# Fast-Track Institution Building

*The founding of AMS*

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# *Table of contents*

# 1 Amsterdam Metropolitan Solutions

*Rain Sense*

*Amsterdam may soon become a little more rainproof thanks to a research project by the Amsterdam Institute for Advanced Metropolitan Solutions' (AMS) called Rain Sense. As part of the project, AMS plans to install rain-monitoring systems that double as umbrellas, and to release a special app for mobile phones that will enable researchers and the citizens of Amsterdam to track rainfall hyper-locally. The app also allows residents to report problems with the umbrella stations directly to AMS by noting their location and uploading photos and details of the issue. The project will help organizations like Waternet identify and prevent potential problems caused by heavy rainfall, and to take the appropriate precautions to reduce any damage it might cause. Unanticipated, heavy rainfall has a history of causing problems for the city, like the torrential cloudburst on the 28$^{th}$ of July in 2014. This smart innovation aims to make Amsterdam more resilient to flooding and heavy rainfall, using smart technological innovations to turn the city of Amsterdam into a living lab.[1]*

The Amsterdam Institute for Advanced Metropolitan Solutions (AMS) was officially launched in June 2014 by a consortium of universities including Delft University of Technology (TU Delft), Wageningen University and Research Centre (Wageningen UR) and The Massachusetts Institute of Technology (MIT). The institute, which is located in the heart of Amsterdam, strives to become a premiere institute attracting students from a variety of disciplinary backgrounds, including engineers, designers and natural and social scientists, to engage a multi-disciplinary curriculum encouraging collaborative development of solutions to pressing issues in the urban landscape. By adopting a multidisciplinary approach, the institute seeks to develop and advance integrated solutions to metropolitan challenges that include and span aspects of various topics, like energy, water, mobility, health, food and waste. In addition, AMS offers a Master's degree program in the field of metropolitan solutions, which is closely intertwined with research.

This essay reflects on the history and manner in which AMS was founded. There are several reasons to undertake such a reflection, but none more so than the atypical manner in which the institute was founded, which was both bold and risky. The institute's origins lie in the City of Amsterdam's search for a way to strengthen its global position and to remain economi-

cally attractive in a competitive global economy after being hit by the economic crisis. It set its sights on becoming one of the top five conurbations in Europe and subsequently began searching for innovative means to stimulate economic growth, development sustainable business, and for dealing with new, emerging urban challenges. The urban challenges the city faced and continues to confront are similarly pressing in many of the big cities around the world, mainly as a result of intensifying urbanization. The growth of cities creates a number of challenges in areas as diverse as water drainage, mobility, air quality, health, and energy supply and demand. In addition to rising to the task of meeting these challenges on a technical level, complementing social innovations are also necessary, and the city had already seen its fair share of creativity in this area. In Amsterdam, several initiatives for dealing with urban challenges already existed, like Amsterdam Smart City, an innovation platform that challenges businesses, residents, the municipality and knowledge institutions to suggest and apply innovative ideas and solutions to urban issues. Building on these initiatives, the City of Amsterdam stated its ambition to experiment with multidisciplinary solutions to such urban challenges, and to turn that into a unique selling point for the city itself. To do so, the municipal government wanted to establish a new technical institute that would have the capacity to connect university research with Amsterdam's 'real' city-life and business environment, combining perspectives from a variety of disciplines relevant to metropolitan issues in order to then achieve successful solutions. The City thought that such an institute – coined AMS – represented a potentially great opportunity to strengthen the economy and to also fill a gap in applied technology in the Amsterdam region.

With this ambitious project, the City of Amsterdam joined a global trend among large metropolises like New York City, London, Rome and Barcelona in implementing measures to increase the city's economic significance. In many cases, increased cooperation between companies and knowledge institutions plays a key role in promoting such an elevated economic status. AMS, accordingly, is expected to create meaningful connections with knowledge, business, innovation and education by combining research and education, with Amsterdam itself becoming a *living lab*.

AMS is a unique and ambitious project for a variety of reasons. First, the concept itself is innovative for its combination of research and education, and its use of the city of Amsterdam as a test site and a real, living lab. By collecting data about the city, it will be possible to devise innovative

solutions that can be applied, evaluated and validated in the city as well. Amsterdam's relatively small scale makes it a perfect location for testing modern metropolitan solutions, which can then be scaled up to size for possible application in bigger cities like Barcelona or São Paulo.

Second, the process itself that led to the realization of the institute was special. The City of Amsterdam was inspired to pursue the creation of AMS by an initiative by the mayor of New York City, Michael Bloomberg. Bloomberg set up a competition in New York that offered the opportunity to universities, applied sciences organizations, and third parties to present their vision for developing and operating a new state-of-the-art research facility. The purpose of this public procurement process was to enrich New York City, create synergy, and attract and retain knowledge and talent.[2] The City of Amsterdam used this idea of a *creative competition* for the establishment of AMS and set up a *design contest*. In New York, the city stated its ambitions, arranged for financial support and established some preconditions, but otherwise required little of proposals, allowing applicants to shape and form their initiatives in the manner they saw fit. Amsterdam followed a similar strategy; it didn't structure a traditional procurement process centered on a well-defined assignment, but instead issued an open and creative challenge in an attempt to attract new partnerships and innovative concepts. By defining little more than the framework and offering the city as a urban testing ground, the City of Amsterdam engaged in a very open, new, and experimental procurement trajectory.

