Analyzing commitment dimensions in a long business relationship: a processual and dyadic approach of a French-Japanese case
Eléonore Mandel

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ANALYZING COMMITMENT DIMENSIONS IN A LONG BUSINESS RELATIONSHIP: A PROCESSUAL AND DYADIC APPROACH OF A FRENCH-JAPANESE CASE.

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ABSTRACT

This paper builds on the commitment mix theory, to show how commitment evolves over time in a business relationship. Commitment is a major ingredient for building collaborative business relationships. However, it is generally studied 1) in a static way, not in a dynamic approach, 2) in a unilateral perspective, not in a dyadic approach 3) rarely in international contexts. Our processual analysis uses a retrospective and real time longitudinal study of a long-term French-Japanese business relationship. The data is collected on both sides of the dyad and consists of triangulating from in-depth interviews, archives and field notes. The main findings show that commitment dimensions follow a complex dynamic process. They are culturally-bound, often unconscious, implicit and therefore not necessarily perceived by the other party or attributed a different meaning. Managers can therefore decide to make some commitment evidences more explicit and understand how these are perceived by their foreign partners.

Keywords: commitment, B-to-B relationship, culture

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The main findings show that commitment dimensions follow a complex dynamic process. They are culturally-bound, often unconscious, implicit and therefore not necessarily perceived by the other party or attributed a different meaning.

Managers can therefore decide to make some commitment evidences more explicit and understand how these are perceived by their foreign partners.

Keywords: commitment mix, international business relationship, longitudinal study, dyadic approach.
1. **INTRODUCTION**

How do business relationships develop, strengthen and maintain over long periods of time? The literature admits that it “(…) stops short of (…) explaining how relationships that are first recognized are cultivated, nurtured and/or periodically refreshed so as to become long-term relationships” (Cortes and Vasquez-Parraga, 2003, p. 145). Long-term collaborative relationships are desirable in business as they are shown to offer business partners higher levels of satisfaction (Whipple et al., 2010, p. 507; 514) and a competitive advantage in domestic and international markets (Lu, 2009; Dyer 2000; Wilkinson and Young 2005; in Sharma et al., 2006). Among the many factors identified as beneficial to the development of long-term collaborative relationships - trust, collaboration, communication, commitment, information sharing, risk/reward sharing, asset specificity/dependence, adaptations, relationship specific investments, understanding, maintenance of the relationship, exchange of gifts, focus on friendship, loyalty - (Cortes and Vasquez-Parraga, 2003; Leonidou et al., 2004; Whipple et al., 2010), we consider commitment to be central and pivotal in the process. However, in spite of a rich literature on commitment, most articles study the concept at one particular moment of the relationship (a static approach) and by quantitative methods. But having identified at one particular moment the nature of commitment does not show how it evolves over time. It fails to explain how, concretely, in the field, commitment evolves while a relationship is built and maintained.

In this paper, a business relationship is considered as a social construction resulting from the interaction between two or more companies over time (Biggemann and Buttle, 2012, p. 1132), as a dynamic process made of “ongoing patterns of mutual action and response over time” (Sharma et al., 2006, p. 85), constantly changing through interaction (Johanson and Mattsson, 1987, p. 35). Therefore, this paper proposes to use a processual approach (Langley, 1999;
Pettigrew, 1997), studying both sides of the dyad. It intends to contribute to uncover the dynamics, the complex processes of the commitment evolution that cannot be captured by “snapshots” studies. (Anderson and Weitz, 1994, p. 29; Humphries and Wilding, 2004; Leonidou et al., 2004, p. 567)

Finally, we propose to fill in another gap in the literature by studying this phenomenon in an intercultural setting, as a relationship is embedded in its cultural contexts which challenge the development of commitment (Mandják and Szántó, 2010, p. 206; Sharma et al., 2006, p. 64). Studying a French-Japanese case between two SMEs allows examining one of the most challenging cultural context for establishing a business partnership, according to French business people (“France-Japon: après la visite de Hollande, des conseils à l’export | JOL Journalism Online Press,” n.d., “La France et le Japon - France-Diplomatie-Ministère des Affaires étrangères,” n.d.).

The processual analysis of this dyadic French-Japanese case shows that the commitment mix dimensions follow a complex and dynamic process in which they are often intertwined, when not unconscious. Commitment signs are sometimes not perceived by one or the other party as these signs need to be explicit in the communication process to have a chance to be perceived by the other side of the dyad. But even made explicit, commitment signs are subject to the interpretation of the various stakeholders: what constitutes a sign of commitment on one end may look trivial to the other end and vice versa. One of our contributions to the literature consists in giving more flesh to the commitment mix dimensions, previously solely defined as abstract variables.

To this end, our paper will start by a literature review on business relationship evolution and commitment. It will then expose our methodology and field context, before presenting our results, limitations and managerial implications.
2. LITERATURE REVIEW

2.1. RELATIONSHIP COMMITMENT

Relationship commitment has been found to be, along with trust, a key concept for the development of cooperative relationships (Morgan and Hunt, 1994, p. 31). If trust is sometimes considered either as an antecedent of relationship commitment (Cullen et al., 2000; Morgan and Hunt, 1994; Tellefsen and Thomas, 2005) or as an outcome of commitment (Lohtia et al., 2009), we support the idea that commitment and trust are interrelated in a cycle where one feeds the other. Building upon Cullen et al’s cycle (Figure 1) and reciprocity between partners (Figure 2, 2000, p. 233), we posit that business relationships evolve through their interactions and behaviors signaling (or attempting to signal) their trust in each other through concrete signs of commitment.

