

ABSTRACT

Title of Dissertation: EXPLORING THE VALUE OF PUBLIC RELATIONS
 IN STRATEGY IMPLEMENTATION: EMPLOYEE
 RELATIONS IN THE GLOBALIZATION PROCESS

Lan Ni, Doctor of Philosophy, 2006

Dissertation directed by: Professor James E. Grunig
 Department of Communication

The purpose of this dissertation is to explore the value of public relations in strategy implementation as demonstrated through the cultivation of employee-organization relationships in the context of globalization strategies and cultural influences. The key theoretical constructs included organization-public relationships, organizational strategies, resources, and strategy implementation.

Incorporating the resource-based view from the management literature, this study explored organization-public relationships as organizational resources and examined their contributions to strategy implementation. This overall framework was examined through globalization strategies, employee-organization relationships (EOR), and the influence of societal and organizational cultures.

I conducted 69 qualitative interviews with managers and employees in companies in China. Among them, 60 participants came from 14 case organizations (11 multinational companies, 2 mainland companies, and 1 Taiwanese company) and included 17 public

relations managers, 10 strategy managers, and 33 employees. The 11 multinational companies followed different globalization strategies, 3 with high global integration and low local responsiveness, 5 with high global integration and high local responsiveness, and 3 with low global integration and high local responsiveness. Another 9 interviewees from separate organizations provided supplemental information.

The findings suggested that relationships were recognized as a resource that could contribute to competitive advantage. Both public relations managers and strategy managers recognized that characteristics of relationships overlapped with those of organizational resources. They also acknowledged the contribution of relationships to the implementation of strategies. Consistent with the concept of fit in the literature, participants pointed out the strategic use of relationships that corresponded to organizational strategies. When applying this to EOR in the globalization context, I found that the cultivation strategies of EOR, types of EOR, and outcomes of EOR reflected the demands of globalization strategies. Companies following different strategies, although they used similar relationship cultivation strategies, focused on different dimensions of them. Finally, data suggested that both societal and organizational cultures influenced EOR. The interaction between societal and organizational cultures was influenced by other factors, the most important one being different orientations in globalization strategies.

Overall, this study showed that 1) the value of public relations can be demonstrated through its linkages to organizational strategies, which facilitated its participation in strategic management; 2) EOR cultivation that corresponded with globalization strategies contributed to the implementation of these strategies; and 3) refined understanding and cultivation of EOR can benefit from an examination of perspectives from both managers

and employees. The study also provided practitioners in multinational companies with practical guidance in cultivating relationships with local employees.

EXPLORING THE VALUE OF PUBLIC RELATIONS IN STRATEGY
IMPLEMENTATION: EMPLOYEE RELATIONS IN THE GLOBALIZAION
PROCESS

By

Lan Ni

Dissertation submitted to the Faculty of the Graduate School of the
University of Maryland, College Park, in partial fulfillment
of the requirement for the degree of
Doctor of Philosophy
2006

Advisory Committee:

Professor James E. Grunig, Chair
Professor Linda Aldoory
Professor Deborah A. Cai
Professor Larissa A. Grunig
Professor Anil Gupta

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ACKNOWLEDGMENTS

I would like to first thank all the participants of this study, who spent time sharing their stories and experiences with me. Without their insights, this dissertation could not have been completed.

Special thanks to Dr. James Grunig, my advisor, for his constant encouragement, feedback, and guidance. Thank you for being so patient and accommodative when we had to communicate mostly through emails or phone calls.

Thanks are also due to my committee members: Dr. Lauri Grunig, for her prompt responses, knowledge in qualitative methods, and high expectations; Dr. Linda Aldoory, for her constructive suggestions on refining methods and her advice on life; Dr. Deborah Cai, for her insights on culture and sharing references with me; Dr. Anil Gupta, for helping shape the structure of this dissertation and providing feedback on the analysis of data.

I'm also grateful to my parents, Chunnan Ni and Yuhua Hang, who have always been supportive and caring. Finally, to my husband, Ye Dai, for his love and comfort. His optimistic attitude and jokes helped me through so many difficult times.

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CHAPTER I

INTRODUCTION

Purpose of the Study

The purpose of this study is to explore the value of public relations in strategy implementation as demonstrated through the cultivation of employee-organization relationships in the context of globalization strategies and cultural influences. A recent issue of *The Public Relations Strategist* reported a roundtable discussion with seven public relations executives about the state and transformation of the public relations industry. Wolder (2004, Summer) opened that discussion with the following question: “Even after 100 years of PR history, people are still debating whether business results generated by public relations can be measured and tracked. How can corporate PR people compete for internal resources and get respect?”

This leads to one key issue in both public relations theory development and practice, the value of public relations to an organization and how to demonstrate that value. Such value is not always recognized in organizations, and public relations practitioners usually need to fight for the recognition and respect for the work they do.

Different reasons exist for this lack of recognition. Dozier with L. Grunig and J. Grunig (1995) identified three spheres of communication excellence: the knowledge base of the communication department, shared expectations about communication with senior management, and the more peripheral factor of organizational culture. In other words, the value of public relations may not be recognized because public relations practitioners lack the knowledge to practice excellent public relations or because the dominant coalition does not share a common expectation with its public relations department.

For example, White and Vercic (2001) examined the obstacles to having the management accept the contributions of public relations to any organization. Their paper suggested that a major obstacle was that most managers were not prepared in a way that would enable them to recognize public relations' value. Given this fact, it is imperative for public relations practitioners to take the initiative in demonstrating their value.

Attempting to address this issue, this study aimed at making the value of public relations more visible to organizations by connecting this function more closely to organizational goals and strategies. This study linked the resource-based view from the management literature and the perspectives on public relations values from the public relations literature. Specifically, it explored organization-public relationships as organizational resources and examined the contribution of relationships to strategy implementation.

This study explored this framework by looking into organization-employee relationships under the context of globalization. With the growing trend in globalization, many companies are expanding into foreign markets. However, knowing how to maintain satisfactory relationships with their employees in the local community has become a challenge to these companies. Sometimes conflicts arise as a result of poorly managed relationships. Recently, for example, the Germany-headquartered company, Siemens, experienced protests from local employees in China concerning their downsizing measures (Wu, June 29, 2005). On June 28, 2005, more than 20 Chinese employees working in the Beijing headquarters of Siemens China walked out of their offices and began their protest. They expressed dissatisfaction toward what they considered to be the company's unfair

lay-off of Chinese employees and asked for equal treatment with the employees in Germany.

This incident was reported as the first case of open protest of Chinese employees toward multinational companies. It indicated that multinational companies should consider more seriously the question of developing relationships with their local employees. The next section further discusses theoretical and practical problems in public relations and offers the rationale for the current study.

Problems and Need for the Study

This study is needed because it fills the gap in public relations research in three aspects. They include the value of public relations to an organization and how to demonstrate that value, participation of public relations in the strategic management of an organization, and the extension of the current research on relationship management. The following describes these three aspects in detail.

First of all, different perspectives exist on how public relations has value to an organization. Heath (2001) used two paradigms to describe these perspectives. Public relations scholars generally hold the first perspective, that public relations helps to reduce cost for the organizations by reducing conflicts between organizations and their publics. Public relations practitioners generally hold the second perspective, that public relations helps to enhance the financial performance of an organization. Both paradigms can be found in research.

On the one hand, the Excellence study (Dozier with L. Grunig & J. Grunig, 1995; J. Grunig, 1992; L. Grunig, J. Grunig, & Dozier, 2002) identified the value-added process of public relations in the following overall theoretical framework: Public relations contributes

to organizational effectiveness by enacting the environment and reconciling goals and missions with those of the most strategic publics who constrain or enhance the ability of an organization to achieve its goals. Public relations practitioners then need to develop communication programs to build relationships with those strategic publics and reduce uncertainty and conflicts.

On the other hand, recent research sometimes focuses on the value of public relations as mainly reflected in reputation. Dowling (2001) and Rindova and Fombrun (1999) recognized reputation as one important strategic asset for an organization. Further, Kim (2000, 2001) and Hutton, Goodman, Alexander, and Genest (2001) examined this perspective using empirical studies.

However, the relationship between reputation and public relations has constantly been under debate (e.g., J. Grunig & Hung, 2002; Sabate & Puente, 2003). Some critical problems in the research on reputation include whether reputation is manageable (Hutton et al., 2001) and how it should be measured. The measurement of reputation is especially questionable. J. Grunig and Hung (2002) found, for example, that the *Fortune* index does not measure reputation per se, but measures a “reputational” evaluation of company performance dominated by ratings on financial performance. Such dominance has led to the close but distorted relationship between reputation and financial performance. The lumping together of different stakeholders’ views creates another problem in the measurement of reputation.

Value of public relations has also been explored in terms of relationship development in recent years. Many researchers have argued for a shift of focus in public relations research to relationships (Ferguson, 1984); offered conceptualizations of

relationships (Broom, Casey, & Ritchey, 2000); studied the impact of relationships on cognition, attitude and behavior (Bruning & Ledingham, 1999, 2000; Ledingham, 2001; Ledingham & Bruning, 1998, 2000); proposed models of relationship development (Broom, Casey, & Ritchey, 2000; J. Grunig & Huang, 2000; Hon & J. Grunig, 1999); and explored relationship types (Hung, 2002).

Although this research has contributed to the exploration of the value of public relations, it is useful to propose a new direction in thinking. This study, therefore, builds on the previous research in public relations involving both relationships and reputation as well as introduces important theoretical thinking in the management field such as the resource-based view (RBV). Briefly, this view helps explore the value of public relations by regarding relationships as organizational resources.

Second, one essential element in excellent public relations is the participation in strategic management and the strategic management of public relations itself (L. Grunig et al., 2002). The Excellence study specified a list of characteristics for excellent public relations departments. Among them, involvement of public relations in strategic management and knowledge to practice the managerial role and symmetric public relations are two key characteristics. It is therefore necessary to explicate the relationship between organizational strategy and public relations.

However, little research (except for Bengfort, 2000, Lapinski, 1992, and Wise, 2002) has explored the relationship between strategy and public relations. As Steyn (2003) pointed out, the concepts *strategic communication* and *strategy* have been neglected in the public relations literature. Little evidence exists regarding how corporate communication should contribute to organizations' strategies. In addition, she found the lack of clarity in

the public relations literature of the concept *strategy*. Therefore, this study serves to fill that gap.

Third, the research on organization-public relationships has been increasingly popular recently, with more scholars working on identifying the types of relationships as well as the cultivation strategies for relationships (e.g., Hung, 2002, Rhee, 2004). This stream of research has been moving very fast and it is time to extend it even further. Steyn (2003) suggested the crucial importance for practitioners of understanding the business and societal issues that the organization is facing. Public relations practitioners must be able to connect communication to these important issues in an organization. Exploring a relationship by itself is necessary, but it may be more fruitful to link relationships to the overall organizational strategies so as to make this line of research more meaningful to organizations. In other words, different organizations need to examine what types of relationship are especially needed, what relationship cultivation strategies are most useful, and what relationship outcomes should be emphasized.

Significance of the Study

The significance of this study lies in its contribution to three issues of interest to both public relations scholars and practitioners. In addition, the results of this study are useful to scholars and practitioners in strategic management or strategic planning. Finally, the study is also useful to multinational companies with the need to cultivate relationships with local publics, especially employees.

As mentioned before, this study contributes to public relations theory building in three ways: identifying the value of public relations and how to demonstrate this value, facilitating the public relations function in the strategic management of an organization,

and further developing relationship management research. The results of this study also should have significance to public relations practitioners regarding these three aspects.

Although it is important for public relations to participate in the strategic management of an organization (J. Grunig & Repper, 1992), many practitioners lack professional training and knowledge in such strategic management. In fact, few practitioners seem to understand the meaning of strategy, let alone incorporate it into communication programs (Steyn, 2003). Aiello (2004, Summer) also acknowledged that “over the past 20 years, we've gone from doing a poor to a mediocre job of bringing real value and an understanding of what we do to the table, both with clients and with our brethren in advertising or marketing or research.” Moss, Warnaby, and Newman (2000) also found such exclusion of the public relations department from strategic management. This exclusion prevents a public relations department from being excellent.

Therefore, this dissertation should provide public relations practitioners with a better understanding of the following; Practitioners can enhance their communication programs by taking into consideration the role of strategy to demonstrate the value of public relations through how it affects organizational effectiveness. Practitioners can also share a common language with other managers in the organization, especially those in strategic planning, and work together to contribute to organizational effectiveness. In that way, they can take an active part in the strategic management process. Applied to developing relationships with different publics, practitioners should know the ultimate purpose of cultivating different types of relationships.

In addition, this study should also be significant for scholars and practitioners in strategic management or planning. They should be able to see how public relations can

help build relationships that correspond to different organizational strategies. In that way, the different organizational functions may be able to cooperate better.

Finally, many multinational organizations may be facing challenges in the foreign markets they have entered. The diversity in the background of their employee publics leads to difficulties in practicing internal communication. This study should provide practitioners with empirical data on how multinational companies are cultivating relationships with internal publics and what practices are more effective in relating to their organizational strategies.

This study departs from previous ones in three aspects. First, it explores the value of public relations from a new angle, i.e., focusing on relationships with publics and regarding them as an important resource for an organization in the pursuit of competitive advantages. Second, it goes beyond the exploration of more types of relationships or additional relationship cultivation strategies to further the research on relationship management by pointing out the effect of different organizational strategies on the development of relationships, or in other words, of how relationships should be developed for strategic purposes. This need for strategically developed relationships implies the need to focus on different aspects of cultivation strategies, different dimensions of relationships, and different types of relationships under different circumstances. Third, it explores the relation between strategy and public relations in the context of globalization by taking into consideration the effects of both societal and organizational cultures.

My interest in this topic stems from the growing importance of globalization and the increasing linkage between strategy and public relations. I want to see how such

changes influence and are influenced by excellent public relations in terms of employee relations.

Theoretical Framework

This dissertation explores the value of public relations in strategy implementation as demonstrated through cultivation of employee-organization relationships in the context of globalization strategies and cultural influences. In this section, I introduce how I construct the theoretical framework based on my review of the literature.

My framework consists of three major parts. The first part addresses the general perspectives on the value of public relations to an organization. This part includes the overall theoretical framework in public relations about the value-added process, recent research on value of public relations reflected in relationship management, and the value of public relations reflected in reputation.

The second part incorporates an alternative theoretical thinking in the value of public relations using the resource based view (RBV) in the management literature. Briefly, this dissertation argues that public relations has value because relationships can be regarded as unique resources leading to competitive advantages for an organization. Specifically, the value of public relations lies in cultivating relationships with publics that can contribute to strategy implementation. To participate in the strategic management of organizations, public relations needs to identify different strategic publics corresponding to different strategies. Further, different strategies require different relationships with publics, so public relations contributes to strategy implementation through building such relationships. Once a relationship is established and cultivated, publics know what to

expect and have more confidence in the organization. Thus the risk for future transactions is reduced.

The third part narrows the scope of this dissertation and focuses on one specific area of strategy implementation, globalization strategies, and their impact on relationship development with one group of publics, the employees. This dissertation explores how public relations helps build relationships between multinational companies and their local employees. The effect of culture in this process, both at the societal and the organizational level, is also examined.

Conceptualization of the Value of Public Relations

According to the Excellence Study, public relations contributes to organizational effectiveness by monitoring the environment and reconciling goals and missions with those of the most strategic publics who constrain or enhance the ability of an organization to achieve its goals. Public relations practitioners then develop communication programs to build relationships with those strategic publics and reduce uncertainty and conflict.

Recently, more and more scholars have examined the value of public relations at the organizational level by looking at the cultivation of relationships with different publics (e.g., Broom et al., 1997; Ferguson, 1984; Hung, 2002; J. Grunig & Huang, 2000; L. Grunig et al., 1992; Rhee, 2004) and provided an alternative three-stage model consisting of antecedents, maintenance strategies, and consequences of relationships. This ongoing research serves as the foundation of this dissertation.

The Resource-based View

The resource-based view (RBV) (Barney, 1991; Penrose, 1959) regards firms as a unique bundle of tangible and intangible resources, which can contribute to competitive

advantages (Wernerfelt, 1984). The RBV has two fundamental assumptions that ensure the contribution of resources to competitive advantages: resource heterogeneity and immobility. In other words, different firms within an industry are not identical in the resources they control. In addition, these resources should not be able to move easily among competitors. According to Barney, four characteristics of resources can lead to sustained competitive advantage: value, rareness, inimitability, and non-substitutability.

These resources may take different forms, such as physical capital, human capital, and organizational capital (Barney, 1991). Recent research has placed more attention on intangible resources that arise from knowledge and experience (Carpenter, Sanders & Gregersen, 2001), the importance of including societal factors (Collis, 1991), and the difficult-to-imitate capabilities contained in network relationships (Dyer & Singh, 1998).

This dissertation argues that relationships that the public relations function helps to manage satisfy the four characteristics for resources and thus can contribute to strategy implementation. Such conceptualization allows for the exploration of further understanding about relationship cultivation strategies.

Globalization Strategies

Harzing (2002) defined corporate-level international strategy as “the way in which the organization positions itself with regard to the global business environment and creates and sustains competitive advantage across national boundaries” (p. 212). A firm can choose different strategies for competing in the global environment. The factors to consider in such choices include coordination and configuration (Porter, 1994). Configuration, according to Porter, refers to “where the activities in a firm’s value chain are located” (p. 112), whether companies concentrate these activities in one or a few places

or disperse these activities all over the world. Coordination is, on the other hand, “the nature and extent to which the conduct of dispersed activities is coordinated versus allowing activities the autonomy to tailor their approach to local circumstances” (p. 112).

Collis (1991) discussed how global firms’ choice in both configuration and coordination of activities creates competitive advantages. In terms of *configuration*, firms can gain competitive advantages by using comparative advantages across locations. In addition, firms can choose how many locations should be used to perform an activity. By concentrating an activity, they gain economies of scale and better coordination across locations. By dispersing activities, they minimize transportation and storage costs, reduce the risks of a single activity site, tailor the activity to local needs, facilitate learning, and respond to local government pressure or incentives.

The methods firms use for coordination can determine their ability to benefit from a particular configuration (Collis, 1991). *Coordination* involves setting of standards, exchange of information, and the allocation of responsibility among sites. If the level of coordination is high, the potential competitive advantage might include the ability to respond to shifting comparative advantage, to share learning, and to reinforce brand image. However, if the level of coordination is low, or the autonomy is high, then the local needs and conditions vary and there are few economies of scale.

The integration-responsive framework, advocated by Doz (1980) and Prahalad and Doz (1987), conceptualized the essence of international strategies as the management of two imperatives: pressures for local responsiveness and pressures for global integration. Pressures for *global integration* refer to the forces that require worldwide business resource deployments in order to pursue strategic goals. The purpose of strategic decisions

is to achieve greater integration of activities across national boundaries. On the other hand, pressures for *local responsiveness* are forces that require strategic decisions that are sensitive to local demands from either the government or market. As a result, managers need to respond to the local condition without considering other business units.

The different orientations, whether toward global integration or toward local responsiveness, thus have implications for public relations. How public relations uses different relationship cultivation strategies and develops different types of relationships will influence how the globalization strategies are implemented.

Culture

In this section, I discuss the influence of culture on the development of relationships within multinational organizations. This includes both societal culture and organizational culture.

Hofstede (2001) defined culture as “the collective programming of the mind that distinguishes the members of one group or category of people from another” (p. 9). The research setting in this study is China. Therefore, this dissertation explores the influence of various characteristics of Chinese societal culture such as social orientation, relational orientation, and *guanxi*. The more general cultural dimensions such as power distance, uncertainty avoidance, individualism/collectivism, and femininity/masculinity serve as background information.

Sriramesh, J. Grunig, and Buffington (1992) defined organizational culture as “the sum total of shared values, symbols, meanings, beliefs, assumptions, and expectations that organize and integrate a group of people who work together” (p. 591). Different scholars identified different types of organizational culture, and the typical dimensions include:

internal versus external orientation, amount of control, interpersonal relationships, and orientation toward innovation. This study used these dimensions in the exploration of organizational culture.

Methodological Consideration

This dissertation used qualitative interviewing as the principal methodology. Interviewing allowed me to explore the linkages among complex constructs in real life and probe into the minds of people.

My participants were mainly from the Chinese subsidiaries of multinational companies. Two groups of people were involved. One was at the management level. It included public relations managers responsible for employee relations and other managers who provided insight into both relationship development and strategic planning. The second group included general employees from China. In all, I conducted 69 interviews with public relations managers, strategy managers, and employees. The detailed information about the participating organizations and interviewees is in Appendix J.

In terms of sampling, I used a combination of theory-based sampling, snowball sampling, and convenience sampling. My research questions were examined through globalization strategies, so the construct of globalization strategies were used. Once the organizations were determined, I asked people to introduce others within the organization who might be of interest in my study. I also used personal connections in locating participants. The details are discussed in the methods chapter.

Ethical Considerations

Taking ethics into consideration is a necessity in any kind of research, but especially in qualitative research. The methods chapter details the ethical considerations in this dissertation.

Prior to the research, I went through the necessary procedures required by the Internal Review Board of the University of Maryland. I submitted the application for Human Subjects Review approval. The application addressed issues such as confidentiality, and potential harms and benefits from participating in the research.

In contacting my potential participants, I either emailed or made phone calls. In either case, I showed them the informed consent form, which explained the purpose of the study, the procedures, the time required, and the request for audiotaping the interviews. No participants were forced to take part in the study, and all were informed of my wish to audiotape the interviews.

Delimitations of the Study

The Excellence study identified five key terms for excellence in public relations: strategic, managerial, symmetrical, diverse, and ethical. This dissertation explores the link between public relations and strategic management of an organization. Therefore, the focus of this study will be delimited to the strategic and managerial characteristics.

Second, the value of public relations can be explored in a variety of ways. They include monitoring the environment and contributing to strategy formulation. However, my focus is on contributing to strategy implementation.

Third, the conceptualization chapter details the comprehensive framework of the value of public relations including the reputational approach. However, the actual examination of the value of public relations is delimited to relationship cultivation.

Finally, the middle ground theory of global public relations identified generic principles and specific applications (L. Grunig, J. Grunig, & Vercic, 1998; Sriramesh & Vercic, 2001; Vercic, L. Grunig, & J. Grunig, 1996). That discussion involves six variables: culture, political system, economic system, media system, level of activism, and level of development. However, this dissertation is delimited to the factor of culture only. This serves as a starting point in the exploration of the contribution of public relations in globalization strategies.

CHAPTER II

CONCEPTUALIZATION

Overall Theoretical Framework

The purpose of this study is to explore the value of public relations in strategy implementation as demonstrated through cultivation of employee-organization relationships in the context of globalization strategies and cultural influences. Based on this purpose, the conceptualization section is constructed according to the following theoretical framework. First, I review the different perspectives on the value of public relations to an organization. This part includes the overall theoretical framework in public relations about the value-added process, recent research on the value of public relations reflected in relationship management on the one hand, and the value reflected in reputation on the other. Next a new direction in thinking about the value of public relations is proposed, which builds on the previous research in public relations on both relationships and reputation as well as introduces a theoretical perspective in the field of strategy. Specifically, using the resource-based view (RBV) in the management literature, I argue that the value of public relations lies in cultivating relationships with publics that can contribute to strategy implementation. In doing so, relationship building can be regarded as a unique resource leading to competitive advantages for an organization, which in turn enhances publics' confidence in that organization. When a relationship is reconceptualized in this way, I suggest the need to explore further understanding about relationship cultivation strategies. I then discuss the role of resources in strategic management in general and strategy implementation in particular.

After delineating the overall framework, I then focus on one specific area in strategy implementation, globalization strategies, and their impact on relationship development. The focus of this part contains both the corporate level international strategies and the strategies organizations use to enter a foreign country. Their effect on relationship development is discussed with regard to one group of important publics, the employee publics.

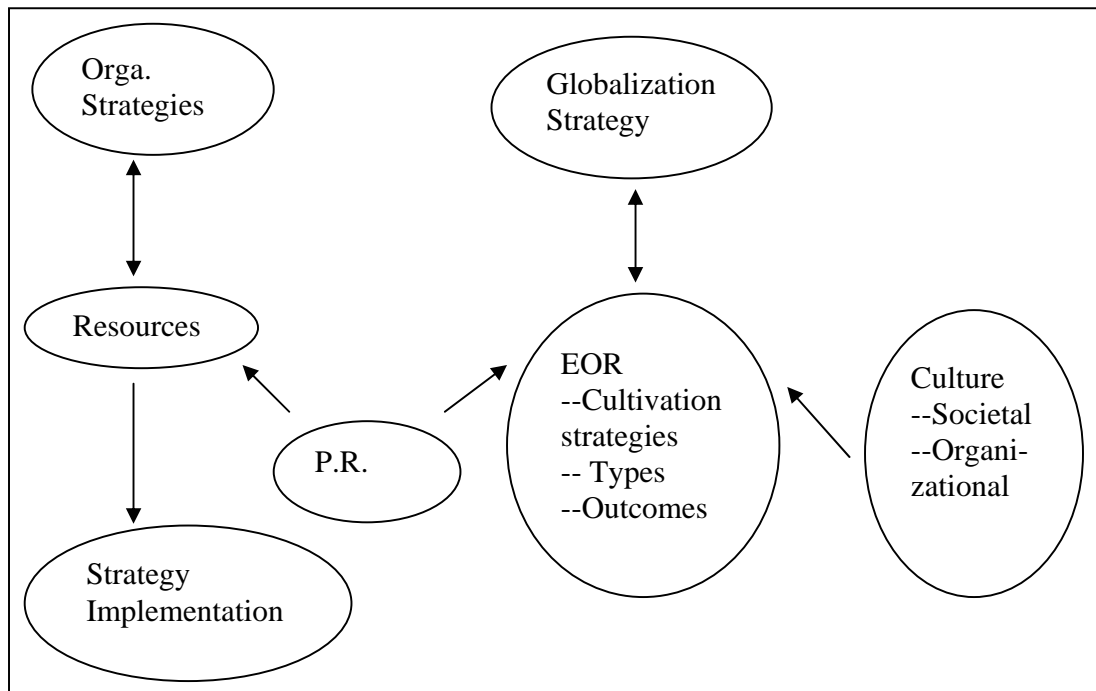
Globalized companies undoubtedly face many challenges and problems. The effect of culture is of crucial importance. I discuss the influence of both societal and organizational culture on the development of relationships. Following this order of conceptualization, I provide 9 guiding hypotheses and 8 research questions. The last section in this chapter contains a summary of these hypotheses and research questions. The relationship between important constructs is displayed in Figure 1.

Conceptualization of the Value of Public Relations – Different Perspectives

Definition and Delimitation of the Public Relations Function

The conceptualization of the value of public relations requires a definition of this concept and a delimitation of what public relations practitioners do within an organization. Public relations is defined as “the management of communication between an organization and its publics” (J. Grunig & Hunt, 1984, p. 6). As pointed out by L. Grunig, J. Grunig, and Ehling (1992), public relations makes an organization more effective by matching the organization’s goals with the expectations of its strategic constituencies and by building long-term relationships with these constituencies.

Figure 1.

Relationships among Theoretical Constructs

Although public relations is an important function in any organization dealing with publics that are of strategic importance, many other departments also are and should be responsible for relationship with different publics. For example, the marketing department is closely related to customers and the human resources department to employees. However, public relations, as a special function, should coordinate all those activities and manage relationships in a professional way.

J. Grunig (personal communication, Jan, 26, 2004) pointed out that public relations cannot achieve everything related to the organization's objectives, nor can it be responsible for all aspects related to different publics. Public relations can only manage the process of communication with those publics. The expertise of public relations practitioners lies in managed communication, although they can also take part in counseling and giving

suggestions to other departments in an organization. Such counseling is especially necessary when, after monitoring the environment, public relations practitioners feel the need to counsel and provide suggestions.

Overall Framework for Value-added Process of Public Relations

Public relations contributes to organizational effectiveness by monitoring the environment and reconciling goals and missions with those of the most strategic publics who constrain or enhance the ability of an organization to achieve its goals. Public relations practitioners then develop communication programs to build relationships with those strategic publics and reduce their uncertainty and potential conflict between these publics and the organizations. In this section, I only review theories directly related to this study: organizational effectiveness and the value of public relations.

Organizational Effectiveness

L. Grunig, J. Grunig, and Ehling (1992) and J. Grunig (2003) provided an overview of organizational effectiveness theories. There are four major approaches, each with strengths and weaknesses. The *goal-attainment* approach focuses on whether the organization is effective in achieving its goals. However, it is sometimes difficult to handle the problem of multiple, conflicting, and constantly changing goals. The *systems* approach evaluates effectiveness by whether an organization can survive in the environment through obtaining necessary resources. However, this approach has its problems, which include treating the environment as a vague term; the failure to differentiate efficiency and effectiveness; and the focus on survival, an insufficient goal for an organization. The *strategic constituencies* approach focuses on more specific segments of the environment rather than the total environment and identifies those segments that are most important for

organizational survival and success. However, this approach is also problematic because of the difficulty in determining the priority or “strategicness” of the constituencies. The *competing values* approach focuses on whether an organization can incorporate the competing values of its constituencies into the organizational goals.

The Excellence Study (Dozier with L. Grunig & J. Grunig, 1995; J. Grunig, 1992; L. Grunig, J. Grunig, & Dozier, 2002) suggested that these four views help to explain why some organizations succeed and some fail. These views also explain the value of excellent public relations. Managed communication helps enact an organizational environment, and the public relations function determines which elements in that environment are strategic. Then the public relations department develops programs to communicate with and build high-quality relationships with these strategic publics.

L. Grunig et al. (2002) also pointed out that relationships help an organization manage its interdependence with the environment. Although communication cannot create and maintain such relationships alone, it does play a vital role.

Research on the Value of Public Relations

How public relations contributes to organizational effectiveness has been a central topic in the public relations literature (Huang, 2001). Many scholars have examined the effectiveness of public relations and how to measure such effectiveness (e.g., J. Grunig & Huang, 2000; Hon, 1997, 1998; Hon & J. Grunig, 1999). The values of public relations also have been discussed in a special issue of the *Journal of Public Relations Research* (2000). Scholars discussed such value from different perspectives, including feminist (L. Grunig, Toth, & Hon, 2000), rhetorical (Heath, 2000), and postmodern (Holtzhausen, 2000). My

study, however, uses the management approach and explores the value from the perspective of organizational effectiveness.

Evaluation research in public relations used to focus on the effectiveness of communication programs alone, which is done by measuring both process and outcome indicators (J. Grunig & Huang, 2000). As scholars have pointed out, *process indicators*, such as a count of the number of press releases issued, have little value by themselves; but when linked to outcome indicators, they can be useful in monitoring the processes that eventually result in desirable outcomes. *Outcome indicators* usually consider only the effects of exposure to messages on publics and changes in their cognition, attitudes, and behavior. These are one-way and asymmetrical. J. Grunig and Huang (2000) suggested conceptualizing and measuring both communication processes and outcomes as two-way, i.e., by looking for effects on *both* organizations and publics.

Recently, more and more scholars have paid attention to the value of public relations at the level of organizational effectiveness as demonstrated by the cultivation of relationships with different publics. This is discussed in detail in the next section.

Value of Public Relations -- Relationship Management

I discuss relationship management in this section to lay a foundation prior to putting it in the broader framework of the resource-based view. In addition, I will later explore how relationship management contributes to the implementation of organizational strategies. Therefore, this section contains a detailed discussion of theories of relationship management and related research.

Research on relationship management stems from a search for appropriate methods of determining the value of public relations to an organization. A more long-term

evaluation of public relations effort has been suggested through relationships that public relations programs help to build with publics. This trend in research can be traced to Ferguson's (1984) call for a shift of focus in research and theory development to public relationships. Ferguson also suggested that the unit of study should be changed from organization, public, or the communication process to the relationship between organizations and their publics.

Sixteen years after Ferguson's (1984) call for attention to the concept of relationship, Broom, Casey, and Ritchey (2000) explicated the concept and developed measures for it. They developed a model for relationships consisting of antecedents, concepts, and consequences. Ledingham and Bruning represent a second group of researchers on relationships. They developed three types of relationships: professional, personal, and community. They used this framework in a number of empirical studies (Bruning, 2002; Bruning & Ledingham, 1999, 2000; Ledingham, 2001; Ledingham & Bruning, 1998, 2000) and found that relationship management can influence people's cognitions, attitudes, and behaviors. In particular, people's loyal behaviors will be enhanced. They thus argued for incorporating the elements of relationship dimensions into the design of communication programs.

Based on the initial model in organization-public relationships by Broom, Casey, and Ritchey (2000), J. Grunig and Huang (2000) reviewed the relationship attributes developed by previous scholars (Broom et al., 1997; Ferguson, 1984; L. Grunig et al., 1992) and provided an alternative three-stage model consisting of antecedents, maintenance strategies, and consequences of relationships. The following section discusses these aspects.

Antecedents to Relationships

Different from the dominant theories deriving from resource dependency theory and exchange theory, the *antecedents* of relationships in the model developed by J. Grunig and Huang (2000) are situational because, these authors believed, the above two theories did not describe all the “change pressures” from the environment. For example, they said people may simply want to change the behavior of an organization in specific situations.

The antecedents are derived from the general Excellence theory and its subtheory of the role of public relations in strategic management. Generally speaking, the antecedents of relationships involve the consequences of behaviors of organizations on publics or those of publics on organizations. According to J. Grunig and Huang (2000), at this stage, public relations practitioners need to conduct environmental scanning to monitor the environment.

Cultivation Strategies

Hung (2002) proposed changing the name “maintenance” strategies in the original model to “cultivation” strategies. She thought such change best reflected the dialectical approach (Baxter & Montgomery, 1996). Specifically, cultivation strategies imply that relationship development is a dynamic process whereas maintenance strategies refer to a more static process. I agree with her distinction and will follow the term of cultivation strategies.

Cultivation strategies can be classified in different ways, such as strategic and routine (Stafford, Dainton, & Haas, 2000) or symmetrical and asymmetrical (J. Grunig & Huang, 2000). Stafford et al. (2000) developed scales to include both routine and strategic relational maintenance. They regarded strategic maintenance behaviors as those adopted as

a conscious effort to maintain relationships, whereas the routine or non-strategic behaviors are used without such conscious intention. However, different from that in interpersonal communication, relationship development in public relations should almost always be managed with a conscious intention. Therefore, the routine behaviors will not be so important. In fact, Stafford et al. found that non-strategic behaviors are not considered as contributing to relational outcomes. As a result, it may not be fruitful to discuss maintenance behaviors in terms of strategic or routine.

Instead, this section concerns symmetrical and asymmetrical strategies following Hon and J. Grunig (1999) and J. Grunig and Huang (2000). These studies pointed out that cultivation strategies are derived from interpersonal strategies (e.g., Stafford & Canary, 1991), models of public relations (e.g., J. Grunig & L. Grunig, 1992), and conflict resolution strategies (Huang, 1997; Plowman, 1995). Symmetrical strategies include sharing of tasks, positivity, sharing of networks, assurance of legitimacy, access, openness/disclosure, and integrative conflict resolution strategies such as collaboration, being unconditionally constructive, and win-win or no deal. Asymmetrical strategies include distributive conflict resolution strategies such as avoiding, accommodation, compromise, and contending. General public relations strategies in Huang (2001) provided additional dimensions. The following discusses the details of these strategies, which provide a starting point for the exploration of relationships in the current study.

Symmetrical Strategies

1) *Openness or disclosure*. Disclosure plays an important role in public relations ethics (J. Grunig & L. Grunig, 1996, May). Disclosure means that those in power have the burden of proof that withholding information is in the interest of those with less power. In

other words, relationships depend on openness and the disclosure of thoughts and feelings among parties involved.

Stafford et al. (2000) split the openness strategy into two factors, openness or disclosure in the original sense and advice-giving. According to these authors, advice is related to the expression of social support, commonly seen in communication literature. Applied to the organization-public relationship context, this factor might be considered as organizations and publics giving suggestions to each other, in addition to providing social support.

2) *Assurances of legitimacy*. Hon and J. Grunig (1999) pointed out that organizations must acknowledge the legitimacy of all constituencies. On the other hand, they said that the legitimacy of the activities of an organization should also be granted by its publics. In other words, the publics have expectations that organizations can do certain things and not others.

3) *Networking*. Organizations need to build networks or coalitions with the same groups as their publics, such as environmentalists, unions, or community groups (Hon & J. Grunig, 1999).

4) *Sharing of tasks*. Organizations need to share tasks or solve joint or separate problems that are of interest to either the organization, publics, or both. Examples include managing community issues, providing employment, or making a profit (Hon & J. Grunig, 1999).

5) *Access*. Organizations provide access to publics about their organizational decision-making processes, and members of publics also provide access to public relations practitioners (Hon & J. Grunig, 1999).

6) *Positivity*. This means that anything the organization or the public does to make the relationship more enjoyable and make the other parties involved more content in the relationship. To be positive, parties need to act joyfully, be polite, and avoid criticism of the other party (Canary & Stafford, 1991).

In a recent study by Stafford et al. (2000), positivity split into two factors, being “cheerful/upbeat” (p. 312) in the original sense and conflict management. In that study, conflict management included several methods of dealing with conflict. A more comprehensive framework for conflict management as relationship cultivation strategies has been developed by Huang (1997) and Plowman (1995). Among these strategies, the symmetrical ones include the following:

1) Integrative negotiation strategies. Created by Walton and McKersie (1965), these strategies usually attempt to search out common or complementary interests and solve problems confronting both parties. They stem from a symmetrical worldview and aim to cultivate trust and supportiveness.

2) Dual concern strategies. These strategies are mainly adapted from Thomas (1976) and refer to strategies that balance the interests of publics with those of organizations. Here only the symmetrical strategies under this category are discussed, leaving asymmetrical ones in the next section.

a. Cooperating: Both the organization and the public work together to reconcile and reach a mutually beneficial relationships.

b. Being unconditionally constructive: This strategy was developed by Fisher and Brown (1988). It means that the organization will do whatever is best for the

relationship even when there is no reciprocity from publics and when the organization has to give up some position.

c. Saying win-win or no deal: If the organization and the public cannot find a solution that benefits both, they agree to disagree – win-win or no deal.

In addition to these cultivation strategies, Rhee (2004) found additional ones in her study:

- a. Visible leadership: The presence of leaders and their commitment to the program is essential.
- b. Face-to-face communication: Rhee (2004) found such face-to-face, one-on-one communication to be vital in developing community relations.
- c. Listening: Active listening to the publics' concerns.
- d. Responsiveness: Providing timely responses to publics' concerns.
- e. Continued dialogue/patience: Continued efforts to communicate even though the process may be painful at times.
- f. Educational communication: This is especially important in science communication to make sure the information is easily understood by members not familiar with science.
- g. Respect: This includes respect for both parties' concerns and their communication styles.

Asymmetrical Strategies

1) Distributive strategies: These are asymmetrical because one party tries to maximize gains and minimize losses within a “win-lose” or self-gain orientation so that one party benefits while the other loses.

2) Dual-concern strategies: Here I only include those asymmetrical strategies included in this category.

- a. Contending: The organization tries to convince the public to accept its position.
- b. Avoiding: The organization leaves the conflict physically or psychologically.
- c. Accommodating: The organization yields.
- d. Compromising: The organization meets publics part way between their preferred positions, but neither party is completely satisfied.

Public Relations Strategies

Huang (2001) used five general public relations strategies as her independent variables in exploring effects of organization-public relationships. They include symmetrical-ethical communication, two-way communication, mediated communication, interpersonal communication, and social activity. *Symmetrical-ethical* means that communication aims at balancing an organization's interest with that of its publics and that communication follows three concepts: teleology, disclosure, and social responsibility. *Two-way* communication means using feedback and dialogue instead of monologue. *Mediated* and *interpersonal* communications are regarded as two related but separate public relations strategies because they are often used at the same time. Huang (2001) used the term *social activity* to represent the socially-oriented nature of communication. This element reflects the Eastern cultural factor of interpersonal relationships, which scholars often describe using the Chinese word, *guanxi*, without translation.

Consequences of Relationship

Huang (1997) used concepts identified by Stafford and Canary (1991) when she examined the public relations strategies, relationship outcomes, and conflict management

strategies of organizations to develop the four dimensions of the *consequences* of relationships. Hon and J. Grunig (1999) developed two basic types of relationships, and Hung (2002) found additional types of relationships.

Relationship Outcome/Quality

The four dimensions of trust, control mutuality, relational satisfaction, and relational commitment have been used extensively by scholars to evaluate the quality of an organization's relationships with its publics. These four dimensions serve as a framework for my study on the contribution of public relations to an organization.

1) *Trust*. Hung (2002) provided a comprehensive review of this dimension. In general, trust means one's confidence in the other party and the willingness of one to open himself or herself to the other party. She also discussed five common dimensions in trust. *Dependability* refers to the consistency in one's words and behaviors; *faith* is the confidence one party has in another to face an unknown future; *competence* refers to the ability one party has to capably perform his or her duties and obligations; *benevolence* refers to the desire to do good to the other party, but not for one's own interest; and *integrity* relates to parties' sense of justice and whether the parties' behaviors are consistent with their words.

Hung (2002) used integrity, dependability, and competence for her qualitative study. For the same reason of avoiding overlapping concepts, I also focus my attention on these three distinct dimensions in exploring trust in EOR.

2) *Control mutuality*. This dimension refers to the "degree to which partners agree about which of them should decide relationships goals and behavioral routines" (Stafford & Canary, 1991, p. 224). Acknowledging the existence of power imbalance, these authors

suggested further that each party can agree that either one or both will be able to influence the decision-making process. In other words, there should be joint acceptance of degrees of symmetry.

L. Grunig et al. (1992) argued that the norm of reciprocity may produce a quality relationship even if power is unequal. Power asymmetry may be inevitable, but control mutuality is critical to interdependence and relational stability.

3) *Relational satisfaction*. This aspect is the degree to which both the organization and publics are satisfied with their relationships. Stafford and Canary (1991) looked at this dimension from a social exchange perspective, where a satisfying relationship is one in which “the distribution of rewards is equitable and the relational rewards outweigh cost” (p. 225).

4) *Relational commitment*. This dimension refers to an enduring desire to maintain a valued relationship (Moorman, Zaltman, & Deshpande, 1992). Meyer and Allen (1984) pointed out two aspects in this dimension: continuance commitment, which means the commitment to continue a certain line of action, and affective commitment, which is “the affective or emotional orientation to an entity” (J. Grunig & Huang, 2000, p. 46).

Types of Relationships

Earlier research (Clark & Mills, 1993) found two basic types of relationships: exchange and communal. In an *exchange relationship*, each party gives benefits only because the other has provided benefits in the past or is expected to do so in the future. In a *communal relationship*, however, both parties provide benefits because they are concerned for the welfare of the other – even when they get nothing in return. J. Grunig and Hung (2002) emphasized that of the two, exchange relationships are not necessarily bad for

organizations. Relationship can begin as exchanges and develop into communal as they mature. But sometimes the order needs to be reversed too. Only after the parties develop a communal relationship can they begin to expect exchanging benefits.

Hung (2002) found three additional types of relationships identified in previous literature: covenantal, contractual, and exploitive relationships. *Covenantal* relationships are those in which both sides commit to a common good by their open exchanges and the norm of reciprocity. *Contractual* relationships start when parties agree on what each should do in the relationships. These relationships cannot guarantee equal relationships because of power imbalance. *Exploitive* relationships mean that one party takes advantage of the other when the other follows communal norms or that one does not fulfill his or her obligation in an exchange relationship.

Hung (2002) also identified manipulative and symbiotic relationships in her empirical study. She found that *manipulative* relationships usually occur in media relations when organizations use media relations to achieve their goals. *Symbiotic* relationships mean that different parties depend on each other for their survival or goal achievement. She also redefined a communal relationship and developed two categories in this type: a one-sided communal relationship and a mutual communal relationship. The former refers to a relationship in which one party expects the relationship to be communal whereas the latter refers to a relationship in which both parties expect the relationship to be communal.

Hung (2002) also organized these relationships in the following order along the continuum from concern for self interest on the one end to concern for other's interest on the other end (p. 319): exploitive, manipulative, contractual, symbiotic, exchange,

covenantal, mutual communal, one-sided communal. The win-win zone, in which both parties benefit, ranges from exchange to mutual communal relationship.

Hung (2002) further explored how the types of organization-public relationships influences an organization's choice of relationship cultivation strategies. In particular, she found the following:

For covenantal or win-win relationships, organizations used dialogue and being attentive, positivity, assurances of legitimacy, and being unconditionally constructive. For communal relationships, they used sharing of tasks most often. For exchange relationships, legitimacy, access, and cooperation were used. For exploitive relationships, asymmetrical strategies such as contending were used. To build symbiotic relationships, both symmetrical and asymmetrical strategies were used.

Need for Further Study

Hon and J. Grunig (1999) suggested the following areas for further research in relationship management. Although much current research measures relationships as seen or predicted by only one party, i.e., the organization (e.g., Hung, 2002), relationships should actually be measured from both parties, i.e., the organization and the publics. Hon and J. Grunig (1999) also suggested measuring relationships independently of the perceptions or predictions of the parties involved in the relationship and through a third party who might be more objective.

This study overcame some of these problems. In particular, it took into consideration the antecedents of a relationship, i.e., the consequences of organization's decisions to adopt different strategies, and examined how these decisions influenced relationships. The study also examined people who were actually known to be publics of a certain organization,

rather than different groups of people aggregated together who may not be related to an organization. Further, this study examined relationship as seen or predicted by both parties in such a relationship.

Huang (2001) found that the effect of public relations strategies on conflict resolution was mediated by organization-public relationships. In other words, the value of public relations in terms of relationship management on conflict resolution has been indirect. This finding supported Heath's (2001) argument that relationship building serves as a "shifting foundation" for public relations between a cost reduction paradigm supported by scholars and a revenue generation paradigm supported usually by practitioners. Huang (2001) demonstrated that relationship development can justify the revenue enhancing paradigm, but more indirectly than what practitioners claim.

This study adopted this indirect perspective of revenue enhancing by exploring the contribution of public relations to strategy implementation. Before I suggest a new direction to the existing paradigms, it is necessary to look at a dominant line of research that fits in the revenue generation paradigm. This is the focus of the next section.

Value of Public Relations – Reputational Approach

Informed by scholars such as Dowling (2001), Fombrun (1996), Hutton et al. (2001), and Kim (2000, 2001), the reputational approach takes another perspective to look at the value of public relations. According to Dowling (2001), reputation is the most valuable strategic marketing asset for an organization. Rindova and Fombrun (1999) also demonstrated the importance of reputation. Their construction of competitive advantage of an organization includes two dimensions, material resources and human interpretation. Reputation, they argued, plays an important role in the area of human interpretation that

occurs outside an organization. This approach generally assumes that public relations efforts as represented (and measured) by expenditures can influence reputation, which in turn is positively related to an organization's financial performance.

Different from other scholars in this area and deviating from the conventional way of measuring reputation by the *Fortune* index, Dowling (2001) pointed out the existence of different images and reputations by different types of stakeholders. This problem makes it difficult and undesirable to aggregate different stakeholders' perceptions together in the measurement of reputation. He offered another reason for not using *Fortune's* eight attributes: all are highly correlated and eventually produce one factor.

