Measuring relational norms – a methodological dilemma?

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Abstract

This study questions the validity of the operationalisations of Macneil's norms which have been used in published studies. It compares the evaluation of two B2B exchanges using published measures of norms with new measures which it asserts take fuller account of Macneil's concepts. The discrepancies between the results are statistically significant.

Introduction

The IMP Group states that 'the atmosphere' is one of the four basic elements that it uses when analysing industrial marketing and purchasing situations. The view of the IMP Group is that: "the atmosphere is built up by specific episodes of exchange as well as by the long-term process of interaction" (Turnbull and Valla 1986, p. 6) and that it determines the degree of stability within which exchanges occur. Much of this stability comes from the existence of norms which result in "regular behavior patterns that are relatively stable and expected by a group's members" (Bettenhausen and Murnigham 1991, p.21).

Macneil (1983) proposes ten common contract norms that determine "the behavior that does occur in relations, must occur if relations are to continue, and hence ought to occur so long as their continuance is valued." (Macneil 1980, p. 64) Macneil argues that exchanges lie, according to their relational intensity, on a spectrum ranging from discrete exchanges[1] to relational exchanges and states: "some contracts, called here 'contractual relations' are far more relational than others. They lie towards one end of a relational spectrum of contractual behaviour, opposite from the non-relational end where the discrete transaction is found." (Macneil 1983, p. 342) In a paper (Macneil 2000) reviewing his position he stresses the importance of this view.

A fundamental feature of Macneil's analysis is that the norms applicable to behaviour at the ends of the spectrum relational/discrete are *not* mirror images and that, depending on where an exchange falls in the range between discrete and relational, not only is greater or less emphasis given to some of the norms, but they are transformed. He states: "Certain of them (viz. the common contract norms), however, are intensified at one end and others at the other end. In the case of relational contracts in particular, some are considerably transformed. " (Macneil 2000 p.896) The analogy of viewing the common contract norms in a distorting mirror gets to the essence of his thinking, which is that the original norms remain the source of the image being received but the image received is transformed. In the case of discrete exchanges he suggests that two of the common contract norms, 'implementation of planning' and 'effectuation of consent' are magnified and merged into one norm labelled: *enhancing discreteness and presentation* with the other eight still present - though much diminished in importance,.

With regard to relational exchanges he suggests that five norms have the greatest significance. Two of these (*role integrity* and *proprietary of means*) are identical to two of the common contractual norms. The other three are based on a combination of a number of the other eight common norms (see Figure 1). They are:

> (1) Preservation of the relation. This norm is primarily an intensification and expansion of the norms of contractual solidarity and flexibility.
> (2) Harmonization of relational conflict. This norm is mainly a combination of elements of the norms of flexibility and harmonization of the social matrix.
> (3) Supracontractual norm. This norm is mostly derived from the norm of harmonization of the social matrix.

The Operationalisation of Macneil's norms

Different studies (see Ivens and Blois [forthcoming] for an extensive illustrative list of such studies) have operationalised different sub-sets of Macneil's common contract norms but, even where the same norms are investigated, they are operationalised in different ways. For example Kaufmann and Stern (1988) and Kaufmann and Dant (1992) each developed different measures

of the norm of 'mutuality'[2]. Furthermore, none of these studies take account of Macneil's insistence that, depending on where an exchange lies on the spectrum discrete/relational, the applicable norms change. A fundamental element of Macneil's work is thus totally ignored. This is that the norms at the ends of the spectrum relational/discrete are *not* mirror images.

