

# **The emotional dimension of organisational work when B2B relationships are dissolved**

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## **Abstract**

The emotional dimension of organizational work is a vital and yet under-explored area of research. A central feature of work in this area is recognition of the tensions employees face when personal goals come into conflict with managerial or organizational goals. This paper will consider the tensions which boundary spanning staff can face when their belief about how they should enact their role is not accepted by their employer as meeting the firm's objectives. This paper builds upon the growing research on the ending of business relationships by examining the nature and management of emotions during such periods. The discussion will draw on Fiske's (1992) Relational Models Theory and its extension into the discussion of 'taboo trade-offs'.

**Keywords:** relationship ending; taboo trade-off's; boundary spanning roles.

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**Keywords:** relationship ending; taboo trade-off's; boundary spanning roles.

## **1. Introduction**

The emotional dimension of organisational work is a vital and yet under-explored area for research (O'Donohoe and Turley, 2006). A central feature of work in this area is the recognition of the tensions employees face when personal goals come into conflict with managerial or organisational goals. Members of organizations have roles which their employer expects and indeed has appointed them to fulfil. However, the way these roles are enacted is seldom defined in detail and because people are not robots, different people will enact the same role "in distinctive and expressive ways" (Guiot, 1977, p.694). This will be the case even where a role is very explicitly and highly defined. In fact many employers often do no more than specify the outcomes that an employee's activity are expected to produce and thus allow employees considerable scope to determine how they will behave when acting out their role as an employee.

This issue becomes even more complex in situations where employees take on boundary spanning roles. In the case of B2B network relationships such employees would include: buyers; salespersons; technical staff; etc. who deal, on behalf of their employer, with people outside their organization. Here, while interacting in complex relations with counterparts from the partner organization, employees are representatives of their organization. Indeed as social and resource bonds build up over time, the relationship will take on further dimensions; no longer made up of anonymous atomistic actors in the market but rather a rich tapestry of interconnected and interdependent agents. This paper will consider the tensions which boundary spanning staff can face when their belief about how they should enact their role is not accepted by their employer as meeting the firm's objectives. This lack of acknowledgement may be a failure to recognize that the employees' behaviour is beneficial. For example, that an employee by chatting informally with a customer may make the customer more likely to develop loyalty to the firm. Alternatively the lack of acknowledgement may arise from the employer's belief that the employees' behaviour is not congruent with the pursuit of the firm's goals.

In particular this paper will argue that at times of transition or criticality in business relationships, e.g. relationship ending, the likelihood of goal incongruence is increased along with a general heightening of the emotional content of the interaction with partners. However, one of the several difficulties of studying such situations is that there are many and varied reasons why a B2B relationship may be dissolved. It is also of significance that there may be problems in determining when the process of dissolution commences (for an example see Burrell, 2000 p.1).

There is a growing recognition (e.g. Marchington and Vincent, 2004) that relationships exist at the level of the individual, and therefore there is a need for research into the role that personal interaction has in building and maintaining business relationships. In particular there is a limited understanding as to how individuals resolve the conflicts that can arise between personal and business ties during the ending phase of a relationship. This paper builds upon the growing research on the ending of business relationships by examining the nature and management of emotions during such periods, and in particular highlighting the implications of any emotional labour (Hochschild, 1983) employed to resolve and avoid trade-offs between different forms of social interaction.

This paper will use the findings of an empirical study which describes the relationship between a Retailer and a National Theatre both based in Scandinavia. It will outline Fiske's Relational Models Theory and the concept of 'taboo trade-offs' which has been developed from this theory. Fiske's theory will be used to interpret the situation and then the discussion will be broadened to consider the issue of role interpretation in the context of more traditional B2B relationships and relationship ending in particular.

## **2. Emotional Dimensions of Business Relationship Ending**

An increasing number of studies have examined both the causes and the processes of the dissolution of B2B relationships. Halinen and Tahtinen (2002) offer a typology of factors that impact on relationship dissolution that includes: predisposing elements; precipitating elements; and, attenuating elements. Predisposing elements suggest inherent flaws in the relationship, such as incompatibility or a dislike of one party, where it may be circumstantial that the two parties came together in the first place. Precipitating elements are seen as those factors outside of the relationship that impact on the nature of the relationship, such as changes in the external environment. Attenuating elements include those factors that facilitate the ability of both parties in a relationship to withstand predisposing and precipitating elements and to maintain the relationship. Halinen and Tahtinen's view is that the ending of a relationship may be provoked either because of some inherent flaw or external trigger but that attenuation elements are those factors that enable both parties to weather such storms. Moreover, it is acknowledged that that different relationship types may affect the dissolution process in various ways (Halinen and Tähtinen, 2002). What is less well understood is the nature of the communications and interaction between actors whose role it is to mobilise the ending of the relationship, and the emotional labour required in this regard.

