

Internal Alignment in Supplier Relationship Management: Examining the Role of Partnership Logics in Building Supplier Trust

Author: Louis van Wingerden
University of Twente
P.O. Box 217, 7500AE Enschede
The Netherlands

ABSTRACT

This study investigates the role of individual partnership logics (relational stances towards suppliers) in shaping supplier relationships. Specifically, it examines how varied perspectives on partnership logics within a firm can affect supplier trust. Utilizing multiple regression analyses on data from mid- to large-sized firms, the findings show that alignment in partnership logics between boundary spanning purchasing managers and their internal colleagues does not inherently impact supplier trust. However, when factoring in supplier dependence as a moderator, notable differences emerge. Additionally, the study uncovers an unexpected positive correlation between different types of partnership logic held by internal colleagues, which was attributed to their degree of internal integration regarding the supplier. This study deepens the understanding of the interplay between partnership logics, internal integration, and trust development, providing actionable insights for firms aiming to align their partnership stances.

Graduation Committee members:

First supervisor – Dr. Ir. Pulles, N.J.

Second supervisor – Dr. Vos, F.G.S.

Keywords

Partnership logic, Internal integration, Supplier trust, Goodwill trust, Competence trust, Supplier dependence, Purchasing and Supply Management

1. INTRODUCTION

In buyer-supplier relationships, trust can be the make-or-break factor in achieving competitive advantage (Barney & Hansen, 1994; Dyer & Chu, 2003; Zaheer et al., 1998). It is even said to be the most important variable influencing interpersonal and interorganizational behaviour (Kiessling et al., 2004). Therefore, understanding how trust is established is of major importance (Hemmer et al., 2016). One factor that may significantly influence trust within these relationships is the concept of partnership logic. There are two distinct types of partnership logic that can exist within an organization: embedded and transactional. Transactional partnership logic views the supplier relationship from an arms-length perspective, while embedded partnership logic adopts a more collaborative approach (Jap, 1999; Moeller et al., 2006). A recent development is the notion that when different actors within an organization adopt these different views, it may lead to varying actions towards the supplier, thereby negatively influencing the supplier's trust (Brattström & Faems, 2019). This poses partnership logic alignment (i.e., consistency in individual views on a supplier relationship) within the buying organization as a potential critical component in explaining how supplier trust is developed and maintained.

Although the role of partnership logic within organizations has been identified as a potential factor in shaping supplier trust, the specific influences of individuals' partnership logics have yet to be explicitly investigated. Three intersecting streams of research inform this topic. The first stream of research focuses on the *complexity of trust* (Currall & Inkpen, 2002) and explaining how it is established using various types of antecedents (Hemmer et al., 2016; Xie et al., 2010). Given the multifaceted nature of trust, it is often categorized into different types, such as competence trust, based on the anticipated competence of the buyer, and goodwill trust, grounded in the buyer's expected goodwill (Das & Teng, 2001). Although existing research on the determinants of supplier trust is somewhat limited, the behaviour of the firm (e.g., how much information they share with the supplier) is acknowledged as a key driver of trust (Hemmer et al., 2016). Besides the firm's relational behaviour, another important determinant of the supplier's trust is their dependence on the buyer (McCarter & Northcraft, 2007; Svensson, 2004; Zhong et al., 2017). More recently, studies have begun to explore how this dependence moderates relationships between trust and other relational variables, thereby also positioning dependence as a key contextual variable (Lee & Zhong, 2020; Pulles et al., 2014; Shen et al., 2019). The second stream of research examines how the *internal dynamics* of a firm can shape supplier relationships (Brattström & Faems, 2019; Ellegaard & Koch, 2012). This perspective recognizes that organizations are composed of individual relationships (Lumineau & Oliveira, 2018) and often explores this in the context of internal integration (Ellegaard & Koch, 2012; Zhao et al., 2011) or cross-functional integration (Foerstl et al., 2013). Often these concepts are then related to other high-level concepts such as external integration (Ellegaard & Koch, 2012). Within this perspective, partnership logic alignment can be seen as a specific element of internal integration. The third stream of research investigates how a *firm's partnership logic* can impact the buyer-supplier relationship (Moeller et al., 2006). It posits that buying firms differentiate their approaches based on the perceived importance of different suppliers (Hesping & Schiele, 2016), thereby adopting different approaches for different suppliers (e.g., arms-length vs. collaborative) (Moeller et al., 2006), which ultimately may alter relationship characteristics such as trust (Chen et al., 2004).

