# Full Length Research Paper

# Relationship antecedents that impact on outcomes of strategic stakeholder alliances

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The research aims to measure the reliability of applying the three-stage model to strategic alliances and to propose relationship antecedents that may impact on the outcome of strategic alliances. Four relationship outcomes were used to measure strategic alliances and were adopted from the seminal work by Grunig and Huang (2000): 'Trust' relates to the reliability and integrity of relationship partners; 'Commitment' results from relationship partners' effort to maintain the organisational relationship; 'Satisfaction' encompasses both affection and emotion and is conceptualised as a response to the reinforcement of positive expectations and 'Control mutuality' refers to the equality of power and decision-making practices that take place within an organisational relationship. An electronic survey from a sampling population of 2,500 members of The Institute for Procurement and Supply, South Africa (IPSA), materialised in only 154 workable questionnaires (n = 154). This study investigates the impact on the outcome of the types of strategic alliance, the industry, the size of the partnering organisations and the duration thereof. Results indicated that the antecedents did not have a significant influence on the outcomes of strategic alliances. This introduces directions for future research into whether and which antecedents impact on the outcome of organisational relationships.

Key words: Strategic alliances, relationship outcomes, trust, commitment, satisfaction, control mutuality.

#### INTRODUCTION

An unprecedented growth in the number of alliances and voluntary arrangements worldwide has been observed (Drucker, 2001 in Robson and Katsikeas, 2005:2). Many organisations are now placed within a network of interorganisational relationships critical to their success and survival (Gulati, 1995:1). The term organisational relationship is a general and broad term that incorporates a wide range of relationships including employee, customer, stakeholder and investor relationships, to name but a few. One form of organisational relationship that is central to this study is strategic alliances. According to Gulati (1995:1), these alliances are crucial to the future existence and success of many organisations.

Gulati (1998:294) defines alliances as "voluntary arrangements between firms [or organisations] involving

exchange, sharing or co-development [sic] of products, technologies or services". Strategic alliances, as alliances are often referred to, are firms that associate by putting together their resources and competencies, while keeping their autonomy in order to achieve a common goal. An alliance is therefore a formal agreement between two or more parties that remain independent in order to pursue a set of agreed-upon goals. Various motives and objectives are associated with the forming of alliances and can take a number of forms (Gulati, 1998:293). Examples of this type of relationship include joint marketing or manufacturing agreements, cooperative research and development (R&D), licensing relationships and joint ventures involving formation of separate legal entities (Saxton, 1997:448).

Saxton (1997:444) is of the opinion that scholars know little about the underlying causes of successful alliances. Even though there has been a rapid increase in alliance formation in the past two decades, they are still

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considered a risk. One reason for this view could be related to organisations' vulnerability to opportunistic behaviour from partners (Gulati, 1995:3). Trusting relationships are distinctive in addressing many of these concerns and trust has been found to be an "extraordinary lubricant" for alliances that involve considerable interdependence (Gulati, 1998:304), which also formed one of the key variables of this study.

Strategic alliances are an increasingly important unit of analysis (Saxton, 1997:443) and offer a helpful "theoretical lens" through which researchers can examine value-creating linkages between organisations (Dyer and Singh, 1998:676) and their stakeholders. Organisational relationships are defined by unique and measurable properties separate from the participants and are therefore a separate construct that can be measured (Broom et al., 2000:17).

Developments in relationship management have led to the development of a three-stage model of organisational relationships (Grunig and Huang, 2000) consisting of antecedents, maintenance strategies and outcomes. Antecedents are defined as something that happens or occurs before something else. In relationships, antecedents refer to the inherent properties of the relationship, company or environment that might impact the management and outcome of the relationship. Very few studies have focused on measuring relationship antecedents. Even though there is some contention as to which antecedents (for example the type of relationship or duration of the relationship) impact on the organisational relationship, research suggests that specific maintenance strategies (Ströh, 2005) can be observed in successful relationships. The focus of the majority of research. however, has been placed on measuring the relationship outcomes; namely trust, commitment, satisfaction and control mutuality.

