LOS RESULTADOS DE LAS RELACIONES COMO CRITERIO DE MEDIDA PARA FACILITAR EL MANEJO DE LAS RELACIONES

RESUMEN: Los recursos no financieros, como las relaciones, son de gran importancia para los directivos. En partícular, los gerentes de comunicaciones se enfoca en emedir y manejar las relaciones organizacionales como una forma de cuantificar el Retorno sobre la Inversión (ROI) que se deriva de las relaciones públicas y de las estrategias de comunicación. Esta medición ofrece a los gerentes una manera de evaluar el aporte de las relaciones en la organización. Sin embargo, no existe un acuerdo generalizado sobre cómo defini estas relaciones. Si la dirección de las comunicaciones se considera como una función de la gerencia, se debe, entonces, refinar sus instrumentos de medición. Así, este estudio considera un modelo de tres etapas sobre las relaciones organizacionales (antecedentes de la relación, estrategias de mantenimiento y resultado de la relación progruesto por Grunig y Huang (2000). Primero, se revisará el desarrollo del modelo. En segundo lugar, se estudiará en detalle cada resultado de la relación en términos de su confianza, compromiso, satisfacción y control de la reciprocidad. Finalmente, la fiabilidad y la validez del uso de las medidas actuales de los resultados de la relación es evalúan a través de una muestra de 154 relaciones organizacionales. Estudios previos que han utilizado esto resultados en la medición de las relaciones organizacionales no discuten la posible interacción (o relación) entre los resultados. Este estudio realiza una contribución a la literatura al ofrecer una mejora del actual esquema para medir los resultados de las relaciones y al sugerir algunas hipótesis sobre cómo estos resultados interactúan entre sí. A simismo discute qué repercusiones puede tener para las directivas un manejo de estas relaciones a través de una política de medición continua de la confianza, el compromiso, la satisfacción y del control de la reciprocidad.

PALABRAS CLAVE: medida de la relación, confianza, compromiso, control de la reciprocidad, satisfacción relacional, gerencia de relaciones.

LES RÉSULTATS DES RELATIONS CONSIDÉRÉS COMME CRITÈRE DE MESURE POUR FACILITER LA GESTION DES RELATIONS ORGANISATIONNELLES

RÉSUMÉ : Les ressources non financières, telles que les ressources relationnelles, sont importantes pour les directeurs. Les gérants de commincations s'efforcent plus particulièrement à mesurer et gérer les relations organisationnelles afin de pouvoir quantifier le Retour sur l'Inversion (ROI) qui dérive des relations bubliques et des stratégies de communication. Cette mesure permet aux gérants d'évaluer l'apport des relations dans l'organisation. Cependant, il n'existe pas d'accord généralisé sur la définition de ces relations. La direction de communications étant ainsi considérée comme une fonction de la gérance, il est nécessaire de perfectionner ses instruments de mesure. Cette étude considère un modèle de trois étapes des relations organisationnelles (antécédents de la relation, stratégies de maintenance et résultat de la relation) proposé par Gruniq et Huang (2000). Le développement du problème sera tout d'abord révisé. Ensuite, chaque résultat de la relation sera étudié avec précision en termes de sécurité, engagement, satisfaction et contrôle de réciprocité. Finalement, la fiabilité et la validité de l'utilisation des mesures actuelles de résultats de la relation sorganisationnelles. Les études précédentes ayant utilisé ces résultats pour la mesure des relations organisationnelles. Les études précédentes ayant utilisé ces résultats pour la mesure des relations organisationnelles ne mettent pas en discussion la possibilité d'interaction (ou de relation) entre les résultats. Ce travail contribue aux documents publiés par une amélioration du schéma actuel de mesure de résultats des relations et par la proposition de certaines hypothèses étabissant l'interaction de ces résultats entre ux. Il considrée également es résultats de la relation et du contrôle de la réciprocité.

MOTS-CLEFS: mesure de relation, sécurité, engagement, contrôle de réciprocité, satisfaction relationnelle, gestion de relations.

OS RESULTADOS DAS RELAÇÕES COMO CRITÉRIO DE MEDIDA PARA FACILITAR A GESTÃO DAS RELAÇÕES ORGANIZACIONAIS

RESUMO: Os recursos não financeiros, como as relações, são de grande importância para ao siretores. Em partícular, os gerentes de comunicações estão enfocados em medir e gerenciar as relações organizacionais como uma forma de quantificar o Retorno sobre o Investimento (ROI) que se deriva das relações públicas e das estratégias de comunicação. Esta medição oferece aos gerentes uma maneira de avaliar a contribuição das relações na organização. Sem embargo, não existe um acordo generalizado sobre como definir essas relações. Se a direção das comunicaçãos é considerada como uma função da gerência, deve-se, então, refinar seus instrumentos de medição. Assim, este estudo considera um modelo de três etapas sobre as relações organizacionais (antecedentes da relação, estratégias de manutenção e resultado da relação) proposto por Grunig e Huang (2000). Primeiro, será reexaminado o desenvolvimento do modelo. Em segundo lugar, será estudado em detalhe cada resultado da relação em termos de sua confianca, compromisso, satisfação e controle da reciprocidade. Finalmente, a confiabilidade e a validade do uso das medidas atuais dos resultados da relação, avaliados através de uma mostra de 154 relações organizacionais. Estudos anteriores que utilizaram estes resultados na medição das relações organizacionais não discutem a possível interação (ou relação) entre os resultados. Este estudo contribui à literatura ao oferceer uma melhora do atual esquema para medir os resultados das relações e ao sugerir algumas hipóteses sobre como esses resultados interagem entre si. Da mesma forma, discute que tipos de repercusos begitos das relações e ao sugerir algumas hipóteses sobre como esses resultados interagem entre si. Da mesma forma, discute que tipos de repercusosões podem surgir para as direções uma gestão destas relações etarvés de uma política de medição contínua da confiança, do compromisso, da satisfação e do controle da reciprocidade.