Typically studies construct a number of Likert-type scales that are made up of statements relating to a selection of Macneil's common contract norms. The statements are worded so that the more agreement with them (or in the case of reverse coded statements the lesser the agreement) indicates that the exchange is more relational than where there is less agreement or even disagreement. For example, Kaufmann and Stern's interpretation is that: "The greater the agreement with statement written in the relational form, the more the party perceived the exchange to be governed by the relational version of the various contracting norms." (1988, p.545)

Most of these studies, though creating a comparative measure, do not stipulate the ends of the range of relationalism that they claim to be measuring – exchanges are simply stated to be "more relational" (e.g. Kaufmann and Stern, 1988, p.540). Furthermore, when as many studies do, they create an aggregate score by summing the results of a number of measures they give an equal weighting to each of the norms that they have chosen to measure.

These studies are thus ignoring Macneil's view that:

i)   that the norms applicable to behaviour at the ends of the spectrum relational/discrete are *not* mirror images; and,

ii)   that depending on where an exchange falls in the range between discrete and relational not only is greater or less emphasis given to some of the norms but they are also transformed.

The failure to take account of this aspect of Macneil's thinking is illustrated by Kaufmann and Stern's 1988 paper which, because it "represents the first known attempt to operationalize Macneil's relational exchange norms" (Kaufmann and Stern, 1988, pp. 544-5), has influenced many, if not the majority, of papers that have discussed norms and included an empirical element[3]. While recognizing that "(w)hat distinguishes between discrete and relational exchange is the way general contracting norms are manifest in the parties' relationship." (Kaufmann and Stern, 1988: 535) the paper then investigates only three common contractual norms[4] namely: solidarity; role integrity; and, mutuality. The paper states that the measures of *solidarity* and *mutuality* are "expressed as the discrete version" (Kaufmann and Stern, 1988, p.545) but by this it is only meant that the wording that would have been used in conjunction with a measure of a common contract norm has been 'reversed'. The measures of *role integrity* were "written in the relational form" (1988, p.545).

Thus they ignore Macneil's argument that:

i)   'contractual solidarity' is only one of the two common contract norms which *significantly* contribute to the relational norm 'preservation of the relation'; and,

ii)   the common contract norm 'mutuality' is only one of two *minor* contributors to the relation norm 'preservation of the relation'. (See Figure 1)

They accept that 'role integrity' is a strengthening of one of the relational norms but they take no account of Macneil's view that: "the discrete norm is the product of the intensification of two

common contract norms: implementation and planning and effectuation of consent" (Macneil 1983, p. 349) or that the common contract norms of 'contractual solidarity'; 'role integrity'; and, 'reciprocity' make no contribution to it. (See Figure 1)

The question thus arises as to whether it is valid to use scales based on those norms designated as 'common contract norms' to determine the extent to which an exchange is 'relational'?

An experiment

To examine this issue a study was carried out as follows. Two one page cases were written describing the relationship of a firm ABP with each of two of its suppliers RWX and NECX. The cases were written to illustrate a situation where ABP and RWX have 'a relationship' and where ABP and NECX are only involved in essentially discrete exchanges but words such as: relationship; commitment; trust; and, their synonyms were excluded from the cases.

Two sets of scales were then created. The first (referred to hereafter as 'the relational scales') were Kaufmann and Stern's nine scales - which have also been used either directly or as a basis for norm measures in many papers published by other researchers - with the names of the companies in the cases incorporated into them. Then a series of nine statements (referred to hereafter as 'the discrete scales') were developed to apply to the single discrete norm that Macneil labels: *enhancing discreteness and presentation*. These discrete scales were "theory-driven operationalisations" (Kuafmann and Dant 1992, p.174) based on examination of the development of Macneil's thinking, as set out in his numerous papers dating from 1978 to 2000, and in his responses to criticisms of his work. Reliability tests were applied to both sets of scales.

The two cases and the two sets of scales were translated into German (and back translated for confirmation). A class of 70 students at a German university, referred to as Nuremberg, was presented with the relationship case (ABP/RWX) and used the relational scale to evaluate it and was also presented with the discrete case (ABP/NECX) and evaluated it using the discrete scale. The second class of 67 students at another German university, referred to as Ingolstadt, was presented with the opposite combination of cases and scales as shown in the table below. Both classes were: studying relationship marketing with the same lecturer; were at the same stage of the course when taking part in this experiment; and, were of a similar constitution with regard to age and gender.

