

Terminating relationships in business networks? Reflections on business strategy

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Ending of business relationships in industrial markets can be seen as outcome of temporally specific events in time-space affected by preceding events and anticipated future events in a specific situational context. In business-network terms one relationship is connected to other relationships. These connections are not only actor based but also time-based (*past loaded* through earlier experiences and *future loaded* through anticipated expectations). If we understand time through event trajectories affecting the ending of one relationship it also has to affect other relationships in the network. This relates especially to mutual connection of the firms who are dissolving/terminating their business relationships. This conceptual paper outlines perspectives on how to look at ending of business relationships from a temporal perspective and suggests avenues for doing research in the area of business networks.

Key words: Ending of business relationships, business networks, embeddedness, temporal loadedness, time, change, network strategy

INTRODUCTION

The business network approach has been along us for about twenty years – at least in its present shape (see e.g. Hägg & Johanson 1982, Hammarkvist, et.al. 1982, Håkansson 1987). It is European in origin and is developed through extensive empirical research. The approach has pinpointed that business markets basically deal with interaction and the formation of connected networks of relationships between

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industrial business actors. In a business network a firm is embedded in its business and societal-social-business relationships. These simple notions make the world complex and hard to overview, however.

This paper deals with the issue of ending relationships that are embedded in networks in business markets. This issue forms one problematic matter when we move our theoretical standpoint from classical ‘markets’ to business networks.

Tähtinen and Halinen (2002) have made remarks in their article about relationship ending in networks. The first notion is the use of terminology in the research on relationship ending. According to the authors the terms on ending are numerous and in many cases explicit definitions are lacking or terms are used interchangeably. The following concepts identified within marketing literature on the topic:

▪ Fading relationships	▪ Dissolving relationships	▪ Relationship exit
▪ Break-up	▪ Terminating business relations	▪ Disconnected relationships
▪ Disengagement	▪ Ending relationships	▪ Finalising relationships
▪ Relation aftermath	▪ Divorce	▪ Relationship transition
▪ Sleeping relationships	▪ Relationship death	▪ Switching relationships
▪ Concluding relationships		

Table 1 Terminology used for studying relationship ending (based on Tähtinen & Halinen 2002)

Research in this vein has concentrated on two main areas. The first is related to factors that influence business relationship dissolution, e.g. how customers change (or switch) suppliers. The second type of research relates to how structural factors (e.g. relational investments) or the nature of relationships influence the duration of business between business actors (Tähtinen & Halinen 2002, 170).

One key point in this research indicates that no relationship ending process seems to be alike the other. The researchers identify features, or stages, of the ending process as follows: the assessment, decision-making, dyadic communication, network communication, disengagement, aftermath and restoring stages of a relationship (Tähtinen 1998, Tähtinen & Halinen-Kaila 1997, Tähtinen & Halinen 2002, 172-73). As all “stages- models” this approach is, of course, of an ‘ideal type’ and detected through specific cases. An interesting view is that relationships may not totally end but individuals might keep ongoing relationships even if the business has been ended (Havila & Wilkinson 1997).

The ending process is used as a general term when researching the issue of how business comes to a final stage and cease to exist. Other terms are used as specific cases and when features of different stages or states of the relationship ending process are examined. In their studies on ending of business relationships the authors have concentrated on looking at those areas in marketing where ending has attracted interest. Most studies have concentrated on dyadic relationships (e.g. between buyers and suppliers, or service providers and consumers, or relationships in consumer markets or in e.g. channels research). One key area has been industrial marketing and within this area also the business network research has approached this area. Very few remarks have been made in relation to this approach, however. There exists therefore a research gap in looking at ending/termination of business relationships from a business networks perspective. If firms are connected to a set of other actors through relational bonds and direct as well as indirect relationships the ending process also affects other parts than the dyad itself.