Despite a breadth of research that touches on the effects of individual partnership logics on supplier trust, an in-depth exploration of this relationship is notably absent. Existing research on the complexity of trust and on a firm's partnership logic often neglects the potential for differing views among individuals within the buying organization (Lumineau & Oliveira, 2018) and how their effects might change depending on the context. Similarly, studies examining the influence of a firm's internal dynamics on buyer-supplier relationships frequently lack an in-depth, quantifiable analysis of individual perspectives and actions (Brattström & Faems, 2019). Addressing these research gaps is essential, as

the understanding of the impact of individuals' partnership logics on supplier trust remains unclear. Consequently, a critical question that emerges from this lack of understanding is:

How does the alignment of partnership logic within a buying organization affect the goodwill and competence trust of a supplier in that organization?

The purpose of this paper is to investigate if, and how, the combination of partnership logics within an organization serves as an antecedent to trust. As part of this investigation, supplier dependence is addressed as a contextual variable in this relationship. To answer the research question, surveys were conducted in cooperation with five medium to large sized buying companies, each providing a threefold of participants: suppliers, purchasing managers, and colleagues from other departments than purchasing. Each of the three participants completed a survey about a specific buyer-supplier relationship, resulting in one consolidated sample. The total amount of complete samples equals 69, which were analysed using quantitative methods.

Through this investigation, this paper makes three key contributions. First, the literature addressing the impact of a firm's internal dynamics on external relationships is enriched by providing a conceptualization of a unique facet of internal integration (partnership logic), and its influence on a particular aspect of buyer-supplier relationships (supplier goodwill and competence trust) (Brattström & Faems, 2019). This conceptualization can be used in future quantitative study designs. Second, the moderating effects of dependence in the context of developing distinct types of trust (goodwill and competence) is investigated, and some recommendations are given as to what the best firm behaviours are in different supplier dependence contexts. This area has received limited attention, and the findings therefore enhance comprehension of how dependence contextualizes inter-firm interactions (Lee & Zhong, 2020; Zhong et al., 2017). Third, by means of a post hoc analysis the concept of an 'individual partnership logic' is related to the concept of internal integration. The findings demonstrate how the concept of partnership logic on an individual level is distinctly different from partnership logic on a firm level, thereby adding depth to the concept of partnership logic (Jap, 1999; Moeller et al., 2006; Uzzi, 1997). To achieve these contributions, this paper begins by formulating a theoretical framework that elaborates on the concepts of trust and partnership logic. Following this, the hypotheses and research model are developed. Subsequently, the methodology and results of the study are discussed. The paper wraps up with an in-depth analysis of the findings, discussing their implications and suggesting potential avenues for subsequent research.

2. LITERATURE REVIEW

2.1 Trust

In a broad sense, trust is the decision to rely on another party given the risk (i.e., potential for negative outcomes) (Currall & Inkpen, 2002). Inherent to this is that there is always a given level of risk present when trusting another party, which the trustor accepts in order to gain the benefits associated with a trusting relationship (Currall & Inkpen, 2002; Ireland & Webb, 2007). The multifaceted nature of trust has led to its segmentation into various categories to foster a better understanding of its formation and impact (Zaheer et al., 1998). One of such categorizations is given by Das and Teng (2001) who, based on a variety of definitions, distinguish between competence trust and goodwill trust. Competence trust refers to the expected degree to which the other party is capable to perform the tasks that are required of them (Ireland & Webb, 2007; Mayer et al., 1995; Şengün & Nazli Wasti, 2007). Goodwill trust refers to the expected degree to which the other party is willing to exceed the contractual agreements without being explicitly asked to do so (Ireland & Webb, 2007; Pulles et al., 2014). Competence trust can be present in any relationship; however, goodwill trust is argued to only be developed over time through repeated exchanges (Ireland & Webb, 2007; Sako & Helper, 1998).