![Image](image_url)

**Figure 1 – The Trust/Commitment cycle in strategic alliances (Cullen et al., 2000, p. 232)**

All the authors who define commitment in a business relationship agree on certain attributes: it is a will, a desire or a belief – an attitude toward another firm; it requires to make substantial efforts, for instance invest resources, or even make sacrifices; the objective is to
sustain the relationship, to ensure durability in order to achieve long-term benefits (Table 1, Commitment literature review).

However, although all studies have analyzed commitment at the relationship level, they do not all identify the same dimensions. Tellefsen et al. for instance make a distinction between organizational and personal commitment (2005), while others distinguish between calculative and affective or attitudinal commitment, where these words are not exactly defined the same way (Cullen et al., 2000; N’Goala, 2010). Dwyer et al. also advocate that commitment is the peak stage of a business relationship (Dwyer et al., 1987, p. 19).

<table>
<thead>
<tr>
<th>Author(s), date, Methodology, Level of analysis</th>
<th>Unilateral/Bilateral/ Dyadic approach</th>
<th>Static/Longitudinal approach</th>
<th>National/ International context</th>
<th>Definition of relationship commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dwyer et al., 1987 Conceptual Business relationship</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>“Commitment refers to an implicit or explicit pledge of relational continuity between exchange partners. (…) The notion (…) connotes solidarity and cohesion (…). We need to consider three measurable criteria of commitment (Scanzoni 1979): inputs, durability and consistency. “ (1987)</td>
</tr>
<tr>
<td>Anderson &amp; Weitz, 1994 Quantitative Business relationship</td>
<td>Dyadic Static Unspecified</td>
<td>&quot;Commitment to a relationship entails a desire to develop a stable relationship, a willingness to make short term sacrifices to maintain the relationship, and a confidence in the stability of the relationship.&quot; (1994, p. 19)</td>
<td></td>
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</tr>
<tr>
<td>Morgan and Hunt, 1994 Quantitative</td>
<td>Unilateral (Buyers) Static</td>
<td>Relationship commitment &quot;(…) we define relationship commitment as an exchange partner believing that an ongoing relationship with another is so important as to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business relationship</td>
<td>National (unspecified)</td>
<td>warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth working on to ensure that it endures indefinitely. (1994, p. 23)</td>
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<tr>
<td>Holm et al., 1999</td>
<td>Dyadic Static</td>
<td>Mutual commitment: &quot;a willingness on the part of both partners to make short-term sacrifices to realize long-term benefits in the relationship (Anderson &amp; Weitz, 1992; Dwyer and al 1987)&quot; (1999)</td>
<td></td>
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<tr>
<td>Cullen et al., 2000</td>
<td>Dyadic Static</td>
<td>&quot;In general, commitment in an international strategic alliance concern's a partner's intention to continue in a relationship.&quot; 2 sides (rational/emotional): &quot;For a relationship to continue, there must be a positive benefit/cost analysis for the partner (...) it is called calculative commitment.&quot; ; &quot;(...) attitudinal commitment. It means giving extra effort to make the venture work and a willingness to go beyond the mere contractual obligations.&quot; (2000, pp. 225–226)</td>
<td></td>
<td></td>
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<tr>
<td>Leonidou et al., 2002</td>
<td>Unilateral (suppliers) Static International (USA/ROW)</td>
<td>&quot;the willingness by one party in a working relationship to put in a great deal of effort and accept short-term sacrifices in order to obtain common long-term benefits with the other party (Gundlach, Achrol &amp; Menzer, 1995; Kim and Frazier, 1997).&quot; (2002)</td>
<td></td>
<td></td>
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<tr>
<td>Tellefsen &amp; Thomas, 2005</td>
<td>Unilateral (buyers) Static National (USA)</td>
<td>&quot;(…) there are actually two forms of commitment within a given BTB dyad. The first type is organizational commitment. It reflects the bond between the buying and selling firms. The second type is personal commitment. It involves the bond between two firms' representatives.&quot; Organizational commitment: &quot;(…) a decision maker's enduring desire to maintain a valued relationship with a partner firm.&quot; Personal commitment: &quot;(…) a decision maker's enduring desire to maintain a valued relationship with a partner firm's representative.&quot; (2005, pp. 23–25)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Sharma et al., 2006   | Unilateral (buyers or suppliers) | "interfirm relationship commitment refers to the extent to
Eight out of nine of the researches presented in Table 1 have used quantitative methods to test conceptual definitions of commitment which appear to remain partial or not thorough enough.
They often study commitment in a national context, or, if in an international context, study only one side of the dyad (only Holm et al. study both sides of international dyads). There is a need to identify the influence of various cultural backgrounds in the way partners consider and manage relationship commitment (Sharma et al., 2006, p. 85; Theron et al., 2008, p. 1007).

In order to fill these gaps, we found relevant to use Sharma et al.’s literature review and analysis, as it appears to be the most comprehensive and detailed theoretical framework about the concept of commitment and its dimensions. According to their model, commitment dimensions fall into two categories: attitudinal or behavioral (Table 2).

As recognized by Sharma et al., “(…) business relationships are ongoing patterns of mutual action and response over time in which the commitment mix is continually being tested, used and remade. This calls for more longitudinal research designs that investigate the dynamics and stability of different commitment mixes and how they contribute to the development and performance of business relationships in different business and cultural contexts.” (2006, p. 85). Mobilizing their conceptual perspective, we will seek to interpret the various forms of commitment in a specific international context, through a processual approach assessing both sides of the dyad of an international business relationship, as we describe further in the methodology section.
ATTITUINAL COMMITMENT
DIMENSIONS
(Psychological aspects – what people THINK):

Affective commitment: a desire to develop and strengthen a relationship with another person or group because of familiarity, friendship and personal confidence built through interpersonal interaction over time.

