Measurement of organization-public relationships: validation of measurement using a manufacturer-retailer relationship

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EXECUTIVE SUMMARY

A valid measurement scale for organization-public relationships can offer practitioners and scholars a way to measure relationship as they develop. This study examines the measurement of organization-public relationship by testing previous measures on one organization and key public in an Eastern culture. This study attempts to replicate and extend Huang's research by adding relational dimensions that could capture specific features that may characterize the organization-public relationship in South Korea. Specifically, this study assesses the reliability and validity of the proposed measure. Trust, control mutuality, satisfaction, commitment, and face and favor were developed by Huang as the core relational dimensions to measure organization-public relationships in Taiwan. Based on Huang's study, this study proposed personal network as a culture specific dimension in South Korea to measure retailers relationship with Samsung Electronics.

A survey was administered to managers (n=247) of Samsung Electronics and local retailers (n=214) using internal mail and one-on-one interviews in South Korea. Confirmatory factor analysis revealed that trust, satisfaction, commitment, and personal network were better able to capture Samsung Electronics-retailers relationship. Findings indicated that trust, control mutuality, satisfaction, and commitment were closely related to each other whereas personal network is positively associated with other dimensions in the retailer group. In contrast, the managers representing Samsung Electronics' position perceived more negatively the personal network dimension than did the retailer group.

The results also suggested that there exists a structural model with antecedent dimensions and successor dimensions. The acceptable structural models indicated that

trust and personal network may play antecedent roles in the development of satisfaction and commitment. The possible structure of relational dimensions may shed light on the sequential flow of relationship development and suggest implications for relationship management strategy. The present study also revealed that trust, satisfaction, and commitment are global relational measures, whereas personal network as conceptualized here may reflect unique aspects of Eastern culture. Furthermore, these four relational measures can be used to evaluate public relations outcomes.

I. INTRODUCTION

The notion of public relations as relationship management is gaining more momentum among scholars and public relations practitioners. A new paradigm of relationship management embraces the value of favorable organization-public relationships. Ledingham and Bruning (1998) defined organization-public relationship as "the state that exists between an organization and its key publics in which the actions of either entity impact the economic, social, political and/or cultural well-being of the other entity" (p. 62). This perspective of organization-public relationships extends the traditional value of public relations such as disseminating information into the more meaningful contribution of fostering quality relationships between an organization and its publics. The relational perspective primarily concurs with the conceptual definition of public relations as "the management function that establishes and maintains mutually beneficial relationships between an organization and the publics on whom its success or failure depends" (Cutlip, Center & Broom, 1994, p. 2). The relational perspective has been applied to a variety of public relations areas such as crisis management, customer-service providers, and symbolic and behavioral influences of employee volunteerism (Coombs, 2000; Ledingham & Bruning, 1998, 2001; Wilson, 2000).

In line with borrowing theoretical frameworks from other disciplines, the question of "how to measure the effects of public relations?" has become a fundamental issue in public relations. Measurement is a fundamental activity in all branches of sciences including social science (DeVellis, 2003). Counting the number of news clippings and broadcast reports does not necessarily measure the value of public relationships. For decades, it has been said that public relations is diverse and difficult to measure in that most of its elements are intangible (Lesley, 1991). However, the paradigm shift from a mediated communication perspective to a relational perspective necessitates measurement of relationship building and its effect on organizations. Thus, quantifying organization-public relationships requires a measurement scale to measure the relational value.

More often than ever, public relations practitioners are being asked to demonstrate the effect of public relations. In spite of an emphasis on the relational perspective in public relations, how to measure the effect of public relations' value is still a challenging task for public relations practitioners. Thus, the need for valid and reliable indices to measure the long-term effects of public relationships is in great demand in the public relations field. Also, scholars are seeking further scale development and refinement of organization-public relationships (Bruning & Ledingham, 1999; Bruning & Ledingham, 2000 a; Huang, 2001; Kim, 2001).

Since the value of organization-public relationships can be represented by relational outcomes, measuring the dimensions of public relationships is becoming more important. Deciding which specific measure to use when assessing public relationships can be critical for public relations professionals, given the scarcity of measures for organization-public relationship scales.

Reviews of the literature on relationship marketing, interpersonal relationships, and of the social psychology literature pertaining to relational dimensions have identified attitudinal and psychological dimensions of relationships. Scholars have been using these literatures to construct questionnaires for measurement of organization-public relationships.

Ledingham and Bruning (2001) summarized research concerning relationship management into three categories: (a) models of the organization-public relationship (e.g., antecedents, maintaining strategies, and consequences) (b) relationship dimensions as indicators of relationship, and (c) applications of the relational perspective to various aspects of public relations practice.

This study is linked to the second category, which is research on relationship dimensions as indicators of organization-public relationships (OPR). Relationship dimensions can be viewed as an integrated mix that encompasses multi-facets of relationship qualities that impact the behavior of key publics of an organization. While relationship management emerges as an important framework of the public relations role and value, the critical issue is how to measure the invisible public relationships between an organization and its stakeholders. Thus, there is an obvious need for an instrument to capture complete and valid characteristics of organization-public relationships. Theory development is delayed without a valid and reliable instrument. This study involves the elaboration of a scale assessing organization-public relationships.

Researchers have devoted considerable effort to clarifying the meaning of relationship dimensions in terms of theory building in public relations. An important next step is trying to find empirical support for a causal link between relational efforts and behavioral outcomes. Before doing so, however, scholars may need to provide not only a theoretical framework of relationship building theory but also develop a measuring instrument for public relations professionals. Thus, more valid and reliable relationship measures must be established. As Ledingham and Bruning suggested, “There is a need to develop a relationship scale that includes several measures of each of the relationship dimensions to ensure greater reliability” (2000, p. 67). From a theoretical standpoint, existing scales need to be refined for two reasons.

First, most organization-public relationship measures have been derived from the perception of only one party (Hon & J. Grunig, 1999). This approach does not reveal the public relationship from the perspective of two parties. We must reflect on whether a one-way measure does, in fact, tell us something about the nature of a relationship. Hon and J. Grunig stated, “At some point, public relations researchers should measure relationships as seen or predicted by both parties. This evaluation would document how organizational decision makers see the relationship as well as how publics see the organization” (1999, p. 25). Moreover, Hon and J. Grunig (1999) contended, “Practitioners also should consider administering these items formally or informally to senior managers to get their perceptions of a relationship with a specific public” (1999, p. 28). Broom, Casey and Ritchey (1997) also stated, “To truly measure the properties of relationships, researchers must develop measures of “relationships as phenomena distinct from the perceptions held by parties in the relationships” (1997, p. 95).

Second, the existing scales should ensure the validity and reliability for the robustness of the measurement scale. One initial question of importance asks whether the earlier constructs are reliable and valid. More testing stages and theoretical support can ensure the validity and reliability. In the relationship management literature, relational dimensions developed by Huang (2001), Ledingham and Bruning (1998, 2000) and Hon and J. Grunig (1999) provided general measures for organization-public relationships, but these measures differ in dimensions. A comprehensive measurement model of organization-public relationships would enhance the existing relationship measurement scales. To develop a comprehensive measurement model, this study combines extensive existing measures with unique dimensions in an organization-public setting. Only two studies have attempted to validate the relational dimensions using confirmatory factor analysis. Kim (2001) and Huang (2001) used confirmatory factor analysis to validate relational dimensions they proposed.

Third, the current measurements of organization-public relationships have been developed based on Western culture. As Huang (2000) pointed out, the development of global public relations has become a critical issue in this global age. Botan (1992) contended that public relations has been developed from Western culture and often cultural assumptions of public relations theory do not necessarily reflect other societal cultures. Thus, a cross-cultural theory of organization-public relationships becomes important in building public relations theory in a global setting.

Purpose of the Study

The study of relational dimensions needs to consider not only examining measurable properties, but also determining whether and how relationship properties may vary across publics in other cultures. In spite of attempts to develop operational measurements of organization-public relationships (Bruning & Ledingham, 1998; Bruning & Ledingham, 2000 b; Hon & J. Grunig, 1999; Huang, 1997, 2001), the development of global measures of organization-public relationships has been limited in other cultural contexts. Therefore, the present study starts with Huang’s study, which was developed in an Eastern culture.

The specific objectives of the study are (1) to design a comprehensive instrument to measure organization-public relationships (OPR) based on Huang’s study (2001) and to propose additional items that could capture specific features that may influence or characterize OPR in the selected country; (2) to test the comprehensive instrument proposed and assess its validity and reliability. This will be accomplished by assessing

OPR between an organization (Samsung Electronics) and one of its key publics (retailers).

Research examining the relational dimensions to measure organization-public relationships continues to suggest the importance of relevant features of relationship measurement. The results of this study may show how relational features are perceived differently depending on the organization and its public side. Understanding the varying degree of relational features will enable public relations practitioners to manage relationships more effectively by understanding to what extent public relationships are situationally based. A valid measurement scale for organization-public relationships can offer practitioners and scholars a way to measure relationships as they develop. Moreover, this study can be a starting point to determine the value of public relations and its link to an organization’s bottom line in terms of causal relationships between relational efforts and their outcomes.

II. REVIEW OF LITERATURE

Many scholars have contributed scholarly reviews of organization-public relationships from other disciplines such as interpersonal communication, social psychology, and relationship marketing (Hon & J. Grunig; 1999; Huang, 2001; J. Grunig & Huang, 2000; Kim, 2001; Ledingham & Bruning, 1998, 2000; Ledingham, Bruning & Wilson, 1999). The central notion of public relations as relationship management suggests that public relations should focus on developing long-term behavioral relationships between organizations and key constituencies. Perceived public relations roles, which rely on symbolic activities designed to enhance organizational image, have been extended to a new paradigm, fostering long-term relationships that lead to mutual benefits for both organizations and key publics.

Theoretical Framework

The study of public relations and communication management has shifted dramatically in the last few years, from a micro focus on techniques and programs to a macro focus on relationships. The emergence of relationship management as a new paradigm for public relations scholarship and practice redefines the essence of public relations-what it is and what it does or should do, its function and value within the organizational structure and the society.

The history of public relations may appear to emphasize the function of mediated communication. A major focus of public relations scholarship has been centered on communication management and communication effects (Ferguson, 1984).

Primarily the practice of public relations has been regarded as product publicity, media relations, and employee communications. Many organizations still view public relations primarily as a means of generating favorable publicity (Burnett & Moriarty, 1998). Burnett and Moriarty (1998) defined public relations thus: “public relations is the use and communication of information through a variety of media to influence public opinion” (p. 345). In sum, the central concept of public relations is that public relations tells an organization’s story to publics to foster goodwill and understanding. For years, scholars, public relations professionals, and counselors defined public relations as simply “the management of communications” (J. Grunig & Hunt, 1984, p. 6). Recently, however, more and more scholars and practitioners began to recognize that mediated communication is not an end. In other words, mediated communication may or may not contribute to organizational effectiveness. Lindenmann (1999) stated,

> “More importantly, public relations practitioners have begun to recognize that messages are not just distributed through press releases to the media or through company magazines and newsletters mailed to employees and customers, but ultimately are transmitted to various publics by behavior of the organization, by the quality of the products and services they deliver, and the gap between promises and action” (p. 19).

Lindenmann’s argument corresponds to J. Grunig’s claim that behavioral characteristics are more important than symbolic communication, which focuses on mediated communication activity.

The problem of emphasis on communication activity is related to the evaluation of public relations on a long-term basis. Publics are all the stakeholders who affect the organizational bottom line. In contrast, the term relations signals that these publics are involved in a relationship with an organization. That relationship should be positive to ensure effectiveness in relation to the organizational bottom line. In line with this reasoning, Ferguson (1984) stated the following:

> “It is difficult to think of any other field where the primary emphasis is on the relationships between organizations, between organizations and one or more

groupings in society, or more generally with society itself. It is important to understand that I am not talking about research that uses either the organization or the social grouping as the unit of analysis—rather, I'm concerned with the relationship as the major focus of the research efforts" (p. 18).

Relationship Management as a Public Relations Theory

Ledingham (2003) attributed the emergence of the relational perspective to the new perspective that reconceptualizes public relations as a management function. He found that scholars had begun to explore the composition of organization-public relationships and the linkage of those relationships to public perceptions, attitudes, and behavior. He suggested that the relationship perspective could act as a framing mechanism for theory-building, teaching, and practice. Ledingham argued that communication functions as a strategic tool in the building and maintaining of organization-public relationships. Thus, management of relationships with key publics should be an appropriate framework for both the practice of public relations and scholarship.

Earlier Broom and Dozier (1990) argued that the relational perspective changed the value of public relations from communication output (e.g., counting the number of media clippings) to that of behavioral outcomes (e.g., attitude or behavioral change).

J. Grunig (1993) distinguished two types of organization-public relationships- "symbolic" and "behavioral." J. Grunig (1993) stated,

> "When symbolic (communication-based) relationships are divorced from behavioral relationships (actions), public relations practitioners reduce public relations to the simplistic notion of image building, which offers little of value to the organizations they advise because they suggest that problems in relationships with publics can be solved by using the proper message—disseminated through publicity, or media relations—to change an image of an organization" (p. 136).

J. Grunig and Huang (2000) indicated that one of the fundamental problems with public relations research is that public relations research has been confined within a narrowly defined framework. The process indicators (e.g., counting news clips, the number of participants at a special event) do not measure the ultimate in public relations programs, which are asked to contribute to the bottom line of organizational objectives (or goals). They argued public relations research should center around examining final outcome indicators such as enhanced relationship attitudes and behavioral results.

Ward (1998) asserted that successful public relationships not only expand economic opportunities, but could also save an organization immeasurable dollars by preventing, minimizing or resolving conflicts and crisis. Corresponding to Ward's argument, Lindenmann (1999) reasoned that the question, "What's the value of public relations to an organization?" is broader than "How do you evaluate public relations programs?" Therefore, he argued that "How do you evaluate the overall relationship?" has to be a focus in public relations scholarship.

The organization-public relationship can be conceptualized as the economic and humanistic interchange between an organization and publics to obtain quality relational outcomes through optimal initiation and maintenance strategies (Ledingham & Bruning, 1998; Ledingham, Bruning, & Wilson, 1999). Relationship management also can be defined as "the development, maintenance, growth, and nurturing of mutually beneficial relationships between organizations and their significant publics" (Thomlison, 2000, p. 178).

Scale Construction

In social science, although we measure perceptions that by their very nature are subjective, a standardized measure enhances social science objectivity. When one measure can independently verify a relation between two constructs that was found by another researcher, objectivity is enhanced. In the development of refined organization-public relationships, the same reasoning can help to improve the scale refinement of organization-public relationships.

It is generally agreed that measures of latent theoretical constructs require multiple items to more accurately capture the varying levels of the constructs. Therefore, the development of a summated rating scale requires a multi-step process. As shown in Figure 2-1, Spector (1992) illustrated the five major steps in the process. First, the construct of interest must be clearly and precisely defined. A scale cannot be developed until it is clearly and precisely defined. Second, the scale itself is designed. This involves the exact format of the scale, including selection of response choices. Third, the initial version should be pilot-tested with a small number of respondents who are asked to critique the scale. They should indicate which items are ambiguous or confusing, and which items cannot be rated along the dimension chosen. The scale should be revised on the basis of the pilot respondents' feedback. Fourth, the first full administration and item analysis are conducted.

A sample of 100 to 200 respondents completes the scale. Their data are used to choose a set of items that form an internally consistent scale. Coefficient alpha, a statistic representing internal-consistency reliability, is calculated. If the items successfully produce an internally consistent scale, the final step can proceed. Otherwise, one must return to an earlier step to revise the scale. Traditionally, validity has been defined as the property that a scale measures its intended construct.

For validation, a series of validation studies should be conducted to verify that the scale behaves as predicted. This step is much like theory-testing, in that relations of the scale with other variables are hypothesized. Data then are collected to verify the theoretical predictions. As evidence in support of validity is collected, confidence is gained that the scale measures the theoretical construct it is intended to measure. Specter (1992) argued that these five steps are essential for the development of a scale.

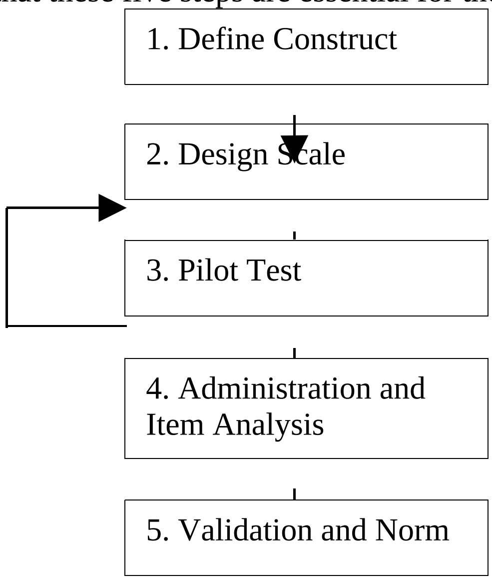

Figure 2-1. Major steps to developing a summated rating scale (Spector, 1992, p. 8.)

