

## ABSTRACT

**Purpose** – The purpose of this paper is to propose a new model to show how continuous joint learning of participant organisations improves project performance. Performance heterogeneity between collaborative infrastructure projects is typically examined by considering procurement systems and their governance mechanisms at static points in time. The literature neglects to consider the impact of dynamic learning capability, which is thought to reconfigure governance mechanisms over time in response to evolving market conditions. **Design/methodology/approach** – There are two stages of conceptual development. In the first stage, the management literature is analysed to explain the standard model of dynamic learning capability that emphasises three learning phases for organisations. This standard model is extended to derive a novel circular model of dynamic learning capability that shows a new feedback loop between performance and learning. In the second stage, the construction management literature is consulted, adding project lifecycle, stakeholder diversity and three organisational levels to the analysis to arrive at the collaborative model of dynamic learning capability. **Findings** – The collaborative model should enable construction organisations to successfully adapt and perform under changing market conditions. The complexity of learning cycles result in capabilities that are imperfectly imitable between organisations, explaining performance heterogeneity on projects. **Originality/value** – The collaborative model provides a theoretically substantiated description of project performance, driven by the evolution of procurement systems and governance mechanisms. The model's empirical value will be tested in future research.