PALAVRAS CHAVE: medida da relação, confiança, compromisso, controle da reciprocidade, satisfação relacional, gerência de relações.

CLASIFICACIÓN JEL: C15, C16, G32.

RECIBIDO: abril de 2009 APROBADO: diciembre de 2010

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CITACIÓN: Botha, E. & Van der Waldt, D.L.R., (2011). Relationship outcomes as measurement criteria to assist communication strategists to manage organisational relationships. INNOVAR, 21(40), 5-16.



Relationship outcomes as measurement criteria to assist communication strategists to manage organisational relationships

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ABSTRACT: Nonfinancial assets like relationships are increasingly important to managers. Communication managers in particular are focusing on measuring and managing organisational relationships as a means to quantify the return on investment (ROI) of public relations and communication strategies. Measuring relationships offers communication managers a way to evaluate its contribution to the organisation. A commonly agreed upon definition of these relationships, however, does not exist. If we consider communication management is a managerial function, it must first refine its instruments of measurement. This study looks at the three-stage model of organisational relationships (relationship antecedents, maintenance strategies and relationship outcomes) proposed by Gruniq & Huang (2000) to firstly review the development of the model. Secondly, the study takes an in-depth look at each relationship outcomes of trust, commitment, satisfaction and control mutuality. Lastly, we assess the reliability and validity of the use of current relationship outcome measures through a survey of 154 organisational relationships. Previous studies that have utilized these outcomes in the measurement of organisational relationships do not discuss the possible interaction (or relationship) among these outcomes. This study contributes to current literature by both providing an improved framework for the measurement of relationship outcomes and hypothesizing about how these outcomes interact with one another. It also discusses the managerial implications of managing relationships through the constant measurement of trust, commitment, satisfaction and control mutuality.

KEYWORDS: Relationship measurement, trust, commitment, control mutuality, relational satisfaction, relationship management.

Introduction

Grunig (2006, p. 166) states that since the Excellence study public relations researchers have studied relationships more than any other topic in the discipline. Relationships "offer a means for evaluating both the long-term and short-term contributions of public relations programs and of the overall function to organisational effectiveness" (Grunig, 2006, p. 166). He belives that these relationships will eventually enable public relations practitioners and academics to demonstrate that the return on investment (ROI) of public relations develops through the intangible assets which relationships provide to an organisation.

The nature of relationships between organisations and key stakeholders emerges as a central concept in the theory of public relations and organisational effectiveness (Grunig, Grunig & Ehling, 1992, p. 81). Public relations and communication management add value to the organisation when it identifies strategic publics that develop because of the "consequences that organisations and publics have on each other". Grunig (2006, p. 160) states that public relations must be organised in such a way that it builds sustainable relationships as a strategic management function through symmetrical communication. Symmetrical communication programmes develops and maintains quality relationships with these "strategic publics" (Yang & Grunig, 2005, p. 3).

The term organisational relationship is a general and broad term that incorporates a wide range of organisational relationships with employee, customer, stakeholder and investor relationships, to name but a few. Even though many researchers have focused on measuring organisational relationships, they have not found a commonly agreed upon definition and commonly agreed upon measurement instrument of organisational relationships. The "pioneering model" of Broom, Casey & Ritchey (1997) included antecedents, subsequent states and consequences of organisational relationships and formed the basis for the model developed by Gruniq & Huang (2000, p. 34) applied in this study. Later public relations scholars, Gruniq & Huang (2000, p. 35) conceptualised a three-stage model of relationships as antecedents, maintenance strategies and relationship outcomes. An increasing amount of researchers has applied the threestage model of organisational relationships (specifically the relationship outcomes) to measure organisational relationships in various contexts. This study, too, utilised

the relationship outcomes measurement instrument proposed by Grunig & Huang (2000) to answer the research question.

Based on the above theory, we formulated the following research objectives for the study:

- 1. to describe the development of the three stage model of organisational relationships,
- **2.** to describe the relationship outcomes: trust, commitment, relational satisfaction and control mutuality, and
- to assess the validity and reliability of the relationship outcomes measures and to conduct an exploratory analysis on the possible relationship among the outcomes.