Third, Amsterdam already has a dense institutional landscape featuring universities and research centers. It hosts two universities, both of which score high in international and domestic rankings, and excels as a destination for higher education and research excellence. Interestingly enough, soon after the initiative for AMS was presented and debated in the City Council, the media started to report on the initiative as "the third university in Amsterdam".[3] This was unintended and unanticipated by the institute's founders, but the frame and narrative surrounding AMS as a new institute bridging the boundaries of academic fields and connecting a wide variety of organizations (educational institutes, research institutes, public sector institutions and private sector business) was certainly to its advantage. In spite of Amsterdam's already densely populated academic and institutional landscape, the new technological institute in Amsterdam quickly took hold and was fully established in less than three years.

Box: three features of the process of AMS

1. The city as a 'living lab' and a breeding ground for cross-boundary research and applied science.
2. An open procurement process to invite maximum creativity and innovation.
3. A new institute in an already crowded academic landscape.

The establishment of AMS was an innovative and complex process. It was uncertain which parties would be interested in participating, whether the proposals for it would be of high quality, and what exactly would eventually emerge as the outcome of the process. AMS was a politically high-profile project, but also full of risks and potential conflicts. Nevertheless, the process that established AMS was successful. The initiative was widely supported in the City Council, and private partners were keen on participating in the project. The number of proposals submitted exceeded all expectations and led the city to establish a professional jury to judge the eventual winner, which had the additional benefit of lending the competition a more international and professional status. No less than thirteen international consortia submitted their design to the contest, a turnout that was totally unexpected by the City. The winning proposal came from a consortium consisting of TU Delft, Wageningen UR and MIT. Despite early doubts, the first phase of the project turned out to be a success; good proposals, from a wide range of internationally renowned institutes, strengthened the image of the city of Amsterdam as a leading hub for urban development.

Also atypical was the speed of the development of the institute itself. Institutions typically need time to develop and often involve a long lead-time between their original design and eventual opening. However, fifteen months after the launch of the design contest, the AMS-institute was officially open. The institute is currently operational with its first set of solutions to urban problems under development; examples include the project 'Rain sense', which aims to improve inner-city water drainage, and the 'Urban Mobility Lab,' which analyses and predicts traffic flows. And beyond those, there is more on the way. In 2017, the technical and entre-preneurial two-year MSc programme 'Metropolitan Research, Engineering and Design' will kick-off, in which real-life challenges and solutions will be leading themes and objects of study.

The AMS-institute and process hold interesting lessons for students of *governance*. From a distance, the process appears to be neatly executed, with few disturbing wrinkles. But on closer inspection, a more complex process becomes apparent, including political struggles, dicey partnerships, and a variety of uncertainties. The swift development of AMS is an impressive achievement, but also raises questions for reflection: *what is the best means to arrange support for a new institute when the City already has two prominent universities? How to involve parties without yet very specific plans? What is the best way to sell a concept that is not yet developed? And how can the city maintain initial momentum and keep parties motivated to continue their efforts in the long run? What lessons does this project hold for other issues of complex governance?*

In this essay we reconstruct the development of AMS and show how it was built from scratch in such a short period of time. We look at the general course of the process, look deeper into some of the decisive moments of that process, and reflect on the dynamics that appear crucial to the apparently decisive success of the institute's establishment. Moreover, we look at the images and framing that allowed the initiative to come alive, which created the foundation for developing partnerships, as well as support inside and outside political circles. This essay illuminates the strategic actions behind the scenes, and reflects on the challenges that lie ahead for AMS.

# 2 Fast-track institution building

## 2.1  Exploring the potential of AMS

In the fall of 2011, the City of Amsterdam expressed ambitions to establish a high-quality technical institute focused on modern urban challenges. Its reason for wanting to do so was primarily based on its lack of a well-developed technical-academic community, in spite of a strong position internationally and an already dense landscape of world-leading companies and universities. According to the City, this gap in the field of technology had to be filled in order to create opportunities that would attract international talent to the region and provide a stimulating environment that would promote innovation and growth for Amsterdam's economy. The technological institute was proposed as an institute for *applied sciences*, primarily focusing on stimulating economic growth around urban challenges. Inspired by the New York City Initiative, the plan for 'Realizing an Amsterdam University for Applied Sciences', by setting up a tender was proposed by and discussed in the City Council in December 2011.[4] The motion was passed unanimously in the City Council.[5]