Development of Organization-Public Relationship (OPR) Scale

Public relations scholars have approached the relationship measurement issue from the perspective of relational outcome (dimensions). Attempts at developing an organization-public relationship (OPR) measurement framework have incorporated general summaries of interpersonal theories, social psychology, and relationship marketing approaches. Within the literature on interpersonal relationships, a variety of frameworks and measuring dimensions have been developed. Ferguson (1984) suggested that public relations practitioners use the following tools to evaluate the quality of an organization's relationships with the public: dynamic vs. static, open vs. closed, mutual satisfaction, distribution of power and mutual understanding, agreement, and consensus. J. Grunig and Ehling (1992) suggested reciprocity, trust, credibility, mutual legitimacy, openness, mutual satisfaction, and mutual understanding as the key elements of the organization-public relationship. Further, Ledingham, Bruning, Thomlison, and Lesko (1997) culled 17 dimensions from an extensive literature review ranging from the interpersonal, to marketing with qualitative research. Ledingham et al. (1997) developed 17 relationship dimensions: investment, commitment, trust, comfort with relational dialectics, cooperation, mutual goals, interdependence, power imbalance, performance satisfaction, comparison level of the alternatives, adaptation, non-retrievable investment, shared technology, summate constructs, structural bonds, social bonds, intimacy, and passion.

Subsequently, Ledingham and Bruning (1998) suggested five organization-public relationship indicators: open communication, the level of trust, the level of involvement, investment in the communities, and long-term commitment. They examined the impact of the relational dimension on behavioral outcomes. With discriminant analysis, Ledingham and Bruning (1998) demonstrated that five relational dimensions (trust, openness, involvement, commitment, and investment) in an organization-public relationship differentiated stayers, leavers, and undecided subscribers for a local telephone service.

Although Ledingham and Bruning culled comprehensive relational dimensions from other disciplines such as interpersonal communication, marketing, and social psychology, they relied solely on only 12 focus groups to finalize the items (trust, openness, involvement, and commitment). The development of a summated rating scale requires a considerable investment of time and effort (Spector, 1992). Focus groups may have checked face validity to measure organization-public relations. However, the measures still need to go through a reliability test that involves interviewing more subjects to see whether the proposed measures are consistent in other settings. Moreover, Ledingham and Bruning did not include the operational measures in their studies, preventing further validation studies.

The importance of reliability to build a solid instrument needs to be stressed. Spector states,

> "A good summated rating scale is both reliable and valid. Reliability will be considered in two ways. First, test-retest reliability means that a scale yields consistent measurement over time. Assuming that the construct of interest does not change, each subject should get about the same score upon repeated testing. Second, internal-consistency reliability means that multiple items, designed to measure the same construct, will intercorrelate with one another" (p. 6, 1992).

In an effort to develop an organization-public relationship scale, Bruning and Ledingham (1999) culled 51 relational items from previous studies on relational dimensions. Out of 24 screened relational items, they extracted three key dimensions using factor analysis: professional relationship, personal relationship, and community relationship.[1] Professional relationship refers to the extent to which an organization engages in the welfare of its customers, whereas personal relationship deals with the organization's effort to build personal relationships. Bruning and Ledingham (1999) stated that when an organization is managing a professional relationship, it should deliver its services in a businesslike manner that meets the business needs of the customer. Personal relationship involves engaging in actions that build a sense of trust between an

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[1] The issues that make up the *professional relationship* dimension are as follows: organization name is not involved in activities that promote the welfare of its customers; organization name does not act in a socially responsible manner; organization name is not aware of what I want as a customer; organization name does not see my interest and the bank's interests as the same; I think the organization name is not honest in its dealings with customers; and organization name is not willing to devote resources to maintaining its relationship with me. *Personal relationship* dimension: I feel I can trust organization name to do what it says it will do; organization name seems to be the kind of organization that invests in its customers; I think that organization name takes into account my convenience in all of our interactions; organization name demonstrates an interest in me as a person; and organization name understands me as a customer *Community relationship* dimension: organization name is open about its plans for the future; I feel that organization name supports events that are of interest to its customers; I think that organization name strives to improve the communities of its customers. Organization name shares its plans for the future with customers; and I think that organization name actively plays a role in the lives of the communities it serves.

organization and the members of key publics and that the organization's representatives be willing to invest time, energy, thought and feelings into their interactions with members of key publics. Finally, community relationship refers to the extent to which an organization interacts with the communities in which it is located. Bruning and Ledingham (1999) stated,

> "When an organization is managing a community relationship it is important that the organization be open with community members, that the organization engage in activities that can be used to improve social and economic aspects of the community, and that the organization take an active role in community development" (p. 165).

In this study, Bruning and Ledingham advanced their initial relational dimensions developed in 1998. The method they used was exploratory factor analysis to refine organization-public relations. They analyzed 24 items found from an extensive literature review. Initially they dropped lower loadings in a principal-components analysis. They finalized 16 items in an organization-public relationship scale. As noted above, they identified three factors – professional, personal, and community relationship. One of the limitations in their study is that they did not test the relational items based on theoretical bases. Exploratory factor analysis involves reducing the items based on their correlations to one another. The development of an instrument of organization-public relationships needs to go through a further step called confirmatory factor analysis. Confirmatory factor analysis can test whether the sample data fit with the proposed measurement scale. Dependence on only exploratory factor analysis does not necessarily validate the proposed scale. The factor labels (professional, personal, community) representing organization-public relationships proposed by Bruning and Ledingham are not comparable to other studies. In other words, for example, a professional relationship is not comparable with trust or commitment, which is proposed by Hon and J. Grunig

(1999). Incompatibility with other relational dimensions makes it difficult to replicate their study.

Hon and J. Grunig (1999) summarized the maintenance features of interpersonal relationships and outcomes of relationships from the interpersonal literature and public relations literature. They included positivity, openness, assurances, networking, sharing of tasks, trust, control mutuality, commitment, satisfaction, communal relationship, and exchange relationship.

Based on a comprehensive theoretical review, Hon and J. Grunig (1999) developed a measure of organization- public relationships. Drawing from all relational research, they suggested that six relational dimensions could measure the relationship perceptions between an organization and its publics: trust, control mutuality, commitment, satisfaction, communal relationship, and exchange relationship. Although most of these relational measures showed acceptable Cronbach's alpha, they drew the sample from online publics, which may not represent an organization' key stakeholders. Also, they analyzed the data by only checking Cronbach's alpha, without a pilot test and exploratory factor analysis to check face validity and consistency with theory. These limitations should be adjusted in further studies.

With regard to maintenance strategies, J. Grunig and Huang (2000) suggested some indicators to evaluate organization-public relationships. They suggested that disclosure, assurance of legitimacy, and participation in mutual networks can be used. They also suggested five relationship features such as trust, control mutuality, commitment, communal relationship, and satisfaction from the extensive outcome features.

Broom, Casey, and Ritchey (1997) suggested that relationship formation and maintenance involves a process of mutual adaptation and contingent responses between parties. They argued that relationships between an organization and its key publics are phenomena that can be studied as distinct from the perceptions of the relationship held either by an organization or its key publics.

However, Huang's study (1997, 2000a, 2001) has focused on measuring perceptions as a first step in developing a theoretical model of relationship formation, maintenance, and outcomes. She isolated four key relational features: trust, control mutuality, commitment, and satisfaction. Similarly, Ledingham et al. (1997) suggested that the concepts of openness, trust, involvement, investment, and commitment might represent the dimensions of an organization-public relationship (Ledingham, Bruning, Thomlison & Lesko, 1997).

Table 2-1 summarizes the studies of organization-public relationships. A number of studies have suggested the relational components that can be used to measure organization-public relationships. In particular, the present study has paid special attention to the method and data analysis, which is critical to constructing a valid measure. Since developing a measurement scale involves multiple steps, the study of organization-public relationships should include not only the relevant dimensions as a theoretical framework, but apply the solid procedures needed to result in a reliable measure.

Table 2-1. Frameworks for organization-public relationship measurement

Authors	Relationship Dimensions	Sample and Organization-Public Setting
Ferguson, 1984	dynamic vs. static, open vs. closed, mutual satisfaction, distribution of power, mutual understanding, mutual agreement	
J. Grunig & Ehling, 1992	reciprocity, trust, credibility, mutual legitimacy, openness, mutual satisfaction, and mutual understanding	
Huang, 1997	trust, control mutuality, relational commitment, relational satisfaction	311 legislative members and their assistants, 16 items (1997)
Ledingham & Bruning, 1998	openness, trust, involvement, investment, commitment	384 residential telephone subscribers, 91 items (1998)
Bruning & Ledingham, 1999	professional relationship, personal relationship, community relationship	183 bank customers with 51 items (1999)
Hon & J. Grunig, 1999	trust, control mutuality, commitment, satisfaction, communal relationships, exchange relationships	200 online users with 52 items (1999)
J. Grunig & Huang, 2000	trust, control mutuality, commitment, satisfaction	311 legislative members and their assistants, 16 items (1997)
Huang, 2001	trust, control mutuality, commitment, satisfaction, face and favor	1st stage: 311 legislative members and their assistants, 16 items (1997) 2nd stage: 235 public relations practitioners from Executive Yuan in Taiwan, 21 items (1999)
Kim, 2001	trust, commitment, local and community involvement, reputation	1st stage: 160 undergraduate students, 58 items 2nd stage: 102 community residents, 16 items 3rd stage: 157 customers of online company, 16 items

Based on her dissertation, Huang (2001) developed a multi-item scale for measuring organization-public relationships from the perspective of a cross-cultural setting. She combined four key relational features (control mutuality, trust, satisfaction, commitment) from Western literature with one specific relational feature from Eastern culture (face and favor). She emphasized the concept of face and favor in Chinese society, saying “the strategy of face, face-work, is also important in Chinese society. In general, maintaining face or doing a face-work in front of others is important in social interactions, especially for expanding or enhancing human networks” (p. 69). With exploratory and confirmatory factor analysis, Huang (2001) found that all five dimensions are acceptable to measure organization-public relationships with a cross validation method.

Although relationship marketing mainly deals with the customers as opposed to a variety of publics surrounding an organization, its theoretical framework provides helpful insights for understanding the organization-public relationship. Relationship marketing theorists have become increasingly aware of the value of developing and retaining relationships with existing customers in that repeated transactions are more efficient than development of new customers in terms of estimated costs and bottom line contributions to an organization. Relationship marketing states that three constructs – trust, commitment, satisfaction- are central in predicting future behavioral characteristics (Morgan & Hunt, 1994). The following section describes the relational dimensions that previous literature has identified.

Relational Dimensions

Trust

Trust has been recognized as a critical construct in the relationship literature. Trust generally is a fundamental component for beneficial relationships between two parties. A trustworthy reputation is important in that it affects publics around the issues, products, or services originated by an organization. In public relations literature, trust and credibility have been regarded as critical components for an organization to exist (Vercic & J. Grunig, 1995).

Morgan and Hunt (1994) defined trust "as existing when one party has confidence in the exchange partner's reliability and integrity" (p. 23). Relationship marketing can also give an idea of how to approach employees. Many different variables have been raised to explicate long-term-based relationship marketing. Morgan and Hunt (1994) suggested that successful relationship marketing demands relationship commitment and trust. They theorized and tested the Key Mediating Variable (KMV) model of relationship marketing in which commitment and trust were used as mediating variables between five important antecedents (relationship termination costs, relationship benefits, shared values, communication, and opportunistic behavior) and five outcomes (acquiescence, propensity to leave, cooperation, functional conflict, and decision-making uncertainty).

Commitment.

Commitment refers to an implicit or explicit pledge or relational continuity between exchange partners (Dwyer & Oh, 1987). Similar to trust, commitment has been recognized as an essential component for favorable relationships (Morgan & Hunt, 1994).

Morgan and Hunt (1994) defined commitment as "An exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth promoting and savoring to ensure that it endures indefinitely" (p. 23).

Moorman and Zaltman (1992) defined commitment as "an enduring desire to maintain a valued relationship" (p. 316). Hon and J. Grunig (1999) defined commitment as "the extent to which one party believes and feels that the relationship is worth spending energy to maintain and promote" (p. 20). Hon and J. Grunig (1999) also itemized commitment as continuance commitment (action) and affective commitment (emotion).

Satisfaction

A central tenet of public relationship literature is the creation and retention of satisfied publics who affect the bottom line of the organization. Ferguson (1984) suggested that different expectations toward each other (organization, public) may bring different levels of satisfaction.

Huang (2000) distinguished satisfaction from other relational dimensions such as trust and control mutuality, in that satisfaction encompasses affection and emotion while trust and control mutuality involve cognitive functions.

Stafford and Canary (1991) approached satisfaction from the perspective of exchange relations, stating, "The distribution of rewards is equitable and the relational rewards outweigh costs" (p. 225).

Control Mutuality

Control mutuality is involved in the process of any decision-making, concerning the extent to which each party's voice can be heard in the final outcome. Ferguson (1984) stated, "Other variables related to the relationship might be how much control both parties to the relationship believe they have, how power is distributed in the relationship, whether the parties to the relationship believe they share goals, and whether there is mutuality of understanding, agreement, and consensus" (p. 20).

Hon and J. Grunig (1999) defined control mutuality as the degree to which parties agree on who has rightful power to influence one another. L. Grunig, J. Grunig, and

Dozier (2002) distinguished between the perspective of holding power over others versus empowerment of everyone in the organization. J. Grunig (1992) termed this difference between asymmetrical and symmetrical concepts of power:

> "People in organizations use power asymmetrically when they try to control and make others dependent on them…. The symmetrical concept of power, in contrast, can be described as empowerment-of, collaborating to increase the power of everyone in the organization, to the benefit of everyone in the organization" (p. 564).

Personal Network (yon)

The Confucian influence is prevalent in both organizational and societal cultures of Korea. While J. Grunig and Huang (2000) proposed networking as one maintenance strategy,[2] this study conceptualizes networking as an important relationship dimension to be included in organization-public relationship measurement. The present study defines "personal network" as an established personal network through blood tie (hyulyon), school tie (hakyon), and regional hometown (jiyon). As noted earlier, cultural characteristics such as jung, eui-ri, noon-chi, chae-myun, and yon can commonly constitute the dimension of personal network.

Over the years, the "personal influence" model in which the practitioners try to establish lasting personal relationships with key individuals in media, government, political, or activist groups, was often found in Asia (J. Grunig, L. Grunig, Huang, Lyra, & Sriramesh, 1995), and Korea is not an exception (Kim, 1996). Thus, this study assumes that personal networks greatly influence all relational interactions in Korea. Kim (1996) found that Korean practitioners mainly practice craft public relations models and were

[2] Based on Stafford and Canary (1991), J. Grunig and Huang (2000) suggested relationship maintenance strategies – positivity, openness, assurances, networking, and shared tasks (2000, p. 36).

more of technicians than managers. Practicing professional public relations in Korea without personal networks is difficult. Building and maintaining relationships with media, government agencies, and the local community is greatly enhanced by the aid of personal networks based on academic background, regional hometown, and families. In sum, personal network should be included as a unique relational dimension to measure organization-public relationships.

This study assumes that publics have global evaluations that can apply commonly in any organization-public relationships. The conceptualization of global evaluations (e.g., trust, commitment, control mutuality and satisfaction) has been developed in Western theories that have been consistently found in interpersonal communication and social psychology. This study posits a similar stance; global evaluative components can be found across cultures, yet there are specific relational components found in a localized context to measure an organization-public relationship in an OPR setting. Moreover, two groups (organization and public) may reveal a difference in each relational component when being asked their perceptions of relationship with the counterpart.

Proposed Model

Extending past research of the organization-public relationship and measurement, this study proposes a measurement model that examines the relational dimensions to measure organization-public relationship (see Figure 2-2, 2-3, 2-4). This proposed model consists of the six relational dimensions based on Huang’s (2001) study and additional dimension found in Korea.

Figure 2-2. Proposed organization-public relationship measurement model

After reviewing the empirical and theoretical literature, Huang (2001) identified five constructs that are commonly claimed to represent distinct components of perceived relationship quality. The main goal of the present research is to test and compare the model, using exploratory and confirmatory factor analysis. Although a number of scholars have examined the public's perceptions of an organization, little research has been done to measure an organization's perception of its relationship with the public. Therefore, it is hoped that examining two sides' perceptions can refine existing measures of organization-public relationships. Unlike exploratory factor analysis, confirmatory factor analysis allows one to test whether specific evaluative dimensions that are supposed to measure the relationships based on a theoretical framework reflect organization-public relationships.

A multiple-indicator approach tends to reduce the overall effect of measurement error of any individual observed variable on the accuracy of the results. The measurement model, as shown in Figure 2-2, features the distinction between observed variables (indicators) and the underlying latent variables (constructs) that the indicators are presumed to measure, which together make up a measurement model. Measurement models evaluated by CFA have a particular characteristic: the latent variables in CFA models are simply assumed to covary with one another; that is, all of their associations are specified as unanalyzed.

Many types of hypotheses can be tested with standard CFA models. For example, evaluation of a single-factor model provides more than one construct. The evaluation of a multifactor CFA model provides a test of convergent and discriminant validity. It is quite common in CFA that an initial model does not fit the data very well. When this occurs, the model can be respecified and evaluated again. There are two broad classes of changes that can be made to CFA models. The first involves the indicators and the second concerns the latent variables. Because there may be numerous potential changes that could be made to a CFA model, it is crucial that respecification be guided as much as possible by theoretical rather than empirical criteria (e.g., level of significance).