The assumed relationship between public relations, reputation, and performance was examined in several studies. Hutton et al. (2001) found a significant but not strong correlation between reputation and overall spending on corporate communication activities, but they did find some strong correlations between reputation and specific categories of spending. Kim (2000, 2001) conducted two studies to measure the bottom-line effect of public relations. The first study (2000) found a positive relationship between reputation and revenues, although that relationship is non-linear. In other words, instead of the strictly proportional increase in reputation and revenues, he found the returns for reputation to yield either diminishing returns or increasing and then decreasing returns.

Kim's next study (2001) went a step further and incorporated public relations in the model. His findings basically supported the relationship among the three elements, i.e., a positive causal relationship between public relations expenditures and reputation and a positive causal relationship between reputation and revenue, which implied an indirect relationship between public relations expenditures and revenue. However, he also

acknowledged an alternative explanation for his findings. This explanation actually constitutes the problems for the reputational approach and will be discussed later.

Some critical problems for this approach involve the manageability of reputation and its measurement. Hutton et al. (2001) questioned the possibility for managing reputation because public relations has little authority over many other dimensions of organizational operation. The measurement of reputation has also received more attention. J. Grunig and Hung (2002) addressed both problems, questioning the validity of the conventional measurement and arguing that reputation cannot be managed directly, except through influencing managerial behaviors. They examined several studies on the relationship between public relations expenditure and ranking on the *Fortune* index (Hutton et al., 2001; Kim, 2000, 2001; Thomas L. Harris/Impulse Research, 1999), and suggested that the *Fortune* index does not measure reputation per se, but a “reputational” evaluation of company performance dominated by ratings on financial performance. Such dominance has led to the close but distorted relationship between reputation and financial performance. The lumping together of different stakeholders’ views is another problem.

Therefore, J. Grunig and Hung (2002) developed a new, cognitive measure of reputation. They defined reputation as the “distribution of cognitive representations that members of a collectivity hold about an organization, representations that may, but do not always, include evaluative components” (p. 20). They provided the following model: symmetrical communication influences strategic decisions and subsequent organizational behaviors, which influences the quality of relationships, which in turn affect reputation. Their findings supported the relationship between behaviors, relationship, and reputation.

Value of Relationship – RBV

The preceding section discussed the link between relationships and reputation. As mentioned earlier, this line of research fits with what Heath (2001) called the revenue generation paradigm, which is different from the cost reduction paradigm. Both these two perspectives help to explain the value of public relations to a certain degree. However, the current study explores another direction in explaining the value of relationships to an organization, risk reduction.¹

Sabate and Puente (2003) suggested the idea of risk reduction when they tried to explicate the causal direction between reputation and financial performance. These authors critiqued the lack of a theoretical framework and the ambiguous use of methodologies in the stream of research about reputation. They developed the possible theoretical explanation from a contractual perspective. Specifically they argued that reputation not only accounted for past behaviors, it also guaranteed future behaviors. In other words, resource holders are attracted by an organization's reputation not only because of its informational content, which means a cut in their transactional cost, but also because it guarantees that their expectations will be fulfilled.

A similar relationship is possible in public relations. By cultivating relationships with different publics needed in specific transactions of an organization, public relations can help ensure that the expectations of different publics will be fulfilled and their confidence in the organization enhanced. However, when examining the underlying reason why cultivating relationships can help enhance confidence and reduce risk, it is necessary to take another perspective. I here bring in a theoretical perspective from the management field, called the resource-based view (RBV) of the firm.

¹ This is at the suggestion of Dr. James E. Grunig.

Overview of RBV

Penrose (1959) conceptualized the resource-based view (RBV) originally to account for a firm's growth. Later Barney (1991) refined this view. An important theoretical approach in the field of strategy, RBV regards firms as a unique bundle of tangible and intangible resources, which can contribute to competitive advantages (Wernerfelt, 1984). The RBV has two fundamental assumptions: resource heterogeneity and immobility. In other words, different firms within an industry are not identical in the resources they control. In addition, these resources should not have high mobility. For the latter assumption, the RBV stresses the time and cost involved to accumulate those resources.

Barney (1991) stated that certain resources can lead to sustained competitive advantage and that a firm's resources may take different forms, such as physical capital, human capital, and organizational capital. Roth (1995) also defined resource stocks as internal attributes that are either tied semi-permanently to or controlled by a firm. These attributes include assets, capabilities, processes, routines, and knowledge.

According to Barney (1991), four characteristics of resources can lead to sustained competitive advantage: value, rareness, inimitability, and non-substitutability. To have *value*, a resource should be able to exploit opportunity and neutralize threat. *Rareness* means the resource should be rare among both current and potential competitors. *Inimitability* means competitors cannot easily duplicate such resources. Inimitability is possible because of the following reasons: 1) the ability to obtain a resource is dependent on unique historical conditions, 2) the link between resources and sustained competitive advantage is causally ambiguous, 3) a resource is socially complex, and 4) a resource is

immobile because of the transaction costs involved. Lastly, *non-substitutability* means that there should not be strategically equivalent resources.

Recently, the RBV has expanded to include dynamic capabilities, or a firm's unique "ability to achieve new and innovative forms of competitive advantage given path dependencies and market positions" (Teece, Pisano, & Shuen, 1997, p. 516). In other words, intangible resources such as those arising from knowledge and experience have received more attention lately (Carpenter, Sanders & Gregersen, 2001).

Many researchers have also examined intangible resources in a specific area of research, globalization. For example, Carpenter et al. (2001) contributed to the resource-based and dynamic-capability perspectives by examining the prediction that MNCs will perform best when their CEOs have significant international assignment experiences. Similarly, Roth (1995) looked at CEO characteristics in a resource-based framework and found that at different levels of international interdependence the patterns of CEO attributes varied.

Some scholars have suggested the importance of including societal factors in the RBV. Collis (1991) pointed out in his resource-based analysis of global competition that complex social phenomena or invisible assets can be a source of sustainable competitive advantage and will affect organization structure. Ghoshal (1987) also argued for taking a broader view than the purely economic view when considering comparative advantages.

In fact, as an extension of the RBV, the relational view maintains that competitive advantage comes not only from firm-level resources but also from difficult-to-imitate capabilities embedded in dyadic and network relationships (e.g., Dyer & Singh, 1998). The management field has explicitly recognized the importance of relationships as a resource.

For example, Durand (1999) argued for three kinds of resources: 1) productive resources that “correspond to the nature of the technological assets and aptitudes of the firm” and that are likely to be the main source of differences in “the actualization of rent potential” (p. 70); 2) level of internal coordination, such as the circulation of information or implementation of organizational structures; and 3) exchange relationships. He limited the third kind of resource to the relationships between an organization and its suppliers and customers. However, it actually can be extended to relationships with other publics.

Application of the RBV to the Role of Public Relations

Using the four criteria of resources, Hillman and Keim (2001) pointed out that resources leading to competitive advantage include socially complex and causally ambiguous resources such as reputation, corporate culture, long-term relationships with suppliers and customers, and knowledge assets. This statement has in fact made it possible to apply the RBV to relationships with publics. Relationships can be a resource leading to competitive advantage because they satisfy the four criteria.

First, relationships have *value* to an organization. Nahapiet and Ghoshal (1998) argued for the value of relationships built through networks. They said that relationships could lead to the development of social capital, which could facilitate the creation of new intellectual capital or knowledge. More importantly, relationships have value because they can exploit opportunity and neutralize threat in the environment. Post, Preston, and Sachs (2002) proposed a stakeholder view of a firm. Combining the ISV (industry-structure view) by Porter (1990) and the RBV, they suggested that “the capacity of a business enterprise to generate sustainable wealth, and hence long-term value, is determined by its relationships with critical stakeholders” (p. 51).

Post et al. (2002) argued that relationships generate organizational wealth because all of the firm's resources are in fact represented by various stakeholders and it is the firm's relationships with these stakeholders that make resources available to the organization. In this sense, relationships can be regarded as a resource themselves for the firm because they make possible the exploitation of all different kinds of other resources. On the other hand, as competition grows more intense, the environment has also become more turbulent for businesses. For example, activist groups have sometimes been a threat to organizations. The development of appropriate relationships with them can help reduce the negative consequences of conflict and potential threat posed by these publics.

Relationships can be *rare* because not all competitors can pay attention to or are able to build relationships with important publics. Relationships can also be *inimitable* because building relationships involves causal ambiguity, path dependencies, and social complexity. Pearce and Robinson (2005) pointed out that inimitability does not last forever because competitors will always match or have a better resource as soon as they can. However, the ability to forestall the possibility of being imitated in a short time period is still possible and important.

Carpenter et al. (2001) pointed out that some intangible resources such as certain experiences are based on tacit knowledge or can contribute to interpersonal trust. Thus they become more difficult to imitate or replace and may be considered valuable in the resource-based and dynamic capabilities views.

The same argument also applies to relationships as a resource. Hillman and Keim (2001) argued that the long-term relationships with primary stakeholders may help firms expand the value-creating exchanges with these stakeholders beyond those interactions

limited to market transactions. Interactions that are relational create more value than those that are transactional. The latter, according to these authors, can be easily duplicated and offer little potential for competitive advantage. In addition, they also pointed out that relationships involve investments by both (or multiple) parties and so include a “time dimension” (p. 127). Such time dimension will constitute an important, intangible, and path dependent quality of the relationships, which in turn may be difficult to duplicate in the short run.

Relationships are also *non-substitutable* because they are hard to purchase with a specific amount of money. Loyal customers, motivated employees, and a cooperative community can be difficult to get simply by spending money.

Hillman and Keim (2001) conducted an empirical test of this theory and examined the relationship between stakeholder management and shareholder value creation. They argued that building better relationships with primary stakeholders like employees, customers, suppliers, and communities could lead to increased financial returns. Such relationships are intangible but valuable assets which can be sources of competitive advantage. Based on the above, I suggest the first guiding hypothesis and research question. I need to make a note here about the use of guiding hypotheses in this dissertation. As Marshall and Rossman (1999) stated, guiding hypotheses only serve the two purposes of helping the researcher “to generate questions and to search for patterns” (p. 53) and providing the reader “some possible directions that the researcher may follow” (p. 54). These are not the same as precise hypotheses used mostly in quantitative studies and may be discarded when the researcher conducts the field research.

Guiding hypothesis 1: The value of public relations to an organization lies in relationship development, because relationships with publics can be regarded as one important intangible resource in the pursuit of competitive advantages.

RQ 1: How, if at all, do case organizations perceive the relationships with their publics as an intangible resource with value, rareness, inimitability, and non-substitutability?

The resource-based view often has been used to explain the choice of different strategies. For example, firms make the choice of diversification or globalization based on the possession of excess and underutilized resources that can be used elsewhere (e.g., Chatterjee & Wernerfelt, 1991). However, it is also important to understand how to manage the organization *after* a strategy has been determined (Collis, 1991; Gupta & Govindarajan, 1984). When discussing the interplay between resources and strategy, Hitt, Nixon, Clifford, and Coyne (1999) argued that although strategies should depend on resources, it is also necessary to have resources critical in implementing strategies, such as managerial capabilities (p. 7). This is especially important in global competition. For example, Murtha, Lenway, and Bagozzi (1998) suggested the crucial importance of having global mindsets and capabilities to manage complexity and differences in international markets in the successful implementation of international strategies.

The resource-based view is relevant because certain resources may be needed for the effective implementation of strategies. Linking this to relationships, I suggest:

Guiding hypothesis 2: Building relationships contributes to competitive advantage by helping organizations to implement strategy better.

Another important issue to consider is that of *fit*. When discussing strategy implementation, Galbraith and Nathanson (1978) defined the concept of fit as the “congruence among all the dimensions of the organization” (p. 90). Slater and Olson (2001) also pointed out the importance of fit. They showed in their empirical analysis that superior performance at the firm or strategic business unit level was possible when matching specific types of marketing strategy with appropriate types of business strategy.

Along the same line, one concern in the strategic management field is making choices.² The choice of strategy requires the building of specific resources to match with it. Collis (1991), for example, pointed out that an organization must be capable of continuous improvement along dimensions that are critical to the strategy if it is to sustain competitive advantage.

Gupta (1984) offered a conceptual examination of the relationship between strategy and characteristics of managers. Roth (1995) empirically examined the issue of such fit by looking at the influence of the level of a firm’s international interdependence on the pattern of CEO characteristics ideal for enabling the CEO to contribute to firm performance. He found that certain CEO characteristics such as a specialization in marketing management hindered performance in one type of international context but helped performance in another type of context.

The same should apply to relationship management. Not all strategies require building the same types of relationships with publics and certainly not all types of relationships are equally important to a given organization at a certain time. Among all publics and a variety of relationship cultivation strategies, an organization needs to set priorities and make choices. Therefore, I suggest:

² Thanks to Dr. Anil Gupta’s comments.

Guiding hypothesis 3: The need of fit requires the building of different relationships with publics, which should correspond to different strategies.

RQ 2: How, if at all, does relationship development contribute to the implementation of different strategies in case organizations?

Exploring More Relationship Cultivation Strategies – Linking the RBV

Reconceptualized as a unique resource in an organization, relationship development can be examined from a new perspective. Additional cultivation strategies also can be explored. An important one is the barriers to dissolution.

Concept of Barriers to Dissolution

Barriers to dissolution or exit are central in a relationship (Attridge, 1994; Rusbult, Drigotas, & Verette, 1994) and can be applied to the organization-public relationships when an organization aims to develop long-term relationships with publics. In developing an earlier interdependence theory for explaining romantic relationships, Kelley and Thibaut (1978) focused on the understanding of the structure of interdependence between partners and explained the relationship experiences in terms of rewards and costs. Specifically, rewards refer to “whatever gives pleasure and gratification to the person” and costs refer to “factors that inhibit or deter the performance of any behavior or segment of behavior – factors such as physical or mental effort or pain, embarrassment or anxiety, and the arousal of conflicting forces or competing responses tendencies of any sort” (p. 8). In addition to these two factors, the interdependence theory also assumed that an individual will compare the outcome in a current relationship with his or her expectations of relationships in general.

However, Rusbult et al. (1994) pointed out the inadequacy of using such assumptions to explain why some relationships persist. They argued that if decisions to remain in a relationship were determined solely by a comparison of the satisfaction from a current relationship to that from alternative relationships, then few relationships would endure. In reality, some relationships survive even when an attractive alternative is available and even when parties feel the satisfaction level is below their expectation.

Therefore, these scholars added another factor, investment size, to relationship development. They defined investments in a relationship as “the resources that become attached to a relationship and would decline in value or be lost if the relationship were to end” (Rusbult et al., 1994, p. 119). Such investment can be direct, such as the time spent together, self-disclosure, and their binding of identities to the relationship. The investment can also be indirect, when originally extraneous resources such as shared material possessions become attached to a relationship.

Along that line, Attridge (1994) suggested the concept of barriers to ending a relationship and argued that the presence of two types of barriers is correlated with greater relationship satisfaction and commitment and greater relationship stability. These barrier forces have been present in four different models of relationships (M. Johnson, 1982; Levinger, 1976; Lund, 1985; Rusbult, 1983), although from different perspectives.

Relevance to Organization-Public Relationships

Although the models were developed for the maintenance of romantic relationships, many arguments can be applied to organization-public relationships. For example, barrier forces may be more strongly related to relationships commitment than are the rewards from those relationships (Lund, 1985). In addition, organizations may use two kinds of barriers

(Attridge, 1994) to cultivate relationships with their publics: internal psychological barriers and external structural barriers. The *internal psychological barriers* could include personal commitment, obligation, and irretrievable personal investments; whereas the *external structural barriers* include legal costs, financial considerations, and social network pressures. The parties within the relationship should try to strengthen existing barriers or create additional barriers, as Attridge suggested. For example, organizations can use contracts or stock options (which applies to employee publics) or other means to strengthen such barriers.

This additional cultivation strategy makes sense because it fits well with the reconceptualized framework of regarding relationships as a unique and inimitable resource. One criterion for a resource to become the basis of competitive advantage is inimitability, which means that competitors cannot easily duplicate such resources. As discussed in previous sections, inimitability is possible because of several reasons, two of which are directly related to the barriers to dissolution: 1) the ability to obtain such a resource is dependent upon unique historical conditions, and 2) the resource is immobile because of the transaction costs involved. First, if different parties feel that their relationship is built for particular reasons, and each has made considerable investment in the relationship, it is likely that each party would try to maintain the relationship.

Second, barriers to dissolution also create immobility because of the transaction cost. According to Williamson (1979), the nature of a transaction involves three aspects: uncertainty in the transaction, the frequency with which transactions recur, and the degree to which durable transaction-specific investments are incurred. Transaction costs become higher when the transaction contains higher uncertainty, when the transactions need to

occur more frequently, and when investments are more transaction-specific and less transferable.

Of these three factors influencing transaction costs, two are related to barriers. One is the frequency with which transactions recur, and the other is the degree to which durable transaction-specific investments are incurred. As Rusbult et al. (1994) pointed out, investments in a relationship are “the resources that become attached to a relationship and would decline in value or be lost if the relationship were to end” (p. 119). As a result, it is logical to assume that with more frequent encounters between parties in a relationship and more investments that are specific to the current relationship (nontransferable to other relationships), the barriers to end the current relationship become greater. Therefore, by developing more barriers to dissolution, both parties would want to stay in this relationship and the tendency to look for alternatives is lowered.

Value of Public Relations in Strategy Implementation

Strategic Management and Strategy Implementation

Hofer and Schendel (1978) defined strategy as “the match an organization makes between its internal resources and skills and the opportunities and risks created by its external environment” (p. 12). Buchholz, Evans, and Wagley (1989) provided another basic definition of strategic management that includes “the set of managerial decisions and actions that determines the long-run performance of the corporation” (p. 38). Strategic management, according to them, involves several stages such as strategy formulation, strategy implementation, and evaluation and control.

The focus of this study is on strategy implementation, which refers to “the process by which strategies and policies are put into action through the development of programs,

budgets, and procedures” (Wheelen & Hunger, 2002, p. 192). The importance of strategy implementation cannot be ignored because most of the time and effort of most managers is spent on strategy implementation (McCarthy, Minichiello, & Curran, 1983, p. 362). Also, poor implementation is the cause of many strategic failures. For example, half of all acquisitions failed to achieve what was expected of them (Wheelen & Hunger, 2002).

Strategy implementation also can be difficult. Miller and Dess (1996) discussed one important reason for this, the effect of the “organizational immune system” (p. 329). Research has shown that all organizations are affected by inertia because people are usually committed to the status quo even though a change may produce a better result.

The process of strategy implementation contains different parts. A review of writings on strategy implementation yielded two broad aspects, although different authors used different terms. Hussey (1996), for example, identified “soft” and “hard” aspects of strategy implementation or the behavioral and analytical dimensions. The *analytical* dimension includes the following: information, analysis, evaluation, action and project plans, monitoring, and controlling. The *behavioral* dimension involves perception of information, creative thinking, structure and culture fit, power and influence fit, communication commitment, and encouragement and support (p. 4). He said these two dimensions should fit together so that strategy could be implemented.

Bowman and Asch (1987) recognized similar dimensions and called them objective and subjective conditions. According to them, the *objective conditions* refer to the organization’s environment and the use of its resources. The *subjective conditions* refer to the more complicated social, psychological and political factors in an organization, such as organizational cultures, power relationships, values and beliefs, and trust or hostility.

Bowman and Asch (1987) recognized that objective conditions are easier to analyze systematically than are the subjective conditions.

Although acknowledging the importance of structure in implementing a strategy, Galbraith and Nathanson (1978) argued for considering other design variables too. Specifically, they identified five major organizational design variables that link strategy to organizational performance: structure, people, task, reward system, and information and decision processes. They also stressed that each of these variables should be internally consistent as well as be consistent with the strategy.

Summarizing the above discussion, I argue that relationships as a resource can be most effective in dealing with the soft, behavioral, or subjective dimension in strategy. Specifically, it can help gain commitment, support, and trust. Freeman (1984) provided a starting point of how public relations can address these issues.

Freeman (1984) mentioned three issues in implementing strategy using a stakeholder approach: allocating resources, gaining commitment, and changing the transactional process. In allocating resources, he argued for keeping the budgeting process consistent with the strategic processes. In other words, resources must be allocated to deal with a certain group of stakeholders if this group is essential to the success of the organization. On the other hand, the criteria for judging the importance of stakeholders vary by organizations. Usually, the adoption of different strategies will influence the allocation of resources. This influence suggests further that the adoption of different strategies will influence the development of different relationships with publics.

Freeman (1984) identified three concepts in gaining commitment: participation, incentives, and shared values. All of them are attainable through relationship building.

Participation is important in strategy implementation because the more stakeholders participate in the creation of strategic programs, the more commitment they have to implement these programs. Applied to public relations, practitioners must be able to participate in the strategic formulation by introducing the opinions of different publics. *Incentives* are also important in gaining commitment. Reward systems, including both monetary rewards and nonmonetary ones such as promotion and job choices, will motivate organizational members. To obtain *shared values*, firms need to ensure that the behaviors each new strategic program requires are not against the accepted behaviors in the organization.

Freeman's (1984) discussion about changing the transactional process involved both one-way approaches such as to ignore, the PR approach which he meant "telling the organization's story," image building, and opinion leader communication; and two-way approaches such as implicit and explicit negotiation. He did, however, suggest that the key to successful transactions with stakeholders is to think in terms of "win-win" solutions. This process is where public relations in the real sense can come into play and help to build trust and commitment.

Resources and Strategic Management

After explaining strategy implementation, I now discuss the importance of resources in the strategic process. Among all the decisions that strategic managers have to make, Hofer and Schendel (1978) identified four major components to an organization's strategy: 1) scope, also called domain, which refers to how much the organization interacts or plans to interact with the environment; 2) resource deployments, also called distinctive competences, which refer to the level and patterns of resource or skill exploitation that help

achieve organizational goals; 3) competitive advantage, which refers to an organization's unique position relative to its competitors as a result of the previous two levels of decision-making; and 4) synergy, which is related to the joint effects from resource deployments and scope decisions.

Although Hofer and Schendel (1978) acknowledged that some scholars did not even consider resource deployments or distinctive competencies to be a strategy component, these two components are clearly evident in their framework. They emphasized these factors because no goal could be achieved unless some skills and resources were created and used in a unique way that other competitors could not duplicate. To some extent, they even regarded resource deployments and distinctive competencies as more important than decisions about scope, because business scope could be limited by weak resources or poor positioning of these resources.

The importance of resources or competencies is even more apparent in considering different levels of strategy. Three major levels of organizational strategy include corporate, business, and functional area, and all levels need to consider the use of resources (Hofer & Schendel, 1978). The *corporate level*, which concerns what set of businesses an organization should be in, involves the consideration of scope and resource deployments among businesses. The *business level* deals with how to compete in a particular industry or product/market segment. Here distinctive competencies and competitive advantage are again the most important components to consider. The *functional area level* is focused on the maximization of resource productivity, where the importance of resource deployments is self-evident.

All three levels need to be coordinated. According to Buchholz et al. (1989), an organization with a three-level strategy is more likely to achieve strategy success and organizational effectiveness. Freeman (1984) also argued that true strategic management capability was influenced by the organization's ability to put all three levels of strategy together (p. 53).

Drejer (2002) further discussed the close link between resources and strategic management, although he used the term of core competencies. Based on the work of scholars such as Prahalad (1993) and Prahalad and Hamel (1990), Drejer's (2002) framework of competencies strategy is closely related to the resource-based view. In his opinion, strategic management functions to link between an organization's environment forces and its internal set of competencies and to achieve a balance. This internal set of competencies may include systems of people, technology, organizational structure, and culture, which work together to create value for the customers and other stakeholders. He further classified core competencies along three dimensions: public domain or firm specific; human or technological; product, process, or administrative.

Put in this analytical framework, relationships with different publics should be regarded as firm-specific, involving human aspects, and related to process. In other words, organization-public relationships are not easily transferable in the open market. They require subtle interaction among groups of people. Although such relationships do not contribute directly to the development of products, they do contribute to how organizations handle the operation process. As Drejer (2002) identified, firm-specific competencies should be the main sources of competitive advantage.

Characteristics of core competencies include degree of specificity, complexity, effect on external productivity, effect on internal productivity, and mode of access (Drejer, 2002). Applying these to relationships, all relationships with publics of an organization will be highly difficult to analyze and describe. They are also complex and difficult to manage. Relationships with publics such as customers and employees can have a positive effect on both internal and external productivity. Finally, relationships can rarely be accessed through purchase, but must be accumulated over a long time.

According to Drejer (2002), much of the previous work says little about how to derive competitive advantage from the organization viewed as a bundle of resources. Given such criteria as firm specificity, inimitability, and intangibility, most work has focused on providing post hoc explanations but not much on how to develop these resources or competencies to gain competitive advantages. This study, therefore, aims to explore how to develop key resources such as relationships.

Strategic Management and Public Relations

The Excellence study in public relations (Dozier with L. Grunig, & J. Grunig, 1995; J. Grunig, 1992; and L. Grunig, J. Grunig, & Dozier, 2002) stated that to function in an excellent manner, public relations must be a part of organization's strategic management and the public relations programs themselves must also be managed strategically. Both strategy formulation and implementation are important parts of strategic management, and public relations can contribute to strategic management in both stages.

In strategy formulation, public relations can provide valuable assistance in environmental analysis. In particular, public relations can consider the goals of strategic publics to an organization and reconcile them with the organizational goals.

Scholars have conceptualized and researched the value of public relations in strategy formulation. For example, J. Grunig and L. Grunig (2000) pointed out that public relations should play an important role in linking strategic management and the environment. They argued that among the different levels of strategic management, corporate or organizational, business, functional (Pearce & Robinson, 1982), and institutional (Bowman, 1990), public relations is often relegated to the functional level. However, J. Grunig and Repper (1992) argued that the void in strategic management as to who should monitor the environment and how it should be done can be filled by public relations practitioners.

J. Grunig and Repper (1992) further suggested a three-stage model for strategic management of public relations: stakeholder, publics, and issues. In the *stakeholder stage*, public relations practitioners need to identify those stakeholders whose behaviors will influence the organization and who will be influenced by the organizational behaviors. They should make a list of stakeholders according to their relative importance and develop programs to communicate with the most important ones until they run out of resources. In the *public stage*, practitioners need to use the situational theory of publics to identify which publics are most likely to become active and design programs to deal with them. This can help increase the possibility of achieving communication goals with the strategic publics. In the *issues stage*, publics arise and force issues that they believe need to be resolved in their interest. In this stage, practitioners should segment publics, use mass media and interpersonal communication, and engage in negotiation. J. Grunig and Repper (1992) equated issues management with strategic public relations because if practitioners have

managed the first two stages of strategic management, then they would have reduced the likelihood that active publics will create issues.

A refined model in L. Grunig et al. (2002) showed that management decision implementation needed to involve interaction with publics because such a decision either had consequences on the publics or needed a supportive relationship with them. Wise (2002) did a study linking strategic management and public relations. He explored the process of increasing congruity between an organization's goals and the expectations of its strategic publics through symmetrical communication.

To summarize, the value of public relations in strategy formulation by doing environmental analysis is at least recognized in the literature. However, little research has explored how public relations can contribute to strategy implementation. This study argues that by building needed relationships with different publics corresponding to different strategies, public relations will develop a competitive advantage for and be valuable to an organization.

This argument is especially relevant in the global context. As Ovaitt (1988) pointed out, the ultimate justification for global public relations programs lies in a thoughtful match with the client's business plan. In other words, the global strategies for public relations will work only when they fit neatly with the business strategy. However, public relations research has not explored this area in depth.

In addition, although "situation" and consequences are key factors in the understanding of publics, many studies lump different publics together and some even use groups of people with no direct relationships with an organization. Therefore, it is useful to focus on the mutual consequences between organizations and their publics and to explore

how that affects the cultivation of relationships. For these reasons, I introduce the impact of globalization strategy on public relations in the next section.

Globalization Strategy

Background for Globalization

Globalization has gradually become a necessity for firms. According to Tayeb (2000), foreign direct investment as well as globalization has been on the increase in recent decades, building on a trend of wide and deep multinationalization that particularly characterized the twentieth century (p. 79).

Ghoshal and Bartlett (1990) summarized the characteristics of multinational corporations. Because these corporations are physically dispersed in different environments where the economic, social, and cultural conditions are different, they have to be internally differentiated also to respond to both environmental and organizational differences. The internal linkages and coordination mechanisms in these organizations also need to represent and respond to different kinds and extents of dependency and interdependency between units. This process may involve many difficulties.

Problems in Going Global and Relationship Building

In the globalization process, many problems can arise. Among these problems, relationship building can help address the problem of liability of foreignness and managing risk. The liability of foreignness is a problem facing globalizing corporations (Zaheer, 1995) and has four sources: 1) costs directly associated with spatial distance, 2) firm-specific costs based on unfamiliarity with a local environment, 3) costs from the host country environment, and 4) costs from the home country environment. Relationship

building with different publics such as the local community and government can help reduce the costs from the second and third sources.

In addition, Ghoshal (1987) discussed three major goals of multinational corporations: efficiency, managing risk, and building learning capabilities. Among these goals, risk is most directly related to the thesis that relationships can be a valuable resource and thus is my major focus. In his discussion of managing risk as one strategic objective for multinational organizations, Ghoshal (1987) identified four types of risks: macroeconomic, policy, competitive, and resource risks. Among the four, public relations can help reduce two types of risks: policy and resource risks.

According to Ghoshal (1987), policy risks are related to the policy actions of national governments. In managing government relations, public relations can help promote favorable policies in the national government. Resource risks, according to Ghoshal (1987), arise when the adopted strategy requires resources that “the firm does not have, cannot acquire, or cannot spare” (p. 430). Public relations can build relationships with different publics, thereby helping the organization gain different types of resources, such as skilled and loyal employees or supportive communities.

Emphasis on Employee-Organization Relationships

Among all the strategic publics for a multinational organization, the local employees are an especially important group. In discussing problems facing multinational entities, Maddox (1993) expressed concern about multiple regulatory areas governing products, language, employees, taxation, and so forth. These would affect employee relations, promotional materials, translations, claims, and other public relations activities.

In addition, the problem related to multicultural employee forces with different perceptions about work-related issues would create additional problems in internal communication.

Although employees constitute a major problem for multinationals, Hung (2002) found that many participants in her study completely ignored employees as one type of public in their organizations. This ignorance should be a big concern and this dissertation will focus on employees as a type of public.

Although the linkages between resources and general relationships have been established earlier in the conceptualization chapter, a link between the four dimensions of resources and employee-organization relationships in particular is needed. First of all, companies do fight for certain key employees. Second, it is true that companies do not always need to have the same group of employees. However, this dissertation argues that it is the quality of relationships with all employees rather than the individual employees themselves that are valuable as resources for organizations. Organizations with good overall relationships with employees have a competitive advantage over those with poor overall relationships.

Relating to the four major features of resources, overall employee-organization relationships can be valuable because they bring about committed employees. Such relationships can be rare because given the high turnover rate, not all companies possess stable employee teams. They can be difficult to substitute by other tangible resources such as advanced machinery. They also can be difficult to imitate, at least not in the short term, because the cultivation of a quality employee-organization relationships takes a long time and involves many complexities hidden in specific circumstances.

Admittedly, in any organizations, different departments would have relationships with employees. The human resources department is one such major department. The role of public relations within an organization needs to be delimited. Basically, public relations practitioners would only be in charge of the ongoing relationships with ordinary employees by managing communication with them. Public relations practitioners are not directly involved with training, assessment, reward, or promotion, but are obligated to counsel the human resources department regarding the appropriateness of these practices and their possible consequences on employees.

Exploring how relationships can serve as a unique resource in a globalized organization requires consideration of two aspects: the general globalization strategies and the specific entry strategies. First, an organization needs to decide on how to compete in the global market. Second, an organization needs to decide how to enter a foreign country. These are the focuses of the following sections.

General Globalization Strategy

Harzing (2002) defined globalization strategy as “the way in which the organization positions itself with regard to the global business environment and creates and sustains competitive advantage across national boundaries” (p. 212). Companies choose to compete in the global environment using various strategies. Different perspectives on such strategy exist.

Dimensions of Globalization Strategy

A firm can choose different strategies for competing in the global environment. The factors to consider include coordination and configuration (Porter, 1994). Configuration, according to Porter (1994), refers to “where the activities in a firm’s value chain are

located” (p. 112). Coordination is, on the other hand, “the nature and extent to which the conduct of dispersed activities is coordinated versus allowing activities the autonomy to tailor their approach to local circumstances” (p. 112).

Configuration and coordination of activities are critical issues for a global strategy (Collis, 1991). Global firms’ choice in these two areas can create competitive advantages in different ways than domestic companies. In terms of *configuration*, firms can gain competitive advantages by using comparative advantages across locations. In addition, firms can choose how many locations should be used to perform an activity. By concentrating an activity, they gain economies of scale and better coordination across locations. On the other hand, by dispersing activities, they can minimize transportation and storage costs, reduce the risks of a single activity site, tailor the activity to local needs, facilitate learning, and respond to local government pressure or incentives.

The methods firms use for coordination can determine their ability to benefit from a particular configuration (Collis, 1991). *Coordination* involves setting of standards, exchange of information, and the allocation of responsibility among sites. If the level of coordination is high, the potential competitive advantage might include the ability to respond to shifting comparative advantage, to share learning, and to reinforce brand image. However, if the level of coordination is low, or the autonomy is high, then the local needs and conditions vary and there are few economies of scale.

Different Perspectives on Globalization Strategy

Global vs. multidomestic. Along the two dimensions of configuration and coordination discussed earlier, different firms may choose to fall in different places in the spectrum of global versus multi-domestic. Porter (1994) suggested that the nature of

international competition in industries be arrayed along such a spectrum. At one end are *multidomestic* industries, where “the industry is present in many countries but competition takes place on a country-by-country basis with little or no linkage among them”; at the other end are *global* industries, where competition in different countries is connected because “a firm’s position in one country is affected by its position elsewhere” (p. 109). He further pointed out that in multidomestic industries, the global strategy should be a series of distinct domestic strategies; but in global industries, firms should create integrated strategies involving all countries at the same time.

Porter (1994) argued that in multidomestic industries, structure favors a highly dispersed configuration. According to Hout, Porter and Rudden (1982), the multidomestic approach basically uses the strategy of national differentiation. Ghoshal (1987) summarized it to be that “a firm can augment the exchange value of its output by tailoring its offerings to fit the unique requirements in each national market” (p. 433). To sum up, a multidomestic strategy emphasizes dispersion and competitive advantage arising out of national differentiation whereas a global strategy requires more interdependence and integration of activities.

International, multinational, global, and transnational. Other literature shows different ways of conceptualizing globalization strategy. Bartlett and Ghoshal (2002) pointed out the differences between four types of globalized companies: global, multinational, international, and a more ideal type, transnational. They argued that the first three types correspond with different strategic demands for a world-wide corporation.

Multinational companies generally have a strategy and corresponding organizational capability that allows them to be “very sensitive and responsive to

differences in national environments around the world” (Bartlett & Ghoshal, p. 16). To some extent, these corporations are just managing a portfolio of multiple national entities.

Global companies, on the other hand, are those that “have developed international operations that are much more driven by the need for global efficiency, and much more centralized in their strategic and operational decisions” (p. 16). These companies essentially treat the world market as an integrated whole. Products and strategies are developed to exploit such an integrated unitary world market.

The third type, the *international* company, relies on a strategy that is “based primarily on transferring and adapting the parent company’s knowledge or expertise to foreign markets” (p. 17). Compared to the other types of strategies, the parent company retains considerable influence and control, but less than in a global company; national units under this strategy can adapt products and ideas from the center, but they have less independence and autonomy than multinational subsidiaries.

Bartlett and Ghoshal (2002) suggested their new normative model for globalized companies: the *transnational* solution. This refers to those companies that can achieve three objectives simultaneously. In other words, they can develop global competitiveness, multinational flexibility, and worldwide learning capability at the same time.

Factors Influencing the Choice of Globalization Strategy

Typology of four. Organizations choose an international strategy based on many factors. In Bartlett and Ghoshal’s (2002) typology of four, the first three strategies correspond to different challenges. *Global* firms are mainly responding to the force for global integration, which requires the need for *efficiency*. This applies especially to the consumer electronics industry. Bartlett and Ghoshal (2002) pointed out that major

technological innovations have allowed companies to develop and manufacture products on a global basis. In this process, these companies can take advantage of the convergence of consumer preferences and needs worldwide.

On the other hand, *multinational* firms are mainly responding to the force for local differentiation. It requires the need for *national responsiveness*, which applies particularly to the branded packaged products industry. This and other industries face a growing group of consumers that resists homogenized products and wants to reassert their traditional preferences.

International firms are responding to the third force for worldwide innovation that requires the need for *learning*. The telecommunications switching industry, for instance, involves the need to develop and diffuse worldwide innovations.

Typology of two. Harzing (2002) suggested two theoretical perspectives that influence the choice between different globalization strategies. One of the perspective consists of the different firm-specific advantages. Rugman and Verbeke (1992) applied the ownership-location-internalization theory of international production to international strategy. Ownership advantages or firm-specific advantages (FSAs) include two sources: the location-bound FSAs that cannot be transferred easily, and the nonlocation-bound FSAs that can be used on a global scale. Location advantages also come from two sources: those arising from the home country and those from a host country. The above suggests then that *global* companies tend to focus on the exploitation of non-location bound, home-based advantages, whereas *multidomestic* companies tend to exploit the location bound advantages using host country specific advantages.

Using Integration-Responsiveness Framework

The above different typologies emphasize the same two dimensions, the focus on global integration and the focus on local responsiveness. For example, Bartlett and Ghoshal (2002) pointed out that *multinational* companies need to emphasize building strong local presence through sensitivity and responsiveness to national differences. *Global* companies need to pay attention to building cost advantages through centralized global operations.

Roth and Morrison (1990) conducted an empirical analysis of this integration-responsive framework. Their study provided guidance in determining the globalization strategies of case organizations.

The integration-responsive framework, advocated by Doz (1980) and Prahalad and Doz (1987), conceptualized the essence of international strategies as the management of two imperatives: pressures for local responsiveness and pressures for global integration. This framework is based on managerial perceptions of the environment along these two imperatives. Pressures for *global integration* refer to the forces that require worldwide business resource deployments in order to pursue strategic goals. The purpose of strategic decisions is to achieve greater integration of activities across national boundaries. On the other hand, pressures for *local responsiveness* are forces that require strategic decisions that are sensitive to local demands from either the government or market. As a result, managers need to respond to the local condition without considering other business units.

Following the two dimensions, three subgroups of organizations could be derived. According to Prahalad and Doz (1987), the companies perceiving predominantly domestic pressures would follow “locally responsive” strategies. Those perceiving predominantly global integration pressures would follow “global integration” strategies. Those who need

to respond simultaneously to both local responsiveness and global integration pressures would follow “multifocal” business strategies.

Bartlett (1985) and Roth and Morrison (1990) argued that the integration-responsiveness framework could be used at different levels, including the aggregate level of industries, the level of individual companies, or even at a functional or task level within a company. I took these into consideration.

First, globalization strategies can be industry-specific. Some general categorizations can be made based on industries. For example, retailing, fast food, and service industries tend to be low in global integration and have high needs for local responsiveness. Most functions in their value chains are tailored. The telecommunications (esp. mobile telecommunications) industry tends to be high in global integration and have low needs for local responsiveness. The auto industry tends to be in the middle. Its research and development are focused and high in global integration but they may also have high needs for local responsiveness.

Second, globalization strategies can also be function-specific. Only focusing on the manufacturing and marketing/sales functions of different organizations might also assist classification. For example, a purely manufacturing industry tends to fall under the category of high integration. An industry with both manufacturing and marketing functions tends to be high in both global integration and local responsiveness. And a purely marketing/sales industry tends to be high in local responsiveness.

Different Organizational Characteristics

Corresponding to different strategies, the organizational characteristics of different companies also differ. The different typologies involve different dimensions.

Multidomestic vs. global. Yip (1989) and Johansson and Yip (1994) argued that globalization strategy is multidimensional. They provided five strategic dimensions to operationalize the multidomestic and the global ends of the continuum.

Their five dimensions include market participation, product offering, location of value-adding activities, marketing approach, and competitive moves. Regarding market participation, for companies oriented toward a multidomestic strategy, their market participation in different countries did not display any particular pattern, based only on the pursuit of local advantage. However, those oriented toward a global strategy usually have a significant share in major markets and select different countries to enter for their potential contribution to globalization benefits. In terms of product offering, companies oriented toward a multidomestic strategy offer different products fully customized in each country whereas those oriented toward a global strategy usually offer the same, standardized core products across the world. For location of value-adding activities, companies oriented toward a multidomestic strategy will establish all activities in each country whereas those oriented toward a global strategy usually emphasize the strategic placement of the value chain; they are more concentrated, breaking up the value chain and conducting each activity in a different country. With regard to marketing approach, companies oriented toward a multidomestic strategy use localized, different marketing strategies in different countries whereas those oriented toward a global strategy usually offer the same, uniform marketing approach across the world. Finally, when it comes to competitive moves, companies oriented toward a multidomestic strategy make strategic moves all by themselves in different countries whereas those oriented toward a global strategy integrate individual moves for the benefits of the whole company.

International, multinational, global, and transnational. Bartlett and Ghoshal (2002) proposed three dimensions for their typology: configuration of assets and capabilities, role of overseas operations, and development and diffusion of knowledge.

For *multinational* companies, the configuration of assets and capabilities usually is decentralized and self-sufficient within each nation; the role for their overseas operations is limited to sensing and exploiting local opportunities; and knowledge is developed and retained within each unit. For *global* companies, the configuration of assets and capabilities is centralized and globally scaled; the role of overseas operations is to implement parent company strategies; and their knowledge is often developed and retained at the center. Different from these two, *international* companies configure their assets and capabilities in a way that sources of core competencies are centralized, but others are decentralized; their overseas operations are used to adapt to the parent company competencies; and their knowledge is developed at the center and transferred to overseas units. For *transnational* companies, the configuration of assets and capabilities is dispersed, interdependent, and specialized; the role of overseas operations reflects differentiated contributions by national units to integrated worldwide operations; and their knowledge is developed jointly and shared worldwide.

Integration-Responsiveness framework. Roth and Morrison's (1990) cluster analysis revealed three subgroups of businesses and provided a summary of the main characteristics of each. Those organizations high in global integration and low in local responsiveness are classified into the group of *global integration*. They have the following features: intense competition domestically and internationally, predominance of global competitors and competitors having a presence in all key markets, standardized customer

needs worldwide and global awareness for their products, ability to market a highly standardized product worldwide, high degree of standardization and considerable volume potential associated with operating worldwide, and economies of scale.

Those organizations that are low in global integration and high in local responsiveness are classified into the group of *local responsiveness*. They contain the following characteristics: not confronting the pressures for worldwide standardization of product technology, global distribution channels, global economies of scale, and standardized customer needs; generally intense competition; high level of customer service required in all markets; and the existence of variable factor costs across locations.

Those organizations that are high in both global integration and local responsiveness are classified into the group of *multifocal*. Their characteristics include the following: intense competition accompanied by the presence of global competitors (which is similar to global integration), competitors do not market a globally standardized product and little standardization of product technology exists, no standardized customer needs or customer awareness, lack of market and product standardization, government intervention and local customer service in each market are essential.

The above conceptualization clarifies the distinction between different types of strategies. It is now useful and possible to link strategy with relationship management. The previous discussion on relationship building yields three important aspects: adopting different strategies for cultivating the relationship, emphasizing different dimensions of relationships, and developing different types of relationships. For the purpose of this dissertation, I focus on one group of publics that is essential to multinational organizations: local employee publics. Little research has examined the relationship between relationship

management and strategy, so I only suggest some preliminary guiding hypotheses based on the above conceptualization. Not all aspects of relationship management are used, only those with special relevance to globalization strategy. Guiding hypotheses based on the above literature include:

Guiding hypothesis 4: Firms oriented toward high global integration should be more likely to pay attention to relationship cultivation strategies of access and openness with employees than do firms oriented toward low global integration.

As shown from the literature, firms with more global orientation usually have more interdependence among subsidiaries and need more integration of activities. Therefore, local employee publics need to have better access to the decision-making in parent companies, who also should be more open about the operations. That can help to get better cooperation from local employees.

Guiding hypothesis 5: Firms oriented toward a high need for local responsiveness should be more likely to pay attention to relationship cultivation strategies of networking and sharing of tasks with employees than do firms oriented toward a low need for local responsiveness.

Literature suggests that these firms have relatively autonomous subsidiaries that try to gain advantage by using national differentiation. They need to satisfy the unique requirements in the local environment and need to exploit strong links with local stakeholders. Thus they should be more closely related to the local environment and be more responsive to the pressure and expectations of local employees. Hence, there is a stronger need to develop network and engage in sharing of tasks with local employee publics. Following guiding hypotheses 4 and 5, I propose another research question:

RQ 3: How, if at all, does the globalization strategy influence relationship cultivation strategies with employees in case organizations?

The above conceptualization also suggests that:

Guiding hypothesis 6: Firms oriented toward high global integration should be likely to develop exploitive relationships with employees because of the tendency to use local branches as pipelines.

Correspondingly, I have additional research questions:

RQ 4: How, if at all, does the globalization strategy influence the relationship types in case organizations?

RQ 5: How, if at all, does the globalization strategy influence the relationship outcomes in case organizations, such as control mutuality, trust, relational commitment, and relational satisfaction?

Entry Strategies

An important choice after firms decide to go global is about entry strategy, i.e., whether they enter a foreign country through acquisition, joint venture, or greenfield investment. The two major strategies are greenfield investment and acquisition. However, according to Caves and Mehra (1986), both of them can take the form of a joint venture.

According to Li (1995), *acquisition* is the purchase of stock in an amount sufficient to confer control in an company that already exists. A *greenfield investment*, on the other hand, is a start-up investment in new facilities. Barkema and Vermeulen (1998) pointed out that this dimension of foreign direct investment, i.e., whether ventures are set up from scratch or are acquired, is underresearched (Chang, 1995; Melin, 1992).

Many scholars have examined the factors influencing such choice, which are mostly related to cultural distance, multinational experience, country risk, firm size, and GNP of the host country (e.g., Caves & Mehra, 1986; Cho & Padmanabhan, 1995). Others have looked at ownership and control issues implied by various modes of entry (e.g., Hennart & Park, 1993; Hennart & Reddy, 1997). The following discussion will center on the factors influencing the choice of entry strategies and the respective challenges. This discussion provides background information about multinational organizations.

Factors Influencing the Choice of Entry Strategies

An economics perspective dominated the initial propositions about the choices of entry strategies (Caves, 1982). Caves suggested that the choice between acquisition and greenfield entry is related to both expected riskiness and coordination costs. Basically, he argued that entry by *acquisition* gives the company an existing local management and thus is a low-risk strategy for quick entry. Through the purchase of the local firm, the company also buys access to the local environment and useful information and thus reduces uncertainty. For example, the pre-existing relationships with suppliers and customers, as well as the expertise of existing personnel familiar with the local market conditions all become available to the expanding firm. On the other hand, a *greenfield investment* is slower and riskier. Caves predicted that inexperienced MNEs or those diversifying into unfamiliar product lines tend to make acquisitions whereas companies experienced in their base activities tend to start their own businesses.