The literature on relationship ending has tended to be at the level of the organisation, and when the individual manager is discussed (e.g. Pressey and Mathews, 2003) this tends to remain at qua performer or role relationship level. Yet Granovetter (1973) and Mainela (2007) offer a framework to distinguish different forms of social bonds that can emerge in business relationships, that is: reporting relationships; organisational contacts; personal relationships; and, friendship relationships. Reporting relationships are considered to be formal and professional and serve primarily as channels for transferring simple information. Organisational contacts involve more face-to-face interaction involving negotiations and assessments of work. Personal relationships are defined as "ties between individuals that know each other well and have developed a kind of common language for smooth

interaction” (Mainela, 2007, p.94). Finally friendship relationships link most closely to qua persona interactions and refer to people who are well known to each other where one or other can call upon the other to help in times of crisis or urgency. Fiske’s model adds to the value of this classification by stressing the tensions between different relational models and the factors which might cause the dominance of one model over another.

The on-going success of B2B relationships is often more dependent on the day-to-day interactions of boundary spanning agents than on the direct actions of senior managers. The importance of these “backstage interpersonal dynamics” (Ring and Van de Ven, 2000, p.179) is that different relational models might be applicable. This will particularly be the case in relation to boundary-spanning individuals where the likelihood is that there will be frequent contacts – usually more frequent than that between the senior managers who established the relationship. Indeed as the boundary spanners come to know each other better, the influence of qua persona elements will grow. As Ring and Van de Ven commented: “Qua persona behaviour substitutes for role behavior as personal relationships build and psychological contracts deepen.” (1994, p.103) However, it must not be assumed that qua persona factors are always positive. Sometimes getting to know a person better leads to less, rather than more, liking!

It will be argued below that the different modes of interaction can also be seen as a resource to be drawn upon in times of crisis in a business relationship, with the ability of actors to move between the different modes being an important aspect in resolving emerging incongruities. For example, personal ties might be encouraged by or simply emerge from the particular chemistry between individuals, with the potential for friendships developing and co-existing with professional ties (i.e. co-existence of qua performer and qua persona). Such friendships can become important in times of a crisis in a relationship, and indeed management may be able to rely on them to help weather storms in the relationship. However, when the decision is made at managerial level to end the relationship, these ties then become a source of tension for those whose role it is to enact the ending.

This is illustrated by Humphrey and Ashforth (2000) whose research into interpersonal relationships in the automobile industry indicates that many organizations try to prevent buyers from establishing personal ties with suppliers’ representatives. They do this because of concern that emotions may undermine rational decision-making. Underlying this view is the fact that, while most people agree with Benjamin Franklin’s maxim that “it is possible to disagree without being disagreeable”, in practice they find it to be a hard principle to implement. For, even when the buyer knows that they will need to make unpleasant demands on the supplier, there is no logical reason why they should not use a friendly informal interaction style with the supplier’s staff. Yet the dynamics involved make it easier to make such demands if some emotional distance has been established between the buyer and supplier’s staff. Indeed Humphrey and Ashforth’s evidence is that managers find it emotionally distressing to identify with others “who are suffering, especially if the actors perceive that they are in some way responsible for the other person’s discomfort” (2000, p.728).

### **3. Case Study: Emerging Interaction forms between Nordic ‘Retailer’ and ‘Theatre’**

The case study to be used to illustrate Fiske’s Model, is that of the sponsorship relationship between a Nordic Retailing company and a Scandinavian National Theatre company. For reasons of confidentiality, they will be hereafter referred to as the Retailer and the Theatre. Data was collected about the nature of the relationship between these organisations over an four week period in September and October 2002 and included: in-depth interviews with key respondents (including follow-up interviews); email and phone conversations; site visits; and, use of secondary material (newsletters, company reports etc). Interviews were held with

personnel from the Theatre and with personnel from the Retailer. The choice of interviewees was based primarily on ease of access but there were also opportunities to interview different personnel who undertook different roles over the lifetime of the relationship. The researchers made every attempt to speak with the key personnel involved and those that could discuss the relationship from the beginning to the end.

*“...so you know Ingrid had a baby, and I left [as well, so] there is a bit missing...There are quite a few stories, we (referring to herself and Ingrid) know the beginning very well and you (referring to Oscar) know the now...So we are not going to have a really nice long story that we all agree on”*

*Hanna, Sponsorship Manager at Theatre.*

In-depth interviews offered a number of advantages including the length and completeness of the interview and the ability to probe in-depth into complex answers. Theoretical sensitivity and pre-understanding of the case and context were allowed to frame the interview. The schedule was not made to resemble a questionnaire, but was more a guide to ensure all topics of interest were covered and that any other aspects that emerged could be also given space. All interviews lasted between 45 and 60 minutes with some taking place on site, where the researcher spent an extended time with informants outside of the formal interviews.

The research was not conducted with Fiske's theory specifically as the conceptual framework, but where the researcher's knowledge of the case identified the apposite nature of the theory to explain the nature of interaction between the retailer and the theatre. It is important to note therefore that there is no attempt to present this data as being representative, but rather as being a particular case where this theory holds distinct explanatory power (Danermark et al. 1997). By explicating this, attention can be drawn to Fiske's theory and therefore make possible further use of this theory in interorganisational relationship research. Therefore, in a process of re-interpretation, interviews were reanalysed based on an iterative use of deductive (using theory to understand the case) and inductive (being into new directions by the case material) analysis. In general it can be said that an abductive approach was used, which Dubois and Gadde (2002) describe in terms of their systematic combining approach, where theory and reality are 'matched' throughout the research process.

