

THE DEVELOPMENT AND MANAGEMENT OF ORGANIZATIONAL PARTNER ORIENTATION

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ABSTRACT

The management of relationships with different stakeholder groups is considered as being important for sustainable organisational success. To date, most research in this area has typically focused on customers, competitors, employees and shareholders as organisational key stakeholders. However, a true stakeholder orientation should incorporate a wider range of groups that have an impact on the organisation, or that are impacted by the organisation. This study contributes to the extant literature by researching how an organisation can develop and manage a *partner* orientation as part of its stakeholder orientation. We define the concept as an organization's orientation towards an awareness of and the proactive acting on its partners' issues. In line with relationship marketing theory, such an orientation should be positively related to partner satisfaction.

We conducted this research in the context of an economic development agency at a time where the organization implemented a new partner management program, including the enhancement of sector specific knowledge, communication and relationship skills. This was a particularly good opportunity to assess the impact of management practices reinforced through such programs on organizational partner orientation. To do so, we employed method and source triangulation by interviewing managers that were involved in the implementation of the program, as well as managers from key partner organizations. Further, on the basis of our interview findings we developed a questionnaire to assess the organization's orientation from their partners' perspective over a two-year period.

The interview results revealed that, from a manager's perspective, the development of good relationships with partners was crucial for the organization's performance. Performance, in this case, was not assessed by measures such as profitability, but the achievement of strategic economic development objectives. However, while there was a genuine desire to work with partners in order to positively contribute to the economy and wider society, it also emerged that motivations to do so were highly politicized. Due to the organizational environment of the agency, the boundaries between an instrumental and intrinsic commitment approach to partner orientation were blurred. In this economic development agency context, examples of partner organizations mentioned were trade unions, industry bodies, higher education institutions and local authorities.

In the second phase of the fieldwork we conducted interviews with managers of key partner organizations to explore how, in their view, the agency might demonstrate an orientation towards them and enhance their satisfaction with the partnership. On the basis of the findings of our exploratory phase as well as the extant literature we developed a questionnaire that was sent out to the 264 partner organizations that were filed in the agency's database. 111 partners replied, equating a response rate of 42%. After two years these partners were recontacted and asked to fill in the same questionnaire once more, in order to assess to what extent the newly implemented management program had had an impact on the organization's partner orientation from their perspective.

The contribution of our study to the extant literature is fourfold. First, from a theoretical perspective, we contribute to the wider field of stakeholder orientation by exploring the concept of partner orientation, which so far has attracted little attention in the literature. Further, we identify some of the underlying motivations for the development of a partner orientation in a complex public service context. Third, we develop and test a model of antecedents of partner satisfaction that holds across different points in time. Finally, due to the longitudinal design of our study we can derive managerial implications with respect to effective partner management program initiatives that positively contribute to the development and management of organizational partner orientation and satisfaction.

References Available on Request.