Barkema and Vermeulen (1998) added that *greenfield investment* usually involves sending expatriates abroad who then hire employees from the local population and build up the business. Firms make this choice often in order to exploit firm-specific advantages that

are difficult to separate from the organizations and that are embedded in their labor force. The literature suggests that firms entering through greenfield investment build everything from scratch and will take a long time to establish themselves. Therefore, these firms need to be patient and willing to sacrifice some short-term benefits for long-term cooperation.

On the other hand, *acquisition* is done when the expanding firm wants to acquire new technological resources. Therefore, firms with strong technological abilities are less likely to choose acquisition. The above literature shows that firms entering through acquisition usually choose to do so in order to acquire existing technology or to utilize the existing local network.

Challenges for Different Entry Strategies

As a general rule, each mode of entry offers specific benefits and risks. According to Chang and Rosenzweig (2001), *acquisition* is the most efficient way to establish a presence in the foreign market, but it may have risks of postacquisition challenges including cross-cultural integration. *Greenfield investment* offers the greatest control over the local affiliate but takes a long time. *Joint ventures* draw on the resources of a local partner and minimize risk but might encounter a partner with divergent interests.

Some scholars have looked at the relationship between strategic choices of foreign entry and performance. In contrast to what Caves (1982) suggested, subsidiaries of greenfield investment are less likely to be divested than those developed through acquisition (Delacroix, 1993; Wilson, 1980). The reasons might be what Barkema and Vermeulen (1998) argued. Strong inertial forces may prevent acquired firms from unlearning the old routines and learning all the new rules, procedures, and organizational strategies from the expanding firms. Moreover, being acquired by a firm with a different

culture (both corporate and national) may cause tensions and hostility, and the acquired firm may be reluctant to implement the required changes. Many studies have shown that cultural differences might increase the probability of failure in acquisitions (Barkema, Bell, & Pennings, 1996; Datta, 1991; Weber, Shenkar, & Raveh, 1996) or the increase in management costs (Hennart & Reddy, 1997).

As shown from the above literature, acquiring an existing local firm usually involves acquiring an existing group of employees with their own routines and culture (Hennart & Reddy, 1997) and conveys an “aura of conquest” (Hambrick & Cannella, 1993). Acquisition might create a sense of hostility among the local employees and might make it difficult to integrate them.

Firms starting with acquisition do this for the control over the assets and knowledge of the local companies. These firms need to make sure that the local employees accept such control and changed power structure in the new local business environment. They also need to work on making sure that the local employees are willing to continue such a relationship with the “foreign intruders”. In this dissertation, entry strategies were used to provide background information for organizations.

I also want to explore the impact of linking organizational strategy with relationship cultivation strategies on the ultimate quality of relationships organizations develop with publics. Based on the conceptualization about fit in resource management, I propose the following.

Guiding hypothesis 7: A fit between relationship development (including cultivation strategies) and the globalization strategies will improve the quality of relationships an organization develops with its employee publics.

Different globalization strategies might bring about different relationship problems. For acquisition, there is a preexisting relationship that may or may not need to be changed. For greenfield, there is no such preexisting relationship.

In addition, different cultures (societal and organizational) can bring about problems. When organizations adopt globalization strategies, they have to enter a new country. This may bring about problems in the development of relationships with local employees. Some of these problems derive from different national cultures, and some may have a lot to do with the existing organizational cultures. This is discussed in the next section.

Culture

In developing the global public relations theory of generic principles and specific variables (J. Grunig, 2004; L. Grunig et al., 1998; Vercic et al., 1996; and Wakefield, 1997), scholars examined the effect of different variables on public relations. These five variables are: culture, political system, economic system, level of development, level of activism, and media system.

The focus of this study is culture. Although culture has played an important role in public relations research (e.g., Sha, 1995, 1997; and Sriramesh, 1992, 1996), not many studies have examined the explicit relationship between culture and how public relations practitioners develop relationships with publics. One exception is Hung's (2002) study, which explored the influence of China's culture on relationship cultivation. However, that study did not examine the interaction between societal and organizational culture, nor did it study the cultural effect on employee relations in particular.

In this section, I discuss the influence of culture on the development of relationships within multinational organizations. This includes both societal culture and organizational culture.

Societal Culture

This dissertation focuses on one country to explore the relationship between societal culture and relationship cultivation under the globalization context. I chose China not only because it is my home country but, more importantly, because China provides a good research scene to explore how multinational organizations engage in the globalization process by extending to another market and how they manage their relationships with local employees. Reasons are as follows.

China is now the world's largest emerging economy and fastest-growing market. In particular, China's open-market reform and rapid economic growth have attracted tremendous investment by multinational companies. The country accounts for about 20 percent of total foreign direct investment (FDI) absorption worldwide, and foreign investors have invested more than \$100 billion in China since economic reform efforts were redoubled in the early 1990s (Luo, 2002). According to Luo (2002), the geographical focus for the foreign investment was the Yangtze River delta (Shanghai, Jiangsu, and Zhejiang provinces) and the Pearl River Delta (Guangdong and Fujian provinces). These regions represent 61 percent of the total value of FDI nationwide. The development of public relations industry in China is also tremendous and the market should reach about \$1.8 billion by 2010, possibly fueled by the 2008 Summer Olympics in Beijing and the 2010 Shanghai World Expo (Chu, 2004).

Having provided an overview of the target of research, I now introduce the concept of culture. Following that I detail the specific cultural influence in China.

Defining Culture

There are many definitions of culture. According to Kroeber and Kluckhohn (1952), culture refers to the patterns of human groups “acquired and transmitted by symbol” (p. 180). The essential core of culture consists of “traditional ideas and especially their attached values” (p. 180). Another scholar exploring culture, Hofstede (2001), defined culture as “the collective programming of the mind that distinguishes the members of one group or category of people from another” (p. 9).

The Societal Culture of China

The societal culture of China can be studied based on the general framework of cultural dimensions as well as the specific cultural characteristics. This dissertation does not aim to do any cross-cultural comparison.

Dimensions of culture. Different scholars have examined different dimensions across cultures. For example, Hall (1976) identified the concept of “high-low context.” Tayeb (1988) identified interpersonal trust, and Kakar and Chowdhry (1970) found deference to authority. N. Adler (2002) provided other dimensions: perception of individuals, of the world, of human relations, of activity, of time, and of space. She also introduced Trompenaars and Hampden-Turner’s (1998) view on rules and relationships. Depending on different perspectives on rules and relationships, two types of cultures exist: universalistic and particularistic. In universalistic societies, laws apply to everyone and must be upheld by everyone at all times; hence the use of extensive and specific contracts. However, in particularistic societies, the nature of relationships determines how someone

will act in a particular situation; hence the use of only loosely written agreements and reliance on the strength of personal relationships to maintain commitment. Sha (1995) also introduced the dimensions from Rotheram and Phinney (1987), which include individual or group orientation, active or passive in its approach to life (doing vs. being), authority and equality, and communication styles (expressive vs. restrained).

However, among all these research efforts, the most widely-used framework to date was developed by Hofstede (2001). It includes five dimensions. Among the five, power distance, uncertainty avoidance, and individualism-collectivism seem to be more directly relevant to cultivation strategies. Therefore, I discuss these three in detail.

Power distance is “the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally” (Hofstede, 2001, p. 98). Gudykunst and Matsumoto (1996) pointed out that when this dimension is reflected in communication in an interpersonal relationship, in a high power distance culture, people do not question the superior’s orders, whereas people in a low power distance culture would want to know why they should follow certain orders. In other words, people in a low power distance culture have a stronger desire to be informed; and the organization’s decisions also need to be justified. Applied to employee relations, organizations have the obligation to disclose more to their employees.

Uncertainty avoidance is “the extent to which the members of a culture feel threatened by uncertain or unknown situations” (Hofstede, 2001, p. 161). Uncertainty avoidance is generally related to people’s tolerance of ambiguity.³ Hofstede thought that

³ Hofstede (2001) identified three ways people use to cope with different types of uncertainty: technology, law or rules, and religion or rituals (pp. 146-147). Technology is used for uncertainties from nature; law or rules are used for dealing with uncertainties in the behavior of other people; and religion or rituals are used for uncertainties we cannot defend ourselves against.

members of a high uncertainty avoidance culture tend to resist changes and have higher levels of intolerance for ambiguity. Gudykunst and Matsumoto (1996) argued that in cultures high in uncertainty avoidance, a strong desire for consensus exists and deviant behavior is not acceptable. It is possible to assume that for this culture, the barriers to ending a relationship may be an especially important factor when people consider maintaining a current relationship.

The third dimension consists of two poles: *individualism and collectivism*. Individualism “stands for a society in which the ties between individuals are loose” whereas with collectivism, “people from birth onwards are integrated into strong, cohesive in-groups” (Hofstede, 2001, p. 225). This dimension states that in an individualistic culture, the individuals’ goals are emphasized more than groups’ goals. On the other hand, in a collectivistic culture, there will be more emphasis on group goals. According to Triandis (1995), ingroups are “groups of individuals about whose welfare a person is concerned, with whom that person is willing to cooperate without demanding equitable returns, and separation from whom leads to anxiety” (p. 9). This definition shows that the welfare of people close to a group is important to maintaining a relationship with this group.

Although China is sometimes automatically considered to be collectivistic, recent research has found otherwise. Many times the results regarding individualism-collectivism from any nation are heterogeneous. For example, Fiske (2002) pointed out that some studies with samples from Hong Kong (a part of China) showed no appreciable differences with samples from North America if the scales excluded certain items. Some studies including certain scales such as the pleasures of belonging to groups show North Americans to be slightly but significantly more collectivistic than Hong Kong samples.

Therefore, instead of assuming China is collectivistic and exploring how this feature influences employee relations, this study examined the perceptions of participants in terms of this dimension.

Chinese culture beyond the cultural dimensions. To explore the relationship between societal culture and relationship cultivation under the globalization context, I also need to consider the specific culture in China. Hung (2002) provided a comprehensive review of the literature on Chinese culture, which goes beyond the more generic cultural dimensions offered by Hofstede (2001).

Hung's (2002) discussion of Chinese culture includes social orientations, such as family orientation and relational orientation. According to scholars such as Yang (1992) and Triandis (1988), Chinese people consider "family" to be the basic unit in the society. The concept of self-OTHER indicates that in such collectivist cultures as China, people focus on a "we" identity and have a clear distinction between the "insider" and the "outsider."

Hung (2002) also used Yang's (1992) framework in discussing the relational orientation of Chinese people. The following aspects will have a particular influence on how organizations handle relationships with their publics: 1) role formalization, which means strict hierarchy in interpersonal relationships; 2) relational interdependence, which means each person defines his or her role by the interaction with other people; 3) relational reciprocity, the balance of the gives and takes in a relationship, which leads to the concepts of Ren Qing (favor) and Mian Zi (face) in regulating people's obligations to return favor and maintain a harmonious relationship where no one loses face; 4) relational harmony; 5) relational fatalism, which is used to explain why some relationships, either good or bad,

exist; and 6) relational determination, meaning that differences in the closeness of a relationship determine the different kinds of relationships.

In addition, the specific term *guanxi* is unique to China's culture. It is similar to the more generic term relationships, but used in Chinese society, it contains much more than relationships. According to Cai (2001), *guanxi* involves the quality of "transitivity," as a result of which "social networks are characterized by long links and strong webs of intertwining relationships" (p. 217). To be more specific, Cai provided the transitive syllogism that states if $A = B$ and $B = C$, then $A = C$. Applied to the relationships, if A has a network of relationships, B included in that network; and B has its own network of relationships with C included; then if A needs something that C can help with, A will have access to C because of the relationship with B. Therefore, such networks all carry responsibility, which goes beyond the generic term of relational networks common to the western world. In fact, such relational responsibility suggests a "social exchange" nature (p. 217). Face and favors are exchanged and are regarded as commodities to some extent.

In addition, the establishment and maintenance of relationships in China are more related to the structure of relationships than the psychological and communication factors (Cai, 2001). In other words, intermediaries who can connect people within the transitive networks seem to be more important than gradually building trust among strangers. To some extent, trust is predetermined and thus immediately assumed if someone is introduced into a network by an intermediary. These unique characteristics of *guanxi* will play an important role in the relationship development in China.

These specific aspects of Chinese culture also need to be examined when exploring the relationship between societal culture and relationship cultivation under the globalization context. I propose the next research question:

RQ 6: How, if at all, does the societal culture of China influence relationship development in case organizations?

Here I need to make a point about the approach taken in this dissertation. Two major approaches to the study of cultures include emic and etic. As Gudykunst and Ting-Toomey (1996) summarized, the emic approach studies culture from the inside, from the perspective of the people that are part of the culture. The etic approach, however, aims at understanding cultures from the outside using predetermined categories.

Therefore, the etic aspects of culture often are examined through dimensions of cultural variability. Ting-Toomey and Chung (1996) defined the cultural variability perspective as “how cultures vary on a continuum in accordance with some basic dimensions or core value characteristics” (p. 238). However, as Gudykunst and Ting-Toomey (1996) acknowledged, although the dimensions of culture are useful in making predictions of cultural similarities and differences, each dimension is manifested in a unique way within each culture. They thus suggested also taking the emic approach to describe the meanings of people in specific cultures. This dissertation aimed to take an emic approach when asking participants questions about culture, but it did not take a purely emic approach when using the theoretical concepts developed in the western literature such as strategy and implementation.

Organizational Culture

Definition of Organizational Culture

According to Sriramesh, Kim, and Takasaki (1999), organizational culture is different from societal culture in that the latter describes the idiosyncracies of a society (or region), whereas the former is similar to the personality of an organization. Although regarded as a useful research construct, organizational culture has been subjected to relatively limited empirical work and theoretical development (Detert, Louis, & Schroeder, 2001).

Different definitions and descriptions of organizational culture exist, but Sriramesh, J. Grunig, and Buffington (1992) found something in common. They defined organizational culture as “the sum total of shared values, symbols, meanings, beliefs, assumptions, and expectations that organize and integrate a group of people who work together” (p. 591).

Sriramesh et al. (1992) also illustrated the relationship between corporate culture and public relations. Two groups of scholars disagree on the manageability of organizational culture. Purists deny that organizational culture can be managed because culture develops by a majority of members, not by the conscious effort of management. However, pragmatists argue that it is possible to manage organizational culture to suit organizational goals. Sriramesh et al. (1992) agreed with purists on the creation of culture but also agreed with pragmatists on changing and molding culture. They thought that presuppositions about public relations will reflect the organization’s internal and external culture. Managers are more likely to change model of public relations when organizational culture is changing.

Types of Organizational Culture

In the Excellence study, L. Grunig, J. Grunig, and Dozier (2002) found two major types of organizational culture, authoritarian and participative. This differentiation was in part based on Ouchi's (1981) notion of Type A and Type J organizations. In *authoritarian* cultures, decision-making is centralized, departmental agendas conflict with each other, employees believe they are given little flexibility to try innovative approaches and that senior managers are interested in them only as workers not as whole people, employees may express fear of their supervisors, and such cultures are generally closed and resistant to external ideas. In organizations with *participative* cultures, the common value is teamwork, i.e., all departments work together to achieve organizational goals. Employees believe management values them as whole people. The organizations are open to ideas both from the external and the internal environment.

Researchers also used alternative frameworks to explore different types of organizational culture. Al-Khalifa and Aspinwall (2001), for example, used the competing values framework (CVF). CVF, applied to issues such as leadership development and organizational change, was extended to examine organizational culture by Quinn and Kimberly (1984).⁴ This framework contains two dimensions: the vertical dimension deals with the degree of control and the horizontal one focuses on internal versus external functioning. According to Quinn (1988), the two ends of the spectrum for the vertical dimension stand for decentralization and differentiation on the one hand and centralization and integration on the other. The two poles for the horizontal dimension stand for maintenance of sociotechnical system and competitiveness of the overall system respectively.

⁴ This was also used by L. Grunig, J. Grunig, and Ehling (1992) in identifying organizational effectiveness.

Daft (2001) discussed other ways to look at organizational culture. His four categories of culture include: *adaptability/entrepreneurial* culture, which has a strategic focus on external environment through flexibility and change to meet customer needs; *mission* culture, which is more concerned with serving customers in the external environment without the need for rapid change and which has an emphasis on a clear vision of organization's purpose and on achievement of goals; *clan* culture, which is focused on the involvement and participation of the organization's members and on rapidly changing expectations from the external environment; and *bureaucratic* culture, which has an internal focus and a consistency orientation for a stable environment.

Robbins (1990) listed the following as key characteristics of organizational culture: individual initiative, risk tolerance, direction, integration, management support, control, identity, reward system, conflict tolerance, and communication patterns. He further classified organizational culture into two types: dominant culture, which refers to those core values that are shared by a majority of the organization's members; and subcultures, which tend to develop in large organizations to reflect common problems, situations, or experiences that members face.

To summarize the above, I have isolated the key dimensions crucial to the understanding of organization culture. They include: internal versus external orientation, amount of control, interpersonal relationship, and orientation toward innovation. These are my focus in exploring organizational culture.

Culture and strategy have a close relationship. Robbins (1990) discussed the relationship between culture and organizational effectiveness. He argued that organizational effectiveness requires that an organization's culture, strategy, environment,

and technology be aligned. Therefore, the stronger the organizational culture, the more important it is that the culture fit properly with these variables. Such a concept of alignment or fit involves two aspects: external fit where culture will be shaped to its strategy and environment, and internal fit where culture is matched to their technology. However, in reality, there may not always be such a fit. This dissertation only focuses on the fit between culture and strategy and discusses how public relations can help cultivate proper relationships with employees so as to achieve that fit. It is difficult to propose even tentatively the specific relations between organizational culture and relationship cultivation, therefore, I suggest the following:

Guiding hypothesis 8: In different kinds of organizations, different organizational cultures will present different problems in relationships and require different cultivation strategies.

RQ 7: How, if at all, does organizational culture influence relationship development in case organizations?

Interaction Between Societal Culture and Organizational Culture

Organizational culture and societal culture may overlap. For example, authoritarian culture is more likely to appear in a country with high power distance. However, the reality is not always simplistic.

Diverse views exist on the relationship between societal culture and organizational culture. For example, Sriramesh and White (1992) argued that organizational culture does not exist apart from societal culture.

N. Adler (2002) pointed out the common perceptions among managers of multinational organizations that organizational culture will moderate or erase the influence

of national culture. She argued that contrary to this belief, research shows that both employees and managers do bring their ethnicity to the workplace. She quoted Laurent's (1983) study, which found more pronounced cultural differences among employees from different cultures working together than among those working for organizations in their native lands. Hofstede (1980) also found that national culture explained a considerable amount (50%) of the differences in employees' attitudes and behaviors. Based on this, I propose the following:

Guiding hypothesis 9: When organizational culture and societal culture interact, societal culture should be more likely to affect the development of relationships, superceding organizational culture.

RQ 8: How, if at all, does the interaction between societal culture and organizational culture influence relationship development in case organizations?

Summary of Research Questions and Guiding Hypotheses

I now provide a list of my major research questions and guiding hypotheses.

Value of Public Relations

Guiding hypothesis 1: The value of public relations to an organization lies in relationship development, because relationships with publics can be regarded as one important intangible resource in the pursuit of competitive advantages.

RQ 1: How, if at all, do case organizations perceive the relationships with their publics as an intangible resource with value, rareness, inimitability, and non-substitutability?

Public Relations and Strategy Implementation

Guiding hypothesis 2: Building relationships contributes to competitive advantage by helping organizations to implement strategy better.

Guiding hypothesis 3: The need of fit requires the building of different relationships with publics, which should correspond to different strategies.

RQ 2: How, if at all, does relationship development contribute to the implementation of different strategies in case organizations?

Relationship Development and Globalization Strategy

Guiding hypothesis 4: Firms oriented toward high global integration should be more likely to pay attention to relationship cultivation strategies of access and openness with employees than do firms oriented toward low global integration.

Guiding hypothesis 5: Firms oriented toward a high need for local responsiveness should be more likely to pay attention to relationship cultivation strategies of networking and sharing of tasks with employees than do firms oriented toward a low need for local responsiveness.

RQ 3: How, if at all, does the globalization strategy influence relationship cultivation strategies with employees in case organizations?

Guiding hypothesis 6: Firms oriented toward high global integration should be likely to develop exploitive relationships with employees because of the tendency to use local branches as pipelines.

RQ 4: How, if at all, does the globalization strategy influence the relationship types in case organizations?

Guiding hypothesis 7: A fit between relationship development (including cultivation strategies) and the globalization strategies will improve the quality of relationships an organization develops with its employee publics.

RQ 5: How, if at all, does the globalization strategy influence the relationship outcomes in case organizations, such as control mutuality, trust, relational commitment, and relational satisfaction?

Relationship Development and Societal Culture

RQ 6: How, if at all, does the societal culture of China influence relationship development in case organizations?

Relationship Development and Organizational Culture

Guiding hypothesis 8: In different kinds of organizations, different organizational cultures will present different problems in relationships and require different cultivation strategies.

RQ 7: How, if at all, does organizational culture influence relationship development in case organizations?

Interaction Between Societal Culture and Organizational Culture

Guiding hypothesis 9: When organizational culture and societal culture interact, societal culture should be more likely to affect the development of relationships, superceding organizational culture.

RQ 8: How, if at all, does the interaction between societal culture and organizational culture influence relationship development in case organizations?

CHAPTER III

OPERATIONALIZATION

This dissertation explores the value of public relations in strategy implementation as demonstrated through cultivation of employee-organization relationships in the context of globalization strategies and cultural influences. For this study, I chose qualitative methodology, more specifically, qualitative interviewing. This chapter discusses the following issues: the choice of method, data collection, data analysis, ethical concerns, the criteria for evaluating this study, and the researcher's position in the research.

Choice of Method

Factors Influencing the Choice of Method

In deciding which methodology to use, the most important factor is the nature of research questions or the problems to be explored. I chose the qualitative research method because my research questions required such a method.

Quantitative and qualitative methodologies tackle different kinds of problems (L. Grunig, 1992). Marshall and Rossman (1999) argued that qualitative methodology is best for research with the following characteristics: research that delves in depth into complexities and processes about little-known phenomena or innovative systems, that looks at informal and unstructured linkages and processes in organizations, and that cannot be done experimentally for practical or ethical reasons. In particular, the strengths of qualitative studies are demonstrated in research that is “exploratory or descriptive and that stresses the importance of context, setting, and the participants' frame of reference” (p. 58).

Miles and Huberman (1994) also identified the strength of qualitative data, which can examine ordinary events in natural settings to give a sense of real life. Such data

possess local groundedness because they are collected close to a specific situation. In addition, qualitative data are rich and holistic and reveal complexity.

A topic is appropriate for qualitative research if it requires in-depth understanding best communicated through detailed examples and rich narratives (Rubin & Rubin, 1995). In addition, Huberman and Miles (1998) considered qualitative studies especially suited to finding causal relationships because they look directly and longitudinally at the local processes in a series of events, showing how these led to specific outcomes and ruling out rival hypotheses.

Appropriateness of Using Qualitative Methodology

I chose qualitative methodology because its strengths could be used to answer my research questions. According to Denzin and Lincoln (1998), qualitative research involves “an interpretive, naturalistic approach to its subject matter” (p. 3). In other words, qualitative researchers study things in their natural settings and try to make sense of, or interpret, phenomena in terms of the meanings people bring to them. Marshall and Rossman (1999) also considered qualitative research as “pragmatic, interpretive, and grounded in the lived experiences of people” (p. 2).

Considering the nature of the research questions in this study and the characteristics of qualitative methodology, qualitative method is the most appropriate. Specifically, this study is exploratory in nature and attempts to examine reality holistically and to understand people’s own frames of reference in their natural settings.

First, the topic for this dissertation was exploratory, aiming to delineate the relationship among a complex series of concepts such as value of public relations, strategy, implementation of strategy, cultural influences, and cultivation of relationships. It is

exploratory also because it supplements existing theory in public relations with insights from other disciplines.

Second, qualitative method reflects the view that reality is holistic and must be examined holistically (Wimmer & Dominick, 1997). Qualitative methodology is aligned with the process of relationship cultivation within globalization strategies and cultural influences. Such a process involves many complexities, which need to be taken into account simultaneously. This study used interviewing as the major method, but it also consulted organizational documents such as internal publication materials and websites.

Finally, this study was conducted in real organizational settings, where different strategies were implemented and employees were interacting. The study occurred in a natural setting and looked at how the actors in such a social field make meaning out of their lives. The researcher had no control of and could not manipulate the conditions in which the study was conducted.

Qualitative Interviewing

Specifically, I used qualitative interviewing. Besides the aforementioned strengths of qualitative method, I chose qualitative interviewing for the following reasons that H. Rubin and I. Rubin (1995) mentioned: 1) Interviews are regarded as conversations and researchers need to hear the meaning of what is being said; 2) Interviews attempt to discover the world of the interviewees, which include learning their symbols and metaphors, different meanings of terms, and their taken-for-granted assumptions; and 3) Interviewees are viewed as conversational partners rather than the object of research.

Similar to Hung's (2002) study, the nature of my research questions also required the combination of different kinds of interviews. Specifically, I combined the features of long interviews, depth interviews, elite interviews, and active interviews.

I interviewed two categories of respondents in organizations. The first one involved public relations managers and other management-level people with an understanding about strategy. And the second category involved general employees. Such difference in participants and the nature of what I would look for in their responses determined the use of different types of interviews.

First, all interviews contained the features of active interviews and long interviews. Holstein and Gubrium (1995) contrasted active interviews with the traditional vessel-of-answers model, in which the respondents are conceived as "passive vessels of answers for experiential questions put to them by interviewers" (p. 13). An active interview is reconceptualized as "an occasion for purposefully animated participants to construct versions of reality interactionally rather than merely purvey data" (p. 14). In other words, the subject behind the respondents becomes a "productive source of knowledge" (p. 15). Correspondingly, the subject behind the interviewer is also seen as "actively engaged in the interactional co-construction of the interview's content" (p. 15). In my study, I did not just look at factual information but also at how the respondents constructed their social reality and made sense of their world.

The long interview is concerned with cultural categories and shared meanings (McCracken, 1988). McCracken suggested other advantages, for example, in providing "the opportunity to step into the mind of another person, to see and experience the world as

they do themselves” in an unobtrusive and efficient way (p. 9). These features were my focuses in most interviews across the two categories of respondents.

The interviews with top managers or public relations managers were elite interviews. An elite interview is “an interview with any interviewee...who in terms of the current purposes of the interviewer is given special, nonstandardized treatment” (Dexter, 1970, p. 5). From these influential, prominent, and well-informed people, I could obtain valuable information and become familiar with structures (Marshall & Rossman, 1999). However, possible disadvantages of this type of interview included difficulty in getting access and the need to adapt the interview structure and to demonstrate the competence of the researcher.

I also used depth interviews, especially with the general employees. J. Johnson (2001) pointed out that in-depth interviewing is concerned with questions of great depth, where the knowledge is often taken for granted and not readily articulated by most members, where the research question involves conflicted emotions, and where different individuals or groups have complicated perspectives on some phenomena. McCracken (1988) suggested, similarly, a focus on individual affective states in this type of interview. Depth interviews were thus useful when asking the general employees how they perceived the relationship cultivation strategies and the quality of relationships, which might be different from that perceived by the management.

Strengths and Weaknesses of Interviewing

Marshall and Rossman (1999) pointed out that the strengths of interviewing include the ability to get large amounts of data quickly and the possibility of immediate follow-up or clarification. However, they also warned against the following limitations: 1)

cooperation is essential, 2) interviewees may be unwilling or unaware of recurring patterns or just not truthful, 3) the researcher needs to have superb listening and interactional skills, and 4) the quality of data may be questioned. Thus they suggested triangulating interview data with data gathered through other methods in studies that make more objectivist assumptions.

I sought to overcome these weaknesses by doing the following. First, I made an effort to establish rapport throughout the interview process. In this way, I could enhance the possibility of my respondents' cooperation and hence obtain honest and in-depth responses. Secondly, in the actual interview process, I demonstrated my listening and interactional skills. I showed the participants my genuine interest in learning their perspectives and did not impose anything upon them. In everyday life, I am generally considered a good listener. In fact, a couple of participants commented positively on my communication skills either after the interviews or in the follow-up emails between us. In addition, I have conducted interviews and served as a discussion facilitator before; thus, I am confident of my ability. Finally, I used one type of triangulation, i.e., data source triangulation. The interview data from both parties (managers and employees) in a relationship helped reduce the one-sided biases.

Data Collection

Sampling

Participating Organizations

In all, I obtained access to 14 case organizations in China. China was chosen as the research setting in this study because it is now the world's largest emerging economy and fastest-growing market. In particular, China's open-market reform and rapid economic

growth have attracted tremendous investment by multinational companies. Public relations is undergoing fast development along with the fast economic development. Currently the total number of public relations practitioners is more than 100 thousand (Nai, 2005). In the year 2000, the total revenue from the public relations industry was almost 1.5 billion RMB (equaling around 200 million U.S. dollars) and the annual growth rate was almost 50% (Chen, 2005).

The selection of organizations was based on nonprobability sampling strategy. This is because in qualitative research, “only rarely are samples of participants created by random procedures” (Locke, Spirduso, & Silverman, 2000, p. 100).

Among the 16 purposeful sampling strategies (Patton, 1990), I chose theory-based and snowball sampling. *Theoretical construct sampling* is the process of selecting samples according to criteria of key constructs. Strauss and Corbin (1998) suggested that theoretical sampling is guided by the evolving theory. In building theory, it is necessary to gather data until each category is saturated. Such categorical saturation occurs when “a) no new or relevant data seem to emerge regarding a category, b) the category is well developed in terms of its properties and dimensions demonstrating variation, and c) the relationships among categories are well established and validated” (p. 212).

For this study, I examined research questions related to globalization strategies, so the theoretical construct of globalization strategies was used in sampling. Specifically, I located multinational organizations (MNCs) that followed different globalization strategies. Admittedly, it was difficult to know precisely the organizations’ strategies before a closer study of them. Therefore, I resorted to rough selection criteria to start with. As specified in the conceptualization chapter, different industries generally are oriented

differently. Therefore, I made sure to include a mix of organizations in different industries, purely sales or marketing in nature, manufacturing, or a combination of both.

The specific procedure was as follows. First, I searched for the contact information of 2004 *Fortune* 500 companies with subsidiaries in China and emailed or made phone calls about my requests for research. I also obtained a comprehensive list of foreign enterprises in China from the Ministry of Commerce, of which the former Ministry of Trade and Economy Cooperation is a part. I then used the contact information in the list to ask for participation. I either emailed or made phone calls soliciting participation (see Appendix C).

However, it was difficult to get access to large organizations without any acquaintance introduction (Hung, 2002). Therefore, I also used my personal connections to locate participants. For example, some of my former classmates and friends work for multinational organizations and helped with recruitment.

I wanted to find out the impact of strategies on the development of relationships with local employees, not with those in the headquarters. Therefore, I chose foreign subsidiaries of multinational organizations in China. I focused my attention on cities along the east coast, because this is the most prosperous region and has the most MNC branches. The organizations I eventually studied were located in cities such as Beijing, Shanghai, Nanjing, Suzhou, and Ma'Anshan (an industrial city close to Nanjing).

In all, this project involved 14 case organizations where I was able to get paired input from both managers and employees: 11 subsidiaries of MNCs, 2 mainland domestic companies, also called state-owned enterprises (SOEs), and 1 Taiwanese company. I included the data from the last three companies for comparison purposes and for gaining

additional understanding of the problems examined. In addition to these 14 organizations where I got comprehensive information, another 9 interviewees from separate organizations provided supplemental information. The detailed information about these companies, including the entry strategies of multinational companies, can be found in Appendix J.

Participating Interviewees

Lindlof and Taylor (2002) defined *snowball sampling* as getting a sample through referrals among people who know other people with some characteristics that are of research interest. Once the organizations were located, I used snowball sampling within the organizations to find my participants.

In each organization, I interviewed two groups of people. The first group was the management and the second group was employees. For the first group, I interviewed public relations managers who also knew about the organization's globalization strategies. Before I conducted interviews, I made sure that the participants could provide answers to my questions. In particular, when screening my participants, the people who fit the requirement might not have the exact title of public relations practitioners, but they could be participants if they essentially did public relations work. In a couple of cases, directors or managers working in human resources were interested in my topic and accepted my interviews. I did not locate an employee relations manager in one organization because it was in an industry that emphasized elite employees and compact size; thus it did not have a separate function of employee relations. However, the mid-level employees were all involved in organizational activities. The number of this group was between 1 and 2 in each organization and the total was 17 for the 14 case organizations.

One valid concern for getting relevant and sufficient information to answer my research questions is that many public relations practitioners might not be familiar with the overall organizational strategy (J. Grunig, personal communication, October 6, 2004). Therefore, if the public relations managers could not provide enough insight into this topic, I also recruited people with knowledge about strategy in the organization as a supplement. In different organizations, these people worked in different departments; and I asked the public relations practitioners to introduce me to them. Sometimes people working in marketing strategy accepted my interviews and sometimes those working at a higher level of strategic planning offered their insight. The number for this group of participants varied from 0 to 2 for each organization and the total number was 10 for the 14 case organizations.⁵

The second group of participants included local employees. They were important in exploring the other side of a relationship and prevented me from getting the one-sided perspectives of managers. These employees included both key organizational members such as research and development personnel and support personnel such as secretaries or office staff. The number of participants in each organization varied from 1 to 6 for different organizations; and the total number was 33 for the 14 case organizations. These participants were located by seeking the assistance of the human resources department in an organization. In all, the total number of participants for the 14 organizations was 60. All but one participant were Chinese. One manager was a Korean and the interview was conducted with the help of an interpreter. The background information of participants is listed in Appendix K.

⁵ One participant was the store manager and provided information on both public relations and strategy. I classified him into the category of public relations manager.

In addition to these comprehensive sources of data, I also interviewed 5 public relations managers, 1 strategy manager, and 3 general employees. These 9 individuals were located from other 9 separate companies to gain supplemental information. In all, 69 individuals participated in this study. Table 1 and 2 provide summary profiles of the participants from case organizations and miscellaneous organizations.

The following consists of brief profiles for the three types of interviewees. For public relations managers, the average age was 39, the majority of them were male (82%), and the average tenure with their current organizations was 7 years. For strategy managers, the average age was 40, the majority of them were male (70%), and the average tenure with their current organizations was 9.8 years. For general employees, the average age was 33, about half of them were female, and the average tenure with their current organizations was 7 years.

Table 1

Participants from Case Organizations

	Number	Age	Gender Ratio	Tenure
Public Relations Managers	17	31-46	F: 3; M: 14	7 months - 20 years
Strategy Managers	10	32-51	F: 3; M: 7	2 - 27 years
Employees	33	26-63	F: 17; M: 16	2 months - 40 years
Total	60	26-63	F: 23; M: 37	2 months - 40 years

Table 2

Participants from Miscellaneous Organizations

	Number	Age	Gender Ratio	Tenure
Public Relations Managers	5	33-38	F: 4; M: 1	7 months - 10 years
Strategy Managers	1	32-51	M	8 years
Employees	3	40	F: 1; M: 2	1.5 – 2 years
Total	9	29-40	F: 5; M: 4	7 months - 10 years

*Interview Process**Interview Protocol Design*

I used open-end questions in the interview protocol. This approach fits the assumption in qualitative interviewing that interviewees can express their ideas using their own frames of reference. I used three sets of protocols for different groups of participants.

The interview protocol for public relations managers contained four sections. The first section consisted of rapport-building questions and questions about participants' background. The second section was about public relations, resources, and strategy implementation. The third section was about relationship cultivation and the influence on globalization strategies. Finally the effect of culture was explored.

The interview protocol for other management-level people contained all the sections above except for the one on relationship cultivation. The interview protocol for general employees consisted of questions about how they perceived the organization's efforts at cultivating relationships and how they perceived the quality of relationships.

Interview Experience

I went to China on March 8, 2005 and returned to the United States on May 25. The data collection process lasted more than two and a half months. During this time, depending on where my interviews were scheduled, I stayed in the five different cities mentioned earlier.

In general, the interviews took place in the natural organizational setting, the interviewees' offices. Only in a few cases when the interviewees were very busy during work hours did I offer to have the interviews over lunch or dinner. We chose some quiet places (such as teahouse, coffee house, or canteens in their office buildings) and conducted interviews there.

Usually I had to adapt to the interviewees' schedules because they tended to be busy. Therefore, I would have one or two interviews with people from different organizations on one day. However, in a few cases, the organizations were interested in my study and offered to let me stay in their organizations for a whole day. I was able to interview about two or three people in the morning, have a quick lunch, and interview another two or three in the afternoon. That had both advantages and disadvantages. I was able to immerse myself in the same organization and did not need to retrieve the information about the same organization on different dates. However, I also became very tired toward the end of the day and sometimes could not concentrate as well in the last interview or two. I managed, though, to ask for clarification or additional comments from interviewees later via emails.

The interviews with public relations managers or other management-level people lasted between 60 to 90 minutes. The interviews with general employees lasted for an

average of 60 minutes. I asked for permission and gained participants' consent before audiotaping the interviews. Most interviewees agreed to record the interviews. Four individuals did not feel comfortable in recording, so I took comprehensive notes while we had the interviews.

In asking questions, I first let the participants describe what they thought. After that, I explained some concepts identified in the literature that were not covered in their responses and asked for their opinions. In this way, I sought to minimize the possibility of imposing a preexisting framework on the participants.

Language Consideration

I conducted most interviews in Chinese. One public relations manager was from Korea and did not know enough Chinese or English to accept my interview. Therefore, he asked an assistant to serve as an interpreter. To address the language issue, I took the following measures.

First, prior to going to the field, I translated all the research instruments from English to Chinese. These included the informed consent form and the interview protocols. In this way, those participants who did not use English would know what to expect in the study.

Second, I did back-translation, as suggested in cross-cultural research. By translating the interview protocols from English to Chinese, and then from Chinese back to English, I could know whether the instruments contained the same information. Usually the two versions were consistent, although sometimes special terms were not strictly the same. For example, control mutuality was translated as “相互控制,” and when translated

back directly from Chinese to English, it became “mutual control.” In the actual interviews, I explained these terms that might be confusing to the participants.

Pretest

Before the actual data collection, I conducted a pretest. Locke, Spirduso, and Silverman (2000) suggested several purposes of pilot studies. The purposes include determining the reliability of measurement, ensuring that the expected differences do exist, and saving a sample that is difficult to obtain until the real data collection.

Applied to my study, I saved valuable data from the pretest for my real data collection and determined the quality of my interview protocol, which included the structure, content, and framing of questions. Kaur (1997) said two pretests would be sufficient based on her experience, so I conducted pretests with three individuals, one for each of the three categories of people: public relations manager, strategy manager, and employee.

These pretest participants helped me clarify meanings and refine my wording. For example, two of them pointed out that the question “what do you get out of the relationship with the organization” was somewhat abstract and difficult to talk about. Based on their suggestion, I later added a probe, “Can you think of one type of interpersonal relationship that could roughly describe the relationship between you and your organization? Why do you say that?” That probe helped participants think because they could relate that question to their experiences.

In addition, I also changed the order of questions. Originally, I placed questions about relationship types before those about relationship cultivation strategies. However, I found from the pretest with a general employee that it was hard for employees to give a

summary of what they gained from the relationship right away. Therefore, based on his suggestion, I decided to move the questions about relationship cultivation strategies ahead in the protocol for employees. In that way, these participants were given a chance to think through the relationships gradually.

Contingency Plans

Hung (2002) pointed out that it was sometimes possible for participants to decline the interview or to be unable to meet at the designated time. Therefore, I overrecruited my participants by around 25% in case the original ones could not accept my interviews.

For this study, I had to consider two other issues. First, I needed to be prepared for the situation where fewer than my desired number of participants agreed to accept interviews. This could happen when either fewer than the initial desired number of organizations, which is eight, or fewer than the needed number of interviewees within one organization were willing to offer access to me. The latter case did occur to some extent because in certain organizations, I was not able to get more than two general employees for interviews. Fortunately I was able to find more organizations than I originally planned. Thus, I could balance between depth and breadth in exploring my research questions.

Second, as mentioned earlier, it was possible that the public relations practitioners might not be involved in strategic planning and might not offer me much useful information. Indeed that happened quite often. Therefore, I did what I planned, asking them to refer me to other managers with knowledge in strategic management. In this way, I was able to combine the insights from public relations managers and strategic managers.

Data Analysis

Different scholars have given different definitions of data analysis (e.g., Bogdan & Biklen, 1992; Lindlof & Taylor, 2002; Marshall & Rossman, 1999; H. Rubin & I. Rubin, 1995), but most are similar. Summarizing their views, I believe that data analysis is the iterative process of breaking down raw data into smaller categories by coding and then reorganizing and synthesizing them into patterns or themes. In this part, I explain my overall orientation to data analysis and then describe in detail the specific steps I followed.

General Orientation

First, it is necessary to identify the overall approaches to data analysis. For example, Potter (1996) mentioned three general processes: a deductive process, an inductive process, and the middle ground, which blends induction with deduction in an iterative process.

Different scholars hold different opinions on the distinction between deductive and inductive approaches. For example, Glaser and Strauss (1967) insisted on a completely inductive and bottom-up procedure. However, Potter (1996) mentioned that some kind of general formulation is impossible to avoid in research. Such formulation can come from either a priori expectation or expectations emerging during data collection. Huberman and Miles (1998) also suggested that both inductively and deductively oriented designs are appropriate, although for different situations. Because research aims to describe and explain relationships, it will require a set of conceptually specified analytic categories. Starting with these categories or letting them emerge are both ways of doing research.

Like these scholars, I believe it is difficult to come to a research setting without any preconceptions or assumptions. Therefore, I combined both inductive and deductive

elements. Specifically, I used the analytical framework from the literature in my analysis. At the same time, I did not ignore the categories that emerged from the field.

Miles and Huberman (1994) discussed three general approaches to data analysis. *Interpretivism* sees human activity as text and symbols and sees meaning as interpreted. In *social anthropology*, researchers stay close to the field and focus on individual perspectives and interpretations. The third approach, *collaborative social research*, emphasizes two elements: reflexivity and dialectics. Reflexivity means that the researcher continues to question, and dialectics refers to the process in which researchers and participants have different interpretations of data.

I followed the collaborative social research approach because the concepts of reflexivity and dialectics are inevitable and even helpful in my data analysis. In other words, I constantly asked questions and acknowledged that different interpretations might appear.

Specific Procedures

Summarizing the insights from different scholars, my data analysis consisted of three broad phases: in research design, during data collection, and after leaving the field. First, my data analysis started during research design, as many scholars have recommended (Bogdan & Biklen, 1992; Huberman & Miles, 1998; Morgan, 1997). The choices of conceptual framework, the formation of research questions, and the sampling process all served the purpose of narrowing the focus and scope of data collection and facilitating data analysis.

Second, while I was in the field collecting data, I began to do analysis. As Bogdan and Biklen (1992) suggested, in planning data collection, researchers should take into

account what is found in previous observation. I constantly wrote memos, taking notes of interviewees' surroundings and writing observer comments about what I learned.

Finally, after I left the field and began analyzing data, I used Wolcott's (1995) perspective and followed the specific steps recommended by Miles and Huberman (1994). Wolcott (1995) suggested three parts for the data analysis process: description, analysis, and interpretation. I mainly used analysis, which is "the identification of essential features and the systematic description of interrelationships among them" (p. 12). In other words, I tried to "flesh out whatever analytical framework guided the data collection" and "identify patterned regularities in the data" (p. 33). My research questions served as the framework.

Miles and Huberman (1994) provided a detailed framework for data analysis that includes data reduction, data display, and conclusion drawing and verification. I followed these steps. *Data reduction* enables researchers to narrow the raw data through summaries, coding, themes, making clusters, making partitions, and writing memos.

For all the interviews, I noted the date, place, duration of the interviews, and the background of interviewees. All but four interviews were audiotaped and transcribed. In this study, I did not use verbatim transcriptions because of limited time and resources. However, when I did partial transcriptions, I noted down all the responses from participants that were relevant to my research questions. For the interviews not recorded, I organized the written notes and shared them with interviewees to check their accuracy.

I organized the data by reading the transcripts many times to understand what they truly meant. I then worked on generating categories, patterns, and themes. I identified patterns commonly expressed by participants and searched for salient categories of meaning. In this process, I used inductive analysis by noting categories mentioned by

participants. Next, I coded the data by highlighting the transcripts using the categories and patterns generated. I used my research questions to help classify data, but whenever unexpected findings appeared, I would note the connections.

Data display is “an organized, compressed assembly of information that permits conclusion drawing and action” (Miles & Huberman, 1994, p. 11). This step was especially important to me because my research questions were examined through different dimensions, including companies with different globalization strategies and different parties in a relationship (management vs. employees). Therefore, raw data organized into manageable amount and displayed into compressed format turned out to be essential. I created tables to sort participant’s comments into categories. I first created 14 tables, one for each of the case organizations. The responses from each participant were organized according to the research questions. In this process, I used summary words or phrases for the responses in the original transcripts and put them in the tables. For example, one interviewee talked about how employees voluntarily rushed to help the company fight a fire. When I analyzed this part, I classified this into communal in *relationship types* and put the words “voluntary fire fighting” in the table to help me retrieve raw data when writing the report.

After I was able to determine the different globalization strategies (see the following section), I created tables to facilitate data display further. I created four major tables, one for each of the four different categories of organizations: those high in global integration and low in local responsiveness (HGLL), high in global integration and high in local responsiveness (HGHL), low in global integration and high in local responsiveness

(LGHL), and domestic companies. For each table, I further went through all the patterns and classified the data according to the research questions.

I also organized data through classifying them into the perspectives of management and those of the employees. This additional round of data display helped me locate more effectively differences in the two parties of the same employee-organization relationship.

In addition, the first two research questions were not directly targeted at case organizations. Therefore, I created two separate tables that included responses from not only the managers in the 14 case organizations but also the individual public relations managers and strategy managers in 6 separate organizations.

Finally, *conclusion drawing and verification* is the process in which researchers interpret or make meanings of the displayed data and verify their interpretations. Miles and Huberman (1994) explained different forms of verification, from a check on the field notes to serious discussion with colleagues. In my study, I read my transcripts and field notes again to reduce the possibility of misinterpretation. In some cases, I also asked for opinions from my colleagues to help me verify conclusions I was in doubt about (details in the section of evaluating this study in the conclusion chapter).

Analysis of the Globalization Strategies

The operationalization of globalization strategies seemed to be a difficult one. Prior to explaining how I analyzed these strategies, I need to make two points. First, before my data collection, I had planned to investigate the key function of an organization and determine its international strategies. However, as a result of constraints in access, I was not able to only look at their key functions and thus had to use functions that were available to me. As mentioned in the conceptualization chapter, strategies are also closely related to

functions, for example, a sales function usually focuses on local responsiveness while a manufacturing function usually relies on global integration. Second, the same MNC might adopt different strategies in different kinds of business – for example, a holding company versus a factory. Therefore, I only did my analysis based on the specific business entity I studied.

I adapted the 14 industry variables identified by Roth and Morrison (1990)⁶ and used the summary of their main features to determine which category each case organization in this study belonged to. I also took into consideration the functional aspects of this framework.

