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Interplay of relational governance, task conflict, opportunism and their effect on the performance of projects

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ABSTRACT

Practitioners and academics have been perplexed over the years by low efficiency and bad performance in construction projects. Several critical factors have been uncovered by previous studies which are governance mechanism, task conflict and opportunism. But an obvious question arises how the mechanism of governance in the presence of conflict can mitigate opportunism. The overarching objective of this study is therefore to create a model to study the effectiveness of these mechanisms of governance in the presence of task conflict. This paper is based on a positivist study philosophy in which a quantitative deductive method was used to collect data from 139 participants. Hypotheses were tested using structural equation modeling (SEM) through SmartPLS3.The research findings show that relational governance affects project efficiency considerably and is helpful in decreasing opportunism and conflict. In addition, there is proof that opportunistic behavior will increase the task conflict among parties but both task conflict and opportunism doesn't have direct impact on the performance of project

Introduction

In construction industry low efficiency and poor performance of projects have baffled the practitioners and researchers (Briscoe & Dainty, 2005; Cox & Ireland, 2002; Love, Irani, & Edwards, 2004; Segerstedt et al., 2010; Vrijhoef & Koskela, 2000).Over the last few years profit rates in construction industry have been lower than other industries (Lu, Guo, Qian, He, & Xu, 2015). Lack of coordination among participants is the root of these problems (Love et al., 2004),which in turn stems primarily from opportunistic behaviours and project conflict(Williamson, 1985; Wu, Zhao, Zuo, & Zillante, 2018).Mechanisms of governance have recently garnered interest from researchers and academics within the domain of project management. Often the model of project governance and organisational governance is aligned, which in turn offers extensive and coherent techniques of project control. Project governance structure provides managers with structures, procedures, decision-making models and project management instruments in the organisational structure (PMI, 2008)

Past research on governance is mostly focused toward the effect of both relational and contractual mechanisms on each other which sometimes is supplementary. Governance mechanisms are significant predictors of project results that raise a query as to how governance structure affects project results in the presence of opportunism and project conflict?

Opportunism occurs in various forms such as not keeping promises, misinforming stakeholders (Das & Rahman, 2001) these actions can effect project performance negatively (Phelps & Reddy, 2009). (Thomas, 1974) specified conflict is a method that begins when one group perceives that the other group has disappointed or is about to frustrate some of its benefits.During the conflict self-awareness and conscious behaviour would come in play which will emerge rational behaviour. Different types of conflicts played a

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constructive or destructive role during project, process and relationship conflict was negatively related to project whereas task conflict positively contributed to project (Wu et al., 2018). Due to which we will only focus on task conflict in this paper.

It can be concluded from literature that both forms of governance enhance project performance and also restrain opportunism. However, the area remains incomplete, as in past researchers didn't study the interplay of governance and conflict, relationship between conflict and opportunism, and effects of conflict on project performance in the presence of opportunism.

The objective of the current study is to answer two key questions of research: (1) Effect of relational governance on opportunism and task conflict which exists in construction projects? and (2) Effect of relational governance on the performance of construction project in the presence of opportunism and task conflict?

By focusing on relational governance, task conflict, opportunism and project performance, this article's aim is to add further literature with a focus on how construction intensive organizations can use relational governance to control opportunism and reduce task conflict and increase the project performance in the process.

The remainder of this article is arranged as follows. In Section 2, we provide our model and hypotheses with the literature review. We describe the scale development and sample in Section 3, including the sampling and data collection procedures and measures. The results and analysis on these findings are presented in Section 4. We discuss our results in Section 5 which is followed by the conclusion of our research in Section 6

Literature Review

Relational Governance

Governance can be divided it into two kinds' contractual governance and relational governance. The significance of agreements and written contracts with regard to inter-party proceedings is the focus of contractual governance (Bstieler & Hemmert, 2015; Haq, Gu, Liang, & Abdullah, 2019; Lu et al., 2015). While relational governance emphasizes the significance of constructing relationships between parties in connection with inter-party proceedings (Bstieler & Hemmert, 2015; Haq et al., 2019; Lu et al., 2015).Both governance mechanisms play an important role toward the performance of projects (Tangpong, Hung, & Ro, 2010). By triggering collaboration for project process alignment, performance and stakeholder value enhancement (Levitt, Henisz, & Settel, 2009)Contracts have major part toward the performance of projects, but contracting parties can not foresee all feasible situations that may affect contract conditions (Lu et al., 2015).