Research on the trust a supplier has in a buyer, known as supplier trust, has predominantly examined its role in generating beneficial outcomes for the buyer. Examples are reducing uncertainty in decision-making (Gao et al., 2005), reducing transaction costs (Dyer & Chu, 2003), increasing information

sharing (Dyer & Chu, 2003; Zaheer et al., 1998), and increasing supplier resource mobilization (Pulles et al., 2014). Despite its significance, relatively few studies have investigated how supplier trust is established (Hemmert et al., 2016; Xie et al., 2010). Most of the limited attention has gone to buying firm practices (Hemmert et al., 2016). One approach to studying these practices is through a justice lens, arguing that trust from suppliers can be promoted by establishing justice in the buyer-supplier relationship (Boyd et al., 2007; Hemmert et al., 2016; Ireland & Webb, 2007). The supplier's perception of justice is shaped by their view of the fairness of outcomes, procedures, processes, interpersonal treatment, and information communication in the relationship (Liu et al., 2012). An alternative approach is to study buying firm practices from a process standpoint, suggesting that the practices and processes adopted by the buyer can foster supplier trust (Hemmert et al., 2016; Zaheer et al., 1998). A practical example of this would be the buyer providing assistance, i.e., the buyer providing help in solving the supplier's technical or operational problems and sharing knowledge on the issue at hand (Hemmert et al., 2016; Sako & Helper, 1998).

To delve deeper into how supplier trust is shaped through firm practices, two additional concepts prove valuable. First, the principle of reciprocity frequently appears in discussions about firm practices' impact, providing a framework for understanding why certain practices positively or negatively affect trust (e.g., Sako & Helper, 1998). The central notion is that a buyer-supplier relationship is guided by norms of reciprocity (Ireland & Webb, 2007), i.e., a standard in the buyer-supplier relationship that both parties should behave reciprocally (Cropanzano & Mitchell, 2005). Especially for goodwill trust reciprocity plays an important role, since goodwill trust can be clearly displayed by the buying organization, which according to the norms of reciprocity will result in the supplier's goodwill trust (Ireland & Webb, 2007). Secondly, in this concept of buying firm practices the role of individual boundary spanners (i.e., the purchasing managers) has been identified as a key influence because they are the point of contact with the supplier (Zaheer et al., 1998; Zhang et al., 2011). Boundary spanners are unique in their ability to build a closer interpersonal relationship through repeated (formal and informal) social interaction (Doney et al., 2007; Doney & Cannon, 1997). In their role, the purchasing managers mitigate risk by providing information to the supplier's boundary spanner, which in turn affects the trust of the supplier in both the boundary spanner and the buying organization as a whole (Zaheer et al., 1998; Zhang et al., 2011). The trust that is formed between the supplier and the boundary spanner can even further drive the trust of the supplier in the buying organization as a whole (Gansser et al., 2021; Zhang et al., 2011).

So, the field on the antecedents of supplier trust is slowly maturing and being researched on multiple levels of analysis. Although trust literature acknowledges the notion that organizations exist of individuals, a recognition perhaps greater than for adjacent concepts related to buyer-supplier relationships, this understanding has largely been confined to discussions around the trust process (e.g., Currall & Inkpen, 2002; Zaheer et al., 1998). However, not to its antecedents, especially not in the context of competence and goodwill trust. For example, when the role of the boundary spanner in establishing trust by the other party is discussed it is often assumed that the boundary spanners act as representatives of their firm's strategic intentions and goals (Ireland & Webb, 2007; Perrone et al., 2003; Zhang et al., 2011), neglecting that boundary spanners may hold different views on the relationship than their colleagues. Perrone et al. (2003) take a step in this direction, by relating interpersonal trust to the flexibility in the purchasing manager's role, thereby acknowledging that purchasing managers can have their personal views, but they do not take the explicit effect of different views in an organization into consideration, nor do they differentiate between different types of organizational trust.

2.2 Alignment of Partnership Logic

Recent studies have stressed that research on inter-organizational relationships often fail to recognize the internal complexity of organizations, namely, that organizations consist out of individuals whose expectations and perceptions of inter-organizational relationships may differ (Brattström & Faems,

2019; Lumineau & Oliveira, 2018). In this stream of thought, Brattström and Faems (2019) highlight the concept of partnership logic as a key explanatory variable of how the internal dynamics of a firm can influence its external dynamics with a supplier. This stems from the notion that actors within an organization can have competing or aligned logics on what the best organizational response is to external pressures (Chen & O'Mahony, 2006; Pache & Santos, 2010). When related to supply management this results in two main categories of partnership logic: embedded partnership logic and transactional partnership logic (Brattström & Faems, 2019).