Ending is also something that takes place as a strategic (or critical) event in the process of relationship development over time. As social time can be studied through events, this temporal aspect could be incorporated into network studies (Hedaa & Törnroos 2003). It is argued here that network evolution and change, and the embedded nature of networks and positions of firms take place in a time-space continuum where the process can be studied through events and connected events over time, especially critical events. In strategic terms we can say that a firm – at least in theory – can choose different alternatives for its growth and survival. When having a network view we can think about a situation where a firm embedded in a web of relationships can use the following options:

1. To strengthen and develop current relationships
2. To look for new business partners, or
3. To end or dissolve existing business relationships

These strategic alternatives are not mutually exclusive, but can exist in parallel. Most of the literature on business networks has focused on the first and the second issue. The ending aspect has also been gaining ground (Alajoutsijärvi et.al. 2000, Hedaa 1993, 1998, Tähtinen, 1999, 2001). The issue of ending business relationships is multi-faceted and complex when a firm is embedded into a network and has gained a position in a web of relationships.

If we look at the world from a transactional and dyadic perspective the issue of ending concerning business relationships does not seem to be of any great concern. This is the case if a counterpart can be replaced without having larger or long-term investments with potential new partners. An example can be taken in the case of so-called “switching” behaviour of consumers in the retail field of marketing.

The objective of this essay is twofold. The first objective is to study how ending can be conceptualised and how it relates to temporal aspects and change in business networks. The second objective is to look at ending as a strategic option and how it affects network configuration and outcomes in a business network context. The paper aims also to give ideas concerning network research and managing business networks. Ending in business networks is the key focus in this conceptual paper. Business markets form the key context. Research of relationship ending in consumer marketing or marketing of services, agency-client relationships or channels research

is not considered². The paper starts with a section discussing the meaning of relationships in general and business relationships in particular using an event-network view (Hedaa & Törnroos 1997, 2003). The second section deals with the embedded nature of business relationships in networks. In the third section of the paper different aspects on the termination/ending of business relationships in networks are put forth. The paper ends with a discussion about why the issue of ending and terminating business relationships is problematic in a networked environment.

BUSINESS RELATIONSHIPS – SOME PERSPECTIVES

When marketing has developed its core theoretical perspective it has historically been borrowing and using economic theory as a key basic starting point. This has been gradually changing since the 1960s when social psychology and behavioural theory became integrated into marketing and business administration in general. Thereafter a gradual and ongoing shift has been developing from a transactional view of markets into relationship-oriented models. In services marketing this mainly dyadic research has been (by some authors) labelled as ‘relationship marketing’ (Gummesson 1999, Grönroos 1994). In business marketing the interaction and network approach denotes another research area using other type of reasoning. The main difference is that the business network approach looks beyond single buyer-seller dyads and at business markets as *connected dyads* between key actors embedded in a web of relationships (Håkansson & Snehota 1995, Håkansson et.al. 2003, Ford 2002, Möller & Wilson 1995). How to manage and develop and possibly dissolve or terminate business relationships forms strategic issues in business when having this view. Business actors and single relationships between counterparts are not isolated from other business relationships, but affect them and are affected by them simultaneously.

Ending business in a so-called “economic” and transactional world is not seen as very complicated when business actors are behaving in an economically rational manner. But what happens if the decision-makers are more “human” and have economic, social and institutional/technical bonds with each other? And what should we take into consideration when many actors are connected and affect each other through close collaboration? How is a single firm's position changing in the network and what is the position of a focal business net in the industry, for example? These are some key issues that have not, as far as the current author notes, been acknowledged within business network research to a greater extent.

What are business relationships?

One approach to this issue notes that relationships have at least four main constituents: mutuality, long-term orientation, context dependence and processual character (Holmlund & Törnroos 1997, 305).

Mutuality relates to the mutual dependence and interactive nature of communication and exchange between the counterparts. We need at least 2 partners to form relationships and there are different kinds of bonds that tie the actors together. The

² For a review of these perspectives on business relationship ending (in dyads) can be found in the article by Tähtinen & Halinen, 2002.

authors have identified three aspects: *symmetricality* (ability to balance and influence between counterparts), *power-dependence* structures and *resource dependence* (internal vs. external resource constellations in the network).

Long-term character has been empirically shown to be present in many relationships between business firms acting on industrial markets (Håkansson 1982, Ford 2002). A relationship needs a time-span and a 'history' in order to become a relationship. It therefore needs *continuation* and *strength*.

The process nature takes the dynamic aspect into the fore when dealing with relationships and networks. The temporal building blocks of relationships are single interactions and episodes that over time evolve and change a relationship and makes exchanges to materialise. Some of these episodes and events are incremental and some interactions and exchanges are more revolutionary and have a greater impact. These two types are often simultaneously at work. The authors note also the *use potential* of relationships because they provide a form of access to resources (Holmlund & Törnroos 1997, 306).

