

Inconsistencies in Project Business Relationships – Challenges for Successful Interaction

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Abstract

This paper reviews the previous concepts used to examine problematic issues in buyer-seller interaction, and adopts the concept of inconsistency to examine the ambiguity and variations in interaction between project sellers and buyers. The study aims to shed light on interaction dynamics in the project business by studying relationship inconsistencies between and within single projects. Empirical illustration from three project business companies suggests that often the interaction-related problems faced by project business companies are not conflict-type in nature, but rather hidden discrepancies resulting from changing orientations or variations in short-term goals between organizational units and individuals.

Introduction

Due to the rapid increase of project operations and project-oriented working methods, a new paradigm of project-based firms and project business has emerged (Tikkanen, Kujala and Artto, 2007). Project operations are currently one of the dominating modes in international business (Hadjikhani, 1998), and the solutions offered by industrial suppliers are increasingly including project-like features (Günter and Bonaccorsi, 1996; Hadjikhani, 1996; Tikkanen, 1997). Consequently, project business is an area of growing interest and an evolving area from theoretical as well as from managerial point of view (Artto and Wikström, 2005).

In the evolving field of project marketing research, the concept of discontinuity has been one of the main areas of interest when studying interaction between project buyers and sellers, and the importance of the problem of discontinuity has been widely recognized (e.g. Cova and Salle, 1992; Hadjikhani, 1996; Mandjak and Veres 1998; Skaates 2000). The existing research has focused on examining the discontinuous nature of buyer-seller relationships resulting from the lack of economical transactions between projects. However, the different types of interaction discontinuities between project sellers and buyers at the level of individual projects and at the level of multiple projects have not received enough research attention. There is a lack of knowledge of the nature and challenges of interaction between companies in the context of project business, where discontinuity, uniqueness, and complexity effects are at work (Skaates and Tikkanen, 2003). In order to manage their relationships with customers, project business companies need more knowledge about the problems related to interaction in the project business environment. We suggest that the concept of inconsistency (Ford, Håkansson and Johanson, 1986) would be suitable to explore the difficulties faced by project business companies resulting from variations and ambiguity in interaction with their customers.

First, the paper reviews the concepts that are used to characterize problematic aspects of interaction in the existing research on buyer-seller relationships. The concepts derived from the existing research are then related to the early interaction model to illustrate their differences and relation to the constructs of the interaction approach. Next, the paper focuses on the concept of inconsistency and develops a conceptual framework for examining interaction inconsistency in the project business environment. After that, the framework is reflected through empirical illustration of three companies operating in international project business. The paper contributes to the project marketing research by reviewing the concepts that have been used to study the problematic aspects of business relationships and critically assessing their suitability for studying difficulties in the interaction between project buyers and sellers.

Concepts used for studying problems in buyer-seller interaction

The problematic aspects of interaction in business relationships has been studied by using concepts such as discontinuity, conflict, friction event, gap, critical incident, relationship stress, and inconsistency. The following section reviews these concepts and the existing research of interaction difficulties in business relationships. Table 1 summarizes the concepts used in the existing research related to problems in interaction in buyer-seller relationships.

Table 1. Concepts Used to Characterize the Problematic Aspects of Relationship Interaction

