

## **SHAREHOLDER VALUE AND INDUSTRIAL NETWORKS. CHANGING RESOURCE INTERFACES IN THE RELATIONSHIP BETWEEN ERICSSON AND VODAFONE**

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### **Keywords**

Relationships, networks. Resource interaction, governance logic, shareholder value

### **Abstract - Competitive**

This paper brings up the issue of governance in industrial networks and illustrates how a governance logic can influence organizational as well as physical resources and their interfaces within an industrial network. This paper reports an in-depth case study on how the telecom equipment supplier Ericsson's relationship with Vodafone changed due to Vodafone's increased orientation towards a shareholder value logic. The case shows how Vodafone changed its governance logic, from an engineering based governance logic to a shareholder value driven one and how this influenced the relationship between the two actors in several ways and especially how the resource interfaces between them changed; in how the two firms cooperated, in how products were designed and exchanged, how facilities were related to each other, and how other relationships were affected by the new posture of the Ericsson- Vodafone relationship.