Transactional partnership logic refers to a set of beliefs and practices of an individual or group that the relationship with a supplier should be purely transactional, i.e., arms-length (Brattström & Faems, 2019). This is the more traditional view of buyer-supplier relationships, which favours relationships that are characterized by: nonspecific investments, minimal information exchange and coordination devices, and low interdependence (Dyer & Singh, 1998; Jap, 1999). Here suppliers are considered opportunistic and competitive actions towards them are promoted (Brattström & Faems, 2019). On the other hand, embedded partnership logic refers to a set of beliefs and practices of an individual or group that the relationship with a supplier should be collaborative. This view stipulates that there are (joint) benefits to be gained from collaborating with suppliers, thereby moving away from the more traditional transactional view of buyer-supplier relationships (Moeller et al., 2006; Pardo et al., 2011). Such a collaborative buyer-supplier relationship is distinctly different from a transactional relationship because of (1) higher coordination efforts and (2) more idiosyncratic (i.e., specific) investments, thereby possibly increasing the interdependence of the buyer and supplier (Jap, 1999).

Recent research introduces the idea of combining multiple individuals' perspectives on partnership logic, acknowledging that within a single organization, different views on supplier relationships can coexist (Brattström & Faems, 2019). In this paper, as seen in Figure 1, transactional and embedded partnership logic are perceived as two ends of the same continuum: partnership logic. This allows for a spectrum of viewpoints, ranging from a purely transactional to a fully embedded perspective on supplier relationships, capturing the complexity and potential evolution of individual attitudes over time. This dynamic nature aligns with the concept of a firm's partnership logic, where the management of relationships can fluctuate in how much it incorporates embedded practices (Gadde & Snehota, 2000; Hawkins et al., 2008; Poppo & Zenger, 2002).

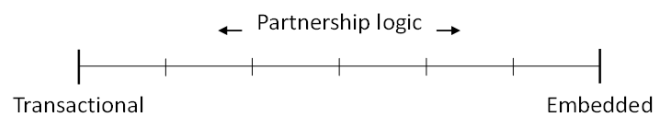


Figure 1: Conceptualization of Partnership Logic

For this paper, the concept of combining these partnership logics is operationalized in two ways. The first operationalization utilizes the ‘degree of competing partnership logic,’ defined as the absolute difference between the purchasing manager’s and colleague’s partnership logics. The higher this measure, the greater the competition between the views of the two organizational members. Competing in this context simply refers to the two individuals relying on different belief systems and practices (Brattström & Faems, 2019). This approach allows for measurement of the difference in partnership logic among two individuals on a single continuous scale. This operationalization is useful because it allows for a direct effect of differing partnership logics within an organization to be hypothesized.

Second, ‘partnership logic alignment type’ is used, classifying the individuals as either leaning towards an embedded or transactional partnership logic. This simplifies the complex nature of partnership logic, mirroring Brattström and Faems (2019)’s empirical observations of competing logics within an organization. To better understand this, consider Figure 2, which presents the intersection of partnership logics for a purchasing manager and their colleague in a buying firm. The rows represent the purchasing

manager’s partnership logic, ranging from embedded to transactional, while the columns reflect the colleague’s perspective. Their partnership logics are still thought of as a scale, but they are assigned to be either in the transactional or the embedded half of the scale, putting them in either of two categories. When both individuals have an embedded partnership logic, they are in an ‘aligned embedded’ state. Conversely, if both share a transactional view, it is an ‘aligned transactional’ state. However, if their views contrast, it is identified as a ‘competing’ state, either with an embedded purchasing manager and a transactional colleague or vice versa. This operationalization is useful for hypothesizing about how different scenarios compare to each other, which is not possible when using a single scale measure like the earlier explained ‘degree of competing partnership logic.’

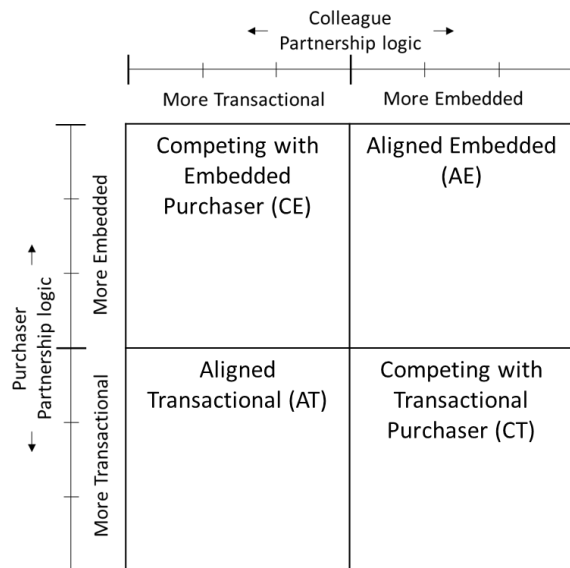


Figure 2: Measuring Different Partnership Logics Within an Organization as ‘Partnership Logic Alignment Types’