Context dependence is closely related to the embedded nature of actors in a web constituted of a set of business counterparts and the connectedness between these. The embedded nature of business networks has an impact on how business firms are positioned in the network in relation to each other. Relationship management is forming a key issue in telling how and when a firm can decide to end relationships when its connected nature comes into play? This issue will be dealt with in more detail the next section.

CONNECTED DYADS IN BUSINESS NETWORKS – HOW DOES IT AFFECT AN ACTOR?

As indicated previously, a specific feature of business networks is their embedded nature. In networks, one specific actor forms a part of a larger structure of connected actors (Granovetter, 1973, 1985, Halinen & Törnroos 1998). This, in turn, means that the actors are usually not solely dependent on one specific actor, but, in most cases of many, and in different ways. This can concern e.g. technological dependencies or logistical or production links and dependencies. In a business network a firm has a specific position and takes care of specific tasks in order to create and deliver value to other actors in the relational web (technological development, logistical activities, production, know-how, R & D, image and reputation etc.). The size and the importance of a company in a network give it a position in the net and in the industry where it operates, for example. The Finnish paper industry is an example of how large firms in the production forms strong positions and the other connected firms usually are fairly dependent on the large paper conglomerates. The industry is also highly centralised, but also dependent on pricing and accessibility of energy and wood raw material, as well as on key large customers on global paper markets. Small and mid-sized companies e.g. in the small boat industry or the smaller furniture production units in Finland have more equal positions between themselves, but the competition can be fierce.

The following aspects are identified as being important when we study the ending process of relationships in a business network setting:

- When a business firm has a specific position in a network it has multiple interdependencies and can have difficulties in trying to get rid of some specific actors without hurting other relationships. In some cases this works in another

tors without hurting other relationships. In some cases this works in another direction. Ending can result in positive outcomes for one or many counterparts in the network. Some actors might get more positive outcomes (or negative) than others.

- The more interlinked and interwoven business relationships are the more critical it becomes to handle and manage the dissolution process. For example close technological and economic links are of this kind. Financial ties can also be problematic to dissolve.
- The closer the business partners are to each other through personal, technical and other bonds, affects the relationship management process including the ending of business relationships.
- Powerful key actor firms in a network might strongly hinder smaller companies to end relationships because of dependencies and power structures. These powerful companies can also more easily exert an impact on rapid dissolution and ending towards more dependent companies. Once again this can have both positive or negative outcomes in the short, and long run.

Both co-operation and competition can also exist between companies in networks. The term “co-opetition” has been coined by Bengtsson & Kock (2000) to exemplify this. Things get even more complicated when noting this fact.

The embedded nature of business networks

Firms in networks can be embedded into their business web in many different ways. The following embeddedness-types have previously been identified:

- Technological embeddedness
- Economic embeddedness
- Social embeddedness
- Political embeddedness
- Geographical (spatial) embeddedness
- Temporal embeddedness.

These types have been found to have relevance and exemplified by cases by Halinen & Törnroos (1998). They represent some common types of embeddedness in business networks. In practice there exist more embeddedness types (e.g. ethical, cultural, logistical) The context where business takes place, the actors and the situation at hand shape what actually is of relevance when looking at network embeddedness. It is also materialised by the specific problem and/or perspective we have when looking at network management as a researcher or a manager.

The embedded nature of networks makes one specific actor to become dependent on other actors. When one specific company has the desire to end some relationships that are indirectly or directly connected to other relationships can be a fairly complex matter. In some cases ending has positive effects when relationships and especially the overall position of a firm is unfavourable and problematic. Repositioning in the network or developing new relationships which are available in the relational landscape might be a good solution. This relates again to the so called “possibility structure” of the landscape of business. The relationscape notes which companies and institutional actors exist in the business landscape around a company. The availability of potentially promising business partners and the possibilities we have to start interacting with them form a key managerial issue from this perspective (see

with them form a key managerial issue from this perspective (see Strandvik & Törnroos 1997).