In this study, I measured globalization strategies in the following way. I relied on the information provided mostly by the strategy managers and sometimes by public relations managers and general employees if they happened to know about how their companies competed in the world. I also did content analysis of each company's website and organizational documents provided by my interviewees. In this process, I paid attention to key things such as the degree of localization from the website and organizational structure chart if available. For example, whether the company homepage provided easy links to a local subsidiary, whether that local subsidiary has an independent website, or what the composition of Chinese people is in management. Based on these data and literature review, I classified these organizations into different categories.

⁶ The fourteen industry variables were: customer needs are standardized worldwide, standardized purchasing practices exist worldwide, competitors exist with a presence in all key markets, domestic competition is intense, international competition is intense, distribution channels are concentrated worldwide, business activities susceptible to scale economies, product awareness worldwide, international activities restrained by government, standardized product technology exists worldwide, transportation cost is an important element in final cost, local customer service required in all markets, competitors market a standardized product worldwide, factor cost differ from country to country (Roth, Morrison, 1990).

In all, I studied 14 case organizations in this project. Three of them were not multinational companies: 2 mainland domestic companies, called state-owned enterprises (SOEs), and 1 Taiwanese company. I included them for comparison purposes. I classified the remaining 11 organizations into three categories based on their globalization strategies: three were high in global integration and low in local responsiveness, five were high in global integration and high in local responsiveness, and another three were low in global integration and high in local responsiveness. Table 3 provides a brief description of these companies. Table 4 provides the number of participants from each case organization. Appendix J and K provide more detailed description of participants in each company.

Use of Individual Interviews to Assess Organizational Characteristics

In this dissertation, I used individual interviews to assess organizational characteristics. The use of individual interviews to measure organizational characteristics is a common practice in organizational research (Harrison, 2005). In seeking information about groups, divisions, or entire organizations, Harrison (2005) cautioned that researchers need to pose questions that fit the positions and organizational level of respondents. Two closely connected questions my study needed to address are multilevel analysis and level of convergence in the participants' answers. In the following section, I will explain in detail the practices of using data at the individual level to measure variables at the organizational level and how to ensure there are enough commonalities at the individual level to represent the organizational characteristics.

Table 3

Description of Case Organizations

Globalization Strategies	Company Description
High Global Integration and Low Local Responsiveness (HGLL)	1. U.S. consulting firm 2. Korean electronics business group 3. Japanese electronics company
High Global Integration and High Local Responsiveness (HGHL)	1. U.S. home appliance company 2. U.S. business group in technology/energy 3. German electrical engineering and electronics company 4. U.S. IT/computer company 5. U.S. soft drink company
Low Global Integration and High Local Responsiveness (LGHL)	1. German home-furnishing retailer 2. U.K. insurance company 3. French construction material company
Non-Multinational Companies	1. Meteorological products company 2. Electronics company 3. Taiwanese petroleum and chemical company

Table 4

Number of Participants from Case Organizations

Company	Number of Participants
1. U.S. consulting firm	4
2. Korean electronics business group	6
3. Japanese electronics company	3
4. U.S. home appliance company	4
5. U.S. business group in technology and energy	8
6. German electrical engineering and electronics company	5
7. U.S. information technology/computer company	5
8. U.S. soft drink company	4
9. German home-furnishing retailer	2
10. U.K. insurance company	3
11. French construction material company	2
12. Meteorological products company	6
13. Electronics company	4
14. Taiwanese petroleum and chemical company	4
Total	60

There are different types of questions about organizational attributes (J. Grunig, 1976). Kozlowski and Klein (2000) discussed three types of group level constructs, global unit properties, shared unit properties, and configural unit properties. Global unit

properties originate and are manifest at the unit level and are single-level phenomena. The other two types originate at lower levels but are manifest as higher-level phenomena. My dissertation involved all three types and I will talk about each followed by what I did in this study.

Specifically, global constructs refer to the relatively objective, descriptive, and easily observable characteristics of a unit. These constructs do not emerge from individual experiences, attitudes, or values. Examples include group size and unit function. For these constructs, there is no need to ask all individuals for that property. A single most informed member may serve as an informant when the characteristic is observable, or when the informant has unique access to relevant information. For questions in my dissertation about strategies and overall public relations practices, I asked public relations managers and strategy managers who should be in the best position to answer these questions. The level of convergence issue is not applicable here because I only asked key informants.

The second type, shared unit properties, emerges from individuals' shared perceptions, affect, and responses. These are essentially similar across levels and describe the characteristics that are common to or shared by organizational members. Some examples include organizational climate and group norms. In my dissertation, questions about organizational culture fall into this category. In a quantitative study, the sharedness within the unit can be evaluated by assigning an aggregate or a mean value of the measure given evidence of restricted within-unit variance. In this qualitative study, I examined the convergence among participants' responses by looking for similar or common themes from participants at different levels of an organization. Generally, I only discussed those features that most participants in different organizations with the same globalization strategies

mentioned to ensure that these were common among organizational members. A comparison between managers and employees also facilitated the revelation of overall organizational features.

The third type, configural unit properties, are functionally equivalent but different. They capture the array, pattern, and configuration of individuals' characteristics within a unit. They emerge from individuals but do not coalesce or converge among the members of a unit. For this type, there is generally no need to evaluate consensus, similarity, or agreement among individual members. When faced with such diverse viewpoints, Harrison (2005) suggested conducting interviews with members from different backgrounds and locations within a unit and listening carefully to their accounts of important issues. After that, researchers can summarize the divergent viewpoints or simply take note of them and avoid giving undue weight to one particular interpretation when formulating their own description and analyses. In this dissertation, the use of qualitative interviews and the lack of resources prohibited me from asking a large number of organizational members. To address the convergence issue, I did what was suggested, finding some consistent themes while also noting the differences in perceptions. There was little reference for convergence about qualitative studies and it was not advisable to have a clear-cut number either. So I had to use some personal judgment. I classified participants' comments as common themes only when 1) I was able to find similar comments among most participants in the same organization, which meant at least more than half of the participants and 2) I was able to find similar comments from more than two organizations in the same category (the average number of organizations in each of the four categories

was 3.5). At the same time, I noted differences in perceptions, especially between the core and non-core employees, and between managers and employees.

In quantitative studies, a sample size of 30 is needed for each organization to make sure the individual perceptions achieve some convergence (Kim, 2005). In the current qualitative study, it was impossible to achieve that. The following is what I did. I first used key informants to answer questions about globalization strategies. I then divided the 14 organizations into four categories in terms of their strategies and treated these categories at the organizational level. There are 60 participants from the four categories of organizations. Therefore, the average number of all participants (managers and employees) in each category was 15 and the average number of employee participants was around 8. I believe the depth in qualitative interviewing for these participants should compensate for the relatively small number of participants.

Ethical Considerations

Marshall and Rossman (1999) pointed out the importance of sensitivity to ethical issues in successful qualitative research. They also suggested two general ethical considerations: informed consent and protection of participants' anonymity (p. 90). I took their ethical principles into consideration. To gain the informed consent of participants, I disclosed the purpose of my study to all of them and asked them to read and sign the informed consent form (see Appendixes A and B) that explained the objectives and process of the interview. Although I could not guarantee their anonymity, I protected their confidentiality by not including their names or any identifying characteristics and by informing them of their voluntary participation and their freedom to withdraw at any time. In addition, I agreed to send abstracts of my study to them to show my appreciation.

In addition to these general guidelines, I encountered two other ethical issues in the study. They included gaining access to the participants and researcher and participant expectations.

Gaining Access

As mentioned in the sampling section, I encountered difficulties when trying to get access to organizations. Prior to my data collection, I made phone calls and sent emails asking for organizations' participation. However, the responses I got were mostly polite rejection. The most common reasons for rejecting to participate were fear of confidentiality and lack of time. For example, one public relations manager I contacted was suspicious and kept asking me where I got his contact information. Another manager from an automobile company told me that she understood the need of graduate students to do research, but her company was recently doing a major campaign and everybody was working on a tight schedule. When I asked to contact her later, she quickly responded that I'd better not put too much expectation on her company as she could not guarantee that they would allow me access even after that campaign.

As a result, I sometimes had to turn to my personal connections. I asked my friends, former classmates, and family members for help. A couple of organizations were contacted through my mother's former colleagues who now worked in a government agency responsible for foreign enterprises. They helped introduce companies to me. It was easier for me to ask for cooperation from these companies. In a few cases, I was able to stay in the companies for a whole day, interviewing people at different levels from morning to afternoon. One company even offered me a work lunch together with its employees.

Even though I felt grateful for this assistance, I sometimes questioned myself on the ethics of this experience. In China, the government was still powerful; and I was afraid that these companies felt obligated to accept my interviews because they were concerned about the consequences of rejecting the request from government officials. Therefore, I was careful about several issues in this process. First, I asked my mother's colleagues to pick companies that were not directly under their supervision. In this way, the companies would not feel under too much pressure. Second, when I was actually in the field doing interviews, I declined the occasional offer from my mother's colleagues to go to the companies with me. I always went there myself and conducted the interviews with my interviewees alone. This helped reduce the possibility of my interviewees only saying positive things to me. In addition, I constantly stressed my obligation as a researcher to protect their confidentiality as well as the fact that I had been studying in a doctoral program in the United States and did not have any stakes in their business or their relationships with the government. Many interviewees understood this quite well and often told me not to worry. They said they agreed to accept my interviews mostly because they were also interested in this topic, not just because of the request from the officials.

Researcher and Participant Expectations

Many scholars have pointed out the problem of how close a researcher should be to the participants (e.g., Hammersley & Atkinson, 1983). I encountered this problem several times with my participants, especially the general employees. Some of them were very interested in accepting my interviews because they felt that many local Chinese employees were not treated fairly in multinational companies. They expected that I could do something to improve the situation. One interviewee even emailed me after the interview

and said explicitly that she enjoyed pouring to me all her grudges toward the company and she hoped that I could do something to save the low-level people. I appreciated her trust and high expectation, but I did not want to make her think that I had the ability to make instant changes. Throughout the interviews I reminded my participants that I was a doctoral student doing the research for my dissertation. I told them my ultimate goal is to make my research useful to the society, but I was not able or allowed to interfere with the normal operation in their companies. Most participants understood this.

Evaluating Qualitative Study

Different scholars have different ideas about the evaluation criteria for qualitative research. Some have even argued against using any criteria for evaluation because they think social realities are constructed and multiple. Thus, it is impossible for all the researchers to share the same perspectives (e.g., see the discussion in Potter, 1996).

Potter (1996) discussed different opinions about standards and argued that standards are possible. Admittedly, realities are multiple and constructed within each individual in qualitative research and these constructions cannot be rated as “true” or “false.” However, Potter did argue that not all constructions are equally *useful*. Therefore, some criteria are still needed. Stake (1995) shared the same opinion and argued that different perspectives and constructions could be evaluated in terms of utility and credibility. In addition, both scholars pointed out the necessity of having evaluation standards because of the need for scholars to share their work in every academic community (Potter, 1996) and because of the ethical obligation to avoid misrepresentation (Stake, 1995).

I agree with these scholars that qualitative research should be evaluated, although not necessarily by the same standards set for quantitative research. Reliability and validity are the most commonly used criteria in quantitative research. To use these in qualitative research, they must be adjusted to take into account the differing assumptions in qualitative research.

Validity: Credibility and Transferability

In quantitative research, validity refers to whether the researchers have measured and found what they are supposed to measure and observe. Different categories of validity exist.

Kirk and Miller (1986) thought together with reliability, validity could ensure objectivity. They discussed three types of validity. Apparent validity is when observations “seem” to measure the construct because they are closely linked to the phenomenon. Instrumental validity refers to when observations match those generated by an external procedure that is itself valid. Theoretical validity is when the observations fit the theoretical framework. They thought that theoretical validity is the most important one among the three.

Lincoln and Guba (1985) discussed the traditional views of internal versus external validity. Internal validity refers to “truth value,” or whether change in dependent variables is a result of change in independent variables. External validity is the applicability, or whether the findings can be generalized.

Arguing that social realities are multiple, holistic, and constructed, Lincoln and Guba (1985) thought that internal validity was not a good indicator of the quality of qualitative research. Rather, they suggested replacing this concept with *credibility*.

Credibility addresses whether the researcher has successfully identified and described the multiple social realities that are constructed by the actors in those realities and whether such reconstructions are credible to the original constructors.

Given the qualitative assumption of constantly changing realities, Lincoln and Guba (1985) used *transferability* instead of external validity to represent applicability, or the extent to which the research findings can be transferred to other situations or contexts. Transferability depends on a congruence between sending and receiving contexts. Burden of proof is more in the person trying to make an application. Lincoln and Guba's (1985) use of alternative criteria seems to be widely accepted (e.g., Marshall & Rossman, 1999; Wolcott, 1995).

External validity, or generalizability, is hotly debated (e.g., Potter, 1996). However, several concepts related to transferability are more relevant to qualitative study than generalizability. Lincoln and Guba (1985) and Stake (1995) both mentioned naturalistic generalization, which consists of providing rich descriptions of a setting and letting readers reach conclusions based on their familiarity of the setting and their vicarious experiences. Bogdan and Biklen (1992) also argued that the point is not to generalize to all settings but to identify the particular settings to which the findings can be transferred, a point shared by Lincoln and Guba (1985).

In addition, Yin (1994) proposed analytical generalization as a better indicator for qualitative study than statistical generalization. Analytical generalization refers to the generalization of data to theory, not to a population. Also arguing for generalization of a case study, Hamel (1993) emphasized the concept of singularity, which is the

concentration of the global in the local. In turn, Hamel added that desingularization helps to learn about the global even from just a single case.

Some scholars have discussed the possible challenges to qualitative research with regard to validity. In terms of internal validity, for example, Holstein and Gubrium (1995) mentioned the contradictions in interviews' responses. Rather than saying that such contradiction yields invalid answers, which is typical in the traditional way of viewing participants as passive vessels of answers, they argued that in active interviews the positional shifts and activation of different aspects in an interviewee make contradictions a normal phenomenon. Researchers should try to identify the circumstances under which such contradictions occur and what they mean. Similarly, Dexter (1970) discussed the question of whether respondents are telling the truth. He argued that this question assumes an underlying and unchanging attitude within an individual, which is an inappropriate assumption in qualitative research.

Reliability: Dependability

Different opinions exist on reliability. Weber (1990) mentioned stability, reproducibility, and accuracy as three types of reliability. Bogdan and Biklen (1992) equated this concept with validity. Wolcott (1995) said that reliability is not needed in qualitative research. I think reliability is still needed but should be modified for qualitative study.

Kirk and Miller (1986) also thought that qualitative research is more concerned with validity than reliability. Still, they discussed three types of reliability: quixotic reliability, diachronic reliability, and synchronic reliability. Quixotic reliability occurs when an observation always yields the same measurement. As they pointed out, this

reliability may be trivial and misleading because the researcher may only elicit rehearsed information. Diachronic reliability is the stability of observation over time. However, this applies only to unchanged objects. Synchronic reliability occurs when observations are similar at the same time.

Lincoln and Guba (1985) pointed out that reliability traditionally refers to the consistency of research. However, since qualitative research assumes constantly changing realities, findings are not likely to be replicated. As Lincoln and Guba (1985) mentioned, qualitative research always involves changes resulting from two sources: changes resulting from the subject under study, which is natural, and changes resulting from the researchers' design problems. Therefore, to solve these problems, they suggested replacing the original concept of reliability with *dependability*. Dependability refers to taking into account changes arising from both sources.

Lincoln and Guba (1985) provided a broad concept for reliability, but Lunt and Livingstone (1996) discussed a more specific difference from quantitative research. Instead of expecting the same findings in different sites, which is the goal in quantitative research, qualitative researchers should focus at the level of interpretation. In other words, whether the findings can receive similar interpretations in a reliable way. I consider this to be a more appropriate conceptualization of reliability.

Researcher as the Instrument

As a qualitative researcher, I cannot avoid the question of locating myself in the process of research. McCracken (1988) pointed out that the problem in using self as an instrument may be the impossibility of finding a match in one's experience for ideas and actions that respondents have described. In this case, the researcher has to engage in

imaginative reconstruction, in other words, to treat the respondent's new and strange propositions as if they were simply true. In this reconstruction process, I need to make clear where I come from and how that influences my interpretation of the participants' propositions.

I am an international student from China studying in the United States. For the past four years, I have majored in public relations and also taken classes in intercultural communication and strategic management.

During my study in public relations these years, I was confronted several times with the question: "Why are you studying public relations? It seems so vague and empty." This question came from people I know both in China and here in the United States. Therefore, I have developed the research interest in demonstrating the value of public relations.

Prior to entering this doctoral program, I was involved in several employee training programs. At that time, I had the vague idea that employees were not satisfied with top-down programs. In addition, since many of my friends in China are working in multinational companies and shared with me their stories in those companies, I developed a stronger interest in employee relations. Thus the current dissertation also integrates my desire to learn how multinational companies can deal with local employees effectively.

Reflexivity

Potter (1996) pointed out that qualitative researchers need to "reflect on the progression of their decisions in the research process and illuminate this for their readers" (p. 187). By doing this, the researchers can reveal their scholarly perspectives and provide the readers with an important context. Potter suggested techniques at three levels for exhibiting self-reflexivity: to illuminate the key details of the research process, to

consciously reflect on the nature of the methods and display a concern about the value of the data and the interpretations, and to lay out the researcher's biases. According to Potter, at the higher level of self-reflexivity, the reader is invited to share insights about why decisions were made.

In my study, I followed the three suggestions. First, I described in the dissertation my research process in detail. Second, I explained why I chose qualitative method and how the findings of my research should be interpreted. Lastly, during data collection, I wrote memos and observation comments in the field, so my biases could be revealed.

CHAPTER IV: RESULTS AND DISCUSSION

This chapter reports the findings of this study. Guided by research questions, this chapter presents the results according to the following: relationships as organizational resources, contributions of relationships to strategy implementation in general, cultivation process of employee-organization relationships under different globalization strategies, outcomes of employee-organization relationships (EOR) under globalization strategies, and the influence of societal and organizational cultures in this process. The first two research questions explored the framework of relationships as resources and the contribution of relationships to strategy implementation in general, therefore, only management level people (including strategy managers and public relations managers) were asked these questions in the interview protocols. Research questions three to eight examined EOR specifically and focused on the perspectives from both employees and managers.

Relationships as Organizational Resources

To examine the value of public relations in the context of the resource-based view, I developed proposition one and research question one. This section serves as the basic framework for my study. I asked both public relations managers and strategy managers for their perspectives on the connections between relationships and organizational resources. The following reports the findings.

RQ 1: How, if at all, do case organizations perceive the relationships with their publics as an intangible resource with value, rareness, inimitability, and non-substitutability?

According to the interviews, proposition one was supported. Relationships were in fact generally regarded as an important resource for participants' organizations. The findings are now organized by the four features considered essential for organizational resources: value, rareness, inimitability, and non-substitutability.

Value

Almost all participants recognized that relationship building was indeed helpful to their organizations in various ways. Specifically, relationships with different publics helped exploit opportunities and neutralize threats in the environment.

First of all, several participants made general comments about the value of relationship building. The strongest argument regarded relationships as *productive forces*. One such comment came from a strategy manager who used to be a government official before joining the German electronics company. He recalled that many people with similar backgrounds formed a community. When they got together, they would actually talk about this saying or slogan that "relationships are productive forces."

Interestingly, another strategy manager expressed exactly the same idea, even though he worked for a domestic electronics company. He said:

Recently I've read a book by a Japanese scholar...He said and I agree that relationships can be regarded as productive forces, and the ultimate source of profit. I also think that relationship building should be connected to strategic planning and the creation of economic benefits.

Different participants also gave numerous examples regarding how specifically relationship building could help take advantage of opportunities. One most important area was in government relations. Keeping a constant and good relationship with the

government helped companies in various ways such as strategic decisions, product reputation, attracting talents, and gaining time in the fast-changing market competition. For example, one government relations manager in an energy section of a U.S. company said:

For us multinational corporations, in order to function in the market, we need to know what kind of regulatory environment we are in. What can we do, and what we cannot do...So we are in different areas [of business]. And for each area, the Chinese government has different policies. For some, a foreign company can be involved directly. For others, it requires looking for a local partner and taking the form of joint venture, no direct involvement. So for us, we have to understand first of all the changes in policies and then what kind of strategies we can use.

Relationship building was also considered to have the ability to neutralize threat. Different areas in public relations such as media relations, government relations, and employee relations demonstrated this best. When there were crises, good media relations definitely helped. For example, one public relations manager in an aircraft company said: "I think the key question is in times of emergencies, whether the media will come to you and verify things. Whether they trust you."

Building relationships with the government also helped companies avoid or reduce losses. For example, sometimes in the summer season, there was shortage of electricity. This obviously created a big problem for organizations in the manufacturing industry. Several managers in manufacturing companies all mentioned this problem, and they attributed the solution to the good relationships they maintained with the government.

Other examples include negotiation about certain government policies that might have negative consequences to the whole industry. One government relations manager in the U.S. IT company mentioned that the government once tried to enforce policies for supporting software by requiring government agencies at different levels to purchase only domestically developed software. This practitioner made suggestions from another perspective to the government. She said:

...If they [government] make plans regarding overall policies and basic principles, it may be better to the development of the industry. For example, for some current monopolized industries, the government should ask them to open access, like the opening of interface, outlet, document format, and then, since China is definitely behind in terms of software industry, so if you know the interface or the document format, then you may be able to catch up.

In that way, the company helped the government with better industry development while avoiding possible losses to the company itself.

Good employee relations helped companies get more stable teams despite the current macro environment of high turnover. One example of this came from an employee relations manager in the U.S. home appliance company:

I feel that it goes back to the acknowledgment and the emotional attachment that employees have toward the company. I should say that our company does not have much advantage in terms of pay...I know many people in other companies are moving to Shanghai, and other cities. But in our company, I feel it's more stable. Especially those who have worked here for 5 or 6 years, they feel it's more important to have a good work environment.

Rareness

An organizational resource should be rare among competitors in order to contribute to competitive advantages. When asked about this, many practitioners explained in various ways why relationships could be rare.

To begin with, perhaps because of the nature of relationships, not all companies would pay attention to them. A government affairs manager in the U.K. pharmaceutical company commented:

Not all companies pay attention to it [public relations]. Because from an operational perspective, this function is spending money, it doesn't make money. However, back to what I have said before, a company is a part of the society, whether you can change some parts of the environment. However, many times public relations cannot bring something substantial that can be quantifiable. Some companies are willing to spend money and use people to do these things, but others are not.

Even if companies did make the effort, not all could achieve quality relationships. They might be constrained in their ability or methods. For example, related to the cultivation of relations with the government, several practitioners expressed similar ideas that not all companies were able to provide the government with what it needs. The same manager in the U.K. pharmaceutical company said:

We also have a lot of resources, in knowledge, experts, and products, funding, so these resources may not be more than the government, but we have something that the government needs. So the government may need you to participate in certain

things, like the control of diseases, the government may need my products, or experts, or funding to co-design a project, whether in research or in training.

And this, he pointed out, was not available for every company.

For different reasons, companies may have a unique status in building relationships. For example, the government relations manager in the U.S. IT company talked about helping the government with the direction of industrial development and commented that such “knowledge” was something inside their mind. She said, “This was a condition where others are trying very hard to compete with us, but cannot do the same as we do.” This was the kind of competitive advantage the company was trying to achieve. She said proudly:

For a certain topic, there is nobody else who can talk about that more clearly, then that’s our competitive advantage. For example, the taxation of e-commerce. Nobody knows this better than us...So when you have benchmarking with other competitors, I’m sure that most people doing government relations do not have such in-depth knowledge as we do.

Inimitability

The literature pointed out many features of a resource that can be hard to imitate (Carpenter et al., 2001; Hillman & Keim, 2001). Applied to relationships, the interview findings supported all of these features, even though the degree of strength varied.

When talking about the process of cultivating strategies with different publics, many participants acknowledged that things did not just happen overnight. It had to do with some unique historical conditions. Several practitioners proudly mentioned the historical

tradition in their relationship building. For example, one manager in the domestic electronics company mentioned its unique position in history. She said:

Right now I'm working on a project on the development history of our company. I can tell you that the government has been supporting us for a long time. Almost every major historical event is related to our company...I would like to point out that when we have crises, like we have shortage of funding, the government will try its best to help us.

And a government relations manager in the U.S. IT company emphasized, "From the very beginning, [company name] has these functions [government affairs]...This is the company's tradition..."

Secondly, in relationships, the link between resources and the competitive advantages was causally ambiguous. One public relations manager in the U.S. technology company considered it important to pay attention to all relationships because these were all "interrelated" and in his words, "you don't know eventually which line of relationships will influence the ultimate behaviors of your customers." Then he gave this detailed account that expressed this idea most clearly:

Maybe the customers themselves have some relationships with you, and they know you. But at the same time, when they make decisions as to purchase products or services, they will also consider some opinions of industry experts. So if the experts say this is good, then they will be influenced. Or even, maybe their family members have interactions at different levels with the people in [company name], and then if they feel that people here are particularly nice, and also we have done some activities for corporate social responsibility, like returns to the community, returns

to the society, then maybe it so happens that the wife or even the children, who may not have a direct interaction with [company name] business, but then they know something, like we have some university funds, or donations, or some hope schools. So these people may hear these things, and feel that this company is indeed very responsible...So such feelings will eventually have some influence on the husband or father who are our direct customers.

Like other resources, relationships were also considered socially complex. Of particular note was the interrelation between the relationship of a company and that of an individual. Because of the special societal culture in China, a personal connection was an important part of relationship building. And many practitioners pointed out the complex nature of this process. For example, one strategy manager in the Korean business group said, "To be honest, the interpersonal relationship is still very important...Within the same range of basic principles, whether you know a certain person or not surely makes a difference." However, he still acknowledged that "such interpersonal relationship has to be built on a good relationship between the company and the government." He said:

If the company does not have a good relationship with the government, then no matter how hard you try to establish the personal relationship, it will be very difficult. So such personal relationship only serves the function of facilitating your work, like when you talk about partnership construction, it may be smoother. It's more a supporting role.

Consequently, the relationship building process involved many details, which made it difficult to imitate. As one employee relations manager in the U.S. home appliance company commented, "So like our [an employee communication program], even though

we just put it online, we haven't seen any company copy ours. Maybe someone will copy us, but since all these details are very important, they cannot copy these details.”

The time dimension for any resource received the most comments from participants. A common theme was that a relationship required a lot of time and efforts by both parties. Comments such as “it's a long-term thing” or “gradual process” were made numerous times. For example, one corporate affairs manager in the German retailing company said, “You have to keep constant contact with people. You can never approach people only when you need them and not contact them when you have nothing to request. In that way, you will be too practical and snobbish.”

Another strategy manager in the Korean business group expressed a similar feeling:
...If a company really pays attention to public relations, it has to be based on a macro thinking and long-term thinking. Otherwise, it cannot be done well. Like we don't have money or people, but when some problems arise, we turn to you. That doesn't work. Because you haven't built a good relationship on a regular basis.
This, according to him, is not a constructive relationship.

The only feature that generated some controversy was the immobility of resources. For a resource to be non-imitable, it should be difficult to move because of the transaction cost involved. Applied to relationships, it should mean that once cultivated, the relationships should not be easily transferred elsewhere. Participants had different thoughts regarding this. One thought was that relationships could be taken away by a certain person and thus could be transferred. For example, one Chinese strategy manager in the Korean business group mentioned:

Actually relationships can go with people too...I currently work for this company, and then the people in my relationships only recognize me, not this company. Of course, sometimes people recognize certain individuals, and sometimes a company. Then if one person leaves, he or she may take away some relationships too. Such relationships are not something abstract, but very specific...So sometimes certain public relations can be purchased right away...So if a person is here, other people will give you their trust, feeling that you have good reputation, you are responsible, and so on.

This view may be related to the Chinese culture of structured personal connections. However, even with this notion, two factors were noted. First, even these practitioners recognized the interrelation between relationships with an organization and those with an individual. This same participant admitted:

But of course, the [company name] image is also very important. So there are two levels. So the public relationships have a lot to do with both the long-term reputation of the company and that of a particular person handling such relationships.

Secondly, this very fact that relationships built on individuals may easily get lost had led to serious thinking for some practitioners. They did bring out the notion of “institutionalized relationships” as opposed to personal relationships. For example, one manager in the U.S. technology company said:

Sometimes you know people are constantly changing. For example, I used to have good relationships with this person, a government official...but all these people in the government are changing. Maybe after 3 months or half a year, they are gone.

So the personal relationships need to change too. Or maybe if I leave the company, then the relationship with the government is totally broken. So I have been constantly arguing that the relationship I would like to establish with the government is a long term one.

He termed it “an institutional relationship” or a “company-to-government, institutional one” rather than a personal relationship. He said:

Because I’ve seen a lot of companies, when a person is gone, the whole government relationship is gone. And then they need to hire a new person, and everything should start all over again. So this is a huge loss to the company. So a healthy company needs to establish the relationships into a higher level, institutionalized.

In that case, as mentioned earlier, personal relationships only served a supporting role and organization-public relationships were more stable, not easily transferred.

Non-substitutability

Similar to other resources, relationships are not easily substituted by strategically equivalent resources. Two major themes appeared. One was that people cannot simply “buy” relationships with money. And second, other functions in companies could not replace public relations to build relationships.

Almost all practitioners doubted whether money could substitute for relationships. Some emphasized that first of all, the ethical requirements of their company strictly prohibited them from using bribery. And many commented that money would not work either.

Of course, some participants said that they knew other companies may get what they wanted by using money. However, a typical response was that if things could be done with money, then, first, these things might not be essential problems, and second, that relationship could not last long.

These deficiencies of using money as substitutes were demonstrated best by the following quotes. One strategy manager in the German electronics company said:

Chinese people tend to go through a long process of adaptation before they can establish some relationships. It cannot be done in a short time. So the substitutability is not very strong. You may use money, but money is not an effective substitute, because if you can do something with money, then such things are not really what you want to achieve.

And another government relations manager in the U.S. technology company talked about how they compared with other companies:

Maybe some domestic companies will have some under-the-table transactions. Of course, we cannot compete with them regarding this. But we do have advantages in doing big projects that they cannot do. And I feel this is at a much higher level, with the whole government institution, and I believe such relationships should be more stable.

In addition to the difficulty of replacing relationships with money, many practitioners also mentioned the difficulty of using other organizational functions to replace public relations in relationship building. Admittedly, public relations could not

represent all other departments in this process, as the strategy manager in the Japanese electronics company said:

There are so many different parties involved. Although public relations is a function, it does not mean that everything related to public relations is handled by this function only. Many business departments are also facing the external publics. They are also dealing with the government too, like the registration of drugs, there is a specific registration department who also needs to face the government. So how to leverage all these efforts. It's very important.

However, it was equally wrong to assume that the relationship building could be done just by different departments themselves. First, these departments may not have acute awareness of certain issues. The practitioner in a pharmaceutical company gave an example of fighting regional protection together with the trade association and then commented: "So it's like in a company, if we don't do some analysis on such things, other departments will never do this. They will not pay any attention to that."

Also, it may be possible that public relations was in the best position to do certain things. For example, one public relations manager in the Japanese company said:

We are very familiar with all aspects in the company, and we know very well the individual departments. If our department is removed, then any single department goes out and interacts with the government, how can it know the situation in other departments? Or can you describe the overall condition in this company? It's very difficult.

Summary of RQ1

Research question one examined relationships as organizational resources. Interviews with both public relations managers and strategy managers basically supported this argument of relationships serving as resources. To demonstrate, relationships were even considered as one kind of productive forces. Specifically, relationships were found to possess the four main characteristics of an organizational resource that could lead to competitive advantages. Relationships were valuable in that it helped take advantage of opportunities and neutralize threats in the environment. Government relations, media relations, and employee relations are especially emphasized. Relationships could be rare because of different reasons. Competitors sometimes did not even make efforts in cultivating relationships, and even if they did, they might be constrained in their abilities.

Relationships were hard to imitate. Good relationships might have existed because of unique historical conditions. It was hard to identify the causal relations between relationships and competitive advantages. The relationship building process involved many complexities and details and it usually took a long time to cultivate such relationships.

It is noteworthy that the mobility of relationships was somewhat controversial given the particular situation in China. Some argued that relationships moved with the individuals that possessed them. However, more serious thinking led to the separation between personal and institutionalized relationships, and the latter were found to be more immobile.

Relationships were not easily substituted by other resources, especially not by money. Ethical requirements of most companies strictly prohibited from using bribery.

Sometimes problems could be solved by money, but most participants discussed the deficiencies in such solution: 1) first, those problems that could be solved by money were not real problems; and 2) second, that kind of relations could not last long. In addition, other functions in companies could not replace public relations in the building of relationships because of lack of awareness of certain issues or lack of knowledge to be in the best position of solving problems. The next research question went a step further and examined how relationships could contribute to strategy implementation in general.

Relationships Contributing to Strategy Implementation

To further examine relationships in the context of resource-based view, I developed research question two and two propositions. I asked both public relations managers and strategy managers for their perspectives on 1) how relationships contribute to strategy implementation, and in turn, to the development of competitive advantages of organizations; and 2) whether this process involves the assumption of fit between strategies and relationships. Interviews from most public relations practitioners and strategy managers supported both propositions. The following reports the findings.

RQ 2: How, if at all, does relationship development contribute to the implementation of different strategies in case organizations?

Contributing to Strategy Implementation

First of all, participants acknowledged that relationships were a key element in the implementation of their organizational strategies. Specifically the interviewees talked about the unique features of relationship building in a way that echoed the literature (Bowman & Asch, 1987, Hussey, 1996) by focusing on the behavioral and subjective conditions for strategy implementation. The findings are organized by the major themes.

In general, relationship building helped gain support for the implementation of strategies. One comment about the typical value of relationships in strategy implementation came from a strategy manager in a domestic meteorological products company:

Without such relationship, for a company, any decisions or intentions cannot be implemented well. In other words, things are disconnected. You cannot integrate all the strength or power to push for the development of the company. It's as if our leaders are maneuvering a wagon, the other people are dragging from behind. In other words, you cannot make the employee adhere like a clenched fist.

More specifically, relationships helped gain both support and trust externally and commitment to the strategy in the internal environment. For the first theme, many participants mentioned media and government relations. Good media relations were said to contribute to message delivery more effectively and accurately. Government relations could help strategy implementation from the very beginning. For example, one strategy manager in the U.S. technology company mentioned the need of certain policies to support strategies:

Sometimes the companies may need policies to support their development...So if you have a good relationship with the government, then you know whether there is something that can be done within the legal and regulatory range. So if you know how to do it tactfully, it will be very useful to the corporate business development.

Another strategy manager in the German electronics company mentioned the role of government relations in product development:

We need to keep effective communication with them [government officials], in terms of product technology testing, we need to be active in understanding any new policies, and then in our development of new products, we can pay special attention to these. That way, our products can be improved overall and can enter the market more easily. These are very pure business goals.

Gaining commitment to the strategy internally was another major theme that arose in discussing the role of relationships in strategy implementation. Such a role may not be displayed with major issues, but as one employee relations manager in the Korean business group said: “Examples are embedded in the day-to-day operations.” He gave details:

“There is this saying, big companies are about people, and small companies are about work. In a big company, if you want to do something well, human beings are very important...”

One strategy manager in a domestic meteorological products company provided an account of the effects of internal commitment on her company’s success. This company was an old state-owned enterprise that lagged behind in terms of hardware. She recalled:

Our company is very old, since 1958, and our equipment is kind of old...But why did we make such progress in these years? How can we win in the market? To be frank, our technology is far behind that of [the name of a competitor]. Why can we survive in such a market? You know many SOEs have gone bankrupt. I feel the key here is that the leaders are able to gather everybody’s motivation and heart. This is the key.”

A specific demonstration of this value, especially for manufacturing companies, was the reduction in defective products. Several participants mentioned this immediately.

For example, a public relations manager in the domestic meteorological products company said:

So then they [employees] will feel they are motivated. I personally have heard workers say this. They feel the company is treating them well and they will be very careful. And reflected in the production, the defective rate is decreased. You know, in the hot summer, if you are not working really diligently, then many people will just do the minimum to get by.

Need of Fit

Secondly, the need of fit did play a role in the organizations' decisions to develop different kinds of relationships with different publics. This was mainly reflected in Freeman's (1984) discussion about allocating resources. He argued for keeping the budgeting process consistent with the strategic processes. In other words, resources must be allocated to deal with a certain group of stakeholders if this group is essential to the success of the organization. On the other hand, the criteria for judging the importance of stakeholders vary by organizations. Usually, the adoption of different strategies will influence the allocation of resources. This influence also suggests that the adoption of different strategies will influence the development of different relationships with publics.

The interviews revealed two major themes. First, the organizations did have priorities in terms of building relationships with publics. And, secondly, the types of relationships also varied depending on the strategies.

Corresponding to different strategies, organizations did recognize the importance of dealing with different publics. One strategy manager worked for the Japanese electronics company specializing in a high tech electronic device for which the company is

world famous. He said in order to maintain that competitive advantage, his company had several strategic directions to solve current problems such as high cost and the lack of stability in technology. The company aimed to improve the technology and reduce its cost at the same time. Correspondingly, this manager said, “It has to do more R&D, lowering cost in design and in production.” And in order to support this strategy, the manager mentioned:

Then it [the company] will ask [local subsidiary name] to try to solve these problems. Nanjing [city location of the subsidiary] boasts its abundance in talents, so we can find these technological experts and launch in production. Given such a strategy, we will then help with its implementation by, say, developing appropriate human resources and purchasing raw materials through appropriate channels.

For most organizations in special nature industries, government was their most important public. These included those in the energy, manufacturing, and infrastructure industries. One practitioner in the energy industry mentioned that since energy was strictly regulated by the government, they had to understand which areas they could enter and then how to enter. Therefore, their strategic moves were largely influenced by government policies. Hence the importance of government affairs.

Differently, most participants in retailing industries seemed to consider their employees to be particularly important. For example, one strategy manager in the U.S. soft drink company talked about their strategic directions of achieving increases in sales and sustainable growth. He recognized the following:

In this process, the development of employees is the most important. Actually the development of employees is also our strategic direction...And it is of essential

importance to our development. In fact, it has been a key part in the assessment of supervisors here. We assess people on two things, the business result and the people development. This kind of assessment philosophy has been implemented from the top to the bottom.

Second, the types of relationships established also needed to achieve a fit with strategies. Even with organizations emphasizing employee publics, the focuses were different because there should be a fit. For example, one public relations manager in the U.S. soft drink company gave this summary: “Our major task is to cultivate a team suitable for the management operations.” He said in more detail:

I feel that there has to be some distinction between different types of employees. I can compare this to a pyramid. At the very top of the pyramid is the minority of very high-level employees. They usually have high education background and ability. For them, we have to increase the communication and help them with their professional career development. But at the bottom of the pyramid is the majority of our employees who are usually high school graduates or graduates from technical schools. They are mostly concerned with stable income and benefits.

The numerous examples from other companies also clearly indicated the distinction between the so-called “core” employees and “non-core” employees. Research questions three to five will discuss the cultivation of employee relations in more detail.

Relationships also helped to obtain a cultural fit for the strategy. For example, one public relations manager in the U.S. home appliance company mentioned the pressure for them to hire good people given their current strategy of fast expansion. For that, good employee relations helped. He said, “So for us, when we hire people, things become a lot

easier, because our employees will recommend enthusiastically their excellent friends to come here. This is some real value to the company.”

Another strategy manager in the Japanese electronics company that currently emphasized speed described detailed work in coordinating among different departments in his company. Such coordination helped rationalize processes of doing things and enhanced the speed. He said:

From a big perspective, the coordination between departments and employees, I feel, is a cultivation of corporate culture. Every department has its own condition and its own interests. Without one particular department to coordinate or to serve a referee role, then the harmonious relationship is impossible.

Summary of RQ2

This research question was a further exploration of relationships in the context of the resource-based view. Findings suggested that relationships contributed to the implementation of strategies by helping gain support. Specifically, relationships helped gain external support and trust, with media and government relations being the two major functions. Employee relations help gain commitment to the strategy in the internal environment.

In addition, supporting the need of fit emphasized in management literature, findings did suggest the identification of different publics corresponding to different strategies. In addition, not all types of relationships were the same; they also vary based on strategies.

The first two research questions established this general framework of relationships as resources in strategy implementation. The following questions then examined one particular type of relationship, employee-organization relationship, in the implementation of one particular type of strategy, globalization strategies.

Cultivation of Employee-Organization Relationships and Globalization Strategies

In this section, I discuss how the cultivation of employee-organization relationships is influenced by the globalization strategies of case organizations. I asked both employee relations managers and employees about their perspectives. As explained in the conceptualization section on international strategies, companies follow different orientations when they compete in the global environment. As specified in the method chapter, the 11 multinational organizations studied in this dissertation were classified into three categories: 1) high in global integration and low in local responsiveness; 2) high in global integration and high in local responsiveness; 3) low in global integration and high in local responsiveness. When analyzing and describing the influences of globalization strategies, I looked at the two dimensions of these globalization strategies separately. Basically, I examined global integration first and analyzed both high and low cases. For this purpose, I compared the commonalities for companies in category 1 and 2 and then compared them with companies in category 3. Then I focused on local responsiveness and examined high and low cases in this dimension. For this purpose, I compared the commonalities for companies in category 2 and 3 and then compared with companies in category 1. Finally, I compared the pure cases with the hybrid cases in category 2, high global integration and high local responsiveness.

For a brief review, a global integration strategy was used by three companies: a U.S. consulting firm, a Korean business group with one subspecialty in electronics, and a Japanese electronics company. A local responsiveness strategy was evident in three companies: a German home furnishing retailing company, a U.K. insurance company, and a French construction material company. Five companies followed the multifocal strategy, i.e., high in both global integration and local responsiveness: a U.S. home appliance company, a U.S. business group in technology and energy, a German electrical engineering and electronics company, a U.S. information technology and computer company, and a U.S. soft drink company. Now I discuss the influence of such different orientations on relationship cultivation. I also include data from the three non-multinational companies for comparison. The research question is listed below.

RQ 3: How, if at all, does the globalization strategy influence relationship cultivation strategies with employees in case organizations?

Generic Themes across Organizations

First of all, some major common themes appeared for all the case organizations regardless of strategies. These have implications for employee relations in general.

First, most companies had a clear distinction between core and non-core employees, or those employees whose work is essential to the company's operations and those whose work is not as essential. A typical comment came from an employee relations manager in the Korean business group:

For our company, we emphasize core talents. For these people, the pay, promotion, training, we will concentrate our efforts. And we also want these core talents to work for the company for a long time. So we will make investments. For non-core

people, the company will also give training, but the attention is much less...So the company has a very clear distinction between core talents, ordinary employees, and peripheral positions.

This theme appeared constantly throughout different types of companies. This indicated that employees belong to a special type of publics for any organization. An organization has relationships with employees mainly because they can contribute to the organization's growth. Just as several employees commented, their relationship with the organization eventually boiled down to that of employment. RQ 4 will discuss relationship types in more detail.

Second, some cultivation strategies were found to be basic to most multinational companies; therefore, they did not have too much motivating effect. Some employee participants in this study had work experiences in multinational companies only and were familiar with most of the methods multinational companies used to maintain relationships with them. Therefore, they did not feel that any strategies were especially noteworthy, as these strategies were just so common for them. This finding suggested the influence of institutionalization of relationship development, or in other words, how a company's relationship development is influenced by what it perceives to be the prevalence of certain practices in other companies. This should be a topic for further research.

Influence of Globalization Strategies on Relationship Cultivation Strategies

Given the comments above, the key finding for this research question was that different strategies did bring about different expectations from the companies. As a result, different cultivation strategies were emphasized.

Here I need to make a point. Even though many relationship cultivation strategies existed, when I asked for the participants' input, I let them think of the most important ones. Therefore, even though the same cultivation strategies could exist for different globalization strategies, they might not be of equal importance or be equally effective. The following comments described what were considered to be effective strategies. There might be more, but participants failed to mention them. To me, this indicated that employees were not too impressed by these other cultivation strategies.

Sharing of Tasks

Globalization strategies influenced cultivation of EOR through sharing of tasks. A key theme was the distinction between different types of tasks. The literature suggested that organizations need to share tasks or solve joint or separate problems that are of interest to either the organization, publics, or both (Hon & J. Grunig, 1999). Data from this project revealed that different strategic decisions of organizations usually led them to pursue different focuses in this cultivation strategy.

Generally speaking, all multinational organizations focused on sharing of tasks that were of interest to both the organization and employee publics. They did not pay much attention to tasks that were of interest only to employee publics, at least not as much as their counterparts in domestic companies in China. In other words, all multinational companies put more emphasis on providing training, job rotation, and further education opportunities for employees, which were beneficial to both companies and employees. In contrast, both domestic companies did a better job in addressing some purely personal problems of their employees, even though these problems might not be as essential to the companies themselves.

Tasks of mutual concerns. Most multinational companies paid a great deal of attention to providing training and other career development opportunities. Numerous participants, both managers and general employees, regarded this as one most important way their organizations developed relationships with employees.

Given the tendency, the different positioning in globalization strategies seemed to play a role in the focus on these career development opportunities. To be brief, the dimension of global integration influenced the attention paid to company needs and the dimension of local responsiveness influenced the attention paid to personal development. Companies with high global integration usually focused more on company need than those with low global integration. Companies with high local responsiveness, on the other hand, focused more on personal development than those with low local responsiveness. Companies high on both dimensions managed to focus on both company needs and employees' personal development, even though this was a difficult task.

Numerous examples illustrated these distinctive features. To give a clear demonstration, I use the following three examples that describe best the different attitudes about the same subject matter, training. For the first dimension, high and low global integration influenced the emphasis on company need when it came to training. One employee in the consulting firm commented on the company system for sponsoring MBA education. This system was not in use for a long time and was reactivated only recently. He analyzed the reason why the company made this decision:

Because it [the company] has found that this system will influence to a great extent the quality of the analysts it hires. Many analysts will not apply to [company name] if they know it doesn't have the sponsoring system. They will apply to [names of

competitors]. So the company did this not because it wants to further the employees' development, to let them have opportunity for advanced education, but because it wants to improve the quality of incoming analysts.

Another company in the first category provided a variety of training in both skills and morale. Participants commented that these efforts mainly aimed at maintaining their organizational culture.

For the second dimension, high local responsiveness led to more attention to developing personal abilities for individual employees than low local responsiveness. For example, the U.S. technology company had professional career plan and training customized for individuals. As one employee commented:

And then after half a year or a year, the company felt that you probably need another kind of training, then it will give you another. And if it feels that you have more potential, then you will be given certain training again. So I feel the training is very comprehensive, it helps you see how you can develop your own career path, providing you with good directions.

The hybrid case, companies high in both global integration and local responsiveness, managed to achieve both purposes (fulfilling company needs and helping employee development). This was best illustrated in providing customized training for individual employees through a highly standard and coordinated system. For example, the U.S. IT company provided individual development plan for each employee. Employees were able to analyze their own deficiencies in skills or knowledge. After they noticed the gap between their current qualification and their desired career goals, they could get access to the online planning facility and see what kind of training they still needed. This provided an

interactive tool that connected individual employees' needs to the company's development goal.

There were other examples of achieving both purposes. The U.S. technology company had a lot of internal transfers to enrich employees' experiences while meeting the company's goal. The U.S. soft drink company, when faced with the fast expansion rate, decided to shorten the cycle of promotion so the employees were able to advance professionally faster than before. This, according to the employee relations manager, helped the company to adjust its organizational structure according to company development. At the same time, this also made employees see more hope in their career development and thus become more willing to work hard for advancement.