		Relational Scale	**Discrete Scale**
Case	**ABP/RWX (relationship)**	1. Nuremberg	2. Ingolstadt
	ABP/NECX (discrete exchange)	3. Ingolstadt	4. Nuremberg

Following Gundlach and Achrol (1993) a composite measure of relational intensity was created by taking the average of each respondent's scores for the nine subscales. The mean and standard deviation of these averages for each sample were calculated. The results of the two samples for ABP/RWX and for ABP/NECX were then tested against the hypothesis that:

> that different evaluations of whether or not a B2B exchange was "more relational" (Kaufmann and Stern, 1988, p.540) will be obtained when the measures used to evaluate it are based upon Kaufmann and Stern's limited selection of Macneil's common contract norms in comparison with the evaluation obtained when the measures used are based upon Macneil's discrete norms.

An analysis of the results shows that:

1. statistically significant differences (*t*-test and *F*-test) arise when the ABP/RWX case is evaluated using the relational rather than the discrete scales; and,

2. statistically significant differences (*t*-test and *F*-test) arise when the ABP/NECX case is evaluated using the relational rather than the discrete scales.

These results indicate that a scale based on Macneil's relational norms[5] produces different evaluations of both a relational exchange and a discrete exchange than when a scale based on Macneil's discrete norm is used. These results corroborate Macneil's view that the norms applicable to a relational exchange are not the mirror image of those applicable to a discrete exchange. It is suggested that these preliminary results raise some questions about the methods which are appropriate for using measures of norms in studies of 'relationalism' within the context of business interactions such as those studied by the IMP Group.

Conclusions

The results reported in this study suggest that, if Macneil's concept of the relational/discrete spectrum is correct, then the appropriateness of the measures that are typically used when assessing the relational intensity of a B2B exchange must be questioned. The results would imply that, when assessing where on the relational/discrete spectrum an exchange lies, the scales used should include some which relate to the discrete norms that proposed by Macneil.

Endnotes

[1] Recently Macneil has referred to "as-if-discrete exchanges" (2000, p.876) rather than 'discrete exchanges' as he fears the latter term can allow observers to ignore the fact that he has always stressed that even discrete exchanges are embedded in relations. However given, on his own admission, his earlier lack of success at relabelling 'relational exchanges' as 'interwined exchanges' (Macneil, 1987, p.276), it seems unlikely that this proposed additional change in terminology will be successful.

[2] Kaufmann and Stern disregard Macneil's use, after 1983, of the term 'reciprocity' instead 'mutuality'.

[3] Careful reading of 28 papers (19 of which were published in: Journal of Marketing: Journal of Marketing Research; Marketing Letters; or, Journal of the Academy of Marketing Science) show that Kaufmann and Stern (1988) was the paper most frequently referenced when explaining how the measures of norms use in these papers were developed.