In the context of current literature, the notion of blending multiple transactional and embedded partnership logics was first presented by Brattström and Faems (2019). However, given that the concept of individual’s partnership logic within an organization influencing buyer-supplier relationships is a relatively new construct, it has not been extensively researched beyond their work. Nevertheless, related research has attempted to address the internal dynamics of a firm in relation to its external interactions with suppliers through the lens of ‘internal integration.’ This construct has proven valuable in determining inter-organizational outcomes (Ellegaard & Koch, 2012; Huo, 2012; Pardo et al., 2011; Zhao et al., 2011). Internal integration “(...) in essence refers to information sharing between internal functions, strategic cross-functional cooperation, and working together” (Zhao et al., 2011, p. 19). An individual’s partnership logic, although not having been studied explicitly, is part of this conversation on the internal integration of the purchasing function, since it relates to the shared vision within the organization (Bals et al., 2009; Ellegaard & Koch, 2012). This broad concept of internal integration continues to be explored from various angles to explain its role in shaping external relationships and firm performance. For instance, Zhang et al. (2018) associate internal trust (trust between organizational members) with internal integration in their attempt to explain external integration. Similarly, de Vries et al. (2022) introduce the concept of ‘internal integration problems’ as significant in explaining a firm’s robustness, further underscoring the impact of internal dynamics on external relationships.

While existing research directions have provided significant insights into how buyer-supplier relationships are influenced on a broad level, they do not delve into how internal integration operates at the individual level, and subsequently, how this impacts external relationships. A potential pitfall in the internal integration literature is that it tends to examine inter-organizational relationships at the firm-

level, thereby neglecting the individual-level analysis (Lumineau & Oliveira, 2018). This study proposes to bridge this gap by introducing a theoretical model that synthesizes the roles of individuals in internal integration with supplier trust as a critical aspect of supplier relationships. This approach, as illustrated in Figure 3, builds upon research on trust antecedents, highlighting the role of boundary spanners. The novelty of this model lies in its suggestion that the alignment of individuals' partnership logics can influence both the goodwill and competence trust of a supplier, thus offering a more nuanced understanding of the dynamics of buyer-supplier relationships.

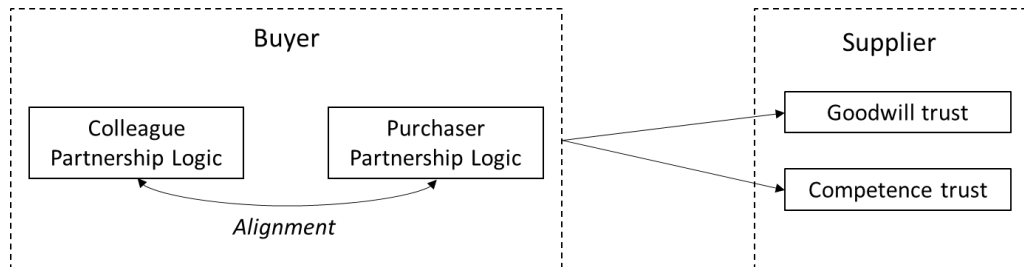


Figure 3. Relationship Between Partnership Logic and Supplier Trust

3. HYPOTHESES

The hypotheses are presented sequentially for clarity. This section introduces three sets of hypotheses. The first two sets offer distinct approaches to operationalizing the concept of combining multiple individual partnership logics within a firm. Initially, the 'Basic Operationalization Design' is discussed, using the degree of competing partnership logic as the operational measure. This is followed by the 'Advanced Operationalization Design,' which incorporates various types of alignment to capture the essence of multiple partnership logics. Lastly, the role of supplier dependence is woven in, providing contextual richness to the alignment types highlighted in the advanced model.