Consequently, contracts in projects are usually incomplete due to which parties can not depend exclusively on contractual governan ce. It was argued that contractual governance is deficient because it lacks critical social factor due to which relational governance is used by some organization to fill this gap and improve collaboration due to which contracting parties may rely on relational governance for adjusting the conduct of a party. (Heide & John, 1992). By sharing norms and values parties can restrict opportunistic behaviour(Handley & Angst, 2015). Trust has positive influence on behaviour of parties such as communication and resolution of conflict(Wu, Zhao, & Zuo, 2017) . Trust building has been regarded as one of the most effective ways of reducing opportunistic behaviour (Walker, 2003). In past research relational governance is emphasized due to its mitigation of opportunism (Wacker, Yang, & Sheu, 2016). Social dimensions drive the contract between the contracting parties in relational governance (Haq et al., 2019; Lu et al., 2015) .Critical role is played by these social dimensions to address the limitations of contractual governance (Poppo & Zenger, 2002).The primary aim of relational governance is to improve governance through social ties rather than official agreements between sides. This strategy will assist organisations fill the gaps that contractual governance causes, such as limited rationality (Haq, Gu et al. 2019). Relational norms are used to conceptualize relational governance (Ju & Gao, 2017).Trust was added in the recent studies during the conceptualization of relational governance as the writers considered that trust is crucial to relational governance as it improves the connection between contracting sides (Haq et al., 2019; Lu et al., 2015).

Information sharing is described in relational norms as the exchange of unforeseen infor-mation by all the parties involved in the contract. Information asymmetry can be decreased by exchanging helpful information that will improve relationship efficiency between sides and decrease conflict (Cao & Lumineau, 2015).

Flexibility relates to adjusting to unforeseen circumstances and modifications that may arise during a project in relational standards. It was described as the readiness in an exchange partnership to adjust to partner (Aulakh, Kotabe, & Sahay, 1996).

In relational norms solidarity is the source of enhancing unity among parties which will improve collaboration and facilitate parties to work toward mutual goals. The quality of the relationship between the sides is of excellent significance for the successful conclusion of the contract (Lundin, Tryggestad, Müller, & Martinsuo, 2015).

Following the addition of trust for the development of relational governances' construct, the researchers paid significant attention to the fresh and superior concept which is considered to have major part in decreasing cost of process in project setting. Chow et al., (2012) suggested that successful project completion through mutual interest agreements is fruitful for the involved parties. Trust has gained more attention when there is a greater probability of treachery or defection (Walker, 2003).Cao and Lumineau (2015) argued that trust is an indication of confidence between contracting sides in terms of their ability, consideration and honesty in high-risk transactions .To control opportunistic behaviour validity of relational norms and trust is most prominent (Caniëls & Gelderman,

2010).Developing trust in the presence of contract can help to mitigate opportunism and task conflict. Performance of project is enhanced by the complementary relationship between solidarity, flexibility, information exchange and trust; it can therefore be presumed that contracting sides sometimes already have knowledge of each other from their previous transactions (Arino, De la Torre, & Ring, 2005). On the basis of that premise some author argued that parties involved can reuse the existing relationship for supporting each other for problem solving and meeting goals (Y. Liu, Luo, & Liu, 2009).While some suggested that knowledge about contracting parties will help stakeholder to be more open by using trust which in turn will help to establish a cooperative environment (Ndubisi, Ehret, & Wirtz, 2016) .We can be propose following hypothesis on the ground of above discussion

