HOW TO SEE AND USE RELATIONS

JOHN ASHCROFT, ROY CHILDS, ALISON MYERS, MICHAEL SCHLUTER, THE RELATIONAL LENS: UNDERSTANDING, MANAGING AND MEASURING STAKEHOLDER RELATIONSHIPS

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Since the Harvard revolution in the late 1960s, relational thinking has increasingly been gaining ground in the social sciences. Sociology is now recognized to be more the study of social networks than the study of social groups (Giuffre 2013), while organizational theory focuses on organizational fields defined as relational spaces (Wooten & Hoffman 2008). Relational explanations are becoming more influential than dispositional or systemic ones (Tilly 2005), and we know that networks are no less important than markets and hierarchies (Powell 1990). Thanks to the development of the internet, common knowledge is also ever more shaped by relational thinking. Yet it seems that relational thinking is at an early stage of implementation in the management and leadership practices of organizations. The objective of the book being reviewed, *The Relational Lens: Understanding, Managing and Measuring Stakeholder Relationships*, is to promote the importance of the relational aspect of organizational life for managerial practices.

The Relational Lens... is the book behind the "Relational Analytics" services of a company established by the book's authors. One of the authors, Michael Schluter, had earlier co-authored a book entitled *The R Factor* (Schluter & Lee 1993), in which the idea of relational proximity is articulated. Moreover, "relational proximity" is a registered trademark: "re-

lational analytics" can not be provided without a license from the authors. Still, it would seem that evaluating relations for the corporate sector is a rather pioneering enterprise. As the authors point out, we have a lot of tools allowing organizational performance to be measured on the basis of individual units of analysis. Our social environment is perceived through the filter of individualism dominating Western culture. Similarly, the filter of finance draws our attention to commodities which can be evaluated in financial terms. Therefore, phenomena that are hard to measure in currency are not considered important for organizations. The objective of the book is to convince leaders of organizations that managing relations could increase the performance of their organizations.

In order to measure relations and assess their impact on organizational performance, we first need to operationalize them. Especially in the tradition of social network analysis, we already identify certain aspects of relations that, when distinguished, bring deeper knowledge of the relations themselves, for instance, the strength of ties (Granovetter 1973) or the ties' directions (Giuffre 2013). To measure relational proximity—the distance between individuals and organizations in the relationship—Ashcroft and his colleagues decided to use five scales: directness, continuity, multiplexity, parity, and commonality. The authors devote a separate chapter to each of the scales in order to present their understanding of these notions and illustrate them with examples from organizational life.

"Directness" is a measure of the degree of the relationship's mediation by time, technology, or other people. The most direct relationship is when two individuals are present in one place and interact face to face. Yet very often relations are mediated by communication technology—the authors devote considerable space to e-mail communication and the use of social media. Transportation technologies are also mediations of relations. An important factor for the social sciences is that many relations are mediated by people; communication channels are hierarchical in organizations in particular, but in markets there is also very often a need for brokerage.

"Continuity" refers to the time scale of a relation. The authors claim that in the case of incidental encounters between two parties there is no relation. Relationships require at least a minimal degree of recurrence. The authors highlight that continuity is not only the rhythm of behaviours and the flow of time but also a narrative about the relationship and expectations of its future. According to the authors, humans build stories about their relations, and meaningful relations need to be discursively expressed.

"Multiplexity" is a dimension describing the breadth of the relation. If the encounters on which the relation is built occur only in a single social context, then the relation is of low multiplexity. If the two individuals or organizations have opportunities to interact in various contexts, then their relationship will likely be stronger. Such interactions enhance the possibilities of gathering more knowledge about the other party to the relationship and therefore are a base for trust.

"Parity" describes the balance of power in the relation. Very often relations are asymmetric in power—both in the organizational and market context. Organizations are hierarchical, while various actors in the market have unequal resources. According to the authors, the inevitable imbalances of power are accepted by people if they recognize that there is fairness in the relations. In this sense, procedural justice matters for relations.

"Commonality" is the dimension of the purposes of the social actors engaged in the relation. Commonality is larger if the purposes of the partners in the relation are more aligned. If their purposes do not overlap the relation will involve conflict, even if the other four dimensions of the relation are present in a high degree.

The authors thoroughly consider possible combinations of various levels of the five dimensions of relations. In the case of each dimension, the degrees that are felt to be appropriate or inappropriate are discussed. The book is loaded with illustrations and examples where stakeholders were able to improve their performance thanks to a deeper understanding of their relations. Unfortunately, the book does not provide details of the research tools used to assess relational proximity; therefore, the book could be considered a means of obtaining customers.

The book aims to broaden our thinking about what contributes to the value produced by organizations. The authors translate the findings of studies in organizational theory, social network analysis, and social psychology into guidelines for leaders of organizations. Many sociologists tend to complain that the soft aspects of social life, such as relations, are not considered very important by the stakeholders of public agencies, business enterprises, or non-profit organizations. Yet, as *The Relational Lens...* suggests—I imagine not purposively—proper incorporation of the value of relations into organizational life would equal colonization of that aspect of social life with metrics and managerial techniques. Since the 1980s the notion of social capital has been making an enormous career in the social sciences. It describes "the advantage created by a person's location in a structure of relationships" (Burt 2005: 4). As a notion, social capital is

a new way of grasping what sociologists have been stating since the very beginning of their discipline—that social relations matter. Despite many interesting studies and the influence of authors such as Robert Putnam or Michael Woolcock, social capital still remains an allegory. It is very hard to measure its actual financial value. If techniques like relational analytics are successful, more aspects of social life will come to be supervised, controlled, and possibly disciplined. It is another niche for rationalization which will bring more value to the stakeholders. However, I am not so certain that it is going to provide much value for the rank-and-file members of organizations, whose relations will become the object of managerial techniques.

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