Problem	Author(s)	Definition	Key focus/findings	Context
Discontinuity	Hadjikhani 1996	"A break in the economical activity in the buyer-seller relationship"	Relationships are "sleeping" between transactions. Inward and outward actions needed to increase the continuity of relationship	Project marketing
	Cova and Salle 2000	"Absence of economical exchanges"	Focus on the social dimension of business relationships by adopting a ritual approach to cope with discontinuity	Project marketing
	Skaates 2000	"A substantial part of the resource ties and activity links are not present on the long-term"	In situations of discontinuity, the market governance structure is "socially constructed market", or "the socially constructed network"	Industrial buying situations
Conflict	Gemünden (1985)	<i>(no specific definition of conflict adopted in the article)</i>	Conflicts should be viewed as potential productive tensions that can motivate and explain underlying problems	Buyer-seller relationships
	Hadjikhani and Håkansson (1996)	<i>(no specific definition of conflict adopted in the article)</i>	Focus on visible conditions of conflict, namely the "Bofors scandal". Examines consequences of buyer-seller conflict for other business relationships. The consequences depend on the companies' network position in relation to the problematic relationship.	Relationship between company and a governmental institution
	Vaaland and Håkansson (2003)	"All types of events indicating disagreement between the parties"	Conflict can be a challenge but also a tool for improvement and innovation.	Complex Projects
	Welch and Wilkinson (2005)	"One firm perceiving another firm as interfering with the attainment of its goals" (Rosenbloom 1999)	Focus on dispute between Japanese and Western firms. Utilizes network view to the concept of a conflict. Factors outside a dyad may explain a conflict, i.e. cultural aspects and other relationships	Relationship between company and a governmental institution
	Tidström (2006)	"Situation in which at least one of several interconnected actors perceives incompatibility in relation to the other actors"	Focus on conflicts between cooperating competitors. Conflicts can be either visible or hidden. Conflicts in can be divided into three groups: focus, awareness and capacity	Conflicts between cooperating competitors. Business network perspective
	Plank and Newell (2007)	"Disagreement of differences between two or more people"	Quantitative survey of the impacts of perceived social conflict on buyer-seller relationship. High level of social conflict decreases relationship loyalty	Surveys from purchasing professionals
Gaps	Leminen 2001	"A gap refers to the difference between the perceived experiences by actors in interorganizational and intraorganizational interfaces of business relationships"	Gaps consist of inconsistencies, critical incidents, conflicts, gaps, and perceived differences.	Buyer-seller relationships in telecommunication industry
Stress	Holmlund-Rytönen and Strandvik 2005	"The perceived cumulative effects of negative experiences in the business relationship"	Relationship stress is considered as one type of risk factor affecting the strength of the relationship	Industrial and business services
Friction event	Vaaland and Håkansson 2000	"All types of events indicating disagreement between the parties"	All conflicts are not critical, friction event is strongly contextual connected	Complex projects
	Nordin 2006	<i>(no specific definition of friction event adopted in the article)</i>	Focus on conflicts occurring during the implementation of a service alliance. The perspectives of the stakeholders should be taken into account when implementing the alliance	Alliances in high technology industry
Critical Incidents/ events	Roos and Strandvik 1996	"An interaction incident which the customer perceives or remembers as unusually positive or negative when asked about them"	Critical incident focus on the short-term perspective, on the long-term, relationships may be switched from one to another	N/A (ei artikkelia)
	Halinen, Salmi and Havila 1999	"Incident that triggers radical change in a business dyad and/or network"		Industrial network approach
	Backhaus and Bauer 2000		Focus on the impact of critical incidents on customer satisfaction. Findings show a tendency for nonlinear satisfaction in case of critical incidents	Logistics industry
Inconsistency	Ford, Håkansson, and Johanson 1986	"Ambiguity or lack of clarity in interaction"	Personal expectations creates interpersonal inconsistency, while intertemporal inconsistency is created by changing considerations of a company in its relationship.	Interaction approach

Discontinuity

The management of discontinuity in extrabusiness relationships or sleeping relationships between the supplier and the customer has been the focus of interest in several project marketing studies (e.g. Hadjikhani, 1996; Cova and Salle, 2000). Cova and Salle (2000) have studied the role of rituals in managing extrabusiness relationships and focused on the social dimension of managing project business relationships. Hadjikhani (1996) has studied the actions related to managing “sleeping relationships” and he categorizes the actions to 1) inward actions, that are actions involving the supplier directly with the customer, such as training and maintenance, and 2) outward actions that are actions, which the supplier undertakes with actors of the client’s network (Hadjikhani, 1996). These actions are meant to increase the probability of selling a new project to the same buyer, and thus to increase the continuity in the buyer-seller relationship (Hadjikhani, 1996).

The main focus of the discontinuity-related research has been in examining the discontinuity caused by a break in the economical activity in the buyer-seller relationship. When a project is under completion, there is a formal contract and intensive resource exchange between the partners. When the project is completed the resource exchange stops and there is a clear cut between the two phases (Hadjikhani, 1998). Hadjikhani has employed the industrial network model for studying discontinuity in project marketing. He focused on studying the period after project completion, and suggested the concept of sleeping relationship (Hadjikhani, 1996). According to Hajikhani (1996), the degree of interdependence and trust in the sleeping relationship depends upon the strength of the social, technological and financial ties deriving from earlier exchange. A sleeping relationship is under the threat of being broken by competitive actors and their aggressive strategies more than an active relationship (Hadjikhani, 1996).

According to Skaates (2000), resource ties and activity links may not be present in situations of discontinuity. In situations of discontinuous business activities, the focus should be on the norms and processes of trust, attraction, and social bonds, and their possible structuration effects (Skaates, 2000). Cova and Salle (2000) have proposed a ritual approach, a framework for managing the atmosphere during the discontinuity period through social exchange. In addition to rituals, social exchange in the form of communication is suggested as a tool for maintaining the relationship between the economical transactions (Tikkanen, 1997).