These outcomes have been successfully measured in various *types of relationships* including student-university relationships (Hon and Brunner, 2002; Jo et al., 2004), employee (Ströh, 2005) and investor relations (Scott, 2007). This framework for organisational relationships, however, has not been applied to strategic alliances. Another limitation has been that of researchers who have often been left to their own devices in identifying the antecedents of the organisational relationships they measure and have more often than not opted to simply not measure them.

This study aims to firstly measure the reliability of applying the three-stage model to strategic alliances. Secondly, relationship antecedents that might impact on the outcome of strategic alliances are proposed. These relationship antecedents include the *type* of strategic alliance, the industry wherein the strategic alliance is taking place, the size of the partnering organisations and the duration of the alliance. Understanding which antecedents impact on the outcome of the alliance will allow researchers to tailor their management strategies to the various contexts wherein the alliance takes place. If

on the other hand, antecedents like the size of the partnering organisation are not significantly linked to the relationship outcomes, it suggests the importance of focusing on trust, commitment, satisfaction and control mutuality regardless of the type and context of the alliance.

# Strategic alliances as organisational relationships

Alliances have become an important research topic that covers a range of theoretical bases and perspectives (Saxton, 1997:443). Earlier research on alliances has focused on either partner characteristics or alternatively the interactive nature of cooperation between organisations, where this link between the organisations is the focus of the analysis (Saxton, 1997:443). This study also focused on the latter namely the link or relationship between the organisations.

Strategic alliances allow organisations to procure assets, competencies or capabilities that are not otherwise available to the organisation (Oliver, 1997 in Dyer and Singh, 1998:667). In today's uncertain environment, alliances offer an influential mechanism for asserting corporate strategic control (Drucker, 2001 in Robson and Katsikeas, 2005:2) and are essential in maintaining the viability of the stakeholder organisation (Spicer, 2007:29). The organisational benefits that have been associated with successful alliances include (Dyer and Singh, 1998:660):

- Relation-specific assets that are obtained through the alliance. These assets would otherwise not have been attainable.
- Complementary resources or capabilities that are defined as resources of individual organisations that deliver greater advantages and returns combined, than the individual resources would have delivered.
- Knowledge sharing also takes place between the two partnering organisations, where organisational learning and know-how have been identified as key factors in generating competitive advantage.
- Effective governance is promoted, where the cost of contracts and agreements is minimised, as trust and goodwill exist between the alliance partners. The transaction cost of the alliance is also minimised, since costly governance mechanisms do not have to be employed.

Communication plays an integral part in the formation, governing and success of alliances (Granovetter, 1985; Gulati, 1995: 1998). Gulati (1998:294) proposes a sequence of events that take place when an alliance is formed, which includes the decision to enter an alliance, the choice of an appropriate partner and the dynamic evolution of the alliance as the relationship develops over time. This sequence of events reflects Grunig and Huang's (2000:34) conceptualisation of organisational

relationships as antecedents, maintenance strategies and outcomes. This study specifically looks at the antecedents and outcomes of strategic alliances.

# Relationship antecedents and outcomes in strategic alliances

Trust, commitment, relational satisfaction and control mutuality are "the most essential and pertinent indicators representing the quality of organisation-public relationships" (Huang, 1997, in Grunig and Huang, 2000:42). Four relationship outcomes were used in this study to measure strategic alliances and are defined as follows (Grunig and Huang, 2000):

- Trust relates to the reliability and integrity of relationship partners and results in a belief that the relationship partner will not exploit one's goodwill.
- Commitment results from relationship partners' effort to maintain the organisational relationship and is made up of either affective (or emotional commitment to the relationship) and continuance commitment (or behavioural commitment to the relationship).
- Satisfaction encompasses both affection and emotion and is conceptualised as a response to the reinforcement of positive expectations.
- Control mutuality refers to the equality of power and decision-making practices that take place within an organisational relationship.