Objective 1: to describe the development of the three-stage model of organisational relationships

Due to the lack of a concrete definition of organisational relationships, the measurement of these relation ships and their outcomes within management has been diverse, as it has not been based on a solid theory of relationships (Broom, Casey & Ritchey, 1997, p. 81; Grunig & Huang, 2000; Ledingham & Bruning, 2000a; Ströh, 2005). Broom et al. (1997) called for a definition of organisation-public relationships and proposed a model of organisational relationships. Recently, the progress in developing measures for the concept of organisation-public relationships is significant, where either the type of relationship or relationship outcomes have been used as a measure of these relationships (Yang & Gruniq, 2005, p. 4).

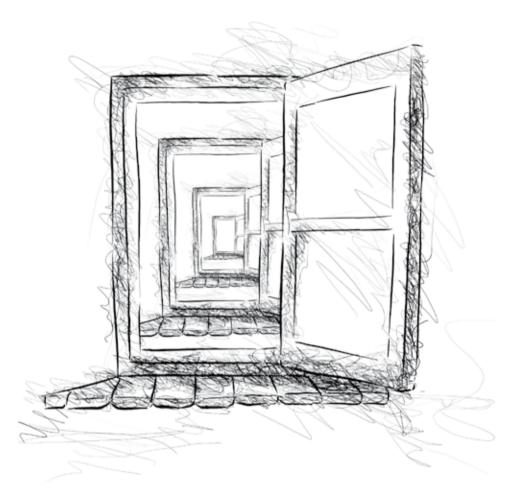
Based on the work by Broom et al. (1997), Grunig & Huang (2000, p. 34) formulated the three-stage model of

TABLE 1. Three-stage model of organisational relationships

1 Situational antecedents →	2 Maintenance Strategies →	3 Relationship Outcomes
Organisation affects public Public affects organisation Organisation-public coalition affects another organisation Organisation-public coalition affects another public Organisation affects an organisation-public coalition Multiple organisations affect multiple publics	Symmetrical Disclosure (openness) Assurances of legitimacy Participation in mutual networks Shared tasks (helping to solve problems of interest to the other party) Integrative negotiation Cooperation/collaboration Be unconditionally constructive Win-win or no deal Asymmetrical Distributive negotiation Avoiding Contending Compromising Accommodating	Control mutuality Commitment Trust Satisfaction Goal attainment

Source: Grunig & Huang (2000).





organisational relationships as antecedents, maintenance strategies and relationship outcomes and provided general guidelines for the measurement of organisational relationships. This conceptualisation was useful in explaining why organisations engage in relationships with specific publics (Yang & Grunig, 2005, p. 6). Table 1 below gives an adopted summary of the three-stage model of organisational relationships.

The model explains that with all organisational relationships, certain factors (like the context of the relationship, the type of relationship, or the amount of parties involved) influence the outcome of these relationships, called situational antecedents. Authors are still in disagreement about which factors should be considered (and measured as) situational antecedents. Grunig & Huang's (2000) provide suggestion of possible situational antecedents that affect the outcome of organisational relationships (see figure 1 on page 11). After relationship partners enter into the relationship or alliance, both partners follow certain communication strategies to ensure the success of the relationship. These strategies can be either symmetrical or asymmetrical and we call them maintenance strategies. Thereafter, we should assess the outcome of the relation-

ship by measuring the outcomes of the organisational relationship: trust, commitment, control mutuality, satisfaction and goal attainment.

The consequence of these processes is assumed goal attainment. Goal attainment is defined here as "complementary behaviour", and it does not necessarily relate to the actual attainment of organisational or relational goals. Consequently, when relationship partners are committed to the relationship, are satisfied with the relationship, feel that a relatively fair distribution of power exists within the relationship and that the organisation they are partnering with is trustworthy, the organisational relationship is considered successful (Gruniq & Huang, 2000, p. 34; Ströh, 2005, p. 125). However, because this vague definition of goal attainment, the measurement of relationship outcomes has often omitted this outcome and has only measured trust, commitment, satisfaction and control mutuality (see Hon & Brunner, 2002; Jo, Hon & Brunner, 2004; Ledingham & Bruning, 2000b; Yang & Grunig, 2005).

Recent studies in the maintenance strategies that managers can employ to deliver the desired relationship outcomes (Hung, 2002, as cited in Grunig, 2006, p. 167) have

re-labelled these maintenance strategies as *cultivation strategies*. Organisational relationships need to be cultivated according to the conditions that affect them; they are not simply maintained. These cultivation strategies "identify specific ways in which symmetrical communication can be used to cultivate relationships" and act as "heir to the models of public relations" (Grunig, 2006, p. 168).

Grunig and Huang (2000, p. 41), however, state: "a true evaluation of the effectiveness of public relations must come from measuring the relational outcomes", and process indicators (maintenance strategies) are only valuable when linked to outcome indicators. Outcomes measure whether communication between stakeholders resulted in a change in behaviour, opinion or attitudes (Lindenmann, 1997, as cited in Gruniq & Huang, 2000, p. 27).

Objective 2: to describe the relationship outcomes

The relationship outcomes proposed by Grunig & Huang (2000) have been applied to various contexts (Hon & Brunner, 2002; Jo, Hon & Brunner, 2004; Ledingham & Bruning, 2000b; Yang & Grunig, 2005) and high correlations between these constructs were found (Grunig & Huang, 2000, p. 47; Ledingham, 2000, p. 8; Jo, 2003; Ströh, 2005). Table 2 summarises some previous studies that specifically used Grunig & Huang's (2000) relationship outcomes.