Alderman et al. (2005) have recognized significant discontinuities in delivering complex service-led projects and a need to handle these types of projects not only through traditional rationalistic project management conventions but through sense-making narratives and by focusing on “management of meaning”. According to them, discontinuities can occur in the translation of customer requirement into project specifications and in translations’ of these specifications and working designs into project and service operation (Alderman et al., 2005).

Most of the studies examining relationship discontinuity have focused on examining the problem of discontinuity at the level of multiple projects, i.e. the discontinuity that the project supplier faces between the projects (Hadjikhani, 1996; Cova and Salle, 2000). However, in line with the Alderman’s view (2005) we suggest that several “discontinuities” related to the interaction in the buyer-seller relationship can be identified also at the level of an individual project. For example, when a company sells a project, discontinuity may appear between closing the deal and starting the project delivery. This calls for a more holistic approach to examine the problem of discontinuity. However, the problem with the concept of discontinuity for studying the irregularities in relationship interaction lies in its focus on demand discontinuity. Mandjak and Veres (1998) state that discontinuity can be interpreted in two

ways. In the broader sense, discontinuity means the lack of a transactional relationship, and in the narrow sense, it refers to the period following the transaction.

Based on the discussion above, it can be stated that the previous research considers discontinuity as a break in economic transaction between the project buyer and the seller. The concept of discontinuity thus does not include discontinuities in interaction within a single project. Even though the previous discontinuity related research has applied concepts from interaction approach and industrial network model (e.g. Hadjikhani, 1996; Skaates, 2000), the basic premise and starting point for studying the concept has been defined based on the existence or nonexistence of economic transaction. The view of discontinuity produced by the existing research is thus rather transaction oriented and does not take into account other elements of business relationships, such as actor bonds, activity links, and resource ties. It can be argued whether the concept should be viewed more broadly, for example as a risk of weakening actor bonds, resource ties and activity links during and between economical transactions.

Within the IMP group of researchers, business relationships are regarded as having structural, economical, and social dimensions. The structural dimension includes i.e. resource ties, activity links and institutional bonds. The economical dimension refers to investments and other economical bonds, and the social dimension to concepts such as commitment, trust, attraction and social bonds (Holmlund and Törnroos, 1997). In studies examining the dissolution of business relationships, it is acknowledged that relationship ending is not a straightforward issue but a controversial one, as issues such as relationship energy can continue to exist in social bonds within a personal level (e.g. Havila and Wilkinson, 2002). "The business relationship is broken when all the activity links are broken, and no resource ties or actor bonds exist between companies" (Tähtinen and Halinen-Kaila, 1997). According to Tähtinen (2001), the factor that distinguishes a sleeping relationship from a dissolved one is mutuality. In a sleeping relationship, where activity links and resource ties are considerably weakened or broken, the parties still share a mutual will to keep the relationship alive. This is manifested in the mutual relational bonds that still connect the companies because they continue to communicate with each other and may even carry out joint activities to keep the relationship alive (Tähtinen, 2001). It can be thus argued, whether the existence or non-existence of economical transactions can determine the discontinuous nature of relationship. There can be situations where despite of the ongoing economical activity between partners, the relationship faces substantial discontinuity in terms of weakened actor bonds or resource ties. An example of this kind of situation would be when the relationship is strongly based on personal ties between individuals in the project organizations and the key person in the project management team leaves the company.

Conflicts

The concept of conflict has received a lot of attention in interorganizational studies, for example in the field of channels research (e.g. Pearson, 1973; Duarte and Davies, 2003). In the research on industrial buyer-seller relationship, the concept of conflict has been discussed widely and with varying definitions (for an extensive review of different definitions of conflict, see Tidström, 2006, 18). In the interaction and network approach, the concept of conflict dates back to the interaction model, where conflict and cooperation are regarded as co-existing elements of relationship atmosphere (Håkansson, 1982). Conflicts are viewed as a natural aspect of relationship interaction and even as inevitable in business relationships (e.g. Håkansson and Gadde, 1992; Emiliani, 2003). Most studies acknowledge both the negative and positive aspects of conflicts, and there are variations in conceptions of whether the impacts of conflict are regarded as destructive or constructive. The recent study of Plank and Newell (2007) focuses on social conflicts in buyer-seller relationships by examining the

impact of perceived conflict on relationship loyalty. Their results suggest that higher levels of perceived conflict leads to lower levels of perceived relationship loyalty.