Locked-in commitment (cognitive, negative): arises when the costs and penalties associated with switching partners are viewed as prohibitive.

Value-based commitment (cognitive, positive): involves the rational calculation of direct or indirect gain from continuing in a relationship (ex: direct profits, efficiency gains, information, referrals, resource access…)

Obligation-based commitment: a sense of duty arising from formal and informal rules and regulations, including social norms and customs

BEHAVIORAL COMMITMENT
(overt manifestations – what people DO)

Table 2 – The commitment mix (Adapted from Sharma et al., 2006)

2.2. THE EVOLUTION OF A BUSINESS RELATIONSHIP

In this paper, our level of analysis is the business relationship, an economic and social phenomenon characterized by the mutual orientation of two firms toward each other (Johanson and Mattsson, 1987, p. 37; Mandják and Szántó, 2010, p. 205). This dynamic process begins, evolves, continues or terminates as it is the result of ongoing interactions between various firms’ representatives, who are not necessarily the same persons over time and do not necessarily interact with the same people either, over time. The firms themselves
can change in size (grow, downsize, remain the same) and are embedded in a cultural and professional background which affects their business (Figure 2 below).

Figure 2 – Representation of a dyadic business relationship over time

Blau suggests a business relationship is meant to grow, deepen and generate more and more trust and business over time: "Social exchange relations evolve in a slow process, starting with minor transactions in which little trust is required because little risk is involved and in which both partners can prove their trustworthiness, enabling them to expand their relation and engage in major transactions." [1968, "The hierarchy of authority in organizations", American Journal of Sociology, 73, p.454] (Johanson and Mattsson, 1987, p. 37)

According to the trust/commitment cycle presented earlier (Figure 1), this would mean that business relationships beget little commitment in the beginning but the more trust increases,
the more commitment signs are provided and the more sizeable the relationship. This corroborates the idea that "the evolution of the interaction in business relationship between firms can be described as a social exchange process, in which the firms, conceptualized as collective actors (Emerson, 1981), interactively increase their commitments to the relationship (Dwyer and al, 1987;....) (Holm et al., 1999, p. 472).

Conversely, literature has also shown that many business relationships which endure in time, demonstrate a low level of trust, or even no trust at all (Ekici, 2013, p. 6) – which would mean accordingly that a business relationship could endure in spite of the absence of commitment between the parties.

In an international context, collaborative relationships can take the form of “ (…) joint ventures, alliances, contracts, informal understandings, and ‘networks of business relationships’ (Harris and Dibben, 1999). Anderson and Weitz mention that a relationship can evolve from a competitive form to a collaborative form if idiosyncratic investments\(^1\) are made by both parties to develop the relationship (1994, p. 20). But they tone down their point of view and recognize that “(…) the time, efforts and occasional frustration involved in exchanging information serve to move a business arrangement closer to the level of a strategic business alliance.”(1994, p. 28).

Researches focusing only on certain factors, at a specific moment of the relationship ignore all of the stakeholders’ behaviors, attitudes, decisions, feelings, interpretations that shape the business relationships on each side of a dyad through time. As mentioned previously, the literature lacks detailed longitudinal studies to understand the evolution of business relationships throughout time. (Cortes and Vasquez-Parraga, 2003, p. 145) We propose to address this gap and to use the commitment mix perspective to get an in-depth understanding of the process of developing a long business relationship.

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\(^1\) "Idiosyncratic investments are investments specific to a channel relationship. They are difficult or impossible to redeploy to another channel relationship; therefore, they lose substantial value unless the relationship continues." (Anderson and Weitz, 1994, p. 20)
We also would like to contribute to extend the scope of research on business relationships and commitment to an additional cross-cultural setting. As highlighted in Table 1 and confirmed by a more extensive literature review, 17 out of 27 articles on business relationships development explore it only in a national context. Nevertheless, the development and maintenance of cross-cultural business relationships is admitted to be more problematic and strategic (Huang et al., 2003, pp. 277–278; Sharma et al., 2006, p. 65). It could be worth identifying how cultural backgrounds may enhance, interfere, slow down or prevent the business relationship development, as suggested by Segal (2011). By entering in depth in this dynamic process, we intend to shed light on the visible and less visible effects of cultural interactions, which will lead to specific managerial implications (Chevrier, 2012, p. 97)

3. RESEARCH METHOD

3.1. FIELD OF THE STUDY AND DATA COLLECTION

In this paper, we propose to analyze the intricacies of the commitment dimensions in a dyadic business relationship, through time. Therefore, we grounded our research in a case study of an international business relationship between a French supplier and a Japanese distributor, two SMEs which have been working together for more than 20 years (Brannen, 2011; Eisenhardt and Graebner, 2007; Eisenhardt, 1989). As presented in the “Business background” thereafter, originally, this business relationship was very much improbable - considering how much chance and coincidence (‘intercontingencies’) were needed so as to result in the two firms starting working together (Becker, 1998, pp. 28–35). But the business relationship has gone through many stages, including a truly collaborative phase in 2011-2012, when co-designing the Tonga Fit product. So as to give the reader an overview of this case study, three moments of the business relationships are represented below, thanks to the theoretical tool proposed in
the literature review (Figure 3): 1993, the early beginnings, 2008, the peak of activity, 2012 the latest situation.