All of the below studies applied the relationship outcomes to measure the success of organisational relationships in various contexts. The following sections address each of these relationship outcomes individually.

Trust as a relationship outcome

Heath (2001, as cited in Spicer, 2007, p. 27), in his Handbook of public relations, identified 20 words and phrases that constitute the emerging vocabulary that represent the "heart and soul" of current intellectual debate in the discipline. Two of the key words that he identified were relationships and trust. Murphy (2003, p. 2) states "the need to restore trust in the minds and hearts of the public, employees and other stakeholders is one of the great challenges" faced by American organisations. Trust is an overriding concern for business leadership around the globe and this construct has been identified as a key factor in successful leadership and management. Trust is also one of the basic elements of a cooperative relationship and a salient factor in determining the effectiveness of many relationships, as it facilitates interpersonal acceptance and openness of expression (CII, 2006; Wong & Cheung, 2005, p. 1).

No generally accepted definition of trust exists in current literature; rather, scholars and researchers use the term to refer to different things. This has resulted in an assortment of definitions the literature has accumulated (Greguras, 2003, p. 3; Saxton, 1997, p. 455). Trust is seen as "... a psychological state comprising the intention to accept vulnerability based on positive expectations of the intentions or behaviour of another" (Rousseau, Sitkin, Burt & Camerer, 1998, as cited in Spicer, 2007, p. 35). In trusting relationships, the intentions of relationship partners were

TABLE 2. Previous studies using relationship outcomes measures and their applications

Authors using relationship outcomes framework (chronological order)	Context	Construct that measures were applied to
Grunig & Huang (2000)	Organisation-public relationships.	Proposed model for relationships.
Bruning & Ledingham (2000)	Organisation key public relationships.	Tested whether Grunig and Huang's (2000) relationship measures can be applied to business-to-business relationships.
Hon & Brunner (2002)	Relationship among students and administrators at a university.	Type of relationship (communal or transactional).
Jo, Hon & Brunner (2004)	Relationship among students and administrators at a university.	Type of relationship (communal or transactional).
Jo (2003)	Organisation-public relationships in an Eastern culture, specifically South Korea.	Dimensions of relationships were incorporated.
Ströh (2005)	Organisation's relationship with their employees	Change management.
Yang & Grunig (2005)	Organisation-public relationship.	Reputation.
Scott (2007)	Various stakeholders (including employees, shareholder, investors and customers). Scott (2007) works for a stakeholder relations measurement company in America (StrategyOne) that consistently applies the three-stage model of organisational relationships, specifically the relationship outcomes, to most of their research.	Sustainable relationships (as well as to determine which stakeholders should gain priority in strategic communication campaigns of organisations, therefore key stakeholder identification).



adequately communicated. In general, an assumption of duty to protect the rights and interests of others accompanies trust (Hosmer, 1995, as cited in Spicer, 2007, p. 32). In some misinterpretations, however, business studies have applied trust. While researchers intuitively know that trust can have an impact on the "financial health" of an organisation, a consistent methodology for measuring stakeholders' trust in the organisation has not yet been developed (Murphy, 2003, p. 9).

In organisations, trust can imply that the business keeps its commitments, does not disadvantage its stake holders, and communicates in an "open, timely and honest manner" (MacMillan, Money & Downing, 2000). A trusting relationship is based on a "mutual understanding of each other's capabilities and limitations" as well as the "corporate integrity" of both parties (CII, 2006). Previous studies by Saxton (1997) and Gulati (1995) indicate that various factors influence the formation of trust in an organisational relationship. Some factors include similarities between partners, shared decision-making within the alliance and partner reputation.

Trust is a basic element of relationships and can help renew relationships with key stakeholders. Strong relationships with key stakeholders reduces the cost of litigation, requlation and legislation, where a high level of trust can further cultivate relationships with consumers, shareholders and others needed to support organisational goals (Murphy, 2003, p. 9). According to Dyer & Singh (1998, p. 670), trust can decrease the governance cost of alliances and other organisational relationships by avoiding contracting costs, lowering monitoring costs through relying on selfenforcing agreements, lowering the costs associated with complex adaptations and not subjecting alliance and relationship agreements to the time limitations of a formal contract. Morgan & Hunt (1994, p. 23) state that trust occurs when one party has confidence in a relationship partner's reliability and integrity.

The abundance of definitions and applications of trust has impaired the measurement of this construct, which in turn limits the integration and comparison of research on this construct (Greguras, 2003, p. 1). Sherman (1992, as cited in Morgan & Hunt, 1994, p. 24) states that the biggest obstacle to the success of strategic alliances, as a form of organisational relationship, is a lack of trust. Trust has consequently been a key factor in relationship literature. In addition, trust has formed an increasingly important role in public relations literature. The elements of trust evaluated by Grunig & Huang's (2000) three-stage model of relationships relate to fairness and caring within the relationship (Hon & Brunner, 2002, p. 9). Other studies (Hon

& Brunner, 2002, p. 3; Jo, Hon & Brunner, 2004, p. 4) that applied similar guidelines to measure trust (based on Grunig & Huang, 2000, p. 36) differentiated between several underlying dimensions of trust including *integrity, fairness* and *dependability*.