H1: Relational governance positively affects project performance

H2: Relational governance negatively affects opportunism

H3: Relational governance negatively affects task conflict

Opportunism

Opportunism can be defined as taking advantage of opportunities or the situation. To look for imminent strategic advantages without considering the ultimate results.Opportunism is a complicated and subtle type of guile in breach of an implicit agreement (S. Liu, 2015) .Generally people mix performance incentives of business relationships with personal benefits which can cause negative effect on the performance of projects. Typical opportunistic behaviors are hiding the qualification of a company, undertaking projects at unreasonably small cost, jerry-building, fake statement of amount and cost (S. Liu, 2015). This can harm the satisfaction and trust among parties (Jap & Anderson, 2003) . It is observed firms with high opportunism often lack frankness or honesty in communication (Williamson, 1985). Wang and Yang, (2013) argued that opportunism among firms can cause conflicts, poor performance and lower satisfaction level among parties. According to Holloway and Parmigiani, (2016) opportunism also has an adverse impact on company results irrespective of whether performance indices are cost-based, revenue-based or business-based generally (Holloway & Parmigiani, 2016; Wang & Yang, 2013). Opportunistic behaviour is possibly strong and appealing due to the intrinsic asymmetries during building project procedures (Lau & Rowlinson, 2009) . Due to temporary coalitions sometimes firms and individuals seek to reap profits at the expense of others. Clients need to pay a lot of attention to prevent malicious bidders in the bidding and contracting phase of a construction project. In a project's construction stage, opportunistic behaviours (e.g. jerry-building, adulteration, and others) can result in time and cost overruns (Lu et al., 2015) .Following hypothesis are proposed on the grounds of above discussion

H4: Opportunism positively affects task conflict.

H5: Opportunism negatively affects project performance.

Task Conflict

Conflict is a complex social and psychological phenomenon due to which it has been defined by various disciplines such as economics, philosophy and management. Conflict is a method that begins when one group perceives that the other group has disappointed or is about to frustrate some of its benefits (Thomas, 1974). Self-awareness and deliberate conduct would come into play during the conflict, resulting in rational conduct The reason behind conflict are inconsistency of objectives and values between participants (Gardiner & Simmons, 1992).

Conflict was redefined as a process during which one party perceives that their concerns are opposed by others, involving multiple dimensions and levels (Wall Jr & Callister, 1995). Similarly, in the traditional view of conflict focus is on the opposite objective during competitive situations and proposes that conflict leads from opposite benefit relationship which include allocation of resource and inconsistent objectives, and the perspective that fulfilment of one's objectives may be are at the expense of other (Jehn, 1995) but conflict may still occur in cooperative groups who have common objectives even there is no inconsistency in objectives. Due to which conflict can be divided in two classes, first one as collaborative conflict with consistent objectives and competitive conflict with contradictory objectives (Hempel, Zhang, & Tjosvold, 2009). Conflict is state of emotional or cognitive confrontation. Project management research has extensively studied conflict theory (Chen, Zhang, & Zhang, 2014). Most of the conflicts that occur in construction projects are collaborative. These conflicts can be caused by interdependence among stakeholders of project, individual differences and lack of proper mechanism in project which can be lack of communication or inadequate environment of cooperation. Project conflict can have several causes such limited resources, differences in priority and differences in understanding of project arrangement (Xue, Wang, Shen, & Yu, 2007). It is assumed that project performance is affected by conflict in both ways destructively and constructively which can be determined by several factor which include uncertain occurrence of conflict and the diversity of conflict (Akiner, 2014; de Carvalho, Patah, & de Souza Bido, 2015; Zhang & Huo, 2015). Internal conflicts are related to stakeholders' behaviour and are closely associated with project performance.

Team conflict can be classified into social and cognitive conflicts. Social conflict is related to behaviour whereas cognitive conflict is related to task (Priem & Price, 1991). Conflict can be divided into relationship oriented conflict which is related to interpersonal relationship and task oriented conflicts which are related to disputes of material benefits (Pinkley & Northcraft, 1994). This can be classified as competitive or cooperative conflict on the basis of conflict management approach. Conflict can further be divided in to three types' task conflict, process conflict and relationship conflict (Jehn, 1995). Relationship conflict is disagreements between team

members due to interpersonal differences and usually has tension and animosity. Task conflict is disagreements between team members due to different perspective related to task. Process conflict is disagreements related to process of task completion.