When a firm is embedded into a web in connection to other actors (business, technological, institutional and social) it has many kinds of interdependencies and the consequences when leaving one or more partners might be hard to oversee over time. Many unintended consequences can be the result of such actions. A “beautiful exit” is therefore something that can be hard to accomplish (cp however Alajoutsijärvi et.al. 2000). Initially positive effects can later on be over-shadowed by more negative ones, when we do not see the ‘consequence-horizon’ of our acts. Positive aspects can also dominate after some relationships in a business network come to an end. This is the case when, for example, a small supplier finds itself being in stiff competition for making deliveries to a larger firm seeks more profitable business contacts instead of the one that has been dominating its business. Positive effects can also be found when supplying companies need to make their production, logistics and quality more competitive due to competitive pressure. As a consequence, they might be competitive in new or in its traditional segments.

The different embeddedness types presented above will also have their role to play when ending relationships in networks are considered. By losing contact with one partner in the web we can lose contacts with important institutional actors or regional markets, for example. The embeddedness types are also closely related to how value is co-created with other actors. It resembles the value-constellation perspective put forth by Normann & Ramirez (1993). Position and embeddedness in a specific spatio-temporal business situation forms a strategic perspective where a company – also in relation to ending processes – needs to take the connectedness issue seriously in relation to how its relative position changes due to the break-up of one relation in the business network.

RELATIONSHIPS IN NETWORKS: ENDING, STARTING AND CONNECTED EVENTS

When trying to understand ending and termination of relationships we need to take the temporal dimension into account. When does a relationship end? When does it start? When is it in shape and working and when do problems occur? These issues seem, at least at the outset, quite straightforward but when we go deeper we can find that there can be problems in detecting and handling these issues.

When does a relationship start?

A relationship can have multiple properties. It can be active, sleeping, or potential and emerging, for example (cp. Tähtinen & Halinen 2002a, b). It can be difficult to clearly understand when a relationship had its start. The “root cause” for the start-up can also be difficult to detect. It can also be a result of an outcome of many events colliding in time-space. In some cases a specific idea or event forms the starting point. The “fall of the Apple”-type of sensing and combining things in new ways together can act as a starting signal.

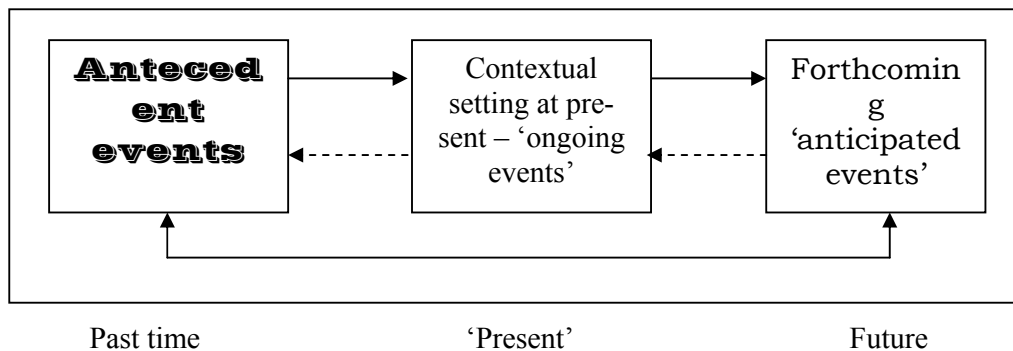


Fig. 1 The past-present-future of connected network relationships

A relationship does not usually start at a specific point in time. We need a *time-span* and many activities and acts in time-space between two (or more) counterparts before we can talk about a true relationship (cp. Holmlund & Törnroos 1997). First we have activities and activity patterns which after a period of time develop into a relationship. A relationship has therefore always a history, which is ‘loaded in the past’ that affects the behaviour and habits of the counterparts. Relationships in business do not exist without reasons ‘loaded in the present’ and future expectations of the counterparts interacting (Hedaa & Törnroos 2002). This definitely affects the relationship and its potential termination (see fig. 1).

Relationships have also specific cultural and contextual settings where business interaction takes place. The position in the contextual web affects how an actor can manoeuvre in relation to other actors. Business relationships in China can, for example, be intact because of cultural, family or regional ties through Guanxi. The relationships are not, in many cases, active for long periods of time. But when a need arises there is immediate trust and commitment if the right cultural norms and ties are found.

Mental or psychological relations between individuals related to key business counterparts affect also the ending and start-up of new and change relationships.

When does a relationship end?