The operationalisations of these constructs are given in Appendix A. In measuring trust, Hon and Brunner (2002:3) and Jo et al. (2004:4) used similar guidelines that were based on Grunig and Huang's work of 2000. The original measurement instrument was differentiated between several underlying dimensions of trust including integrity, fairness and dependability. Morgan and Hunt (1994:23) initially concluded that trust occurs when one party has confidence in a relationship of partner's reliability and integrity. Integrity in this context refers to "fairness and justness", while dependability deals with "consistency between verbal statements and behavioural actions" and also the way in which relationship partners "has the ability to do what they say they will do" (Jo et al., 2004:4). These constructs form the basis of the measurement instrument used in this study, even though trust has also been associated with such qualities as consistent, competent, honest, fair, responsible, helpful and benevolent.

Commitment, in this context, refers to the extent that both parties in a relationship feel or believe that the relationship is "worth spending energy on to maintain and promote" (Grunig, 2002:2). Relational satisfaction refers to feelings of favourability within the relationship, because positive expectations were met within the relationship (Grunig, 2002:2). It is the result of positive maintenance behaviour within the relationship.

Control mutuality refers to the degree to which parties in a relationship are satisfied with the amount of control they have in a relationship (Grunig, 2002:2) and which implies equality in power (Grunig and Huang, 2000:45). Hon and Brunner (2002:3) affirm that control mutuality is the "power balance" in their use of the construct within a university setting. Although, studies based in the US and Europe indicated that trust were the most important influences of relationship success out of the four relationship outcomes (Hon and Brunner, 2002; Jo et al., 2004). Huang (2001, in Hung 2007), found that control mutuality had the greatest influence on successful organisational relationships in South Korea. Some disparities exist with regard to which relationship outcome has the largest influence on the relationship success.

Hung (2007:448) states that satisfaction is the most frequently adopted outcome variable and this would consequently get the majority of the variables mentioned with regard to the other relationship outcomes. It refers to the extent to which relationship partners' expectations have been met. As a result, large scope exists for linking the weight of each relationship outcome in various contexts. Trust, for example, may be more important in relationships with activists.

The antecedents of organisational relationships, like alliances, influence its outcomes (Grunig and Huang, 2000:35; Hung, 2005:1; Ströh, 2005:125). Grunig and Huang (2000:35) however believe that the antecedents of relationships are situational, just as publics are situational, and emphasise that the consequences of relationships stem from the behaviour of both parties in the relationship.

These relationship outcomes cannot be measured in isolation and the relationship antecedents that impact these outcomes also need to be taken into consideration. Broom et al. (1997:94), as key authors in the development of Grunig and Huang's (2000:35) three-stage model of relationships, defined relationship antecedents as "sources of change, pressure or tension on the system derived from the environment". This study looks at the specific antecedents that might be the outcomes of strategic alliances.

Ströh (2005:125), using Grunig and Huang's (2000) relationship outcomes to measure change management in South African firms, measured the types and nature of relationships and relationships between single and multiple publics as relationship antecedents that might affect the outcome of the organisational relationship. As only dyadic relationships were measured, two other factors that might influence the outcome of strategic alliances namely the duration of the alliance and the size of the participating organisation were also investigated. Based on the preceding review, the following hypotheses were developed to investigate the influence of these relationship antecedents:

 $\mathbf{H}_1$ : There is a relationship between the duration of the alliance and the relationship outcomes of the alliance.

**H<sub>2</sub>**: There is a relationship between the type of industry and the relationship outcomes of the alliance.

 $H_3$ : There is a relationship between the type of alliance and the relationship outcomes of the alliance.

 $\mathbf{H_4}$ : There is a relationship between the size of the organisation and the relationship outcomes of the alliance.

SPSS was used for all statistical analysis. The first hypothesis was to be tested using Pearson's product correlation. However, as the data was not normally distributed, the non-parametric alternative to this test, Spearman's rank order correlation, was used to test the first hypothesis. The remainder of the hypotheses were tested using ANOVA.

#### **METHODOLOGY**

Previous studies (Hon and Brunner, 2002; Jo et al., 2004), measuring relationship outcomes, have used surveys in order to collect data. This study utilised the same data collection technique where an electronic self-completion (or self-administered) questionnaire was used in the study, which was distributed via electronic mail.