Conflict in construction projects are mutual interactions between project participants because of differences in perspectives related to project such as time, cost and quality. Task and relationship related conflicts commonly occur between teams in construction projects (Wu et al., 2017). Task conflicts are related to rational behaviour due to which it doesn't cause tense relationship between teams (Jehn & Bendersky, 2003). Task conflict is positively related to team performance due to which it can improve team performance but if the level of task conflict is very high it can become destructive for team performance (Chen et al., 2014; De Dreu & Weingart, 2003; Hu, Chen, Gu, Huang, & Liu, 2017) .Task oriented conflict can be catalyst for cooperation (Lee, Huh, & Reigeluth, 2015). Conflicts can occur during all stages of construction project. It can occur due to various factors such as difference of understanding regarding project plan and objectives and resources (Blokhuis, Snijders, Han, & Schaefer, 2012; J. Y. Liu & Low, 2011). In major projects conflict will occur inevitably because of diversity of stakeholders, contradictory demands and concerns. Failing to resolve conflict leads to failure of project (Wei, Liu, Skibniewski, & Balali, 2016)

In construction projects relationship, trust, cultural differences, commitments and communication issues are the driving factors of conflict (Adnan, Shamsuddin, Supardi, & Ahmad, 2012). Characteristics of project such as project size and project duration, contract and its completeness, changes in project environment, inefficient communication, lack of trust, resources and financial issues are driving forces of project conflict (Harmon, 2003; Suprapto, Bakker, Mooi, & Hertogh, 2016). Task conflict can positively affect cohesion of team which will have positive impact relationship between team (Mooney, Holahan, & Amason, 2007). Task conflict therefore helps to complete unconventional duties with a large degree of complexity (Wu et al., 2017). On the basis of above discussion following hypothesis can be proposed. Research model is shown in Figure 1

H6: Task conflict positively affects project performance

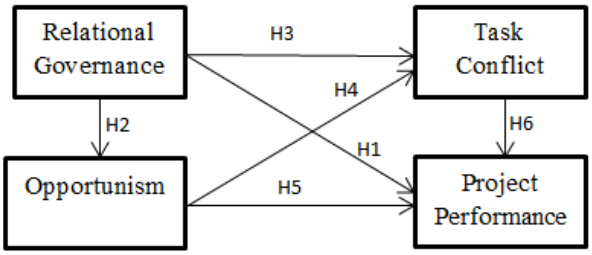

Figure 1: Research model and hypothesis

Research Methodology

Measures were adopted from past research for all the constructs in our study. In total, the research used four constructs. Likert scales of five points were used for measuring all items in the framework and are displayed in Table 3.

Relational governance

For our study four facets are used to measure relational governance which includes solidarity, trust, information exchange and flexibility). Trust is measure by the scale purposed by (Chow, Cheung, & Chan, 2012) it consist of six items whereas (Griffith & Myers, 2005) scale was used to measure flexibility, solidarity and information exchange. With 3 items measuring each information exchange solidarity and two items measuring flexibility

Opportunism

We used the scale purpose by Heide et al. (2007) which consist of four items. The scale measures how firms focus on their goals by totally ignoring its effect on project and other parties

Task conflict

The six items of task conflict were adopted from the work of Wu et al. (2017). This scale is used to describe the task conflict between parties during the project.

Project performance

Traditionally the performance of projects is evaluated by the iron triangle of project duration, cost and quality. Criteria has been expanded by some studies by the addition of satisfaction of stakeholders', benefit of customer's and future potential to organization (Jugdev and Muller, 2005; Nixon et al., 2012). On the basis Pinto et al. (2009) work six items are used to measure the project performance.