**Figure 3 – Representation of FILT-DADWAY business relationship over time**

**BUSINESS BACKGROUND - FILT-DADWAY - 1992-2012**

1992 – Mr Kimihiko Shiratori and his wife Yukiko decided to launch a company in Yokohama (Japan) selling outdoor products in order to encourage Japanese fathers spend more time with their babies or young children. Their company was therefore named “Dad-Way”. At that time all the products available in the baby care sector in Japan were very feminine, reflecting the Japanese social standards in growing children. Their company was breaking fresh ground. In 1992, they also contracted with an American company, Kosmo Corporation International, who they missioned to spot foreign products that fit well with their concept and to help them deal more easily with foreign suppliers. Once, visiting the MIPRO2 center, Mr Shiratori found out a picture of a carrying baby girth, called “Tonga”, in a 

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2 MIPRO (Manufactured Imports and Investment Promotion Organization), was established in 1978 as a nonprofit organization by the joint efforts of the Ministry of International Trade and Industry (now the Ministry of Economy, Trade and Industry) and the private sector, to promote imports of foreign manufactured products with the view to expanding
catalogue. He asked Juliette Fassett and David Murrell from Kosmo Corp. to assist him in finding the supplier of this product. They managed to uncover Tonga’s manufacturer, a company named FILT by writing a letter to the contact name appearing on the picture. This contact actually happened to be a printer-publisher of promotional material, who gave the letter to their client FILT.

FILT is a net manufacturer since 1860 in the area of Caen (Normandy, France) for diverse sectors. They are designing and manufacturing, for instance, nets for mussel-breeding, string bags, hunting nets and since 1974, the carrying baby girth “Tonga”, imagined by Mrs Liebert, a French psychosociologist.

Kosmo Corp. served as a go-between for the French and the Japanese firms, leading the latter to place a first order of several hundreds of Tonga in Spring 1993. A bit later, in autumn, they signed the desired exclusive distribution agreement for Tonga in Japan.

Both firms have evolved differently over the last 20 years - (FILT now has no more than 13 employees, whereas DADWAY counts about 170) - and have been doing business since then, in spite of the geographical distance, of various mediations (translators, American go-between, mails, faxes, e-mails,…). They have continuously developed the sales in Japan, renewing the range of Tonga by adding new colors, new models with stripes (Rainbow, Tricolour,…), etc.

Here are the main milestones of their history:

In February 1994, it is the first time that President Shiratori writes directly to FILT, and vice-versa. This leads to a defense reaction of Kosmo, who successfully argues to remain a go-between in the communication process.

The first visit at FILT of David Murrell, President Shiratori and his wife occurred in 1997 or 1998. This was their first physical encounter and an occasion to understand the manufacturer context.

2003 – DadWay asks FILT to investigate the possibility to launch an organic cotton Tonga. They also consider selling an adjustable Tonga with a buckle. The organic cotton will come into being, but the Tonga with buckle will be left aside.

2005 – DadWay requests total reliability from FILT regarding the size of the Tonga models (S, M, L, XL). This cannot be technically achieved and gives rise to lots of discussions, misunderstandings and frustration. In 2005, DadWay also suggests improvements of the Tonga packaging: a color sticker on packaging, a new box shape with a hook that FILT will implement.

2006 – The “Cramoisi” colored Tonga does not pass the chemical conformity tests in Japan. This color will be removed from the catalogue. Later in the year, a whole batch of red Tongas is returned defective. The issue is discovered by a major client of DadWay (a prestigious department store). The products tear in use, for unknown reasons. DadWay has to recall all the red products, check them one by one, make public apologies in the news, etc. They also enquire about the complete manufacturing trade and rectifying trade imbalance (“About MIPRO | Manufactured Imports and Investment Promotion Organization (MIPRO),” n.d.).
process monitored by FILT in order to track the issue and take all necessary measures to fix the problem in the future. In September 2006, a delegation from DadWay visits FILT in order to discuss the issue, fix the manufacturing weaknesses and negotiate compensation. A French speaking staff member is appointed for a while at DadWay.

2007 – The new sewing machine at FILT leads DadWay to require a different sewing pattern on the Tonga label. But FILT advocates that it can only be achieved manually. It takes them some time to fine-tune their decision. That year, DadWay works closely with FILT to design two new colors in the range: Rainbow and Rasta.

2008 – DadWay alerts FILT about a grey market harming their business in Japan. By seeking technical solutions and terminating certain business relationships, FILT pleases and impresses DadWay. That year, they also go through a substantial negotiation over price increase of Tonga. A compromise is made.

In 2009, FILT starts working with a Korean distributor, with DadWay’s written approval and restrictions on certain colors. (exclusive models for Japan). New exclusive colors are launched in Japan (Blue/Ribbon, Bordeaux/Ribbon).

In 2010, FILT proposes DadWay a new baby carrier: the Fil’Up. A price increase is negotiated for Tonga. Additional colors are designed and sampled for the Japanese market. (Beige, Lavender, Gray, Pink Ribbon, Café au lait…)

In 2011, a tsunami affected greatly the Japanese life. FILT show their sincere concern. In September, both teams have co-designed an upgraded version of Tonga, called Tonga Fit, in order to counter a direct competitor on the market (the Buddy-Buddy) and to breathe new life to the product.

In 2012, further improvements are sought for the product, such as a convenient elastic band to fold it easily, or a new packaging.

Over the years, FILT and DadWay have successfully overcome their disruptions and even the major quality issue in 2006 that could have endangered the whole relationship.

We build on a longitudinal study, with data collected in the field from October 2010 until March 2013, in France and in Japan by several means and from various sources. We were encouraged to pursue this methodology, as there appears to be a literature gap for longitudinal studies of long-lasting business relationships. Huang and al admit: “A longitudinal study combining real-life observations would have been a better approach.” (2003, p. 285).