Integrity refers to "fairness and justness"; dependability deals with consistency between verbal statements and behavioural actions", and the way in which relationship partners "have the ability to do what they say they will do" (Jo et al., 2004, p. 4). These constructs form the basis of the measurement instrument used in this study, even though trust has also been associated with such qualities as consistent, competent, honest, fair, responsible, helpful and benevolent (Morgan & Hunt, 1994, p. 23).

Commitment as a relationship outcome

Social exchange, marriage and organisational literature (Morgan & Hunt, 1994, p. 23) can provide conceptualisations of commitment. Commitment refers to the extent that both parties in a relationship feel or believe that the relationship is "worth spending energy on to maintain and promote" (Grunig, 2002, p. 2). It is when a relationship partner believes that an ongoing relationship with another is "so important as to warrant maximum efforts at maintaining it" (Morgan & Hunt, 1994, p. 23). Jo et al. (2004, p. 4) defined commitment as the "situation in which one or both parties in a relationship direct their emotional attachment and behaviour towards ensuring a continuance of the relationship". It is a "desire to continue with the relationship in supporting the goals and values of the organisation, and putting in the effort to maintain the relationship" (Ströh, 2005, p. 127). Commitment therefore refers to the emotional attachment and plans for continuing the relationship that both parties have within the relationship. In organisations, this would imply that relationship partners plan to continue, for instance, the supply agreement with a specific contractor and act accordingly to lengthen the duration of the relationship.

Another aspect of commitment could pertain to calculations on the part of the possible costs what a partnering organisation could incur upon exiting the relationship (Ströh, 2005, p. 128). In Hon & Brunner's (2002, p. 8) study, the partnering organisation realised that their relationship with the organisation had components of costs and benefits for both sides that affected the commitment within the relationship. Morgan & Hunt (1994, p. 23) conclude that commitment among exchange or relationship partners is a "key to achieving valuable outcomes for themselves" and these parties endeavour to develop and maintain this precious attribute in relationships.

Morgan & Hunt (1994, p. 23) state that commitment is only present in relationships that are considered important and where the relationship partner wants the relationship to endure indefinitely and is therefore willing to work on the relationship. The scale items that we used in the measurement instrument of the present study relates to whether relationship partners wish to continue with the relationship and therefore feel it is worth their while. The partnering organisation should also want to create a long-term relationship with the organisation (Grunig & Huang, 2000).

Relational satisfaction as a relationship outcome

Relational satisfaction refers to feelings of favourability with in the relationship, because the relationship met positive expectations (Grunig, 2002, p. 2). It is the result of positive maintenance behaviour within the relationship (Jo et al., 2004, p. 4). In relationships where satisfaction is present, the rewards connected to the relationship outweighs the costs of that relationship (Grunig, Grunig & Dozier, 2002, p. 553), which include both material (for instance value for money, pay, holidays, training) and nonmaterial benefits (for instance emotional benefits, recognition, identification with the organisation) (MacMillan et al., 2000, p. 72). Partners can also understand relational satisfaction as "a measure of the extent to which the benefits of the relationship exceed the expectations that both parties have" (Jo et al., 2004, p. 4).

The social exchange theory states that relationship satisfaction is one of the focal consequences of exchange partners' relationship management behaviours (Smith, 1998, as cited in Robson & Katsikeas, 2005, p. 5). According to Robson & Katsikeas (2005, p. 5), relationship satisfaction results from the appraisal of all aspects of an organisation's working relationship with another organisation.

The measuring instrument measured whether stakeholder needs are being met, whether the organisation is "good", whether they are experiencing problems and whether they are generally satisfied with the relationship to establish an overall measure for relational satisfaction within the relationship. These are all constructs related to whether a stakeholder within an organisational relationship is satisfied with the relationship (Grunig & Huang, 2000; Hon & Brunner, 2002, p. 8).

Control mutuality as a relationship outcome

Heath (2006, p. 100) states that control and power are at the centre of stakeholder exchange and, therefore, organisational relationships. Control mutuality refers to the degree to which parties in a relationship are satisfied with the amount of control they have in a relationship (Grunig, 2002, p. 2), and implies equality in power (Grunig & Huang, 2000, p. 45). Hon & Brunner (2002, p. 3) affirm that control mutuality is the "power balance" in their use of the construct within a university setting. Still, managements from all kinds of organisations may engage in decision-making through communication to "foster the illusion of efficacy whereby they proclaim competence to account for positive outcomes and place blame for negative outcomes" (Conrad, as cited in Heath, 2006, p. 100). These illusions of control mutuality, referred to as efficacy by Heath (2006, p. 100), may be more symbolic than instrumental. Power is a key concept in public relations theory and practice, as it is an essential dimension of symmetry and "rests on shared meaning as well as the ability to influence outcomes" (Heath, 2006, p. 104).