Research Questions

Although a number of scholars provide organization-public relationship studies, the measurement of organization-public relations still needs further refinements. What dimensions should we use to measure organization-public relationship? How do we check validity and reliability? How do we measure the organization-public relationship reflecting two sides' perceptions? How do we measure the organization-public relationship in a different culture? How do we measure the organization-public relationship in a different organization-public context? These issues make it difficult to develop measurement instruments of organization-public relationships. In particular, the first attempt to develop a measurement instrument is increasingly fundamental for the subsequent studies.

Since the measurement of organization-public relations is still in an exploratory stage in terms of theory building, the present study approaches assessing relationship quality with research questions. Based on the previous studies on organization-public relationships, this study proposes three research questions.

RQ1: What are the valid and reliable dimensions that represent organization-public relationships?

RQ2: What is the measure of organization-public relationships reflecting two sides' perceptions?

RQ3: Are there any additional relational dimensions when measuring organization – public relationships?

RQ4: Do the organization's relational dimensions differ from the public's relational dimensions in this study?

Since possible problems of measurement error occur, relationship judgment may differ across different evaluative dimensions, and many theories are tentatively proposed depending on the approaches. Thus, in developing a measurement instrument of organization-public relationships, the present study attempts to use existing scales that contain the key dimensions to confirm the validity and reliability of the dimensions. Moreover, in order to capture the key relational dimension in a society or country (South Korea) where organization-public relationships exist, the present study attempts to explore a distinctive dimension that is possibly found in a given society. For example, Huang (2001) proposed face and favor as a distinctive relational dimension, which is commonly evidenced in a Confucian culture such as Taiwan. This indicates that the measurement of organization-public relationships can vary depending on the cultural, industrial context. While common relational dimensions are used in any organization-public context, consideration of unique relational characteristics should be included in measuring organization-public relations.

Most studies fail to recognize the need for an organization's perception of the public in organization-public relationships. Most public relations measures have been derived from examining the public's perception of the organization, since most public relations programs have been designed to change the public's attitude or behaviors. Although it is not easy to quantify the relationship itself, it is necessary to measure both sides' perceptions of the relationship they are engaged in.

From a theoretical standpoint, such scales are problematic for two reasons. First, they fail to recognize the existence of an organization's perceptions of the relationship. Public perceptions do not necessarily represent the organization-public relationship. One side's perceptions alone cannot define a valid relationship within the mutual relational context in which the two sides are engaged. Second, relational management as a new public relations theory strongly emphasizes the adaptation and communal interaction between an organization and its public. Identifying only one side's (the public's) perceptions does not differ from previous general research, which is equivalent to audience research. Identifying the perceived differences between an organization and its public should be a crucial starting point to building relationship management as a public relations theory.

Therefore, an attempt to examine any perceived differences between an organization and its public is worthwhile in developing a measure of organization-public relationships objectively. This approach is more theoretical to assess evaluations of relationships, held on both sides. Although researchers have developed scales that are designed to measure distinct components of perceived relationship quality, few studies have ever attempted to measure the two sides' perceptions.

III. METHODOLOGY

The purpose of this study was to determine whether existing OPR measures can capture the organization-public relationships found in this study's settings. Although the organization-public relationship dynamic in different cultures can add unique relational features (Huang, 2001), general relational features can be found commonly in both Western and Eastern cultures. Thus, the basic premise of this study posits that global relational elements can be found when an organization engages in organization-public relationships.

In sum, the present study aimed to test whether Huang's five relational dimensions (trust, commitment, control mutuality, satisfaction, face and favor) and *personal network* can be found in a different OPR context (Samsung Electronics - retailers) by evaluating perceptions held by both sides.

Since the purpose of the study was to replicate and extend Huang's study of organization-public relationships, a quantitative survey method was employed. The survey method is well suited to the nature of the posited research questions that are still exploratory in the measurement study of OPR.

Babbie (2001) argued that survey research is probably the best method available to the social scientist interested in collecting original data for describing a population. To ensure reliability, Babbie (2001) recommended using methods that have been reliable in previous research. To improve reliability in the present study, the survey instrument was based on Huang's (2001) study.

Setting for the Study

For this study, the context of the organization-public relationships (OPR) was Samsung Electronics and its local retailers in South Korea. Retailers are independent private outlets that deal with Samsung Electronics products across the country.

Samsung Electronics is a leading corporation in its sales volume as well as its net profit in South Korea. The key products of Samsung Electronics are computers, mobile phones, and home appliances. In South Korea, Samsung Electronics is known as the national flagship corporation representing Samsung (business conglomerate). Samsung is one of the largest conglomerates, called *Chaebols,* which account for more than half of the national economic activity (Yoo & Lee, 1998).

Since the study aimed to reflect two parties' perceptions of organization-public relationships, both sides participated in the study. Retailers are one of the strategic stakeholders in maintaining the organizational bottom line in a competitive business environment. Thus the relationships between Samsung Electronics and its local retailers provided an appropriate context to measure organization-public relationships. At Samsung Electronics, given the fact that retailers act as an important distribution channel of the manufacturer, retailers are regarded as a primary public, one which can influence the organizational bottom line.

To measure perceptions of this organization-public relationship, general managers at Samsung Electronics were asked to indicate their perceptions with which they had engaged in activities with retailers. The majority of managers at Samsung Electronics were involved in managing marketing operations of products in the domestic market. Therefore, the general managers mentioned above were appropriate organizational representatives to evaluate the organization-public relationship. Likewise, retailers were asked to evaluate their relational perceptions of Samsung Electronics using the same survey instrument.

Instrument Design

Since the study aimed to retest relational dimensions previously examined by Huang (2001), the survey instrument was based on Huang's study. Her instrument consisted of five dimensions with 20 items. Huang's final instrument was refined through multiple data collection (301 legislators and their assistants in the Second Plenary Session of the Third Legislative Yuan in Taiwan; 235 congressional liaisons in Taiwan) and two depth interviews. Therefore, the instrument seems to have more robustness than an instrument based on single data collection. Huang's instrument is designed to measure trust, control mutuality, commitment, relational satisfaction, and face/favor.

Each dimension consisted of four variables (items) to measure the construct. Specifically, four additional items were developed to measure the *personal network* (*yon*), which is found in South Korea.

The following items were used to measure trust dimension:

1. Members of Samsung are truthful with us.
2. Samsung treats me fairly and justly, compared to other manufacturers.
3. Generally speaking, I don't trust Samsung.
4. Samsung keeps its promises.

The following four items were used to measure control mutuality:

5. Generally speaking, Samsung and retailers are both satisfied with the decision-making process.
6. In most cases, during decision-making both Samsung and retailers have equal influence.
7. Both Samsung and retailers agree on what they can expect from each other.

8. Both Samsung and retailers are cooperative with each other.

The following four items were used to measure satisfaction:

9. Generally speaking, Samsung members meet retailers' needs.

10. Generally speaking, Samsung's relationship with retailers has problems.

11. In general, Samsung is satisfied with the relationship with retailers.

12. Samsung's relationship with retailers is good.

The following four items were used to measure commitment:

13. Samsung does not wish to continue a relationship with retailers.

14. I believe that it is worthwhile for Samsung to try to maintain the relationship with retailers.

15. Samsung wishes to keep a long-lasting relationship with retailers.

16. Samsung wishes it had never entered into the relationship with retailers.

The following four items were used to measure face and favor:

17. Given a conflict situation, retailers will consider the *Quanxi* (relationship) between Samsung and retailers.

18. When retailers have favors to ask, Samsung will render its help.

19. In certain conditions, Samsung will do the face-work (*chaemyun*) for retailers.

20. Given a situation of disagreement, Samsung won't let retailers lose face.

Finally the following four items were used to measure personal network:

21. When necessary, I seek important people who I know at Samsung.

22. I can get a better deal through my contact at Samsung.

23. Without a personal network with Samsung, it is hard to make a profit.

24. If I have any "*yon*" with Samsung, it greatly benefits me in doing business with Samsung.

Pretest

The initial version of 24 items was pilot-tested with a small number of respondents in both groups. An initial English-language questionnaire was constructed, using Huang's 20 items and an additional reconstructed four items for the *personal network* dimension.

As shown in Table 3-1, all of the measures in both groups demonstrated acceptable levels of Cronbach's alphas, ranging from .76 to .94, which showed acceptable reliability.

When analyzing the responses to open-ended questions, many retailers commented that personal relationships did not help directly to make profits in the business relationship between Samsung and the retailers. They, however, pointed out that they seek personal contacts in the case of an urgent situation. By the same token, most general managers commented that the relationship between Samsung Electronics and retailers was defined as a business relationship, where marketing variables were more interesting than interpersonal variables such as *face* and *favor*.

Although the deletion of q24 increased the Cronbach's alpha to .67 for *personal network*, the combined Cronbach's alpha, which averaged managers and retailers, showed that the combined alpha was acceptable with .63. Therefore, the present study decided to retain the *personal network* (*yon*) dimension for the finalized instrument. The resulting instrument included 20 items of Huang's instrument and four items of *personal network* to capture the relationship between an organization (Samsung Electronics) and its public (retailers).

The pilot test identified that the dimension of *face* and *favor* needed to be translated clearly when asking subjects in South Korea. The pretest noted that *face* and *favor* should be translated with *chae-myun* in Korean. *Chae-myun* refers to face work found in all social relationships in South Korea. Showing concern and interest to partners and giving favors to maintain a harmonious relationship is a commonly found cultural dimension in Korea. Thus, in this study, *chae-myun* is equivalent to *face* and *favor* in Huang's instrument.

Table 3-1. Pretest instrument for retailers, Mean, Cronbach's alpha

Dimension (construct)	Instrument Items	Retailers Mean	Managers Mean.	Combined
Trust (4)	Q1. Members of Samsung are truthful with us.	4.38	4.83	4.60
	Q2. Samsung treats me fairly and justly, compared to other manufacturers.	5.39	5.75	5.57
	Q3. Generally speaking, I don't trust Samsung. *	5.65	5.67	5.66
	Q4. Samsung keeps its promises.	5.19	5.41	5.30
	Cronbach's alpha	.90	.75	.80
Control Mutuality (4)	Q5. Generally speaking, Samsung and retailers are both satisfied with the decision-making process.	5.03	5.25	5.14
	Q6.In most cases, during decision-making both Samsung and retailers have equal influence.	3.03	4.16	3.59
	Q7. Both Samsung and retailers agree on what they can expect from each other.	3.88	4.38	~~4.13~~
	Q8. Both Samsung and retailers are cooperative with each other.	3.61	4.58	~~4.09~~
	~~Cronbach's alpha~~	~~.78~~	~~.77~~	~~.80~~
~~Satisfaction (4)~~	~~Q9.Generally speaking, Samsung members meet retailers' needs.~~	4.23	5.12	4.67
	Q10.Generally speaking, Samsung's relationship with retailers has problems. *	5.19	5.32	5.26
	Q11. In general, Samsung is satisfied with the relationship with retailers.	4.76	5.22	4.99
	Q12. Samsung's relationship with retailers is good.	4.73	5.35	~~5.04~~
	~~Cronbach's alpha~~	~~.87~~	~~.81~~	.84

Table 3-1. Continued

Dimension (construct)	Instrument Items	Retailers Mean	Managers Mean.	Combined
Commitment (4)	Q13. Samsung does not wish to continue a relationship with retailers.*	5.42	5.64	5.53
	Q14. I believe that it is worthwhile for Samsung to try to maintain the relationship with retailers.	5.02	5.19	5.10
	Q15. Samsung wishes to keep a long-lasting relationship with retailers.	5.15	5.41	5.28
	Q16. Samsung wishes it had never entered into the relationship with retailers.*	5.73	6.19	~~5.86~~
	~~Cronbach's alpha~~	~~.82~~	~~.77~~	~~.79~~
Face & Favor (4)	Q17. Given a conflict situation, retailers will consider the *Quanxi* (relationship) between Samsung and retailers.	4.11	4.48	4.29
	Q18. When retailers have favors to ask, Samsung will render its help.	3.88	4.16	4.02
	Q19. In certain conditions, Samsung will do the face-work (*chaemyun*) for retailers.	3.89	4.74	~~4.32~~
	Q20. Given a situation of disagreement, Samsung won't let retailers lose face.	3.76	4.76	~~4.26~~
	~~Cronbach's Alpha~~	~~.73~~	~~.70~~	~~.74~~
~~Personal Network (*Yon*) (4)~~	~~Q21. When necessary, I seek important people who I know at Samsung.~~	2.69	3.38	3.03
	~~Q22. I can get a better deal through my contact at Samsung.~~	2.31	3.35	2.83
	~~Q23. Without a personal network with Samsung, it is hard to make a profit.~~	2.15	2.35	2.25
	Q24. If I have any "*yon*" with Samsung, it greatly benefits me in doing business with Samsung.	2.84	2.77	2.80
	Cronbach's alpha	.67	.58	.63

* Q3, Q10, Q13, Q16 were reverse-scored.

** 7- Strongly agree ; 6-Agree ; 5-Slightly agree; 4-Neutral ; 3-Slightly disagree 2-Disagree; 1-Strongly disagree

Table 3-2. Pretest instrument for managers at Samsung

Dimension (construct)	Instrument Items
Trust (4)	Q1. Retailers think members of Samsung are truthful with them. Q2. Retailers think Samsung treats them fairly and justly, compared to other manufacturers. Q3. Generally speaking, retailers don't trust Samsung.* Q4. Retailers think Samsung keeps its promises.
Control Mutuality (4)	Q5. Generally speaking, Samsung and retailers are both satisfied with the decision-making process. Q6.In most cases, during decision-making both Samsung and retailers have equal influence. Q7. Both Samsung and retailers agree on what retailers can expect from one another. Q8. Both Samsung and retailers are cooperative with each other.
Satisfaction (4)	Q9.Generally speaking, retailers think Samsung members meet retailers' needs. Q10.Generally speaking, Samsung's relationship with retailers has problems. * Q11. In general, Samsung is satisfied with the relationship with retailers. Q12. Samsung's relationship with retailers is good.
Commit-ment (4)	Q13. Samsung wishes to continue a relationship with retailers.* Q14. Retailers believe that it is worthwhile for Samsung to try to maintain the relationship with them. Q15. Samsung wishes to keep a long-lasting relationship with retailers. Q16. Samsung wishes it had never entered into the relationship with Retailers.*
Face & Favor (4)	Q17. Given a conflict situation, retailers will consider the *quanxi* (relationship) between Samsung and retailers. Q18. When retailers have favors to ask, Samsung will give retailers face and render its help. Q19. In certain conditions, Samsung will do the face-work for retailers. Q20. Given a situation of disagreement, Samsung won't let retailers lose face.
Personal Network (*Yon*) (4)	Q21. When necessary, retailers seek important people who they know at Samsung. Q22. Retailers can get a better deal through someone's contact at Samsung. Q23. Without a personal network with Samsung, it is hard for a retailer to make a profit. Q24. If a retailer has any "*yon*" with Samsung, they can benefit in doing business with my company.

* Q3, Q10, Q13, Q16 were reverse-scored.

Population and Sampling for Main Study

Population and Sample of Retailers

The population examined in this study consisted of two groups – Samsung Electronics and its retailers. The population of the public in this study is defined as retailers who were dealing with Samsung Electronics products in South Korea.

The population of retailers of Samsung Electronics located in Seoul was 1,030 as of February 2003. The sample of retailers was obtained from the website of Samsung Electronics posted in the www.sec.co.kr. Most retailers deal with personal computers, mobile phones, audio/video and other home appliances. The random sample of retailers was drawn from the retailer directory.

Systematic random sampling methods were used to select a sample from the population. Initially a sample of 400 retailers in Seoul was drawn randomly using random numbers from the retailer directory in www.sec.co.kr. While the national population of retailers across South Korea is 3,300, the present study chose the sample frame from retailers located in Seoul. Therefore, 1,030 local Samsung Electronics retailers located in Seoul were framed as the population for the present study.

Population and Sample of Samsung Managers

The population of Samsung Electronics consisted of general managers or above who were working in the department of marketing, research and development, general management/ planning, production, and corporate communication. Given the population size of general managers (called *Gwajang* or above 1,250 in total) who work for Samsung Electronics, the relevant sample size of general managers should be more than 200. General managers at Samsung Electronics were asked to indicate their perceptions concerning the Samsung Electronics- retailer relationship.

Data Collection Procedures

Administration for retailers

Since one of the primary tasks facing researchers is to increase response rate in a survey, a random sample of retailers was contacted by a one-on-one interview method with standardized questions. In general, a mail survey does not result in a higher response rate than a one-on-one interview (Wimmer & Dominick, 2002, p. 184). A typical mail survey will achieve a response rate of 5-40 percent. This low return casts doubt on the reliability of the findings in any type of research. Given the nature of seeking participation in a survey and the busy schedule of retailers during business hours, a telephone survey was not expected to result in a high response rate either. Therefore, a one-on-one interview was the most efficient method to elicit participants' cooperation.