In the following months, the City conducted an initial exploratory study into AMS' potential and devised several goals for the institute: to stimulate economic activity, to develop and export technology-based metropolitan solutions, and to act as a means of attracting additional R&D funds to the Amsterdam region.[6] The City also prepared conditions and extra incentives that Amsterdam was willing to offer, as well as what it expected in return from the new institute: AMS would focus on metropolitan solutions, build on Amsterdam's strengths, have strong links to local and international ecosystems of research and development, and seek alliances with other triple helix parties. In order to support these goals, the City offered to help establish conditions amenable to the institute's success by supplying buildings and grounds for housing of the institute, by opening the city as a living lab for applied study and experimentation, and by providing access to existing knowledge the City had on metropolitan solutions.[7]

Based on its exploratory study, the City determined that AMS was a potentially interesting route for stimulating economic growth in the region. With assistance from The Boston Consulting Group (BCG), the city further investigated a potential focus for AMS ('what could AMS be?') by conduct-

ing a market consultation that assessed the interest of national and international parties in participating in the establishment of AMS.[8] The final report, released in September 2012, concluded that a focus on metropolitan solutions was indeed appealing to most partners, and that they supported the development of metropolitan solutions as well as support by and (co)financing from the City of Amsterdam.[9]

In November 2012, the City Council unanimously voted for a proposal from a City Board coalition, determining whether to provide financial support for AMS, as well as whether to provide structural reinforcement in Health Valley (public-private partnership in the medical domain), and sustainable housing. This proposal was soon labeled the 'legacy-motion', since it came from all three coalition partners and made investments possible in three projects that suited the ambitions of at least one of the three political parties in the coalition, thereby amplifying political support for the proposal.[10] In the case of AMS, the City agreed to invest in a few different ways: it offered locations for the AMS institute, support from City Departments and financial support as well. A financial reservation of €20 to 50 million was approved and allotted in support of the institute. The terms of the investment stipulated that it would only be provided in the event that proposals were of sufficiently high quality and reflected the City's aspirations for the institute.[11] In an effort to encourage creativity, the competition application stipulated few constraints. The few requirements for proposals were indicated as follows: the institute would have to help realize the goals of the City of Amsterdam, it would have to focus on technology, and it would have to be located in Amsterdam. The city's final stipulation for proposals required that each consortium would have to realize a multiple of at least four in terms of its own investments, relative to the financial contribution promised by the City.

### 2.2  The contest

After discussions in the City Council, an agreement to move forward with the design contest was reached in March 2013. One month later, on April 2, 2013, the design contest for Amsterdam Metropolitan Solutions was officially launched. The organization of a design contest, mirroring a similar initiative by New York City Mayor Michael Bloomberg, was intended to provoke creative competition and to challenge international partnerships to produce innovative ideas for a high-quality technological institute in Amsterdam. In the contest, consortia of companies and knowledge insti-

tutions were invited to submit proposals for the setup of a new institute focused on applied technology, supported by the City of Amsterdam.[12]

The design contest took place in two rounds. The first round was open to all interested parties, who were required to prove, first and foremost, that they were capable of establishing an AMS institute (through previous experience, access to finance etc.). In addition, consortia were asked to provide their high-level vision for the institute, showing how their idea would meet the goals and ambitions of the city of Amsterdam.[13] In early June 2013, the number of submitted proposals ended up exceeding all expectations: thirteen (international) consortia submitted proposals for realizing AMS.

All of the proposals submitted were evaluated by an independent and professional jury, which consisted of Wim Kuijken (Government Commissioner for the Delta Programme), Wiebe Draijer (President of the Social and Economic Council of the Netherlands) and Doortje van Unen (Deputy Director of the Amsterdam Economic Board). The Board then selected five proposals to move forward to a second round. In this second phase, the five consortia were invited to submit a more detailed proposal and business case by September 2013. Four consortia did so and submitted their business plans. These proposals were evaluated by another independent jury, which consisted of Chairman Robbert Dijkgraaf (Professor at Princeton University), Claire Boonstra (Founder of Layar), Tanja Cuppen (Executive Vice President at Rabobank International), Wiebe Draijer and Wim Kuijken. The professional jury was deliberately comprised of experts with national and international prestige. The jury finalized its report with a ranking of the submitted proposals on September 13th, thus concluding the bidding phase.[14]

## 2.3  The winner

The jury was extremely enthusiastic about the AMS design contest as a result of the submitted proposals' high quality, as well as the potential the contest had to make a lasting, significant impact on the city of Amsterdam. The jury was impressed by the plans' proposals for cooperation between national and international knowledge institutions, as well as their clear ambitions for the city of Amsterdam. As a result of the significant value potential represented by each of the proposals, the jury recommended that the City negotiate not just with the winning consortium, but

to also to keep open communication with the other parties in an effort to seek out ways to support their ideas.