Control mutuality relates to the power balance within the relationship that in turn also influences who decides the goals within the relationship. According to Grunig (1992, as cited in Gregory, 1999, p. 270), the dominant coalition determines the goals as well as how they are attained. Grunig & Grunig (1992, p. 311) are of the opinion that in allowing participation in decision-making, organisations designate stakeholders to accept control. Excellent organisations realise that "they can get more of what they want by giving publics [stakeholders] what they want". Where power is not equally distributed, the norm of reciprocity could lead to good relationships (Grunig & Huang, 2000, p. 43). Gregory (1999, p. 274) states that effective communication allows the organisation to attempt to control and influence the environment while at the same time being sensitive to it. Hon & Brunner (2002, p. 8) also suggest that strategic public relations can be used here to empower stakeholders and thereby create a sense of shared control in the relationship.

The measurement instrument measured whether the relationship partner was satisfied with the decision-making process and if they perceive themselves and the organisation to have equal influence within the decision-making process. Shared decision-making is a key influencer in successful relationships, as commitment and trust increase in relationships where shared decision-making takes place. Information asymmetry get also reduces when both relationship partners have a high participation in and knowledge of strategic decisions and actions (Saxton, 1997, p. 446). Steyn (2007, p. 159) states that a competitive advantage can be gained by the organisation through involving stakeholders in decision-making and thereby stabilising organisational relationships. From an organisational learning perspective, the ability of relationship partners to



facilitate learning and innovation and share knowledge requires close involvement in the relationship and its decision-making processes (Nooteboom, 1992, as cited in Saxton, 1997, p. 447). Therefore, a high degree of shared decision-making in relationships positively affect the outcomes of the relationship, as such involvement builds trust and enhances the sharing of knowledge within the relationship (Saxton, 1997, p. 447). Relationship partners, where control mutuality exists, also know what to expect from one another (Grunig & Huang, 2000). The scale items measuring this construct therefore focused on the power relations within the relationship in terms of shared decision-making and transparent expectations. The following section looks at the measurement of these outcomes.

Objective 3 was measured using variance-based structural equation modelling, specifically Partial Least Squares (PLS) analysis using SmartPLS software. This allowed us to do simultaneous modelling of relationships among multiple independent and dependent constructs. It also allowed us to assess the reliability and validity of the proposed measures with more than first-generation statistical techniques (Haenlein, M. & Kaplan, A.M., 2004).

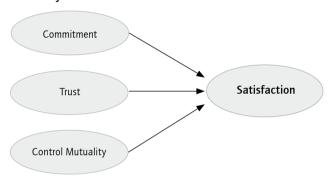
Objective 3: validity, reliability and exploratory analysis of the relationship between the outcomes

Grunig & Huang's (2000) guidelines to measuring relationship outcomes were used to measure relationship outcomes in the South African context. Similar to previous studies that have measured these outcomes (see Hon & Brunner, 2002; Jo, Hon & Brunner, 2004), an email survey was administered on a population of 2500 population elements involved in organisational relationships: A census was conducted on the population framework of IPSA (the Institute for Procurement and Supply South Africa). The research method and sample size was constrained by the available resources. A response rate of 6% was realised (n = 154).

Previous studies have simply measured each relationship outcome, but have failed to propose the possible relationship between these outcomes. In this study, we analysed the possible relationship between these outcomes as well as the reliability and validity of the proposed measurement of these outcomes using structural equation modelling.

Saxton (1997, p. 447) studied the effect of relational and organisational characteristics on organisational outcomes and states that with the presence of trust between partnering organisations, the likelihood of positive or successful relationship outcomes increases. We can therefore posit that trust contributes to satisfaction in and with the relationship. Therefore, to will commitment and control mutuality contribute to satisfaction in the relationship. Based on the interpretation of the literature as well as exploratory analysis, we propose the following simplified model (Figure 1) of relationship outcomes: We hypothesise trust, commitment and control mutuality positively contribute to relational satisfaction.

FIGURE 1. Relationship among trust, commitment, control mutuality and satisfaction.



Source: The authors.

When this model was fitted, an R square value of 0.706 was generated. By implication, the relationship outcomes of trust, commitment and control mutuality explained approximately 71% of the variance in relational satisfaction.

Table 3 provides an overview of the measurement model analysis obtained from the PLS analysis. We discuss these figures in greater depth in the following sections.

Reliability assessment and confirmatory factor analysis

To measure the key constructs of this study, we calculated a summated scale for each individual outcome. The

TABLE 3. Overview of the PLS output

	AVE	Composite reliability	R square	Cronbachs Alpha
Control mutuality	0.694937	0.872169		0.781654
Commitment	0.616602	0.862483		0.792670
Relational satisfaction	0.695390	0.898044	0.706491	0.843130
Trust	0.626804	0.826697		0.682083

TABLE 4. Factor loadings and Beta valves

Latent variables and hypothesized relationships	Scale items	Factor loadings	T-values
	Trust item 1	0.512	4.436
Trust	Trust item 2	0.906	35.067
	Trust item 3	0.893	45.236
	Comm item 1	0.657	6.796
Citt	Comm item 2	0.906	55.506
Commitment	Comm item 3	0.893	46.600
	Comm item 4	0.645	4.921
	CM item 1	0.876	42.748
Control mutuality	CM item 2	0.830	25.182
	CM item 3	0.793	14.939
	Sat item 1	0.888	34.027
	Sat item 2	0.548	4.939
Relational satisfaction	Sat item 3	0.923	30.021
	Sat item 4	0.917	53.510
Trust → Satisfaction		0.428	4.903
Commitment → Satisfaction		0.256	4.213
Control Mutuality → Satisfaction		0.280	3.737

Source: The authors.

negatively worded items in the scales were reverse scored and we attained the following reliability scores: Trust (0.68), commitment (0.79), satisfaction (0.84) and control mutuality (0.78) where all the relationship outcomes, except trust, obtained reliability scores above the required 0.7. The composite reliability scores too were all higher than 0.7 as illustrated in Table 3.

