Key Drivers of University-Industry Relationships and the Impact of Organisational Culture Difference; A Dyadic Study

by

Carolin Plewa

Major Thesis submitted to the School of Commerce, The University of Adelaide, as part of the requirement for the degree of DOCTOR OF PHILOSOPHY

Abstract

This research examines the characteristics of successful university-industry relationships. By integrating the research areas of relationship marketing and technology transfer, it attempts to provide a unique contribution to both streams and the emerging literature on university-industry relationships. This thesis argues that conceptualising relationships beyond those between private sector organisations, the current central focus of relationship marketing theory development, is needed in order to mature the discipline. In particular, university-industry relationships offer research opportunities due to their incorporation of fundamentally different organisational cultures. The aim of this research is to identify key drivers of university-industry relationships by taking into account the impact of organisational culture difference and other relevant antecedents, such as individuals engaged in the relationship process.

Based on a literature review and initial qualitative research, two conceptual models were developed and subsequently tested using Structural Equation Modelling methods. The first generic model identified the key drivers of satisfaction and intention to renew and examined the influence of organisational compatibility and personal experience on university-industry relationships. The second dyadic model focused on identifying the impact of individual dimensions of organisational culture difference on relationship characteristics and success. Comprising the perspectives of both relationship parties, the dyadic data enabled an advanced reflection of cultural differences and relationship dynamics. Four dimensions were analysed, namely differences in time orientation, market orientation, employee empowerment and corporate flexibility. Both models were analysed in three steps, including path analysis and hypotheses testing, model re-specification and multigroup analysis.

Consistent with the literature, trust, commitment and integration were found to positively influence the primary outcome variable, satisfaction, and were thus confirmed as key drivers of successful university-industry relationships. While trust was identified as the strongest driver for satisfaction, commitment emerged as the strongest predictor of intention to renew. Also confirming relationship marketing theory, the results showed interrelationships between these relationship factors:

Trust positively affected commitment and integration and commitment strongly and positively influenced integration. The findings further demonstrated that organisational compatibility positively influenced all relationship characteristics. However, only two significant paths were confirmed between the individual dimensions of organisational culture difference and relationship characteristics: Differences in time orientation and corporate flexibility both impacted commitment negatively. Furthermore, market orientation difference directly and negatively affected the relationship outcome measure intention to renew. The results only showed a weak influence of personal experience, the variable measuring the relevance of individuals for university-industry relationships, on commitment.

Table of Contents

ABSTRACT	I
TABLE OF CONTENTS	.III.
LIST OF TABLES, FIGURES AND ABBREVIATIONS	VII
STATEMENT OF DECLARATION	IX
PUBLICATIONS FROM THIS THESIS SINCE ENROLMENT	X
ACKNOWLEDGEMENTS	XII
CHAPTER ONE - INTRODUCTION	1
1.1. Background to the Research	1
1.2. Research Context	
1.2.1. Demarcation of the Research Area - Relationship Marketing	
1.2.2. Demarcation of the Research Area - University-Industry Relationship	
1.3. Research Problem	8
1.4. Contribution of the Research	
1.5. Outline of the Thesis	12
CHAPTER TWO - RELATIONSHIP MARKETING	14
2.1. Introduction	
2.2. The Evolution of Relationship Marketing	
2.2.1. Antecedents to the Evolution of Relationship Marketing	
2.2.2. Theoretical Bases for the Evolution of Relationship Marketing	
2.2.3. Approaches to Relationship Marketing Scope	
2.3. Relationship Marketing Definition	
2.4. Relationship Dynamics and Development	
2.5. Relationship Outcomes and the Importance of Value and Satisfaction	
2.5.1. Understanding the Concept and the Creation of Value	
2.5.2. The Related Concepts of Value and Satisfaction	
2.6. Trust, Commitment and Communication	
2.6.1. Trust	36
2.6.2. Commitment	38
2.6.3. Communication	40
2.6.4. The Interrelationships of Trust, Commitment and Communication	43
2.7. Antecedents of Trust, Commitment and Communication	44
2.7.1. Organisational Culture Difference	45
2.7.1.1. The Concept of Organisational Culture	45
2.7.1.2. Organisational Culture Difference between Relationship Partners	. 47
2.7.1.3. Organisational Compatibility	50
2.7.2. The Relevance of Individuals in the Relationship	52
2 8 Chanter Summary	53