Sampling and data collection

The proposed hypotheses were empirically tested by data collected from Chinese project professionals of the construction intensive firms using questionnaires, since they are the key informants and have actually sensed, experienced and witnessed the benefits of those project-specific features in question. The questionnaire was divided in two parts. First part consisted of questions regarding respondents experience during past project which measure our four variables relational governance, task conflict, project performance and opportunism. Second part was used to collect information of respondents which included education, experience and their role in project team. We informed respondents that their responses will only be used for research and academic purpose rather than the assessment of project. For this study a total of 225 questionnaires were floated out of which 158 were returned with the response rate 65.8% out of which 139 were selected as valid records. Our sample size is acceptable for social science research (Hair Jr, Hult, Ringle, & Sarstedt, 2016).Detailed information about the demographics of the respondents is provided in Table 1

Table 1: Demographics

Measure	Item	Frequency
Work Experience	Less than 3 years	32
	3-5 years	51
	6-10 years	38
	More than 10 years	20
Education	High School	11
	Undergraduate	93
	Postgraduate	35
	Didn't Answer	2

Data analysis methods

This paper is based on a positivist study philosophy in which a quantitative deductive method was used to collect data from 139 participants.Cronbach's alpha is used to measure internal consistency and reliability. Factor loadings, composite reliability and average variance extracted (AVE) are used in this paper to analyze the convergent validity.Discriminant validity was used to define how constructs in our model differs from one another. Structural equation modeling (SEM) was the analysis technique that was used to measure the hypothesis of this study. Structural equation modeling is an appropriate method of modelling observed or unobserved research variables.

Analysis and Results

Reliability

Reliability and validity of all the constructs were examined initially. Generally the value of Cronbach's alpha is used to measure internal consistency and reliability. Literature recommend that the value of Cronbach's alpha should be higher than 0.70 (Nunnally & Bernstein, 1967). All constructs in our model have Cronbach's alpha value more than 0.7.Then convergent validity is measured using factor loadings, CR and AVE which should exceed the threshold value, i.e. 0.5 (Hair Jr et al., 2016). Assessment of all the constructs regarding factor loadings, CR and AVE which are greater than threshold, i.e. 0.50 are presented in Table 2 and Table 3.Hence, these values provide confirmation of unidimensionality of the composites and authenticity of convergent validity.

Table 2: Construct reliability and discriminant validity

Construct	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Flexibility	0.766	0.895	0.840
Information Exchange	0.797	0.881	0.711
Opportunism	0.908	0.936	0.785
Project Performance	0.904	0.926	0.676
Solidarity	0.847	0.907	0.765
Task Conflict	0.948	0.959	0.795
Trust	0.903	0.925	0.673

Table 3: Survey instrument and factor loadings

Construct/Item	Outer Loading
Project Performance (Pinto, Slevin, & English, 2009)	
The project results, or deliverables, are in line with client objectives	**0.877**
We are satisfied with the project outcomes.	**0.880**
The project quality and the deliverables quality accord with the standard.	**0.874**
This project has qualified acceptance and successful delivery	**0.838**
The project was completed within budget	**0.747**
The project was completed within schedule	**0.686**
Relational Governance	
Trust (Chow et al., 2012; Pinto et al., 2009)	
We believe the other party can keep their word throughout the life of the project.	**0.821**
We feel confident that the other parties have high levels of integrity and honest.	**0.820**
We believe the project engineers and other technical people are competent at what they are doing.	**0.792**
We trust that the project participants are able to fulfill contractual agreements.	**0.811**
We are certain that the other parties have the ability to perform their tasks.	**0.845**
We believe that the other parties could meet the requirements of the project in technology and management.	**0.836**
Information Exchange (Griffith & Myers, 2005)	
Exchange of information among the parties takes place frequently.	**0.830**
We keep each other informed about events or changes that may affect the other parties.	**0.839**
The parties established a good contact with each other, avoiding the possible misunderstandings.	**0.863**
Solidarity (Griffith & Myers, 2005)	
The parties are consistent with the expectations of this project.	**0.898**
The project overall plan and the implementation scheme are shared by every party.	**0.884**
Parties involved in this project regard each other as major partners.	**0.853**
Flexibility (Griffith & Myers, 2005)	
We believed that the parties were willing to cooperate to work out solutions if some unexpected situations arise.	**0.896**
The parties expected to be able to make adjustments in the ongoing relationship to cope with changing circumstances.	**0.911**
Opportunism (Heide, Wathne, & Rokkan, 2007)	
We do not always act in accordance with our contracts or agreements.	**0.820**
We sometimes promise to do things without actually doing them later.	**0.912**
We sometimes take advantage of "holes" in our contracts or agreements to further our own interests.	**0.935**
On occasion, we lie about certain things in order to protect our interests	**0.864**
Task Conflict (Wu et al., 2017)	
There is much conflict about ideas for the project design and scheme between	**0.856**
There are always significant conflicts about ideas for the project goal setting	**0.863**
There are significant conflicts about the task between your party and other party	**0.881**
The other party often disagrees about opinions regarding the work being undertaken	**0.908**
The other party often has disagreements about the task of the project you are working on	**0.933**
The other party often has conflicting opinions about the task of the project you are working on	**0.903**