Administration for managers

The manager employees were contacted with the cooperation of the corporate communication department and marketing department at Samsung Electronics. With the cooperation of the department of corporate communication (Seoul) and marketing department (Suwon), 750 survey instruments were distributed to the Samsung managers who worked in the area of marketing and planning. To encourage participation in the study, a cover letter explained the purpose of the study.

Response Statistics

Retailers

The total sample size of retailers was 214. Two hundred fourteen retailers participated in the survey during February and March 2003. Sixty-four retailer outlets could not be located due to wrong local addresses. One hundred ten retailers refused to participate due to their busy schedule and 12 responses were excluded due to incomplete answers. The response rate was 54 percent.

Managers

Two hundred seventy three Samsung employees participated in the study. The response rate was 36 percent. Since the perceptions of Samsung Electronics needed to be included more precisely than an unsystematic employee sample, the study excluded 26 participants who indicated they held positions lower than manager level. Therefore, the study included 247 valid subjects who were at the level of manager or above.

Reliability

Before getting into data analysis, the most important assumption of a measurement study is to check the validity and reliability of the instrument. Of the two types of measurement error, random and systematic, reliability concerns random error. In contrast, the concept of validity includes both random and systematic measurement error. Without assurance of validity and reliability, the measurement scale will not necessarily measure the construct that it is intended to measure. Thus, it is necessary to review reliability and validity in detail.

Whether constructed by the researcher or not, indicators of some construct should be as free as possible from the biasing effects of measurement error. In general, two types of reliability are common; test-retest reliability and internal consistency. Test-retest reliability is concerned with the stability of item responses over time. This test involves the readministration of a measure to the same group of subjects on a second occasion. If the two sets of scores are highly correlated, then random error due to events that occurred in a single test session may be minimal.

Validity

Whereas reliability concerns the consistency of test scores, validity concerns, broadly speaking, how scores should be interpreted. An indicator can be reliable without being valid. Four basic kinds of validity are described in the literature: content validity, criterion-related validity, convergent validity and discriminant validity, and construct validity. Content validity, criterion-related validity, and convergent and discriminant validity each involve particular aspects of validity and methods to evaluate it.

Exploratory Factor Analysis (EFA)

After collecting data from both sides, an exploratory factor analysis was used to extract the scale's dimensionality and to elicit relevant items for each dimension. The implicit assumption underlying the use of EFA is that the researcher generally has a limited idea with respect to the dimensionality of construct and which items belong or load on which factor. EFA can be used to gain insights as to the potential dimensionality of items and scales. A number of rules of thumb are used to determine the number of factors. They include (a) the eigenvalue-greater than one (b) the scree plot. According to the eigenvalue-greater-than-one rule, the number of factors is equal to the number of eigenvalues greater than one. The rationale is that a given factor must account for at least as much variance as can be accounted for by a single item or variable.

Confirmatory Factor Analysis (CFA)

To specify the measurement model, it is necessary to employ confirmatory factor analysis. In exploratory factor analysis, the researcher had no control over which variables describe each factor. In contrast, confirmatory factor analysis specifies which variables define each construct (factor). The indicators were tested to see whether the indicators are relevant to measure each dimension. The proposed measurement model being tested in this process provided refined dimensions and indicators. In this stage, the construct validity (reliability between items) and discriminant validity (difference between factors) were tested and modified based on the modification indices.

Measures of Model Fit

The most fundamental measure of overall fit is the likelihood-ratio chi-square (^{2}) statistic, the only statistically based measure of goodness-of-fit available in SEM. A large value of chi-square relative to the degrees of freedom signifies that the observed and estimated matrices differ considerably. Statistical significance levels indicate the probability that these differences are due solely to sampling variations.

The goodness-of-fit index is another measure provided by LISREL. It is a nonstatistical measure ranging from 0 (poor fit) to 1 (perfect fit). It represents the overall degree of fit, but is not adjusted for the degrees of freedom. Higher values indicate better fit, but no absolute threshold levels for acceptability have been established. The RMSR stands for root mean square residual, which is the square root of the mean of the squared residuals-an average of the residuals between observed and estimated input matrices. If a correlation matrix is used, then the RMSR is in terms of an average residual correlation.

Tucker-Lewis Index (TLI) is known as the nonnormed fit index (NNFI). It combines a measure of parsimony into a comparative index between the proposed and null models, resulting in values from 0 to 1. A recommended value of TLI is .90 or greater.

Normed Fit Index (NFI) is a relative comparison of the proposed model to the null model. As with the TLI, there is no absolute value indicating an acceptable level of fit, but a commonly recommended value is .90 or greater.

Comparative Fit Index (CFI) represents comparisons between the estimated model and a null or independence model. The value lies between 0 and 1, and larger values indicate higher levels of goodness-of-fit. In this study, as shown in Table 3-3, some general criteria were employed to determine whether the model was acceptable or not.

Table 3-3. Guideline of goodness-of-fit measures

Goodness-of-Fit Measure	Levels of Acceptable Fit
Chi-square statistic (^{2})	Statistical test of significance between null model and alternative model
Goodness-of-Fit Index (GFI)	Higher values indicate better fit, no established thresholds
Root Mean Square Residual (RMSR)	Stated in terms of input matrix (covariance or correlation), with acceptable levels set by analyst.
Root Mean Square Error of Approximation (RMSEA)	Average difference per degree of freedom expected to occur in the population, not the sample. Acceptable values under .08
Tucker-Lewis Index (TLI) or NNFI	Recommended level .90
Normed Fit Index (NFI)	Recommended level .90
Adjusted Goodness-of-Fit Index (AGFI)	Recommended level .90

IV. RESULTS

Result 1: Retailers

In general, two major processes were involved in scale development. First, exploratory factor analysis (EFA) was used to identify potential underlying dimensions in the scale. Second, confirmatory factor analysis (CFA) was used to confirm the theoretical factor structure and test for the generalizability of the factor structure over different data sets. When applying CFA, Structural Equation Modeling (SEM) was used to test the covariance structure among the items and proposed dimensions.

Structural Equation Modeling (SEM) enables researchers to test whether the measurement model fits the data and test the number of factors that can be detected and reliably estimated in the data. The measurement of each construct can be assessed by examining the estimated loadings and the statistical significance of each loading.

The first phase involved an exploratory factor analysis using principal component analysis. Several iterations of the factor analysis were run to obtain a clearly distinguishable factor structure. Both oblique (Harris-Kaiser) and orthogonal (varimax) rotations were used to explore all of the factor structures. In order to extract the relevant items from 24 measurement items, a few rules were employed. First, item loadings (standardized regression coefficient) had to exceed .60 on at least one factor. Second, for those items with factor loadings exceeding .60 on more than one factor, a minimum difference of .1 between factor loadings was required (Nunnally, 1978). Several criteria were used to determine the number of factors to extract: (a) prior studies (Hon & J. Grunig, 1999; Huang 2001), (b) percentage of variance, and (c) Scree plot.

The second phase data analysis was to confirm the extracted latent factors (relationship measurement) using the LISREL 8.5 program (Jöreskog & Sörbom, 2001).

Table 4-1 showed the mean and standard deviation of retailers' perceptions of Samsung Electronics.

Table 4-1. Retailers' perceptions of Samsung Electronics

Dimension	Variable (Variable name)	Mean	Standard Deviation	Cronbach's Alpha
Trust	1. Members of Samsung are truthful with us (Truth)	4.91	1.38	
	2. Samsung treats me fairly and justly, compared to other manufacturers. (Fair)	4.81	1.52	
	3. Generally speaking, I don't trust Samsung. (Credit)*	5.29	1.36	
	4. Samsung keeps its promises. (Keep)	4.88	1.24	
Overall Mean		4.97	1.08	.79
Control Mutuality	5. Generally speaking, Samsung and retailers are both satisfied with the decision-making process (Decision)	4.63	1.14	
	6. In most cases, during decision-making both Samsung and retailers have equal influence. (Equal)	3.36	1.35	
	7. Both Samsung and retailers agree on what retailers can expect from one another. (Agree)	4.49	1.45	
	8. Both Samsung and retailers are cooperative with each other. (Cooperate)	4.91	1.45	
Overall Mean		4.34	1.14	.86
Satisfaction	9. Generally speaking, Samsung members meet retailers' needs. (Meet)	4.64	1.59	
	10. Generally speaking, Samsung's relationship with retailers has problems. (Problem)*	5.01	1.29	
	11. In general, Samsung is satisfied with retailers. (Satisfy)	4.83	1.21	
	12. Samsung's relationship with retailers is good. (Good)	4.99	1.31	
Overall Mean		4.86	1.05	.78
Commitment	13. Samsung does not wish to continue a relationship with retailers. (Continue)	5.34	1.14	

Table 4-1. Continued

	14. I believe that it is worthwhile for Samsung to try maintaining the relationship with retailers. (Maintain)	5.45	1.32	
	15. Samsung wishes to keep a long-lasting relationship with retailers. (Long)	5.30	1.37	
	16. Samsung wishes it had never entered into the relationship with retailers. (Enter) *	5.55	1.19	
Overall Mean		5.41	.98	.79
Face & Favor	17. Given a conflict situation, retailers will consider the *Quanxi* (relationship) between Samsung and retailers. (Quanxi)	4.07	1.37	
	18. When retailers have favors to ask, Samsung will give retailers face and render its help. (Favor)	3.83	1.42	
	19. In certain conditions, Samsung will do the face work (*chaemyun*) for retailers. (Face)	4.38	1.32	
	20. Given a situation of disagreement, Samsung won't let retailers lose face. (Lose)	4.52	1.23	
Overall Mean		4.19	1.03	.76
Personal Network	21. When necessary, I seek important people who I know at Samsung. (Seek)	4.01	1.69	
	22. I can get a better deals at Samsung through my contact at Samsung (Deal)	4.13	1.62	
	23. Without a personal network at Samsung, it is hard to make a profit. (Network)	2.97	1.44	
	24. If I have any "*yon*" with Samsung, it greatly benefits me in doing business with Samsung. (Yon)	3.94	1.80	
Overall Mean		3.76	1.29	.79

* Item was reverse-scored.

Table 4-1 showed the overall perceptions of retailers as to Samsung Electronics. By and large, they seem to be satisfied with the relationship with Samsung. Among the dimensions, retailers showed a high level of commitment (M=5.41), trust (M=4.97), and satisfaction (M=4.86). Retailers perceived moderate levels of control mutuality (M=4.34) and face and favor (M=4.19). However, retailers perceived lower levels of the personal network dimension (M=3.76) than other dimensions.

The concept of internal consistency was used to test the reliability of the measure using Cronbach's alpha. All Cronbach's alphas showed an acceptable level, i.e. above

.70: “Trust” (.79), “control mutuality” (.86), “satisfaction” (.78), “commitment” (.79), “face and favor” (.76), “personal network” (.79).

For the first phase, rotated exploratory factor analysis extracted five factors from the total of 24 items. Table 4-2 and Table 4-3 illustrated rotated factor analysis with principal component analysis. The difference was the method of rotation of factor structure.

Table 4-2. Retailers: EFA, principal component analysis, orthogonal rotation

	Factors				
Item (variable name)	1	2	3	4	5
Q1. Truthful	.463	**.627**	-.112	.190	.123
Q2. Fair	.507	**.684**	-.089	.030	.208
Q3. Credit	.037	**.782**	.147	-.031	-.073
Q4. Keep	.343	.315	-.183	**.602**	.255
Q5. Decision	**.588**	.584	-.039	.046	-.011
Q6. Equal	**.646**	.357	.208	.126	.122
Q7. Agree	**.755**	.157	.045	.191	.190
Q8. Cooperate	**.738**	.264	-.015	.217	.259
Q9. Meet	**.717**	.202	.216	.232	.190
Q10. Problem	-.020	**.620**	.101	.297	.116
Q11. Satisfy	**.706**	.201	.172	.313	.134
Q12. Good	**.825**	.148	-.005	.143	.183
Q13. Continue	**.818**	-.101	.074	.276	.065
Q14. Maintain	.356	.126	.285	**.569**	-.033
Q15. Long	**.628**	-.007	.195	.480	.079
Q16. Enter	.264	.458	-.026	**.461**	.093
Q17. *Quanxi*	.318	.134	.154	-.053	**.736**
Q18. Favor	.156	.098	.145	.192	**.844**
Q19. Face	.152	-.026	.250	.043	**.786**
Q20. Lose	.322	.122	.227	**.687**	.192
Q21. Seek	.341	.104	**.748**	-.024	.177
Q22. Deal	.147	-.038	**.886**	.121	.136
Q23. Network	-.254	-.008	.437	**-.567**	.209
Q24. *Yon*	-.040	.064	**.866**	.056	.194
Eigen value	9.21	2.94	1.73	1.43	1.13

Table 4-2. Continued.

% of variance	24.48	12.15	11.58	10.24	10.02

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

Table 4-2 and Table 4-3 presented the factor loadings of the 24 items and the five-factor structure based on exploratory factor analysis. Both tables showed that overall 68 percent of the variances, which added all variances of each factor, were explained by the five factors. In general, factor loadings ±.50 or greater were considered practically significant. In Table 4-2, factor 1 included all the items of "control mutuality" and most "satisfaction" and "commitment" items. Factor 1 suggested that the three dimensions were closely correlated by sharing their common variances. Three items supposed to measure "trust" came together in factor 2, which was the "trust" dimension. Thus, factor 2 most likely explained the items of the "trust" dimension. Factor 3 comprised three items: seek, deal, *yon*. The items were supposed to measure "personal network," which suggested that factor 3 was most likely "personal network." Factor 4 comprised four items: keep, maintain, lose, and network. All of the four items spread over the various dimensions such as "trust," "commitment," "face and favor," and "personal network." It was hard to define factor 4 with a single dimension from the original six dimensions. Factor 5 included three items that were initially designed to measure the construct of "face and favor." Relatively high loadings of thee items (*quanxi* .74; favor .84; face .79) explained the theoretical dimension of "face and favor."

Although EFA gives an idea of dimensionality, CFA, as the name implies, essentially focuses on whether a hypothesized factor model does or does not fit the data. Thus, CFA is now a commonly accepted method to test dimensionality. The number of factors, the factor structure (i.e., which items load on which factors), and the relationship among factors (i.e., whether the factors are correlated) were specified a priori. The present study hypothesized that the set of items measured six factors and these factors were not correlated. The objective was to determine whether the data support the hypothesized model or not.

In order to finalize the items via CFA, it was necessary to have equivalent items across the two groups. As a first step, two CFA models presented the factor structure with the total 24 items for both groups. Figure 4-2 and Figure 4-3 presented CFA models for retailers and the manager group respectively. The purpose of the two CFA models was to select the standardized items for both groups.

Figure 4-2. Retailer group, 6 factors, 24 items

Figure 4-3. Manager group, 6 factors, 24 items

Comparison of Figure 4-2 (retailers) and Figure 4-3 (managers) can provide the rationale for the selection of equivalent items. Two criteria were used to determine the relevant number of observed variables for the subsequent analysis. First, item loadings (standardized regression coefficient) had to exceed .60 on at least one factor. Second, for those items with factor loadings exceeding .60 on more than one factor, a minimum difference of .1 between factor loadings was required. It was possible to compare the estimated loadings from each construct to the corresponding items for each group. If the loadings are similar, the items are reliable for both groups. Third, if the difference between the loadings was big, these items were candidates for deletion. “Trust Credit” (-.44 vs. .80), “Satisfaction Problem” (-.34 vs. .54), “Commitment Enter” (.51 vs. .35), “Face and Favor Favor” (.82 vs. .53), “Face and Favor Face” (.68 vs. .54), “Face and Favor Lose” (.46 vs. .70), and “Personal network Network” (.28 vs .78) showed substantial differences between the two groups’ loadings. The only remaining one item of “*Quanxi*” cannot measure “face and favor” dimension. Therefore, one item needs to be removed in the observed item pool. Deleting these eight items in each group has resulted in 16 standard reduced items for further CFA.

Table 4-4 presented the matrix of correlations among the various 16 extracted items for confirmatory factor analysis.

Table 4-4. Retailers group, correlation for 16 items, descriptive statistics and correlation for 16 items

Item	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1.Truth	1.0															
2.Fair	.77	1.0														
3.Keep	.62	.52	1.0													
4.Decisi	.63	.65	.43	1.0												
5.Equal	.45	.56	.44	.61	1.0											
6.Agree	.37	.47	.37	.46	.60	1.0										
7.Cooper	.42	.55	.50	.64	.66	.69	1.0									
8.Meet	.49	.48	.40	.49	.60	.70	.65	1.0								

9.Satisfy	.60	.48	.55	.49	.49	.62	.60	.64	1.0							
10.Good	.52	.59	.49	.47	.54	.72	.66	.70	.70	1.0						
11.Conti	.41	.39	.42	.37	.50	.59	.59	.55	.65	.71	1.0					
12.Maint	.28	.25	.39	.37	.38	.37	.47	.47	.35	.34	.48	1.0				
13.Long	.33	.39	.43	.38	.45	.56	.57	.54	.61	.58	.69	.58	1.0			
14.Seek	.21	.20	.06	.26	.36	.25	.31	.45	.41	.28	.32	.25	.28	1.0		
15.Deal	-.02	.05	-07	.01	.29	.23	.11	.34	.31	.18	.20	.27	.31	.71	1.0	.
16. Yon	.01	00	.04	.00	.25	.04	.03	.15	.16	.03	.09	.25	.17	.62	.71	1.0

Figure 4-4 described the CFA model, as a base model for measuring organizational public relationships between an organization and its stakeholders.