In spite of each proposal's high quality and potential, the jury named a convincing winner. Based upon the proposals and presentations for the jury by the participants, the jury ranked the proposals as follows:

1. The Amsterdam Institute of Advanced Metropolitan Solutions, by TU Delft, Wageningen UR and MIT (Massachusetts Institute of Technology).
2. The Amsterdam Institute of Health and Technology, by Amsterdam Institute for Global Health and Development and Duke University.
3. Amsterdam City Technology, by University of Amsterdam, VU University, Amsterdam University of Applied Sciences and Columbia University.
4. The Center for Urban Tech Acceleration, by THNK.[15]

The winning proposal came from a consortium of the academic parties comprised of TU Delft, Wageningen UR and MIT, in collaboration with several private partners (Accenture, Alliander, Cisco, IBM, KPN, Shell and Waternet), research organizations (Amsterdam Smart City, ESA, TNO), an NGO (Waag Society) and a public partner (the City of Boston). The jury praised their strong and well-rounded proposal for its *"holistic approach to metropolitan solutions through education, research and valorization, starting with the city's needs and its technological challenges."* The proposal from the consortium comprised of TU Delft, Wageningen UR and MIT stood out for a few reasons. First, they suggested something entirely new: an institute focusing on important emerging new technological and social issues that connects different fields of research and expertise. Second, each party had excellent track records in their field. MIT, for example, is one of the top players in urban challenges worldwide. Third, the overall proposal showed a very high level of ambition. The consortium showed a high level of expertise, both in their proposal and in their presentations to the jury. Therefore, the jury was of the opinion that the proposal from this consortium perfectly fit the ambitions and goals of the City. They deemed this initiative for AMS feasible and decided it had the potential to grow into one of the leading institutes worldwide in the field of metropolitan solutions.[16]

In the negotiations that followed jury ranking, the City and the consortium reached a final agreement for a period of ten years. On June 20, a little after than a year after the process began, the 'Amsterdam Institute for Advanced Metropolitan Solutions' (AMS) was officially launched.[17] In addition, the runner-up in the contest, the Amsterdam Health and

Technology Institute, reached an agreement with the City. Thanks to the 'legacy-motion' in the City Council in November 2012, which proposed investments in public-private partnerships in the medical domain, it was possible to make additional funding available for this initiative.[18] This institute focuses on education and research on health and well being, also from the perspective of the city as a living lab for applied research and practical experimentation, using early applications of technologies and social innovations to address problems. The design contest eventually led to two new high-tech institutions for Amsterdam.[19]

## 2.4  Fast-track development

AMS has been fully established in less than three years. This is remarkable, since 'institution-building' is a cumbersome process that isn't typically characterized by fast pace. It can take decades to build well-established, high-profile institutions, and there are many barriers to overcome in the process of building. Even though AMS is still in its early phase, the institute looks promising.

During the three years that preceded AMS' official opening in 2014, it evolved with little delay. It is remarkable that, placed on such a fast track, it maintained pace; this is even more outstanding when taking into account that it was able to do so in a process that was highly dependent on the input of other parties. The City of Amsterdam developed the idea for 'an institute', but others were asked to come up with the actual plans. This represented something more than just a somewhat new way to commission a project or to tender a contract: above all, the process was designed as 'a challenge' intended to unleash the creativity and ideas of others. This process proved a success; it generated energy, evoked enthusiasm, and attracted parties to participate that probably would not have otherwise. This way, the process functioned as a *self-fulfilling prophecy*: exploring the potential for a new, innovative, and creative institute in this way provoked enthusiasm, innovation and creativity. The idea of creative competition stimulated by the design contest inspired parties. It triggered competitive dynamics that ultimately grew to mean more than simply 'winning a contract'; for participants, the contest became a challenge in itself, a creative test of the participants themselves. This test in turn urged participants to take extra steps to put in even more effort, and to come up with consortia the City itself had not conceptualized as possible at the start. The process became a competition rather than just an ordinary

invitation to submit a proposal; it became a matter of prestige and honor rather than just a business case. The idea of presenting to a high profile jury rather than to civil servants put extra pressure on the participants and elevated the status of the competition. The positive, creative atmosphere of the process and demand for high performance and creativity became important drivers of the competition.

The format of the design contest was a successful way to mobilize consortia and evoke the enthusiasm of organizations and experts that are not easily tempted. Another interesting move was to continue negotiations with the runners-up in the contest and to look for alternative means to realize their proposals as well. The contest made it possible for the City to establish AMS, but also led in the end to innovative institutions and developments in other domains (like health, for example). The City of Amsterdam expected the contest to unleash energy and expected others to come up with ideas, but did not know what level of energy to expect. At the start, the outcomes of such a process were entirely uncertain. Amsterdam allowed itself to be surprised by the quality of the proposals and found a way to benefit from some of the unexpected outcomes of the process; it was uncontrolled, but beneficial anyway.

# 3

## Behind the scenes:
## patterns of a paced-process

If we look back at the chronological timeline, we can discern some interesting patterns and dilemmas that marked the process for establishing AMS. First, these underlying patterns help to better understand the process and fast-track institution building in general. Second, these features help draw clearer lessons not just for the next phase in of AMS' development, but also provide useful insights and wider lessons for other projects and innovative initiatives for public sector policy in other domains.