To sum up, high global integration led to more attention to individual employees serving to fulfill the company needs, hence the tendency of providing training to achieve that very purpose. High local responsiveness required closer relationships with employees, hence the need to provide tailored training for employees' own development. However, it was still possible to pay attention to these two needs simultaneously, as demonstrated in the hybrid case companies. The following comparison between multinational companies and domestic ones provides an even clearer illustration of local responsiveness and sharing tasks.

Tasks of concerns to employee publics only. A comparison between multinational companies as a whole and domestic companies revealed a difference in task sharing. Domestic companies seemed to be exemplars of high local responsiveness, and the data suggested that these companies focused much more attention on tasks that were of interest to employee publics only than their counterparts in multinational companies.

According to the participants, MNCs would definitely follow legal requirements in terms of providing housing benefits and health insurance. However, they did that just to abide by the law and regulations. For example, one employee said, “Like housing, like in [company name], it has good benefits. But it is mostly following the country’s regulations, not something extra good. These are stipulated by the government, by the labor law.”

Usually employees in MNCs did not feel strongly about this because it was in accordance with their expectations. One participant from the German electronic company said, “For us, employees, as long as the company is following the standards, not deducting anything from the standards, that’s fine.” They did not expect something extra.

However, even MNCs would go out of their way and share tasks under certain circumstances. For example, in case of emergencies, the companies would provide compensation or subsidies to employees and help them through the difficulties. Many participants from different organizations mentioned this. Some employees noted, however, that sometimes assistance of this kind, such as soliciting donations, was not done by the company but organized by employees spontaneously.

As a comparison, the two domestic companies (or SOEs) took care of many more tasks. These included building apartments for employees, taking care of the schooling of employees’ children, assisting the employment of employees’ children, and even other miscellaneous tasks such as fixing a leaking roof for employees. I myself experienced an example during my interviews. I was talking to one of my interviewees in one domestic company and we both heard some loud music playing. I asked what that was for and my interviewee told me it was time for the employees to do morning exercises. He and a few other people in that company said that the management was concerned about employee

health so they allocated this time specifically for employees to go outside and stretch their arms and legs. The company even organized a few competitions in these activities.

The things described above might not be directly relevant to a company, but the companies still did them. One public relations manager in the domestic meteorological products company commented on helping the employee's children enter better schools:

This is really human-based. We have tried to address their major concerns. You know, what do workers expect? Except for benefits, pay, they are mainly concerned about their children, offspring... Actually this is none of the company's business.

This is totally a personal problem [italics added]. It has nothing to do with the company. However, we pay attention to this. Say like when your children are facing the exam for entering high schools, our company will provide such assistance so that you can get into a reasonably satisfactory school.

The company did this by engaging in something called "mutual construction," which meant the company would keep in contact with some good high schools and sign a contract. So the company would provide the schools with financial assistance or other aid. In return, the school would admit some of the employees' children after evaluation. This demonstrated that the closer a relationship the company needed with the employees, the more likely it would be to address issues from the employees' standpoints.

Networking

This relationship cultivation strategy was more clearly influenced by the dimension of local responsiveness than that of global integration. The following analysis will focus on the first dimension only. Companies with high local responsiveness tended to focus more

on this strategy of networking than those with low local responsiveness. Those hybrid cases also paid much attention to this strategy.

In the case of companies with low local responsiveness, building common networks with employee publics was either lacking or limited. Take the Korean business group in this category as an example. Both managers and employees mentioned that even though they sometimes organized family-member visits to the company, these were limited only to the management level or for people in key positions.

In the case of companies with high local responsiveness, different strategies were used to build common networks with employees' families and friends. Most people mentioned family network first. For example, one employee relations manager in the U.S. home appliance company gave this vivid description of this strategy:

We have this Chinese saying, the best conquest is the conquest of the heart. So you first make the family members moved and happy, then they will support your work. So if you need to work overtime, or other things, then the family will show their understanding and support.

These companies used this EOR cultivation strategy by introducing wide-ranging activities such as family days to instill a sense of belonging, sending letters to the spouse, sending corporate newsletters to the family address instead of office address, organizing outings with family members, and inviting family member to give speeches at parties.

In addition to building networks with employees' families, building networks with employees' friends was also evident in two such companies. Typically this happened when the company was hiring new people. One employee in the German electronic company described its program of referral, "Then if I can recommend a friend, I become the referrer.

Then if the new employee is satisfactory and can pass the trial period, then I can get a special bonus.”

Regarding building networks, it is interesting to note that domestic companies were actually cautious of too much networking effect. For example, one manager in the domestic electronics company immediately expressed a dislike for networking in terms of hiring, although his understanding of networking was a little different from mine. He said:

Actually we do not want to see a lot of networking efforts. We will consider it as nepotism. For example, we sometimes will have the case in which the father is a middle manager and he would like us to take care of his son. This is harmful to our operations and is a result of the old command economy. Now it's less and less. For example, right now when we hire new employees, we will still consider certain preferential policies toward our existing employees' network; however, that new person has to meet certain standards before we can consider him or her at all.

This clearly demonstrated different perceptions about networking. For many Chinese, the mention of networking reminded them of “guanxi.” Cai's (2001) analysis of Chinese “guanxi” suggested that it was more structural than individual. The domestic companies seemed to have lost more from networking as they understood it than they have benefited from it. That was why they were trying to focus more on the individual quality of relationships rather than the structural connections.

Additional findings are noteworthy to further the understanding of this particular EOR cultivation strategy. For some companies with high local responsiveness, their special nature prevented them from effectively building such a network. For example, employees in the German home decoration company talked about everybody working in different

shifts and thus even they themselves did not have much time to get together, let alone to hold some gathering with all family members.

Positivity

This strategy means that anything the organization or the public does to make the relationship more enjoyable and make the other parties involved more content in the relationship. To be positive, parties need to act joyfully, be polite, and avoid criticism of the other party (Canary & Stafford, 1991).

A comparison between multinational companies and non-multinational ones suggested that the former usually paid more attention to achieving positivity among employees. Worthy of note were the frequent activities, travel opportunities, and special events in multinational companies. For example, almost all companies sponsored some kinds of special events such as birthday events, travel, and off-site opportunities.

The effects of these activities were mostly positive. However, there was some discrepancy of opinions between employees and public relations practitioners. For some employees, these activities were just formality, something that the companies have been doing all the time. So they did not feel there was anything special about these any longer.

The data also revealed the influence of international strategies on the use of positivity, mainly through influencing the ways of achieving positivity. Specifically, the dimension of global integration influenced achieving positivity through providing challenges at work. In addition to sponsoring activities among colleagues, companies with high global integration provided challenging work more than those with low global integration.

For example, in the Korean business group, employees were constantly provided challenge at work and thus they felt no repetition and less boredom. The other way to reduce the feeling of boredom was providing frequent internal transfers. One employee commented, “If you have worked in one place for too long, or if you feel bored, then the company will consider transferring you to other departments.”

On the other hand, companies with high local responsiveness generally connected positivity closer to the local customs than those with low local responsiveness. For example, a few companies and the domestic companies all organized activities for single employees. While these employees were entertaining themselves, they also had more opportunities to get to know more people. In addition, one domestic company also treated the first day after the Spring Festival as a special kind of after-holiday work day. On that day, they would have a fireworks display and all kinds of entertainment activities.

This cultivation strategy did not pose much difficulty for companies high both in global integration and local responsiveness. It was easy for them to satisfy the demands from both dimensions by doing the above simultaneously, one at work and the other after work.

Some additional findings suggested that the cultivation strategies did not always stay static but were under constant changes. Two factors were found to contribute to such change, change in the stages of a company and the special nature of an industry. For example, in one company, participants generally felt that they had a lot fewer activities now. One employee suggested that this might be the result of an increasingly tight production schedule. Now that the company had grown fast, the management paid more

attention to getting production done in time. Thus they were spending less time on providing activities for employees.

In addition, as mentioned in networking section, employees usually worked in shifts in that home decoration company. Therefore, participants commented that it was difficult for employees to get together even though they wanted to have some social activities.

Assurance of Legitimacy

Hon and J. Grunig (1999) pointed out that organizations must acknowledge the legitimacy of all constituencies. This was found to be an important cultivation strategy for EOR. Across different orientations in globalization strategies, companies did make efforts to assure employees' legitimacy by showing respect to their concerns. However, the different orientations also had impact, especially on two areas: the range of employees whose legitimacy was assured and the types of issues concerned. I will demonstrate first the overarching themes before discussing the impact of globalization strategies.

Overarching themes. A major theme emerged regarding the effectiveness of assurance of legitimacy. Participants from many companies talked about how they offered a place for listening to employees' concerns. Interestingly, many people agreed that even though problems might not always be solved, at least such listening offered an outlet for employees and helped improve EOR. This supported the finding from Rhee (2004) that listening and being responsive were effective relationship cultivation strategies. One quote from an employee relations manager in the U.S. soft drink company best demonstrated this:

If there are problems, the employees actually pay more attention to whether they can express their complaints. Even if the problems may not be eventually solved, they feel that the process of understanding and communication is providing a channel. I often notice employees write down such words, I don't really expect this to be solved very soon, but by having someone listen to my problems, I feel it's an outlet for my feelings. This helps to enhance the morale and enthusiasm of the employees.

In addition, assurance of legitimacy also showed the companies' recognition and respect of employees as whole human beings instead of being just workers. Employees had the highest opinions when they felt their company kept a balance of work and life. Examples ranged from major issues such as consideration of family issues in relocation to minor things such as adding company shuttle bus stops at the request of employees. One employee relations specialist in the U.S. home appliance company said: "So employees do not only interact with each other during work, but also can relax outside of work. So this is to balance our life and work. Through these activities, we feel that our company has this balance."

In terms of work evaluation, employees also felt the legitimacy being respected. For example, one employee who had worked in the Korean business group for five years mentioned that performance review was done face-to-face. She felt that this was not available in many other companies and showed that the company trusted the employees. In the U.S. soft drink company, employees also had positive opinions about how their company showed recognition of their work by giving awards or inviting them for speeches.

As discussed earlier, employees were usually divided into different categories depending on their unique value and importance to the company. Thus, across all companies studied, key employees usually received more attention and their legitimacy was assured more easily. For example, in several companies, whenever some important employees were about to leave, they would receive repair emails from the company asking them to stay.

Given what has been discussed so far, the reality was that not all companies paid an equal amount of attention to assurance of legitimacy as a relationship cultivation strategy. The focus of their behaviors was different depending on their positioning in globalization strategies. Basically, one dimension, global integration, affected both the range of employees whose legitimacy was assured and the types of issues of concern.

Different range of employees considered. According to the interview findings, companies with high need for global integration seemed to be less able to consider everyone's concerns in detail than those with low global integration. Admittedly, any organization would have to make decisions as a collective, so it generally would not be possible or beneficial to listen to everyone's opinions. However, this tendency was especially evident for companies with high need for global integration because they were in a much greater need for overall efficiency and the ability to coordinate different subsidiaries.

For example, one Korean director for employee relations in the Korean business group said definitively that the company did not focus on any individual but would consider the general direction for the whole team. He basically said it would emphasize the collective benefits. This was also reflected in the comments from the company's

employees. For example, one employee talked about how the company paid attention to the concerns of a percentage of people, “Like I have this percentage here. I have guaranteed that so many people have got their benefits. Because the company is too big. Not everybody can get the chance of becoming a core member.”

Types of issues of concern. In addition to the extent to which assurances were offered, globalization strategies also had an impact on the types of issues of concern. Companies emphasizing high global integration seemed to pay more attention to getting their objectives met and making sure coordination was smooth. Therefore, they usually granted more freedom in employees’ work patterns and styles, but offered limited or no choice in terms of clients and workload.

The Japanese electronics company showed a similar pattern in that it would accept excuses for not working overtime from employees, but then that was eventually related to evaluation. The public relations manager said, “We will consider that [working overtime] as an indicator of obeying instructions.”

Sometimes employees felt that certain issues would not receive serious attention unless the consequences became really serious. They were not satisfied with this way of addressing legitimacy issues. For example, one employee with 8 years of tenure in the Japanese electronics company talked about the recent weakening of regular employee representative meetings to address employees’ concerns. Now when employees had complaints, they did not have a formal channel. As she commented:

However, this is not done in a systematic way, like the employee representative meeting. But whenever problems occur, they are kind of forced to hold this meeting. So we get the impression that the management is not being active, but will wait

until there are problems. So it's like when you have problems, and when people begin to feel pretty strongly about something, then they find a time and sit down, and talk.

For the hybrid case organizations, the simultaneous demands for both global integration and local responsiveness seemed to necessitate a middle ground. Even if they were not always able to consider everyone's concerns, they would at least provide a smooth channel of communication. As mentioned in the section of overarching themes, even though the actual problems might not always be solved, companies' listening to the employees concerns offered an outlet for them.

Openness and Access

Because of the special nature of employee publics, openness and access could be consolidated as cultivation strategies. They refer to the open sharing of the decision-making process in the organization. Common methods of providing access included employee representative meetings, suggestion boxes, and company newsletters.

Global integration influenced the type of information companies were open about. High global integration companies did pay a lot of attention in disclosing policies and company general information so that they could be highly consistent and coordinated. However, also because of this orientation and the resultant tight control, these companies tended to be more careful and less open about financial information than companies low in global integration. The disclosure of major company events was relatively slow, sometimes resulting in detrimental consequences. On the other hand, companies with high local responsiveness were found to provide more ready access to their employees than those with low local responsiveness.

Impact of global integration. Companies with high global integration usually had high demand for consistency to make the organization an integrated whole. Therefore, they tended to keep a consistent policy. As a result, standard procedures and regulations were open to everyone. For example, a standard package of salary and benefits was clear and minutes of senior meetings were available to employees in the consulting company. This was impressive to some employees.

In addition, in order to keep a consistent image around the globe, good coordination among branches was needed; hence, the openness in organizational structure and functions. For example, in the Korean business group, there was a high need to break departmental barriers. The participant talked about how the company provided an information map covering different departments and facilitating smooth coordination among them. Other companies also made an open announcement of internal vacancies and other management decisions.

However, tight financial control was a prominent feature for this type of organizations. They were not as open in information of this nature. For example, one employee who had worked in the Korean company for three years recalled,

I remember once, after we get [name of an award], there is a bonus, about 200 RMB [unit of Chinese currency]. So then I posted a message on the BBS, saying that these 20 people have got it and are qualified to receive this 200 RMB worth of reward. And then when the HR director saw that, he called me and said, no, you cannot post that. How can you post messages related to the company's financial issues?

He felt it was strange because this was something everybody in the company knew. But the director felt uncomfortable posting money-related things on the web. In addition, in this same company, participants commented that rumors usually existed about bonuses. Another company in this category also revealed that there was not timely disclosure of pay raise information.

Impact of local responsiveness. The need for high local responsiveness made it more imperative and also more convenient to provide easy access. For example, several such companies provided many chances for interaction, hosting frequent communication meetings at different levels. In addition, they could afford having Q&A on the spot and providing instant feedback to employees' questions and concerns.

Simultaneous demands of global integration and local responsiveness. In terms of providing easy access to employee publics, the companies with a dual focus of both high global integration and high local responsiveness were faced with challenges. Some companies managed well but others failed. .

Some companies with dual demands went beyond providing access of decision-making to employees. They actually allowed employees participate in decision-making more often. For example, the U.S. soft drink company initiated a program that allowed employees to take part in the assignment of their own tasks. The manager commented, "So employees actually have a lot to say about their job assignment. Since this is designed by themselves, when they implement such plans, they are more enthusiastic, not passively accepting a job assignment."

In another company, however, the failure to be open to local employees in a particular branch has led to hurt feelings from employees. Because of strategic moves, the

company decided to relocate after only two years of operation in that city. Several employees commented that in this fast changing company, employees were not always the top priority; thus it did not consider employees' interests in the event of relocation. One employee with 2-year tenure provided this vivid description about how employees were not given access to important organizational decisions in this case:

I still remember that when the company announced the decision, it was a Christmas Eve, the 24th. Before that, we didn't know anything, not a single word. So that day, when we were asked to come for a meeting, many people were very excited and happy. Because we thought that maybe the company will announce some news about bonus or the long-term development for next year. Because at that time, many top managers from the company came here. So when the general manager of our company announced the move, I could sense that many people were indeed dumbfounded. We were shocked. Before that, everybody was saying that how important the company was, how much attention we have received from Beijing and U.S., how we can develop this further.

Conflict Resolution

Generally speaking, when confronted with conflicts, most case organizations used integrative strategies to reach a mutually satisfactory solution. However, probably because of the inherent power imbalance between an organization and its employee publics, no organizations used the strategies of being unconditionally constructive and saying win-win or no deal.

In terms of the five dimensions of public relations strategies, symmetrical, ethical, and two-way communication almost always brought about positive results in the conflict

resolution process. Organizations used interpersonal communication more often than mediated communication. Social activity was not a dominant theme.

The interviews with both employees and managers suggested that not many real conflicts would arise. If dissatisfied with certain issues, most often employees would just complain to their supervisors. Only when the problems became serious enough did real conflicts arise. And they were usually related to the employees' major concerns.

The manager in the U.S. soft drink company told me the conflict about firing employees. That company was a joint venture that used to have much influence of the command economy from domestic companies. Therefore, employees previously were fired in a rather rough manner, without adequate explanations or opportunities to argue for themselves. Now they have changed the practice to make it more "humane and objective." He emphasized that in every step of the employees' performance evaluation, both supervisors and employees needed to sign on all the materials to make sure they were on the same page. Supervisors and employees would have constant interactions and the employees would have several opportunities to work on their problems. He said, "If, after several times of discussion, he still cannot solve the same problem, then you need to consider letting him go. At that time, you can show him the documents on which both of you have signed and acknowledged."

Another example where two-way and symmetrical communication took place was in the Korean business group. Employees there would have to sign a contract before taking part in any further training opportunities. The problem was if they did not come back to serve the company after the training, they would have to pay back all the expenses involved in training. The employee relations manager mentioned that this practice was common to

all companies because the training expense was paid by the company. However, this fee was a huge amount and at first the company did not allow for any negotiation. He said, “The company did not care whether the employees had family concerns or lacked ability to get this money. If it’s not paid in full, the company will turn to legal measures.” This created big problems between the company and employees. He explained that most employees there were relatively young and could not pay in full, so then the only option for them was to leave without any notice. The company still suffered loss and it had bad effect on other employees. Therefore, they later turned to communication with employees and then agreed that the company would offer discounts so that the employees could afford. This way, although the company suffered some loss, the negative impact was reduced. He said now such conflict was greatly reduced and this also created good impact within the company. For example, when the employees needed to take further training, they did not feel “reluctant or scared.”

Several companies used this face-to-face communication or, in Chinese, “heart-to-heart talks” when dealing with conflicts. One company used this to prevent a potential strike. This suggested the use and effectiveness of symmetrical, two-way, and interpersonal communication in EOR cultivation. In conflict resolution, no clear distinction was found between different globalization strategies.

Additional Strategy: Barriers to exit

Participants also mentioned this strategy quite often. Supporting the categorization from previous literature, barriers to exit included two major types: internal psychological barriers and external structural barriers. The first type had some overlap with previous relationship cultivation strategies. For example, sharing of tasks, sharing of networks,

positivity, and assurance of legitimacy could all contribute to more positive memory about the relationship, which would make it hard for employees to leave. Therefore, this section will only focus on the external structural barriers that applied to employee relations. The impact of international strategies on the barriers to exit was not evident based on the existing data.

The data suggested that these barriers were related to two factors about which employees cared most, career development and benefits. For career development, most often companies used an after-training contract, internal recruitment, or transfer to motivate people to stay. In the case where companies used personnel from labor companies or agencies, they increased the barriers to exit by promoting some excellent workers to become regular employees. In this way, employees could see that companies really cared about them as individuals. The longer they stayed, the more opportunities they could get.

In addition, different benefits programs also provided incentives for employees to stay. These include benefits programs such as a savings plan, housing fund, stock options, and other incentives such as a 5-year or 10-year award. The formats might differ, but the purpose was the same.

Participants did not always view the effects of these structural barriers to exit to be positive. For example, the after-training contract led to different opinions between managers and employees. Some employees felt that the training should give the employees the desire to stay, but not force employees to stay with the constraint of contract. As mentioned before, this kind of training contract actually brought about some conflicts in certain companies, although they were resolved satisfactorily later.

Summary of RQ 3

First of all, because of the special nature of employee publics and the fundamental reason why companies maintain a relationship with employees, most companies clearly distinguished between core and non-core employees in terms of relationship building. Second, some cultivation strategies were found to be basic to most multinational companies and employees were too familiar with them to feel impressed.

Generally speaking, all multinational organizations focused on sharing of tasks that were of interest to both the organization and employee publics. They did not pay much attention to tasks that were of interest only to employee publics, at least not as much as their counterparts in domestic companies in China. This demonstrated that the closer a relationship the company needed with the employees, the more likely it would address issues from the employees' standpoints.

Most multinational companies paid much attention to providing training and other career development opportunities that were of concern to both the organization and the employees. Companies with high global integration usually focused more on company need whereas those with high local responsiveness usually focused on personal development, providing customized training. The hybrid case organizations were able to do both, as evidenced in the example of providing training.

Companies with high local responsiveness tended to focus more on the cultivating strategy of networking than did companies with low local responsiveness, for which building common networks with employee publics was either lacking or limited.

Multinational companies paid a great deal of attention to achieving positivity among employees. Specifically, companies with high global integration achieved

positivity through providing challenges at work in addition to activities among colleagues. On the other hand, companies with high local responsiveness generally connected positivity more closely to local customs. The hybrid case organizations paid attention to both at-work and after-work positivity.

Across different orientations in globalization strategies, companies did make efforts to assure employees' legitimacy by showing respect for their concerns. Assurance of legitimacy was also reflected in the companies' recognition and respect of employees as whole human beings instead of being just workers.

However, the different orientations, mainly the dimension of global integration, also affected cultivation strategies. Companies with high need for global integration seemed to be less able to consider everyone's concerns in detail. In terms of types of issues concerned, companies high in global integration seemed to pay more attention to getting their objectives met and making sure coordination was smooth. For the hybrid case organizations, the simultaneous demands for both global integration and local responsiveness seemed to necessitate a middle ground. Even if they were not always able to consider everyone's concerns, they would at least offer a smooth channel of communication or an outlet for employees' concerns.

High global integration companies did pay a lot of attention to disclosing policies and company general information so that they could keep consistency and coordination. However, also because of this orientation and the resultant tight control, these companies tended to be more careful and less open about financial information. On the other hand, companies with high local responsiveness were found to provide more ready access to their employees. They let employees participate in decision-making more often. Companies

with a dual focus of both high global integration and high local responsiveness were faced with challenges. Some companies managed well but others failed.

Finally, companies used two-way, symmetrical, and interpersonal communication to resolve conflicts. They also used external structural barriers to exit to maintain EOR. Data suggested that these barriers were related to two factors that employees cared about most, career development and benefits.

Outcomes of Employee-Organization Relationships and Globalization Strategies

In this section, I discuss how the outcomes of employee-organization relationships are influenced by the globalization strategies of case organizations. This includes the types and quality of EOR, so I discuss research questions 5 and 6 together. Interview findings supported the original proposition and provided evidence for the discovery of additional influences.

Types of EOR and Globalization Strategies

Hung's (2002) study revealed a range of different relationship types. This study examined the types specific to employee relations and how they were influenced by globalization strategies. The research question is listed below.

RQ 4: How, if at all, does the globalization strategy influence the relationship types in case organizations?

Overarching Themes

Before talking about the impact of international strategies, I will discuss some overarching themes that applied to all organizations. Since this project explored the perspectives of both employees and organizations, I organize the findings accordingly.

Employees' perspectives. First, because of the nature of employee publics, a contractual relationship was the most common type for all case organization. Interestingly, employees were usually the ones talking about this type of relationship. Many employees, when first asked about the types of relationships they had with the companies, mentioned “just an employment relationship” or “a pure relationship of labor versus pay.” One person called herself a “labor seller.”

A most vivid description of this widespread mentality came from one employee of the U.K. insurance company, who had been in the company for only four months after staying in another two companies. He used a phrase such as “settling accounts” and described it in the following way:

You owe me nothing, I owe you nothing. I work here for one day, I get one day's pay. If you owe each other something, then you use the contract to formalize it.

Otherwise, the account is not cleared. And [if you don't feel this way], any kind of job-hop doesn't make sense then. Because it will give you the feeling of betrayal by your lover or your family.

Simply put, he felt that he would act in a professional way and complete all tasks that were asked of him. However, he did not want to have any emotional attachment to the company, otherwise he might get hurt. After all, all companies needed businesses and profits and thus could be and should be cold and rational.

Second, many employees pointed out that most of the time, EOR boiled down to exchange. Other things, they argued, were just the means to achieve that. Therefore, in essence, they classified all current relationship types under exchange in one way or another. Employees gave different accounts as to how they felt about such an exchange.

Pay was usually the first thing employees said about what they got out of the relationship with their companies. Several participants laughed at this question and said immediately that of course they got money. In addition to pay, employees also got experience and career opportunities. In return, the companies got their labor, skills, revenue, and growth. From the employees' perspective, most things that the companies did were done for a purpose. For example, when talking about training or further education opportunities, many employees expressed the idea that they were happy about what the companies were doing; but, at the same time, they recognized that the basic purpose of the companies was to use their newly-acquired skills for further service.

It was interesting to note that as long as employees felt what they got and what they paid for were relatively equal, or the exchange was somewhat fair, they would still feel they have gained something. For example, in the case where the company made the relocation decision without notifying employees first, almost all employees expressed disappointment and had the feeling of being "dumped." However, when they recalled this relationship, many of them acknowledged that they had learned a lot. One employee described this purely exchange relationship:

I think [company name] is a very practical company. When it hires you, it wants you to work for it. It's not like other companies which, after hiring some new employees, they will have a kind of learning process. Here, right after you come, you should be able to work.

However, given this almost naked exchange relationship, he still felt the relationship was valuable because he received much career guidance and training. As a result of this relationship, he felt confident that he would be more competitive for any

future jobs. This was echoed by almost all of his colleagues. They learned how to use resources effectively. This exchange relationship was win-win eventually because they felt they learned a lot.

This finding led to more thinking about the nature of EOR. Many employees felt it natural to enter an exchange relationship with one particular organization, do what they can do to contribute to the organization, get what they expect to get, and then move on to another organization that might be a better fit for them. Employees did have this kind of “stepping stone mentality.” One employee with a 2-year tenure in the Korean business group described this and regarded it as a win-win situation, even though it was exchange:

When your ability has reached a certain level, or when you face a bottleneck, there is no further room for upward development. At that time, the company obviously does not want you to leave. It wants you to do your work. But for your own personal development, you feel that, above you, there are this director and that manager; it’s all occupied. For a young person, you definitely want to have some breakthrough.

Worthy of note was even though these two types seemed to be most prominent, employees did mention other types of EOR under different globalization strategies and for different types of employees. This is discussed in the following sections.

Organizations’ perspectives. When public relations managers described the types of relationships the organizations had with employees, they tended not to make sweeping conclusions. Rather, they usually indicated that the relationships depended on the types of employees. A general theme across different organizations was that usually EOR with low-level employees involved exchange or was contractual whereas that with high-level people or core organizational members would be mutual communal or covenantal.

One manager in the Korean business group, for example, commented that because the company could not satisfy each individual, it had to choose the majority or only the core members. Therefore, the core members usually made larger contributions to the company, got more attention, and had their concerns more easily addressed. As a result, they would normally feel a stronger sense of belonging than the non-core members.

Although appearing to be organization's perspective, this finding was also supported by remarks from employees. Several commented that the perception of EOR might be totally different between themselves and other employees. For example, one employee mentioned the feeling of growing together with the company and treating the organizational goal as her own mission and aspiration. This clearly indicated the covenantal relationship.

Another employee in the German electronics company expressed a similar idea but then quickly pointed out that although he himself felt good in this relationship, it might not be the same for others. Some employees also analyzed other factors that contributed to such differences in perceptions. For example, one mentioned that more opportunities existed for those employees closer to the general manager than others. And the different natures of different departments might also play a role. For example, the employees in a quality control department in one domestic company felt like they were isolated and away from other parts of the company. Thus, they did not feel much connection to the company as a whole.

Influences of Globalization Strategies

Exploitive or manipulative EOR. The following themes were related to the specific international strategies. First, companies high in global integration were more likely to

emphasize exploitive and sometimes manipulative relationships with local employees than those with low global integration. This was consistent with the literature. The essence of a global integration business strategy was efficiency (Hout, Porter, & Rudden, 1982; Levitt, 1983). Cost, efficiency, and economy of scale were emphasized. This led to the focus on high skill utilization, the employment of ready-to-use skills, and matching skills to immediate task requirements. The local subsidiaries served only as a part in the big collective, and the headquarters might sometimes sacrifice the interests of a particular subsidiary to achieve overall organizational goals. Hence the exploitive or manipulative relationship.

Participants in those types of companies used such phrases as “exploiting maximum surplus value” or said that the local company was “only used as a production base.” To illustrate the use of exploitive relationships better, participants (both manager level people and employees) in the Korean business group described the following. The parent company established this local subsidiary to use the relatively cheap labor. It focused on gaining profit for the overall corporation. Therefore, one specialist in employee relations commented on how the company did a lot of profit transfer for the benefit of the whole business group:

However, all such profit has been transferred to [the headquarters country], by importing raw materials and parts from there, which are much more expensive than those in China. So then every year, the company will say, oh, our profit is not high; however, they have already moved the profit to [the headquarters country]! So the employees have a lot of complaints. Like we have worked so hard and

created so much profit. They all know this. But then when you look at the financial statement, you do see that it's not very high.

Employees in the Japanese electronics company also said that they were only used as a production base. They felt that the organization came just for cheap labor and preferential tax treatment. In addition, the company did not care much about EOR because, given the current employment reality, they could easily find other people anyway.

Contractual EOR. Second, for the same reason described before, companies with high global integration tended to focus more on contractual relationships than those with low global integration. For example, one employee in the U.S. consulting company argued that his company was being too clear-and-cut with employees who were about to leave. He stayed in the company for 4 years and had seen many colleagues leaving. He recalled that as soon as the company knew someone would resign, it would cut off all connections with that person:

Say there is an offsite in the company, a gathering here. Even though I have submitted the resignation letter, my last day in the company is after the gathering. Then the company will say, sorry, since you have resigned, then you cannot go. Or if the company will offer bonus in April, then in March you say I'm leaving in May. Then the company will not give you the bonus.

The employee felt it inappropriate to be so calculating. He commented on the negative consequences:

Of course you can do things like these, because the employees are leaving anyway. However, I feel that the image of this company is damaged. The word-of-mouth is gone. I feel that if a company is a good place, not only those who are in the

company now will say it's good, but also those who have left will also say it's good.

Then that's successful.

In companies with high global integration, the use of labor companies or agencies for non-core work was also widespread, furthering the impression of a focus of skill utilization. The strict following of contractual relationships sometimes could be detrimental. For example, one employee who had been working in the German electronics company for seven years talked about how his company now required fixed time for certain tasks. He felt that the company did not trust them and imposed these time limits on them. In return, he would only do what was asked and nothing more. He said, "Actually I don't like this kind of calculating everything, but if the company treats me rigidly, I will perform rigidly."

Covenantal and communal EOR. For companies with high local responsiveness, operations were usually within individual units alone, disregarding sister business units. Therefore, they needed maximum involvement with local employees. For this reason, covenantal and communal relationships were more likely to occur with this type of company than with those low in local responsiveness. Phrases such as "mutual development," "growing together," "more than an employment relationship," and "more than a naked relationship of pure interests" appeared in both managers and employees' remarks, which illustrated briefly these kinds of relationships.

Roth and Morrison (1990) argued that complex innovation was the central differentiating strategic theme for companies with both high global integration and high local responsiveness. Such innovation was usually based on new knowledge and new knowledge creation. Bird and Beechler (1995) pointed out that this strategy required

acquisition of self-motivated personnel and the support for self-development of abilities, skills and knowledge. These companies needed to work more on the acquisition of employees with large latent potential and the development over time of employee abilities, skills, and knowledge.

For these hybrid cases, the simultaneous demands on efficiency and skill development of employees certainly presented a challenge. Reflected in the types of employee-organization relationships, they usually displayed a broad range of different types. They cultivated communal or covenantal relationships at all different levels (with work achievement, with colleagues, and with organizations). At the same time, when they cultivated exchange or contractual relationships, they made sure that conditions are fair to make employees feel worthwhile. They were able to achieve this better than those purely global integrated companies because they had the need and ability to engage in interaction with employees.

For the communal relationship, the participants in the U.S. home appliance company constantly mentioned that they really cared about employees' benefits even though employees might leave the company later. One manager gave the example of providing English training to employees. He said, "This kind of training, to be frank, does not have short-term return. Because you probably don't need much English skills, or this is really not the kind of problem that the company should be solving." The company still invested in this because it felt that employees would probably need English in their future careers.

When asked about their perceptions of EOR, participants sometimes found the question too abstract to think about. So I asked them to compare their current EOR to a

kind of interpersonal relationship that they were familiar with. Employees described it in different ways. In organizations with high local responsiveness, employees often referred to relationships such as those with siblings or choosing a spouse, which entailed a long-term range and the need of constant communication. They also equated their EOR with that between acquaintances who could help each other, share points of view, and feel comfortable with. One person with an 11-year tenure in a domestic company also compared the EOR to the relationship between a married daughter and her maiden family. In China, if the maiden family is strong and prosperous, the daughter will feel proud in front of her family-in-law. These suggested the existence of a mutual communal relationship.

In terms of covenantal relationships, a major theme was that the ultimate goals of the company and those of the individual employees were actually consistent. Two participants in the U.S. home appliance company talked about the issue of cost reduction measures that the company introduced. At first, employees felt the company was too stingy. But through communication, they realized that the two sides were not in conflict. The interests were consistent.

To demonstrate this better, in both domestic companies, which suggested high local responsiveness, I heard from employees repeatedly that the better the company developed, the better opportunities for employees. This showed the covenantal nature of the EOR.

Another company, the U.S. soft drink company, revealed the same theme of having fundamentally consistent interests between the organization and employees. For example, participants talked about how the growth of the company led to a larger scale and a better

organizational structure. This led to more promotion and career development opportunities for employees.

One participant described a process of mutual learning, so that employees learned how to solve problems and the company got many useful suggestions. This definitely benefited both the organization and employees.

I need to make two points here regarding the influence of globalization strategies on types of relationships. First, in the orientation of high global integration, covenantal relationships did exist too, but as indicated earlier, they were usually limited to a small number of core members. Second, in that orientation, communal or covenantal relationships mostly referred to the relationship with colleagues or the work achievement itself, instead of with the organization.

For example, one employee in the consulting company said frankly that he had developed good communal relationship with colleagues but that his relationship with the organization itself was still mostly exchange. This indicated that the interpersonal relationship with colleagues or group relationships might be different from that with the organization. Further, the former might be a good cultivation strategy for EOR. This supported the importance of group communication in organizations (Lee, 2001).

In addition, several participants talked about how they felt toward the business itself or their tasks, not necessarily the same with that toward the organization. For example, one employee with a 5-year tenure in the Korean business group said she had contributed a lot to the company's growth and left many "footprints" there. In a way, she felt like a teacher helping children grow. They achieved mutual growth. Another participant, a sales representative from a soft drink company gave a similar comparison of a mother feeding a

baby. He recalled when they first developed the business, conditions were terrible and he had to walk a lot. He proudly mentioned that he had worn out a pair of leather shoes within less than three months. Therefore, for him, emotional attachment did exist, especially for those business regions that he had worked so hard for. He said:

For some regions where I have worked very hard, I don't want my successor to mess them up. Yes, it's true that I have worked, the company has paid me, it's clear. But emotionally, I still feel I'm attached to those regions that I have worked so hard for.

This indicated that making employees assume more responsibilities and letting them develop an emotional attachment for what they have achieved within the organization might also be a good cultivation strategy for EOR that could enhance the communal or covenantal relationship.

The data did not contain much mention of a one-sided communal relationship. However, in one of the domestic companies, managers did talk about this and its implications. That particular company still had a lot of traces of the old command economy and one indicator was the over-reliance of employees on the company. One manager commented:

Many employees will turn to the company whenever they have some difficulties. I feel our relationship is more than that of cooperation. Regardless of whether their concerns are reasonable or not, some employees still expect the company to solve every problem.

Another manager in that company gave this example, "For example, we once acquired a small company which had already gone bankrupt. However, the former employees of that

company still felt that they were also members of [this company] and would like us to solve their employment problems.”

Other Factors that Influenced Types of EOR

Types of EOR were also found to differ depending on other factors. One most salient one had to do with the stages of the company. Regardless of globalization strategies, participants, especially the employees, talked about how they experienced changes in relationship types at different stages of the company.

To start with, participants in the consulting company mentioned that when the company first entered China, it aimed at presence first. At that time, the company was good at retaining talents. However, now that it has been more or less established, the focus of attention has been moved to profit. Therefore, the need to reduce cost was more pressing, which led to the change of becoming more pragmatic on the part of the company.

Another company, the Japanese electronics company, underwent similar changes, although for different reasons. The main complaints from employees were that the company used to be more human based and emphasized employees' life. It provided many after-work activities and entertainment. However, now the production had become much tighter and the management just did not have time to take care of these issues. This was disappointing to the employees.

The most interesting example came from the German electronics company. The participants (both managers and employees) said they seemed to have worked in three different companies in the recent years. This happened because they had three general managers sent from Germany that had totally different styles. As a result, the relationships with the organization changed drastically. The first manager had a technical background

and did not do much management. The second manager was democratic and created a good environment. The relationship was more toward covenantal. However, the third manager had a generally distrusting attitude toward employees. One vivid example came from one employee:

When the old general manager was here, when someone was working overtime, then even though he couldn't communicate with them in Chinese, he would do things like buying something for them to eat. But this manager [the third one], if you are working overtime, he would come and see whether you are indeed working.

So it's so different. One is like family, the other is not.

As a result, the current EOR was more like a contractual or exchange relationship.

Employees felt restrained and not acknowledged.

Summary of RQ 4

Major themes from employees' perspectives include the following. First, as a result of the nature of employee publics, a contractual relationship was the most common type for all case organizations. Employees and organizations had a clear understanding of what each party needed to do and was entitled to get. Second, many employees pointed out that most of the time, EOR boiled down to exchange. However, such an exchange relationship could still be a win-win situation because employees received much career guidance and training so they could be more competitive for future jobs.

On the other hand, when public relations managers described the types of EOR, they usually indicated that the relationships depended on the types of employees. A general theme across strategies was that usually EOR with low-level employees was one of

exchange or was contractual, whereas the relationships with high-level people or core organizational members would be mutually communal or covenantal.

Companies high in global integration were more likely to emphasize exploitive and sometimes manipulative relationships with local employees than those with low global integration. This was because the local subsidiaries served only as a part in the big collective and the headquarters might sometimes sacrifice the interests of a particular subsidiary to achieve overall organizational goals. In addition, these companies tended to focus more on contractual relationships than those with low global integration. The use of labor companies or agencies for non-core work was also widespread, furthering the impression of a focus on skill utilization.

In the global integration orientation, communal or covenantal relationships also existed. Mostly, however, they existed in the relationships with colleagues or the work achievement, instead of with the organization. This suggested the importance of group communication within the organization and delegating more responsibilities to employees in cultivating EOR.

Covenantal and communal relationships were more likely to occur in companies with high local responsiveness than in those with low local responsiveness. These companies needed maximum involvement with local employees and really cared about employees' benefits even though employees might leave the company later. This was also demonstrated by employees' comparison of EOR with other close interpersonal relationships. In terms of covenantal relationships, a major theme was that the ultimate goals of the company and those of the individual employees were actually consistent.

For those hybrid cases, the simultaneous demands on efficiency and skill development of employees certainly presented a challenge. Reflected in the types of employee-organization relationships, they usually displayed a broad range of different types. They cultivated communal or covenantal relationships at all different levels (with work achievement, with colleagues, and with organizations). At the same time, when they cultivated exchange or contractual relationships, they made sure that conditions are fair to make employees feel worthwhile.

Quality of EOR and Globalization Strategies

This section discusses how the quality of employee-organization relationships was influenced by the globalization strategies of case organizations. It also examines as a whole whether the fit between relationship development (including relationship types and relationship cultivation strategies) and globalization strategies contribute to better outcomes of EOR.

According to the interviews, relationship outcomes were indeed influenced by the globalization strategies, although to varying degrees. Such effect was not evident for every relationship type and relationship cultivation strategy. The research question is listed below.

RQ 5: How, if at all, does the globalization strategy influence the relationship outcomes in case organizations, such as control mutuality, trust, relational commitment, and relational satisfaction?

Control Mutuality

Control mutuality refers to whether an organization has taken into consideration the employees' interest in its decision-making. Given the special nature of employee publics,

power imbalance did exist between these publics and their organizations. However, L. Grunig, J. Grunig, and Ehling (1992) argued that the norm of reciprocity may produce a quality relationship even if power is unequal.

The interview findings supported this argument. Even with power imbalance, proper explanations and adequate listening were found to contribute to control mutuality. For example, the U.S. home appliance company initiated some programs for cost reduction. The employees were required to do things including cutting back on their use of office supplies. At first, employees thought this was too cheap for such a big company. However, later when management explained to them the fundamental purpose of doing all these seemingly minor things, the employees understood that it was also for their own interest. Then they found this more acceptable.

On the other hand, lack of communication or total ignoring of employees' interests in decision-making could lead to hurt feelings of employees. In the company with the sudden decision to relocate, many employees expressed the feeling of shock. Actually they felt that the decision itself was understandable from the perspective of the organizational strategic move, but the implementation process of this decision did not consider employees, or in the words of one employee, "lacked human touch."

Before talking about this outcome in more detail, I need to make one note. Control mutuality implied that both parties should agree that one or both parties have the ability to influence decision-making. However, employees taking the organization's interest in decision-making was almost always a given since usually employees had to follow the organization's rules and regulations. As a result, I only focus on organizations taking into account the employees' interests.

Clarifying Control Mutuality

When asked about whether the organization was attentive to what the employees said or whether the organization actually took the employees' interests into account in its decisions and behaviors, most participants did not give a clear-cut answer. In reality, this depended on many different factors. Participants talked about different influencing factors such as their tenure in the organization and the style of their immediate bosses. However, the nature of issues involved turned out to be the most important factor.

Across different strategies, a clear distinction appeared between control mutuality regarding work or job-related tasks and that regarding personal issues such as benefits, pay, and promotion. The former was found to be higher than the latter in most cases.

First of all, for those companies with heavy reliance on the intellectual employees, employees did have much power in terms of how to get jobs done. In fact, some employees felt that this was the only area where they could have some influence. For example, two employees in different companies both mentioned the concept of "people business" and suggested that the company was all about people. When problems at work occurred, the organizations were usually respectful of their opinions. Thus they felt they had much say in the work process.

However, many employees mentioned that they did not feel their voices were heard in pay raise, promotion policy, or other benefits. One employee who had stayed in the consulting company for two years gave the example of promotion policy and how employees felt unfairly treated. He said:

Sometimes the policies regarding promotion are changed randomly. Then this may lead to the unfairness in the promotion from [one level] to [a higher level]. And

after you get promoted, you need to wait for half a year before you get a pay raise...And the company says this is our policy. I know that [the people at the first level] used to protest as a group, but our boss in China couldn't solve this problem. Because he does not have control over corporate finance.

Influence of Globalization Strategies

Having delineated the full dimensions of control mutuality in EOR, I now discuss the specific influence of globalization strategies. The two dimensions, global integration and local responsiveness, affected both the nature of issues and the methods of achieving control mutuality. First, global integration influenced control mutuality about personal benefits. In companies with high global integration, control mutuality about personal benefits was found to be even less than that in those with low global integration. As explained in earlier section about differences in globalization strategies, companies with high global integration tended to have tight financial control. In fact, one public relations manager in the Japanese electronics company acknowledged directly that employees did not have much influence on decision-making. He described the situation in this way:

All the policies are established by the headquarters, including the benefits, costs.

The headquarters will design a plan and goal for us every year. We are only making minor adjustments. So for the major issues, employees do not have much to say.

On the other hand, local responsiveness influenced control mutuality about work-related issues. In companies with high local responsiveness, employees seemed to have more say in terms of work content than those in companies with low local responsiveness. For example, in companies with low local responsiveness, employees generally only had some influence on their work style but not on workload. One employee

in the consulting company mentioned that the company did not always respect the employees' preferences in terms of choice of clients. Another one also said frankly that they had no say at all on workload.

Differently, in companies with high local responsiveness, employees felt more freedom at work. I mentioned earlier about the U.S. soft drink company that encouraged employees to participate in designing work assignment. That also showed that employees' preferences were taken into consideration in terms of what to work on and how to work.

Second, the two dimensions also influenced the methods of achieving control mutuality, or more specifically, the timing of employee feedback. Companies with high global integration tended to put more focus on after-decision feedback and adjustment than those with low global integration. On the other hand, those with high local responsiveness emphasized more on feedback opportunities and discussion before decisions were made than those with low local responsiveness.

To give an example of the first difference, companies acted differently in terms of the same issue, internal transfer. In one company with high global integration, the Korean business group, one employee talked about her experience. She had been working for 5 years and changed her position almost once a year. However, she emphasized that it was not totally her own choice. She recalled:

Like my work transfer. They never consulted with me. My transfer is always done according to the company's needs. It's not based on what I like and what I don't like. They may have considered this from their perspectives, but they have not asked me for opinions. They may gradually increase my work in a certain area, and then all of a sudden, that becomes my job.

On the contrary, companies high in local responsiveness usually would consult with employees regarding similar issues.

This difference was in accordance with the different orientation in globalization strategies. High global integration needed to take into account the overall organizational need and work efficiency to get competitive advantage while high local responsiveness could make decisions relatively independently. The latter needed to and could spend time on getting more commitment from employees.

In fact, managers in companies with high global integration acknowledged that employees were not always given ample opportunities to participate in decision-making. One manager in the Japanese electronics company described the decision-making process: “First the corresponding department needs to make a first draft and then ask for a meeting with managers from other departments. These people usually have titles. Those lower-level employees have relatively few opportunities to take part in decision-making.”

However, he argued about the rationale for this lack of opportunities in that company, “...If we invite all employees for discussion before every decision is made, then the process will be very slow.” In that case, they tried to make sure that during the decision-making, the management would go through careful consideration and discussion.

In addition, even though employees usually needed to obey unconditionally after the decision had been put into effect, their concerns would be still taken into account through various methods. For example, the manager in the Japanese electronics company said, “We do allow employees to have different opinions. In that case, if someone comes to us, we will explain things including the background of the policies.” Acknowledging the possibility that employees’ interests might not have been considered well, another manager

in this company talked about their repairing methods: “In the implementation of policies, we will collect different opinions and make adjustment.”

Differently, in companies with high local responsiveness, employees tended to have more chances to participate in the decision-making before the decision was reached. And that, to a great extent, encouraged employees to report problems and look for solutions.

For example, in the U.S. home appliance company, employees had the chance to ask management directly for feedback about certain problems. One manager said:

We also have question and answer session. So it's communication on the spot. And then we will also answer questions or concerns we found in the suggestion box.