Similarly, Leonidou and al specify:“ (…) longitudinal research would be more appropriate, in order to capture the dynamic nature of these relationships.” (2004, p. 567). Humphries and
Wilding encourage further research: « Exploration of the theoretical framework dimensions using Longitudinal approaches, Action and Experimental research methods, alternative theoretical fields such as sociology and organizational dynamics, especially using international comparisons, could provide extremely interesting and useful results.” (2004, p. 1119). We conducted more than 15 hours of open in-depth interviews with the French and Japanese stakeholders (see Appendix A). In September 2011, we participated actively in their two-day meeting, aiming at brainstorming and co-designing an upgraded version of Tonga. We served as a translator and an intercultural mediator, using action research to leverage our understanding of the situation and to contribute to the mutual benefit of the partners (Baskerville and Pries-Heje, 1999). Finally, we were granted full access to the complete customer file available at the French company and were copied in all e-mail exchanges since end of 2011.

3.2. DATA ANALYSIS

The data analysis is following the funnel shaped selection of methodology in Figure 4 thereafter. We chose to analyze our case study by a processual approach, by a narrative strategy, studying embedded cases through time. This last methodology is particularly adapted to face the challenges of a processual study, a process being defined as “a sequence of individual and collective events, actions and activities unfolding over time in context.” (Langley and Tsoukas, 2010; Langley, 1997; Pettigrew, 1997).

We are triangulating a reduction of data, extracted from our various sources in order to identify the sequence of events considered as key moments by actors on each side of the dyad.
As Musca explains: “The longitudinal study of embedded cases can be defined as a case study including several sub-units of analysis and in which investigations are undertaken at the overall case level.”\(^3\) (Author’s translation from 2006, p. 157). Our longitudinal research is combining a retrospective approach (since 1992, the beginning of the relationships) and a real time approach (2010-2013). According to Musca, this type of study facilitates comparisons between various units of analysis. At our level of analysis - the business relationship - we are comparing several units of analysis: the representations each stakeholder has, on both sides of the dyad, about meaningful milestones in the history of the relationship and a chronology of factual elements from the business context. We are interpreting the stakeholders’ perceptions of one another’s commitment and their own assessment of commitment in the relationship.

According to the literature about coding the data (Allard-Poesi, 2003; Ayache and Dumez, 2011; Strauss and Corbin, 1998), using the software NVivo 10, we coded the portions of the discourse which refer to the commitment dimensions identified in the literature, as well as

\(^3\) « L’étude longitudinale de cas enchâssés peut être définie comme une étude de cas longitudinale comportant plusieurs sous-unités d’analyse au sein du cas et dans laquelle des investigations sont également menées au niveau de l’ensemble du cas. »
coded their anchor in time when relevant. We also let some unexpected categories emerge from the interviews and e-mails.

4. RESULTS

NB: This section is presenting preliminary findings, as the analysis of data is pretty ambitious and for that reason is not completed yet. Neither is the discussion section. We intend to enhance these sections before the conference and we look forward getting the valuable workshop attendants’ feedback on this work-in-progress paper.

4.1. Perceptions of commitment dimensions and communication

It may seem stating the obvious to say that there is no perception possible by the parties, of any dimension of commitment, without an exchange of information through interactions. It means that there is no perception possible of any dimension of commitment outside explicit acknowledgment through means of communication. Communication cannot be isolated as an antecedent of commitment, not even as a mediating variable, as some researches show (Theron et al., 2008, pp. 999, 1000) but rather constitutes a given of the interaction context. This can be illustrated by the two quotes thereafter. Firstly, in 2006, after a major quality issue, a delegation of DadWay has come to meet with FILT. Mr Cousin describes the meeting sequence of events, he recollects the way he tried to highlight the manifestations of commitment in the relationship (investments in machines, organizational changes, etc), in spite of the difficulties to overcome the different language and cultural background.

Mr Cousin : « Alors visite, visite, discussions, je dis, je répète, je répète une deuxième fois, pour les problèmes de traduction, croquis, ‘fin voilà. C’qu'il fallait c'est que chacun, que nous on arrive à bien expliquer ce qu'on avait mis en place et qu’eux arrivent bien à comprendre ce
It takes Mr Cousin a lot of efforts and several attempts just to pass the message on the investments he made specifically to maintain the business relationship.

Secondly, in 2009, FILT invested in metal detectors and changed the quality of the needles of the sewing machines. Their intention was to prevent broken needles to remain in the finished product. DadWay could only know about this commitment sign from FILT when they sent explicit evidences (pictures, videos).

On the Japanese side, Kazuya Nakanishi often sends scans of ads they purchased in magazines, to promote Tonga on the Japanese market, as the quote below testifies.

« What do you think of the tie-up advertisement of our customer, mail order magazine? We hope you like them and we will receive good reactions from customers…! » (KN, e-mail to CR 15 Oct. 2007)
FILT would not get any evidence of the investments DadWay makes in marketing and promotion without this explicit communication.

Not all commitment dimensions are represented in the explicit communication between the stakeholders, as the reasons why people pursue the relationship are not necessarily conscious. These are not necessarily strategic information to share with one’s partner, as the locked-in commitment for instance which reflects constraints and dependence upon the partner. On the contrary, behavioral commitment is easier to identify and give evidence of as shown in the next part.

4.2. Behavioral commitment and communication on overt manifestations of commitment

As per Sharma et al.’s definition⁴, behavioral commitment evidences are easily identified by the researcher in the speeches of interviewees or the exchanged e-mails. Below, are some examples of marketing investments made for the promotion of Tonga in Japan or relationship-specific machine investments in France.