3.1 The Effect of the Degree of Competing Partnership Logic on Trust

The trust of a supplier in a buyer is determined (at least partially) by the social conduct of the buyer in the buyer-supplier relationship (Hemmert et al., 2016). Trust literature stipulates that goodwill trust is built through repeated exchanges between the buyer and supplier (Ireland & Webb, 2007), because: "Reliability and dependability in previous interactions with the trustor give rise to positive expectations about the trustee's intentions" (Rousseau et al., 1998, p. 399). These repeated exchanges are guided by norms of reciprocity, a relational dynamic that implies that one firm acting in the interest of the other firm will be reciprocated favourably in the future (Cropanzano & Mitchell, 2005; Ireland & Webb, 2007). Although the literature on buyer-supplier relationships often exclusively discusses this form of positive reciprocity, it can also work the other way around, resulting in negative reciprocity (Dohmen et al., 2008). Here that would mean that a supplying firm can reciprocate a buyer's self-serving/competitive behaviour with similar actions (Brattström & Faems, 2019). The trust literature argues that norms of (positive) reciprocity are needed to establish goodwill trust (Ireland & Webb, 2007). Simply put, if the supplier has experienced the buyer acting in their best interest in the past, then they are more inclined to trust that they will do the same in the future. The longer this continues consistently, the more goodwill trust is developed.

However, competing partnership logic within a firm can prevent the establishment of norms of positive reciprocity (Brattström & Faems, 2019), which would in turn prevent goodwill trust from being established. This reciprocity is prevented due to conflicting messages towards the supplier: practices that are considered normal in transactional relationships can be interpreted as opportunistic when the supplier also gets the impression that the relationship is more embedded in nature (Brattström & Faems, 2019; Gelderman et al., 2019). Therefore, when the supplier receives contradicting messages, they might not reciprocate collaborative actions, and might even reciprocate the competitive actions, which in turn negatively influences goodwill trust. Brattström and Faems (2019) provide an empirical example

of this where the buyer’s upper management tried to nurture the relationship with a strategic supplier because of their strong embedded partnership logic, but the buyer’s technology department undermined this with their transactional behaviours. This led to the supplier not only not reciprocating the embedded behaviour of the upper management, but also actively rejecting this behaviour on occasions, making clear that they did not trust the buyer’s intentions. These contradicting messages can thus come from different actors within the buying organization who adopt different partnership logics, as in this example, or alternatively from one actor within the buying organization (e.g., the boundary spanner) who uses ambiguous messaging because they are influenced by colleagues with different views (Perrone et al., 2003). It can thus be expected that a higher degree of competing partnership logic within the buying organization negatively affects the supplier’s goodwill trust.

H1a: The degree of competing partnership logic within a firm negatively affects the supplier’s goodwill trust

Competence trust is less tied to repeated exchanges (and consequently, to reciprocity) and can thus be present from the very outset of a buyer-supplier relationship (Ireland & Webb, 2007). However, competence trust is also expected to be adversely affected by competing partnership logics within an organization. When the buyer’s behaviour does not align with the supplier’s expectations (e.g., ambiguous messaging), the supplier may perceive this discrepancy as a lack of competence on the buyer’s part (Mayer et al., 1995). This reasoning aligns with the literature on internal integration, where empirical evidence demonstrates how a lack of internal consensus on the management of the relationship (partnership logic) results in less collaborative relationships with the supplier (Ellegaard & Koch, 2012; Pardo et al., 2011). Although these studies do not explicitly mention individual partnership logic or competence trust, they implicitly present situations where internal misalignment results in the supplier doubting the buyer’s competence (e.g., Brattström & Faems, 2019). Ellegaard and Koch (2012) even provide an empirical example where the supplier refused to deliver until the buying firm resolved their internal differences, due to the perceived impact these differences had on the buying firm’s ability to fulfil their promises. Therefore, similar to goodwill trust, a higher degree of competing partnership logics within an organization is expected to negatively affect the supplier’s competence trust.