Tidström (2006) focuses on conflicts in intercompetitor cooperation and adopts a business network perspective for studying the phenomenon. The study focuses on issue (cause and topic) and intensity (importance and outcome) of conflict. Tidström (2006) defines conflict as a “situation in which at least one of several interconnected actors perceives incompatibility in relation to the other actors”. This definition sees the concept of conflict in a broad sense as according to Tidström (2006), the incompatibility between actors can refer to anything that can be connected to the relationship between the actors, for example goals, priorities, and values. This definition of conflict thus comes close to the concept of inconsistency as it emphasizes incompatibility and interconnectedness between the actors.

In the project business context conflicts have been studied by Vaaland (2000, 2001) and Vaaland and Håkansson (2003). These studies focus on tracing the causes of conflict by using the concept of conflict events which they define as “all types of events indicating disagreement between the parties”. Conflicts are seen both as problems to be solved and as tools for improvement. The studies describe examples of conflicts in complex project and suggest formal and informal governance mechanisms to understand how conflicts can be used to improve the business relationship (Vaaland, 2000; Vaaland and Håkansson, 2003). Vaaland and Håkansson (2003) focus on conflicts in buyer-seller relationships in complex projects. They view the phenomenon of conflict from two perspectives: as a dysfunctional phenomenon with disruptive and negative consequences and as a functional resource tool with positive outcomes.

Many of the studies examining conflicts in business relationships focus on the visible conditions of conflict (Tidström, 2006). The problem with the concept of conflict for studying the nature of interaction between project suppliers and their customers lies in its focus on disagreements and visible confrontations between actors.

Friction events

Vaaland and Håkansson discuss the concept of “friction event” comprising all types of events indicating disagreement between the relationship parties (2000). According to them, a problem in applying the critical incident construct in investigating conflict is that many of the events occurring between project parties are not critical although, they comprise interesting indications of emerging conflict (Vaaland and Håkansson, 2003). Due to the difficulties related to studying conflicts, they suggest an indirect approach by focusing on frictional events that can potentially lead to conflicts rather than conflicts as such. The friction event

construct is suggested to be regarded as a construct which is strongly contextually connected and difficult to assess isolated (Vaaland and Håkansson, 2003). The friction event construct has been adopted for studying intra- and interorganizational conflicts in alliances in the context of high-technology industry (Nordin, 2006).

Gaps

Leminen (2001) has adopted the concept of gap originally developed within the service marketing research for studying perceived differences in buyer-seller relationships. Gaps are seen primarily as a negative aspect which weakens the buyer-seller relationship and may result direct or indirect economic difficulties to relationship parties (Leminen, 2001). The

concept of gap is understood broadly and suggested to encompass the concepts of critical incidents, conflicts and inconsistency. Thus, for the purposes of studying interaction in buyer-seller relationships in the context of project business, the concept of gap is too broad and wide-ranging.

Relationship stress

Holmlund-Rytkönen and Strandvik (2005) have proposed the concept of relationship stress to capture the effect of negatively deviating incidents in business relationships. They view relationship stress as “the perceived cumulative effects of negative experiences in the business relationship” (Holmlund-Rytkönen and Strandvik, 2005). According to them, negative incidents and problems accumulating in the relationship are sources of stress because they may cause tension in the relationship, and may affect its stability. Relationship stress is thus considered as one type of risk factor affecting the strength of the relationship (Holmlund-Rytkönen and Strandvik, 2005).

Critical incidents

In the business relationship research, the concept of critical incidents has been used to study the events that have a decisive effect on relationship development. Halinen, Salmi and Havila (1999) characterize different types of critical events and identify entrepreneurial and strategic decisions as especially important. They define critical event as “an incident that triggers radical change in a business dyad and/or network”. According to them, the critical event may also be a “final straw” in a series of developments that have created tensions and the potential for instability. They categorize critical events to events emerging from interaction in the dyad and events emerging from the business environment. Thus, they consider the environment as an equally important generator of chance together with the focal dyad (Halinen, Salmi and Havila, 1999).

Schurr, Hedaa and Gersbro (2005) define critical events as “changes in actor bonds, resource ties, and activity links” and as something relevant to a business relationship that happens at a given place and time. The impact of critical events to customer satisfaction in business relationships has been studied by Backhaus and Bauer (2000). The “criticality” of critical incidents for the development of customer relationships has been questioned. Edvardsson and Strandvik (2000) have suggested that the traditional approach to studying critical incidents originating from (Flanagan, 1954) focuses on a limited set of issues concerning the incidents and does not paid attention to, for example, sequences or clusters of incidents embedded in a customer relationship. They suggest that studies focusing on the relationship should focus on the processes weakening or strengthening a customer relationship.