The research problem dictated that respondents needed to be specifically involved in a strategic alliance. The sampling frame of this study comprised a mailing list of the Institute for Procurement and Supply, South Africa (IPSA). Members of IPSA are involved in the supply and/or procurement chain of various organisations from a variety of industries. Members of IPSA join the organisation in order to get professional advice, amongst other benefits, on how to form a strategic alliance. The respondents listed on the IPSA mailing list are those directly involved in a strategic alliance, at least with IPSA, but in all probability also with other organisations in the supply and/or procurement chain. A census was conducted by questionnaire to gain the maximum amount of possible respondents.

The number of completed questionnaires referred from a sampling population of 2,500 respondents totalled 157 (three questionnaires could not be used, resulting in n=154). This may be attributed to the nature of the questions, where some respondents might find questions regarding a long-standing relationship as personal. However, respondents were assured of the anonymity of their responses and the completed surveys were sent to the researcher as a third party (as opposed to IPSA directly). The sample size was deemed adequate for further statistical analysis even though the response rate (six percent) was relatively low.

# **RESULTS**

# Type of alliance

Majority of respondents (22.7%) were involved in subcontracting alliances where cooperative R and D alliances were the least represented in the study (2.6%). The number of cooperative R and D alliances was too small and this group was included under the "other" type of alliance category for further analysis. Table 1 summarises the final frequency count for the type of alliance used to test the relevant hypothesis.

Table 2 shows that the various types of alliances are

represented by relatively equally-sized groups.

# Type of industry

The possible industries wherein the alliance took place were based on the national SIC framework. The following frequencies were obtained.

The largest percentage of organisations was from finance and business services (21.57%). The motor trade and repair services industry was the one that is most poorly represented in the study (1.31%).

For the fact that some of the industries were poorly represented (motor trade and repair services (1.31%); electricity, gas and water (3.27%); and wholesale trade, commercial agents and allied services (3.27%)), it was decided that a smaller segmentation framework be used, also based on the SIC classification, in order to yield fewer but more representative groups of industry classifications. Thus, the industries were collapsed into four categories, and these new categories are shown in Table 3.

Business and financial services remained adequately large and therefore, remained an independent category. All industries relating to agriculture and building were grouped together, all trade and retail industries were grouped together, and lastly, services and products relating to public administration were grouped together.

# Size of the partnering organisation

The SIC framework for organisation size relating to the number of people in the organisation was used to distinguish organisational size. A relatively equal distribution of small (47.7%), medium (13.1%) and large (39.2%) organisations participated in the study. The way the responses were coded implies that "organisation size" was treated as nominal data.

#### **Duration of the alliance**

The shortest observed alliance was one month and the longest was 30 years (360 months). The average length of the observed alliances, however, was 45 months (3.8 years). The resultant high standard deviation is an indication that some extreme cases and outliers were included in the data. Therefore, even though the average length of alliances was 45 months, a wide range of alliances were observed.

# Reliability of measuring relationship outcomes in strategic alliances

To determine whether the relationship outcomes framework could successfully be applied to strategic alliances,

**Table 1.** Adjusted frequency count for type of alliance.

| Alliance type               | Frequency | Percent | Cumulative frequency | Cumulative percent |
|-----------------------------|-----------|---------|----------------------|--------------------|
| Subcontracting              | 35        | 22.73   | 35                   | 22.73              |
| Manufacturing agreement     | 19        | 12.34   | 54                   | 35.06              |
| Licensing relationship      | 12        | 7.79    | 66                   | 42.86              |
| Partnership                 | 21        | 13.64   | 87                   | 56.49              |
| Joint marketing             | 25        | 16.23   | 112                  | 72.73              |
| Co-operative R and D, Other | 12        | 7.79    | 124                  | 80.52              |
| Joint ventures              | 30        | 19.48   | 154                  | 100.00             |