The relationship between these two organisations began in February 1999, and formally came to an end in 2002/3. However, before publicly signing the agreement there was a 12 month planning, discussion and idea testing period involved both organisations. The structure of the relationship was complex and could be likened to a network form because the sponsorship involved many different layers in each organisation, both of whom operated on a national level. Both organisations were member based with a strong ideology of participation and democratic decision making. The Theatre is made up of at least 250 local theatre organisations. The Retailer had, at the time, over 800 regional and locally based stores. The basis for the relationship was a recognition of the structural and ideological similarities between both organisations and a belief that, working creatively, both organisations had something to offer the other. The Retailer was able to 'offer' the average 'Mr Smith', who normally did not go to the theatre, as a potential audience. The Theatre was able to offer a unique selling point to their members, that is, access to high quality cultural experiences.

The different strands of the sponsorship included: usage of the Retailer Members Magazine which reached 1.2 million people, 12 times a year to publicise Theatre events, and the offer of discounts to Retailer Members on these events. There were also a series of productions developed specifically for the sponsorship and performed in the stores, throughout the country. As part of this, many of the regional Theatre associations and Retailer stores were encouraged to develop locally based sponsorships, separate from the national level agreement. Around the summer of 1999 the two organisations founded a working group, specifically to handle the collaboration at the local and regional level. The group consisted of 5 people from

Theatre and the Retailer and 4 students who were using this project as a part of their studies. The whole group met once every 6 weeks. The working group built a network of around 30 regional contact persons in each organisation.

While the relationship was considered a success by both parties the Retailer made the decision in 2001 not to commit to the sponsorship beyond the allotted time established at the outset. This decision was a purely commercial one and was based on the recognition that culture may not be the best way to add value for the widest number of their members. However, while management made the decision to establish the relationship, it was left to middle management to enact it, and furthermore to local and regional managers to implement it at that level. As such, while management took the decision to end the relationship, middle management reacted to this in varying ways, including resignation to the situation but also in attempts to resist it. Many of the local and regional relationships which had evolved as a result of the sponsorship agreement also refuse to accept its dissolution and continued their relationship even after the formal sponsorship had ended.

The remainder of the paper will: explore the nature of interaction between key people from both sides; identify which mode of interaction best describes their relationship; illustrate that this can change over time; and, show that conflict and tension can ensue when actors are forced to make trade-offs between different forms of interaction.

#### **4. Discussing Fiske's Model Using the Retailer/Theatre Case**

The Relational Models Theory (Fiske, 1992) proposes that all social relationships are constructed according to just four elemental models as "people relate to each other in just four ways." (Fiske, 2004a, p.3) These four models provide the scripts or schemata that allow individuals to anticipate and relate to the behaviour of others. As a theory it has the aspiration of being an account of the fundamental forms of social relations. Fiske's argument is that interactions can be structured with respect to: an Authority Ranking Model (AR); an Equality Matching Model (EM); a Market Pricing Model (MP); or, a Communal Sharing Mode (CS). The core of Fiske's theory is that "people use the same set of four implicit cognitive schemas to organize all the diverse domains of sociality most of the time." (2004a, p.7) Relational Theory recognizes that these four models can guide behaviour or be used to evaluate a situation only with the use of "implementation rules that specify when they apply, to what and to whom, and how." (Fiske and Tetlock, 1997, p.259) These implementation rules vary between cultures and even within one culture their application may be less than obvious when new circumstances arise. For example, a society which has run itself on the basis of the CS model when suddenly confronted by an external threat to its existence may have to resort to an AR model based upon prowess of individuals as fighters.

It is important to note that, although people may use just one of the four models to coordinate a simple interaction, in general "the various aspects of interactions among a dyad or group are governed by more than one relational model." (Fiske, 2004a, p.9) Indeed different models may simultaneously apply to different aspects of an interaction. It is important to recognize when considering these four 'elemental models' that they "may be used in conjunction with one another in interactions with the same person, and it is unusual for a relationship to take only one relational form." (McGraw et al., 2003 p.220) For example, a salesman planning a visit to a customer may determine how much time to spend on the visit on the basis of the customer's actual or expected purchases thus applying a MP approach. Once with the customer the salesman may persuade the buyer to accept a late delivery on the basis that on a previous occasion the buyer had requested and obtained the early delivery of some orders – an EM approach mitigated by the salesman's awareness of the AR model which means the buyer has the authority to refuse such a request. While over lunch the buyer and salesman, both

being members of separate Lions Clubs, might exchange ideas about charity fund-raising schemes – a CS relationship.