### 3.1 *Continuous communication for political and entrepreneurial support*

At a cost of 50 million euros, AMS was one of the largest investments made by the City Board in its four-year term. It therefore required broad political support beyond the 'simpler' majority of the coalition parties. In order for the project to start, it was crucial for the Board to mobilize sufficient political will to ensure it would succeed. This was made all the more difficult by critical questions being asked in and outside the political circle. For example, should the municipality make such a big investment in a single institute? Weren't the uncertainties surrounding the institute too big? Was it safe to work with yet unknown but unpredictable and probably uncontrollable partnerships? And will market-parties even be interested in such a project? It was vital for the Board to find proper answers to these questions, which were all being posed prior to consideration of the proposal. The City Councilors were generally favourable towards the plans, but most representatives maintained a cautious attitude towards the issue. They wanted to wait and see how the proposal developed; few of them intended to step forward in outward support.

The Board took these political reservations very seriously. This was partially due to the fact that these concerns indicated a path forward towards a solution, since the Board indicated it understood and even shared some of the doubts of Council-members. The Board discussed these issues openly and kept the Council members well informed about developments. Whenever there was new information available, the Council was immediately informed. The Board discussed matters openly with the Council and refrained from establishing a power hierarchy; it stood firmly behind its

plan, but never gave the impression that it was forcing it upon the Council. The Board insisted on a broad majority, which convinced the members needed for such a majority that this would be project worth their support – especially given the uncertainties.

The Board was also politically sensitive enough to make AMS part of a broader program of financial investments in the 'base' of the city. The Board suggested a series of other investments, such as a public-private partnership in the medical domain (Health Valley), and a project for sustainable housing. These were included in the same proposal to the Council (the so-called 'legacy motion'), to make sure that there was enough in the overall-plan for each of the different political parties. The Board felt strongly about AMS, but did not use a tunnel-vision approach in gathering support for it.

However, political support was only part of the required base for AMS. An important contribution to the project would have to come from other partners in the city. In order for AMS to work, the Board needed to mobilise private parties as well. The Board maintained that AMS would go through the approval process open to the input of others, with a distinct willingness to share the project with anyone who was interested. The City created the platforms that allowed the 'bottom-up' formation of partnerships, without placing itself too much at their centre.

This strategy of very active *communicating and connecting* secured the broad base of political and societal support necessary for the project. Doubts and uncertainty remained, but the general feeling shared by everyone involved was that these challenges would eventually be met and that everyone would confront any challenges presented by the project as a group. They were not dragged into the project, but opted in. Although the Board encouraged the project forward, others did not feel 'pushed' and the Board was not considered *pushy*. Others felt space to contribute and developed a sense of ownership.

The City made available the required funding, but added the preconditions that whatever consortium was eventually selected would have to invest at least four times the quantity put forth by the municipality. When the design contest was launched, it was a moment of truth: support for this approach was shown by the application of no less than 13 consortia, with each applicant group prepared to leverage the investment of the municipality and to take the risk of engaging in an uncertain design process.

### 3.2  *Speeding up by taking time*

Establishing AMS only took three years, which is remarkably fast for a project of such scale and scope. However, at second glance, the management of the process involved more than just 'speeding up.' The Board and the project-team operated a careful balance between *speeding up* and *taking time*. Exploring the potential for the suggested new institute, for example, required time. Both the initial study of the municipality itself and the extensive research conducted by The Boston Consulting Group that followed it took considerable time. These could not have been rushed, as rigour required time. At the same time, the project needed to hold the attention of ideally involved parties and stakeholders, which required a sense of progress. In order to keep everyone in, the project needed to show it was moving forward – at a pace at least a bit faster than most expected.

Standing still might have caused impatience amongst stakeholders and eventually might have even led them to drop out of the process, so maintaining pace was important. But too much accelerating could provoke flaws and inaccuracies, and could easily have reduced the quality of the process. It was probably a crucial choice – although we do not know if it was really made that deliberately – to *never* compromise quality; time was never floated as a trade-off for quality. Pace was important, but never all-important to the extent where it could have led to haste. Some steps took time, and it was good of the Board and the project team to take it. Not only do mistakes often prove costly, they also can hold up the process later on. Quick wins in terms of time early on in a process can backfire later on. There is no evident rule to define what qualifies as fast and what qualifies as slow, but in this process the right balance was apparently found.

Therefore, a careful balancing was necessary for continuing to make progress, but without the risk of making costly mistakes from hurrying. The Board and project-team chose to keep all stakeholders informed about each of the steps as they were taking place, so that everybody was updated on what was happening. The project-team showed it was sensitive to the manner in which 'time' and expectations complement one another. Fast and slow are relative categories that depend on expectations; in the event a result is expected in three months, having a result even the tiniest bit earlier is a sign of pace because it exceeds expectations. A few days later, on the other hand, is already considered 'slow.' Managing expectations around time thus became an important task for the Board and the project team. An

interesting sign of this was the almost immediate follow-up in the Councils'
decision to go ahead with the process: a few days later the design contest
was launched, which immediately established that the process designed
for speed and managed by people who knew how to keep pace.