Figure 4-4 described the measurement model based on 16 items and the proposed five factors. The goodness-of-fit indices of the CFA model did not show acceptable range with Chi-square=531.09 df=94, p-value<0.000, NFI=.80, TLI=.78, CFI=.83, RMR=.16, GFI=.78. The indices-of-fit measures suggested that the five-factor model did not fit the observed data, which was based on the perceptions of the retailer group.

As shown in Figure 4-4, the confirmatory factor analysis showed all the loadings and their relationships with the five-factor model with 16 items, which was less than the original items in the proposed model. However, the overall goodness-of-fit indices did not reach the acceptable level. Thus, Figure 4-4 suggested that the model needed to be modified to reflect the observed data. Modification indices suggested that correlating error terms between error terms may improve the model. In the respecification process, the acceptable model required many correlates among , indicating that adding two error variances between observed variables was necessary to reach an acceptable range of goodness-of-fit indices.

Figure 4-4. Retailers, 5-factors, 16 items

Figure 4-5. Retailers, 16 items, 5-factor model, adding covariances of errors

In fact, the base model shown in Figure 4-5 suggested a number of correlating error variances among observed variables: meet-continue, satisfy-maintain, good-continue, good-maintain. The revised model after correlating the above error variances among variables improved the better goodness-of-fit than the non-correlating model.

Figure 4-5 showed the revised model with improved fit measures: Chi-square=479.96, df=90, p-value<0.000, NFI=.82, TLI=.79, CFI=.84, RMR=.16, GFI=.79. The revised model has improved the earlier model, which was shown in Figure 4-4. However, the fit indices of the six-factor model were not yet acceptable even though most of the estimated parameters were over .62. Thus, the fit measures suggested that the model still needed improvement.

However, adding correlating error variances should be based on theoretical reasoning and findings of previous studies. Adding error variances without conceptual consideration is not recommended in the model revision process.

Figure 4-5 suggested that there was one significantly high correlation between two constructs. High correlation was found between the “control mutuality” and “satisfaction” constructs with .92. The high correlation between the two constructs suggested that one construct could explain the other construct with the combined items of the two constructs. In the case of the retailers, overall “satisfaction” might include the characteristics of “control mutuality.” Therefore, an alternative factor model was composed of 4 factors and 16 items.

Figure 4-7 showed a revised 4 factor CFA with 16 items. The competing model was a four-factor model, which included “trust,” “commitment,” “satisfaction,” and “personal network.” Since the high correlation (.92) between “satisfaction” and “control mutuality” was significant, “control mutuality” could be explained by “satisfaction.” To examine these two construct more closely, Figure 4-6 showed the estimated coefficient from “control mutuality” to “satisfaction.” Estimated coefficient (.86) was relatively high and displayed a significant t-value. Figure 4-6 showed that “satisfaction” explained much of variances of “control mutuality.”

Figure 4-6. Retailers, two factor model

Figure 4-7. Retailers, 4 factors, 16 items

As shown in Figure 4-7, the four-factor model indicated the following ^{2} = 560.58 d.f. =98, p<. 001, RMR=.17, NFI=. 79; TLI=. 77; CFI=. 82; GFI=. 77. However, these levels of goodness-of-fit indices are not yet satisfactory.

Modification indices assess the statistical significance of an unspecified model relationship and represent the approximate reduction in ^{2} that would be obtained by estimating the unspecified parameter of interest. Based on the modification indices, while the model has improved the fit measures by adding error terms between observed items, the goodness-of-fit indices were not acceptable at the recommended levels.

Other competing factor models can fit the data reasonably. Figure 4-7 showed that “satisfaction” has seven items to measure the construct. In fact, the four items (i.e., decision, equal, agree, cooperate) were supposed to measure the “control mutuality” dimension. Although these four items can be incorporated into indicators of “satisfaction,” the face validity may cause problems in case of further analysis. Therefore, the original four items of “control mutuality” were dropped to simplify the measurement model. In general, reducing observed items may improve the model fit. Therefore, the four-factor model was the other competing model in that “trust,” “satisfaction,” “commitment,” and “personal network” could comprise the overall evaluation of Samsung Electronics from the perspective of retailers.

Figure 4-8 showed the four-factor model with 12 items. Dropping two proposed constructs resulted in much improved goodness-of-fit measures with ^{2}= 121.63, d.f. =34, $p< .001$, RMR= .15, NFI= .91; TLI= .90; CFI= .94; GFI= .95; RMSEA=.14.

Thus, the four-factor model encompassed “trust,” “satisfaction,” “commitment,” and “personal network.” Figure 4-8 presented the four-factor model with correlating error terms.

As shown in Figure 4-8, finally the four-factor model presented fairly satisfactory goodness-of-fit indices after allowing correlating error terms between residuals.

Figure 4-8. Retailers 4 factors 12 items, correlating errors

Figure 4-8 demonstrated the estimated effect of the dimensions on the observed variables. All the loadings were over .61, indicating that each dimension had moderately high explanatory power on the measuring items. All the estimated coefficients from each construct to the observed item were greater than 1.96 of t-value, meaning that all the loadings were significant at the 95 percent level. In particular, higher correlations were found among “trust” “satisfaction,” and “commitment.” In contrast, the correlation (.05) between “trust,” and “personal network” was not higher than the correlation between “trust,” “satisfaction,” and “commitment.”

It was noteworthy that “personal network” was still retained as a unique dimension regardless of any type of factor model when asking retailers’ perceptions of Samsung Electronics. In short, “personal network” performed as important relationship component when measuring organization-public relationships in a Korean cultural setting. The next phase was involved in selecting an appropriate model to represent the observed data with the proposed model. A model comparison test provided the statistically significant difference for the rationale of selecting the best model. If the competing model did not differ statistically from the baseline model, the factor loadings were invariant across samples. A comparison test between the models can assess whether a model best fits the observed data among the competing models. Thus, the next step was to compare the models based on the Chi-square, d.f., NFI, TLI and CFI. In fact, the goodness-of-fit measures indicated that the four-factor model fitted the data best among the models.

The following Table 4-5 showed the comparison fit of the four-factor models between non-correlating error model and correlating error model.

Table 4-5. Summary of goodness-of-fit indices for four models

Number of Factors	Chi-Square	d.f.	RMSEA	p value	RMR	TLI	CFI
~~6 (16 items)~~	~~1406.90~~	~~237~~	~~.15~~	~~p<.01~~	~~.23~~	~~.63~~	~~.68~~
~~5 (16 items)~~	~~531.09~~	~~94~~	~~.12~~	~~p<.01~~	~~.16~~	~~.78~~	~~.78~~
~~4 (16 items)~~	~~560.58~~	~~98~~	~~.17~~	~~P<.01~~	~~.17~~	~~.77~~	~~.82~~
~~4 (12 items)~~	~~141.38~~	~~36~~	~~.14~~	~~p<.01~~	~~.15~~	~~.88~~	~~.91~~
~~4 correlating errors (12 items)~~	~~121.63~~	~~34~~	~~.14~~	~~p<.01~~	~~.15~~	~~.90~~	~~.94~~

As shown in Table 4-5, the model comparison test indicated the superiority of the four-factor model with correlating errors over the four factor model with non-correlating errors. Chi-square comparison tests showed why the four-factor with non-correlating errors was rejected in favor of the four-factor model with correlating errors.

One caveat needs to be considered when choosing the appropriate model. The model choice should be based on theoretical reasoning and rational support. By and large, the similar perceptions of the retailers between "commitment," "control mutuality," and "satisfaction" resulted in the four-factor model. Although the four-factor model was not consistent with the proposed six-factor model based on Huang's initial study, the four-factor model fitted the data best among the models.

Table 4-6. Model comparison test of the two models

four factor model vs. four factor model with correlating errors
$^{2}(2)$ =141.38-121.63=19.75 $p<0.05$

Note. $^{2}0.05$, =3.84

A model comparison test should have the same number of indicators and constructs between two models. The only difference is the number of parameters between two models. Therefore, the only pair of comparison test was between four-factor models. Table 4-6 indicated that the four-factor model with correlating errors was much better than the four factor model with non-correlating errors. There are several reasons to support the four-factor model. First, the indices of overall goodness of fit indicated that the model showed a satisfactory level. Second, estimated loadings from four constructs to observed items indicated that all loadings were statistically significant greater than 1.96 of t-value. Although "control mutuality" and "face and favor" were not included in the four-factor model, the retailers perceived that a similar relationship quality was explained by the "satisfaction" dimension. Thus, the four-factor model with adding correlating errors between items fitted the data well and appeared to measure retailer-Samsung Electronics relationships appropriately.

Result 2: Managers

The present study also attempted to examine an organization's perception of relationships with publics. The initial premise of the measurement of organization - public relationship is that the measure should reflect both sides' evaluations to develop more objective measures. Although most OPR measures have been developed from the evaluation of publics that are involved with an organization, the measures need to be tested by the organization's perspective to see whether the measures mirror the other side's evaluations of the relationship itself.

Table 4-7 exhibited the managers' perceptions of the retailers' relationships with Samsung Electronics. Except for a few items, the managers at Samsung perceived more positive evaluations than retailers of the retailers' relationships with Samsung Electronics. Managers perceived higher evaluations in the dimensions of "trust," "face and favor," and "personal network." In contrast, retailers perceived higher evaluations in the dimension of "commitment" than managers of Samsung Electronics. Both groups perceived similar levels in the dimensions of "satisfaction" and "control mutuality."

Table 4-7. Managers' perceptions of retailers' relationships with Samsung Electronics

Dimension	Variable (Variable name)	Mean	Standard Deviation	Cronbach's alpha
Trust	1. Retailers think members of Samsung are truthful with them. (Truth)	4.83	1.23	
	2. Retailers think Samsung treats them fairly and justly, compared to other manufacturers. (Fair)	5.40	1.05	
	3. Generally speaking, retailers don't trust Samsung.* (Credit)	5.43	1.06	
	4. Retailers think Samsung keeps its promises. (Keep)	5.30	1.06	
Overall Mean		5.24	.92	.86

Control Mutuality	5. Generally speaking, Samsung and retailers are both satisfied with the decision-making process (Decision).	4.54	1.05	
	6. In most cases, during decision-making both Samsung and retailers have equal influence. (Equal)	3.52	1.29	
	7. Both Samsung and retailers agree on what they can expect from each other. (Agree)	4.29	1.21	
	8. Both Samsung and retailers are cooperative with each other. (Cooperate)	4.96	1.19	
Overall Mean		4.32	.98	.84
Satisfaction	9. Generally speaking, retailers think Samsung members meet retailers' needs. (Meet)	4.74	1.13	
	10. Generally speaking, Samsung's relationship with retailers has problems. (Problem)*	4.83	1.15	
	11. In general, Samsung is satisfied with the relationship with retailers. (Satisfy)	4.67	.96	
	12. Samsung's relationship with retailers is good. (Good)	4.95	1.13	
Overall Mean		4.79	.87	.80
Commitment	13. Samsung does not wish to continue a relationship with retailers. (Continue)*	5.55	1.01	
	14. Retailers believe that it is worthwhile that Samsung try to maintain the relationship with them. (Maintain)	5.46	1.17	
	15. Samsung wishes to keep a long-lasting relationship with retailers. (Long)	5.31	1.29	
	16. Samsung wishes it had never entered into the relationship with retailers. (Enter) *	4.74	1.44	
Mean		5.00	1.19	.73
Face and Favor	17. Given a conflict situation, retailers will consider the *Quanxi* (relationship) between Samsung and retailers. (*Quanxi*)	4.07	1.37	
	18. When retailers have favors to ask, Samsung will give retailers face and render its help. (Favor)	4.40	1.05	

Continued. Table 4-7.

	19. In certain conditions, Samsung will do the face work (*chaemyun*) for retailers. (Face)	4.36	.99	
	20. Given a situation of disagreement, Samsung will do face-work for retailers. (Lose)	4.24	1.09	
Overall Mean		4.51	.78	.70
Personal Network	21. When necessary, retailers seek important people who they know at Samsung. (Seek)	4.74	1.16	
	22. Retailers can get a better deal at Samsung Electronics through my contact at Samsung. (Deal)	4.15	1.50	
	23. Without a personal network at Samsung, it is hard for a retailer to make a profit. (Network)	3.11	1.38	
	24. If a retailer has any "*yon*" with Samsung, they can benefit in doing business with Samsung. (*Yon*)	3.65	1.49	

Overall Mean		3.91	1.13	.83

As in the case of the retailers, the instrument sought Samsung managers' perceptions of Samsung Electronics-retailers' relationships. As with the retailers, exploratory factor analysis was used for the first step and confirmatory factor analysis was used to attempt to test the proposed model of the present study as a second stage.

As applied in the retailers' analysis, the same criteria were employed to determine the relevant number of observed variables for the subsequent analysis. First, item loadings (standardized regression coefficient) had to exceed .60 on at least one factor. Second, for those items with factor loadings exceeding .60 on more than one factor, a minimum difference of .1 between factor loadings was required. Third, if the difference between two loadings is large, the items were candidates for deletion. Since the purpose of the present study was to identify the standard measurement model which is applicable for both retailers and managers, the process for deleting items should be equivalent to that used for the retailer group. The application of the criteria resulted in deletion of 8 items out of 24 items: "credit," "problem," "enter," "*quanx,I,*" "favor," "face," "lose," and "network." The remaining 16 items were identical to items for the group of retailers. Table 4-8 exhibited the exploratory factor analysis of the manager group.

Table 4-8. Managers: EFA, principal component analysis, orthogonal rotation

	Factors					
Items (Variable name)	1	2	3	4	5	6
Q.1. Truth	**.560**	.482	-.020	-.008	.346	.121
Q.2. Fair	.510	**.603**	.028	-.229	.031	.188
Q.3. Credit	.485	**.615**	.032	-.180	.055	.124
Q.4. Keep	.319	**.720**	.002	-.193	-.010	.343
Q.5. Decision	**.679**	.319	.132	-.179	-.147	.102
Q.6. Equal	**.736**	-.021	.299	-.074	-.062	.082
Q.7. Agree	**.810**	.079	.144	.047	.109	.020

Q.8. Cooperate	**.700**	.324	.199	-.092	.160	-.048
Q.9. Meet	**.740**	.220	.081	-.076	.227	.044
Q.10. Problem	.444	.099	-.022	-.085	**.612**	.169
Q.11. Satisfy	**.686**	.338	.007	-.002	.148	-.213
Q.12. Good	**.585**	.282	.024	.065	.324	-.266
Q.13. Continue	.255	**.697**	.172	-.031	.268	-.213
Q.14. Maintain	.073	**.792**	.129	-.040	.189	-.151
Q.15. Long	.262	**.653**	.285	.092	.144	-.276
Q.16. Enter	-.015	.189	-.084	-.218	**.741**	-.005
Q.17. *Quanxi*	.298	.236	.439	.059	**.563**	.013
Q.18. Favor	.087	.099	**.798**	.028	-.158	.157
Q.19. Face	.120	.061	**.772**	-.042	-.011	-.114
Q.20. Lose	.232	.155	**.642**	.015	.246	.190
Q.21. Seek	.012	-.063	.141	.195	.098	**.717**
Q.22. Deal	-.146	.034	.076	**.785**	.029	.015
Q.23. Network	-.002	-.192	.050	**.691**	-.054	.187
Q.24. *Yon*	-.036	-.062	-.147	**.808**	-.224	-.009
Eigen value	8.25	2.18	1.60	1.54	1.27	1.02
% of variance	34.36	9.09	6.66	6.40	5.28	4.27

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

Table 4-8 presented the factor loadings of 24 items and six-factor structure based on exploratory factor analysis. Overall, 69 percent of variances, which added all variances of each factor, were explained by the six factors. In general, factor loadings ±.50 or greater were considered practically significant.

As shown in Table 4-8, the eight items loaded on the first factor were as follows: “truth,” “decision,” “equal,” “agree,” “cooperate,” “meet,” “satisfy,” and “good.” All the items of the intended “control mutuality” dimension represented the construct, which was closely related to the “control mutuality” dimension. Three items (meet, satisfy, and good) of “satisfaction” loaded on the first factor. Thus, the first factor structure primarily represented the “control mutuality” and “satisfaction” constructs.

The items in the second factor commonly represented the “trust” and “commitment” dimension. Respectively, three items of the “trust” and “commitment” dimensions suggested these two constructs shared much of the variance simultaneously based on the correlation analysis. The managers at Samsung tended to perceive that the retailers regarded Samsung as trustworthy. Managers at Samsung Electronics perceived that the retailers would develop commitment relationships with Samsung Electronics on a long-term basis. Hence the second factor represented that the one combined dimension could represent “trust” and “commitment.”