However, the actual behaviours under each of these four models within this one interaction are not independent of each other and arguably one relational form will be recognized as dominant. Thus it would be a poor salesman who was not always conscious that his job is essentially to get orders (MP model). Nevertheless the emphasis given to each of the aspects of the interaction will change over time. Thus, if the buyer knows that he will shortly need to ask for the supplier's cooperation with regard to making deliveries much earlier than scheduled he may decide to minimise the AR role and stress EM values. Such a change of emphasis would be short-term and possibly only tactical but there could also be longer term strategic changes which might change the model dominating the on-going relationship from CS to AR to EM to MP or vice versa. For example, where a buyer senses that the supply market which has for sometime been one of over-supply but is likely to soon change to an extended period of shortage, then they may seek to change the relationship from one dominated by MP to EM or even CS. However, there are some changes of this sort which will meet greater resistance than others especially because they may involve 'taboo' trade-offs.

**a) Authority Ranking Model** Where sociality is based on hierarchal relations the Authority Ranking (AR) Model comes into play. AR is any relation between parties in which a person is higher, better, or more powerful than another. As Leach commented: "This idea (viz. hierarchy) certainly comes fairly close to being a human universal." (1972, p.335) but hierarchies are established on the basis of many criteria including: age; length of service; family background; physical size; wealth; achievement; etc. Even within the same group of people different criteria will be applicable according to the specific circumstances and the criteria accepted will certainly vary between different groups. It is important to note that Fiske and other commentators (e.g. Roccas and McCauley, 2004) stress that ranking relationships do not per se denote authority and that AR includes mutual obligations such as "the pastoral responsibility due from superior to subordinate" (Roccas and McCauley, 2004, p.270). In the case discussed in this paper the AR model can be seen to play a number of interesting roles, both by its enactment by particular actors, but also by its absence, due to the particular organisational cultures of both organisations. The case study makes clear that both between organisations, and sometimes within, that the role of AR relationships can be quite limited where actors have to rely on their ability to influence people, rather than relying on power based purely on rank or role. The following quote is being used to illustrate the effect of the democratic nature of both organizations (in this case specifically the Theatre) had on the sponsorship.

*"The agreement was underwritten by the very tops of the two organisations and then the task to bring it out and inform everyone, and it's a little difficult, because most of the people in our organisation, the local and regional ones are working on their spare time, they are not employed for this, they have other employment, the theatre is a hobby. So we tried in different ways to spread this information"*

*Klara, Member Liaison Office, Theatre.*

*"You can't just use discipline, you have to use creativity and inspire them"*

*Hanna, Sponsorship Manager at Theatre.*

This is not to say that AR relationship did not affect the relationship. On the contrary, when it came to the management of the sponsorship at a Head Office level, AR relations played a vital role. This is most obvious is when the senior managers of both organisations made the initial decision to begin the sponsorship, and then relied, initially on AR relations to ensure that it was then enacted by middle management.

*“That was the highest bosses, I was just there listening writing things down, so that’s how it became sponsorship after a while, that’s how it started.”*

*Hanna, Sponsorship Manager at Theatre.*

However, this reliance on AR alone was not enough, and it became apparent that the Retailer was not fully supporting the management of the sponsorship, although it had committed financially and creatively.

*“The thing we started out with the sponsorship with the Theatre was because the main boss loves theatre and he thought that this was a great thing to do, but then who is going to take care of it?. He didn’t think all the way so to say...I took care of it not because I was sponsor [Director/Manager], it was because I love theatre”*

*Ingrid, Manager of the Sponsorship at Retailer.*

*“At the beginning it was wrong of my boss to say yes to a project, that he liked, without checking backwards, is there somebody, with the same passion as I have, of the theatre, to really make this project work well”*

*Ingrid, Manager of the Sponsorship at Retailer.*

AR relations were also used to justify the expectation that management should support the sponsorship more. In the following quote Ingrid, a middle manager, uses the logic of her boss, who had asked her to take on the role of managing the sponsorship, to suggest why it needs further support.

*“If you have co-ordination from a central level, people need to know what to ask for, if you can say yes it works this way and yes we should have someone doing this half time or full time, someone has to be interested to say yes it’s ok to put the money in, to keep monitoring it, monitoring it is going to cost money and it is hard work”*

*Ingrid, Manager of the Sponsorship at Retailer.*

**b) Equality Matching Model** Under the Equality Matching (EM) Model relationships demonstrably produce an even balance. Examples where this model can be observed include: baby sitting circles; rotating chairs of meetings; balanced in kind favours such as invitations to dinner; etc. It is important to differentiate between accepting help and a transaction that entails reciprocity but not gratitude, such as receiving a service from others. Accepting help would come under the CS model (see below).

The criteria which determine whether or not an even balance has been achieved are many and various, and often involve the following of an agreed process. Indeed even though the outcome of following a process may, according to other criteria, produce an unfair result as long as the previously agreed process is followed that result will be accepted. For example, it is accepted that it is fair that the team winning the toss at a football match chooses at which end to start playing, even though this might condemn the opposing side to play looking into the sun for the first half of the match. An additional important feature of groups operating under this model is time. Thus, over what period of time is it acceptable to continue to accept baby-sitting by other members of the circle before paying-off baby-sitting debts by baby-sitting for others?