Note: All the items were measured on a five-point Likert scale (1 = strongly disagree; 5 = strongly agree)

Discriminant validity

Discriminant validity was evaluated in the next step which defines how the construct in the model differs from each other (Hair Jr et al., 2016). It is examined by the square root of Average Variance Extracted whose value should be higher than correlation among the constructs (Fornell & Larcker, 1981). Our result indicates that this condition is fulfilled by the constructs in our model and has great discriminant validity. Table 4 present the correlation values among variables and the square roots of Average Variance Extracted in bold.

Table 4: Discriminant validity

Construct	Flexibility	Information Exchange	Opportunism	Project Performance	Solidarity	Task Conflict	Trust
Flexibility	**0.903**						
Information Exchange	0.598	**0.844**					
Opportunism	-0.364	-0.346	**0.884**				
Project Performance	0.348	0.390	-0.251	**0.820**			
Solidarity	0.643	0.622	-0.416	0.467	**0.878**		
Task Conflict	-0.377	-0.404	0.675	-0.273	-0.510	**0.891**	
Trust	0.582	0.614	-0.406	0.467	0.734	-0.465	**0.821**

Evaluation of structural model

We used bootstrapping method using 2000 sample for the evaluation of the path coefficients. (Wong, 2013) was followed to run PLS-SEM for hypotheses testing and results of our structural model which gave us the direction and the strength related to variables in the model. Higher path coefficient values indicate the strong effect on the dependent variable of independent variable. T-Value and P-Value are used to show the significance of effect of variables in the structural model which should more than 1.96 and less than 0.05 for showing the significance of relationships in the model (Hair Jr et al., 2016). Our result indicated that relationships purposed in two of the hypothesis in this paper were insignificant H5 and H6, whereas the result indicated that relationships purposed in the remainder of the hypotheses are significant. The results of hypothesis testing are presented in Table 5 and Figure 2.Furthermore; results are discussed in the following section.

Table 5: Hypotheses decision table

Sr. No.	Hypothesis	Path Coefficient	t-statistics	p-values	Effect Size (f 2)	Hypotheses Decision
1	RG ➔ PP	0.522	8.119	0.000	0.266	Supported
2	RG ➔ OP	-0.451	5.785	0.000	0.255	Supported
3	RG ➔ TC	-0.262	3.154	0.002	0.114	Supported
4	OP ➔ TC	0.564	7.419	0.000	0.529	Supported
5	OP ➔ PP	-0.027	0.187	0.866	0.000	Not Supported
6	TC➔ PP	0.013	0.267	0.908	0.000	Not Supported