Business relationships are often long lasting (Håkansson 1982, Webster 1991). This does not indicate that they are happy marriages. On the contrary, there usually exist many obstacles in the relationship and how problems are handled and solved. As already indicated, power relations can keep smaller firms in a weak position, because they as e.g. suppliers are often dependent on larger firms and their purchasing policies. Long-term contractual agreements can also keep relationships alive. Cultural ties form another type of “glue” which ties companies together in e.g. high-context cultures. But business relationships are often not able to end or break with the help of a divorce paper. They are enduring because there are many ‘carrots’ that keeps the business relationship alive. The “burden” of relationships is also related to other relationships in the network (Håkansson & Snehota 1995). We cannot as organizations – or human beings – break up all our relations just because we don’t like the other partner(s). There are mostly also other aspects at stake. For example connected value of some kind (e.g. technological, economic, competitive positions

some kind (e.g. technological, economic, competitive positions etc.) can form the strength that keeps the partners together even if the social capital is lacking.

Some other aspects related to the ending problem of business relationships are different “ending types”.

The concept of *‘fading relationships’* relates to a situation where business partners are distancing themselves from each other without any real intentions to do so. The relationship breaks down by a soft and slow landing without causing any big harm to the interacting parties (or the closely embedded network actors). In this case it can usually be fairly easy to start all over again.

Relation aftermath is a concept that can be used for understanding how a firm is coping and perceiving the situation as well as the problems and opportunities related to it when a business relationship in fact has ended. What other business opportunities do we have? Which relationships are accessible and which potential actors are “occupied” by others. Aftermath is relating to a situation when the former business partner(s) is not accessible anymore for a company but still affect the situation through its past loadedness.

When developing thoughts concerning a networking process among business actors I feel that it is characterised by constant “ending(s)” and “starting(s)”. New problems that emerge in a relationship forces the counterparts to think things over and change old habits and ways to handle business, technology, production or marketing, for example. This often develops new “starts” in a relationship and simultaneously “endings”. These can be small consecutive steps or more radical and all-embracing changes – or both. Usually small steps and more radical change processes and events are simultaneously ongoing processes. This notion deals with the fact that business networks are not only driven by the actors-in-networks but also by the events that drive networking processes from inside-the-network and from outside-the-network in a complicated manner. Events are connected also in a network-fashion. These have been defined as event-networks. Event networks are defined as ‘time based connected event relationships’ (Hedaa & Törnroos 1997, p. 8). Therefore two specific dimensions concerning business networks should be relevant to consider when studying the spatio-temporal nature of these sets of connected relationships in ~~businessal~~ (spatial) dimension -> Actor networks
Temporal (dynamic) dimension -> Event networks

STRATEGIC ISSUES CONCERNING RELATIONSHIP ENDING IN BUSINESS NETWORKS

In some case it is probable that companies are ‘waiting’ and following how things are developing when they have invested in a relationship or in multiple relationships. Another issue is if we should actively try to manage it? An interesting point relates to the ability to intentionally manage relationships in business networks (Möller et.al. 2002). Using classical strategic terms the company is often seen as the “manageable unit” where the top management handles decision-making in a ‘right’ direction in relation to the “environment”. This view is close to an economists’ view of the world which has been very much used in strategic decision-making theories and models (see

has been very much used in strategic decision-making theories and models (see e.g. Ansoff 1965, Mintzberg 1994).

Another perspective is to take a processual view of strategy (e.g. Pettigrew 1987). According to this view a company is treated as an active participant of a societal, competitive as well as an intra-organizational process that affects how the company changes over time. This view comes closer to a spatio-temporal view of a firm and its development in context with other actors directly or indirectly related to the business where a firm adds value. This view shows also that a company is embedded into a context with different types of actors and their processes as well.