CHAPTER THREE – UNIVERSITY-INDUSTRY RELATIONSHIPS	55
3.1. Introduction	55
3.2. The Evolution of University-Industry Relationships (UIRs)	56
3.3. Technology Transfer and UIRs	59
3.3.1. Technology Transfer	59
3.3.2. Technology Transfer versus UIRs	61
3.4. Relationship Outcomes in UIRs	65
3.5. Trust, Commitment and Integration in UIRs	68
3.6. Antecedents of Trust, Commitment and Integration in UIRs	74
3.6.1. Organisational Culture Difference in UIRs	74
3.6.1.1. Time Orientation	76
3.6.1.2. Market Orientation	76
3.6.1.3. Language	77
3.6.2. The Relevance of Individuals in UIRs	78
3.7. Chapter Summary	80
CHAPTER FOUR – QUALITATIVE RESEARCH STEP: MODELS	AND
HYPOTHESES DEVELOPMENT	
4.1. Introduction.	
4.2. Research Design	83
4.3. Qualitative Research Methods	85
4.3.1. Discussion Forum	85
4.3.2. In-Depth Interviews	
4.4. Generic Model	89
4.4.1. Relationship Outcomes	89
4.4.2. Trust, Commitment and Communication/Integration	91
4.4.3. Antecedents to Trust, Commitment and Integration	94
4.5. Dyadic Model	96
4.6. Chapter Summary	101
CHAPTER FIVE - QUANTITATIVE RESEARCH STEP: I) A T A
COLLECTION AND SAMPLE DESIGN	
5.1. Introduction.	
5.2. The Levels of Measurement, Theory and Statistical Analysis	
5.3. Data Collection Method	
5.4. Questionnaire Design	
5.4.1. Operationalisation of Constructs	
5.4.2. Scales and Measurement	
5.4.3. Drafting of Questionnaire and Pre-Test	
5.5. Sampling	
5.5.1. Sampling Procedure	
5.5.2. Sampling Frame and Size	
5.5.3. Nonresponse Bias	

5.6. Chapter Summary	123
CHAPTER SIX – RESULTS	125
6.1. Introduction	125
6.2. Path Analysis using Structural Equation Modelling Method	126
6.2.1. Data Preparation and Normality	126
6.2.2. Construct Reliability and Validity	127
6.2.3. Composite Variables	133
6.2.3.1. One-Factor Congeneric Models - Generic Model	135
6.2.3.2. One-Factor Congeneric Models - Dyadic Model	138
6.2.4. Model Identification	145
6.2.5. Goodness-of-Fit Indexes	146
6.3. The Generic Model	148
6.3.1. Hypotheses Support	148
6.3.2. Final Path Model	153
6.3.3. Multi-Group Path Analysis	157
6.4. The Dyadic Model	158
6.4.1. Hypotheses Support	158
6.4.2. Final Path Model	165
6.4.3. Multi-Group Path Analysis	
6.4.3.1. Intention to Renew	169
6.4.3.2. Satisfaction	
6.5. Chapter Summary	175
CHAPTER SEVEN – DISCUSSION, MANAGEMENT IMPLICATI	ONS AND
DIRECTIONS FOR FUTURE RESEARCH	176
7.1. Introduction	176
7.2. Key Drivers of UIRs	
7.2.1. The Influence of Relationship Characteristics on Outcomes	
7.2.1.1. Trust and Relationship Outcomes	
7.2.1.2. Commitment and Relationship Outcomes	
7.2.1.3. Integration and Relationship Outcomes	
7.2.2. The Interrelationships of Trust, Commitment and Integration	
7.3. Organisational Compatibility and Personal Experience	
7.3.1. Organisational Compatibility	
7.3.2. Personal Experience	
7.4. Organisational Culture Difference	
7.5. Managerial Implications	
7.6. Limitations of the Research	
7.7. Contributions to the Literature.	
7.7.1. Contributions to the Literature - Relationship Marketing	
7.7.2. Contributions to the Literature - Technology Transfer	199
7.8. Directions for Future Research	

7.9. Chapter Summary	204
7.10. Conclusion	205
APPENDICES	207
Appendix 1 Publications	207
Appendix 1a. Plewa, Quester and Baaken (2005) Proof	207
Appendix 1b. Plewa and Quester (in press) <i>Proof</i>	231
Appendix 2. Characteristics of Final Respondents - Qualitative Step	254
Appendix 3. Interview Protocol Themes and List of Nodes	255
Appendix 4. Survey	256
Appendix 4a. Final Questionnaire University	256
Appendix 4b. Final Questionnaire Industry	263
Appendix 4c. Cover Letter University	270
Appendix 4d. Cover Letter Industry	271
Appendix 4e. Support Letter	272
Appendix 4f. Pre-Test Questionnaire University	273
Appendix 4g. Pre-Test Questionnaire Industry	281
Appendix 5. Test for Nonresponse Bias	288
Appendix 6. Assessment of Normality	289
Appendix 6a. Assessment of Normality – Generic Model	289
Appendix 6b. Assessment of Normality - Dyadic Model	289
Appendix 7. Additional One-factor Congeneric Models	290
Appendix 7a. University Sample	290
Appendix 7b. Industry Sample	292
Appendix 8. Control for the Effect of Relationship Length	294
Appendix 8a. Correlation Matrix - Generic Model	294
Appendix 8b. Correlation Matrix - Dyadic Model	294
Appendix 9. Independent Samples t-test - OCD Dimensions	295
BIBLIOGRAPHY	296