The third factor evidently represented the “favor and face” dimension. The three items of “favor,” “face,” and “lose” validated the existence of the construct that Huang suggested for the OPR measure in Confucian culture.

The four items in the fourth factor represented the “personal network” dimension accurately as intended in the original measure of the construct. Relatively high loadings explained suitably the dimension of the fourth factor with “deal” (.79), “network” (.69), and “*yon*” (.81). Although CFA needed to confirm the proposed factor structure, the preliminary EFA structure indicated that the fourth factor structure represented a separate dimension, which was “personal network.” The existence of the “personal network” dimension provided evidence of discriminant validity in the development of measures of unobservable constructs.

The fifth factor included “enter,” “*quanxi*,” and “problem.” As shown in Table 4-8, all three items were supposed to measure different constructs. It was hard to define the fifth factor with a single label because of different loaded items and lower loadings compared to other dimensions.

The last factor contained only one item of “seek” with a loading of .72. Although the sixth factor contained a single variable (item), which was supposed to measure the "personal network" construct, the one item explained the exceptionally large amount of variance with nine percent.

However, the remaining items were 16 items to be an equivalent measure with retailer group. Thus, CFA analyzed 16 items out of 24 items to test the organization-public relationship from the perspective of managers. In other words, the construct of "face and favor" was dropped in the estimation of the measurement model.

By a similar method shown in the retailer sample, the second phase was to test whether the observed data could fit the proposed model, which consisted of five-factors. Table 4-10 displays the correlation matrix among the 16 items, which provided a basis to estimate the regression coefficient between constructs and their intended observed items. In general, the sub items of a measuring instrument were considered to represent the factors; all items comprising particular sub items were therefore expected to load onto their related factor.

First of all, the hypothesized five-factor model needed to be tested, in that the proposed model was expected to result in five factors when measuring organization-public relationships. The CFA model in the present study hypothesized a priori that: (a) responses to the OPR measures could be explained by five factors; (b) each item would have a nonzero loading on the factor it was designed to measure, and zero loadings on all other factors; (c) the five factors would be corrected; and (d) measurement error terms would be uncorrelated.

Table 4-10. Managers group: correlation matrix for 16 items

Item	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Truth	1.0															
Fair	.66	1.0														
Keep	.50	.60	1.0													
Decision	.48	.54	.47	1.0												

Equal	.44	.40	.27	.57	1.0											
Agree	.47	.47	.30	.50	.65	1.0										
Cooperate	.55	.55	.47	.57	.50	.60	1.0									
Meet	.56	.52	.39	.56	.46	.57	.59	1.0								
Satisfy	.52	.48	.42	.48	.39	.54	.57	.60	1.0							
Good	.56	.43	.27	.40	.25	.44	.55	.57	.64	1.0						
Continue	.50	.52	.46	.36	.18	.32	.54	.43	.50	.50	1.0					
Maintain	.42	.47	.50	.30	.15	.22	.41	.32	.31	.35	.66	1.0				
Long	.45	.39	.43	.42	.33	.35	.40	.34	.47	.38	.56	.58	1.0			
Seek	.02	.01	-.05	.05	.02	.07	-.01	.03	-.01	.03	-.05	-.08	-.12	1.0		
Deal	-.05	-.18	-.19	-.17	-.12	-.04	-.18	-.12	-.08	.01	-.01	-.01	.04	.17	1.0	
Yon	-.16	-.24	-.16	-.22	-.07	.03	-.15	-.19	-.10	-.02	-.16	-.16	-.05	.07	.48	1.0

Item: variable name

The CFA measurement model was presented in Figure 4-10. Figure 4-10 presented the five-factor model with 16 items without correlating error terms between the errors of the observed variables. Although the loadings from six relational constructs to measurement items showed statistical significance with greater than 1.96 of t-value, the overall model fit did not reach acceptable levels of fit measures ; ^{2}= 281.57, d.f.=94, p<.001, NFI=.86. TLI=.87, CFI=.90, SRMR=.09, GFI=.90. All the fit measures were an inadequate fit for organization-relationship measurement.

One noticeable pattern among the constructs was that positive correlation coefficients were found among "trust," "control mutuality," "commitment," and "satisfaction," whereas negative correlations were found between four dimensions (trust, control mutuality, satisfaction, commitment) and the newly added dimension such as "personal network," as representing a relational culture in South Korea. The classification of two larger dimensions suggested that the relational dimension to measure OPR might be classified by two larger categories, which are generic and culture-specific dimensions.

Figure 4-10. Managers: 5 factor model, 16 items

Figure 4-11. Managers: 5 factor model, 16 items adding covariances of errors

Figure 4-11 illustrated the five-factor model, allowing correlating error terms between observed items. Although the goodness-of-fit measures improved more clearly than in the five-factor models with no correlating error terms, the goodness-of-fit measures still suffered from an inadequate levels of acceptance: ^{2}= 234.04, p<.001, d.f.=90, NFI=.88. TLI=.90, CFI=.92, SRMR=.08, GFI=.91. In general, a rule of thumb for fit measures recommends that NFI, TLI, and CFI be over .90 levels in order to be an acceptable measurement model. In addition, correlating error terms between observed items were not necessarily supported by theoretical reasoning. Lack of theoretical reasoning when correlating errors made it difficult to interpret the model even if the fit measures exhibited acceptable levels.

Figure 4-12 demonstrated the four-factor model, which consisted of 16 items, continuously retained from the five-factor model. The goodness-of-fit measure showed that the five factor model of the fit measures improved compared to those of the five factor model; ^{2}= 231.78, d.f.=95, p<.001, NFI=.88, TLI=.91, CFI=.93, RMR=.08, GFI=.90.

After conducting the modification procedure and adding error variances between error terms, the CFA model appeared to be moderately acceptable. Although NFI showed less than .90, the other fit indices showed an acceptable range. The four-factor model confirmed that the items of "control mutuality" were able to explain the characteristic of "satisfaction" very closely.

Figure 4-12. Manager group, 4 factors, 16 items

As noted in the four-factor model, the generic features (trust, satisfaction, commitment) showed moderately positive correlations among themselves, whereas correlations with specific feature (personal network) showed negative correlations.

Another competing model is shown in Figure 4-13. Figure 4-13 corresponded to the retailer group with a four-factor model and12 items.

The four factor CFA model showed the overall fit measures were adequate; ^{2}= 94.33, p<.001, d.f.=44, NFI=.93. TLI=.94, CFI=.96, SRMR=.07, GFI=.94.

Although the dimensions of "satisfaction" and "control mutuality" similarly shared the variance of the perceptions of relationship, conceptually the items of "satisfaction" could explain overall variance of these two dimensions. Therefore, redundant variances of the two constructs made it possible to drop the items of "control mutuality." As in the group of retailers, dropping the construct of "face and favor" made it possible to compare the model of the manager group with the retailer group. Thus, a four-factor model consisting of “trust,” “satisfaction,” “commitment,” and “personal network” can explain the relational dimensions of Samsung Electronics and its retailers from the perspective of Samsung Electronics.

The four-factor model was the most parsimonious model, comprised of four dimensions and 12 items. All the estimated parameters of loadings showed reliable values greater than .63. As identified in the earlier models, the correlations between “personal network” and other dimensions showed negative correlations. The noticeable pattern suggested that “trust,” “commitment” and “satisfaction” were closely associated, whereas “personal network” was an isolated dimension compared to the other dimensions when it comes to OPR measurement.

Negative correlations between “personal network” and three dimensions suggested that managers at Samsung Electronics did not perceive that “personal network” had influence on relationship building between the two parties. Managers at Samsung perceived that the three dimensions were able to perform as positive components of relationship quality. In contrast, they did not necessarily perceive that “personal network” facilitates relationship building with retailers.

Figure 4-13. Manager group, 4 factors, 12 items

In short, a four-factor model with adding error covariance provided a valid and reliable measurement construct for an organization-public relationship scale. The dimension of “control mutuality” was accounted for by the dimension of “satisfaction” and the variances of “face and favor” were commonly explained by “satisfaction.” Although the original six-factor proposed model hypothesized that the six-factor model would fit the data, the four-factor model fitted the data as opposed to the proposed six-factor model. Results of these analyses suggested that the managers at Samsung perceived “control mutuality,” “face and favor,” and “satisfaction” with similar relationship quality.

In a similar method to that of the retailer group, a model comparison test made it possible to compare the models based on the fit measures. In essence, a model comparison test examines whether the Chi-square difference between the CFA models is statistically significant based on the degree of freedom and sample size.

The following Table 4-11 showed the comparison fit of the four models on the perception of Samsung-retailers relationships. Table 4-11 showed that the smaller factor model improved goodness of fit.

Table 4-11. Summary of goodness-of-fit indices for four models

Number of Factors	Chi-Square	d.f.	RMSEA	P value	SRMR	TLI	CFI
~~6 (16 items)~~	~~773.73~~	~~237~~	~~.10~~	~~p<.001~~	~~.10~~	~~.78~~	~~.81~~
~~5 (16 items)~~	~~234.04~~	~~90~~	~~.08~~	~~p<.001~~	~~.08~~	~~.90~~	~~.92~~
~~4 (16 items)~~	~~231.78~~	~~95~~	~~.08~~	~~P<.001~~	~~.08~~	~~.91~~	~~.93~~
~~4 (12 items)~~	~~130.60~~	~~48~~	~~.08~~	~~P<.001~~	~~.07~~	~~.91~~	~~.92~~
~~4 correlating errors (12 items)~~	~~94.33~~	~~44~~	~~.07~~	~~P<.001~~	~~.07~~	~~.94~~	~~.96~~

Chi-square comparison tests showed that the Chi-square difference between the models supported the four-factor model with correlating errors between indicators. Table 4-11 suggested that the best model was the four-factor model over the four-factor model without correlating errors. As noted in Table 4-12, since the Chi-square difference was larger than the critical *t* value (t=9.48) with degree of freedom of 4, the less chi-square is better than the larger model with Chi-square value.

While the four-factor model was not consistent with the proposed six-factor model based on Huang's study, the variance of the data suggested that the four-factor model fitted best.

Table 4-12. Model comparison test

Four-factor model with correlating errors vs. four-factor model without correlating errors
$^{2}(4) = 130.60 – 94.33 = 36.27$ $p<0.05$

Note. ^{2}0.05, 4=9.48

As with the retailers, the four-factor model appeared to capture the organization-public relationship best from the perspective of Samsung Electronics. On the part of Samsung Electronics, the absence of "control mutuality" and "face and favor" is reasonable when it comes to organization-public relationships, since the organization tends to consider itself as having more control power and being less in need of investing "face and favor" to return benefit from the retailers and maintain the relationship on a long-term basis. Managers at Samsung considered that the primary "satisfaction" of retailers could capture the relationships with their company.

Finally, a complement assessment of discriminant validity was to determine whether the confidence interval (± 1.96 standard error) around the correlation estimate between the two factors includes 1.0. If the confidence interval includes 1, the discriminant validity is in doubt. If the confidence interval does not include 1, we can say that the discriminant validity is satisfactory. Table 4-16 showed that the confidence interval of the three groups (retailers, managers, and combined group).

Table 4-16. Confidence interval of estimated correlations between two factors

Model	Correlation confidence interval between factors	Level

Retailers 4 –factor, 12 items	Trust –Satisfaction .67 ± 1.96 (.16) = .356 .984	Acceptable
	Trust –Commitment .50 ± 1.96 (.10) = .304 .696	Acceptable
	Trust –Personal network .02 ± 1.96 (.13) = -.235 .275	Acceptable
	Satisfaction – Commitment .85 ± 1.96 (.14) = **.576 1.12**	**Not Acceptable**
	Satisfaction – Personal network .40 ± 1.96 (.15) = .106 .694	Acceptable
	Commitment –Personal network .39 ± 1.96 (.11) = .174 .606	Acceptable
Managers 4 –factor, 12 items	Trust –Satisfaction .75 ± 1.96 (.09) = .574 .926	Acceptable
	Trust –Commitment .61 ± 1.96 (.08) = .453 .767	Acceptable
	Trust –Personal network -.24 ± 1.96 (.06) = -.358 -.122	Acceptable
	Satisfaction - Commitment .69 ± 1.96 (.07) = .553 .827	Acceptable
	Satisfaction – Personal network -0.07 ± 1.96 (.05) = -.168 .028	Acceptable
	Commitment –Personal network -0.07 ± 1.96 (.05) = -.168 .028	Acceptable
Combined 4-factor, 12 items	Trust –Satisfaction .75 ± 1.96 (.08) = .593 .907	Acceptable
	Trust –Commitment .70 ± 1.96 (.07) = .563 .837	Acceptable
	Trust –Personal network -0.09 ± 1.96 (.06) = -.207 .028	Acceptable
	Satisfaction – Commitment .78 ± 1.96 (.07) = .643 .917	Acceptable
	Satisfaction – Personal network .19 ± 1.96 (.06) = .07 .307	Acceptable
	Commitment – Personal network .19 ± 1.96 (.05) = .092 .288	Acceptable

The only problem was found in “satisfaction-commitment” in the retailer 4-factor, 12 items. The correlations interval included 1, which was a perfect correlation. Thus, the inclusion of 1 suggested that retailers perceived the two constructs equivalently. However, managers and the combined group showed the interval of estimated correlations between “satisfaction-commitment” was acceptable.

Overall, the results showed that the observed data supported a four-factor model, which consisted of “trust,” “commitment,” “satisfaction,” and “personal network” in the manufacturer-retailer relationship in South Korea. Given the more conservative statistical procedures via EFA and CFA, the findings of the study suggested that the more parsimonious model rather than the existing measure can capture the organization-public relationship validly and reliably.

V. DISCUSSION

Most public relations professionals have come to recognize the needs of public relations research to evaluate the overall effectiveness of a public relations program by measuring outputs and outcomes against a predetermined set of objectives (Lindenmann, 2003). The need of a quantifiable measure of public relations activities is an increasingly important theme when the economic situation is not favorable. Public relations as relationship management posits that the value of public relations is determined by the mutual relationships with strategic publics. In other words, organization-public relationships with key publics ultimately determine the organizational success or failure. Subsequently, diagnosing relationship quality with the two parties (organization and public) is an antecedent footstep to build or maintain public relationships with the strategic stakeholders. As part of the development of a diagnostic tool for measuring relationships, the present study attempted to devise a measurement scale of organization-public relationship.

Summary of Findings

Although each of the two data sets displayed a four-factor structure as opposed to the proposed six-factor structure, the two groups of subjects similarly supported the four-factor measures as a valid and reliable instrument for measurement of an organization-public relationship.

The present study proposed that six dimensions were conceptually distinctive dimensions to measure organization-public relationships. Retailers perceive “satisfaction” more distinctively compared to other relationship qualities such as “control mutuality” and “face and favor.” High covariances in “satisfaction-control mutuality” and “satisfaction-face and favor” suggested that two constructs (control mutuality, face and favor) shared their variances with the dimension of “satisfaction.” Two alternative remedies can improve the unacceptable six-factor CFA model resulting from the perceptions of retailers. First, the items of “control mutuality” or “face and favor” can measure the dimension of “satisfaction” due to their high covariances with the dimension of “satisfaction.”

Second, the intended items of “control mutuality” and “face and favor” were dropped to simplify the covariance matrix and the resulting model. As shown in the four-factor model, the acceptable indices of goodness of fit were achieved by dropping the operationalized eight items designed to measure “control mutuality” and “face and favor.”

This does not mean the retailers do not value “control mutuality” and “face and favor,” but that they perceived the two constructs in a similar way with the dimension of “satisfaction” when evaluating organization-public relationships.

Despite the difficulty of measuring a public relationship in this setting, it is hard to conclude that the observed data fitted the proposed six-factor instrument. The results suggested that the retailers perceived “commitment,” “control mutuality” and “satisfaction” similarly. Thus, discriminant validity caused trouble for the proposed six-factor model.

In contrast, the managers representing Samsung Electronics’ position perceived more distinctively the “face and favor” dimension than did the retailer group. A five-factor model comprised of “trust,” “satisfaction,” “commitment,” “face and favor,” and “personal network” was able to explain the covariance matrix appropriately. Moreover, the four-factor model excluding “face and favor” shows to be a better, more improved model than the five-factor model, which retains the “face and favor” dimension. When considering relationship quality from the perspective of the organization, managers at Samsung were more likely to be concerned with the public’s overall satisfaction and the extent to which retailers were satisfied with the organization.

One of the important findings was that both groups of subjects perceived “personal network” as a distinctive relationship dimensions in the context of organization-public relationships no matter what the factor structure generates. Regardless of affiliation, the two groups commonly perceived “personal network” as a distinctive relationship dimension.

However, perceptual comparison of the two groups in the dimension of “personal network” showed different directional estimated parameters. The opposite directional estimates revealed that the two groups perceived “personal network” in a different way. While retailers considered “personal network” as a positively associated dimension to build and maintain relationships with Samsung Electronics, managers at Samsung did not feel that “personal network” can constitute a relational element that measures organization-public relationships. In other words, managers did not perceive that a “personal network” would enhance relationship building between their company and retailers.