The composite reliability is a measure of the overall reliability of heterogeneous but similar scale items. It differs from individual item reliability (Cronbach Alpha) in that it tests for the reliability of the latent construct (Anon, 2007). Existent items in each scale do not influence this measure, but uses item loadings extracted from the causal model analysed (Vinzi, Chin, Henseler & Wang, 2010). Table 4 provides the factor loadings and Beta values for each of the outcomes (as well as their individual scale items).

An exploratory factor analysis confirmed one factor loaded for each relationship. The confirmatory factor analysis confirmed it and the following. The bootstrapping technique in PLS also confirmed the relationships proposed in the model as all the relationships were found to be significant and positive (t-value larger than 1.96) for both the scale items and the relationships between the outcomes.

Convergent and discriminant validity

To assess the convergent validity of the measures, we need to analyse the Average Variance Extracted (AVE) of each construct needs. The AVEs, or variance extracted estimates, analyses the amount of variance captured by a

construct in relation to the variance due to random measurement error. An AVE higher than 0.5 indicates the validity of both the construct and the individual items is high (Anon, 2007). In other words, the variance explained by the indicators exceeds the variance explained by error (Vinzi, Chin, Henseler & Wang, 2010). Table 3 shows that each AVE is greater than 0.5.

We also used the AVEs to assess the discriminant validity of the relationship outcomes or constructs. The condition for discriminant validity is that the AVE is greater than the square correlation between the construct and each of the other constructs in the model (Vinzi, Chin, Henseler & Wang, 2010). We can apply a reverse process to analyse this condition where we place the square of the AVEs in the diagonal of the correlation matrix. The result of this analysis is contained in Table 5.

The squared AVEs are consistently greater than the correlations obtained between the constructs. Therefore, the relationship outcomes measured satisfy the conditions for convergent validity (see AVEs in Table 3) and discriminant validity (see Table 5), and therefore the constructs achieve both convergent and discriminant validity.

Discussion

The lack of a generally accepted definition of organisational relationships has severely inhibited the management function of communication (Broom et al., 1997, p. 81; Gruniq & Huanq, 2000; Ledingham & Bruning, 2000a;



TABLE 5. Assessing the discriminant validity of the constructs

	Control mutuality	Commitment	Satisfaction	Trust
Control mutuality	0.833628			
Commitment	0.574974	0.785240		
Satisfaction	0.724039	0.672172	0.833900	
Trust	0.693653	0.595548	0.774750	0.79170954

Source: The authors

TABLE 6. Measurement instrument for relationship outcomes

Relationship outcome	Scale item
Trust	I trust the partnering organisation.
	Members of the partnering organisation are truthful with us.
	The partnering organisation treats me fairly and justly, compared to other organisations.
	I wish to continue a relationship with the partnering organisation.
Commitment	I believe that it is worthwhile to try to maintain the relationship with the partnering organisation.
	I wish to keep a long-lasting relationship with the organisation.
	The partnering organisation's members meet our needs.
C-+:-f+:	Our relationship with the partnering organisation does not have problems.
Satisfaction	In general, we are satisfied with the relationship
	Our relationship with the partnering organisation is good
	The partnering organisation and my organisation are both satisfied with the decision-making process.
Control Mutuality	In most cases, during decision-making both the partner and my organisation have equal influence.
	Both organisations within the relationship agreed on what the participating organisations can expect from one another.

Source: The authors.

Ströh, 2005). Measuring relationship outcomes provide managers with a reliable means to estimate the success of organisational relationships. Yang & Grunig (2005, p. 5) have even suggested defining those relationships in terms of these outcomes: "The degree that the organisation and its publics trust one another, agree on who has rightful power to influence, experience satisfaction with each other, and commit oneself to one another."

If we consider communication management a managerial function, it must first refine its instruments of measurement. In order for the communication function to "exist and survive", it is important to prove that it is useful and beneficial (Tixier, 1995, as cited in Noble, 1999, p. 14). Public relations and communication should become a more research-based discipline, and creating a reliable and consistently used measure of organisational relationships has been a top priority for communication managers globally (Noble, 1999, pp. 14, 20).

Grunig (2006, pp. 167) states that non-financial indicators of value or intangible assets "are a hot topic in management and accounting sciences" and he believes that relationships are the most important of those intangible assets. When communication managers can reliably quantify organisational relationships, their contribution to the field of relationship management can be further grounded and their place in the boardroom could be better justified

(Grunig, 2006). A valid measurement scale for organisational relationships also offers both practitioners and scholars a way to measure and manage relationships as they develop (Jo, 2003, p. xi).

Table 6 illustrates an adapted guideline to measuring relationship outcomes based on Gruing and Huang's (2000) original framework. This proposed measurement instrument provides a shorter, comprehensive and more reliable measure of organisational relationships.