The concept of critical incident largely focuses on the short-term perspective of business relationships as the focus is in episodes of interaction. Schurr (2007) categorizes relationship episodes in to three categories according to their effect on a relationship. *Generative episodes* have a positive effect on a relationship through increased cooperation, trust, mutual understanding, and joint benefits whereas *negative episodes* have a decreasing effect to these factors. *Neutral episodes* have the power or function of keeping a relationship state at current levels when otherwise degeneration would occur. It is further suggested that it is important to look for patterns in interaction, often comprised of non-critical episodes, which lay the foundations for critical, relationship-state changing episode (Schurr, 2007).

Inconsistency

In their seminal article Ford, Håkansson and Johansson (1986) describe inconsistency as a central dimension of interaction together with capability, mutuality, and particularity. According to the interaction and network approach, companies integrate and activate their resources through interaction, and thus, all companies are continuously involved in a wide range of interactions (Ford, Håkansson, and Johanson, 1986). Companies interact with each other in various forms of action, such as purchases, deliveries, payments (Ford, Håkansson, and Johanson, 1986). Parties make interpretations about the interaction and give meaning to the interaction through these interpretations. Thus, all interaction includes intentions and interpretations from at least two sides (Ford, Håkansson and Johansson, 1986). The nature of business relationships is ambiguous rather than clear-cut. In the project business context, the nature of interaction can be considered as further complex and diverse.

Within the interaction and network approach, the concept of inconsistency is used to refer to the ambiguity and lack of clarity in interaction between actors (Ford, Håkansson and Johanson, 1986). This ambiguity lies in the “messages” passed to the other party concerning, for example, the company’s wishes or intentions. According to Ford, Håkansson and Johanson (1986), inconsistency can exist as *interpersonal* inconsistency, which refers to different approaches in interaction within the company and *intertemporal* inconsistency, which can be seen as reflecting the dynamic nature of interaction. Ford, Håkansson and Johanson (1986) also state that besides being an unfortunate and unconscious factor of interaction, inconsistency may also be used as an intentional strategy. Ford, Håkansson and Johansson (1986) refer to inconsistency in both *intentions* and *interpretations*. According to them, Inconsistency is an important but neglected aspect of interaction, and one of the most difficult aspects to handle managerially. However, management of inconsistency is central to inter-company interaction (Ford, Håkansson and Johanson, 1986) and thus, should be examined further. Inconsistency can be also viewed as a positive issue, even as a strategic choice and thus fruitful for the company. Intertemporal inconsistency in company’s interaction with its customer may be a strategic choice when the importance of the customer as a source of business benefits increases or decreases (Ford, Håkansson and Johanson, 1986).

Johnsen and Ford (2001) have suggested that inconsistency may be higher in asymmetrical relationships because of lack of relationship intensity leading to ineffective communication. In symmetrical relationships inconsistency is lower due to mutuality and shared decision making. Conflicts and misunderstanding are less likely to occur because each party’s priorities and values are more effectively communicated.

By focusing on inconsistencies in the project business environment, it is possible to examine the short-term expediencies or changes in individual acts which occur without changes in principal policies (Ford, Håkansson and Johanson, 1986). Similarly as conflicts (e.g. Vaaland and Håkansson, 2003), inconsistencies in interaction are contextually connected, and this contextually should be paid attention to when analyzing inconsistencies.

Ford, Johansson and Håkansson refer to interpersonal inconsistency which refers to inconsistencies stemming from differences in expectations and motivations. Inconsistency is thus seen to exist between different subgroups and individuals as well as within time. Inconsistencies are thus seen to originate *within* the focal company and result as relationship inconsistencies *between* the interacting companies.

The reviewed concepts and their relation to the constructs of the interaction approach

In order to illustrate the differences between the reviewed concepts and their connectedness to the constructs of the interaction and network approach, the concepts are positioned into the early interaction model presented by Håkansson (1982). Figure 1 illustrates the relations between the reviewed concepts and the constructs of the interaction model.