And many employees are pretty courageous. They will raise their hands on the spot and they will say like what I feel about certain things, and for this question, may I ask Mr. So and So to answer?

Considering that Chinese employees were generally conservative, this manager felt that these were effective indicators for control mutuality employees experienced.

In the hybrid cases where companies had both high integration and responsiveness, they needed to meet both challenges. They tended to consider both the needs of the organizations and those of employees. Here is an example of how they achieved this. In the German electronics company, internal job relocation was done through asking employees to fit company needs while giving them some time to adjust:

When they hire a new colleague, that person may have been working in Beijing originally, and now he may be required to work in Shanghai. So for these decisions, they usually need to talk with the colleague and make the decision after they have

gained the understanding and permission from the colleague. They won't say like, this job is in Shanghai, if you want to come, just come; if you don't, then just get out. They will consider, for example, letting you come to Shanghai to work for six months and try to get accustomed to this job and integrate with the people in the whole department. And then maybe you can go back to Beijing to work. So all these involve a communication process between both parties.

In this way, the trial and error period helped gave employees time to adapt while the company was able to achieve its own purpose.

Commitment

The overall theme found for commitment was the importance of distinguishing between affective commitment and continuance commitment. Meyer and Allen (1984) pointed out two aspects in commitment: continuance commitment, which means the commitment to continue a certain line of action, and affective commitment, which is “the affective or emotional orientation to an entity” (J. Grunig & Huang, 2000, p. 46). When talking about commitment in employee-organization relationships, participants revealed different aspects, which suggested that commitment could be multi-dimensional.

I organize the results for this outcome according to the following aspects: 1) the organization's commitment, which included the organization's commitment to the business and to EOR; and 2) employees' commitment to EOR. In the first aspect, results suggested differences between an organization's affective commitment and continuance commitment to employees, as well as between the organization's commitment to core employees and to non-core employees. For the second aspect, employees' commitment

also varied between affective and continuance. When I discuss these different dimensions, I also provide comparison of perspectives between managers and employees.

Commitment: From Organizations

Differences in perspectives emerged between managers and employees regarding the organizations' commitment to EOR. Most managers believed that the companies did have commitment to the employees. Not all employees felt the same.

Managers' perspectives. Almost all case organizations studied did have clear commitment to their business in China. Participants suggested different indicators for such commitment, including the company moving essential functions such as R&D and production to China, having a long-term strategic plan for the subsidiary, or moving the focus of business from headquarters to China because of the nature of industry. That showed the companies did want to maintain a long-term presence and growth in China. As a result, managers generally equated the company's commitment to the particular subsidiary in China with its commitment to the local employees. However, most employees made the distinction between the two, as discussed below.

Employees' perspectives. Sharing the managers' perspectives, some employees also considered the commitment to business and that to employees to be the same. For example, one employee who had worked in the consulting firm for one year and a half after getting her MBA overseas looked at commitment in this way,

If the company has long-term business here, and if it does not close the office, then I feel it's a long-term commitment to us employees. We don't feel a lot of risk of being replaced. We are growing together with the company. I feel that as long as the

company is growing in size and expanding the market here, it is commitment to the employees.

However, more employees showed different understandings about commitment. Even though almost all case organizations studied showed clear commitment to their business in China, this overall trend did not necessarily translate into high commitment to all local employees.

In particular, the distinction between core employees and non-core employees appeared to be a repeating theme. When asked about organization's commitment to the EOR, more often than not, employees said things such as "it depends on different types of employees." Many employees suggested that the organization's commitment to the relationships with middle managers or core employees was totally different from that to the relationships with non-core employees. More than one company studied employed temporary laborers or even "borrowed" laborers through the use of personnel agents or labor companies. Therefore, these people were not even their regular employees and the commitment to them was indeed limited.

However, for employees that were important to companies, these organizations did show strong commitment to maintaining relationships with them using various methods. For example, one employee relations specialist in the Japanese electronics company mentioned their special reserve for officials, meaning the organization had developed lists of outstanding employees and provided comprehensive training so that these people could later assume long-term and more important responsibilities. In fact, he himself was promoted through the use of that official reserve.

Impact of globalization strategies. The dimensions of global integration and local responsiveness influenced the focus on different dimensions of commitment. Companies with high global integration generally paid less attention to continuance commitment than those with low global integration. They did provide much training and investment to help employees feel an emotional connection with the companies. However, they did not need or expect to maintain a long-term employment with all employees. For example, several employees in different organizations expressed the idea that the companies were just focusing on the use of employees, with no long-term commitment. These companies generally offered a work contract of 1 to 2 years. In addition, in this type of companies, the differences between core-employees and non-core employees appeared much greater than companies in the other category. As a result, even though certain employees I interviewed did feel their company had a strong commitment to them, these people generally belonged to the core-employees.

High locally responsive companies paid more attention to continuance commitment than those low in local responsiveness. Domestic companies, which implied a high local responsiveness to local employees, provided most convincing evidence for this theme.

One employee with an 11-year tenure in the domestic meteorological company said confidently that her company would not easily break the bond with employees. She said simply that she had “this confidence that the company will not just kick us out.” She also compared it with other companies: “However, it is hard to say in foreign companies. Today it may ask you to work here, but tomorrow you may be asked to go.” When asked further why she felt that way, she said:

Because I've been here for long. Say you know other companies have this policy of early retirement. Some places, they don't care about anything, if they have to, they will just implement this policy to everybody, regardless of your specific situations. But in our company, it's different. It has this human touch. For example, if you are divorced or are single parents, or if you have difficulty in supporting the family, then if you ask for reentry into the factory, generally the factory will allow that. In addition, at first the early retired people did not get very good benefits, but these years, it's getting much better. So then we see this trend, the trend of becoming better, we have this hope. And we believe the company will not do that [kicking us out] to us.

The hybrid cases of companies with both high local responsiveness and high global integration paid equal attention to both affective and continuance commitments. For example, several employee relations managers in the home appliance company talked about some training programs they offered to employees that might not bring about short-term returns. They did that just because they were truly committed to the employees' professional development. Similarly, they also aimed at achieving strong continuance commitment to employees. This company did not use a lot of outsourcing but preferred to develop its own people. Their contract with employees was for a 3-year term, longer than companies in the other category. Also, when they hired or developed employees, they had a long-term focus. One manager said definitively that no position in her company was for temporary use only. She gave this example:

Even for some temporary thing, like we will have a certain project, and it's completed in one year. So after a year, we do not really need anyone. But when we

design this position, we will plan ahead: after this project is finished, what else can this person do. So we will combine things. So like after this is finished, if that person is willing to stay, then, maybe we will have a position for project supervisor. In this way, the continuance commitment to EOR was strong.

Commitment: From employees

Data showed a clear distinction between affective and continuance commitment of employees to their relationships with the organizations. Even though J. Grunig and Huang (2000) suggested incorporating both commitments in public relations programs, I believe in the case of employee-organization relationships, more emphasis should be placed on affective commitment. The nature of employee publics suggested that employees did not consider EOR as the single factor in their decisions to stay or to leave a certain organization. All different factors played a role. For example, some employees interviewed were unsatisfied with their EOR but still chose to stay because they had to make a living. On the other hand, others might be very happy about the EOR but still have decided to leave because of personal or family reasons. Therefore, judging commitment simply from whether employees stay in a certain organization may not reveal meaningful findings.

Employees and managers did not show much of a difference in terms of employees' commitment to the EOR. Acknowledging the fast change in career and profession, managers and employees both commented on the decreasing continuance commitment from employees. Globalization strategies made some difference, though. It is discussed below.

Impact of globalization strategies. Somewhat consistent with the findings on the organization's commitment to EOR, the impact of globalization strategies on employees'

commitment to EOR revealed similar patterns. In those companies with high global integration, employees tended to express more affective commitment than continuance commitment. On the other hand, in companies with high local responsiveness (both the hybrid cases and those purely local responsive ones), employees displayed high commitment in both dimensions.

For example, in companies with high global integration, most employees said frankly that they would look for better personal development when there were chances. Just as I discussed in the section on exchange relationships, employees emphasized their career development. Remarks such as using the company as “a stepping stone” or “a springboard” appeared often. In a word, the employees did not feel a strong commitment to the employers and would just treat it as a short-term stay for them to gather necessary skills and experiences before they gained momentum in their career. However, many participants still felt they were proud to be working for their current companies.

On the other hand, the remark from one employee in a company with high local responsiveness (the German home decoration company) best demonstrated strong commitments, both affectively and in terms of continuance. She planned to stay in the company for a long time, and that was why she picked a place close to this particular company and bought a house there. In addition, she also felt proud to be working in this company and sometimes would go out of her way to help the company business. She recalled driving her own car to introduce clients to the business and using her own money to buy gas, which, she emphasized, was not at all within her job description. She did not get paid on commission either.

Examples of both affective and continuance commitments existed for the hybrid cases too. The participants in one company with both high global integration and high local responsiveness (the U.S. home appliance company) mentioned two cases when employees left. In one case, the employees still felt the company was good and would say nice things about it. In another case, as one manager said:

And we also have employees who left, and then after comparison came back. We have many employees like this, either workers, administrative staff, or middle level managers. They came back! If the employees had good performance before, and then they gave acceptable reasons for coming back, then we try to let them come back. Because for these employees, they will cherish the company more after comparison.

In addition, the evidence from domestic companies suggested the existence of both affective and continuance commitments in companies with high local responsiveness. Employees in domestic companies gave examples such as turning down offers to work at other places after retirement and coming back to support the company. Several employees also mentioned that they often worked overtime completely on a voluntary basis. When asked why, one employee in the domestic meteorological products company replied:

At that time, I just feel that if I don't finish these, the company will suffer losses. For example, if there is a document we need to file to apply for a certain award or some opportunities, if we file that in time, the government agency will know that we are developing some important products. Then it will probably provide more support to our company, but if we don't file that, it [the government] won't be able to know. Of course, these usually have deadlines, and even though the manager

does not require me to do it, I would try to file that as soon as possible. As I think, the earlier we do that, the earlier we can get the assistance from the government. So this is not something required, but I do that voluntarily, out of the love for the company.

To sum up, different focuses in different types of companies showed that companies were able to and should be able to elicit different dimensions of employee commitment. Given the fast changing professional world, nobody was expected to stay in one organization forever. However, if employees were given enough training and developed enough skills, they would have better chances to go on to the next level in their career paths. Then, even if they do not have strong continuance commitment to a certain organization, they would still be grateful for the relationship they had at that time and would still feel emotionally attached.

Satisfaction

In this part, I organize the results according to the perspectives of both parties, the management and the employees. I also asked each side to comment on both the management's satisfaction toward the EOR and the employees' satisfaction toward the EOR. The major themes that appeared included the following. The data did not reveal obvious differences for the impact of different globalization strategies on satisfaction.

Organization's Satisfaction with EOR

This dimension yielded the biggest discrepancy between perspectives from management and those from employees. Most employee relations managers acknowledged that problems always existed and they would still need to work on improving the EOR, but they generally felt the organization was more or less satisfied with current EOR.

For example, one manager in the Korean business group mentioned his company's survey about employee satisfaction and the grade it got was 65 points out of 100. He compared with other years and commented:

Once when the satisfaction was really low, the grade was around 51 or 52. And when it was good, we had reached 80. But basically we feel that it should not be lower than 70. We have to make it about 70. So now it's ok, but not very high.

However, the responses from employees were different. They did not comment about whether they thought their organizations were satisfied or dissatisfied. A common pattern appeared to be that companies did not really care about the EOR. Employees from three organizations expressed this similar idea when asked about whether they felt the organization was satisfied with EOR. One response from an employee with a 2-year tenure in the U.S. technology company was representative of this idea:

But in general, [company name] does not worry about not getting the people it wants, because of its fame. A lot of people are trying very hard to get in, so it does not really care...Every year, there are a lot of outstanding people who leave the company, but it seems we are still operating normally.

This opinion about the organization's attitude was echoed by many employees. In addition, a lot of employees also attributed this to the macro-environment and the change in time. One employee in the German electronics company, for example, said that the companies entering China were gradually assimilated. Many benefits or training opportunities gradually disappeared that were available when the companies first entered. This appeared to be a result of institutionalization. Another employee in that company also pointed out frankly that these foreign companies were observing their environment and

competitors. Since most domestic companies were not doing any of these things, why should they spend extra money for them? This finding suggested the importance of incorporating institutional influence on the cultivation of EOR.

Employees' Satisfaction with EOR

Findings suggested that managers and employees generally had similar ideas about employees' satisfaction toward EOR. The managers were not optimistic about employees' satisfaction, and the employees were objective in their evaluations. For example, in comparing the perceptions of employees' satisfaction level, a manager in one company suggested a grade of 70%. The employees in that company gave scores that included 86%, above average, or 75%.

Managers also seemed to understand what employees were most and least satisfied with. For example, the manager in the U.S. soft drink company analyzed that employees might be satisfied with the company's future development, but not with their pay and benefits. Employees made similar comments.

However, the two parties expressed differences in how they reached the conclusion and how they evaluated satisfaction. Managers usually used turnover rate to evaluate employees' satisfaction toward EOR whereas employees did not all agree on the importance of that indicator.

When asked whether they thought employees were satisfied with the current EOR, managers used indicators such as "turnover not high" or "employee teams relatively stable" to support their evaluations. On the other hand, employees had a clear idea of costs and benefits. Most people were most satisfied with the opportunities to learn skills and accumulate experiences useful in their career. Also they were able to analyze what they

were paid and what they got, as well as their strengths and weaknesses. Many people took into account their compensation and the stress at work or the amount of work load. If these two were somewhat balanced, they felt OK. Demonstrating well what many had in mind, one employee in the German electronics company, who was not a “core” employee, made this comment when asked about the satisfaction level with current EOR:

I feel it's OK based on the comparison with other companies. In addition, my own abilities, or the adjustment to the society. Like if I choose to leave, whether I can find a better job. I feel that generally my value has been realized, as a whole, it's OK.

Similarly, many employees talked about a situation in which they or their colleagues might not be totally satisfied with the relationship but chose to stay because of the companies' brand names. They were concerned about not getting a better alternative, so they just endured things they were not satisfied with. Therefore, for them, whether to stay in a company or leave might not capture the satisfaction level as managers thought.

Trust: Integrity

The findings about trust contained dimensions of integrity, dependability, and competence. Usually employees had highest trust about companies' competence, then about dependability, and finally about integrity. However, not every employee had such a mentality, especially those who experienced things that were done unfairly. These examples are discussed in the following sections.

Before talking about this outcome in more detail, I need to make one note. Trust should be examined from two directions: publics' trust toward the organization and organization's trust toward the publics. However, given the special nature of employee

publics, organizations generally took it for granted. In other words, they generally *expected* the employees to have integrity and to be dependable and competent in their jobs. This was not something to be negotiated. As a result, most of the findings reported here are about employees' trust toward organizations. This was reported from the perspectives of both the management and the employees.

Areas of Concerns

When discussing whether the companies were fair in dealing with employees, the first response I got was comments such as "it is hard to say," "it depends on individuals," or "there is no absolute fairness to speak of." Participants gave more detailed accounts after further probing. When talking about integrity, both managers and employees focused their attention on two issues of particular concern in employee relations: pay and promotion. Generally speaking, most participants agreed that multinational companies tended to be fairer to employees in terms of pay and promotion than most state-owned enterprises for which personal connections played more of a role.

Management Versus Employees

The perspectives of management and employees showed discrepancies. Most importantly, how they evaluated whether something was fair was different.

Employees usually based their trust toward an organization's integrity on their personal experiences. For example, employees generally compared their own work with that of others and made judgments. Oftentimes, their evaluation of their own work was high. Several people mentioned that they made greater a contribution to the company than their colleagues, especially new colleagues. When they did not get more compensation for their work, they felt less trust.

They would also judge the fairness according to the policies. Generally salaries in multinational companies were kept confidential and most people felt fairly treated. However, two employees in the German electronics company told me about an incident in which the network system in their organization had some problems and individual salaries were accidentally disclosed. One said:

Then we found many things to be unfair...The same qualification, a college graduate who has been here for a long time, up to now, his salary is about 2000 RMB per month. But a newcomer with equal qualification gets 4000 RMB. In the past, there were very clear rules as to what education background gets what pay. But recently things changed. Maybe influenced by the market, if the company wants to attract someone, it has to pay more.

Another factor employees looked at was the contribution versus compensation ratio of a single person. Again, because of the leak in information, employees in that company got access to everyone else's salary. Then they had this example which they thought one person's salary far exceeded the contribution he made for the company. One of them said:

But how fair is it, I don't know. Take this 4000-RMB-a-month guy as an example. He is in charge of claims for our company. In a year, the company got back around 30, 000 or 40, 000 RMB from the claims and compensations. And look at his salary per year!

On the other hand, managers offered their rationale for existing promotion practices and pointed out that employees did not have sufficient information to make judgments. For example, one manager in the German home decoration company talked about the possibility that employees might have issues in terms of promotion: "I know there are cases

where employees would complain, say, this person is even worse than me in the performance, but then he gets promoted.” He provided rationale for the feeling of unfairness from employees:

This is normal, however, you know, a single employee may not have comprehensive information. For us, our evaluation for an employee may be based on information from all sources before we can make our decisions. But for a single employee, the information level he has may not be adequate. So he may have these questions.

Impact of Globalization Strategies

Impact of global integration. Companies with high global integration were more likely to think about integrity as a relationship outcome in terms of majority satisfaction. For example, one public relations manager in the Korean business group said directly:

There is no absolute fair and reasonable system. We are striving for the acceptance by the majority. If 80% of the people find the system acceptable, that is ok. We will try to minimize the remaining 20% by finding out why they are not satisfied.

In addition, companies with high global integration generally focused attention on enhancing trust by strictly implementing consistent promotion policies. Employees usually had positive opinions on this part. For example, many employees commented that the promotion systems in their organizations were scientific and fair. One employee in the Japanese electronics company said the evaluation system was objective and able to “distinguish the good and bad.”

One manager in this company also commented that he did not hear much complaint about promotion because the system used was fair. He explained the different elements in

the system and emphasized that everything was done in a written form, so personal factors or subjectivity was reduced as much as possible.

However, these companies were not as attentive to making the pay system equally fair. Both management and employees in these types of companies acknowledged this fact to different degrees. One manager in the Korean business group explained that absolute fairness was impossible in pay because management and employees were taking different positions. He explained:

And the Chinese employees expect increasing bonuses each year, say I get one month bonus this year, then I should get two months the next year and three the year after that. But the company considers whether the company has made a profit...In 2004, the production was increased, and employees worked even harder, so they expected more. Plus they may ask around their friends about what they get in other companies. So there was this comparison. But the company still only gave two months worth of bonus.

One employee in the consulting firm also reported discrimination and unfairness in pay. He told me that the company usually hired people who got their MBAs from abroad for positions at his level. He was one of the few who got promoted to this position with local education and he found a huge difference in salary.

This person told me that the company did offer the rationale for this policy of offering global pay only to people with overseas MBA education: they had made tremendous personal investment in their education and the company had to offer enough to attract them back. However, this employee still considered it unfair because essentially he was making the same amount of contribution to the company and yet did not get equal pay.

Impact of local responsiveness. In companies with high local responsiveness, trust was more often discussed as a mutual outcome than in those with low local responsiveness. Several participants talked about trust in both directions, from company to employees and from employees to company. To just take one example, the French construction materials company did not require employees to come to work at a specific time. One manager reported that they used flexible working hours, which meant that as long as the employees' total working hours reached a certain level every year, that would be fine. He said, in this company, "there is no such concept as 'being late for work'."

Hybrid cases. The dominant feature for this type of company was the simultaneous attention to both consistency in policies and the interactive nature of trust. Usually such company did not rely only on a set of standard policies to assure fairness, it also engaged in constant communication with employees to maintain their trust. For example, one manager in the U.S. home appliance company told me a story about how her company handled a mistake about working overtime. It restored trust through constant communication with all parties involved. That incident was related to the record of an employee's overtime work. This employee found that the actual time he worked overtime was not consistent with what was recorded. He felt unfairly treated because other people who had worked less than him got much longer recorded time.

This manager recalled how they successfully regained the employee's trust toward the company's integrity:

At that time, he did not trust the company any more. He turned to the group leader and manager, and then found us. He said to us, I would like to report a problem. I will report it, but I don't know whether it will be solved.

After spending a lot of time talking to people at different levels and checking records two or three years back, this problem was solved. The manager commented that they did spend a lot of time and energy, but she believed it was all worth it. Because now the trust from this employee was restored, and in addition, this person told other employees about the company's position. The manager also attributed the current situation where so many employees were still active in reporting problems to the high trust they had to the company.

Another example of mutual trust came from the German electronics company. One employee in the external sales department mentioned how the company trusted the employees and used the phrase "mutual trust" several times. He gave two examples: reporting to work and reimbursement:

For example, the regulations about your work hours. Say we have the regulation that you need to come to work at 8:30. However, if you work pretty late the previous night, then your superior will not check very strictly if you come to work a little late this morning. It's OK if you come a little later than 8:30. And you don't need to offer too much explanation. There is a mutual trust between both parties. Also in terms of reimbursement for some expenses, they won't ask you about the purpose of every single expense. This is based on sufficient mutual trust.

Trust: Dependability

Across different strategies, trust about companies' dependability was usually found to be high. The results are organized according to the following themes.

Brand Effect

According to many participants, both managers and employees, the companies they stayed in were usually big and famous ones. This also applied to the domestic companies.

Therefore, almost by default they believed that the companies were trustworthy. A common remark regarding this was: “For such a big company, usually it will not eat its words. If it promises something, it definitely will do it.”

Employees gave different examples about this. One employee in the consulting firm talked about asking for annual leave. He said as long as he applied for that far ahead of time, then later even if some emergency occurred and the company was in bad need of people, the company would still respect the employee’s right and not force him to work during this time.

Carefulness about Promises

Another major theme found in many participants’ responses provided a second reason for the generally high level of dependability as a component of trust. These companies were careful and did not make promises easily in the first place. Only when they were definitely certain about an issue did they make promises to employees. One employee in the U.S. technology company even could not recall any promises that organization had made. All participants agreed that once written down, companies usually fulfilled those promises, almost never failing.

However, for ambiguous matters, companies simply did not provide any promises in the first place. And sometimes employee could recall some counterexamples in which companies failed, including distribution of bonus, overtime pay, and training fees.

For example, two employees in the same company, the German electronics company, mentioned a cut in training fees. One said, “In the past, everybody gets the training, but now gradually they only provide training to people that they think are worth it.” He recalled that nothing was ever written about providing every employee with training

and it was “just in the grapevine.” However, he said, “But some old employees will talk about it. Especially those employees who have been here since the start of the company.”

Trust of the Organization Versus Trust of Supervisors

In addition, many participants distinguished between trust toward their immediate supervisors and toward the organization. Sometimes, they said, the supervisors were trustworthy in fulfilling promises and being fair to subordinates whereas the organization failed to do that as a whole. But, at other times, participants talked about the organization having fair policies whereas their supervisors failed to act in a trustworthy manner. For example, one employee in the Korean business group commented, “The company may have very clear goals and always follow the plans. However, the individual department heads may change things.” Another employee in that company explained the differences between individual heads in the following way:

Some directors like to make promises, but may not always fulfill it...And other directors may not make promises easily, but once made, they will do it. Or even others may not promise you anything, but they have already done it.

Trust: Competence

The findings regarding competence as a dimension of trust revealed a big difference in perspectives between management and employees. Generally, employees commented that organizations should have the competence to achieve what they have promised, but managers reported that the companies did not always have this capability.

For example, one public relations manager in the Japanese electronics company commented on the employees’ trust for their companies in this way:

They have some basic confidence [about our capability], but not very strong.

Because sometimes even though we have made promises, then if situation changes, we may not be able to keep them. But we will still explain things clearly to the employees why things change...But we will not say we will 100% guarantee we will fulfill our promises.

He said even though the company might do things differently, generally this did not involve credibility. He believed a change in course could only occur when the situation had changed, and he believed the employees should be able to understand.

On the other hand, most employees believed that their companies were so big and famous that they should have the competence to do what they achieved. Only two employees showed different opinions. One employee in the German electronics company commented that companies were not “omnipotent.” And the other one in the German home decoration company talked about the example of supervisors saying something that they did not do eventually:

For example, this month, we have many promotion activities and then we don't get weekends. So then the managers will feel bad and will promise that we can have 10 days off next month. However, when the next month comes, we are again very busy, then we don't get those days off.

In this situation, the employee expressed understanding. She said:

For this, I feel we have no alternatives. Also, since we work here, we like to have more businesses. So the more businesses we get, the happier we are. So then I feel it's OK.

Fit Between Relationship Development and Globalization Strategies

As a part of the argument that relationships are resources, proposition 7 posited that a fit between relationship development (including cultivation strategies) and the globalization strategies would improve the quality of employee-organization relationships. Based on the analysis of EOR outcomes, one company in each of the three different types of companies was found not to have positive outcomes. They were the Japanese electronics company in high global integration category, the U.S. business group in technology and energy in the category of high in both global integration and local responsiveness, and the German home furnishing retailing company in the high local responsiveness category.

Therefore, a close examination of these three companies yielded much of the evidence that supported guiding hypothesis 7 from the opposite direction. In other words, the quality of relationship would be damaged to a certain extent if the fit was not achieved. Now I give examples to illustrate this.

Fit Between Relationship Types and Globalization Strategies

Interview findings suggested that if the types of relationships did not fit the corresponding globalization strategies, then certain EOR outcomes would be poor. For example, results in RQ 4 indicated that for companies with high local responsiveness, relationships with local employees usually focused on covenantal or mutual communal types of relationships. One particular company, the German home furnishing retailing company, experienced drastic changes in development after a new general manager came. Both the employee relations manager and employees recognized the deteriorating quality of EOR.

The manager commented that before the change, the fundamentals for EOR were as follows:

I feel actually one person's ability is really limited. The most important thing for an individual, if he wants to display his talents, is a good platform, which is provided by the company. So in this sense, individual employees and the company should be the same entity.

And he recalled that the company used to be like a team, working toward a common goal and having fun also. The company provided a good platform and resources, while employees got a sense of satisfaction and reward. One employee in that company also said that she used to feel that working in the company was like fighting together with peer soldiers in the battle field. These comments seemed to suggest that the company previously emphasized a covenantal relationship.

However, now the situation is different. One employee commented that employees did not get any career guidance. This was echoed by the public relations manager who said:

Like if someone made a mistake, in the past, I would tell the employees what they need to do, and I would also tell them how to do that, and after the first time teaching, I would let them do things independently. I will just check things, and if there are mistakes, I would help correct. And for the third time, you are on your own. I don't need to worry. But now, it's like I ask you to do things, but I don't care how you are going to do that. And then, if there are mistakes, then the employees will be harshly scolded. The immediate result is that the employees may be highly motivated originally, but then after this, they are very frustrated

The manager described the following example, which also suggested more of an exploitive or exchange relationship:

For example, if one is not so fit for a position, then in the past, we would consider maybe he can be transferred to another position that's more appropriate for him.

But now, it's like if you cannot do that, you go.

As a result, he said, now morale was lower and the turnover rate had increased drastically, from only 1 to 2% in the past to about 30% now.

Fit Between Relationship Cultivation Strategies and Globalization Strategies

Sharing of tasks/networking and commitment. According to the results from RQ4, companies with high local responsiveness should engage in more sharing of tasks and networking. This was found to contribute directly to commitment, both affective and continuance. However, one company in this category, the German home furnishing retailing company, provided a counterexample for this fit. Probably because of the special nature of its industry, employees themselves seldom had any opportunity to get together since they worked different shifts. Therefore, networking with their common friends or relatives became a rarity.

In addition, with the change in leadership, seldom did the company engage in sharing any tasks that were of concern to employees. Currently it seemed the employees were only forced to work with little guidance.

This misfit between EOR cultivation and globalization strategies led to negative consequences. As mentioned in the section above, the employees' morale was much lower and the turnover rate also increased drastically in this company.

Access/openness and trust. Different globalization strategies suggested different focuses in sharing information with employees and providing access to decision-making. According to the findings from RQ 4, companies with high global integration tended to be

open with consistent policies and regulations, especially in terms of promotion and benefits. In contrast, those with high local responsiveness provided easier access to decision-making.

The U.S. business group in technology and energy seemed to provide a counterexample for these strategies. The local company had only been in operation for less than two years when it suddenly decided to relocate to another city. This created shock and misunderstanding among local employees. Most employees said they could understand the rationale behind this decision if they considered the overall strategic directions of the company. However, they were upset by the way in which the decision was carried out. For example, one commented:

But I feel that maybe this decision is correct from a company strategy perspective... So the decision itself, I think I can understand. From a macro level, I can understand. I've been here for two years, I haven't seen its better development and I know the relationship with government is not very good. However, in terms of the implementation of this strategy, I feel it can be done much better...the implementation process needs to be more human-based. I mean, for example, my boss or HR people can probably communicate with me ahead of time, to see how we will react to this.

Another employee also talked about one thing that particularly annoyed her – the lack of genuine intention to engage in talk:

At first, they said that they will have the HR person to come visit in a few months and have a face-to-face meeting with us. However, eventually we only had a teleconference. And also, they didn't even inform us of this [the teleconference]

ahead of time. We were not told what time he [HR person] would come and did not have time to prepare anything. So it's just like they say, please come here. Then after we went in, we knew what was to happen.

As a result, the trust level of employees toward the company was low, especially on dependability. Many employees simply believed the company had failed to keep its promises to the entire branch. One employee in particular felt cheated and disappointed.

Assurance of legitimacy and control mutuality. Previous discussion of assurance of legitimacy disclosed differences in job-related issues and personal issues. In companies with high global integration, employees seemed to have more say in terms of their work style, as long as they could achieve their work goals. In most cases, such legitimacy was respected.

However, several employees talked about management imposing a set of time limits on them, which made them feel they had no control of even their own expert areas. For example, one employee in the German electronics company described himself as being treated like a “money-earning machine” for the company and expressed his feelings in this way:

But now I don't feel very comfortable with the current management. I feel a bit suffocated. Not comfortable. So now I will just do whatever is asked of me...I feel the company is simply thinking, I pay you money, you do the work for me. It's just that. So now I'm not that motivated any more.

Positivity and satisfaction. Although it was not the only factor related to satisfaction, positivity definitely contributed to enhancing employees' satisfaction level in working in any work environment. Companies with high global integration provided

challenges at work as well as activities after work to show positivity. The Japanese electronics company experienced some changes in its development stage and some negative effects emerged. As a result of a much heavier workload, employees no longer get much chance for further education or job rotation. They were only concerned about completing their own tasks. In addition, they previously went on outings with colleagues, but now these usually are postponed.

Another employee in this company provided an example of the change in attitude toward her job. She was responsible for publicity, news writing, and media relations. She was an expert in this field and used to enjoy her work very much. However, after the change in the company, she suddenly found that her work was no longer appreciated because one of her managers preferred her to do something else that she was not good at. This made her unhappy.

This and similar examples led employees to feel that the company only focused on the use of employees without being “human based,” and the satisfaction level was quickly declining. In fact, when asked about what she was most satisfied with, one employee kept emphasizing that overall satisfaction was declining and that she could not think of anything she was most satisfied with.

Summary of RQ5

Control Mutuality

Findings suggested that even with power imbalance, proper explanations and adequate listening contributed to control mutuality. A clear distinction appeared between control mutuality regarding job-related tasks and that regarding personal issues such as benefits, pay, and promotion. The former was found to be higher than the latter in most

cases. The two dimensions of global strategies, global integration and local responsiveness, affected both the nature of issues and the methods of achieving control mutuality. First, global integration influenced control mutuality about personal benefits. In companies with high global integration, control mutuality about personal benefits was found to be even less than that in those with low global integration. On the other hand, local responsiveness influenced control mutuality about work-related issues. In companies with high local responsiveness, employees seemed to have more say in terms of work content than those in companies with low local responsiveness. Second, the two dimensions also influenced the methods of achieving control mutuality, or more specifically, the timing of employee feedback. Companies with high global integration tended to put more focus on after-decision feedback and adjustment than those with low global integration. On the other hand, those with high local responsiveness emphasized more on feedback opportunities and discussion before decisions were made than those with low local responsiveness. In the hybrid cases where companies had both high integration and responsiveness, they needed to meet both challenges. They tended to consider both the needs of the organizations and those of employees.

Commitment

Findings suggested the importance of distinguishing between affective commitment and continuance commitment. Managers generally equated the company's commitment to its subsidiary in China with its commitment to EOR. However, most employees did not believe that a clear commitment to the business in China necessarily translated into high commitment to all local employees.

The dimensions of global integration and local responsiveness influenced the focus on different dimensions of commitment. Companies with high global integration generally paid less attention to continuance commitment than those with low global integration. They provided a great deal of training and investment to help employees feel an emotional connection with the companies, but they did not need or expect to maintain a long-term employment with all employees. High locally responsive companies paid more attention to continuance commitment than those low in local responsiveness. The hybrid cases of companies with both high local responsiveness and high global integration paid equal attention to both affective and continuance commitments.

Correspondingly, there were differences in employees' commitment to organizations. In those companies with high global integration, employees tended to express more affective commitment than continuance commitment. On the other hand, in companies with high local responsiveness (both the hybrid cases and those purely local responsive ones), employees displayed high commitment in both dimensions..

Satisfaction

Most employee relations managers acknowledged that the EOR was not perfect, but they generally believed the organization was more or less satisfied with current EOR. However, employees did not say whether they thought organizations were satisfied or dissatisfied. A common pattern from their responses was that companies did not really consider the question of satisfaction about EOR.

Findings suggested that managers and employees generally had similar ideas about employees' satisfaction toward EOR. The managers were not optimistic about employees'

satisfaction, and employees were objective in their evaluations. The data did not reveal obvious differences for the impact of different globalization strategies on satisfaction.

Trust: Integrity

Usually employees had the highest trust about companies' competence, then about dependability, and finally about integrity. The perspectives of management and employees showed discrepancies. The most important difference was in how they evaluated whether something was fair when employees were treated differently.

Employees usually based their judgment about an organization's integrity on their personal experiences, judging the fairness according to policies and the contribution versus compensation ratio of a person. On the other hand, managers offered a rationale for existing promotion practices and argued that employees generally did not have sufficient information to make objective judgments.

Companies with high global integration were more likely to think about integrity as a relationship outcome in terms of majority satisfaction. They focused attention on enhancing trust by strictly implementing consistent promotion policies. However, these companies were not as attentive to making the pay system equally fair. In companies with high local responsiveness, trust was more often discussed as a mutual outcome than those with low local responsiveness. The dominant feature for hybrid case companies was the simultaneous attention to both consistency in policies and the interactive nature of trust.

Trust: Dependability

Almost by default, participants believed that the companies were dependable because they were big and famous. In addition, these companies were usually careful about

making promises. A distinction appeared, though, between the employees' trust toward their immediate supervisors and that toward the organization.

Trust: Competence

The findings revealed a large difference in perspectives between management and employees. Employees said that organizations have competence to achieve what they have promised, but managers usually reported that the companies did not always have this capability.

Fit Between Relationships and Globalization Strategies

Proposition 7 was partly supported, even though such effect was not evident for every relationship type and relationship cultivation strategy. Interview findings suggested that if the types of relationships did not fit the corresponding globalization strategies, EOR outcomes would be poor. In addition, a misfit in the cultivation strategies had similar effects. Specifically, a misfit in the cultivation strategies of sharing of tasks and networking brought about negative outcomes in commitment. A misfit in the strategies of access and openness brought about declining trust. A misfit in the strategy of assurance of legitimacy led to lower control mutuality. Finally, a misfit in the strategy of positivity resulted in declining satisfaction.

Influence of Societal and Organizational Cultures

Relationship cultivation is usually influenced by external factors. This study focused on the impact of culture. Research questions six to eight examined, respectively, the influence of societal culture, that of organizational culture, and the interaction between the societal and organizational culture on employee-organization relationships in the globalization process.

Employee-Organization Relationships and Societal Culture

In this section, I discuss how societal culture, in this case the culture in China, influences the development of relationships between local employees and organizations. Even though Hung (2002) examined cultural influences on relationship development, that study did not provide findings unique to employee relations. Some interviewees in this study did mention various cultural influences on relationships with other types of publics, but this dissertation focuses on how such influence plays a role in the cultivation of employee relations. The research question is as follows.

RQ 6: How, if at all, does the societal culture of China influence the development of employee-organization relationships in case organizations?

Respecting Traditions and Assurance of Legitimacy

The most frequently mentioned influence of Chinese societal culture was about Chinese traditional customs, mainly reflected in observing holidays. These were always the first things that occurred to participants when asked about cultural influences on employee relations. Almost all participants talked about companies respecting Chinese customs and observing holidays unique to China, such as having days off during the Spring Festival and offering lucky money. For another major holiday, the Mid-Autumn Festival, employees did not get a day off; but companies usually would give gifts, typical ones being moon-cakes.

However, many participants, especially the employees, commented that most multinational companies did this mainly at a surface level because they had no other options. Many employees pointed out that the companies were just abiding by the law. One employee in the U.S. technology company, acknowledging that this showed some respect

to Chinese culture, gave another practical reason for companies to do that: "...if they don't have days off, they cannot do anything, because all the other companies are not in business at that time."

As a result, even though the companies believed that they respected Chinese tradition in this aspect, not all employees showed high appreciation. Some employees felt strongly that their organizations should truly consider the expectations of employees and be more accommodative. As mentioned earlier, employees do not get a day off on the Mid-Autumn Festival because unlike the Spring Festival, it is not a legal holiday. However, that holiday is important because it is supposed to be another occasion when family members get together. Therefore, one employee suggested having that day off too. He believed that this was not something difficult for the company but then "the employees will feel much better." He explained: "If we don't have the day off, we will work with some kind of resentment. But if we have, say, even half a day off, then we are even willing to work overtime during weekends [to compensate for that]."

Family Orientation and Shared Networks

Somewhat related to the first theme, results showed that organizations had to respect the family orientation in developing employee relations in China. As suggested in the literature, Chinese people place a great deal of value on family. Reflected in employee relations, these case organizations mainly suggested two themes. First, working hours and benefits are influenced by the family. The Spring Festival is the most important holiday in China. People take seven days off to say goodbye to the old year and to welcome the new year. More importantly, this is the time for people to get together with family members and

visit relatives who they do not have a chance to visit at other times of the year. This is also the time when young family members show parents their contribution to the family.

Therefore, employees normally refuse to work overtime and prefer to bring home the end-of-year bonus at that time so the family would feel proud of them. These two particular features played an important role in employee relations. For example, one manager in the Korean business group explained that the assembly lines in his company were non-stop, operating 24 hours. On legal holidays, however, the company had no alternative and would stop the assembly line. He said that in the headquarters country where the Spring Festival was also celebrated, the assembly lines still operated during that time and employees would get three times extra pay for working overtime. Therefore, the company wanted to do the same in China. The manager said: “We will advise them that this is impossible. Because in China, the Spring Festival is the most important...Like if everyone wants to gather with their families, then even with overtime pay, they are not willing to work overtime.”

In addition, at the end of the year, people are supposed to go back home with a lot of money so they can repay their parents. The employee relations manager talked about how this orientation influenced his company's benefits system: “In Chinese tradition, people like to bring home more money at the end of the year or for the Spring Festival. However, our salary is settled on a monthly basis. At the end of a month, you get the salary and bonus. So what we do now is to settle the salary before the Spring Festival together with the end-of-year bonus.”

For the same reason that Chinese people pay a lot of attention to their family, the homecoming holidays are very important. The Japanese electronics company did not have this system at first, and employees were not happy. One manager there recalled:

Our work schedule is pretty tight. It's not easy to ask for leave. Usually if one asks for leave for more than 3 days, the general manager has to approve that. It has to go through many levels, and one may not get approved at all...So each year, these employees from other regions can only go back home once, during the Spring Festival. It's impossible for them to visit their families more often.

Then the employee relations manager realized its importance and made efforts to introduce the system of family visiting leave. At the time when I interviewed him, he said his company just initiated this system that allowed employees extra days for visiting families.

Along this line, the support from family members also proved to be important for good employee relations. Several participants mentioned inviting family members of employees to the company and letting them give speeches of understanding and encouragement for the employees' work. Some of these have been discussed in the section on shared networking.

Relational Orientation and Relationship Cultivation Strategies

Relational orientation is one major cultural factor in China. Two elements of this orientation were reflected in employee relations, relational reciprocity and relational fatalism. Relational reciprocity refers to the give and take in a relationship in which the return for a favor is emphasized. In Chinese society, a particular demonstration of that reciprocity is the recognition from superiors, in Chinese called "zhi yu." There is this old saying, "a real man can die for someone who truly knows him."

Many employees talked about what they treasured most in working for an organization: the recognition and acknowledgement from superiors. Some stayed in their companies for no other reason than to repay such recognition and trust from superiors. For example, one employee with a 2-year tenure in the Korean company said:

I feel personally my director has transferred me here, so I have this feeling of being recognized. So I'm more influenced by the Chinese tradition. Like if he recognized me, I would work hard to return his recognition. And this person will return to [the home country] soon and not come back. Recently there are some other companies that called me and said things [asking him to join]. I said it's impossible. The person that recognized me is still here, I cannot leave now. But in the future, if there are opportunities, I can think again.

Participants also used relational fatalism to explain why some relationships exist. One employee in the U.S. soft drink company talked about how he believed he had a fate with the company he currently worked in. He sent his job applications to two major competitors in the same industry. For one, he sent his resume via regular mail directly, and for the other he posted his resume online. To his surprise, he did not receive any response from the first company but got a phone call from a headhunter and then got an interview from the second company. He eventually joined the second company and liked it. He had thought that generally the internet was vague with no specific person involved. So the result made him feel that perhaps he just had this fate with the second company. He then told me that later a headhunter called and asked him to join the first company. He said no without hesitation.

Guanxi

Even though *guanxi* was thought to play more of a role in other organizational functions such as developing business, this unique Chinese feature also had some impact on employee relations. Of particular interest was the feeling that in big companies, the relations among employees still reflected the element of transitivity. For example, one employee in the U.S. IT company commented about activities within her company:

Usually, you will find that even in these activities, you don't always know new people by yourself. Usually, it's still by the introduction of someone who you already know. Then, he will introduce you to some new people.

The implication of the transitivity is that in handling employee relations, it is still important to have some linking pins and to cultivate interpersonal relations.

Another element in *guanxi*, as reflected in China, was how to cultivate that *guanxi*. Since Chinese people have the tradition of discussing things at the dinner table, foreign managers have gradually learned to do the same. A manager in the Japanese electronic company said, "And we may have dinner together at different levels. For example, sometimes the monitors on the assembly line will dine together and talk about issues. This may be a Chinese characteristic, solving problems at the dinner table."

Communication Patterns

Communication patterns of Chinese people also affected how employee relations were handled in various ways. Several participants mentioned that Chinese employees tend to be reserved and shy in public. This influenced both how they make suggestions and how corporate culture was cultivated.

For example, two employee relations managers in the home appliance company talked about keeping suggestions anonymous. One said, “Considering the typical Chinese characteristics, for example, being very reserved and having all kinds of concerns in speaking their minds, we have also got the employee suggestion boxes. We put these in the front gate and workshops, so you can put your complaints and so on anonymously...” She compared these with electronic mailboxes and commented, “This one is not very effective, because people are concerned about the confidentiality and privacy issues.”

The Korean company once tried to cultivate a certain corporate culture by asking employees to shout out slogans in public. The participants in that company generally thought that the intention was good, but the result awkward. One said, “So it hasn’t achieved this purpose and on the contrary people resented it. Some people think, in the early morning, you ask me to shout slogans loud, or even go to the Mausoleum of Sun Yat-Sen [a famous tourist attraction]. It has become very embarrassing.”

Uncertainty Avoidance and Commitment

Not all Hofstede’s cultural dimensions were reflected in employee relations in China, but uncertainty avoidance was one that was. Two themes appeared, one related to the indicator of loyalty and the other related to communication patterns.

As suggested in earlier sections about commitment, many employees said that they did not necessarily stay in their organizations because they were committed. Given the macro environment in which employment prospects were not positive, most of them were just trying to avoid being unemployed. Also they were concerned about an uncertain future if they chose to join a new company. One typical comment from an employee reads like this: “Of course, I would consider other factors too, such as sometimes an alternative

company might be too stressful, or maybe reorientation to a new environment may be too much trouble, so maybe I will still stay, but that doesn't say anything about my loyalty, or things like that."

Uncertainty avoidance also influenced employees' work life through communication patterns. For example, one employee in the U.S. home appliance company complained about the lack of details from one superior: "At first the American manager was not detail-oriented, not very strict sometimes. Maybe he was influenced more by the American style of management... He expected people to take initiatives more. So there were not many detailed instructions from him." She was more comfortable with the current manager who had "a lot of his own input" and "the interaction with employees is also increasing." This showed the implications of uncertainty avoidance in dealing with employee relations.

Individualism/Collectivism and Commitment

Another Hofstede dimension that came into play was individualism and collectivism. This was especially evident through a comparison between multinational companies and domestic ones. Most employees in multinational companies paid more attention to personal career development whereas in domestic companies, more employees believed that they were a part of the whole.

Employees in multinational companies, when asked about their future plans, typically said that they would leave for better opportunities. This was simply practical for most people. For example, one employee in the Korean business group said, "Then when your ability has reached a certain level, or reached a bottleneck, there is no further room for

upward development...For a young person, you definitely want to have some breakthrough.”

However, in domestic companies, employees tended to rely on the companies and to think of the companies as their families. For example, one employee who had stayed in the meteorological products company for 9 years recalled, “And we do have cohesion. Like once the plant was on fire, and then everybody who lived in the factory dormitory just rushed here [to fight the fire].” After thefts in the factory, another employee said, “...All the male employees rushed out and chased the thieves...Actually when they recalled afterwards, they were a bit afraid too...But at that time, they just rushed out without thinking.”

However, such collectivist perceptions were not to be taken for granted. It depended on how employees are treated. This domestic company had good employee relations, and the workers truly believed that they were owners of the company.

Such collectivist thoughts sometimes also brought about negative consequences. As several participants in another domestic company commented, employees just had too much reliance on the company and expected the company to solve too many problems. For example, one manager in the domestic electronics company said, “We used to advocate for enterprises trying to serve many functions in the society. So many employees will turn to the company whenever they have some difficulties. I feel our relationship is more than that of cooperation. Regardless of whether their concerns are reasonable or not, some employees still expect the company to solve every problem.”

Summary of RQ 6

The influence of Chinese societal culture on relationship building with local employees was found to be the following. Respecting Chinese traditions and customs appeared to be the most important influence. However, from the employees' perspectives, multinational companies did this mainly at a surface level. They also thought that the companies should truly consider the expectations of employees and be more accommodative.

Organizations had to respect employees' strong family orientation and change their practices in working hours and benefits design. The system of family visiting holidays was also found to be essential.

Relational orientation, another major cultural factor in China, also played a role, especially relational reciprocity and relational fatalism. Many employees talked about recognition and acknowledgement from superiors and some stayed in their companies just to repay such recognition and trust from superiors. Relational fatalism was used to explain why some relationships existed.

Guanxi was generally thought to play more of a role in other organizational functions such as developing business than in employee relations. However, in large companies, the relations among employees still reflected the element of transitivity, getting to know people through intermediaries. Another element in *guanxi* that was mentioned often was the cultivation of *guanxi* through dining together.