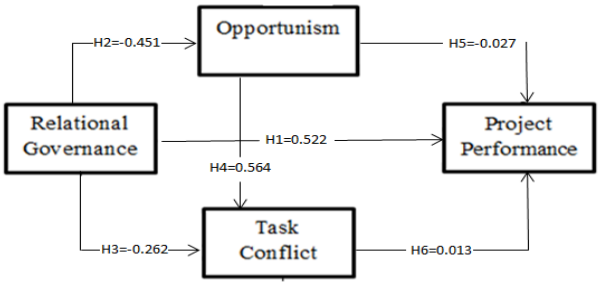

Figure 2: Results of Structural Model

Result and Discussion

In this paper we proposed relational governance positively affects performance of project (H1) which was supported by the result produced by our framework. Results of this paper are in line with those of previous researchers which also indicated that relational governance have strong positive affect on the performance of project (Haq et al., 2019; Lu et al., 2015).We used the construct of relational governance proposed by Lu et al. (2015) in which authors combined relational norms and trust. On the basis of result which indicate that relational governance has a significant positive effect on the project performance we can argue that relational norms and trust among stakeholders play significant role toward the enhancement of project performance which helps us to establish that contracting parties garner trust among them on the basis of long-term personal relationships. These finding also infer that contracting parties garner trust and relationship which have significant effect of relational norms among parties.In past researchers also used empirical evidence to argue that firms can utilize trust and relational norms to improve governance mechanism which ultimately enhance performance of project.

Our next hypothesis in this paper was that relational governance can be used to reduce opportunistic behaviour (H2) which was confirmed by the results that relational governance will mitigate the opportunism among parties. Our results were aligned with those of past research such as (Haq et al., 2019; Lu et al., 2015). Their result suggested that opportunistic behaviour were mitigated by the relational governance in which they conceptualize trust and relational norms sum as relational governance. Contracting firms can reduce opportunism by promoting trust and applying relational norms at time project professionals garner personal relationship with business partners which can enhance trust and reduce opportunistic behaviours.

In H3 the researchers hypothesized that relational governance has negative effect on task conflict which was confirmed by the results, that relational governance will reduce task conflict among parties. The common reason behind task conflict is communication barriers which can be reduced by information exchange between partier. According to Wu et al. (2017) communication and trust among firms plays major role in mitigating task conflict. Considering that we can observe that by focusing on relational norms and trust parties can reduce task conflict. Our findings are in line of those by previous research where the direct effect of trust, communication on task conflict was examined (Wu et al., 2017).

In H4, it was hypothesized that opportunism will increase task conflict among parties. The result of the structural model supports the proposed hypothesis. As the opportunistic behaviours in team such as hiding information or false project information will create a gap about the task responsibilities which in turn will increase the task conflict among parties.

The fifth hypothesis (H5) by researchers in this study was that project performance is negatively affected by the opportunistic behaviours. This hypothesis was not supported by the results. Literature also suggest that authors share a contradictory view as some argued that inter-firm opportunistic behaviours can affect the organizational performance negatively (Wang & Yang, 2013). Similarly it was suggested that organizations performance is negatively influenced by the opportunistic behaviours regardless of what kind of indicators are set to measure the performance. Also Williamson (1985) believes that effect of opportunistic behaviours on the performance is negative whether it's direct or indirect.

Whereas (Lu et al., 2015) suggested that these kinds of behaviour effect the satisfaction negatively and this effect is significant as compared to that on the performance of the project. Other studies argued that such behaviour have significant influence on the other variables which can be conflict, communication and satisfaction (Wang & Yang, 2013)

This is aligning with our earlier finding that opportunism increases task conflict among parties. A possible explanation for this insignificant effect of opportunism on project performance can be the use effective governance mechanism placed by the organizations to reduce the chances for opportunisms to affect the project performance. An opportunist's behavioural attitudes to pursue possibilities irrespective of their impact on project results are mitigated by the efficient governance systems that operate as the firewall which forbids the opportunist to behave in a manner that can affect efficiency of project. Simply put, having the effective governance mechanism does not allow opportunist to realize his intentions. Due to which the relationship between opportunism and project performance tends to be insignificant in this context.