H1b: The degree of competing partnership logic within a firm negatively affects the supplier’s competence trust

3.2 The Effect of Different Combinations of Partnership Logic on Trust

In a more detailed examination of partnership logic between two individuals, partnership logic alignment can be categorized into four groups/ types (see Figure 2): aligned, where both actors adopt an embedded approach (AE); aligned, where both actors adhere to a transactional approach (AT);

<p>Competing with Embedded Purchaser (CE)</p> <p style="text-align: center;">Goodwill trust</p> <p style="text-align: center;"> ----- </p> <p style="text-align: center;">Competence trust</p> <p style="text-align: center;"> ----- </p>	<p>Aligned Embedded (AE)</p> <p style="text-align: center;">Goodwill trust</p> <p style="text-align: center;"> ----- </p> <p style="text-align: center;">Competence trust</p> <p style="text-align: center;"> ----- </p>
<p>Aligned Transactional (AT)</p> <p style="text-align: center;">Goodwill trust</p> <p style="text-align: center;"> ----- </p> <p style="text-align: center;">Competence trust</p> <p style="text-align: center;"> ----- </p>	<p>Competing with Transactional Purchaser (CT)</p> <p style="text-align: center;">Goodwill trust</p> <p style="text-align: center;"> ----- </p> <p style="text-align: center;">Competence trust</p> <p style="text-align: center;"> ----- </p>

Figure 4. The Effect of Different Combinations of Partnership Logic on Different Types of Trust

competing, where only the boundary spanner is embedded (CE); and competing, where only the boundary spanner is transactional (CT). These categories are hypothesized to impact goodwill and competence trust differently (see Figure 4).

In situations where both actors are aligned (i.e., they present a unified approach), the combination of individual partnership logics should behave similarly, if not identically, to what the purchasing and supply management literature describes as a company's partnership logic (e.g., Moeller et al., 2006). Specifically, aligned embedded partnership logic leads to higher supplier trust (both goodwill and competence) than aligned transactional partnership logic. The reason for this is that when a buying firm decides that a supplier warrants a closer relationship, instead of an arms-length one, then they invest more time and resources into that relationship (Gelderman & Van Weele, 2003; Moeller et al., 2006). This leads to more buyer-firm practices (e.g., increased communication) that stimulate the supplier's trust (Dyer & Singh, 1998; Hemmert et al., 2016). Furthermore, for goodwill trust, reciprocity plays a crucial role. If both actors from the buying organization consistently employ practices benefiting the supplier, due to their shared embedded partnership logic, this is expected to be positively reciprocated over time (Ireland & Webb, 2007), gradually enhancing goodwill trust through repeated exchanges. Conversely, if both actors consistently employ competitive practices because they share a transactional partnership logic, this is expected to be negatively reciprocated over time, gradually diminishing the goodwill trust through repeated exchanges. Therefore, a shared embedded partnership logic is likely to result in more goodwill trust from the supplier than a shared transactional partnership logic.

H2a: Aligned embedded partnership logic results in higher levels of goodwill trust compared to aligned transactional partnership logic

Reciprocity is not the driving force for establishing competence trust (Ireland & Webb, 2007), but the assertion that buying firm practices, driven by embedded partnership logic, foster higher competence trust compared to those stemming from transactional partnership logic remains valid. When a buyer, guided by an embedded partnership logic, invests more effort into a relationship, they demonstrate their competence through practices such as increased communication or technical assistance, bolstering the supplier's competence trust (Das & Teng, 2001; Sako & Helper, 1998; Şengün & Nazli Wasti, 2007). Conversely, if a buyer limits resources due to a transactional partnership logic, the supplier might question the buyer's competence (Ireland & Webb, 2007).

H2b: Aligned embedded partnership logic results in higher levels of competence trust compared to aligned transactional partnership logic

Considering situations where both actors exhibit competing partnership logics, the supplier's trust would be differentially influenced based on whether the boundary spanner (i.e., purchasing manager) has an embedded or transactional orientation. This is due to the critical role of the boundary spanner in implementing buying firm practices (Aldrich & Herker, 1977; Zhang et al., 2011), a concept sometimes referred to as boundary theory (e.g., Stock, 2006; Zhang et al., 2011). Boundary spanners not only communicate with suppliers, influence them to conform to their organization's needs, and strike a balance between the buying and supplying firm (Aldrich & Herker, 1977), but they also build interpersonal relationships with the supplier's boundary spanners (Doney et al., 2007; Doney & Cannon, 1997). Thus, they play a pivotal role in trust-building in supply chain relationships (Perrone et al., 2003; Zaheer et al., 1998).