**Japanese side**

<table>
<thead>
<tr>
<th>Date</th>
<th>E-mail Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 March 2007</td>
<td>“BONJOUR! We would like to thank you again for your usual support over the years. We trust we can continue to work together with you closely. Today we are pleased to offer a new color for Tonga as a next step for Tonga in Japanese market.” (1st time it appears in e-mails)</td>
</tr>
<tr>
<td>9 April 2007</td>
<td>“Last weekend an exhibition for pregnant women &amp; baby was held. We showed Tonga and many customers tried Tonga at our booth, and they were very”</td>
</tr>
</tbody>
</table>

⁴ “the overt manifestations of relationship continuation and associated investments - allocation and development of resources, including human, financial, and physical in a particular relationship, in the form of dedicated relationship-specific assets.” (Sharma et al., 2006, p. 65)
impressed with its benefit, easy-wearing, compact size, color variation. We are more than pleased to tell you that Tonga has received good reputation thank you expect. Thank you for your usual cooperation.” (e-mail, KN)

E-mail - 15 June 2007 “Bonjour, We hope you are doing well. For your reference, we attach some pages for Tonga of the mail order magazine which is on sales today. Well, we are pleased to inform you that we got good reputation for the new color “Rasta” (…)” (e-mail, KN)

**French side**

2006 “Quand j’arrive, (…) je gère un peu l’arrivée des automates de couture qui vont permettre de fabriquer beaucoup plus de Tongas. En fait, c’est pas qu’on modernise mais on met en place des moyens de faire beaucoup plus de Tongas parce que la demande grandit” (CC)

2006 « Nous suite à ça, on a analysé les fils, en laboratoire, pour connaître la résistance des fils. Et puis on a mis tout un procédé en place au niveau de la fabrication du Tonga, avec des suivis. On a amélioré le produit en faisant des étiquettes de composition, en faisant une fiche de suivi de tout le procédé de la fabrication, de la réception du fil à la finition en vue de toute la traçabilité. » (CR, 26 Oct. 2010)

However, the business relationship actors are not always conscious that these actions are worth sharing with their partner. To begin with, some basic information that we obtained during interviews was unknown to the actors previously, after they have been working together for more than 12 years. For instance, on the French side, they had little idea how DadWay and Kosmo were organised before we clarified their respective roles.
“Mais on a eu, on a été quand même un moment à pas savoir qui…qui t’nait les rênes. On savait pas si c’était heu le Japonais qui était une filiale de l’Américain, ou si c’était l’inverse.” (JPC, 26 Oct 2010)

« Je sais pas bien comment ils se situent en fait dans la hiérarchie. Je sais que, qu’il y a le supérieur là, le p’tit monsieur qui était venu, d’ailleurs. Et il doit y avoir un ou deux autres, une ou deux autres adresses en plus de Kazuya. » (CC, 04 Feb. 2011)

Either they do not consider these actions as a form of commitment, or they do not come up with the idea that their partner should know about these. It is sometimes only after a disappointing decision that explicit behavioral commitment evidences are provided. For instance, in 2012, DadWay had required FILT to work on a technical innovation, an elastic band to fold the Tonga Fit more easily. One day, DadWay announce that “They are terribly sorry but they have decided not to add this function to the new Tonga.” Here is FIILT’s reply, lately shedding light on their investment:

“Additionally, we have invested a lot of R&D time, with all the team in order to suit your requirement on a possibility to make the Tonga more convenient to fold. We are also quite proud of the final braid we proposed you, as it required much work and innovation.” (e-mail CC, 02 Feb. 2012)

The actors are not always conscious that what constitutes meaningful commitment signs in their perspective is not necessarily as important for their counterparts and vice-versa. Also, in our case study, actors do not make explicit what they sincerely appreciate their partner to commit in or not. The data does not provide any example of such a confession.
4.3. Obligation-based commitment: a more complex attitudinal construct

Coding the data, it appeared that several aspects of commitment were close but not strictly fitting the definition given for “obligation-based commitment”\(^5\). We are presenting some possible sub-categories of this dimension.

- “Company principles-based commitment”

Some firm representatives explicitly refer to the sense of duty arising from corporate values or principles they have made theirs:

<table>
<thead>
<tr>
<th>Japanese side</th>
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<tr>
<td>“(…) when we start doing business with the new partner, not only the products that we like, not only the company that we like but also that philosophy that company has and also the people who are working for the company. So we need to get that, the right feeling of all the elements… in order to have a long term relationship, not only… few years, for the good, you know, the good business and selling product, but as a partner we want to understand the company, and why that person founded the company or how they will go forward.”(YM, translating PS’s explanations, Sept 2012)</td>
</tr>
</tbody>
</table>

- “Culturally-based commitment”

Today, it seems that both firms, not only their directors, consider their business relationship as an obvious and painless duty, arising from symbolic capital of events in the history of the business relationship and perhaps important orientations linked to culture. The Tonga baby carrier is one of the very first products that DadWay has sold when the company had just been created. It has deeply contributed to their success in the early days and later. DadWay has

\(^5\) “a sense of duty arising from formal and informal rules and regulations, including social norms and customs” (Sharma et al., 2006, p. 70)
integrated FILT’s product in their corporate culture: selling the Tonga is not questioned, it is a given. *(We will develop here the notion of ‘Giri’ *(Davies and Ikeno, 2002)) Both companies are also linked by the importance that each of them grants to the historical dimension. FILT celebrated their 150th anniversary in 2010, which fascinates the Japanese.