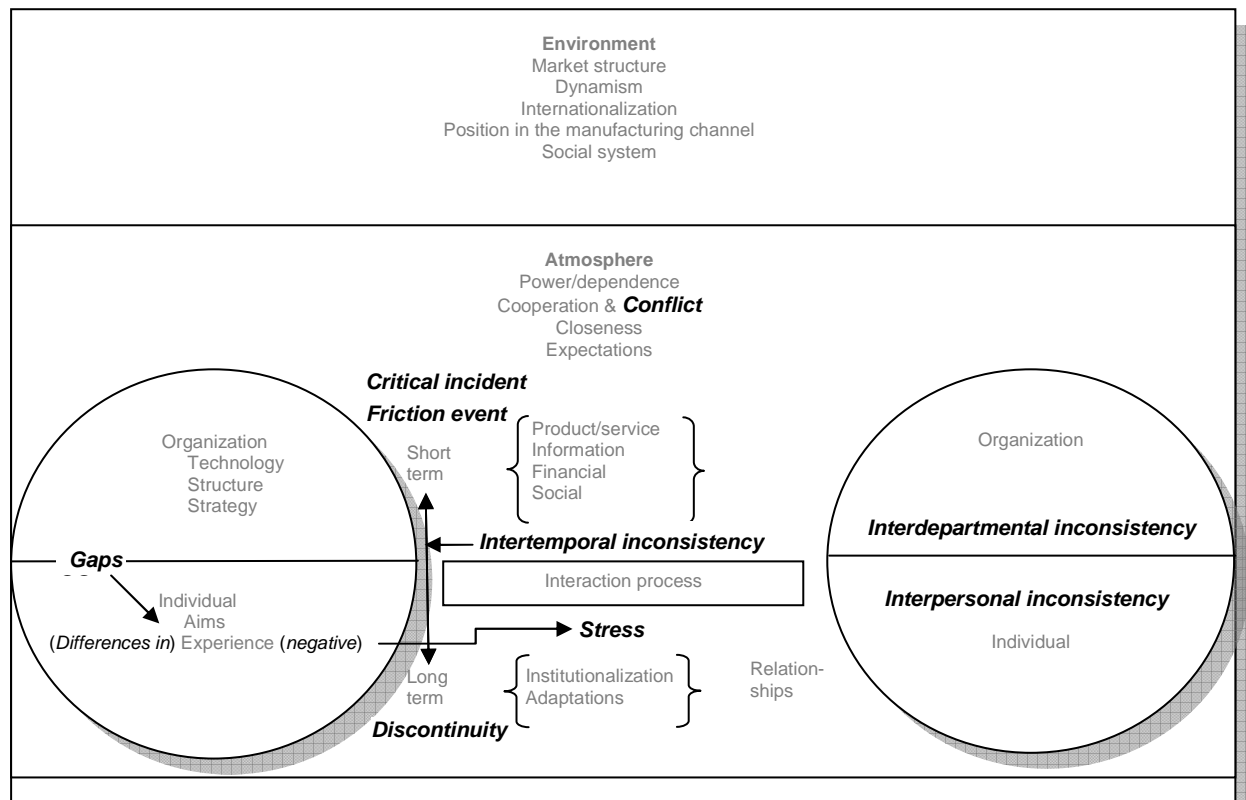


Figure 1. The reviewed concepts and their relation to the constructs of the interaction model (adapted from Håkansson, 1982)

The project marketing context and challenges for interaction

Project marketing has been studied by e.g. the research group called the INPM, the International Network for Project Marketing and Systems Selling, (e.g. Cova and Ghauri, 1996; Gunter and Bonaccorsi, 1996; Skaates and Tikkanen, 2003). Like the IMP-group, the INPM researchers also emphasize the role of relationships and networks in business marketing (Skaates and Tikkanen, 2003). According to the INPM researchers, project marketing consists primarily in the management of a firm's relationships to a local network of business and non-business actors, named the "milieu" (Cova and Hoskins, 1997, 546). The INPM group of researchers have listed the three distinguishing features of project marketing (see e.g. Cova and Ghauri, 1996; Tikkanen, 1998; Cova, Ghauri and Salle, 2002).

1. The discontinuity of demand;
2. The uniqueness of each project in terms of technical, financial and sociopolitical terms;
3. The complexity of each individual project in terms of the large number of actors involved throughout the project delivery process.

The uniqueness and complexity imply that organizational and personal actor constellations may vary significantly in each individual project and thus, further increase the discontinuous aspect of business relationships in project selling firms (Skaates and Tikkanen 2003). Discontinuity in demand implies that the history between buyer and seller may be short, which causes limitations for developing norms and trust (Vaaland and Håkansson, 2003).

It has been recognized that managing business relationships and networks, both at the level of the individual project as well as at the level of multiple projects is essential to project marketing success, and to the acquisition of subsequent projects (Skaates, Tikkanen and Lindblom 2002, 401). Thus, relationships between actors in the buying and selling firms are important before, during, and after the project delivery (Hadjikhani 1996, 319). From the project selling firm's point of view, the phases of a project delivery include 1) search phase, 2) preparation phase, 3) bidding phase, 4) negotiation phase, 5) implementation phase, and 6) transition phase (Cova and Holstius, 1993). This processual nature of project business poses further challenges for interaction between project buyers and sellers.