A network view of strategy goes a bit further (e.g. Håkansson & Snehota 1989, Turnbull & Valla 1986). These authors challenge theoretical frameworks of classical theory on business strategy. Especially the firm-environment interface is seen as a problematic area. The “environment” is often treated as a faceless “market” to which the firm has to “fit” or adapt in order to be competitive. The environment is seen as being “out there” without being able to be somehow affected by the organization. Managing strategy means that the firm has own capability to make managerial decisions in relation to its environment (see Håkansson & Snehota 1989, pp. 188-189). These are some key issues that are challenged by the network view on corporate strategy. Some key points they are proposing include the following:

- Business organizations develop relationships with other partners (distributors, suppliers, buyers etc) and relationships develop that link the resources and activities of the interacting parties with each other.
- The relationships developed are often continuous and complex and are managed by interactive relationships between individuals in both organizations.
- A complex set of interorganisational relationships and interdependencies develop over time between connected organisations into which investments have been made from all interacting organisations.
- A mutual orientation is needed for a common and interdependent relationship to evolve.
- Adaptations and routines from all interacting key actors are required to develop the relationship and links, bonds and ties between the interacting partners.
- Reciprocal capabilities and resources are created as an outcome of the investments made and the interactive nature of the relationships. Some of these resources are internal to one firm, whereas other assets can be mutual to e.g. two companies in a network of connected companies.
- Mutual dependence is formed as a result of business interaction and development of the relationship, but also common resource endowments that are available for all interacting actors in the focal web.
“The organization is then embedded in relationships with identifiable counterparts. The web of relationships can be called a network. One of the salient properties of such a network consists of the interdependencies between the different relationships. These interdependencies exist as regards activities, resources and actors” (Håkansson & Snehota 1989, 191).
- This creates not only triangular relationships, but can often involve four, five, six or more participating business firms (see Håkansson & Snehota, 1989, pp. 190-191).

In strategic terms a specific firm is dependent on other organizations in the web wherein a firm is embedded. One specific firm in the web has some value to offer to

the other connected counterparts. If this is the case it means that the core “environment” of a company consists of its business network. The firm is not “alone” and making independent decisions, but has to take the other key counterparts especially into account. The interdependent nature makes also the ‘manoeuvring space’ more limited, but at the same time it can be a strategic strength to act and react together in relation to competitors or other actors outside the network. A firm tries, of course, to intentionally create a favourable position in its relational landscape. The same applies to the other firms in the network. There is also reason to believe that some strategic moves can be handled together in a mutually favourable manner. These intentional strategic moves can also relate to intentionally built and developed networks, so called strategic nets (Möller et.al. 2002).

Some summarizing perspectives on relationships that have been put forth here in addition to these strategic notions of business nets are proposed as follows:

Bridging relationships: A relationship which comes to an ‘end’ is covered - or inherited - by other relationships because of personal, technical and business bonds. Example from the Finnish furniture industry can exemplify this:

In the late 1980s a large Finnish furniture-manufacturing firm Asko, located in Lahti was re-engineering its activities. At that time they had a person responsible for purchasing of woodworking machines from northern Italy. This person was fired from the company during this process. A few years later Asko needed new woodworking machines from the Italian manufacturer. At this point the Italians said that they now had a Finnish import agent for their products and that Asko need to contact him in order to get a deal. The former purchasing manager had started his own business and used his connected relationships as a personal asset when developing his own business (see Halinen & Törnroos 1998).

The bridging nature of relationships can be confused with the concept of “switching” which is used commonly in consumer and services marketing (e.g. Roos 1999). In industrial markets changing partners can be more problematic. Bridging means to develop new business opportunities together with promising partners in order to create value in an intentional and planned manner. The objective is to replace existing business relationships. It can also mean that firms through different events in the turbulent business environment gets access to and are able to find new bridging possibilities. This takes place without any previous planning in an unintentional manner. These two aspects of bridging can take place also more or less simultaneously. The short example is an exemplification of unintended consequences of internal decisions, which affected the external business network configuration.

External change forces: Change in relationships emerges when e.g. new ownership moves in; Mergers and Acquisitions with external companies as drivers, bankruptcies (due to external events) and other types of critical events come into play. This can take place intentionally by one, a few or many actors. It can also be the outcomes of unintentional events or outside influences (hostile takeovers, new standards and legislation, floods and other types of natural disasters, etc.). But relationships also change gradually due to new competition, internationalisation, multicultural business development and so forth.

Internal change forces in firms and between actors in a core network are also changing and developing new relationships between companies (or/and change relations with old ones). Crisis management, re-engineering, new management and

tions with old ones). Crisis management, re-engineering, new management and HRM-policies can affect how relationships change and develop with other firms (cp also the short practical example above).