[4] They assert that these three are "the most important general contracting norms" (Kaufmann and Stern, 1988: 535) but provide no justification in support of this assertion.
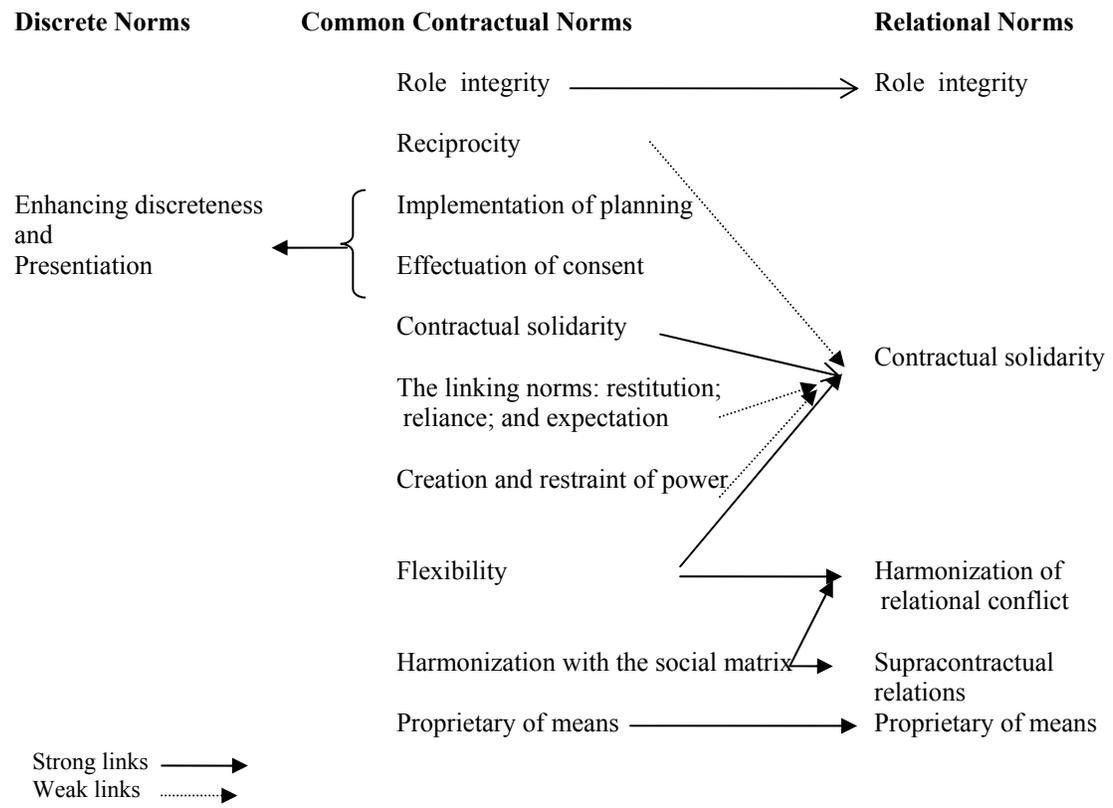
[5] The measures used in Kaufmann and Stern (1988) are an incomplete set of measures of relational norms (see Table 1). However, given the extent of their paper's influence and the manner in which their measures have been used by other researchers, it does not seem totally inappropriate to compare them with a set of measures of the discrete norms.

Table 1 The norms selected for measurement by Kaufmann & Stern (1998)

**Macneil's relational norms and their
    common contract norm components:**

**The common contract norms used as
    measures by Kaufmann and Stern:**

Role integrity [Role integrity]

Role integrity

Preservation of the relation [Contractual
    solidarity; Flexibility; *Reciprocity;
    Linking norms; Creation and restraint of
    power*]

Contractual solidarity; *Reciprocity*

Harmonization of relational conflict
    [Flexibility; Harmonization with social
    matrix]

Supracontractual relations [Harmonization with
    social matrix]

Proprietary of means [Proprietary of means]

Note: The norms in the brackets are those common contract norms which are
components of the relational norms. The norms in *italics* are only minor
contributors to the relational norms

Figure 1 Macneil's common contractual norms and their contributions to relation and to discrete norms

Discrete Norms   **Common Contractual Norms**   **Relational Norms**

Role integrity ──────────────────────────> Role integrity

Reciprocity

Enhancing discreteness
and
Presentation

Implementation of planning

Effectuation of consent

Contractual solidarity   Contractual solidarity

The linking norms: restitution;
reliance; and expectation

Creation and restraint of power

Flexibility   Harmonization of
                                           relational conflict

Harmonization with the social matrix   Supracontractual
                                           relations

Proprietary of means ──────────────────> Proprietary of means

Strong links ──────►
Weak links ···········►

From: Blois (2002)

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