Following the middle road (*zhong yong*), or not to go to extremes, was reflected in employee relations, especially in terms of how mistakes were handled. Communication patterns of being reserved and shy in public, also had an impact on employees relations.

In addition to these cultural factors unique to China, two of Hofstede's cultural dimensions played a role. Uncertainty avoidance was sometimes used to explain why employees stayed in a company and explained employees' preferences for the management style of supervisors. Individualism/collectivism had some impact on employees' commitment, evidenced through a comparison between multinational companies and domestic ones. Most employees in multinational companies paid more attention on personal career development whereas in domestic companies, more employees felt that they were a part of the whole.

Employee-Organization Relationship and Organizational Culture

In this section, I discuss how organizational culture influences the development of relationships between local employees and organizations. The research question is as follows.

RQ 7: How, if at all, does organizational culture influence development of employee-organization relationship in case organizations?

Case organizations displayed different organizational cultures, which led to different problems in employee relations. Therefore, different cultivation strategies were employed. I discuss the findings according to the four dimensions of organizational culture.

Internal Versus External Orientation

Internal vs. external orientation refers to whether organizations focus on external environment and satisfying customer needs or whether they focus on the involvement and participation of the organization's members. Many companies in this study had an external

orientation. In other words, in their pursuit of organizational goals, they put top priority on customers or stakeholders.

Demonstration of differences. Many comments demonstrate such an orientation, and one participant in the U.S. consulting firm talked about the organizational culture in this way:

The first feature in [company name] corporate culture is client first. They always put the clients in the first place. For example, if employees and clients have some conflict, then the firm will place the clients need into priority. It will engage in investigation, but it feels that even if the clients are not very reasonable, you still need to respect their needs.

In another case organization, the U.S. technology company, employees felt the same thing. They all talked about the company's values when asked about organizational culture; and all mentioned, that in this company, clients and shareholders were placed before employees. This ranking, they said, told them much about the goals of the company and where employees were placed.

On the other hand, some companies realized the importance of both and would not sacrifice the interests of employees in the pursuit of shareholders' or clients' interests. For example, the U.S. home appliance company strived to satisfy customers both internally and externally. In fact, they had an innovative system called internal customer service. They recognized the importance of the external market, but they also realized the need of their employees. One employee relations manager said, "We first are market-driven, meaning we focus on our customers. And in order to satisfy our customers, our understanding is that we have to first of all satisfy the front-line employees, like the sales or service people."

What they did specifically was to create an internal service chain. Every employee, especially those in the supporting functions such as finance, human resources, or technology support, would have a responsibility in this chain. They had a clear positioning in terms of who in the organizations they needed to serve and how to serve them. Employees would then give evaluations of how well they are served. In this way, the company treated the employees as their customers and evaluated each other.

Another company, the Korean business group, also had this dual focus and regarded both employees and customers in the same way. One employee said:

In our company, the customers do not only refer to those who buy our products, but those who enjoy the results of our work. For example, when my work report comes out, I will enjoy this product first, and then my boss. So everything we do, we satisfy our customers, both internal and external.

Amount of Control

This dimension refers to how much control the company has and how much flexibility and individual initiative employees have. Findings suggested that companies had varying degrees of control and that such control was displayed in different areas.

First, companies had different attitudes toward evaluation. Some were strict about it while others were not. One organization was very much performance based and had a value called “up or out.” One employee compared it with other companies and suggested this one was being too strict:

Every firm has an incentive system, how it’s implemented, how flexible it is. If it used to be flexible, then it suddenly becomes stringent, then the employees will be dissatisfied. So in comparison with other companies, is this company overly

stringent, and overly confident that you can retain the best people. This is something the company needs to consider.

On the other hand, participants in other companies believed that the evaluation needed to be stricter. One manager from the Japanese electronics company attributed the lack of strict evaluation to the misfit between organizational culture and the condition of local employees. He mentioned his plan to introduce performance evaluation but found it to be difficult. The reason was that the Japanese management did not feel the urgency of this and had “that kind of mentality that we [employees] are the sons [of the company] and so employees only have one option, that is, to contribute to the family.” As a result, the management believed it should let employees do their best instead of constantly evaluating their work.

Second, some companies had tight control regarding rules and regulations, while others were flexible. Several companies appeared to have tight control regarding rules. Most employees agreed that this was in fact one advantage of multinational companies, the rule of law. However, sometimes they felt a bit overwhelmed.

Several employees mentioned as an example the inflexibility of computer uses such as installing software. One employee in the U.K. insurance company told me she felt “suffocated” by the organizations’ regulations everywhere; strict reporting time; and, worst of all, frequent exams given to employees. She felt it was funny that after all these years of being a student, she had to take exams again in the company. She analyzed the philosophy from top management in this way:

For certain things, if you don’t give an exam, then many people will not remember.

So to achieve their purposes, they will have these exams. For example...after the

training, how to assess whether you have retained such information, and whether it's effective, so the money on the training cannot be wasted. So what to do? An exam.

She also said the company would pressure employees by saying that the result of the exam would be related to their work evaluations. This made her and her colleagues stressed.

In contrast, some companies could be totally free and casual. For example, one employee from the French construction materials company commented:

Like other European companies, it is kind of loose, or relaxed and casual. How to say? Like we use flexible working hours. Every year, as long as your working hours have reached a level, then that's fine. Here there is no concept of 'being late for work'. We do report the check-in time, but that's just for the purpose of counting your working hours.

In addition, it was normal to have snacks at work or to listen to music. He said that employees could almost eat and drink anything at work, except for alcohol. When the boss came and saw it, he would sit on the desk and share snacks with them.

Third, companies had different expectations about obedience. Some were strict, and some would give total freedom at work, emphasizing taking advantage of resources and individual abilities.

Some companies expected absolute obedience toward superiors. This caused resentment from employees. One employee in the Korean company recalled:

Some department heads are quick-tempered and will curse on people very often...Then some employees, especially male employees, fresh graduates, pretty

radical, will think, why do you do this?...Then they will slap on the desk and fight back. And after that, they would say, I quit!

Other organizations had an opposite philosophy. The U.S. technology company advocated for the concept of “management without boundary.” One employee mentioned the feeling that “there are so many places where you can give full display to your capabilities.” One employee recalled when he was given a task, he had a lot of freedom, “We also need to exercise our personal judgment and decisions...This is something that I had to make decisions and plans...All these required my own judgment. So I was only given the instruction that this supplier needs to be replaced, but all the specific steps are my decision.”

Interpersonal Relationships

In most multinational companies examined, interpersonal relationships tended to be simple. Compared to domestic companies, employees often commented on how little hierarchy there was and how there was lesser a role for subjective and personal factors. In addition, there was generally equality among colleagues.

For example, one employee was especially impressed by how performance assessment was conducted. He thought that the criteria were quantifiable and thus less influenced by personal factors. Other employees also talked about how people at different levels used the same canteen.

However, the side-effects of that kind of interpersonal relationship, in some companies, included: 1) the relationships were somewhat formal, and 2) there was little interaction with colleagues except at work. For example, one employee in the U.S.

technology company mentioned that colleagues did not go out together often and she felt they were quite distant.

A few companies did have a strong hierarchy. And the result was visible internal conflicts. For example, in the Korean company, managers worked totally according to Korean styles, very hierarchical. One employee in this company described that mentality in this way, “Like if I say something, the people below me have to complete the work at all costs. I don’t listen to any excuses or explanation about difficulties.” And the monitors in the assembly line also were used to manage strictly. For each assembly line, there was a line director. And these people usually carried a stick with them. If they saw problems, they would just hit people with the stick. So it was hard to accept. And this created many conflicts between workers and monitors.

Orientation toward Innovation

Companies had different orientations toward innovation. And even the same strong orientation might bring about different consequences for different companies, some positive and some negative.

First, some companies focused on innovation. In fact, change was one of the key values for one U.S. technology company. As a result, the company not only had many changes in products and services but also many organizational changes. Employees had the opportunity for frequent internal transfers. One employee commented on internal rotation as almost an annual thing and even heard that someone who had stayed for a long time had changed five or six positions. She said, “From an engineer to HR person, this, you may not see in other companies, but in [company name], this is very common.”

This orientation resulted in a fast pace and sometimes an almost “cruel” work environment, as several employees commented. In the word of one employee, it was “the survival of the fittest.” One employee said:

Because [company name] is a kind of cruel company, it will only add icing on the cake but will never be the one to help the needed. It will not take care of the weak. In other places, they may be more tolerant, they might give more time to those who are not as capable. But in [company name], that never happens.

Second, companies oriented toward innovation would seek constant improvements. In fact, the home appliance company had a culture called continuous improvement (CI). Employees were encouraged to make any suggestions that might help the company operate. And when they helped solve a problem, employees were happy. More importantly, one manager said, “...at the same time, they [employees] are growing too. They also get to know how the company does things...And if there are other problems in the future, they know how to solve them.” Even though the employees may not stay in this company forever, they had learned better solutions.

The four dimensions of organizational culture had different effects on employee relations, affecting different areas with differing degrees. Not all dimensions had impact on all aspects of relationship development, such as cultivation strategies, types, or outcomes. Therefore, I will discuss those aspects for which I was able to find meaningful results.

Internal/External Orientation and EOR

First of all, differences in internal and external orientation naturally brought about different problems. For example, in external-oriented companies, employees usually did not have much of a choice in clients. One employee in the consulting firm said, “We may

have certain preferences about industries to choose, but such preferences are not always respected.”

Influence on relationship cultivation strategies. As a result, organizations focused on different aspects of certain relationship cultivation strategies. For example, in terms of assurance of legitimacy, external-oriented companies would focus on legitimacy regarding employees’ work patterns and styles (for better efficiency). Several participants in those companies mentioned that they had considerable freedom in choosing their own work styles and hours. This somehow compensated for the fact that they were not usually able to respect employees’ concerns about other issues.

In addition, these companies usually focused on sharing of tasks in helping employees build their own abilities as soon as possible. For example, the company that made a decision to relocate without considering the employees’ interests hurt the employees’ feelings to a great extent. However, even though feeling ignored in the company’s decision-making, almost all employees interviewed believed they had learned a lot and gained experiences during their time in this company. And this also helped reduce the resentment these employees felt toward the company.

Influence on relationship outcomes. The findings also suggested that a dual focus usually led to better relationship outcomes, especially in terms of commitment and control mutuality. Affective commitment did not show a big difference, but continuance commitment was different between dual-focus companies and external-oriented only companies.

For the dual-focus companies, both affective and continuance commitment appeared to be high. In addition to the usual indicator of staying in the company a long time,

one manager in such a company (the home appliance company) also talked about people who left and returned after working in and comparing with other companies.

This dimension of organizational culture also influenced control mutuality. Generally, employees in the dual-focus companies felt more control mutuality than those in the external-oriented ones. For example, one manager in a dual-focus company (the U.S. soft drinks company) talked about how employees could have input in work assignments. He described a system in which employees took an active part in the company's annual operations plan. He said, "Basically, all the employees provide relevant information and we will gather such information, so then when we assign work to employees, the superiors will only make certain adjustment. Sometimes such adjustment is minimal." In this way, employees had a lot to say about their job assignment so that when they implemented such plans, they were more enthusiastic.

Influence on relationship types. This dimension also affected the relationship types. External-focus companies were more likely to have exchange relationships whereas dual-focus companies tended to have more mutual communal relationships.

For example, one employee worked in the company that made the relocation decision without considering employees' interests, an external-focus company. When she recalled this relationship, she said the company failed to provide what it promised, "I think this does hurt the employees a lot, since anyway we have invested a lot, and then suddenly the company will leave. I think the investment is reflected in our emotional attachment." She said that when she chose this company in the first place, she was working in another good company. She made the decision only because of its brand name. So she said:

For me, I feel the thing I have put into there is not just reflected in how hard I work, but more, so I am still expecting that I could stay in the company longer and I could really do something there. However, its relocation undoubtedly forced my plan to stop, and all of a sudden.

On the other hand, participants from the dual-focus type of organizations generally believed the relationship was communal. For example, several participants in the home appliance company described the relationship as “more than an employment relationship” or as beyond “a naked relationship of interests.” Phrases such as “mutual development” and “growing together” were used regularly. To take an example, one person talked about how the company really cared about employees’ benefits, “This [training], on the one hand, benefits the company, because their business skills will be enhanced; and on the other hand, it benefits the employees even though they will not work for [company name] forever.”

Amount of Control and EOR

Amount of control seemed to have the biggest impact on cultivation strategies such as positivity. Companies with strict control put more emphasis on positivity as a way to compensate for the control. For example, a company in this category provided a good work environment. Employees in the consulting firm recalled that they could laugh out loud at work. This helped them reduce stress.

Interpersonal Relationships and EOR

Interpersonal relationships mainly influenced the relationship outcome of trust. Simple interpersonal relationships generally led to more confidence from employees about fairness in promotion. One employee relations manager in the Japanese electronics company said, “Regarding promotion, I don’t hear much complaint. To be honest, this is

pretty fair. I feel the promotion system here is designed reasonably. One is based on evaluation. It has different levels...So these are all pretty reasonable. You have to provide things in a written form. It's pretty down to earth."

Orientation toward Innovation and EOR

Orientation toward innovation seemed to have the greatest impact on strategies such as sharing of tasks and access. In the first case, for example, the U.S. technology company let employees look for resources themselves. Several employees commented that even though this was hard, they had more freedom at work and learned how to make full use of resources. This, to a great extent, helped them grow in their professional path.

In the second case, since employees were encouraged to make innovative suggestions about company operations, they were more likely to have access to the company's decision-making. In the home appliance company, employees had various channels to participate in the company's activities. Many participants mentioned an on-the-spot Question and Answer session in which employees could make inquiries to or demand explanations directly from top management. Even though this method was supposed to be used in most other companies, the employees here were able to truly say what they had in mind and their concerns were indeed taken care of. Several participants mentioned the "feedback list." For all the questions or complaints employees raised, the company would create a list. Then they needed to provide feedback for each problem, such as who was responsible for solving this problem, the status of how the problem was being solved, and if it could not be solved at this moment, what were the reasons. They put this list in public places such as the bulletin board. Then as one said, "Employees can see whether we are actually solving problems or just trying to evade our responsibilities."

High orientation toward innovation brought about high trust. Trust in terms of promotion was usually high because in such an organizational culture, incompetent people just could not handle it. As one employee in the U.S. technology company said, "Overall, we can say that it's those capable people who get promoted. In [company name], it's very hard for someone incapable to be promoted...Because the workload is there, very objective...Compared to other companies,...you will see some very silly and incompetent people in high positions. Here it's very unlikely."

Summary of RQ 7

Interview findings supported proposition 8. Case organizations displayed different organizational cultures, which led to different problems in employee relations. Therefore, different cultivation strategies were employed.

To summarize, many companies in this study had an external orientation. In other words, in their pursuit of organizational goals, they put top priority on customers or external stakeholders. Findings suggested that companies also had varying degrees of control. Such control was displayed in different areas, such as attitudes toward evaluation, rules and regulations, and expectations about obedience. In most multinational companies examined, interpersonal relationships tended to be simple, with relatively little hierarchy, less subjective, or fewer personal factors than in domestic companies. Companies also had different orientations toward innovation, with different consequences. A focus on innovation led to not only changes in products and services but also in job tasks, as well as a seek for constant improvement.

The impact of these different dimensions in organizational culture was as follows. Different degrees of internal and external orientation affected the use of assurance of

legitimacy. External-oriented companies also focused on legitimacy regarding employees' work patterns and styles as well as sharing of tasks in helping employees build their own abilities as soon as possible. Companies with a dual focus usually had better relationship outcomes, especially in terms of commitment and control mutuality. External-focus companies were more likely to have exchange relationships whereas dual focus companies tended to have more mutual communal relationships.

Amount of control seemed to have the biggest impact on cultivation strategies such as positivity. Companies put more emphasis on positivity as a way to compensate for strict control. Interpersonal relationships mainly influenced the relationship outcome of trust. A relatively simple relationship and lack of personal factors at work generally brought about more confidence from employees about fairness in the companies.

Orientation toward innovation seemed to have the greatest impact on strategies such as sharing of tasks and access. Companies oriented toward innovation let employees look for resources themselves and train their capabilities. In addition, since employees were encouraged to make innovative suggestions in company operations, they were more likely to have access to the company's decision-making. High orientation toward innovation brought about high trust, especially in terms of promotion, because in such an organizational culture, incompetent people just could not handle it.

Interaction Between Societal and Organizational Culture

In this section, I discuss the interaction between societal culture and organizational culture in employee relationship development. The interaction between societal and organizational culture was found to be influenced by other factors, especially the globalization strategies of multinational companies. The research question is listed below.

RQ 8: How, if at all, does the interaction between societal culture and organizational culture influence relationship development in case organizations?

Dominance of Organizational Culture

A major theme that appeared was that for companies following a high global integration strategy, organizational culture played a more important role than societal culture when it came to the development of employee relations. In companies oriented high in global integration, participants generally felt as though they were working in a foreign company. Many said, however, that the societal culture might have been more important in other aspects, such as in doing business. When it came to employee relations, organizational culture dominated. These companies did not want to have too much localization and so their employees needed to adapt to that.

All companies in this category emphasized their consistent values and corporate cultures. For example, all the participants in the home appliance company talked about its organizational values and how these were absorbed in daily work. One participant talked about how the company paid attention to maintaining its unique organizational culture through hiring. It usually looked for people who could share the culture and could be a fit with the company. Otherwise, the company would not hire that person. One employee relations director told me just that morning they rejected one person who did not seem to appreciate their culture and only focused on short-term benefits.

Another company, the U.S. technology company, also had a dominant organizational culture. If employees could not get used to that, they would be eliminated quite ruthlessly. One employee commented that this company was not a place to “take care of the weak.” It had no tolerance.

The Need to Consider Societal Culture

However, equally important, even when organizational culture seemed to dominate, employee relations could not be totally controlled by organizational culture. Several companies experienced difficulties in cultivating the original organizational culture in the Chinese society. For example, a participant from the Korean company said, “I feel corporate culture should be the foundation. Of course we will absorb the local culture too.” He talked about inheriting the corporate culture from Korea and implementing a certain program called “innovation school.” He felt that if this were implemented well, it should have been effective. However, when it was imported directly to China, it had become something awkward, and in his words, “something like nothing,” because according to him, it was only “implemented on the surface, but the spirit is lost.”

Another manager in a Japanese company in charge of employee relations told me frankly that his company did not plan to cultivate its original organizational culture. Even though it wanted to do that at first, it quickly realized that to survive in this land, it could not simply force its own culture. He told me the reason, “Because maybe you can control the inside, but you cannot control the outside. And then the people inside do have communication with those outside, that’s inevitable. So how can you guarantee people will follow you strictly?” Such constant interaction between the internal and the external environment made the company decide that it was not going to force employees to do things strictly according to the original corporate culture.

Dominance of Societal Culture

For most companies emphasizing local responsiveness, societal culture appeared to be more important. Many participants working in this type of companies said they

definitively saw more influence of Chinese societal culture. One most evident case was a French construction materials company. Its original corporate culture emphasized a flexible and casual working environment. However, one manager said this might not be a fit with China's condition. Most employees were local Chinese, and he commented frankly that not everyone had "high professional quality" because they lacked "the accumulation of such professionalism." Therefore, he said, "Under this situation, being loose equals what we call a box of loose sand. So the working efficiency and cohesion are declining." He said that the company might have realized this and the new manager was being stricter than his predecessors. He acknowledged also that this might depend on industry types. Casual management might be good for the IT industry, but he felt for a manufacturing industry, a more rigorous management might be better.

Additional Findings

In addition, sometimes other factors came into play, especially the styles of general managers. As mentioned earlier, one interesting case was with the German electronics company. Even though the majority of participants believed that their organizational culture dominated in regards with employee relations, employee relations also depended on the preferences and styles of top managers to a great extent.

According to the participants in this company, three general managers had worked there and the participants felt as though they have been to three totally different companies. During the time the first general manager was there, they felt the company was more like a domestic one. This was because this GM had a technical background, so he mostly took care of technology and let Chinese managers be in charge of administrative issues. The second general manager specialized in management, so he did mostly management. Then it

felt more like a foreign company. The third general manager was relatively young and had a family connection to the company. So in order to increase profits and show off his performance, he displayed more of an authoritarian style. Employees felt as though they were working for a Taiwanese boss, which in current China, meant being stingy and harsh on employees.

Summary of RQ 8

The interaction between societal and organizational culture was found to be influenced by other factors, in this study, the globalization strategies of multinational companies. Specifically, for companies following a high global integration strategy, organizational culture played a more important role than societal culture when it came to the development of employee relations. On the other hand, for most companies emphasizing local responsiveness, societal culture appeared to be more important. However, equally important, even when the organizational culture seemed to dominate, it did not totally control employee relations. In addition, other factors sometimes came into play, especially the styles of general managers.

CHAPTER V CONCLUSIONS AND IMPLICATIONS

The purpose of this study was to explore the value of public relations in strategy implementation as demonstrated through cultivation of employee-organization relationships in the context of globalization strategies and cultural influences. To achieve that purpose, I developed an overall theoretical framework consisting of the key constructs of organizational strategies, resources, and strategy implementation. I delineated the relationships among these constructs by incorporating organization-public relationships cultivated by the public relations function in organizations. I then examined this overall framework by studying the relationship between one type of organizational strategy, globalization strategy, and one type of organization-public relationships, employee-organization relationships (EOR). To explore my framework in the naturally occurring environment of any multinational company, I integrated cultural influences.

Some significant findings are highlighted here. First, relationships were recognized as organizational resources that could contribute to competitive advantage. Both public relations managers and strategy managers talked about how characteristics of relationships overlapped with those of key resources. This suggested the recognition of the importance of relationships by other organizational functions beyond public relations. Second, the contribution of relationship development to the implementation of strategies was acknowledged. In particular, consistent with the concept of fit in the literature, participants did point out the strategic use of relationships that corresponded to different strategies. Third, applied to employee-organization relationships in the globalization context, I found that the cultivation strategies of EOR, types of EOR, and outcomes of EOR indeed reflected the demands of different globalization strategies. This suggested the essential

value of public relations in contributing to the implementation of globalization strategies. Finally, I found that both societal and organizational cultures influenced the development of relationships with local employees. In the complicated global context, the interaction between societal and organizational cultures was found to be influenced by many factors, the most important one being the different globalization strategies.

The previous chapter detailed the findings of my research questions. In this chapter, I discuss how these findings contribute to a comprehensive understanding of the relations between public relations and strategy. This section starts with a summary of the major findings and the implications for public relations theory and practice. Then I discuss the criteria for evaluating my study, limitations, and directions for future research.

Summary of Major Findings

I organized the findings based on the theoretical framework I developed. RQ 1 explored relationships as organizational resources. RQ 2 examined how relationships strategically contributed to the implementation of different strategies. RQs 3 to 5 examined the fit between globalization strategies and cultivation strategies of EOR, types of EOR, and outcomes of EOR. Globalization strategies discussed include the dimensions of global integration (GI) and local responsiveness (LR) and the three major types of companies positioned at different levels of these two dimensions. RQs 6 to 8 examined, respectively, the influence of societal culture, organizational culture, and the interaction between the two and its impact on EOR. Table 5 summarizes the major findings.

Table 5

Summary of Major Findings

Research Question	Findings
1. Relationships as organizational resources	<p data-bbox="699 533 1353 712">Both public relations and strategy managers agreed that relationships can be regarded as unique organizational resources with four features:</p> <ul style="list-style-type: none"> <li data-bbox="699 745 1353 925">■ Relationships are valuable in helping to take advantage of opportunities and to neutralize threats in the environment <li data-bbox="699 958 1353 1066">■ Relationships are rare: Competitors may not make efforts or be constrained in their abilities. <li data-bbox="699 1099 1353 1274">■ Relationships are hard to imitate in the short term: It involves time, history, complex social details. <li data-bbox="699 1308 1353 1570">■ Relationships are not easily substitutable: It is impossible or difficult to “buy” relationships; Other functions cannot replace public relations in relationship building.

Table 5

Summary of Major Findings (cont'd)

Research Question	Findings
2. Relationships contributing to strategy implementation	<p>Relationships help with the following in the implementation of strategies:</p> <ul style="list-style-type: none"> ■ gain external support and trust (media relations and government relations in particular). ■ help gain commitment in the internal environment (employee relations). ■ Findings supported the existence of fit between strategies and relationship building in general: <ul style="list-style-type: none"> ■ identification of different publics corresponding to strategies and ■ development of different types of relationships corresponding to strategies.

Table 5

Summary of Major Findings (cont'd)

Research Question	Findings
3. Cultivation of EOR globalization strategies	<p>Generic themes:</p> <ol style="list-style-type: none"> 1) Core versus non-core employees. 2) Some cultivation strategies were fundamental to most MNCs and were not motivating. 3) Conflict resolution: symmetrical, two-way, and interpersonal communication most effective. 4) Barriers to exit: external structural barriers <p>Influences of globalization strategies:</p> <ul style="list-style-type: none"> ■ Sharing of tasks: <ul style="list-style-type: none"> ➤ MNCs focused on tasks of mutual interest ➤ SOEs shared tasks of interest only to employees. ➤ LR: affected tasks for personal development. ➤ GI: affected tasks for company needs ➤ Hybrid: focused on both types of tasks ■ Networking: <ul style="list-style-type: none"> ➤ Mostly influenced by LR. ➤ Hybrid paid attention to this strategy too.

Table 5

Summary of Major Findings (cont'd)

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- Positivity:
 - GI: through providing challenges at work
 - LR: through relating to local customs.
 - Hybrid: paid attention to both during and after work.
 - Legitimacy: Most MNCs showed respect
 - GI: influenced the inclination and ability to take into account every individual's concerns.
 - Hybrid: provided outlets for employees' concerns even if not every problem is solved.
 - Openness and access:
 - GI: affected openness about general policies and information as well as the caution about financial issues.
 - LR: affected the extent of access. In high LR, employees participate in decisions more.
 - Hybrid: Faced with dual challenges, some succeeded but others failed.
-

Table 5

Summary of Major Findings (cont'd)

Research Question	Findings
4. Types of EOR and globalization strategies	<p>Generic themes:</p> <p>1) Basic EOR were contractual and exchange, but could be win-win.</p> <p>2) Variation in EOR types for different employees.</p> <p>Influences of globalization strategies:</p> <ul style="list-style-type: none"> ■ GI: affected exploitive and contractual EOR. Communal or covenantal relationship not with organization. Exchange worthwhile. ■ LR: affected communal EOR (maximum involvement with local employees) and covenantal EOR (ultimate goals of the company and those of employees were seen as consistent) ■ Hybrid cases: displayed a broad range of types, cultivated communal or covenantal relationships at different levels.

Table 5

Summary of Major Findings (cont'd)

Research Question	Findings
5. Outcomes of EOR and globalization strategies	<p><i>Control mutuality:</i></p> <ol style="list-style-type: none"> 1) Distinction between job-related and personal issues. The former higher than the latter. 2) GI: affected control mutuality about personal issues and the use of after-decision adjustment. 3): LR: affected control mutuality about work content and the use of pre-decision feedback. 4) Hybrid: provided trial and error period. <p><i>Commitment:</i></p> <ol style="list-style-type: none"> 1) Affective vs. continuance dimensions.. 2) Commitment to subsidiary vs. that to EOR 3) GI: affected the attention to continuance commitment 4) LR: affected the attention to both dimensions. 5) Hybrid: focused on both dimensions. <p><i>Satisfaction:</i></p> <ol style="list-style-type: none"> 1) Organization's satisfaction of EOR: Managers felt OK, employees believed companies did not care. 2) Employees' satisfaction of EOR: Managers and employees had similar ideas.

Table 5

Summary of Major Findings (cont'd)

Trust: integrity

- 1) Employees and managers judged fairness differently.
- 2) GI: majority satisfaction, consistent policies.
- 3) LR: mutual and interactive
- 4) Hybrid cases: dual focus on policies and interaction.

Trust: dependability

Generally high, distinction between trust toward supervisors and that toward the organization.

Trust: competence

Employees felt high, managers felt not omnipotent.

Fit between EOR and globalization strategies:

A misfit in sharing of tasks and networking → negative outcomes in commitment.

A misfit in access/openness → declining trust.

A misfit in assurance of legitimacy → lower control mutuality.

A misfit in positivity → declining satisfaction.

The types of relationships usually were fit for the corresponding globalization strategies.

Table 5

Summary of Major Findings (cont'd)

Research Question	Findings
6. EOR and societal culture	<p>1) Respect of Chinese traditions and customs.</p> <p>2) Strong family orientation led to changes in working hours and benefits design.</p> <p>3) Relational orientation: relational reciprocity reflected in repaying recognition from superiors; relational fatalism explained why EOR existed.</p> <p>4) <i>Guanxi</i> played more of a role in other relationships. But in big companies, relations among employees reflected transitivity.</p> <p>5) Uncertainty avoidance explained employees' continued stay and preferences in management style.</p> <p>6) Individualism/collectivism had impact on commitment.</p>

Table 5

Summary of Major Findings (cont'd)

Research Question	Findings
7. EOR and organizational culture	<p data-bbox="668 504 1094 537">Display of organizational culture:</p> <ol style="list-style-type: none"> <li data-bbox="699 573 1265 607">1) Many companies had external orientation. <li data-bbox="699 645 1305 748">2) Companies varied in control of evaluation, regulations, and expectations toward obedience. <li data-bbox="699 786 1310 819">3) MNCs had simple interpersonal relationships. <li data-bbox="699 857 1362 960">4) Different orientations toward innovation led to changes in products, tasks, organizational structures. <p data-bbox="668 999 879 1032">Impact on EOR:</p> <ol style="list-style-type: none"> <li data-bbox="699 1070 1337 1173">1) External-oriented companies: focused on legitimacy and sharing tasks, more exchange EOR <li data-bbox="699 1211 1310 1314">2) Dual-focus companies: high commitment and control mutuality, more communal EOR. <li data-bbox="699 1352 1246 1386">3) Amount of control influenced positivity. <li data-bbox="699 1424 1283 1458">4) Interpersonal relationships influenced trust. <li data-bbox="699 1496 1362 1599">5) Orientation toward innovation affected sharing of tasks, access, and trust.

Table 5

Summary of Major Findings (cont'd)

Research Question	Findings
8. EOR and the interaction between societal and organizational cultures	<p>The interaction was influenced by globalization strategies. When it came to EOR,</p> <p>High GI: organizational culture more important, but cannot totally control EOR.</p> <p>High LR: societal culture more important.</p> <p>Other factors such as the styles of managers also played a role.</p>

Relationships as Organizational Resources

Interviews with both public relations managers and strategy managers basically supported the propositions about relationships as organizational resources. Some participants explicitly considered relationships as one kind of productive force. Specifically, relationships were found to possess the four main characteristics of an organizational resource. First, participants provided many examples to suggest that relationships were valuable in helping their organizations take advantage of opportunities and neutralize threats in the environment. Government relations, media relations, and employee relations, especially, were emphasized.

Relationships were also found to be rare because of different reasons: 1) competitors may not even make efforts to cultivate relationships, and 2) even if they do, they may be constrained in their abilities. Relationships were hard to imitate. A variety of

examples suggested that good relationships might have existed because of unique historical conditions. The direct causal relations between relationships and competitive advantages might be hard to identify. The relationship-building process involved many complexities and details, and, most importantly, required a long time.

Relationships were also recognized as not easy to substitute with other resources. First, it was impossible or at least difficult to simply “buy” relationships with money because ethical requirements of most companies strictly prohibited them from using bribery. Participants did recognize that sometimes certain problems could be solved by using money, but they suggested that 1) such problems that could be addressed easily with money might not be essential issues after all, and 2) that kind of relations based on money could not last long. In addition, other functions in companies could not replace public relations in the building of relationships because they may not have the awareness of certain issues or the knowledge to be in the best position to solve problems.

Given the above findings, it is noteworthy that the mobility of relationships among organizations turned out to be controversial given the situation in China. Some participants argued that relationships could move with the individuals that possessed them and that as a result, relationships became imitable or mobile and may lose their value as resources. However, a more common pattern seemed to suggest a separation between relationships established at a personal level and relationships that were more institutionalized, between organizations and publics. And the latter was found to be immobile. This finding suggested the importance of further classifying relationships and redefining the different levels of relationships, from personal to organizational. It may enrich the research on relationship management and enhance the value of such relationships to organizational goals. For

example, it might be possible to argue that organization-public relationships can start at a personal level, but should not remain at that level forever. Eventually in order to be valuable as resources, relationships should be established and maintained at the institutional level.

Relationships and Strategy Implementation

Both public relations managers and strategy managers agreed that relationships did contribute to the implementation of strategies directly by helping gain support. Specifically, they said that relationships helped gain external support and trust and that media and government relations were the two major functions that achieved this purpose. Employee relations helped gain commitment to the strategy in the internal environment.

In addition, supporting the need for fit that was emphasized in the management literature, findings did suggest the importance of identifying different publics corresponding to different strategies. In addition, not all types of relationships were treated the same. Different priorities were given to different publics. This finding provided an initial demonstration that in reality, public relations was practiced in a strategic rather than a routine manner. The link between public relations and strategic management might start from developing relationships strategically to support the implementation of strategies.

Globalization Strategies and Employee-Organization Relationships

The cultivation strategies of EOR, types of EOR, and outcomes of EOR indeed reflected the demands of different globalization strategies. The need for fit between relationships and strategies was also evident. This suggested the essential value of public relations in contributing to the implementation of globalization strategies.

Interestingly, in contrast to what the initial propositions anticipated, companies following different globalization strategies did not necessarily emphasize certain relationship cultivation strategies and totally ignore others. On the contrary, most MNCs did pay attention to most cultivation strategies identified in the literature. This demonstrated the existence of some generic principles all companies followed. However, in the actual implementation of these strategies, companies with different orientations paid attention to different dimensions in the same cultivation strategy corresponding to their different needs for configuration and expectations for local employees. Table 6 summarizes the fit between cultivation strategies and globalization strategies.

The types of relationships also varied depending on globalization strategies. However, a common theme beyond these differences was that the more involved employees were with the organization, the more likely they would be to have communal or covenantal relationship with the organization. Companies high in global integration were more likely to develop exploitive EOR because the local subsidiaries served as a part in the larger collective and thus might be sacrificed to achieve overall organizational goals. Table 7 summarizes the relations between EOR types and globalization strategies.

In addition, the findings about the differences in relationships with the organization and those with 1) employees' colleagues or superiors and 2) employees' work achievements suggested the importance of additional EOR cultivation strategies. In other words, positive EOR can be cultivated by 1) enhancing interpersonal communication with colleagues or immediate bosses and 2) letting employees assume more responsibility at work so they would feel proud and attached to what they have achieved in the companies.

The outcomes of relationships were found to be influenced by globalization strategies. Findings also suggested that a fit between relationship development and globalization strategies would lead to better EOR outcomes, even though such an effect was not evident for every relationship type and relationship cultivation strategy. Table 8 summarizes the relations between EOR outcomes and globalization strategies.

Interview findings suggested that if the types of relationships did not fit with the corresponding globalization strategies, then certain outcomes of EOR would deteriorate. In addition, a misfit with cultivation strategies had similar effects (see Table 8). These findings powerfully demonstrated the importance of relationship building with a strategic purpose, at least EOR in this case, in the implementation of strategies.

Cultural Influences

This study found that Chinese societal culture affected relationship building with local employees. Some cultural factors were unique to China, including: 1) respecting Chinese traditions and customs; 2) employees' strong family orientation, which led to changes in working hours and benefits design; 3) relational orientation, especially relational reciprocity, as demonstrated by employees repaying the recognition and acknowledgement from superiors, and relational fatalism, used to explain why some employees decided to stay in an organization; 4) *guanxi*, which affected the relations among employees in large companies where getting to know new people was through intermediaries (a demonstration of transitivity); and 5) communication patterns of Chinese people, in particular, being reserved and shy in public.

Table 6

Different Emphasis of Cultivation Strategies in EOR

Cultivation				
Strategies	Findings			
	HG/LL	HG/HL	LG/HL	Domestic
Sharing of tasks:	Tasks of mutual interest	Tasks of mutual interest	Tasks of mutual interest	Tasks of mutual interest
	More on company needs	More on company needs	More on personal development	Tasks for employees
Networking	Limited	Much attention	Much attention	Much attention (sometimes excessive)
Positivity	Providing challenges	Providing challenges	Relating to local customs	According to tradition

Table 6

Different Emphasis of Cultivation Strategies in EOR (cont'd)

Cultivation				
Strategies	Findings			
	HG/LL	HG/HL	LG/HL	Domestic
Legitimacy	Showed respect	Provided outlets	Showed respect	Addressed key problems
	Less inclined or able to consider individual's concerns			step by step
Openness and access	Yes for policies and general information but not financial	Employees more access and participation in decision-making	Employees more access and participation in decision-making	Have procedures to access information
Conflict resolution	Symmetrical, two-way, interpersonal	Symmetrical, two-way, interpersonal	Symmetrical, two-way, interpersonal	Symmetrical two-way, interpersonal
Barriers to exit	External structural barriers	External structural barriers	External structural barriers	Plan to use structural barriers

Table 7

EOR Types and Globalization Strategies

EOR Types		Findings			
	HG/LL	HG/HL	LG/HL	Domestic	
Exploitive	Existed				
Manipulative	Existed				
Contractual	Most common More evident	Most common	Most common	Most common	Most common
Exchange	Most common	Most common	Most common	Most common	Most common
Covenantal	With jobs	More evident	More evident	More evident	More evident
Communal	With colleagues	More evident	More evident	More evident	More evident

Table 8

EOR Outcomes and Different Globalization Strategies

EOR Outcomes	Findings		
	High GI	High LR	Hybrid
Control mutuality	Higher for job than personal issues Post-decision adjustment	Higher for jobs than personal issues Pre-decision discussion	Higher for jobs than personal issues Trial and error period
Commitment	Less attention to continuance	Equal attention to both dimensions	Equal attention to both dimensions
Trust: Integrity	Majority trust; Consistent policies; Fair in promotion	Mutual trust Interactive process	Policies and Interaction
Satisfaction	No difference		
Trust: Dependability	No difference		
Trust: Competence	No difference		

In addition to these cultural factors unique to China, two of Hofstede's cultural dimensions also played a role. Uncertainty avoidance sometimes explained why employees remained in a company as well as employees' preferences for the management style of

superiors. Individualism/collectivism had some impact on employees' commitment, evidenced through a comparison between multinational companies and domestic ones. Most employees in multinational companies paid more attention on personal career development whereas in SOEs, more employees felt that they were a part of the whole.

Organizational culture also played an important role on EOR. In particular, externally-oriented companies focused on the legitimacy regarding employees' work patterns and styles as well as sharing of tasks in helping employees build their own abilities as soon as possible. Companies with a dual focus usually had better relationship outcomes, especially in terms of commitment and control mutuality. External-focus companies were more likely to have exchange relationships whereas dual-focus companies tended to have more mutual communal relationships.

Amount of control had the greatest impact on cultivation strategies such as positivity. Companies put more emphasis on positivity as a way to compensate for the strict control. Interpersonal relationships mainly influenced the relationship outcome of trust. The relatively simple relationship and lack of personal factors at work brought about more confidence about fairness.

Finally, orientation toward innovation seemed to have some effects on strategies such as sharing of tasks and access. Companies oriented toward innovation let employees look for resources themselves and train their capabilities. In addition, since employees were encouraged to make innovative suggestions in company operation, they were more likely to have access to the company's decision-making. High orientation toward innovation brought about high trust, especially in promotion.

The interaction between societal and organizational cultures was influenced by globalization strategies. For companies following high global integration strategy, organizational culture played a more important role than societal culture when it came to EOR. For most companies emphasizing local responsiveness, societal culture appeared to be more important. However, equally important, even when the organizational culture seemed to dominate, it could not totally control employee relations. Additionally, other factors came into play, especially the styles of general managers.

Implications for Public Relations Theory

Value of Public Relations

Much research in public relations has examined the value of this function in the organization and in the society. This study is one of the first efforts that explored relationships developed by public relations as organizational resources. The findings basically supported the arguments and established employee-organization relationships as contributing to strategy implementation. Thus this dissertation extended the research stream in public relations regarding how public relations contributes to organizational effectiveness. It suggested going beyond public relations' influence on reputation alone and establishing the importance of being linked directly to the implementation of organizational strategies. By doing this, this study also pointed out how public relations can take part in strategic management.

Strategic Management of Public Relations

The Excellence study argued that public relations should take part in the strategic management of an organization and that public relations should be managed strategically itself. This study offered one of the few first empirical examinations as to how public

relations can be related to organizational strategies. By looking at the perspectives of both public relations practitioners and managers responsible for strategic planning, this study built a direct link between public relations and other organizational functions. The findings suggested the contribution of relationships to the achievement of the strategic goals of an organization. Thus, it showed how public relations can share the same language with other functions in working together for the same purposes.

Relationship Management Theory

Refining the Understanding of Relationships

This study found different dimensions of organization-public relationships. First, participants differentiated their relationships with colleagues and superiors and those with the organizations per se. Second, differences also emerged between how participants considered what they had achieved in a certain organization and how they perceived their relationships with the organization. These two suggested the importance of clarifying how different people defined organization-public relationships.

This study also found organization-public relationships that were of different natures. The question of whether relationships as resources were immobile among different organizations turned out to be controversial. Participants did suggest that relationships that were established at a personal level could be moved to another organization when the persons responsible for those relationships chose to join another organization.

This fact had much to do with the particular context of China where *guanxi*, or the equivalent of interpersonal connection network, is emphasized. As Cai (2001) pointed out, *guanxi* implied a social exchange, which is different from relational networks common to

the western world. In fact, *guanxi* oftentimes was regarded as a commodity that could be stored, exchanged, and used when necessary.

This finding was especially evident with government relations where certain individuals might have established good relationships with government officials and such relationships might be lost if those individuals leave for other organizations. However, given this fact, which seemed to argue against the inimitability of relationships as resources, many participants also pointed out that organization-public relationships must often be established beyond a purely personal level. As some participants argued, the government eventually would consider the confidence they had in an organization as a whole, rather than base their perceptions about the overall relationships on the relationships a certain individual has had with them. Relationships that were established at an institutional level were found to be more difficult to move. This raised the interesting question of what kind of relationships should be the focus of attention when public relations practitioners tried to build relationships. This study suggested that relationships at the interpersonal level definitely helped initiate the relationship building process but that those at the institutional level were more important and valuable.

Coorientation of Both Organizations and Publics

To overcome the limitations of only studying organizations' perspectives, as pointed out in previous research (e.g., Hung, 2002), this dissertation examined the perspectives of both parties in the same set of relationships (EOR) – management and employees. Differences did emerge, especially in terms of the outcomes of relationships.

In addition, to some extent, this study achieved both breadth and depth in research. It studied organizations of a different nature (both multinational and domestic companies),

in different industries (manufacturing, service, sales, or a combination), and different development stages (companies that were either relatively recently established or with a long history of presence in China). In addition, within each organization, the interviews with people in different positions provided detailed contexts for relationship management.

Cultural Influences

Like some previous studies, this dissertation examined societal culture and how it influenced relationship development. Unlike previous research, this dissertation also examined organizational culture which was suggested in Hung (2002). In addition, it looked at the simultaneous effects of societal and organizational culture. Different from previous literature, this study found such an interaction to be dynamic and influenced by other factors. These findings provided helpful insights into how the complicated internal and external environment of organizations influenced relationship development.

Cultivation of EOR

The refinement in the understanding of EOR suggested the possibility of more cultivation strategies. In particular, the two dimensions mentioned before may serve as effective relationship cultivation strategies. First, good interpersonal relationships with colleagues and superiors might contribute to good EOR as a whole. Second, employees' perceptions of their work achievements might contribute to how they perceive EOR.

Along the line of the second dimension, as most participants (both managers and employees) recognized, the relationships employees had with an organization usually were affected by how involved the employees were in the organization. Rhee (2004) suggested looking into the perceptions of people when they were actively involved in organizational issues. The current study revealed that employees who had more responsibilities and

achieved more in their work were more likely to consider themselves as a part of the organizations. As a result, they were more likely to have communal or covenantal relationships with the organization.

Finally, the study suggested the importance of separating the two dimensions of relational commitment in EOR. The special nature of EOR makes evident the distinction between affective and continuance commitment. The findings suggested that there may not be a strong relation between employees' affective and continuance commitment toward an organization. For example, employees may still feel proud or support one organization even after they have left for a new organization. Therefore, it is imperative that organizations determine which dimension(s) are the most important for their strategies before they work to achieve such relational commitment.

EOR in the Globalization Process

Generic versus specific. Although this study did not aim to test the global public relations theory of generic principles and specific applications, the findings seemed to suggest the existence of this pattern, at least in the case of EOR. Even though companies followed different globalization strategies and had different demands or expectations, they did not necessarily favor certain relationship cultivation strategies over others. On the contrary, most of the findings about how companies cultivated EOR were similar to what has been identified in the literature. However, in the actual implementation of these cultivation strategies, companies with different orientations paid attention to different dimensions in the same strategy so as to match their different needs for configuration and expectations for local employees.

Implications of globalization strategies. The findings from this study seemed to suggest that the orientation of pure global integration generally did not bring about positive EOR, at least not with the employees in the local subsidiaries. Given the need of these companies for efficiency, worldwide resource deployments, and greater integration of activities across national borders, they are more likely to pay more attention to the collective benefits of the entire business groups, sometimes at the expense of sacrificing the interests of an individual local subsidiary. Numerous examples from different companies following a pure global integration strategy demonstrated this, such as the transfer of costs and profits between the headquarters and subsidiaries for the benefit of the business group as a whole as well as treating the local subsidiary as merely a production base. Findings also suggested that the types of EOR for this group of companies were usually exchange relationships, and sometimes exploitive. Thus the types did not seem as positive as the ones following a combination of global integration and local responsiveness or the ones following a local responsiveness strategy.

These findings demonstrated that the cultivation of EOR was consistent with the ultimate demands of this particular type of globalization strategy. For the companies following this strategy, the benefits of responding to the local environment would not justify the costs of doing so because such responding was less critical to their overall success. In addition, it is true that employees in this type of organization did not necessarily feel completely unsatisfied with the EOR, as long as they still gained the skills and experiences, the major reasons why they came to the organizations in the first place. Therefore, the cultivation of EOR for this type of company supported the implementation of their current global strategies.

This kind of EOR may have long-term implications. For example, in the future, if these companies ever need to shift their strategic focus and change their strategy to be more locally responsive, it might be difficult to change their existing practices in EOR. As a result, their current way of cultivating EOR will generate negative effects and may prevent them from implementing the new strategies effectively. Therefore, public relations practitioners need to consider the long-term versus short-term implications of such practices.

Implications for Public Relations Practice

Participation in Strategic Management

This study has several implications for public relations practice. The first and most important one is how to participate in the strategic management process. This study provided an empirical examination of how public relations professionals can practice public relations strategically. Practitioners can enhance their communication programs by taking into consideration the role of strategy, hence demonstrating the value of public relations through how it affects organizational effectiveness. Practitioners can also share a common language with other managers in the organization, especially those in strategic planning and work together to contribute to organizational effectiveness. In that way, they can take an active part in the strategic management process.