In the Retailer-Theatre relationship, as with other business relationships, there will be an expectation of an EM model of interaction, where for things to be seen as fair it was important to know that the effort being put in, both in time and resources, were being matched by the other organisation.

*“You spend at least half your time, pretty much the same with me, my job was like that – I had a few different things to do, so two and a half people working with it. I*

*mean we are quite effective, but we also know, I mean it's not enough if the Theatre just does things, it has to work on the other side"*

*Hanna, Sponsorship Manager at Theatre.*

**c) Market Pricing Model** The Market Pricing (MP) Model organizes interactions with reference to ratios or rates. Where this is the case then it becomes possible to combine quantities and values of diverse entities – oranges can be exchanged for apples! Money is often, but not always, the medium of exchange and exchanges determined by barter come under the head of MP. Within a MP relationship “people typically value other people’s actions, services and products according to the rates at which they can be exchanged for other commodities.” (Fiske, 1991, p.16) Such a view permits some critics to assert that: “Relations based on market pricing are incompatible with expressing concern for others. Individuals are expected to avoid making special allowances for those most in need: such conduct would be labelled as unfair, unprofessional” (Roccas and McCauley, 2004, p.273).

What is interesting to note in this case is that different actors in the relationship incorporated MP logic in their interactions, while others who had developed a more personal relationship were able to rely more on CS relations (which will be discussed below). During the sponsorship many changes in personnel were evident and due to this it became clear that different actors from both organisations can form different approaches to the relationship, all of which can coexist, although with particular effects.

*“I won’t criticise my colleague; it’s also the amount of effort you put into it. When I was working, half my time went to just working with the theatre and my colleague coming after me, she has so many other projects that she was working with and maybe she didn’t have as much time cause it needs a lot of time, the information so to say. You can’t just do it for one time, you have to go back and back and back and back so to say”*

*Ingrid, Manager of the sponsorship at Retailer.*

*“I think you understood that when you had this meeting that there is a major differences between Ingrid who has worked from the start of project with KF and the Saara (person who took over from Ingrid at Retailer) that works now because she lay a high priority on this project. But with Saara, it is just another project, if you are harsh, you can say she has no interest in The Retailer, she has no interest in theatre, just signs the bills. The energy was lost when Ingrid had her child. Without being critical this project is based on relationship between peoples with special interest from two organisations....[Saara] put such a small amount of time in this project and she sees this as a business relationship she signs the bills and we make the contract and then they have the power, cause money makes the world go around”*

*Oscar, newer Sponsorship Manager at Theatre.*

Moreover, when a more MP approach is followed, and time is not taken to develop CS relationships it can have negative effects, examples here show that the sponsorship itself can be less effective when people are not supported and encouraged, and the second quote shows that the sponsorship itself can slowly grind to a halt without the energy and passion of personal engagement, over and above AR or MP modes of interaction.

*“Ingrid said when they had their first summer shows, she went around travelling with the show helping them get into the Supermarkets, compare that to Saara who just calls around and e-mails around telling the bosses at the big supermarkets ‘we are this show who is coming around and you are supposed to have technical support’...that is a huge difference to helping them and being with them”*

*Oscar, newer Sponsorship Manager at Theatre.*

*“this is a dead year unfortunately, this is our 3rd year, and we could do so much, much more”*

*Klara, member Liaison Office, Theatre.*

*“what is left of this project on a central level is fulfilment of a contract... sadly these relationships at a central level dying because there is a lot of energy taken from them” ..[Interviewer: Maybe it needs to die if the energy is falling]...Yea but if you look upon it at the local and regional sides, you see that it is breathing quite good, the patient isn't dead, just the brain that is dying. I think that this is just – a problem for the Retailer, that we haven't got because we are not in such an organisational change”*

*Oscar, newer Sponsorship Manager at Theatre.*

**d) Communal Sharing Model** The Communal Sharing (CS) Model divides people into separate “equivalence classes, permitting differentiation or contrast, but no numerical comparisons.” (Fiske & Tetlock, 1997, p.258) It operates where a group of people have something (usually not a material ‘thing’) in common which makes the members of the set in some sense socially equivalent and also acts to distinguish members from non members. Such a situation often leads to positive feelings and mutual altruism between the members of a group and values develop that “express concern for others with which one is in frequent social contact.” (Roccas and McCauley, 2004, p.272) Individuals will have CS relations with people in many groups some of which will be perceived as more important to them than others. Due to the culture of each organisation in the sponsorship CS models of interaction were prevalent in their day to day operations.

*“it's a little difficult, because most of the people in our organisation, the local and regional ones are working on their spare time, they are not employed for this, they have other employment, the theatre is a hobby.”*

*Klara, Member Liaison Office, Theatre*

In the case under study it can be seen that certain people from both organisations began to form CS relationships with their counterparts, the possibilities for which emerged over time and from the level of interaction regarding the management of the sponsorship and more particularly the personal engagement with the theatre itself.