In project operations, conflict and cooperation exist simultaneously (Vaaland and Håkansson, 2003). Temporary nature of project organization, time constraints, active third parties and large number of interdependencies causes further challenges to the relationship between the project seller and buyer (Vaaland and Håkansson, 2003). According to Ford, Håkansson and Johansson (1986), the concept of inconsistency focuses on the coexistence of conflict and cooperation within interaction and is therefore a suitable concept for analyzing problems of interaction in the project business environment. Inconsistency can be also linked to the dissolution of business relationships and to the problem of discontinuity prevailing in project business. According to Alajoutsijärvi et al. (2000) interpersonal inconsistency is one of the driving forces in the dissolution process of business relationships. According to Alajoutsijärvi et al. (2000) the variations in disengagement strategies used by different individuals within the company causes interpersonal inconsistency and thus advances the dissolution process. Also Pressey and Mathews (2003) support this view by stating that an important reason for buyer initiated dissolution is due to failings in communication.

Based on the discussion above, we suggest that the concept of inconsistency is most useful for analyzing the problems related to interaction between companies operating in project business. The concept of inconsistency focuses on the patterns of interaction, a series of individual interactions which are difficult to recognize and often hard to describe (Schurr, Hedaa and Gersbro, 2005). Thus, it is a powerful concept for examining interaction patterns between companies operating in project business. The length of large industrial projects may be several years. Long time spans during the project life cycle can cause intertemporal inconsistencies in the customer relationship. Due to the long time spans and the international nature of global projects, the personnel involved in the project may change in the suppliers and customer organizations. The large number of actors involved in the project delivery process may cause interpersonal inconsistencies between the seller and the buyer.

We suggest that for clarifying the nature and dynamics of interaction between project buyers and sellers it is fruitful to examine the problematic issues of interaction from the perspective of inconsistencies. In the following, examples on interaction inconsistencies are presented, drawn from focus group interviews with three project business companies.

Relationship inconsistencies faced by project business companies

Our empirical illustration is based on focus group interviews with three companies operating in the process technology industry. These companies operate in international project business by delivering large complex projects to global customers. The data gathering is based on the focus group method, which is suitable for understanding how points of views about a certain topic are formed and how people form shared conceptions (Morgan, 1997; Barbour and Kitchinger, 1999). Three key persons involved in marketing and sales or in project management from each case company were involved in two separate focus group sessions. The length of the focus group sessions was two hours. The focus group sessions were tape-recorded and transcribed into text files for computer-assisted analysis. Based on the data analysis, examples of different types of inconsistencies that project business companies face when interacting with their customers were identified. The empirical findings derived from the two focus group interviews were sufficient to illustrate various types of inconsistencies prevailing in the project business. However, our proposed conceptual framework needs further empirical findings from dyadic case studies between project buyers and sellers.

The suggested conceptualization is reflected through empirical illustration from three project business companies operating in different industrial fields: provider of capital goods in the metal industry, manufacturer of heavy equipments for logistics operators, a solution provider in filtration and manufacturer of automatic roll wrapping systems. Although operating in different fields of industries, all these companies operate in a project oriented business environment characterized by project oriented working methods.

A provider of capital goods for the mining and metals industry

The company provides process technologies for the mining and metals industries worldwide, with the largest part of sales coming from South America, Europe and CIS, and Asia. The technologies offered by the company cover the whole chain of processing ores into pure metals. The duration of the company's projects is typically long, ranging from 10 to 36 months. The nature of projects varies, from technology packages to large turnkey deliveries.

The involvement of engineering offices during the project delivery is significant. According to the interviewees, in these situations the relationship with the customer organization does not necessarily evolve to being as close and interdependent as if the engineering office was not involved as a third party. In these types of relationships, the interpersonal inconsistencies were even more evident due to the involvement of multiple actors. The interviewees reported several inconsistencies resulting from the involvement of the engineering offices. Thus, in this case company, the involvement of multiple organizations in the project purchasing caused inconsistencies in the interaction between the project supplier and the customer.

A manufacturer of heavy material handling equipment for logistics operators

The company provides heavy cranes and other material handling equipment such as lift trucks for ports, harbors, shipyards and the offshore industry. The company's globally and the largest areas in terms of sales are very much dependent on the product in question; the United States for example is very important area for a certain part of the portfolio.