List of Tables, Figures and Abbreviations

Tiat	~£	T_{α}	L)	-
List	OΙ	1 a	IJ.	les

Table 2.1	Relationship Marketing versus Transaction Marketing	29
Table 4.1	Hypotheses - Generic Model	102
Table 4.2	Hypotheses - Dyadic Model	102
Table 5.1	Characteristics of Final Respondents - Quantitative Step	121
Table 6.1	Reliability Scores - Generic Model	128
Table 6.2	Reliability Scores - Dyadic Model	129
Table 6.3	Convergent and Discriminant Validity Scores - Generic Model	131
Table 6.4	Convergent and Discriminant Validity Scores - Dyadic Model	131
Table 6.5	Correlation Matrix of Final Constructs - Generic Model	132
Table 6.6	Correlation Matrix of Final Constructs - Dyadic Model	132
Table 6.7	Summary of Fit Indexes Used to Assess Model Fit	147
Table 6.8	Effects, Critical Ratios and Hypotheses Test - Generic Model	150
Table 6.9	Final Paths - Generic Model	156
Table 6.10	$\Delta \chi^2$ Test - University and Industry Groups	158
Table 6.11	Effects, Critical Ratios and Hypotheses Tests - Dyadic Model	160
Table 6.12	Final Paths - Dyadic Model	166
Table 6.13	$\Delta \chi^2$ Test - Intention to Renew	169
Table 6.14	Stepwise $\Delta \chi^2$ Test - Intention to Renew	170
Table 6.15	Comparison of Regression Weights - Intention to Renew	171
Table 6.16	$\Delta \chi^2$ Test - Satisfaction	174
Table 7.1	Managerial Implications for Relationship and UIR Management	195
List of Fig	ures	
Figure 1.1	Knowledge Gaps in the Existing RM and UIR Literature	9
Figure 3.1	Framework Based on Literature Review	80
Figure 4.1	Conceptual Generic Model	95
Figure 4.2	Conceptual Dyadic Model	100
Figure 6.1	Congeneric Model - Organisational Compatibility	136
Figure 6.2	Congeneric Model - Personal Experience	136
Figure 6.3	Congeneric Model - Trust	137
Figure 6.4	Congeneric Model - Commitment.	137

Congonaria Model Integration	127
-	
-	
Congeneric Models - Trust (Dyadic Model)	143
Congeneric Models - Commitment (Dyadic Model)	144
Congeneric Models - Integration (Dyadic Model)	144
Congeneric Models - Satisfaction (Dyadic Model)	145
Conceptual Generic Model and Hypotheses	149
Final Generic Model	155
6 Conceptual Dyadic Model and Hypotheses	159
,	
hyaviations	
or eviations	
Cronbach's coefficient alpha	
Composite reliability	
Average Variance Extracted (AVE)	
Chi-Square Chi-Square	
Normed Chi-Square	
Chi-Square Difference	
Adjusted Goodness-of-Fit	
Australian Research Council	
Consistent Akaike Information Criterion	
Comparative Fit Index	
Cooperative Research Centre	
Customer Relationship Management	
Goodness-of-Fit	
Industrial Marketing and Purchasing	
Normed Fit Index	
Organisation for Economic Co-operation and Development	
Organisational Culture Difference	
Research and Development	
-	
Tucker-Lewis Index	
University-Industry Relationship	
	Congeneric Models - Commitment (Dyadic Model)

Statement of Declaration

This thesis contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution. To the best of my knowledge and belief, the thesis contains no material previously published or written by another person, except when due reference is made in the text of the thesis.

I give consent to the copy of my thesis, when deposited in the University Library, being available for loan and copying.

Name of Candidate

Publications from this Thesis since Enrolment

1. Journal Articles - Refereed

Plewa, C., Quester, P., and Baaken, T. (2005) "Relationship Marketing and University-Industry Linkages: A Conceptual Framework", Marketing Theory, 5 (4), pp. 431-454 (Appendix 1a).

Plewa, C., and Quester, P. (in press) "Satisfaction with University-Industry Relationships: The Impact of Commitment, Trust and Championship", International Journal of Technology Transfer and Commercialisation (Appendix 1b).

Varey, R.J., Baxter, R., Brodie, R.J., Brookes, R.W., Plewa, C., Quester, P., and Shembri, S. (2005) "Buyer-Seller Relationships: Australasian Research and Reflections", Journal of Customer Behaviour, 4 (1), 127-146.