The estimated parameters from higher construct (OPR) to three relational dimensions (trust, satisfaction, commitment) showed relatively higher loadings, suggesting that the three dimensions have stable explanatory power.

Finally, the present study attempted to test whether the proposed six-factor model fit the observed data based on the combined sample. Two additional reasons made it possible to use the combined group of the sample. First, the use of identical questionnaires to both groups provided the rationale for the use of combined data. The combined data reflected multiple aspects of the parties involved in the relationship. Thus, the instrument can represent more objective views of those engaged in the relationship. Second, the combined group can provide a chance of more validation for the tested instrument in an earlier stage, which was conducted in the retailer group and manager group separately.

The Development of a Structural Relationship Model

The concept of relationship management began to emerge in the mid 1980s in public relations literature. To date, empirical models of relationship measurement studies have centered on multiple relational dimensions when considering organization-public relationships. Public relations scholars suggested important relational dimensions from other disciplines such as interpersonal communication, social psychology, and relationship marketing (Bruning & Ledingham, 1999; Hon & J. Grunig, 1999: Huang, 1997, 2001; Ledingham & Bruning, 1998; Kim, 2001).

Previous measurement models have been suggesting multiple relational dimensions assuming all sub-dimensions have equivalent components. For example, in the present study, there is no sequential order in terms of antecedent and successor among the dimensions (e.g., trust, satisfaction, commitment, personal network). All relational dimensions are treated equally to be included in the measurement model. In the second order CFA, all four dimensions consist of organization-public relationship.

One important finding of the present study was that the generic measures (trust, commitment, control mutuality, satisfaction) are closely related to each other. Both EFA and CFA demonstrated these dimensions were moving together, suggesting that the discriminant validity is in doubt. While many relational dimensions are proposed depending on the organization-public context, other disciplines have been suggesting that antecedent-successor patterns exist between the relational dimensions (Morgan & Hunt, 1994). In the context of this study, the dimension of satisfaction of a business relationship (manufacturer-retailer) seems to play a mediating role among the dimensions. As shown in Figure 5-1, this path model illustrated the alternative model, suggesting the structure of antecedent and successor. While the model goodness of fit was not quite satisfactory (Chi-square=210.29, d.f.=47, p<.001, RMR=.17, GFI=.87, NFI=.88, TLI, .86, CFI=.90), the model is marginally good to consider as a structure model.

Figure 5-1. Retailer group – structure model of relational dimension

Figure 5-2 showed the structural model of the manager group, indicating the sequential structure with satisfactory model fit (Chi-square = 128.61, d.f.=47, p<.001, RMR=.12, GFI=.92, NFI=.90, TLI=.90, CFI=.93). These two structural models indicated that there exists some cause and effect relationships among the dimensions. In the retailer group, the "trust" dimension, which in return affects "commitment" and "personal network" are antecedent dimensions and "satisfaction" is mediating.

Figure 5-2. Manager group – structure model of relational dimension

If we accept that the operative effect of relationship management is to initiate, maintain, and enhance the relationship with the strategic public, then it would appear that trust and personal network might play antecedent roles to the development of satisfaction and commitment. If the primary purpose of relationship management is to engender the public's loyalty, finally resulting in increased commitment and bottom line benefits (e.g., sales figure, profit), it would seem that the structural model may explain better than the simultaneous measurement model.

It is reasonable to infer that trust precedes satisfaction in evaluating the relationship. With similar reasoning, commitment logically comes after one party becomes satisfied with the relationship. Therefore, it is rational to conceptualize that satisfaction is an antecedent dimension over commitment. The probable existence of structure among the relational dimensions can provide a more solid framework to measure organization-public relationship. Studies in the area of supplier-customer relationships led to the exposition of the dimensions of trust and commitment (Whitener et al. 1998). Additional antecedent dimensions may include control mutuality, community involvement, distribution of power, and corporate reputation. These dimensions may affect the satisfaction level of any party.

Thus, as shown in Figure 5-1 and 5-2, the structural model may provide a more reasonable picture to illustrate the interactions among the relational dimensions. The path estimated coefficient clearly indicated the causal link from antecedent dimension (e.g., trust) to consequent dimension (e.g., commitment). By focusing on these possible antecedents to satisfaction or commitment, it may be possible to develop a more advanced measurement model of organization-public relationship and empirically demonstrate the existence of an organization-public relationship.

The possible structure of relational dimensions may shed light on the sequential flow and relationship management strategy. Relationship building requires perceived trust from one party. Experiences of trust and control mutuality may lead to perceived satisfaction. Finally, overall satisfaction with interaction between parties may lead to commitment or desired behavior that an organization or public wants to achieve. Causal relationships between relational dimensions and relational outcome may provide more practical information. For example, public relations practitioners may want to know the primary relational dimensions for developing a relationship with any strategic public when confronting an issue which affects the organizational bottom line. By recognizing the need for "trust" to build a relationship in an initial stage, public relations professionals may launch strategic public relations programs.

Scaling Procedures

Knowledge accumulates in the social sciences when researchers compare their results with the results of previous studies. It is generally agreed that measures of latent theoretical constructs require multiple items or statements to more accurately reveal the varying levels of the constructs (Clark & Watson, 1995; Richard & Kubany, 1995). Since relationship is latent and psychologically abstract, it cannot be directly measured and a scale must be constructed. As theories in the social sciences develop and evolve, so does the need to test them objectively. Multiple tests and applications over time are required, and some of these may require a refinement of the constructs. These theories require operationalizations of the constructs of interest. Two critical issues arise at this stage. These are the validity and reliability issues.

By and large, construct validity is viewed as the extent to which an operational measure truly reflects the concept being investigated or the extent to which operational variables used to observe covariation in and between constructs can be interpreted in terms of theoretical constructs (Calder, Philips, & Tybout, 1982). Content and face validity reflect the extent to which a construct is translated into the operationalization of the construct (Trochim, 2002). Assurances of content validity are based upon a priori theoretical, item generation, and judging efforts. The basic objective, then, is to ensure that the items reflect the content areas encompassed by the target construct. As such, content validity is manifested from procedures at the initial stages of scale development that generate items representative of the domain of the focal construct.

A measure is said to possess convergent validity if independent measures of the same construct converge, or are highly correlated. Evidence of convergent validity is offered by significant and strong correlations between different measures of the same construct. Discrminant validity requires that a measure does not correlate too highly with measures from which it is supposed to differ. In the present study, the finalized four-dimensions should have a different conceptual image in the minds of the two groups.

In the four-factor model for each group, the loadings from the constructs to the items successfully showed all the significant loadings. All significant coefficients suggested that convergent validity was achieved. For the test of discriminant validity, three figures (Figure 4-7, Figure 4-12, Figure 4-17) showed that the correlation figures were not higher. This suggested that the four-factor model showed moderate discriminant validity among the constructs.

The importance of theory in developing measures of latent constructs cannot be overstated. Theory is concerned not only with the latent construct of interest but with the validity of the measurement of the construct as well. The relevance of a latent construct largely depends on the degree to which a measure actually measures the latent construct it is intended to measure. The purpose of the measurement of models using CFA is to empirically test how well manifest (observable) indicators (items) measure the constructs in the theory and test the hypothesized relations among the constructs of theory well. The study suggests that the four-factor model met these criteria. However, further replication can support the findings of the study.

General Measures and Specific Measures

The purpose of the present study was to test Huang's organization-public measurement scale and test an additional dimension (personal network) in a different cultural setting. Thus, the objectives of the study lie not in developing a new scale but in confirming and refining the previous scale with an additional dimension. One of the critical issues facing researchers is generalizability. That is, can the scale be generalized to other situation(s) under which it will be used? Another valid question is "Does the scale generalize across countries (i.e., cultures)?" Although the scale has been found to be reliable in other cultures, it is reasonable to ask to what extent culture affects the reliability of the scale. These issues are related to the issues of reliability and validity in terms of scale development.

The results of the study show that "trust," "satisfaction," "commitment" and "personal network" were found to be the best constructs when evaluating organization-public relationships in South Korea. Huang (2001) added the "face and favor" dimension to capture accurately the cultural setting in Taiwan. The results showed that "face and favor" was not a strong predictor in explaining the relationship of Samsung Electronics-retailers, which was in a different national setting. The results of the study provide evidence that the four-factor model is statistically sound and may be a more parsimonious measure of organization-public relationships than previous measures. The four-factor model was supported by the retailer group, the manager group, and the combined sample. The wide range of estimated coefficients exhibited in the two groups suggests that, as a whole, the evaluation weight was different depending on the organizational view or public view. As noted in the second order CFA, the two groups perceived "personal network” differently, suggesting that retailers perceive the dimension as important to the relationship measure, whereas managers at Samsung considered “personal network” less important than the retailer group did.

Thus, the results suggest that there are two categories of organization-public relationship measures: global measures and specific measures. In the present study, the global measures are “trust,” “satisfaction,” and ‘commitment,” whereas the specific measure is “personal network.” Global measures can represent generic relational characteristics that can explain the relational status no matter what the relationship between an organization and its public.

Much more attention has been paid to the generic relational dimensions such as trust, commitment, and satisfaction, widely in a number of disciplines. Scholarly interest in “trust” between an organization and its publics is not new nor is it isolated to a few disciplines. One of the tasks of public relations is to reduce the disparity in the level of trust between an organization and its publics. As trust grows, perceived risk decreases, and the engaged two parties facilitate their relationships. Reciprocity is fundamental to the development of trust in a relationship. Without trust, the parties cannot operate in a way that creates mutual benefits. When an organization and a public exchange rewards, the two parties may be prompted to positively evaluate the trust level in the relationship.

Trust has been studied in a way that examines its specific elements. Hon and J. Grunig (1999) argued that trust includes integrity, competence, and dependability. The nature of trust has been noted for including integrity, honesty, and consistency (Whitener, Brodt, Korsgaard, & Werner, 1998). Integrity refers to (1) the extent to which a party tells the truth and (2) the extent to which a party keeps its promises (Whitener et al., 1998, p. 516). As an organization increases in behavioral integrity, the organization is perceived as more trustworthy. Not only verbal consistency but also behavioral consistency describes the importance of positive actions over time.

Thus, trust is a generic conceptual component that all members of publics have a definition for. No matter what the type of organization-public context is, trust would be applied to evaluate the relationship.

Not surprisingly, many practical and theoretical models of relationships have explored satisfaction as a key determinant in relationship maintenance and the decision to continue or discontinue. In general, social exchange theory posits that one party's satisfaction is determined by the evaluation of perceived discrepancy between expectations and actual performance. If one feels that actual performance exceeds the level of expectations, he or she is more likely to be satisfied with the relationship. In contrast, if the actual performance is lower than the level of expectations, he or she would feel unsatisfactory with the relationship in which he or she is engaged. In a similar vein, Hon and J. Grunig (1999) stated that the discrepancy is calculated from the assessment of costs and benefits.

Thus, satisfaction is involved in most of the relational contexts in which an individual interacts, whether the other party is an organization or an individual. Taken together, the results suggest that the satisfaction measure can evaluate overall relationship quality as a generic measure.

Just as two parties may be motivated in their overall evaluation to take into account satisfaction level, the parties may be similarly motivated to make decisions to continue or discontinue their relationship. Commitment has been defined as the extent to which one party believes and feels that the relationship is worth spending energy to maintain and promote (Hon & J. Grunig, 1999). In any kind of relational context, level of commitment results in a decision to continue or discontinue the relationship between two parties. Therefore, commitment may be the final phase of evaluation of relationship as a generic component in one of the relational dimensions.

In contrast, a specific measure can capture and explain a unique relational status, found in a certain culture or a certain relational context. As Huang (2001) found, “face and favor” is a critical relational dimension in a Confucian society such as Taiwan. Dimensions of a specific measure can contribute much of the variances in relational scores. By similar reasoning, “personal network” can explain much of the variances in any kind of organization-public relationships in South Korea.

It is hard to argue that organization-public relationships can be measured with a standardized scale of OPR regardless of culture or organization-public setting. These arguments can be paralleled with earlier findings of international public relations. Several studies have found the presence of the “personal influence” model in other countries, in addition to J. Grunig’s public relations models. Similar patterns were found by the measurement scale of organization-public relationships in Huang’s study and this study.

Global measures may be more widely used than specific ones to measure organization-public relationships. The results of the study support the classification of the OPR measures into global and specific measures. Specific measures such as “personal network” and “face and favor” can enhance the explaining power of the OPR measure in addition to the global measures.

It has been found that the global measures are commonly used scales in many disciplines such as interpersonal communication, social psychology, and relationship marketing. Figure 5-1 depicts the hierarchical structure of organization –public relationships.

Figure 5-3. Two structures of OPR measures in a four-factor model.

As shown in Figure 5-3, global measures are placed in the inner circle of the structure, constituting of core relational features, which are applicable in any organization-public setting. In contrast, “personal network” is located in the outer circle of the structure when evaluating organization-public relationships.

The framework of two hierarchical structures can deepen the understandings of relational features depending on the relational context between an organization and its public. There are numerous relational contexts between an organization and its public. Consider a number of publics which can impact the organizational bottom line: employees, investors, local community, media, local government, federal government, activist group, consumers, legislators and so forth. It is not reasonable to apply standardized OPR measures to evaluate any certain organization-public relationship. It is more reasonable for a researcher to apply the generic measures and add specific measures depending on the context to capture the specific relational characteristics. For example, when evaluating the relationship between GE and its publics, the evaluating criteria of journalists may not be same as those of consumers. While journalists might value “trust” as the most important dimension in terms of the quality of organizational information, consumers are more likely to be concerned with the “satisfaction” or “commitment” dimension. For that reason, OPR measures are adapted depending on the organization-public relationship.

Results revealed that scholars need to be cautious regarding interpretation of instrument equivalence. The present study suggested that an OPR instrument is hard to be equivalent when used in a cross-cultural setting. This may hamper the development of universal OPR measures. However, we can determine the standard score based on the summated score of global measures. This method can result in comparisons across organization-public settings.

Two Group Differences

The results of the Samsung Electronics-retailers study gave a concise picture of individuals' perceptions of relationships. Although Broom, Casey and Ritchey (1997) argued that objective relationship measurement is theoretically possible, to date no study has been done to capture the independent relationship between two parties. Comparing the partners' two responses on individual items can reveal differences in perceptions that contribute to any conflict or certain aspect of a relational dimension. Comparing the perceptions held by two sides can be helpful in determining organizational strategy in building relationships.

The results of estimated coefficients suggest that managers assessed the "trust" dimension higher than the retailer group in evaluating the organization-public relationship. In contrast, retailers, as a whole, considered the "satisfaction" dimension more important than the manager group did. Given the relational context between retailers and a business organization, the results were reasonable in that managers at Samsung were more likely to be concerned with features of their organizational "trust." In a measurement scale of OPR, Hon and J. Grunig (1999) operationalized "trust," which was constituted of three subdimensions: integrity, competence, dependability. For the relevant context of the present study, four items were operationalized in the study: "Members of Samsung are truthful with us," 'Samsung treats me fairly and justly compared to other manufacturers," "Generally speaking, I don't trust Samsung," and

“Samsung keeps its promises.” These four items seem to represent the aspects of integrity and dependability. Managers at Samsung were more likely to care about the aspects of corporate reputation, which was closely associated with the “trust” dimension. The growing importance of relationship marketing has heightened interest in the role of trust in fostering strong relationships. It is plausible for managers to consider “trust” an essential element in building strong retailer relationships and a sustainable market share.

With regard to the “satisfaction” dimension, the results indicate that retailers assessed this dimension as more important than the manager group did. It is not surprising to find that the satisfaction dimension was perceived as more important to the public side than the organization side.

Satisfaction has been defined in many ways by researchers over the years. Relationship satisfaction has been defined as a member of the public’s affective state resulting from an overall appraisal of his or her relationship with an organization. Satisfaction has been viewed as a cumulative effect over the course of a relationship, compared with satisfaction that is a specific one-time transaction. Thus, relational satisfaction is an antecedent variable affecting other relational outcomes such as commitment or loyalty. As a determinant of satisfaction, the most widely known theoretical framework is social exchange theory. The level of satisfaction depends on the comparison between expectation and performance. If the performance (e.g., service or product) exceeds expectations, individuals feel satisfaction. Conversely, if performance of the service or the product is less than the level of expectation, people may feel dissatisfaction toward an organization. Given the recognized importance of the satisfaction principle in public relationships, retailers would perceive satisfaction as more important than the managers at Samsung do.

Commitment is generally regarded as an important result of good relational interactions. The items of “commitment” in this study represent the public’s or the organization’s enduring desire to continue their relationship. The results of the study show that both groups perceived the importance of “commitment” similarly.