New positioning and embeddedness: When networks change usually also the position between key actors in a network can be affected and change. This relates clearly to strategy. If we intentionally, as a single company, make strategic decisions it will, in many cases, affect the relationship network we are involved with. This is also holding visa-versa. New positions, as a result of ending one relationship in a network, can be either mostly positive (in some senses) or mostly more negative (in some senses). In practice both negative and positive outcomes can materialise. When having a view of the business network horizon of a company the network effects of termination can be very hard to detect and understand, at least shortly after a break up has been taking place.

These are some strategic elements, which can - separately or together - make relationships to change and/or end, at least with some counterparts in the network. Ending has many dimensions and the contextual setting and the critical events should be traced in order to get a picture of the ending, and start-up, of relationships in a network. Issues and aspects concerning this are e.g. the following:

- Some relationships and the nature of relationships in business markets end and some relationships and the nature of these can remain more or less intact over time.
- Some aspects of change can lead to ending when other aspects and decisions work in a more stabilising direction (both endings and new starts).
- The embedded nature of business relationships in networks makes the ending process a multi-company matter. Using the concept of “ending” can be sometimes problematic, when we talk about change and process and network development where endings and starts are both in play over time within the relationship or mediated through external events. Change and evolution is therefore often more relevant to look at (cp Havila & Wilkinson 1997).

There exist other aspects connected to the so-called relationship-ending process as well. Here some viewpoints concerning this are put forth. Some general stages can usually be detected in this process:

1. First, a relationship usually starts by having previous expectations and mutual gains and value creation in mind among those core members who are connected in exchange and business relationships with one another. A relationship therefore is loaded by these expectations. Over time the *actual* relationship development can – and usually does – develop in other directions than anticipated. When a relationship ends, for one reason or another, the relationship is related “backwards” to these initial expectations. Post-relationship analysis can be used in order to highlight this type of reasoning.
2. Second, a relationship can leave marks in the network-landscape after an ending process. Some parts of the relationship leave its tracks (memories, reminiscent) to those companies with which they have been doing business. Some useful technologies or business systems, logistical operations can be used and brought forward when new relationships emerge and develop. Other

brought forward when new relationships emerge and develop. Other more problematic and less useful experiences are abandoned. These marks can be of at least three types: *relationship-positive*, *relationship-neutral*, and *relationship hangover (negative)*. As was indicated above these are probably never totally exclusive to each other, some aspects which can be negative as well as positive can be the outcome in many cases when ending relationships.

3. Third, personal and social relationships are, in many cases, kept intact and can continue for long periods of time after a business relation has ended. This holds probably even if business is not directly materialised between those companies that are represented by people who interact socially (Havila & Wilkinson 1997).

In a case study of Swedish softwood-industry and its international marketing Nyberg (1999) found that the business partners in relation to their negotiations had three main discussion points. The first discussion point related to their ongoing business and selling-buying roundwood and sawn timber. The second point dealt with discussions about the industry and especially the other key counterparts within the industry. The third discussion point related to social and interpersonal relationships. It was clear that the social dimension was not only related to business, but also to common interests and direct friendship, at least in some cases. These relationships cannot be erased just by the fact that business is not there directly anymore.

These views indicate that relationships have a “life after death” in many business relationships (as in many other types of relationships). The event-network approach is seen here as a way to study the so-called “ending process” in a multidimensional and a temporal/processual manner. “Ending” and especially “termination” are very final words. This can be related to human beings and their lives. Usually when marriages and other kinds of human relationships come to an end there usually remains something that connects the divorced couples: children, friends, ownership and past memories and feelings, as well as economic consequences to take care of. The same logic applies in general also to business relationships.

The novel area of relationship ending in business networks is still in a developmental phase. Indications exist that there is life ongoing after the business has ended (or come to a temporary halt). It can be hard to totally “erase” relationships, especially after long-term business, relationship development at many levels between companies.

An area to be developed with a clear relevance is the connected nature of networks of relationships. Ending or exit might cause problems (or ease them) in other network relationships and create problems in the future to get access to those resources, which were mediated indirectly by a firm with which business is terminated. It can be also easier to get access to new resources in certain cases when relationships are dissolved.

DISCUSSION AND IMPLICATIONS

Relationship ending and problems in business networks are manifold. Some main concluding remarks concerning ending seen from a business network perspective include the following aspects:

First. Business relationships are connected to their nature and it is hard to end relationships with one actor without affecting other relations, positively or negatively.