### 3.3 Maintain distance to keep others involved

A third pattern in the dynamics involves the relationship of the City with
the other parties that were involved. The project required *determination* by
the Board and the project team, but also required *restraint* and room for
others to participate. The Board needed to be 'on top of the process' in
order to manage this delicate project; they couldn't, quite frankly, afford
any missteps. But at the same time, they realized that in order to maintain
all the other parties' involvement, the City needed to maintain its distance.
The plan for success involved a remarkable 'open space' for unexpected
turns, initiatives by others, and an attitude stipulating that 'things should
be allowed take their course,' which is something rarely found in govern-
ment policy. Rather than taking tight control to rule out unexpected results,
the team opened itself up to unexpected outcomes and the possible ben-
efits of a surprise. In spite of how much the city stood to potentially lose,
the project was inherently a co-production between equally important
stakeholders.

The Board and the project team spent much of their time and energy on
activating and mobilizing a network of parties, businesses, and knowledge-
institutes around AMS. It was one of the reasons motivating the market
consultation commissioned to BCG. The study did more than simply explore
the potential for AMS; by having taken the first step and conducting a study,
the initiative was noticed by national and international companies and
institutions. Moreover, BCG's involvement proved to others that Amsterdam
was serious about the initiative. Even before the decisive 'go or no go'
passed, the intended partners were approached and invited to participate
in the design contest. The Board and the project-team approached parties
all over the world to provide notice of the upcoming design contest. More
than 2500 e-mails were sent to potentially interested parties, and a special
information day was organized for anyone interested. Later on in the
process, the City made sure to keep all relevant actors included. On several
occasions, both the Vice Mayor and a delegation of the jury appeared
before the City Council to inform them. They did not consider the struggle
for political support over after the proposal was approved, but rather
consistently maintained and cultivated it.

However, actively striving for support can easily 'choke' the process. If the City had given little room for ownership and initiatives by others, the necessary support would not have remained. As a result, the Board and the project team also kept their distance. Active lobbying was an essential part of the process, but so was 'active restraint.' In many cases, discussions were kicked off with rather broad preconditions, with everything else left open for debate. The most tangible and also perhaps the most important example of this was the competition itself. It was organized as a design contest, representing more than just an aesthetic deviation. The contest invited consortia to develop and present their own ideas for the possible institute and encouraged them to put forth ideas representing their most creative and innovative conceptualizations. This invited parties to come up with surprising proposals and to truly show ownership of the initiative. Instead of dragging consortia into a race to the bottom for the lowest bid, they were invited to determine creative ways to maximize potential leverage for the City's investment. Consortia were not asked to come up with simply affordable proposals, but to think of creative and substantial means of financing their ideas. This type of model opened up opportunities instead of sealing off proposals by ruling out unsuitable bids. By deliberately staying 'out' of the creative process of the competition, more consortia grew interested enough to opt-in and make the most of it.

### 3.4  A story that works

When AMS began it was little more than an idea, even an undefined and some will say 'vague' one. However, during the process, the institute gained shape through the stories that were told about it. Slowly but steadily a narrative emerged about what the project was about and what was to be expected of it. Partly, that was a story to feed to news media in order to gain publicity. But the sort of narrative we are referring to here exists on a deeper level as well: the leading storyline that people use to construct the reality – or in this case reality still being built – of the AMS-project as it emerged had major influence on the project. The narrative doesn't just reflect how media talk about the institute, but first and foremost how all those involved think about it. In order to become 'real,' AMS needed a strong story to give meaning to its development process and to hold steadfast in times of uncertainty about how the initiative would turn out.

What stands out is that the Board and the project team maintained a very low media profile throughout the entire process. Instead of making public

statements and deliberately 'selling' the story to the media, the team refrained from media attention. They communicated as little as possible with the media. Not until the very end when AMS was almost realized did the Board begin to give interviews about the upcoming institute. In spite of that, the media gave some attention to the institute and began calling it "the third university of Amsterdam." That was never the intention of the Board, which wanted something different: an institute that combined different fixed categories and academic disciplines. Nevertheless, the frame of a third university turned out to be quite effective and persistent. It appeared to 'stick' with the audience and lent a positive vibe to the project, even though it led to some discomfort with the two universities that already existed in Amsterdam.

An interesting choice made when 'framing' and building of AMS' story was to link it to the distinct history of the city. Amsterdam was once one of the most mercantile cities in the world, famous for its entrepreneurial spirit and tolerance. The format of the design contest was linked to that image; preconditions were set, but the elaboration of the idea was left wide open for each and every idea, and open to all parties interested in joining. Furthermore, the small scale of the city, combined with its international atmosphere suited the idea of Amsterdam as a 'living lab.' Amsterdam profiled itself as 'a small big city', that would allow real-time testing of urban innovations before applying them in the larger megacities of the world.