The most striking perceptual gap was found in the “personal network” dimension. Retailers viewed “personal network” as a necessary condition to build and continue a relationship with the company. In contrast, managers perceived that the aspect of “personal network” would not necessarily increase relationship building positively. With respect to the “personal network” dimension, there was a motivational difference between the organization and its public. Retailers expected a positive effect from “personal network,” considering it a necessary relational quality to maintain better relationships. In a specific cultural setting, a public (retailers) may feel that they do not have the same power with the organization (Samsung). Retailers may feel that personal network plays a part, in case of an unfavorable situation, in getting any kind of benefits. i.e., through established personal contacts at Samsung. Conversely, managers at Samsung Electronics may be concerned that the use of “personal network” risks the ethical business relationship between their company and its retailers. Therefore, “personal network” is a culturally specific dimension found in South Korea. In particular, the essential components of “personal network” did not fit with the ethical principles of relationship management. However, a number of studies on international public relations have found that personal connection or personal network is a critical component to understanding the practice of public relations in Korea. With respect to key relational dimensions in a given culture to understand organization-public relationships, identifying a critical dimension which can capture the whole relational structure is important no matter if the dimension contains negative quality or not.

Although many public relations professionals agree that "personal network" sometimes includes negative components, they follow the way of considering it customary to facilitate their relationship with a public. For example, to facilitate a personal relationship with journalists, it is customary for public relations professionals to give a gift and entertain them during the annual holidays in South Korea.

In modern Korean society, the focus on individual and social relationships has inhibited the development of professional relationships where fairness and openness are sought. Effectiveness in organizational communication is disregarded while building personal relationships and doing favors for others are stressed. Public relations practitioners value personal network with supervisors when facing organizational conflicts.

Understanding personal relationships is a key to describing media relations in South Korea. Public relations practitioners send gifts or *Ddukgab* (money for buying Korean cakes, which is usually used to evade the seriousness of giving bribes) to foster personal relationships (Kim & Hon, 1998). Public relations practitioners gain personal influence over organizational matters through personal networks with members of the media. There are many ex-journalists among public relations practitioners who have personal networks with members of the media and government officials. Their personal relationships become a key factor for solving an organizational problem. Media relations activities pursue personal relationships with members of the media, not professional relationships with the public.

In line with this reasoning, it is possible to argue that cultural characteristics found in South Korea can be both conducive and detrimental to both sides. By identifying the perception gap on the dimension of "personal network," public relations practitioners can build a more constructive strategy to enhance their relationships with their publics.

The estimated loadings from separate dimensions to items show that, as a whole, retailers perceived stronger relationship dimensions than the manager group. These results show that retailers regarded the operationalized items as more important than managers at Samsung did.

The present findings supported the premise that cultural differences affect the relationship measurement. As such, multinational corporations may take different approaches to managing public relationships among public relations operations in highly individualistic cultures versus collectivistic cultures.

In summary, the present study represents one of the first attempts to measure the nature of a reciprocal organization-public relationship by interviewing the two sides that are engaged in the relationship. The four-factor solution appeared to be relatively equivalent for retailers and managers at Samsung. Results from the three samples indicated that four factors were acceptable to constitute measurement of the organization-public relationship. In addition, there were interesting interactions of the "personal network" dimension depending on the side.

Since the four-factor model was designed to gauge relationship quality between an organization and a public, in turn, multiple relationship qualities (e.g., four-factor model) can be indicators to determine whether these components affect the organizational success or failure. Not surprisingly, relationship management theory posits that positive relational quality such as satisfaction with a public (or organization) can result in positive outcomes such as sales increase. In contrast, a lower level of relationship quality such as decreased satisfaction may result in negative attitude and behavioral change of publics, which, in turn, affects organizational bottom line negatively. As noted earlier, more public relations professionals are being asked to provide evidence of public relations effect in economic downturn. Unless the impact of public relations activities does contribute to the organizational bottom line, the role of public relations is at risk of losing status in an organization. Thus, it is desirable to focus on linking efforts between public relations activities and organizational bottom line to examine the unique effect of public relations programs. The critical subject matter is how to measure the invisible long-term effect of public relations activities validly and reliably. It has been argued that it is difficult to measure public relations effect validly since there are many variables to consider such as time factor, invisible characteristics, etc. Although the four-factor model is not the solution to measurement in all the contexts of organization-public relationship, the measure can provide a stepping stone to measure relationship quality, which is employed as important indicators of whether public relations programs succeed or fail.

As noted earlier, the process of scale development begins with a comprehensive review of the literature in which a solid theoretical definition of the constructs and their domain is outlined. In public relations, lack of a widely accepted definition of the organization-public relationship makes it difficult to conceptualize the sub dimension of the higher construct. Given the importance of a valid and reliable measurement scale, development and refinement of the OPR measure is increasingly important both in academia and professionals. It is hoped that the present research has made a significant contribution to public relationship theory in the following three ways.

First, the present study revealed that the organization-public relationship could reflect both parties, which are the organization and the public. By assessing two parties' perceptions of the relationship, the measurement scale provides an empirical advantage over existing measures in capturing the accurate relationship itself. For example, it might be interesting to study the difference in OPR between an organization - journalists - and an organization - consumers. In contrast, consumers generally show more interest in satisfaction with a company's products or services. The present study suggests that combining two sides' perception may result in a more solid measure for public relations and relationship management theory.

Second, the study attempted to validate the scale examining validity in two ways: convergent validity and discriminant validity. Theory is concerned not only with the latent construct of interest but with the validity of the measurement of the construct as well. The two, theory and validity, are interwined. The relevance of a latent construct largely depends on its "construct validity." One single study supporting the validity of one OPR measure is not enough to conclude that the measure had been validated. The development of a scale requires a refinement of the construct.

Third, the study attempted to reflect the cultural dimension in the measure of organization-public relationships given the cultural context where the OPR exists. Given the objectives of international public relations, a refined measurement should incorporate the specific cultural dimension that can explain the relationship more accurately. In spite of the continuing globalization of business, the influence of underlying culture in a given society still dominates all kinds of relationships between an organization and its publics. Identifying the core cultural dimension which affects the OPR setting should be accompanied by the generic principles imported from the West in terms of public theory and measurement technique. In this study, by adding personal network to the existing measure, the OPR measures can increase validity at least in Eastern culture. Indexing generic and culture-specific dimensions across cultures may help multi national corporations to avoid a variety of problems in their worldwide operations by understanding the cross-cultural factors that underlie ethical concerns.

The present study suggests that a four-factor model was the best fitting model to the data, retailer group and manager group, for the evaluation of the organization-public relationship. The process of scale development should be an ongoing process in which revisions are needed in such areas as conceptual definition, item generation, and revisions of construct dimensionality. The present research is just part of these ongoing efforts. Thus, the importance of the theoretical definition and construct should take precedence over any attempts at quantifying the responses.

Lastly, the relationship study needs to take into account type of public depending on the relational situation. J. Grunig's situational theory posits that the public varies depending on the problem recognition, constraint recognition, and level of involvement. It is hard to assume that all publics have a certain form of relationship with any organizations. For example, a consumer may buy a product at a local store without having any established relationship. In contrast, another public may be interested in the environmental issue of an organization without having any particular consumer relationship with an organization. As J. Grunig (1992) suggested, segmentation of public depending on the level of involvement and problem recognition needs to be taken into account when developing relationship measures. Thus, relationship study may be advanced through considering of various types of publics given a relational context.

Limitations

Several limitations of this study should be noted. First, the perceptions of business retailers' relationships with their manufacturer may not necessarily be generalizable to other publics and types of organizations. As Spector[3] pointed out, the development of a summated rating scale requires testing the measures in several separate studies. In line with this reasoning, further study of different organization-public relationships is warranted to the refined development of OPR measures. One or two studies of OPR measurement are not enough to standardize OPR measures to be useful for practitioners.

Second, this research examined a slightly modified Huang's measurement scale instead of building from scratch based on a broader scope of scholarly literature about relationships. For example, additional dimensions in the organization-public relationship, such as exchange relationship, could be added as a distinctive relational dimension of OPR. A more thorough literature review is required to define constructs such as trust, satisfaction, and control mutuality. Although it is a difficult task to define invisible cognitive and emotional states, an abstract conceptual dimension needs to be defined clearly as much as possible to avoid errors of item operationalization. Further research should explore the relevant relational definitions of public relationships more explicitly.

Third, two different methods to elicit responses from retailers and managers may have affected the accuracy of responses. The managers were asked to respond with a self-administered method, whereas the retailers were guided to respond by one-on-one interviews. Personal contacts by interviewers may have elicited different responses since anonymity is not guaranteed. The different methods of survey administration for the two

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[3] P.E. Spector, *Summated Rating Scale Construction: An Introduction*. (CA: Newbury Park: Sage Publications, 1992). pp.16-35.

groups may have affected the organization-public relationship measure which is common to both groups.

Fourth, the present study did not examine the impact of relational dimensions on subsequent variables such as organizational success or failure. Public relations professionals can enhance relationships by understanding the impact of respective relational dimensions on organizational objectives. To what extent should an organization maintain the level of trust or satisfaction to observe positive impact of the relationship quality on sales increase? Studies that directly address the impact that separate relational factors play in public behavior will shed important light on this area. Conversely, the necessity of application research like this suggests that a pre established reliable and valid measure is fundamental before moving on to the next research level.

Finally, there is also a need for more studies that examine online relationships as opposed to offline relationships. The nature of relationship is constantly changing. Technological changes in work influence the nature of organization-public relationships. More and more interactions are taking place in the online environment. This is especially important, because the emergence of the Internet has gradually reduced the opportunities for social interaction in relationships between parties. Thus, the relational aspects should be extended to include online relationships in order to establish more comprehensive OPR measures.

The robustness of a measurement scale can be achieved in more different cultures and different organization-public contexts. Doing so might render a theoretical model and operational measures that provide more explanatory power than what was investigated here. The present study only attempted to classify two types of measures such as global measures and specific measures. If we can identify the available international OPR measures that consist of global measures and culture specific measure, we can capture better the organization-relationship.

The direction for future research resulting from this work is to continue to validate and refine the measure of OPR used in the study. The collection and administration of OPR measures across a series of samples and contexts contribute to the body of public relations theory as relationship management. Also, a logical next step for testing validity of the measurement tool is to test this study using multiple methods. Focus group research and structured interviews could be conducted. Participants could be asked about the dimensions found here to determine if they represent the construct of generic measures in their minds. Longitudinal analysis also could help test the OPR measurement. If the measures alter over time, the measures may be not consistent. Further, a valid scale provides applicable measures to public relations managers who are interested in examining the effect of relationships with their strategic publics.

APPENDIX
SURVEY QUESTIONNAIRE

Questionnaire for retailers

Public Relationships of Samsung Electronics – Retailer Questionnaire

Thank you for helping with this survey about the relationships about Samsung Electronics- Retailers. Evaluating how retailers understand manufacturer (Samsung Electronics) will help us understand relationships between Samsung Electronics and retailers.

On the following pages, 24 statements are described to ask your perceptions of Samsung Electronics. You are asked to rate how you think about each statement based on your experience with Samsung Electronics. In each questionnaire, you are asked to check the most appropriate point in the provided scale. The questionnaire is composed of 7-point scale from 1 to 7, indicating the extent to which you agree with each statement. There are no right or wrong answers.

Finally you are asked to provide demographic information about you and your organization. Your candid answer would be greatly appreciated.

Thank you very much for participating in this study!

telephone 001-1-352-392-0433.

“I have read the procedure described above. I voluntarily agree to participate in the procedure and I have received a copy if this description.”

Participant’s Signature ______________________

Principal Investigator’s Signature ______________________

Date ______________________

Please check in the blank based on what you feel or perceive in each statement. 7-point scale means as follows:

1=Strongly Disagree	2=Disagree	3=Slightly Disagree	4=Undecided (neutral)
5=Slightly Agree	6=Agree	7=Strongly Agree	

___ 1. Members of Samsung Electronics are truthful with us.

___ 2. Samsung treats me fairly and justly, compared to other manufacturers.

___ 3. Generally speaking, I don’t trust Samsung.

___ 4. Samsung keeps its promises.

___ 5. Generally speaking, Samsung and retailers are both satisfied with the decision-making process.

___ 6.In most cases, during decision-making both Samsung and retailers have equal influence.

___ 7. Both Samsung and retailers agree on what they can expect from each other.

___ 8. Both Samsung and retailers are cooperative with each other.

___ 9. Generally speaking, Samsung members meet retailers’ needs.

___ 10. Generally speaking, Samsung's relationship with retailers has problems.

___ 11. In general, Samsung is satisfied with the relationship with retailers.

___ 12. Samsung's relationship with retailers is good.

___ 13. Samsung does not wish to continue a relationship with retailers.

___ 14. I believe that it is worthwhile for Samsung to try to maintain the relationship with retailers.

___15. Samsung wishes to keep a long-lasting relationship with retailers.

___16. Samsung wishes it had never entered into the relationship with retailers.

___17. Given a conflict situation, retailers will consider the *Quanxi* (relationship) between Samsung and retailers.

___ 18. When retailers have favors to ask, Samsung will render its help.

___ 19. In certain conditions, Samsung will do the face-work (*chaemyun*) for retailers.

___ 20. Given a situation of disagreement, Samsung won't let retailers lose face.

___ 21. When necessary, I seek important people who I know at Samsung.

___ 22. I can get a better deal through my contact at Samsung.

___ 23. Without a personal network with Samsung, it is hard to make a profit.

___ 24. If I have any "*yon*" with Samsung, it greatly benefits me in doing business with Samsung.

DEMOGRAPHIC INFORMATION

Listed below are a few demographic information about you and your organization that will help us understand your answers. Please answer these questions to the best of your knowledge.

1. Gender?
   Male
   Female

2. What year are you born? _______________

3. Which product category do you deal with?
   Computer

Cellular Phone
Audio/Video
Other appliances

4. Highest level of education?
   High School Diploma
   Undergraduate Degree
   Graduate Degree

5. How long have you worked as Samsung retailer? __________years

Thank you for participating in this survey!

<u>Questionnaire for managers at Samsung</u>

<u>Public Relationships of Samsung Electronics – Retailer Questionnaire</u>

Thank you for helping with this survey about the relationships about Samsung Electronics- Retailers. Evaluating how managers at Samsung understand manufacturer (Samsung Electronics) will help us understand relationships between Samsung Electronics and retailers.

On the following pages, 24 statements are described to ask your perceptions of Samsung Electronics. You are asked to rate how you think about each statement based on your experience with Samsung retailers. In each questionnaire, you are asked to check the most appropriate point in the provided scale. The questionnaire is composed of 7-point scale from 1 to 7, indicating the extent to which you agree with each statement. There are no right or wrong answers.

Finally you are asked to provide demographic information about you and your organization. Your candid answer would be greatly appreciated.

Thank you very much for participating in this study!

"I have read the procedure described above. I voluntarily agree to participate in the procedure and I have received a copy if this description."

Participant's Signature ______________________

Principal Investigator's Signature ________________________

Date ________________________

Please check in the blank based on what you feel or perceive in each statement. 7-point scale means as follows:

1=Strongly Disagree 2=Disagree 3=Slightly Disagree 4=Undecided (neutral)
5=Slightly Agree 6=Agree 7=Strongly Agree

___1. Retailers think members of Samsung are truthful with them.

___2. Retailers think Samsung treats them fairly and justly, compared to other manufacturers.

___3. Generally speaking, retailers don't trust Samsung.

___4. Retailers think Samsung keeps its promises.

___5. Generally speaking, Samsung and retailers are both satisfied with the decision-making process.

___6.In most cases, during decision-making both Samsung and retailers have equal influence.

___7. Both Samsung and retailers agree on what retailers can expect from one another.

___8. Both Samsung and retailers are cooperative with each other.

___9. Generally speaking, retailers think Samsung members meet retailers' needs.

___10.Generally speaking, Samsung's relationship with retailers has problems.

___11. In general, Samsung is satisfied with the relationship with retailers.

___12. Samsung's relationship with retailers is good.

___13. Samsung wishes to continue a relationship with retailers.

___14. Retailers believe that it is worthwhile for Samsung to try to maintain the relationship with them.

___15. Samsung wishes to keep a long-lasting relationship with retailers.

___16. Samsung wishes it had never entered into the relationship with retailers.

___ 17. Given a conflict situation, retailers will consider the *quanxi* (relationship) between Samsung and retailers.

___ 18. When retailers have favors to ask, Samsung will give retailers face and render its help.

___ 19. In certain conditions, Samsung will do the face-work for retailers.
___20. Given a situation of disagreement, Samsung won't let retailers lose face.

__ 21. When necessary, retailers seek important people who they know at Samsung.

___ 22. Retailers can get a better deal through someone's contact at Samsung.

___ 23. Without a personal network with Samsung, it is hard for a retailer to make a profit.

___24. If a retailer has any "*yon*" with Samsung, they can benefit in doing business with my company.

DEMOGRAPHIC INFORMATION

Listed below are a few demographic information about you and your organization that will help us understand your answers. Please answer these questions to the best of your knowledge.

1. Gender?
   - Male
   - Female

2. What year are you born? _______________

3. Which department do you work?

Sales/ Marketing
Corporate Communication
Research & Development
Management
Production
Others

4. Highest level of education?
   High School Diploma
   Undergraduate Degree
   Graduate Degree

5. Which level best describe your position at Samsung?
   General employee (*Sawon*)
   Assistant manager (*Daeri*)
   Account manager (*Gwajang*)
   General manager (*Chajang*)
   Senior manager (*Bujang*)
   Managing director (*Isa*) or above

5. How long have you worked as Samsung retailer? __________years _____ months

Thank you for participating in this survey!

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