In the end it was hypothesized by the researchers in this study that task conflict and project performance has a positive relationship. The result from our structural model didn't not confirm this, interestingly previous literature on this regard has been contradicting as Wu et al. (2017) suggested through his study that task conflict has negative effect on the project success where as in a later study (Wu et al., 2018) suggested that task conflict positively influence the project performance. Literature suggest that task conflict is inevitable in project setting but may be the influence of task conflict on project performance is controlled by effective relational governance in which solidarity and flexibility in the presence of active information exchange can mitigate the effect of task conflict on the performance of project.

Implications

Our findings make several contributions in the existing literature toward relational governance, task conflict, opportunism, project performance, and their effect on each other. Governance during project is complex and no single theory is adequate to explain it. Due to which we provide basic version of several theories used in the governance. As our focus in this paper is on the nature of relationship

shared by buyer (owner) and supplier (contractor) and on the basis of the findings we can relate to agency theory and TCE as both theories explain such relationships. According to Turner and Müller (2005) the relationship of project owner and contractor is at the centre of the agency theory in the domain of management of projects. Later on it was suggested that major role is played by the method employed to control and monitor project governance (Turner & Downey, 2009). Project performance can be enhanced by the employing effective methods to monitor contracts by owner and this phenomenon is favoured by the current study. Especially, how the effective relational governance can increase the project performance.

Major contribution of this paper is following. First of all our findings have suggested that opportunism can increase task conflict among parties. Secondly we can argue on the basis of empirical evidence that task conflict can be mitigated by employing effective relational governance mechanism which was conceptualized as sum of relational norms and trust. Thirdly our result suggests that relational governance play vital role in dealing with opportunism. Lastly our findings suggest that opportunistic behaviour by contracting parties can lead toward more task conflict in the project setting

Current study provide significant insight in to the Chinese construction intensive firms' ability to monitor and improve project performance as well as to develop strategies to evaluate the performance of ongoing projects while addressing governance method, opportunistic behaviour and task conflict. Agency theory concepts should help project professionals to design structure for governance which is based on monitoring, which will eventually increase performance of projects. Hence, the current study suggests following practical implications for Chinese project professionals. Trust and relational norms are important in employing relational governance when contracts are created on the basis of mutual relationships. Relational norms can capture the potential partnerships defined in the contract which is very important in the face of complex and long term project, in which parties must collaborate to achieve project goals. Authority should be provided to the project managers and team leaders to utilize resources to fullest extent and take required decisions which will empower theirs team members to successfully get desired results.

Task conflict can be managed by using social side of project professionals where inter firm relationship should be friendly based on trust and relational norms which will help all parties to align their goals which in turn will reduce opportunism and task conflict. In addition, to improve project efficiency, professionals should use relational governance in a way that trust, flexibility, exchange of information and solidarity among parties motivate them to achieve project goal.

Conclusions

In past researchers have studied the effect of relational governance on the performance of projects and opportunism but current study adds task conflict in the mix. Our present research makes a major contribution by the important addition of task conflict to the model to investigate the relationship of relational governance mechanisms on task conflict and relationship between opportunism and task conflict .Based on our data from the project specialists, the findings of the present research show that relational governance plays an important part toward the enhancement of project performance, mitigating opportunistic behaviour and task conflict. Moreover, in this study empirical evidence suggests that opportunistic behaviour by contracting parties will increase the task conflict. Our study provide significant insight toward the ability of firm to monitor and enhance performance of projects and further their capability to develop strategies to examine projects while focusing on the relational governance mechanism, opportunistic behaviours and task conflict. Our study has several limitation, first of all in this direct relationships were not examined such the effect of trust on opportunistic behaviour or relational norms effects on task conflict or the relationship between relational norm and project performance future studies should consider these relationships because it will help to identify the predictor of relational governance. Secondly in our study characteristics of projects and contract were not considered which can be project complexity, project size and contract duration. We believe future research should consider above discussed factors in order to contribute toward this emerging and significant research domain.

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