**Table 2.** Frequency count of type of industry.

| Type of industry                                       | Frequency | Percent | Cumulative frequency | Cumulative percent |
|--|-----------|---------|----------------------|--------------------|
| Agriculture  | 13        | 8.50    | 13                   | 8.5                |
| Manufacturing  | 17        | 11.11   | 30                   | 19.61              |
| Construction   | 15        | 9.80    | 45                   | 29.41              |
| Motor trade and repair services                        | 2         | 1.31    | 47                   | 30.72              |
| Catering, Accommodation and other trade                | 7         | 4.58    | 54                   | 35.29              |
| Finance and Business services                          | 33        | 21.57   | 87                   | 56.86              |
| Mining and Quarrying                                   | 13        | 8.50    | 100                  | 65.36              |
| Electricity, gas and water                             | 5         | 3.27    | 105                  | 68.63              |
| Retail   | 13        | 8.50    | 118                  | 77.12              |
| Wholesale trade, Commercial agents and Allied services | 5         | 3.27    | 123                  | 80.39              |
| Transport, Storage and Communications                  | 16        | 10.46   | 139                  | 90.85              |
| Community, Social and Personal Services                | 14        | 9.15    | 153                  | 100                |

**Table 3.** Adjusted frequency count for type of industry.

| Type of industry   | Frequency | Percent | Cumulative Frequency | Cumulative Percent |
|--|-----------|---------|----------------------|--------------------|
| Agriculture, Construction, Mining and Quarrying              | 41        | 26.80   | 41                   | 26.80              |
| Finance and Business services                                | 33        | 21.57   | 74                   | 48.37              |
| Manufacturing: Catering, Accommodation and other trade;      |           |         |                      |                    |
| Motor trade and repair services: Retail and Wholesale trade; | 44        | 28.76   | 118                  | 77.12              |
| Commercial agents and Allied services                        |           |         |                      |                    |
| Electricity, gas and water: Transport and Storage;           |           |         |                      |                    |
| Communications: Community, Social and Personal;              | 35        | 22.88   | 153                  | 100.00             |
| Services   |           |         |                      |                    |

a reliability assessment was done. Summated scales were calculated for each of the relationship outcomes. The Cronbach Alpha values of these summated scales were Trust 0.84, Commitment 0.92, Relational

satisfaction 0.91 and Control mutuality 0.78. Each scale surpassed the required 0.70.

The correlation between these relationship outcomes was also tested. Table 4 relates the findings.

Table 4. Correlations between relationship outcomes.

| Outcomes                | Control mutuality | Trust         | Relational satisfaction | Commitment |
|-------------------------|-------------------|---------------|-------------------------|------------|
| Control mutuality       | 1.0000            |               |                         |            |
| Trust                   | 0.69 < 0.0001     | 1.0000        |                         |            |
| Relational satisfaction | 0.72 < 0.0001     | 0.76 < 0.0001 | 1.0000                  |            |
| Commitment              | 0.60 < 0.0001     | 0.57 < 0.0001 | 0.70 < 0.0001           | 1.0000     |

**Table 5.** Summary of hypotheses.

| Number         | Hypothesis  |
|----------------|---|
| H <sub>1</sub> | There is a relationship between the duration of the alliance and the relationship outcomes of the alliance. |
| $H_2$          | There is a relationship between the type of industry and the relationship outcomes of the alliance.         |
| $H_3$          | There is a relationship between the type of alliance and the relationship outcomes of the alliance.         |
| H <sub>4</sub> | There is a relationship between the size of the organisation and the relationship outcomes of the alliance. |

Table 6. ANOVA of relationship antecedents and outcomes.

| Relationship antecedent  |  | Sum of squares            | DF              | Mean square  | F    | Significance |
|--------------------------|--|---------------------------|-----------------|--------------|------|--------------|
| Type of Alliance         | Between groups<br>Within Groups<br>Total | 4.46<br>79.47<br>83.93    | 6<br>147<br>153 | 0.74<br>0.54 | 1.38 | 0.228        |
| Industry type            | Between groups<br>Within groups<br>Total | 0.80<br>82.08<br>82.88    | 3<br>149<br>152 | 0.27<br>0.55 | 0.48 | 0.695        |
| Size of the organisation | Between groups<br>Within groups<br>Total | 1.544<br>80.193<br>81.737 | 2<br>150<br>152 | 0.77<br>0.54 | 1.44 | 0.239        |

It is evident that the relationship outcomes were both positively and highly correlated to one another on a one percent level of significance.