Taken together, these narrative elements provided an appealing story for international partners and played well in the political arena. The story helped define and characterize AMS before it was a tangible fact, but also guided the process towards it. The story was inviting for others, but also guided the process in a distinct direction. In that sense, the story 'worked' in two ways. First, it taught others what AMS was and what kind of process was apparently taking place as it developed. It worked as a communicative act that informed others and neutralized early critiques of the project. Second, and perhaps more important, the story went beyond a simple hull of the process and became one of the engines pushing the process for-ward. People started to buy in to the narrative of AMS and attracted new actors as a result. The story became self-evident in the sense that stake-holders were no longer talking about the project as an innovation that was being prepared, but as something that was already taking place in and around the city. The story accelerated the adoption of AMS; the question

the story raised was not if the project would ever succeed, but whether specific actors were or weren't a part of it. As the story was increasingly retold and reproduced, more people wanted to be a part of the process. The story did not simply explain the project to an audience: it made them a part of the process.

# 4   Reflection and Discussion

## *4.1   An unconventional success*

The idea to start a new top-tier research institute in Amsterdam was unconventional. In a City already well served by two high-ranking universities, research institutes, and several large universities for applied sciences, building another university was not the most obvious path forward. However, the City considered the idea as an opportunity to add new value to the social infrastructure of the city through new knowledge about technology and urban issues to the city, as well as for the expected economic benefits and value AMS could add to the Amsterdam 'brand' as an innovative city. The added societal value of AMS was an important argument for the City to commit to the idea of realizing the institute.

Equally unconventional was the process introduced by the City to advance AMS. First, the idea of a design contest was unconventional, at least in the field of institutional design. The City broke away from the more common repertoire of either building institutes through its own means, or by commissioning third parties to execute a municipal plan. In both cases, the policymakers develop a plan, which is then followed by implementation. In this case, developing the plan was part of the design contest, and the municipal government was not in control over the concepts and ideas that were developed. In doing so, the innovative ideas and creativity in the market became central to the municipal government planning of the institute. The City did not develop the plan for the institute itself, but organized a vehicle to tap in to the creativity in the market.

Second, the process that was organized combined elements of competition and collaboration. The design contest was in every way a contest, with a winner and losers. There was a jury to define rankings and there were consortia trying their best to outrun and outsmart the other parties. However, there was also a sense of collaboration in the process; in order to win, parties understood that they had to join forces and form coalitions with a variety of expertise. That meant putting aside differences and staying open to others' perspectives and ideas in order to enrich the consortium's overall proposal. Consortia learned of the efforts of their competitors and became even more creative in their approach. Competitiveness did not initiate a 'race to the bottom', but a race to the creative top. Consortia

pushed one another to their best, even though they knew that only one of them would eventually win. Somehow, the competitive spirit remained open, creative, and refrained from cutthroat competition. The careful process design, with its focus on creativity and the idea of exploring new ground in research excellence, was probably an important factor in that.

Third, the role of the jury was very important for the process. Consortia felt honored by the high-profile jury and wanted to give it their best. This is an important finding. Obviously, parties were in it to win it, not to please a jury. However, the jury added an extra element to the design context. Winning remained crucial, but participating in the competition and pushing the limit became important to each consortium. Eventually, this was also honored by the jury in its recommendation to not just choose a single winner, but to also go along with the plans of the runner-up consortia. This was a highly regarded decision by the participating consortia. In design competitions, second best is typically nothing more than the first loser without any reward for work accomplished.

## 4.2  Dilemmas for the future

What stands out in the reconstruction of AMS' founding is the pace of the process. Whereas institution building usually requires a long time, AMS was built in just a few years. AMS was a matter of fast-lane institution building and there may be important lessons to learn from the approach. The initiators secured political support for the plans and were able to escape lengthy and time-consuming internal planning-procedures by issuing the design contest. The project team involved with the municipality dealt efficiently with decision-making procedures.

As a consequence, just three years after the ambition was first stated, the AMS Institute opened its doors. The building was officially opened in 2014 and the first projects have already started. With its opening, a new phase begins: AMS now has to develop into a full-fledged facility with students, courses, programs, research, experiments, and other artifacts of institutionalization. The institute was built quickly and now has to become operational at a like speed. More than that, it must become more than just operational and rise to 'excellence.' The institute rose quickly in part thanks to the image of excellence it projected before it, but that image has raised expectations and these must now be met. Here, some dilemmas are apparent.

First, there is the question of how AMS can hold its position in the densely populated knowledge-landscape in Amsterdam. During the institution-building phase, the driving force that kept actors involved was the idea of building something new and special. To be part of a creative design-process and build something new against the odds with parties that otherwise would not often work together was exciting and encouraged actors to remain active participants. The entrepreneurial spirit was strong during the first phase of the process, but will not be enough to keep all parties involved now. AMS is moving into a period of two to three years in which it is further readying itself to offer degree-programs and enter the regular market for education and research. The institute is there, but it is still developing. As a result, it risks not just losing its initial energy and losing the enthusiasm of its partners, but also risks becoming the victim of doubt and criticism: "where is AMS?", "was it worth the investment?", "where are the results?", "does this institute really add value to the city?". These are questions that are much easier to answer in the design phase than in the operational phase.