The sales process from the beginning to delivery can take from somewhat over a year to several years. Delivery times depend a lot on the type of equipment sold. Typical value of deals ranges from a few million to slightly over 10 million. The company's customer base has been undergoing consolidation, with a few global operators controlling a major share of

customer sites. There are also smaller municipal and private customer sites. It is noteworthy that besides consolidation, parts of the customer base have been shifting geographically and becoming more international.

This case company faced temporal inconsistencies in terms of serving the customer's need. During the project delivery and the warranty period, the contacts with the customer were frequent and the customer's needs were fulfilled immediately without extra charge. The project seller has been fulfilling customer's needs and requirements throughout the project lifecycle without extra costs. At the end of the warranty period, the customer was no longer served as before and for example spare parts were charged from the customer, unlike before. This type of intertemporal inconsistency is a major problem in the project marketing context because of the risk of discontinuity in the relationships. The sudden change in the business logic made negative inputs into the customer relationship and caused a risk of discontinuity. The company faced inconsistencies also in terms of differing approaches to customer acquisition. The local project selling organizations were reported to be eager to establish new customer relationships, whereas the base organization was adopting a more selective approach to customer acquisition.

A filtration solutions provider

This company supplies solid/liquid separation equipment and related services to the mining and metals industry and the chemical process industry. The company operates on a global basis and it divides its business into three regions, of which the largest in terms of sales are the North, Central and South America region. The sales process can take up to two years from first contact with a customer to securing a deal.

The provider of filtration solutions also faced situations where the salesperson was feeling committed to serve the interest of a particular customer and maintain the sleeping relationship, based on personal ties, even though the company would be willing to end the relationship as unprofitable. This situation resulted in interpersonal inconsistency as the salesperson was maintaining efforts to activate the relationship even though the company's strategy was to terminate the relationship. The filtration supplier also faced inconsistencies between the service organization and the main organization. The service organization would like to maintain a low degree of adaptations in terms of cutting prices etc, whereas the selling organization would like to make specific adaptations to the relationship in order to assure future sales from the same customer. This *interdepartmental* inconsistency is a result of conflicting interests between the company and its service organization.

Also, another indication of temporal inconsistency was identified from the provider of filtration solutions. One of the interviewees described the sales process as follows "In large complex projects, the negotiation process may take several years. During the negotiation process, the customer is in close contact with the salespersons. When the contract is signed and specifications made, the salesperson disappears and the customer is feels as if he was "left alone".

The interaction inconsistencies identified from the case companies are summarized in Table 2.

Table 2. Examples interaction inconsistencies identified from the case companies

Category	Between projects	Within a single project
Intertemporal inconsistency	The company is facing an economic boom in terms of demand from other customers and does not take actions to maintain the sleeping relationship.	Change in logic of serving the customer due to ending of the warranty period Shifting from negotiation phase to project delivery causes inconsistency
interdepartmental inconsistency	Local selling organization and base organization have different approaches in terms of acquiring new customers	Service organization and base organization have different interests in terms of adapting to the customer's requirements
interpersonal inconsistency	Salesperson is committed to serve the interest of a particular customer and maintain the sleeping relationship, based on personal ties, even though the company would be willing to end the relationship as unprofitable	Project manager is committed to serve the interests of a particular customer whereas the company's principal strategy would require a more arms-length approach

Conclusions

In this paper, we have reviewed the concepts used to study the problematic aspects in buyerseller relationship interaction and evaluated their suitability for examining interaction difficulties in the project business context. Our primary conclusion is that often the interaction-related problems faced by project business companies are not conflict-type in nature, but rather hidden unavoidable discrepancies resulting from changing orientations or variations in short-term goals between organizational units and individuals. Thus, the concept of inconsistency is suitable for analyzing the dynamics in interaction between project buyers and seller.

Further, we have illustrated the different types of inconsistencies that project suppliers face when interacting with their customers. This paper creates an understanding of how different types of inconsistencies prevail in the project business environment. In order to increase the understanding of relationship inconsistencies, in-depth dyadic case studies of buyer-seller relationships in the project business context must be conducted. Managing inconsistencies in relationship interaction is crucial to project marketing success both at the level of the individual project and at the level of multiple projects. Knowledge about the possible levels and types of inconsistencies in the project business environment helps managers become aware of the hidden discrepancies and to create tools for successful relationship interaction.

As a result of our study we have found that inconsistency in interaction can appear in many forms and at various levels in project business organizations. We have identified several types of inconsistencies, such as inconsistency in interaction depending on the stage of the relationship (e.g. Ford, 1980; Wilson and Mummalaneni, 1986; Dwyer, Schurr and Oh, 1987). The processual nature of projects and the long time spans in project life cycle discussed earlier seemed to cause several inconsistencies in all case companies.

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