Plewa, C., Quester, P., and Baaken, T. (conditionally accepted) "Organisational Culture Differences and Market Orientation: An Exploratory Study of Barriers to University-Industry Relationships", International Journal of Technology Transfer and Commercialisation.

2. Book Section

Plewa, C., and Quester, P. (forthcoming) "University-Industry Relationships: The Effect of Imbalance in Flexibility and Market Orientation", to be published in the Anthology on Science Marketing, Editor: Thomas Baaken, Germany.

3. Conference Proceedings - Refereed

Plewa, C. (2005) "Differences in Perceived Benefits from University-Industry Relationships", Proceedings of the Australian and New Zealand Marketing Academy Conference, Fremantle, (CDROM).

Plewa, C., and Quester, P. (2004) "'Champions' and University-Industry Relationships", Proceedings of the 12th International Colloquium on Relationship Marketing, Hamilton, New Zealand, (CDROM).

Plewa, C., Quester, P., and Baaken, T. (2004) "Marketing Orientation in University-Industry Linkages", Proceedings of the Australian and New Zealand Marketing Academy Conference, Wellington, New Zealand, (CDROM).

Plewa, C., and Quester, P. (2004) "Modelling Successful Innovation-Oriented University-Industry Relationships", Proceedings of the 5th International CINet Conference, Sydney, (CDROM).

3. Conference Proceedings and Workshops - Non-Refereed

Horner, N., and Plewa, C. (2005) "Public-private Sector Engagement: A Suppliers View", Presented at the KCA Annual Conference, Adelaide.

Plewa, C. (2004) "Characteristics and Key Success Factors of University-Industry Linkages: a Relationship Perspective", Proceedings of the 2nd and 3rd Conference on Science-to-Business Marketing and Successful Research Commercialisation, Muenster, Germany, and Brussels, Belgium, (CDROM).

Plewa, C., and Quester, P. (2004) "Organisational Culture Difference and University-Industry Relationships: An Exploratory Study", Proceedings of the Marketing Science Conference, Rotterdam, Netherlands, p.60.

Plewa, C. (2004) "Science-to-Business Marketing", Presented at the Workshop: Die erfolgreiche Vermarktung von Forschung, University of Applied Sciences Cologne, Germany.

Plewa, C. (2003) "Characteristics and Key Success Factors of University-Industry Linkages: A Relationship Perspective", Proceedings of the Conference Science Marketing: A Talkfest on Successful Research Commercialisation New and Inspiring Aspects from Australia and Europe, Adelaide, (CDROM).

Plewa, C. (2003) "The Effect of Organisational Culture Distance on Relationship Performance: Introducing Relationship Marketing to University-Industry Relationships", Presented at the Australian and New Zealand Marketing Academy Conference (ANZMAC) Doctoral Colloquium, Adelaide.

Acknowledgements

The value of an idea lies in using it - Edison

"Ich habe fertig". I can't believe that I did it; three years of hard work have resulted in a thesis of which I am very proud. More importantly, however, the last three years have showed me that an endless number of questions and ideas are waiting to be explored. Edison's quote on my office wall reminds me of the centre of this thesis: using ideas wisely and valuably. I am sure it will guide me in the future and I can't wait to see where life takes me from here.

Example is not the main thing in influencing others; it's the only thing - Schweitzer

Without my supervisor, Pascale Quester, this thesis would not exist. Throughout the process, she has been more than my supervisor and mentor. Her dedication, enthusiasm and energy have been a constant source of strength for me. While the source of her tremendous superpowers remains a mystery, I thank her with all my heart for introducing me to the new and exciting world of academia, always believing in me and especially for being a wonderful friend.

If you can give your son or daughter only one gift, let it be enthusiasm - Barton

My deepest thanks go to my family and specifically to my parents. Their unconditional love, support and belief in me have opened up the world to me. My father's thirst for knowledge, adventure and perfection and my mother's stability, love and immense strength have made me who I am today. Thanks for giving me not only great enthusiasm but endless opportunities. This is for you.

Small opportunities are often the beginning of great enterprises - Demosthenes

Considering that I never seriously considered a PhD, this journey would have not started without my co-supervisor, Thomas Baaken. My sincere thanks for creating unlimited opportunities for me throughout the years. Thomas' unique personality and skills have broadened my horizon immensely and I hope that I will be able to acquire some of his exceptional social talents and practical expertise. Thanks also to the Science Marketing Team for embracing me as a full member even though I remain on the other side of the world, and to the TCG team for the invaluable practical experience and their great belief in my abilities.

No road is long with good company - Turkish Proverb

Finally, a huge "thank you" to my wonderful friends, may they be in Australia, Germany or elsewhere. You have kept me alive, took me partying and lived with my ups and downs. I love you dearly and honestly believe that I am the luckiest person in the world to have met the people that accompany me through life. Now that my thesis is finished, I may even learn the rules of cricket ...