Ending strategies in business markets have therefore to consider the network and embeddedness of a company in its network in order to try to find out how the direct and indirect relationships are affected. The position of a company can be change considerably because of this. The embedded nature of business relationships and specific positions in networks means that the position and context where a firm operates will somehow be altered and changed.

Second. Technological dependencies and co-operation in R & D are often sensitive issues for many companies and their relationships. Issues related to core competencies in these or other key areas can lead to ending of relationships. Value is often co-created by using the multiple competencies of many firms in the value constellation a network comprises. Value creation can therefore be seriously affected especially in those cases where crucial techno-economic relationships come to a halt. They can be hard and time-consuming to replace.

Third. Power structures can exert an impact for continuous relationships and result in rapid ending processes. In some business relationships, e.g. when smaller suppliers have relationships with larger corporation's power relations can exert a one-sided dependence for the smaller supplying companies. In other cases there exist more balanced power relationships and in other cases the supplier can be the stronger part in the network. These power relationships can also change rapidly in the global and nervous business environment where technologies can become obsolete very rapidly and where markets and tastes change quickly.

Fourth. "Beginnings" and "endings" are inherently forming a dynamic part of business processes. Incentives to "live" might be strong in many cases, when the relationship results in value-production. Some parts of relationships are continuously ending and new things are more or less continuously "born".

Fifth. Some businesses (e.g. in project marketing) can be 'sleeping' for a long time but not really ending, they are "waiting". Business marketing in general is more regular and has shorter waiting-lead-times between interactions than project marketing. Some type of relationships can also be of a "hybrid" type. This means that the relationship can undergo turbulent change processes at some time-periods and have more stable structures at other times.

Sixth. Culture is a strong force keeping up relationships in business, especially in high-context cultures (Guanxi in China, the Keiretsu in Japan).

Seventh. "Outside influences" (e.g. Multinational organisations/firms, the EU, the military-industrial complex, High-Tech developments, Environmental and other pressure groups, consumer demands etc.) can have important bearings on relationship ending and change. This takes in a way place as events from the outside.

As to suggestions for research also many ideas can be put forth concerning research on ending in business networks. To some extent these can be found in the conceptual thoughts presented above. A problematic issue can be the problem of access to relevant data. This is the case because firms and managers are not, in many cases, willing to openly talk about termination and ending of business relationships. Success stories and positive sides of reality are often favoured by managers. Issues concerning problems and problematic issues, especially business failures are often avoided because of image-reasons. Empirical studies can however fill an important research gap which to my notion is sparsely studied in business settings. The points I want to make concerning research in practice include the following aspects:

First. To empirically study how connected relationships affect the possibilities to develop or how this fact, on the other hand, hinders relationship ending?

Second. To empirically research on how ending and finalising business relationships can be managed? What events usually precede or cause relationships to end in focal business nets? The first question should deal closely with the position concepts and network strategies in business-to-business settings. The second deals explicitly with the theoretical notion of event-based networks, i.e. how different types of events exert an impact on business relationships and why they change and/or come to an end.

Third. To study more closely which parts of a business relationship really “ends” and which potential parts (or tracks) are “left behind” and still in use and which social and other relations still stay alive, and how this might directly or indirectly affect a relationship? If this also leads to new business relationships forms another interesting research stream.

Finally, concerning relationship ending and practical business management and strategy gives many relevant aspects to consider. The key points stemming from the paper include the following key points:

Ending or dissolving relationships in an intentional manner can be tricky, especially in tightly interconnected firms who are mutually dependent on each other. If there are no real partners who can replace a key actor within a relevant time-horizon this becomes even more problematic.

When a company gets a position within a network of actors the activities and resources should be developed in such a manner that potentially symmetric relationships exist between the actors in the web. This can be hard to reach in many cases, already at the outset, when firms differ in size and importance.

A strategy for how to end relationships and potential outcomes of losing business partners and their network effects should be developed when firms deal with ending processes. Short-term effects and more long-term consequences for the company should be assessed and monitored.

In practical business it can be important to try to closely follow the development and evolution of the business counterparts in order to maintain and strengthen the firms own position in the network and in relation to its competencies in relation to the other key actors.

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