#### **HYPOTHESES TESTS**

Table 5 provides a summary of the hypotheses tested in the study.

In testing whether the duration of the alliance impacts its outcomes  $(H_1)$ , Spearman's Rank Order correlation was used. The duration (length) of the alliance was not correlated to the relationship outcomes of the alliance on a 5% level of significance, as a p-value of 0.67 was obtained. This result implies that whether the alliance had just started, or had been going for years, the alliance partners could still be perceived as trustworthy, committed and satisfied within the relationship, and felt that a fair number of control mutuality is present in the relationship. This finding is at odds with current literature that suggests that the longer the relationship the more

the trust or the better the power balance, for example, between relationship partners. This finding suggests that certain relationship dynamics are determined at the onset of the relationship.

One-way ANOVA was performed to measure the remaining three hypotheses. Table 6 summarises the findings.

The null hypotheses for all three alternative hypotheses were not rejected at a five percent level of significance. This suggests that the suggested antecedents do not significantly impact on the outcome of the strategic alliance. A regression analysis that was not significant further confirmed the findings. In the following section, the implications of these findings are discussed in greater depth.

# **DISCUSSION AND MANAGERIAL IMPLICATIONS**

Trust, commitment, relational satisfaction and control mutuality are the outcomes of successful strategic

| Author                  | Relationship antecedent   |
|-------------------------|---|
| Grunig and Huang, 2000  | Behavioural consequences of relationship partners to include whether the relationship is between single or multiple partners.   |
| Hon and Brunner, 2002   | The influence of relationship type, specifically whether it is an exchange or communal relationship on relationship outcomes.   |
| Jo, 2003                | The influence of different industries and different and diverse publics on relationship indicators, specifically adapting the model to the South Korean context.                          |
| Kim, 2005 in Hung, 2007 | Organisational structure to include the system of internal communication in an organisation-employee relationship context.  |
| Scott, 2007             | Type of stakeholder with which a relationship is formed.  |
| Ströh, 2005             | Type and nature of the relationship to include whether the relationship is between single or multiple partners.   |
| Yang and Grunig, 2005   | Propensity for active communication behaviour of the publics dealing with public relations problems with an organisation to include familiarity with an organisation and its performance. |

alliances. However, these relationship outcomes are not significantly influenced by the type of alliance, the industry wherein the alliance took place, the duration of the alliance or the size of the organisation. In literature, there is disagreement as to which antecedents' impact on the outcome of organisational relationships. For example, Ströh (2005:125) stated that the type and nature of the organisational relationship have an influence on its outcomes. Table 7 summarises the relationship antecedents proposed by various studies that utilised the Grunig and Huang (2000) model of organisational relationships.

As can be seen from the above summary, the relationship antecedents that impact on the outcome of organisational relationships vary greatly. Most studies measuring the four relationship outcomes have often excluded been mentioned or have simply not measured the influence of specific relationship antecedents on relationship outcomes. Knowing which antecedents have an influence in organisational relationships, like strategic alliances, allows relationship managers to adapt their strategies to the type and context of the relationship. The findings suggest that the relationship outcomes of trust. commitment, satisfaction and control mutuality could be universal indicators of successful relationships. On the other hand, it could suggest that further research needs to be conducted into which antecedents are significantly related to the relationship's outcome.

Researchers and academics also have varying opinions on the influence of time on the formation of trust, commitment, relational satisfaction and control mutuality within the relationship. Grunig (2002:2) contends that

trust is a relationship characteristic that forms over time. Similarly, Dyer and Singh (1998:672) state that the development of trust is subject to time "because it cannot develop quickly". Conversely, this study indicated that time (or the duration of the alliance) has no influence on whether trust is present within the alliance. Further research is needed into the relationship between time and the complex construct, trust.

The positive correlations between the relationship outcomes imply that if trust, commitment, satisfaction or control mutuality increase in an organisational relationship, the other relationship outcomes are positively influenced and consequently, they increase. Organisations' relationships with various stakeholders should be proactively managed by regularly measuring the trust, commitment, satisfaction and control mutuality throughout the duration of the relationship, with the first measurement taken at its establishment.