“I guess that the FILT could be the most historical, not only with us, but the company itself is really old. Some of the toy companies we work with, they’re fairly new. So you must have very deep and respect to the country itself maybe? There’s lot of history behind, that what we feel…” *(YM, 19 Sept. 2012)*

FILT’s fame with their clients or partner owes a lot to the sustained relationship with a Japanese firm for over 20 years. Our case study reinforces the findings of Anderson & Weitz (1994, p. 27), that the “implicit contract” becomes more influential than the formal one, as the relationship evolves in time and complexity.

### 4.4. Affective commitment

Interviews and e-mail exchanges are not showing many signs of affective commitment. However, field notes show that some interpersonal links have been created, for instance between Mrs Raoult at FILT and Kazuya Nakanishi at DadWay, which contribute to a desire to develop the relationship. President Shiratori also once refers to his friendship with David Murrell from Kosmo in the early 90’s (“As becoming a friend and a good partner with David….” *(KS, 19 Sept. 2012)*

*(We will complete this paragraph with additional data analysis)*

---

6 “a desire to develop and strengthen a relationship with another person or group because of familiarity, friendship and personal confidence built through interpersonal interaction over time.” *(Sharma et al., 2006, p. 69)*
4.5. Value-based commitment

Interviews and e-mail exchanges are not clear if the stakeholders are somehow “balancing the rewards and costs of continuing the relationship.”.

The value-based commitment of DadWay for Kosmo in the early beginnings:

“So she was more like an interpreter and get was he was thinking. That way was better to communicate. And then, there was a mission that he paid to KOSMO. While they purchased, a certain percentage of the purchase was given to KOSMO, so there’s gotta be some kind of work that he wanted her to handle.”

(We will complete this paragraph with additional data analysis)

4.6. Important aspects of commitment, uncovered by the chosen conceptual framework

(Emergent categories in coding the data)

(We will complete this paragraph with additional data analysis)

- Cultural long-term orientation (Davies and Ikeno, 2002; Doi, 1988; Lohtia et al., 2009; Rosenberg and Thompson, 1986)

Ex:

<table>
<thead>
<tr>
<th>Japanese side</th>
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<tbody>
<tr>
<td>“I think it could not be ended, because as I said before Mister Shiratori our CEO loves Tonga. Not only for products, the company and history. Because FILT has a history. It's been one hundred and fifty years, that FILT has made. So we are very, his wife is very honored to work such a company with a long history. This is very honored situation, not only for recent business relationship. So… we love the, we love their products, history, company and staff from the bottom of heart. So even though the sales not be satisfied in the future we will never forget, neither give up FILT and their products. So I think they will never be</td>
</tr>
</tbody>
</table>

Updated 2014-01-17
ended, as my partner being.” (KN, 09 Aug. 2012)

“But I think, correct me if I’m wrong, my perception of Japan is that, just as you said, people have more of a respect for longevity, you know for companies that have been around for a long time, because it shows stability! And it shows success. And I think in America, we don’t care, I mean, nothing’s, nothing’s old in America.” (DM, 19 Sept. 2012)

+ also sensible in the repeated e-mails asking about the history of FILT

Sept 1993: Requesting History of FILT

Nov 1993: promoting Tonga in a mail order catalog for ‘best and long selling products in the world’; asking how many were sold since 1974, where else in the world, any good story about the product

Feb 1994: Psdt Shiratori himself, asking for more details about Tonga for a TV interview

July 1995: “Could you please give us a brief history of the name TONGA? Where did the name come from? What is the significance of the name?”

**French side**

*To be completed*

- Crucial importance of intercultural communication

As there is no explicit commitment dimension outside communication mediums, there is a particular importance of mutual understanding, hence the role of go-betweens as facilitators, translators…

Ex:

Oct 1993 – Filt and Dadway are dealing an exclusivity agreement, through Kosmo
corporation.

Kosmo has its own way to make the Japanese decision more explicit:

“Regarding the possibility of an exclusive: I discussed this at length with Mr. Shiratori. He could agree to sell 3000 pieces for the exclusive, but in fact he is not so confident that he can actually sell that many.

Shiratorisan is not the kind of person to agree to sell 3000 pieces then make up an excuse for not selling that many. He thinks he can sell 2000 pieces in 1994. 2000 is an honest projection, meaning that he thinks he can sell at least that many.” FILT grants the exclusivity for 3 years.

Feb. 1994 – This is the 1st time Mr Decouflet (FILT) receives a direct letter from President Shiratori san (DadWay)

Mr Decouflet answers directly to Shiratori san, which leads to receiving a fax from Kosmo warning them that Kosmo should remain the facilitator and go-between the two firms.

A letter from FILT agrees: “In reply to your fax of 3rd February, we are enclosing a copy of the answer sent to DAD WAY, but in the future we would also prefer all communication to go via you.” This looks like a polite letter of excuse, but FILT also admitted they had a sincere need of Kosmo in their communication with the Japanese.

- internal discontinuities be occasions to synchronize/boost mutual commitment

As highlighted earlier, commitment intentions and behaviors are not continuous on both sides of the dyad. They are not necessarily conscious or made explicit. Even if they are made explicit, they are not necessarily perceived as commitment evidences.

Japanese side

18 March 2007 “BONJOUR! We would like to thank you again for your usual support over
the years. We trust we can continue to work together with you closely. Today we are pleased
to offer a new color for Tonga as a next step for Tonga in Japanese market.” (1st time it
appears in the file)

French side

2006 “Donc déjà, déjà, de voir qu'on avait une machine à coudre qui était performante, je
pense que ça les a déjà rassurés sur la qualité de la couture. A ce moment-là, on était en
production sur la vieille machine et on commençait à produire sur la machine neuve. Donc
on leur a dit « voilà ça c'est l'ancienne, le temps de roder la nouvelle machine, et puis après
on arrête. » Donc ils ont vu qu'on avait investi. “ (CC, 04 Feb. 2011)

It is paradoxal that the relationship seems to reach its peak right after the major crisis of mid
2006. In April 2007, with the conjunction of the involvement of Kazuya, there has never been
so good communication, so much cooperation between the two firms. Should there
necessarily happen something wrong for the people to really “connect”? If so, how could that
be provoked? How could people wish to go through such turbulences?