Second, political winds may change. AMS was strongly supported by the political coalition of at the time of its creation. However, not long after AMS opened its doors, local elections caused an important political change. The ruling coalition lost its majority and the Social Democratic party PvdA suffered especially heavy losses. The Alderman responsible for the program left office and a new coalition with new aldermen took power. Currently, there are a handful of signs of shifting attitudes towards AMS, though it appears the new coalition will maintain its commitment to AMS in its coalition agreement. However, it will be a challenge for AMS to maintain political support in the long run. The key to the quick adoption of the concept was that it was highly profiled as a crucial addition to the City, rather than as a political project to prove the authority or capacity-to-deliver of a political party or administrator. It will be crucial for AMS to maintain that almost apolitical profile, even though the project would have never come about *without* the strong political support it received.

Third, AMS reveals one of the paradoxical logics of public administration. In highly complex systems, where it seems almost impossible to think of strategies to bind together important actors and get them moving in a particular direction at a desirable pace, it sometimes just happens. Even more fascinating, once it starts to happen, it happens more. Until, after a while, it becomes the standard of the field; actors simply move along and

keep pace. This process is often referred to as *momentum* and it is one of the least explained and understood phenomena in public administration and political science. AMS gained initial momentum because of strong and strategic interventions by initiators, but after that momentum continued and even accelerated. Somehow, for some reason, the general sentiment was that something special was happening that actors wanted to be a part of. This is referred to as a *bandwagon effect*: actors see a success emerging and want to be part of a winning coalition. Some come up with economic rationales for this and argue that parties want to take some of the spoils of winning, or that they fear paying the price of losing and potential exclusion from the winning coalition if there's another round or run. Still others provide an explanation founded in social psychology and interpret this runaway momentum as a form of group behavior: because some are moving, others start moving as well. When some begin accelerating, everyone speeds up along with them. There is no rule guiding it and no contract signed agreeing to the dynamic, but parties still do it. Especially in highly complex fields, with numerous different actors and no hierarchy to coordinate or control them, actions can sometimes lead to unexpected uniform action. We observed that in the fast-track process of AMS, although it is difficult to pinpoint the exact reason for it.

There is another perspective that may explain the occurrence of *momentum* we observed with AMS. This perspective follows a discursive logic and looks at narratives. When we take this narrative approach and examine the process behind AMS, it reveals a self-amplifying dynamic. After the initial phase, AMS was considered a difficult project – perhaps even a mission impossible. However, the highly visible role of a handful of high-profile supporters coupled with municipal determination began shaping the narrative. "AMS was becoming real," so attention focused on how the organization would work, what it would look like, and even why it was such a success. In a very early phase of its design, people spoke of AMS as an institute, as if it was already 'out there.' AMS became a narrative reality long before it was an institutional one. It was a 'social fact' before it was a judicial and formal fact, and because AMS was already there in narrative terms it became much easier to discuss its conditions and properties. At the same time, because of the same process, it became hard to denounce it. Large-scale plans often take so long to solidify because, without 'hard facts' or any 'reality on the ground,' they remain prone to debate instead of action. As long as debate is conducted in terms of 'if' and 'when' in terms of a project's future, there exists significant room for fundamental

debate and rehashing previously discussed items, which in turn leads to backtracking previous steps and reconsidering earlier agreements. Somehow, and based on our evidence we cannot say if this was done deliberately or not, AMS surpassed this status of a 'potential' project or 'a policy option,' becoming a narrative reality. Discussed in present perfect, or sometimes even in past perfect, in the event actors were explaining how the process had already moved so fast. So, for similar future public policymaking efforts, it might be crucial to take into account the bandwagon effect and the power of the narrative reality.

## 4.3   Next steps for AMS

These reflections are based on the early phases of AMS and cannot be simply extended as assumptions for the future of the institute. However, they hold some important lessons for the future, which could be learned from moving forward by those involved with AMS.

First, we recommend to create new momentum. Early momentum was propelled forward by the faster-than-expected pace that helped ensure the founding of the institute. We already highlighted the paradoxical fact that, because the process took flight fast, it accelerated to greater speeds. However, that engine for momentum has become less powerful. AMS is moving into a phase that requires a more internal orientation and a more reflective dynamic around the institute. That phase will take at least two or three years and during that time AMS will have to settle in a rhythm that is steady, calm, and perhaps even quiet. In any case, it must avoid inviting any impression that it develops too slowly.

Pace and acceleration cannot push forward momentum anymore, so the institute will have to find a new narrative for itself. That new narrative cannot rely on big events like those that formed the context surrounding the design competition, or on quick wins that might momentarily grab attention. However, the institute should also make sure not to be 'empty' or devoid of output. First projects have started, but will need time and space to develop along with the institute itself. The start of AMS is firmly secure and its institutional base is strong. But from here, a new narrative and a new rhythm will have to be assembled to carry the institute forth from this initial phase. The success story of how AMS was built is already recorded. It's at the end of that chapter that a new story for AMS now begins.

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