Ledingham and Bruning (2000b:63) state that while goals are developed around relationships, communication can be used on a strategic level to help achieve those goals. This suggests that effective communication within the relationships engenders the wanted outcomes. Tailored messages aligned to organisational strategy should be developed for each stakeholder group focusing on building trust and commitment, thereby increasing the likelihood of success. Greater attention should also be placed on equalising the power relationship between partners by including them in the decision-making processes of the organisation. The benefits generated through the effective management of organisational

relationships contribute to organisational effectiveness as well as competitive advantage.

## **POSSIBLE LIMITATIONS**

Possible sources of limitations of the study could have resulted from the use of a survey, specifically an electronic survey. The main sources of error detected in studies utilising survey data are sampling and questionnaire error, high refusal rates or high non-response, respondent effects, data capturing errors and the inappropriate selection of statistical techniques (Mouton, 2005:153). These errors form part of errors of explanation as opposed to errors of definition (Tustin et al., 2005:375). Low response rate is a common limitation of electronic surveys (Alreck and Setlle, 1995:184). This was the limitation that had the greatest impact on the study. As stated before, however, small samples were also recorded by other researchers using the same framework (Scott, 2007: 268).

Scott (2007:269) states that one possible limitation can arise through the wording used in the measurement instrument. It appears that the concept of having "relationships" with organisations rather than individuals is not always a comfortable concept for respondents to entertain. Scott (2007:269) found a small minority of respondents that were resistant to the measurement instrument and these respondents usually ask questions like "Am I supposed to answer this from a personal or professional perspective?" or "Do you want me to speak for my organisation or for myself?" Scott (2007:270) reiterates that the respondents should try to speak for themselves. This possible obstacle was encountered in the present study and the solution provided by Scott (2007:270) was followed. Therefore, respondents were constantly reminded that they should keep themselves and not necessarily the whole organisation in mind to ensure that their own perceptions were measured.

#### **FUTURE RESEARCH**

The situational antecedents of successful relationship in the three-stage model of relationships (Grunig and Huang, 2000:34) posit that the number of stakeholders participating in the organisational relationship has an impact on the outcomes of that relationship. Few studies have tested whether this statement is true. The present study also only tested the model on two relationship partners, in other words, on a dyadic level. Further research is needed into whether the number of participants in the organisational relationship really does have a significant influence on the outcomes of trust, commitment, relationship satisfaction and control mutuality. If the research finds that none of the tested relationship antecedents had a significant influence on

the outcomes of the relationship, the importance of communication in organisational relationship is further increased. One can argue that if no relationship antecedents' impact on the outcomes of organisational relationships, and communication is the main determinant of the amount of trust, commitment, relational satisfaction and control mutuality, then effective communication can be the primary determinant of relationship success.

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#### **APPENDIX A**

Scale items for measuring trust, commitment, relational satisfaction and control mutuality in strategic alliances. The following scale items are adapted from Grunig and Huang (2000) to measure trust, commitment, relational satisfaction and control mutuality in strategic alliances. A 5-point Likert scale was used to measure the constructs.

#### **Trust**

- Generally speaking, the relationship partner does not trust the organisation;
- Members of the organisation are truthful with the relationship partners;
- The organisation treats the partner fairly and justly, compared to other organisations.

## Commitment

- The partner does not wish to continue a relationship with the organisation;
- The partner believes that it is worthwhile to try to maintain the relationship with the organisation;
- The partner wishes to keep a long-lasting relationship with the organisation;
- The partner wishes he had never entered into a relationship with the organisation.

#### Relational satisfaction

- Generally speaking, organisation members meet the partners' needs;
- Generally speaking, the partners' relationship with the organisation has problems;
- In general, the partners are satisfied with the relationship they have with the organisation;
- The partners' relationship with the organisation is good.

# **Control mutuality**

- Generally speaking, the organisation and the partners are both satisfied with the decision-making process;
- In most cases, during decision-making, both the organisation and the partners have equal influence. "Both the organisation and the relationship partners agreed on what can be expected from one another".