*“I think that some people in our organisation are burning for this. I am burning for this because I love it and there are some people are the same thing, at the Theatre too they are burning for it so even though nobody is saying “do that – you have to do that”. We do it anyway, because we like it...”*

*Ingrid, Manager of the Sponsorship at Retailer.*

However, space needed to be made in the relationship in order for CS relationships to form, which included bringing counterparts from both organisations together in work groups that explored, creatively, the possibilities of the sponsorship agreement.

*“We had the gathering for about 30 people, from a region, and we placed them at different tables, [mixing people from both orgs from different cities in the region (people from same cities say together)] and discuss how we can cooperate. And the reaction was “oh you are you, I didn't know that”, it released and open ways for cooperation”*

*Klara, Member Liaison Office, Theatre*

Through this interaction, a degree of empathy could be developed, which again enabled CS type relationships to form between counterparts in both organisations. There is evidence of

this in the following quote where, due to being able to get to know people more, the representative from the Retailer was able to see a range of qualities in counterparts working in the Theatre, and not rely on stereotypes of ‘artistic’ people. This ‘myth busting’ quality of particular forms of interaction was also experienced for those working at the theatre, and will be explored further in the next section.

*“The Theatre boss is specialised in economics, and this is his first time in theatre, so he is very businesslike. And Hanna she has been dancing etc, but she is also a project leader and the rest are producers and their role is to work with actors, and also look after economics deadlines and dates.... when we had those meetings they went really well, partly because of the Theatre I think... I learnt, and [from us] I think they learnt as well, but I think that was at a more personal level... we had a very good relationship with the Theatre and I had a very close relationship to Hanna”*

*Ingrid, Manager of the Sponsorship at Retailer.*

From the following quote shows that engaging in CS relationships and getting to know the other organisation all helped drive the relationship forward, as counterparts began to identify with the relationship, and begin to take a sense of ownership and pride. However, it is also apparent that this level of engagement can be difficult to sustain in organisations facing a lot of change because it was very much up to individual people to make things happen. The evidence is that the personal engagement allowed the business success to materialise.

*“I mean you [had] 5 different bosses who were really in there, and liked it...they went to lots of meetings, put lots of energy into it and came up with the ideas and really felt it was their project. Now they are not there anymore ‘cause there are so many changes at the Retailer. I think that more people still at the Theatre so there is a bit more continuation, but there is still of course some changes....why it came about at all? People thought it was interesting...It was on a very personal level in one way that made it into something that also could be seen upon as a business or good for other reasons”*

*Hanna, Sponsorship Manager at Theatre.*

A central driver for whether or not CS will be formed however is the degree of identification to the relationship itself. The concept of group identification has been explored in the social psychology literature (Geller, 2002) and at the level of the organisation (Brown et al., 1986). However, less is understood about the role of identification within business relationships. This will be explored further later in the paper.

## **5. Dynamic perspectives on interaction modes**

There is nothing implicit in the relational models to determine which model should be employed in any given situation but coherent social relationships are dependent upon the members of a culture sharing a consensus as to when and where to apply each type of relational model. Such a consensus is seldom static and will usually evolve in response to interactions with other cultures. However, people when making decisions will initially “tend to implement the model that corresponds to the relational structure in which they make the decision” (Fiske and Tetlock, 1997 p. 264). For example, a politician may initially seek to justify a decision on the basis of social justice (i.e. a CS Model) and only later discuss the financial implications. In comparison a business leader may seek to justify a decision on the basis of a MP model and only later consider the social implications of the decision. Clearly such moves change the essence of the relationship.

Two issues thus arise. First, what factors might cause such ‘moves’? Fiske and Tetlock suggest that there is a tendency for ‘personal relationships’ to move from MP to EM to CS

(1997, p.278 fn.3) but then go on to suggest that social systems are moving from “CS to AR to EM to MP” (1997, p. 278 fn.3). However they do not suggest what is causing such changes to occur neither do they offer any discussion of the interaction between personal relationships and social systems.

The following quote illustrates this drift from MP towards CS forms of interaction. In this case the representative from the theatre, after working more closely with counterparts from the Retailer, began to alter her perceptions of them.

*“These are lovely people – easy to work with, so I can break down barriers by actually working with really nice people in a really big business that are there to earn money”*

*Hanna, Sponsorship Manager at Theatre.*

Second, actors expect that their partners in a relationship will interpret and evaluate their actions with reference to the same model that they are using. But, as “people’s implicit processes of thought are shaped by their perceptions of what a relationship is<sup>1</sup>” (Fiske 2004b, p.124), there is an obvious need for the parties to seek to manage each others’ perceptions. In the following example it can be seen that the Theatre accepted the Retailer’s decision to end the relationship in the manner in which it was; in this case in the form of resignation to a situation which the Theatre has no control over. The quote also indicates an ability to use MP logic (market place issues) in sense making as to the changes in the relationship and why the Retailer could not prepare them for the decision made:

*“It is a large organisation (and re-organisation). It is huge; they have not done something like this.... I can understand that they have difficulties... you can’t have that kind of knowledge when you write this kind of contract with this kind of co-operation...and yes they have business secrets. There is no way they are going to tell us”*