This measurement instrument provides communication managers with a tool to evaluate the relationships that the organisation has with various stakeholders. Jo (2003, p. 2) also applied the relationship outcomes as a measure of organisational relationships and state that "the value of organisation-public relationships can be represented by relational outcomes", where these outcomes offer a global measure of organisational relationships. However, there is no simple, single solution to the problem of public relations evaluation (Noble, 1999, p. 15).

Managerial implications

Measuring relationship outcomes relates to the evaluation of the long-term value of public relations and communication management (Noble, 1999, pp. 16; Ströh, 2005,

p. 176). The practice of evaluation involves the systematic collection of information regarding the activities, characteristics and outcomes of communication in organisations with the aim of improving the communication within that organisation (Noble, 1999, p. 17). According to Hehir (1997, as cited in Noble, 1999, p. 17), confidence in public relations and communication will only be engendered if measurable objectives are put into place. He argues that measurable objectives is the "golden bridge" over which public relations can march into the promised land of corporate respectability and enhanced resources. Adequate methods of measurement in public relations and communication therefore engender greater appreciation for this organisational function.

Managers currently invest extensive budgets in simple evaluation programs, but they do not make any effort to measure the impact of communication in the organ isation (Tixier, 1995, as cited in Noble, 1999, p. 19). We can measure this impact through a reliable assessment of the relationship that organisations have with key stakeholders. When organisations know exactly what the "health" of their relationships with specific stakeholders is, managers can develop proactive action plans where they can ask the following questions regarding their relationship with stakeholders:

- How can the organisation communicate to stakeholders to increase the trust that stakeholders have in the organisation?
- How can the organisation increase the commitment that stakeholders have to the organisation, and how can the organisation better communicate their commitment to particular stakeholders?
- Which factors influence the satisfaction that different stakeholders have in the organisational relationship?
- How can the organisation include stakeholders in the decision-making process of the organisation?
- Do stakeholders know what the organisation expects from them? In addition, does the organisation know what stakeholders expect from the organisation?

Once organisations have answers to these questions, they can develop appropriate communication strategies for individual stakeholder groups allowing communication managers to proactively manage these organisational relationships. Scott (2007, p. 264) applied the relationship outcomes to various stakeholders in their respective contexts and states that measuring relationship outcomes is important because:

- In a world of intangibles and educated guesses, it is a means of concretely mapping stakeholders in order to prioritize which groups are most in need of engagement.
- It provides an understanding of the most appropriate terms of that engagement as well as provides a benchmark against which to track the impact of a communication programme over time.
- The numeric impact of using the relationship outcomes to measure organisational relationships allows public relations executives to speak in quantitative terms about what they have always seen as a notoriously soft variable.
- Applying the relationship outcomes to various stakeholders is an important validation of the overall strategy, because of its ability to prioritize stakeholder groups according to the quality of their existing relationships with an organisation.
- It helps professionals to determine where to invest campaign resources.
- It is a valuable source of tactical insight, because of its ability to score across numerous dimensions of a relationship.

Scott (2007, p. 264) emphasises that the measurement of relationship outcomes in organisational relationships contributes to organisational effectiveness on both a tactical and strategic level, while giving a numeric value to a traditionally vague, qualitative construct.

Possible limitations

Possible sources of limitations could have resulted from the use of an electronic survey. The main sources of error detected in studies utilising survey data is sampling error, questionnaire error, high refusal rates or high non-response, respondent effects, data capturing errors and the inappropriate selection of statistical techniques (Mouton, 2005, p. 153). Low response rate is a common limitation of electronic surveys (Alreck & Settle, 1995, p. 184).

It appears that the concept of having "relationships" with organisations rather than individuals is not always a comfortable concept for respondents to entertain. Scott (2007, p. 269) found a small minority of respondents that were resistant to the measurement instrument and these respondents usually ask questions like "Am I supposed to answer this from a personal or professional perspective?" or "Do you want me to speak for my organisation of for



myself?" Scott (2007, p. 270) reiterates that the respondents should try to speak for themselves. This possible obstacle was encountered in the present study and the solution provided by Scott (2007, p. 270) was followed.

Future research

Jo (2003, p. xi) applied Gruniq and Huang's (2000, p. 36) guidelines on measuring relationship outcomes to the South Korean context and attempted to determine if specific relationship features characterise organisational relationships in this context. He concluded that we should add "face and favour" to the relationship measurement instrument in this context. Similarly, we can apply and adapt the proposed measurement instrument to various contexts and expand it to include context specific relationship factors. We have developed the present measurement of organisational relationships based on a Western culture (Jo, 2003, p. 5) and consequently the application thereof to other cultures would greatly benefit this framework. Most western studies stated that trust was the key contributing factor to the success of organisational relationships. However, through regression analysis on the relative contribution of each relationship outcome to perceptions of goal attainment or relationship success, this study found that control mutuality was the largest contributing factor and trust had a relatively small contribution to perceptions of relationship success. Jo's (2003) study in South Korea also found that control mutuality was the largest contributor to relationship success. Future research can investigate which outcome of relationship communication managers should focus on, or alternatively, whether we need emphasized different outcomes for different types of relationships or different contexts.

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