchmarking to attain institutional legitimacy. The political pressures ended up radically transforming the institutionalization of benchmarking. This transformation is accounted for in chapter six. As a result of the transformation, private construction companies were provided an opportunity to influence the future institutionalization. Additionally, and related to the construction companies’ influence on the institutionalization, competitors to BEC emerged. This competition entailed implications for how to perceive the instrumental purposes and overall objectives for benchmarking. Having the construction companies as important carriers of the institutionalization, the final chapter of the analysis uncovers how benchmarking is understood and interpreted among the practitioners in the construction industry. The chapter reveals how the benchmarking institution is incorporated in their experienced reality and demonstrates the interplay between and different interpretations among practitioners benchmarking gives rise to. With a point of departure in the three research questions, the final chapter discusses and concludes on the analysis. Here I advance an understanding of institutionalization processes as being highly political and reliant on actors’ political motivations to transform the rising institution. Based on the finding from the analysis, I conclude the thesis with recommendations for how to construct and carry institutions in the Danish construction industry.