*Oscar, newer Sponsorship Manager at Theatre.*

## **6. ‘Taboo’ Trade-offs**

A “taboo trade-off” is: “any explicit mental comparison or social transaction that violates deeply-held normative intuitions about the integrity, even the sanctity of certain forms of relationship and of the moral-political values that derive from those relationships.” (Fiske and Tetlock, 1977, p. 256). This definition implies that making such a trade-off is always dramatic and extremely psychologically disturbing. Indeed Fiske and Tetlock suggest that a person’s self perception of their moral standing can be damaged by even explicitly considering the possibility of making certain types of trade-off. Yet their discussion makes it clear that everyday life presents individuals with trade-offs to which they will “*respond with varying degrees of indignation*”<sup>1</sup> (Fiske and Tetlock, 1977, p.256). Given that an indignant person may show no more than “a sense of injured innocence” (OED) this would imply that the reaction of an individual confronted with a taboo trade-off can range from little more than a ‘sleepless night’ through to acute psychological distress.

Sometimes the indignation created by being confronted with the need to make a trade-off arises from no more than the desire to ‘have your cake and eat it’. Yet certain categories of trade-off do seem especially difficult and disturbing to make and these, Fiske and Tetlock argue, are those which confront the individual with the necessity of making a trade-off across the boundaries of two relational models. For example, “it is difficult to weigh Communal

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<sup>1</sup> Italics in original

Sharing against, say, Market Pricing: the disparate qualities of the motives make them impossible to compare directly or consistently.” (Fiske and Tetlock, 1977, p.277)

This is not to imply that conflicts between two relationships of the same type may not be very uncomfortable. Thus the need to choose between either attending a close relative’s funeral or the wedding of another, equally close, relative may create tension within the CS mode. This is not an insignificant conflict but it is much less stressful than choosing between attending the funeral (a CS relationship) or attending a meeting which is expected to result in sealing of a significant contract for your company (a MP relationship). The reason why the latter choice is more challenging is that by comparing the MP and the CS relationship there is a risk that implicitly or explicitly the CS relationship will be evaluated in monetary terms.

Whilst in one culture it may be acceptable to compare two entities within one relational model this might not be so in another culture. For example, in the 19th. Century European explorers had difficulty in trading with Africans and Arabs because, while it was acceptable to trade brass rods and cloth for a slave or a wife, it was not possible to buy land because it was not ‘owned’ by any individual (Jeal, 2007). Thus, while the MP model was applied in situations which surprised the Europeans, the CS model was applied in circumstances to which the Europeans would have expected to apply the MP model. In this context the term ‘culture’ should not be limited to groupings defined by: race; religion; geography; etc. but can include the different managerial culture which will be found within the charity sector of a specific country as compared with that found, say, either in the public sector or private business. An empirically based study by McGraw et al. concluded that: “Distress peaked in response to market-pricing intrusions into the domain of communal sharing and fell off for intrusions into authority ranking and equality matching.” (2003, p.227).

However, it is suggested (Fiske, 1991) that in the West over the last three centuries there has been an accelerating propensity for social systems to move to a position where MP dominates. This has certainly been the case with regard to both public sector and charity activities [e.g. Weisbrod (1998) and Rose-Ackerman (1996)]. Fiske and Tetlock (1977) argue that individuals are, at the very least, uncomfortable with explicit trade-offs between models and are particularly offended by trade-off’s that move in the CS to AR to EM to MP direction. In comparison moves in the opposite direction are less likely to cause offence though this is not always true. Consider the embarrassment of a manager pressurized by, say, fellow Rotarians into donating his company’s goods, time or money to a charity at a time when his business is under intense pressure and when he can see no gain for his business in making the donation.

Where taboo trade-offs do occur they: “break down the distinctions between, say, authority and tit-for-tat equality, or between communal solidarity and the market. Hence they throw into doubt our fundamental assumptions about what each relationship is” (Fiske and Tetlock, 1977, p.286). It is important then for people to manage the expectations of their counterpart in an attempt to avoid such trade offs from being required. Below is an example, from the Theatre, of how they endeavoured to set out ground rules in the relationship which would mean that they would not have to make a compromise between their values as an organisation and their need for the sponsorship.

*“First you have to start talking to them, giving ideas. Then you say “These are our boundaries we are not going to cross the line” Recognition that some trade-off’s are taboo”*

*Hanna, Sponsorship Manager at Theatre.*

It is apparent, however, than the very nature of being a boundary spanning agent, leaves a person open to such trade offs. This is illustrated by Hanna’s endeavours to continue to interact and engage with her counterparts in the Retailer, while at the same time being aware of maintaining her credibility with her colleagues in the art organisation.