Inclusion in the Dominant Coalition

Consistent with previous literature, this study found relationships were oftentimes closely related to the top management. Participants talked about the overwhelming influences of top managers in several cases. One most extreme case was the perceptions of participants in one company that they appeared to have worked in three totally different

companies under the leadership of three different general managers. This implied further that public relations needs to be a part of the dominant coalition in order to influence relationship management.

Managing Employee Relations in the Global Environment

This study also provided public relations practitioners with insight into how to cultivate employee relations in the complicated global environment. As mentioned in the theoretical implications section, this study suggested additional EOR cultivation strategies. The findings also incorporated a comparison between domestic companies and multinational companies in China as well as between management and employees. Public relations practitioners may possess a good understanding of how to reconcile the differences in perspectives and how to benefit from both local and global views in employee relations.

Comparison of Domestic and Multinational Companies

A common perception in China is that domestic companies are far behind multinational companies in terms of both management systems and employee benefits. The domestic companies studied in this dissertation were more or less successful in their operations and thus could provide positive suggestions for employee relations. A comparative look suggested that a company that needs to be locally responsive to Chinese conditions can learn from the successful domestic companies, especially in how they used networking and sharing of tasks.

Looking at the Two Sides of the Stories

Public relations practitioners will also benefit from learning the different perspectives of employees and organizations. The findings that employees did not

necessarily appreciate certain relationship cultivation strategies implied the importance of finding out the underlying reasons why organizations were using those strategies. Were they doing so only because everyone else was using the strategies, or were they doing so out of a genuine concern for the employees or the development of the company? At the same time, practitioners also need to examine employees' expectations to be better able to implement strategies that impress and motivate them.

Dynamic Nature of Relationships

Hung (2002) suggested constant change and dynamics in any relationship. This study found that relationships could be under the influence of organizational culture and changes in the development stages of organizations. These provided the starting points for practitioners to consider the internal environment of relationship development.

This study described how different organizational cultures influenced relationship development. One implication for public relations practitioners was that they should have a clear understanding of the existing organizational cultures and make use of them. Working against the deep-rooted culture would not be effective.

Even though this study did not find much evidence for the influences of different entry strategies on the cultivation of EOR, it did find that changes in the development stages of organizations brought about changes in overall organizational goals and in turn changes in EOR. For example, a recurring theme in this study was a comparison between the entry stage and the growth stage of organizations. At first, when the organization's major purpose was to gain presence in this new market, employees recognized a variety of positive relationship cultivation strategies. But, at present, when the major purpose was to gain profit, organizations had a more urgent need to cut costs and employees sometimes

believed that they were receiving less attention. This provided public relations practitioners the challenge of reconciling the overall organizational goals with the expectations of internal publics.

Evaluation of This Study

In the method chapter, I discussed criteria for evaluating qualitative research. Here I examine the quality of this study based on the four criteria suggested by Lincoln and Guba (1985).

Credibility addresses whether the researcher has successfully identified and described the multiple social realities that are constructed by the actors in those realities and whether such reconstructions are credible to the original constructors. To enhance credibility, I did the following suggested by Lincoln and Guba (1985). I stayed in the field for a long time (two and a half months) to gain in-depth understanding. I also tried to gain rapport with my interviewees. I shared with them my experience and educational background, told them the reasons why I was interested in this research, and showed my sincere appreciation for their time.

I also used triangulation, in this case, data triangulation in particular. I interviewed both managers (in public relations and in strategic planning) and general employees. In this way, I got different types of data and was able to increase credibility.

In addition, I used member check or member validation. Toward the end of my research, I showed five participants the portions in my report that were related to their remarks and asked whether it was credible to them. Most of them agreed with my interpretations, but two asked me to revise certain sections. For example, one employee was from the company that decided to relocate without considering the employees'

interests. In the interview, she talked about how she and her colleagues did not appreciate the company's decision and that they felt hurt. I therefore interpreted that this demonstrated an exploitive relationship. But after reading that part, she felt that it was not totally exploitive because she had gained many skills and experiences and that she still felt her time in the company was worthwhile. She suggested therefore that it was an exchange relationship to her. That explanation enriched my data and I decided to incorporate that part in the discussion of relationship types. Another employee described to me the common mentality of treating the current company as a "stepping stone." I first interpreted this as employees taking advantage of the company's resources and classified it as employees cultivating an exploitive relationship with the organization. That person did not agree with my interpretation because he thought he had done everything he should have done in this relationship. In fact, he said there was no way for employees to "shortchange" the organization. And he maintained that it should be a strictly exchange or contractual relationship. In these cases, I thought what they said made sense and revised my interpretations.

Peer debriefing was also used. I shared with two colleagues portions of my findings and asked for their input. This process helped me gain more comprehensive understanding of the results. For example, one colleague raised a question about the types of relationships. When I used quotes to suggest that employees were satisfied with pure exchange relationships, she asked me to think of the possibility whether employees would still think this type of relationship was the best if they later experienced communal relationships. I then went back to my data and examined more employees' perspectives. What I found was that some employees did hope for a communal relationship with their companies even

though they did not have that at present. However, some other employees truly did not feel the need for emotional attachments. They seemed to have more passion for their own career paths as professionals than for some long-term relationships with a certain company. Admittedly this perception may change with changes in their age, positions in an organization, or stages in their career paths. But I believe this attitude toward relationships with organizations was a valid perception for them at this particular time. Therefore, I decided not to advocate exclusively for communal relationships.

Transferability refers to the extent to which the research findings can be transferred to other situations or contexts. To enhance transferability, I followed the Lincoln and Guba's (1985) suggestions. I provided "thick description" of the settings so that future researchers can decide whether there is enough congruence between the sending and receiving contexts that my findings can be transferred to their own settings.

I provided detailed descriptions of the context of case organizations. Additionally, P. Adler and P. Adler (1998) pointed out the use of "verisimilitude." I attempted to create vivid description to achieve a sense of authenticity. I did this not only through getting as much information from as many sources as possible but also through constantly asking participants why they said what they said and what it felt like to work in the multinational organization environment.

However, as Lincoln and Guba (1985) suggested, I, as a qualitative researcher, cannot provide any index of such transferability. Rather, the burden of proof is on future researchers who want to do the transference. I believe I have provided enough context for future researchers to draw their conclusions.

Dependability is similar to the concept of reliability in quantitative research. Lincoln and Guba (1985) suggested an inquiry audit, and Kirk and Miller (1986) suggested a reliability check by standardizing field notes. Thus, I kept a record of all the data collection and analysis procedures and explained them in the dissertation in detail.

In order to enhance intercoder reliability, or how I make sure my interpretations of data are reliable, I constantly referred back to the interview transcripts and linked with my theoretical propositions. I also constantly examined the record I kept about my analysis procedure, which helped me understand why I interpreted things in a certain way.

Confirmability refers to the quality of data, whether others can confirm the results are not a reflection of the researcher's biases. Lincoln and Guba (1985) suggested confirmability audit, keeping a reflexive journal, and triangulation. I used data triangulation and also kept a journal containing my thoughts, ideas, and biases. Given my detailed record of the whole research process, the data should be confirmable if any person would do an audit.

Limitations

This dissertation gathered data from different sources in different organizations. However, several limitations in data collection and data analysis may have influenced the results of the study.

First, as mentioned in the ethics concern section, because of lack of access, I had to rely on personal connections, sometimes people in the government agencies, to find organizations willing to participate. In this process, some organizations might want to present the positive side to me, thus influencing what I found. However, I attempted to reduce this possibility as much as I could. I always reiterated that I was doing this as my

dissertation research at an institution in the United States and that I had no stake in their relations with the government. Also, in interviewing both the managers and general employees, I was able to reduce the possibilities of only getting positive comments. In fact, many of the employees were frank with me and revealed many negative aspects that their superiors may not have mentioned.

In collecting data, sometimes I had 5 interviews on a single day because I wanted to accommodate to my interviewees' schedule. This was obviously an exhausting experience and to some extent prevented me from taking extensive notes on the spot. I attempted to address this limitation by always writing observation notes on the second day while memories were still fresh.

Another limitation was the level of participants. Because of restraints in access, I was not able to find many high-level foreign managers. Most of the manager-level participants I got access to were Chinese. This may have influenced my findings. In addition, the number of participants from different positions was overall not even. For example, I may have interviewed two managers in one organization and four in another. The same was true with the number of employees interviewed. The third problem was that I was not able to get access to any assembly-line workers, who were at the bottom level of organizations and would probably talk about things different from employees working as office staff.

Finally, sometimes interviewees, especially employees, would ask me to take certain comments off-the-record when they were talking about something sensitive and that they were very unsatisfied with the company. Therefore, although some information may have improved my understanding of the problems, I was not able to use it.

In data analysis, I encountered problems in language. As I said in method section, I translated the English interview protocol to Chinese when conducting the interviews. The interviews themselves were done in Chinese. Therefore, when I analyzed data, I had to translate them back into English. In this process, I might have made some misinterpretations. However, I tried to address this issue by doing the following. Most of my interviewees were good at English; So when I was in doubt, I would email my interviewees and show them the translation to see if they agreed with my interpretation. In case of interviewees who were not so good at English, especially those working in domestic companies, I would check with them about the original versions in Chinese and then ask my colleagues to verify points I was not sure about.

Another limitation was in the interpretation about globalization strategies. As I said in the method section, I referred to the existing method of operationalizing different globalization strategies. However, some of the dimensions were not so clear-cut for all organizations and I had to make my own judgment. I attempted to offset this limitation by using different sources, including interviews, website analysis, and other documents provided by participants about a certain organization. Based on these, I made the decisions in classifying organizations into different groups.

Another limitation was also related to globalization strategies. In interpreting data, I usually followed the general assumption about the dimension of global integration. However, I need to acknowledge that global integration does not always emphasize efficiency. This feature may be different for different type of business units, such as production based facility and knowledge intensive facility. Therefore, some of my conclusions related to this dimension needed to be used with caution. For example, other

factors might have played a role also, such as the company size and the years of presence in China. I acknowledged the influence of other factors in certain parts of the results section, but did not treat that as the focus. This could be a limitation in my dissertation.

I was able to find out the influences of general globalization strategies. In the conceptualization section, I also provided background about companies' different entry strategies. However, I was not able to find out significant impact from these entry strategies. Participants did not express much impression about how the way their companies entered influenced their relationship building. Occasionally they mentioned the change from the beginning entry stage to the current growth stage, which I discussed in the dissertation. This could have limited the scope of my research.

Directions for Future Research

This dissertation is one of the first empirical studies that linked relationship development with organizational strategies. It used qualitative methods to explore such linkages and found evidence for the argument that public relations can help develop relationships (employee-organization relationships in this case) that supported the implementation of organizational strategies (globalization strategies in this case). Future studies can extend this line of research in the following directions.

First, the scope of this research can be extended to different countries. For example, a multinational corporation will have subsidiaries all over the world. It will be interesting to explore how the organization builds relationships with employees in different local subsidiaries. In that way, it will be possible to explore cross-culturally the influence of societal cultures.

The scope of research can also be extended to different publics. This study only

looked at employee publics. It is necessary to examine other publics, such as local communities, to see how relationships contribute to the implementation of different strategies.

This study has found the influence of institutionalization in relationship development, especially with EOR, and this needs further exploration. Organizations may have chosen to use (or not use) certain relationship cultivation strategies simply because other organizations were using it (or not using it). Therefore, how employees perceived the effectiveness of these cultivation strategies may be affected.

Related to this, I found that the overall macro environment also played an essential role in developing relationships with employees. As many employees mentioned, given the current macro environment where unemployment was serious, many organizations simply did not worry about not getting enough regular employees. However, at the same time, these organizations were also sincere in attracting and retaining outstanding talents. This factor was not examined in this study and can be an interesting topic for future research.

Another new direction is to examine how EOR is influenced by employees' strategic value and uniqueness to an organization. As discovered in this study, the cultivation, types, and outcome of EOR varied for core employees and non-core employees.

As follow-ups on this explorative study using qualitative method, future research can use quantitative methods to do the following: quantitative measures of globalization strategies, quantitative measures that determine how globalization strategies mediated the adoption of different cultivation strategies and the resulting relationship outcomes.

APPENDIX A: INFORMED CONSENT FORM

Identification of Project/Title	Exploring the Value of Public Relations in Strategy Implementation: Employee Relations in the Globalization Process
Statement of Age of Participant	I state that I am 18 years of age or older and wish to participate in a program of research being conducted by Dr. James Grunig and Ms. Lan Ni in the Department of Communication at the University of Maryland, College Park, Maryland USA 20742-7635.
Purpose	The purpose of this research is to examine how public relations contributes to the implementation of organizational strategies by developing relationships with employees.
Procedures	The procedure involves participating in an interview (envisioned to last from 60 minutes to 90 minutes), about how public relations helps to develop the relationship between organizations and employees in the globalization process. With my permission, this interview may be audiotaped. I understand that I will be asked questions such as: <i>“Please think about the relationship you have with your organization. What do you get out of it?”</i> and <i>“How do you think the relationship is influenced by how your organization operates globally?”</i>
Confidentiality	All information collected in the study is confidential, and my name and the name of my organization will not be identified at any time unless I give express consent to reveal these identities. The data I provide will not be linked to my name or organization. I understand that, if applicable, the audiotape of the interview will be kept by the investigators (in a locked box in the Student Investigators’ home offices) for up to five years before they will be destroyed.
Risks	I understand that there are minimal personal risks associated with my participation and with my interview being audio-taped.
Benefits	I understand that the study is not designed to help me personally but to help multinational organizations learn more about public relations’ function in developing relationships with employees. I also understand that I can obtain a copy of the dissertation abstract.
Freedom to Withdraw, & Ability to Ask Questions	I understand that I am free to ask questions and/or to withdraw from participation at any time without penalty. I understand that I am also free to decline to answer certain questions.
Name, Address, Phone Number of Principal Investigator	Dr. James E. Grunig Department of Communication, 2130 Skinner Building University of Maryland, College Park, MD USA 20742-7635 Phone: 301-405-6525, jgrunig@umd.edu
Contact Information of Institutional	If you have questions about your rights as a research participant or wish to report a research-related injury, please contact: Institutional Review Board Office, University of Maryland, College Park, Maryland,

Review Board (IRB)	20742; (email) irb@deans.umd.edu ; (telephone) 301-405-4212.
Obtaining a copy of the research results	I understand that I may obtain a copy of the dissertation abstract once the research is complete (January 2006) by contacting Lan Ni (Student Investigator) in the Dept. of Communication, 2130 Skinner Bldg., University of Maryland, College Park, MD USA 20742-7635; phone: 301-452-4439; email: lni@umd.edu.

Printed Name of Participant

Signature of Participant

Date

Initial here if you agree to have the interview audio taped.

APPENDIX B: INFORMED CONSENT FORM (CHINESE VERSION)

本研究项目由马里兰大学机构检查委员会于_____ (日期)批准
知情授权表

研究项目名称	公共关系在组织战略实施中的作用：全球化背景下的组织和职员关系
研究参与者年龄申明	我申明我已年满 18 岁,身体健康,愿意参加美国马里兰大学传播系詹姆士·格鲁尼格博士和他的指导研究生倪岚进行的这个研究项目。
研究目的	本研究的目的是 探讨公共关系如何帮助跨国组织实施全球化战略，特别是通过建立和维系与组织员工之间的关系。
研究过程	本研究的具体过程为：参与计时约为一个小时到一个半小时的采访。所有采访都将由研究生倪岚进行。经由本人同意，采访者会用录音方式记录下采访的过程和内容，以便进行研究分析。只有本研究的指导教授和研究生倪岚才能接触到采访内容的录音带及其他相关资料。
研究保密性	本研究中收集到的所有信息（包括采访内容和其他相关资料）只作为本次研究使用，将予以保密。参与本研究的组织，企业公司及个人的名字不会在任何时候被披露。我提供的信息将不会与我本人以及我所在的组织联系起来。我知道研究者会将我的信息保留 5 年。
研究风险性	我了解我参与这项研究会有一些隐私方面的潜在风险，但是微乎其微。
研究重要性	我了解本研究不是针对我本人利益所设计，但是通过本研究可以帮助研究者深入了解跨国公司如何利用公共关系实施战略。我还知道我可以向研究者索取一份研究报告的摘要。
退出研究的自由和提问的权利	我了解在研究期间，我可以随时自由提问，退出研究，或拒绝回答某些问题。
研究指导教授	詹姆士·格鲁尼格博士 Department of Communication, 2130 Skinner Building University of Maryland, College Park, MD USA 20742-7635 电话: 301-405-8077; 电子邮件: jgrunig@umd.edu
获取研究结果	我了解在2006年1月1日之后，我可以向詹姆士·格鲁尼格博士或倪岚索取一份研究结果报告的摘要。联系方法如下：倪岚，Dept. of Communication, 2130 Skinner Bldg., University of Maryland, College Park, MD USA 20742-7635; phone: 301-452-4439; email: lni@umd.edu . 詹姆士·格鲁尼格博士，Dept. of Communication, 2130 Skinner Bldg., University of Maryland, College Park, MD USA 20742-7635, 301-405-6525, E-mail: jgrunig@umd.edu .

参与者姓名 _____ 参与者签名 _____

采访日期 _____

如果您同意采访被录音，请在此说明：谢谢！

我同意采访者录音，是 _____ 否 _____

APPENDIX C: LETTER OF SOLICITATION

Dear Ms./Mr. _____:

My name is Lan Ni, a doctoral student in the Communication department at the University of Maryland. I am conducting a research project for my dissertation. I am interested in exploring the value of public relations in the implementation of organizational strategies; specifically, how public relations helps an organization develop relationships with different publics that correspond to different organizational strategies. In this case, I am interested in how organizations' globalization strategies influence the development of relationships with local employees in China and how, in turn, public relations can contribute to achieving organizational goals. I would like to conduct interviews with people like you, who are [involved in public relations functions or organizational strategic planning] [organizational employees].

I am writing to ask you to participate in this study. The interview will take from 60 to 90 minutes. I understand how busy you are and the interview can be divided into two 45-minute sessions if you wish. The responses you give will provide valuable insight into this project.

All responses will remain strictly confidential. Your participation is voluntary and you may withdraw from participation at any time. If you decide to participate, please sign the attached "Informed Consent Form" and send it back to me by mail using the enclosed envelope. You also can provide your verbal or email consent if you wish, and I can collect the actual form when I meet you for the interview.

I plan to stay in China for the interviews from March _____ to June _____. If I get the informed consent from you, I will call you or email you to arrange an interview with you during that time period. You can also contact me at: lni@umd.edu or: 301-452-4439.

To show my appreciation for your participation, I will send you the abstract of my dissertation upon completion of this research project. If you have any questions, please feel free to contact me or the Principal Investigator, Dr. James E. Grunig at:
Email: jgrunig@umd.edu or phone: 301-405-6525.

Thank you very much for your time and I look forward to your reply.

Yours sincerely,
Lan Ni
Doctoral student, Department of Communication
University of Maryland

APPENDIX D: INTERVIEW PROTOCOL FOR PUBLIC RELATIONS MANAGERS⁷

Background Information

1. What is your position in the organization and what are your job responsibilities?
2. How long have you been with this organization?
3. What is your nationality?
4. Could you tell me what a typical day looks like for you?
 - Probe: What kind of people do you encounter most often?
 - What kind of problems do you usually face?

Public Relations and Resources

5. Now I would like to know more about the public relations department that you head. Could you tell me your opinions about how public relations contributes to the competitive advantage of an organization such as yours?
 - Probe: Why would you say your organization decided to establish a public relations department in the first place?
 - Why is your organization willing to allocate budget to keep the public relations function?
 - What are the things that you believe your department does better than your competitors?
6. How is the contribution of public relations different from that of other departments in the organization?
7. In what ways does the public relations department affect how the organization operates?

Public Relations and Strategy Implementation

8. An organization such as yours will have established certain strategies to do business. In what ways do such strategies affect the function of public relations department?
9. How does the public relations department operate to support these strategies?

Relationship Types

10. As a multinational organization, your company must have relationships with different publics. I will only focus on the local employees. Please think about the kind of relationships you have with your local employees. What do you get out of it? What do the employees get out of it? How do you treat these employees?
 - Probe:
 - Can you think of one type of interpersonal relationship that could roughly describe the relationship between your organization and the employees? Why do you say that?
 - Would you say you establish different types of relationship or basically the same type?

⁷ This interview protocol is for public relations managers specializing in employee relations who also have an understanding of the organizations' strategy. It is very likely that one public relations manager may not be able to provide information on all these questions here. If that is the case, then other management level persons or people from the human resources department will be solicited to answer related questions.

Relationship Cultivation Strategies

11. You have mentioned different types of relationships. Now let's talk about things that your organization has done to develop and continue a long-term relationship with your local employees. These strategies to cultivate a relationship could be communication strategies, attempts to resolve conflict, or attempts to show concern for the interests of the employees. Please provide as many examples as you can. Can you provide other examples of strategies that the organization or the employees have used that damaged the relationship?

Relationship Quality

12. We have talked about how you developed relationships with the local employees. Now I would like to know the quality of such relationships.

Control Mutuality

- a. To what extent do you believe that the organization is attentive to what the employees say? Why? Can you provide any examples that show the organization actually has taken the employees' interests into account in its decisions and behaviors or that show it has failed to take those interests into account?
- b. To what extent do you feel you have any control over what the employees do that affects you? Why?

Trust

- c. Would you describe any things that the organization has done to treat the local employees fairly and justly, or unfairly and unjustly? (*integrity*)
- d. Would you describe things that your organization has done that indicate it can be relied on to keep its promises, or that it does not keep its promises? (*dependability*)
- e. How confident are you that your organization has the ability to accomplish what it says it will do? Can you give me examples of why you feel that way? (*competence*)

Commitment

- f. Can you provide me any examples that suggest that the organization wants to maintain a long-term commitment to a relationship with the local employees or does not want to maintain such a relationship?

Satisfaction

- g. How satisfied are you with the relationship that your organization has had with the local employees? Please explain why you are satisfied or not satisfied.

Corporate Level International Strategies and Relationship Management

13. Your organization is a famous multinational company. Could you tell me about how your organization operates on a global scale?

Probe: What are the major motivations for your organization to enter foreign markets?

How does your organization deal with the relationship between the headquarters and the subsidiaries, such as the one here?

How does your organization coordinate the activities among different subsidiaries?

14. Do you still remember how your organization originally started in China? Could you describe for me?

15. Given the relationship development we talked about just now, how do you think such relationship is influenced by how your organization operates globally?

Probe: What would influence your decision to develop the relationships with local employees in certain ways but not others?

Why do you think you want to establish a certain type of relationship but not others with your local employees?

What are the differences between how your organization develops relationships with local employees and how some other similar organizations do?

Culture

16. Just now I asked about influencing factors on relationship development. There is one thing that you may have mentioned already but I would like to explore further. How would you say the societal culture in China has influenced the relationship development with your local employees? Do you do it differently than in other countries?

Probe: What aspects in Chinese culture do you need to pay attention to when developing relationships with local employees?

How do these aspects influence what strategies you use in developing relationships with local employees?

How do these aspects influence how you decide to develop certain types of relationship versus the others?

17. Your organization may have a unique organizational culture. How do you think your organizational culture influences the way you develop relationships with local employees?

Probe: What is something unique about how people work daily in this organization?

How does the organizational culture influence how you develop relationships as well as how you decide to develop certain types of relationship versus the others?

18. What do you think is more important in your decision to develop relationships with local employees, the overall societal culture or the specific organizational culture? Why? Please give some examples.

Before we end, is there anything that you would like to add? Or any questions?

Thank you very much for your time. May I contact you again if I need clarification or if I have any other questions?

APPENDIX E: INTERVIEW PROTOCOL FOR OTHER MANAGEMENT LEVEL PERSONS

Background Information

1. What is your position in the organization and what are your job responsibilities?
2. How long have you been with this organization?
3. What is your nationality?
4. Could you tell me what a typical day looks like for you?
 - Probe: What kind of people do you encounter most often?
 - What kind of problems do you usually face?

Public Relations and Resources

5. Now I would like to know more about the public relations department in your organization. Could you tell me your opinions about how public relations contributes to the competitive advantage of an organization such as yours?
 - Probe: Why would you say your organization decided to establish a public relations department in the first place?
 - In your daily experience, how do you work with the public relations department?
6. How is the contribution of public relations different from that of other departments in the organization?
7. In what ways does the public relations department affect how the organization operates?

Public Relations and Strategy Implementation

8. An organization such as yours will have established certain strategies to do business. How does the public relations department operate to support these strategies?

Corporate Level International Strategies

9. Your organization is a famous multinational company. Could you tell me about how your organization operates on a global scale?
 - Probe: What are the major motivations for your organization to enter foreign markets?
 - How does your organization deal with the relationship between the headquarters and the subsidiaries, such as the one here?
 - How does your organization coordinate the activities among different subsidiaries?
10. Do you still remember how your organization originally started in China? Could you describe for me?

Culture

11. How would you describe the societal culture in China that might influence the relationship development process? Do you do it differently than in other countries?
 - Probe: What aspects in Chinese culture would have the most influence on how you develop relationships with local employees and how you decide to develop certain types of relationship versus the others?
12. Your organization may have a unique organizational culture. How do you think your organizational culture influences the way you develop relationships with local employees?

Probe: What is something unique about how people work daily in this organization?

How does organizational culture influence how you develop relationships as well as how you decide to develop certain types of relationship versus the others?

13. What do you think is more important in your decision to develop relationships with local employees, the overall societal culture or the specific organizational culture? Why? Please give some examples.

Before we end, is there anything that you would like to add? Or any questions?

Thank you very much for your time. May I contact you again if I need clarification or if I have any other questions?

APPENDIX F: INTERVIEW PROTOCOL FOR GENERAL EMPLOYEES

Background Information

1. What is your position in the organization and what are your job responsibilities?
2. How long have you been with this organization?
3. Could you tell me what a typical day looks like for you?
 - Probe: What kind of people do you encounter most often?
 - What kind of problems do you usually face?

Relationship Cultivation Strategies

4. You have stayed in this company for a few years (months). Let's talk about things that your organization has done to develop and continue a long-term relationship with you. These strategies to cultivate a relationship could be communication strategies, attempts to resolve conflict, or attempts to show concern for the interests of the employees. Please provide as many examples as you can. Can you provide other examples of strategies that the organization or the employees have used that damaged the relationship?

Relationship Types

5. Please think about the kind of relationships you have with your organization. What do you get out of it? What does the organization get out of it?

Probe:

Can you think of one type of interpersonal relationship that could roughly describe the relationship between you and your organization? Why do you say that?

Communal Relationship

Do you feel that your organization is concerned about the welfare of you even if it gets nothing in return? Why do you think so? What has it done?

Exchange Relationship

Do you feel that the organization gives or offers something to you because it expects something in return? Can you provide any examples that show why you reached this conclusion?

What about some other types of relationships?

Relationship Quality

6. We have talked about how the organization developed relationships with you. Now I would like to know the quality of such relationships.

Control Mutuality

a. To what extent do you believe that the organization is attentive to what you say? Why? Can you provide any examples that show the organization actually has taken the employees' interests into account in its decisions and behaviors or that show it has failed to take those interests into account?

b. To what extent do you feel you have any control over what the organization does that affects you? Why?

Trust

c. Would you describe any things that the organization has done to treat you fairly and justly, or unfairly and unjustly? (*integrity*)

d. Would you describe things that your organization has done that indicate it can be relied

on to keep its promises, or that it does not keep its promises? (*dependability*)

e. How confident are you that your organization has the ability to accomplish what it says it will do? Can you give me examples of why you feel that way? (*competence*)

Commitment

f. Can you provide me any examples that suggest that the organization wants to maintain a long-term commitment to a relationship with the local employees like you or does not want to maintain such a relationship?

Satisfaction

g. How satisfied are you with the relationship that your organization has had with you? Please explain why you are satisfied or not satisfied.

Culture

7. Your organization has entered China in its globalization process. How would you describe the societal culture in China that might influence how your organization has developed the relationship with local employees like you?

Probe: What aspects in Chinese culture would have the most influence on how your organization develops relationships with local employees like you and how certain types of relationships emerge but not the others?

8. Your organization may have a unique organizational culture. How do you think your organizational culture influences the way the organization develops relationships with local employees like you?

Probe: What is something unique about how people work daily in this organization?

How does the organizational culture influence how your organization develops relationships with local employees like you and how certain types of relationships emerge but not the others?

9. What do you think is more important in developing the relationships between you and your organization, the overall societal culture or the specific organizational culture? Why? Please give some examples.

Before we end, is there anything that you would like to add? Or any questions?

Thank you very much for your time. May I contact you again if I need clarification or if I have any other questions?

APPENDIX G: INTERVIEW PROTOCOL FOR PUBLIC RELATIONS MANAGERS (CHINESE VERSION)

采访提纲之一：公共关系负责人

背景信息

1. 请告诉我您的职位和您的主要工作职责
2. 您在这个公司有多长时间了？
3. 您的国籍是？
4. 您能谈谈您平时比较典型的一天是怎样的吗？
 - a) 比如说，您平时通常接触的是怎样的人？
 - b) 一般要解决的问题是怎样的？

公共关系和资源

5. 现在我想更多地了解一下您负责的公共关系部门。您能谈谈您认为公共关系是如何促进您所在的这家公司创造竞争优势吗？
 - a) 您能谈谈您这家公司当时是为了什么组建这个公共关系部门的吗？
 - b) 为什么您的公司会为公共关系部门拨经费呢？
 - c) 您认为您的公共关系部门在什么方面做得比别的竞争者要强呢？
6. 您认为您的公共关系部门对公司的贡献和其他部门的贡献有什么不同？
7. 您的公共关系部门在什么方面影响着公司的运作？

公共关系和战略实施

8. 您的公司在经营方面一定有相应的策略。请问这样的战略是如何影响您的公共关系部门的运作？
9. 从另一方面说，您能谈谈您的公共关系部门是如何支持公司的整体策略呢？

组织—公众关系的类型

10. 作为一家跨国企业，您的公司应该会 and 不同的公众有着关系。我想着重了解一下当地的员工这个公众群体。请您想一想您的公司与当地员工之间的关系。公司从这种组织—公众关系中获得些什么？员工从这种组织—公众关系中获得些什么？公司与员工之间是如何对待对方的？您能举些例子说明吗？
 - a) 比如说，您能想想你的组织和员工之间的关系类似于哪一种人际关系，为什么这么说？
 - b) 您认为总体而言，这样的组织—公众关系是相对稳定的，还是有不同类型？
 - c) 具体有哪些类型？您能举些例子说明吗？

组织—公众关系的培养策略

11. 您刚才提到了不同的组织—公众关系。那么在发展和维持与当地员工之间的长期关系过程中，您公司具体是采取怎样的策略呢？这些策略可以包括：沟通，解决冲突，表现对员工利益的关心，等等。请您尽可能多的提供一些例子来说明您公司是如何采取策略发展和维持与当地员工之间的长期关系。另外，如果您在这过程中，有一些失败的教训，能否也进行说明呢，比如说，由于种种原因，某些策略对组织—公众关系造成了一定的伤害。

组织—公众关系的质量

12. 刚才我们讨论了您的公司是如何维系组织—公众关系的。现在我想了解一下这些关系的好坏。
 - a) 相互控制
 - i. 您认为您的公司在多大程度上会重视员工的意见？为什么？在公司决策时，在多大程度上将员工的利益考虑进去，您能提供些例子说明吗？
 - ii. 员工的某些行为会影响到公司，您认为您在多大程度上能够控制员工的这些行为？

- b) 信任
 - i. 您能谈谈您的公司是如何公平地，合理地对待员工？有没有曾经不公平，不合理地对待员工？您能举些例子吗？（正直）
 - ii. 您能谈谈您的公司是通过怎样的措施表达出它是可以被依赖，会守信的？您能记起一些例子吗？（可靠度）
 - iii. 请问您认为您的公司有能力做到所承诺的事情吗？您为什么这样认为，可以举例吗？（能力）
- c) 承诺
 - i. 您认为您的公司是愿意致力于发展与当地员工的关系，还是不愿意？您可以谈谈相关的例子吗？
- d) 满意度
 - i. 您在多大程度上满意公司与当地员工之间的关系？请您解释为什么满意，或不满意。

公司跨国战略与关系培养

13. 您的公司是知名的跨国企业。您能谈谈您公司在全球环境下是如何运作的吗？
 - a) 您公司之所以要进入他国市场，主要的动力是什么？
 - b) 您的公司是如何处理公司总部和您所在这样的分部之间的关系？
 - c) 您的公司怎样协调各个不同分部之间的运作？
14. 您还能记得您公司当时是如何进入中国市场的吗？是通过合资，兼并，或是新建企业？您能谈谈吗？
15. 我们刚才谈了很多组织—公众关系的培养，您认为您公司在全球运作的策略会如何影响这些关系的培养？
 - a) 您在决定如何与当地员工发展关系的时候，会受到那些因素的影响？
 - b) 您为什么决定与当地员工发展某种关系，而不是另一种？
 - c) 您觉得您在发展与当地员工的关系时，有没有与其他企业有所不同，不同在哪里？

文化

16. 刚才您谈到影响组织员工关系发展的一些因素。有一个您可能已经提到，我还想进一步了解一下。您认为中国的社会文化有没有影响到组织员工关系发展？是怎样影响的？
 - a) 中国社会文化的哪些方面会影响您发展组织员工关系？
 - b) 这些方面是如何影响您采取某些策略去培养关系的呢？
 - c) 这些方面是如何影响您发展某些类型的关系，而不是另外一些类型？
17. 您觉得您的企业文化有什么特色吗？您的企业文化是如何影响您与当地员工培养关系？
 - a) 在这个组织中，人们相互交往中有些什么值得注意的地方吗？
 - b) 您觉得这样的企业文化有没有影响您建立何种类型的员工关系？是什么样的影响？
18. 您认为在发展组织与当地员工之间关系时，中国的社会文化和您的组织文化哪一个影响更大一些，为什么？您能举些例子吗？

在结束之前，您觉得还有什么需要补充的吗？您还有什么问题吗？

非常感谢您宝贵的时间。如果我有什么需要解释或者还有其他问题，我可以再和您联系吗？再次感谢！

APPENDIX H: INTERVIEW PROTOCOL FOR OTHER MANAGEMENT LEVEL PERSONS (CHINESE VERSION)

采访提纲之二：其它管理层人员

背景信息

1. 请告诉我您的职位和您的主要工作职责
2. 您在这个公司有多长时间了？
3. 您的国籍是？
4. 您能谈谈您平时比较典型的一天是怎样的吗？
 - a) 比如说，您平时通常接触的是怎样的人？
 - b) 一般要解决的问题是怎样的？

公共关系和资源

5. 现在我想更多地了解一下您公司的公共关系部门。您能谈谈您认为公共关系是如何促进您所在的这家公司创造竞争优势吗？
 - a) 您能谈谈您这家公司当时是为了什么组建这个公共关系部门的吗？
 - b) 您平时与公共关系部门有什么样的接触？
6. 您认为您公司的公共关系部门对公司的贡献和其他部门的贡献有什么不同？
7. 您公司的公共关系部门在什么方面影响着公司的运作？

公共关系和战略实施

8. 您的公司在经营方面一定有相应的策略。请问您认为您公司的公共关系部门是如何支持公司的整体策略呢？

公司跨国战略与关系培养

9. 您的公司是著名的跨国企业。您能谈谈您公司在全球环境下是如何运作的吗？
 - a) 您公司之所以要进入他国市场，主要的动力是什么？
 - b) 您的公司是如何处理公司总部和您所在这样的分部之间的关系？
 - c) 您的公司怎样协调各个不同分部之间的运作？
10. 您还能记得您公司当时是如何进入中国市场的吗？是通过合资，兼并，或是新建企业？您能谈谈吗？

文化

11. 刚才您谈到影响组织员工关系发展的一些因素。有一个您可能已经提到，我还想进一步了解一下。您认为中国的社会文化有没有影响到组织员工关系发展？是怎样影响的？
 - a) 中国社会文化的哪些方面会影响您发展组织员工关系？
 - b) 这些方面是如何影响您采取某些策略去培养关系的呢？
 - c) 这些方面是如何影响您发展某些类型的关系，而不是另外一些类型？
12. 您觉得您的企业文化有什么特色吗？您的企业文化是如何影响您与当地员工培养关系？
 - a) 在这个组织中，人们相互交往中有些什么值得注意的地方吗？
 - d) 您觉得这样的企业文化有没有影响您建立何种类型的员工关系？是什么样的影响？
13. 您认为在发展组织与当地员工之间关系时，中国的社会文化和您的组织文化哪一个影响更大一些，为什么？您能举些例子吗？

在结束之前，您觉得还有什么需要补充的吗？您还有什么问题吗？

非常感谢您宝贵的时间。如果我有什么需要解释或者还有其他问题，我可以再和您联系吗？再次感谢！

APPENDIX I: INTERVIEW PROTOCOL FOR GENERAL EMPLOYEES (CHINESE VERSION)

采访提纲之三：一般员工

背景信息

1. 请告诉我您的职位和您的主要工作职责
2. 您在这个公司有多长时间了？
3. 您能谈谈您平时比较典型的一天是怎样的吗？
 - a) 比如说，您平时通常接触的是怎样的人？
 - b) 一般要解决的问题是怎样的？

组织—公众关系的培养策略

4. 您在这个公司已经有好几年（月）了。那么公司发展和维持与当地员工之间的长期关系过程中，您公司具体是采取怎样的策略呢？这些策略可以包括：沟通，解决冲突，表现对员工利益的关心，等等。请您尽可能多的提供一些例子来说明您公司是如何采取策略发展和维持与当地员工之间的长期关系。另外，如果您在这过程中，有一些失败的教训，能否也进行说明呢，比如说，由于种种原因，某些策略对组织—公众关系造成了一定的伤害。

组织—公众关系的类型

5. 现在请您想一下您与您公司之间的关系。您从这种组织—公众关系中获得些什么？公司从这种组织—公众关系中获得些什么？公司与员工之间是如何对待对方的？您能举些例子说明吗？
 - a) 比如说，您能想想您和您的公司之间的关系类似于哪一种人际关系，为什么这么说？
 - b) 社团共有关系：您认为公司关心您的福利，即使它没有相应的回报？为什么？有相关例子吗？
 - c) 交易关系：您认为公司给予员工一些东西仅仅是因为它期望相应的回报吗？为什么这么说？有相关例子吗？
 - d) 您觉得还有哪些其他类型的关系存在？您能举些例子说明吗？

组织—公众关系的质量

6. 刚才我们讨论了您的公司是如何维系组织—公众关系的。现在我想了解一下这些关系的好坏。
 - a) 相互控制
 - i. 您认为您的公司在多大程度上会重视员工的意见？为什么？在公司决策时，在多大程度上将员工的利益考虑进去，您能提供一些例子说明吗？
 - ii. 公司的很多决定会影响到员工，您认为您在多大程度上能够控制公司的某些会影响您个人的行为或是决定？
 - b) 信任
 - i. 您能谈谈您的公司是如何公平地，合理地对待员工？有没有曾经不公平，不合理地对待员工？您能举些例子吗？（正直）
 - ii. 您能谈谈您的公司是通过怎样的措施表达出它是可以被依赖，会守信的？您能记起一些例子吗？（可靠度）
 - iii. 请问您认为您的公司有能力做到所承诺的事情吗？您为什么这样认为，可以举例吗？（能力）
 - c) 承诺
 - i. 您认为您的公司是愿意致力于发展与当地员工的关系，还是不愿意？您可以谈谈相关的例子吗？
 - d) 满意度
 - i. 您在多大程度上满意您与公司之间的关系？请您解释为什么满意，或不满意。

文化

7. 您认为中国的社会文化有没有影响到组织员工关系发展？是怎样影响的？
 - a) 中国社会文化的哪些方面会影响您发展组织员工关系？
 - b) 这些方面是如何影响您公司采取某些策略去培养与象您这样员工的关系的呢？
 - c) 这些方面是如何影响您公司与您发展某些类型的关系，而不是另外一些类型？
8. 您觉得您的企业文化有什么特色吗？您的企业文化是如何影响您公司与当地员工培养关系？
 - a) 在这个组织中，人们相互交往中有些什么值得注意的地方吗？
 - b) 您觉得这样的企业文化有没有影响您公司与您之间建立何种类型的员工关系？是什么样的影响？
9. 您认为在发展组织与当地员工之间关系时，中国的社会文化和您的组织文化哪一个影响更大一些，为什么？您能举些例子吗？

在结束之前，您觉得还有什么需要补充的吗？您还有什么问题吗？

非常感谢您宝贵的时间。如果我有什么需要解释或者还有其他问题，我可以再和您联系吗？

再次感谢！

APPENDIX J: BACKGROUND INFORMATION OF PARTICIPATING
ORGANIZATIONS AND INTERVIEWEES

Category 1: High global integration and low local responsiveness (HG/LL)

A.	U.S. consulting firm (greenfield) ⁸	
No.	Category	Position
1.	Employee	Associate
2.	Employee	Associate
3.	Employee	Associate
4.	Employee	Senior Business Analyst
B.	Korean business group (joint venture)	
No.	Category	Position
5.	Strategy Manager	Director of Business Support Team
6.	Strategy Manager	Deputy General Manager
7.	Public Relations Manager	Employee Relations Manager
8.	Employee	Secretary to Deputy General Manager
9.	Employee	Member of an innovation group
10.	Employee	Member of an innovation group
C.	Japanese electronics company (joint venture)	
No.	Category	Position
11.	Strategy Manager	Manager of President's Office
12.	Public Relations Manager	Vice Director of Personnel
13.	Employee	General Administration

Category 2: High global integration and high local responsiveness (HG/HL)

D.	U.S. home appliance company (greenfield)	
No.	Category	Position
14.	Public Relations Manager	Director of Human Resources
15.	Public Relations Manager	Employee Relations Manager
16.	Employee Relations Practitioner	Training Manager
17.	Employee	Administration

⁸ I did not locate an employee relations manager in one organization because it was in a specific industry which emphasized elite employees and compact size, thus it did not have a separate function of employee relations. However, the mid-level employees were all involved in planning organizational activities.

E.	U.S. technology, media, and financial service company (acquisition)	
No.	Category	Position
18.	Public Relations Manager	Director of Government/External Affairs
19.	Public Relations Manager	Human Resources Manager
20.	Employee	Sourcing
21.	Employee	Logistics
22.	Employee	Assistant to general manager and sourcing
23.	Employee	Senior Sales Representative
24.	Employee	PCB layout
25.	Employee	Purchasing
F.	German electrical engineering and electronics company (joint venture)	
No.	Category	Position
26.	Public Relations Manager	HR manager
27.	Strategy Manager	Manager of Product Marketing Strategy
28.	Employee	External Sales
29.	Employee	Logistics
30.	Employee	Production
G..	U.S. information technology company (greenfield)	
No.	Category	Position
31.	Public Relations Manager	Government Affairs Manager
32.	Public Relations Manager	Internal Communication Manager
33.	Strategy Manager	Strategy and Business Development
34.	Employee	Services Unit (Consulting)
35.	Employee	Services Unit (Consulting)
H.	U.S. soft drink company (joint venture)	
No.	Category	Position
36.	Strategy Manager	Manager
37.	Public Relations Manager	Organization Capability Manager
38.	Employee	Sales Representative
39.	Employee	Sales Representative
<i>Category 3: Low global integration and High local responsiveness (LG/HL)</i>		
I.	German home decoration franchising group (joint venture)	
No.	Category	Position
40.	Public Relations/Strategy Manager	Deputy Store Manager
41.	Employee	Business representative
J.	French construction material company (joint venture)	
No.	Category	Position
42.	Public Relations Manager	Manager of Administration/Public Relations

65. French cosmetics company General Service Manager

Strategy manager

66. US information technology company Marketing Strategy Manager (Business Strategy Department)

Employees

67. French telecommunications company Research and development

68. European heating equipment group Sales engineer

69. Swedish automobile company Customer support administration

Appendix K: Participant Profile

No.	Company	Age	Gender	Tenure (year)	Position
1	1	29	M	2	Associate
2	1	32	M	4	Associate
3	1	30	F	1.5	Associate
4	1	27	M	3	Senior Business Analyst
5	2	44	M	16	Director of Business Support Team
6	2	33	M	2	Deputy General Manager
7	2	38	M	4	Employee Relations Manager
8	2	27	F	4	Secretary to Deputy General Manager
9	2	26	M	3	Member of an innovation group
10	2	28	F	5	Member of an innovation group
11	3	46	M	8	Manager of President's Office
12	3	40	M	2	Vice Director of Personnel
13	3	39	F	8	Administration/HR
14	4	45	M	12	Director of Human Resources
15	4	36	F	8	Employee Relations Manager (Headquarter HR manager)
16	4	35	M	5	Training Manager
17	4	34	F	8	Administration
18	5	31	M	8 months	Director of government & external relations

19	5	35	M	5	Human Resources Manager
20	5	29	M	2	Sourcing
21	5	27	F	2	Logistics
22	5	26	F	2	Assistant to General Manager and Sourcing
23	5	27	M	2	Senior Sales Representative (Fixture)
24	5	26	M	1.5	PCB Layout
25	5	29	F	2.5	Purchasing
26	6	42	M	10	HR manager
27	6	34	M	3.5	Manager of Product Marketing Strategy
28	6	33	M	3	External Sales
29	6	28	M	4	Logistics
30	6	33	M	7	Production
31	7	30	F	4	Government Affairs Manager
32	7	35	F	5	Internal Communication Manager
33	7	38	F	11.5	Strategy Executive (Strategy/Business Development)
34	7	29	F	4	Service unit (consulting)
35	7	34	F	2	Service unit (consulting)
36	8	42	M	10	Manager
37	8	40	M	3.5	Organization Capability Manager
38	8	28	M	1	Sales Representative
39	8	30	M	3	Sales Representative
40	9	36	M	4	Deputy Store Manager

41	9	33	F	3	Business Representative
42	10	46	M	8	Manager of Administration and Public Relations
43	10	32	M	2	Manager of Project Development Dept
44	11	38	M	7 months	Assistant Manager (Personal Insurance Department)
45	11	31	M	4 months	Account Manager (Personal Insurance Department)
46	11	29	F	2 months	Compliance Manager
47	12	42	M	20	Director of General Office
48	12	38	F	9	Director of Management
49	12	40	F	11	Assistant Director of Quality Control
50	12	63	M	40	General Engineer
51	12	46	F	24	Quality Control: Employee
52	12	45	F	24	Quality Control: Employee
53	13	51	M	27	Vice Minister of Enterprise Planning Department
54	13	40	M	14	Human Resources Director
55	13	38	F	17	Marketing
56	13	45	M	21	General Office
57	14	46	M	10	Director of Administration; Secretary of the Board

58	14	38	F	9	Manager of Purchase and Marketing Department
59	14	33	F	7	Administration Department
60	14	30	M	2	Research and Development
61	15	33	F	4	Manager of Media Relations/External Communication
62	16	38	M	3	Government Affairs Manager; Corporate Affairs Department
63	17	36	F	7 months	Corporate Affairs Manager
64	18	35	F	6	Executive Supervisor
65	19	36	F	10	General Service Manager
66	20	40	M	8	Marketing Strategy Manager (Business Strategy Department)
67	21	29	M	2	PCB Layout Coordinate Manager
68	22	30	M	1.5	Sales Engineer
69	23	30	F	2	Customer Support Admin.

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