5. DISCUSSION

Contribution

- This paper highlights the complexity of a business relationship development, this
dynamic process and its evolution. For instance: the business relationship is not
analyzed as a steady object, characterized by a given level of commitment.

- The construct of commitment is not only viewed through abstract definitions (see
literature review) given more or less importance by managers in questionnaires, but it
is given ground, consistency thanks to the longitudinal analysis of the case study. Ex:
what does it mean concretely to “give extra effort to make the venture work”?
- The article highlights the intercultural dimension of the communication between the stakeholders, the interpretation that each person makes of where the relationship stands and how strong it is, through a distance.

- Communication is not (only?) an antecedent of relationship commitment, it is one of the mediums/conveyor through which evidences of commitment are formulated or not by the parties, interpreted in a way or another by the parties. Communication aspects are also interpreted by the parties and from the use they make about it depends the perceptions they have from the other one’s commitment.

- We add a complementary view to the authors’ assumption that (quoted in (Theron et al., 2008, p. 999)) “when partners share the same values, this has a positive effect on their mutual level of commitment.” Our findings suggest that compatible values and goals are sufficient, not necessarily shared/mutual ones. Partners from different cultural backgrounds may emphasize the importance of quality or honesty without meaning exactly the same thing, without translating this into the same behaviors or concrete expectations. They can think they are sharing the same values or they can expect different things which translate into compatible concrete behaviors.

6. **Limitations and directions for further research**

Our findings may be limited to the sole specific case of this French and this Japanese company. If the partner were Korean or from the Netherlands, would we draw the same conclusions? Some authors argue that trust and commitment are particularly important to Japanese firms (Cullen et al., 2000, p. 227)
Limits of processual analyses

Limits of the interpretation:

- Probably lots of commitment signs that have been perceived and interpreted remain forgotten or unconscious and we do not have access to that information.
- We can code an event as “an overt manifestation of commitment” (Behavioral commitment), like a specific investment for instance. But in some cases, nothing guarantees that this manifestation has been perceived by the other party. There is no commitment as such, only perceptions and interpretations of commitment. Consequently, unless one of the stakeholders made it explicit that a concrete situation was interpreted as a sign of commitment from the other party, the coding is not legitimate. We have tried to avoid this problem by coding “Failure to interpret commitment”.

Managerial implication

Several managerial insights can ensue from this research.

Our findings should make managers aware, if not the case yet, that their commitment signs may only be perceived by their partner if they do talk about them to their contacts. Then, they should also realize that these commitment signs will be interpreted by the persons they are interacting with. In an intercultural situation, this interpretation is likely to mobilize a different universe of meanings. That is to say that in spite of an intention to communicate on commitment signs, these events/behaviors may not be considered as such, may be misinterpreted or not even considered at all as relevant information.

7. CONCLUSION
Our main finding stands that the typology of commitment dimensions proposed by Sharma et al. cannot be the only relevant grid of analysis to understand the evolution between a transactional and a collaborative relationship. This is a much more complex process, which deserves a rather holistic, systemic approach, examining the intricacies of interactions over time. Also, commitment dimensions cannot be described at the level of the relationship as they highly depend on individual perceptions, interpretations and collective sensemaking, all that evaluating over time, being relative to the cultural background and universe of meaning of the actors.
Appendix A. Details of interviews

<table>
<thead>
<tr>
<th>DATE</th>
<th>COMPANY</th>
<th>INTERVIEWEE</th>
<th>POSITION</th>
<th>LENGTH (MIN)</th>
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</thead>
<tbody>
<tr>
<td>2010_10_26</td>
<td>FILT</td>
<td>MRS RAOUlt</td>
<td>SALES ASSISTANT</td>
<td>75</td>
</tr>
<tr>
<td>2010_10_26</td>
<td>FILT</td>
<td>MRS COUSIN</td>
<td>BUSINESS DEVELOPMENT</td>
<td>60</td>
</tr>
<tr>
<td>2010_10_26</td>
<td>FILT</td>
<td>MR COUSIN</td>
<td>DIRECTOR</td>
<td>90</td>
</tr>
<tr>
<td>2011_04_02</td>
<td>FILT</td>
<td>MRS COUSIN</td>
<td>BUSINESS DEVELOPMENT</td>
<td>80</td>
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<tr>
<td>2011_07_22</td>
<td>FILT</td>
<td>MR COUSIN</td>
<td>DIRECTOR</td>
<td>110</td>
</tr>
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<td>2012_10_29</td>
<td>FILT</td>
<td>MRS RAOUlt</td>
<td>SALES ASSISTANT</td>
<td>20</td>
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<td>2013_03_07</td>
<td>FILT</td>
<td>MR COUSIN</td>
<td>DIRECTOR</td>
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<tr>
<td>2012_06_27</td>
<td>KOSMO</td>
<td>MR MURRELL</td>
<td>US DIRECTOR</td>
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<tr>
<td>2012_09_08</td>
<td>DADWAY</td>
<td>MR NAKANISHI &amp; MS MISAWA</td>
<td>PURCHASE AND SALES MANAGERS</td>
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<td>PR MANAGER</td>
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<td>2012_09_19</td>
<td>DADWAY</td>
<td>MR SHIRATORI</td>
<td>PRESIDENT</td>
<td>80</td>
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