*“...all the myths about business like from the cultural sector, you hear lots of myths like strange people only think in numbers and stuff like that and that I can say straight away. These are lovely people – easy to work with, so I can break down barriers from actually working with really nice people in a really big business that are there to earn money. So I guess on that level you can start talking about sponsorship and business in a new way... somehow I think it was easier for me than Johanna (previous person in Theatre with role of liaising with members on sponsorship) who came from a business side. She was in for a little bit talking about sponsorship with people in theatre and they were really like – they saw her as a business person, they saw me as from their side, so I could sort of influence them I think a lot more ”*

*Hanna, Sponsorship Manager at Theatre.*

However, the trade off most evident in this case is one which is paradoxical in nature. The more people identified with the relationship over time, the more stress they faced when they had to make a choice between their CS relationships developed and the MP reality of the business decision, and how that was implemented via employer-employee AR relations. This will now be explored in more detail below.

## **7. Emotional Labour in Moving from MP to CS and back again**

As the above discussion evidences, each form of interaction can be seen both within each organisation and most importantly, between each organisation. It was clear that, while the premise of the relationship was MP in nature, the success of the sponsorship was achievable only from the development of CS relationships. In that process people from both organisations began to form a degree of identification with the relationship. The concept of identification has been explored in organisational psychology (e.g. Hogg and Terry, 2000) and explains the manner in which people derive, to varying degrees, a sense of self from the organisation or work group to which they belong. The following example demonstrates that Ingrid committed herself to the sponsorship so much that she threatened the quality of her other work, for which she was being remunerated:

*“[with] all the other work I didn’t do my other work so well. At least I spent a lot of time with the Theatre.”*

*Ingrid, Manager of the Sponsorship at Retailer.*

While the impact of organisational mergers has been studied (van Dick, Ullrick and Tissington 2006), what is less understood is the effect on individuals when business relationship identification emerges and co-exists with an already existing organisational identification. What is evident from this study is that increasing relationship identification caused agents to make trade-offs between organisational goals and personal beliefs as to the future of the relationship. While some people merely resigned themselves to the seemingly inevitable, there is also evidence of resistance to the decision, and attempts to change management’s ‘mind’.

*“The thing is we have been changing people a lot for us we have been changing high bosses and the structure is a bit different, I think that now is the time for actually continuing the sponsorship, but now we have new bosses and they are saying “no” we are going to do something else, we are going to put in money or we are not going to put in money, because we are going to save money, because now after three years, it’s now you can learn from each other in a large perspective. It takes a long time”*

*Ingrid, Manager of the Sponsorship at Retailer.*

*“I try to communicate to Retailer and the bosses at Theatre that they should work for it to continue as a much lower level, at a local level and a regional level because the initiative taken there, it’s a win win situation”*

*Oscar, newer Sponsorship Manager at Theatre.*

These trade off require a form of emotional labour in order for them to be resolved. While the concept of emotional labour has been used to describe the manner in which people manage their emotions in order to act in what is deemed an appropriate manner (Hochschild, 1983), what is evident here is the work involved in managing trade-offs; a work that that is laden with emotion management.

*“Since I love theatre, for me I didn't want to leave it anyway. When I left, I was most worried about the theatre part actually, because, that was my baby, it was hard to leave it [interviewer: you had more personal involvement, you had given a lot of yourself to the project] yes ...Me and Hanna had a very good relationship, but I don't know how Oscar and Saara are getting on, there has been many changes over the time. When I and Hanna left, that is the downside to it, it can work better because of personal relationships, but it can go bad, when people are leaving”*

*Ingrid Manager of the sponsorship at Retailer.*

## **8. Conclusions**

Fiske’s four relational models can be used to provide insights into the interpersonal dynamics which exist within business to business relationships. They point to the need for managers to be aware of the necessity of taking account of the elements of these four relational types in their personal involvement in these relationships. In addition managers need to be conscious of the fact their subordinates will also develop relationships in which elements of some of the four relational types may be operating. Indeed, over time, CS or EM type relationships may evolve and become more dominant than the MP type. Yet, arguably, in a business to business relationship the MP model will dominate.

Initially the relationship between the Retailer and the Theatre was established with a commercial intent and was thus built on a MP model. Then, during the period when the relationship between the Retailer and the Theatre was developing a CS element developed between the Retailer’s employees and those of the Theatre staff. The development of the CS element enhanced the value of the sponsorship for the individuals involved. Thus over time the recognition that the relationship was fundamentally based on a MP model became much less explicit. However, the Retailer’s decision not to extend the sponsorship made recognition of the fact that the whole relationship was essentially predicated on a MP model unavoidable. For those of the Retailer’s employees who were managing the relationship, being made to recognize this was disturbing for it made clear that, as far as the Retailer was concerned, there was indeed a trade-off to be made between the MP and CS elements of the relationship. It is normal for boundary spanning employees to develop qua persona relationships and thus what might have started as a MP relationship develops CS aspects. Indeed relationships with some qua persona elements can be more valuable than relationships which are restricted to a qua performata mode. However, the Retailer/Theatre case illustrates the need for suppliers to be aware that, where their employees’ relationships with their customer’s staff become primarily qua persona, then the ending of the B2B relationship may be met with resistance by their own boundary spanning employees and, at the least, will be distressing to them.

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