Boundary spanners often exercise discretion in utilizing their expertise (Aldrich & Herker, 1977; Vesalainen et al., 2020). Their roles are shaped not only by their organization but also by their personal characteristics, job role interpretation, and situational understanding (Vesalainen et al., 2020). This discretion, although varying across organizations, allows boundary spanners to manage their relationships with suppliers to a certain extent (Perrone et al., 2003). Their degree of freedom can differ per organization however, so is it for example argued that more 'mature' purchasing departments rely

more on their organization rather than individual expertise (Schiele, 2007). Nevertheless, the boundary spanner's role can never be defined for every possible scenario, so a certain reliance on their expertise and judgement always remains (Aldrich & Herker, 1977). Moreover, individuals can have different 'natural' orientations towards either an embedded or transactional approach, which influences their behaviour when dealing with suppliers even more (Vesalainen et al., 2020).

Combining these two perspectives, namely that boundary spanners are the most important individuals in establishing trust between organization, and that boundary spanners have freedom to implement their own views, it is reasoned that the boundary spanner's partnership logic exerts a greater impact on the supplier's trust (both competence and goodwill) than their colleagues' partnership logic.

H3a: Competing partnership logic, where the boundary spanner has an embedded partnership logic, leads to higher levels of goodwill trust compared to a situation where the boundary spanner has a transactional partnership logic

H3b: Competing partnership logic, where the boundary spanner has an embedded partnership logic, results in higher levels of competence trust compared to a situation where the boundary spanner has a transactional partnership logic.

3.3 The Moderating Effect of Supplier Dependence

One of the most important non-behavioural influences on supplier trust is supplier dependence (Lee & Zhong, 2020; Svensson, 2004). This variable gives important context to the buyer-supplier relationship. Therefore, it is important to consider how it can alter the effect of partnership logic on goodwill and competence trust.

Supplier dependence, as defined in this context, refers to the reliance of the supplier on the actions of the buyer to achieve its goals (Zhang & Huo, 2013). This concept can also be interpreted as the supplier's lack of power within the relationship (Emerson, 1962). It is well-documented that supplier dependence significantly influences supplier trust (McCarter & Northcraft, 2007; Zhang & Huo, 2013). Dependence on a buyer exposes the supplier to potential opportunism and increases uncertainty. Building a trusting relationship, however, serves as a potential countermeasure against these negative effects (Das & Teng, 2001; McCarter & Northcraft, 2007; Zhao et al., 2008). Accordingly, in practice it is found that dependent suppliers will take the 'risk' of investing in a trusting relationship, because that is the best tool at their disposal to counteract the negative effects of being dependent on a buyer (Gao et al., 2005; Zhang & Huo, 2013).

The impact of supplier dependence on trust, particularly when distinguishing between goodwill trust and competence trust, is a field ripe for further exploration. Existing research yields somewhat ambiguous results. For instance, Lee and Zhong (2020) provide strong empirical evidence suggesting that dependent suppliers trust the buyer's competence more, but its goodwill less. They rationalize this by arguing that dependence necessitates reliance on critical resources, demanding greater competence trust, while the potential for power abuse by the buyer diminishes goodwill trust – a finding echoed by Shen et al. (2019) and Zhong et al. (2017). Contrarily, Pulles et al. (2014) found that, when mobilizing supplier resources, competence trust matters more for less dependent suppliers, while goodwill trust proves significant for more dependent suppliers. They suggest that heightened reliance on the buyer amplifies relational risk, thus necessitating greater reliance on goodwill trust (Das & Teng, 2001). These findings may initially seem contradictory. However, if both are indicative of real-world dynamics, it should be possible to conceptualize a connection between them. One key distinction lies in the research contexts: Lee and Zhong (2020), Shen et al. (2019), and Zhong et al. (2017) examine how dependence correlates with trust, whereas Pulles et al. (2014) investigates how different types of trust impact desired relationship outcomes (resource mobilization) under varying levels of dependence. Drawing on these conclusions, it could be argued that as supplier dependence increases, the supplier gains more competence trust but loses goodwill trust due to inherent relationship dynamics as explained by Lee

and Zhong (2020). However, when a dependent supplier establishes goodwill trust or a relatively independent supplier establishes competence trust, the effects on the relationship are much more pronounced (Pulles et al., 2014), as these forms of trust directly address the supplier's concerns.

Section 3.2 discussed the expectation that the type of partnership logic alignment within the buying firm influences supplier goodwill trust by shaping the relational behaviour of the buying firm. Coupling this with the notion that supplier dependence impacts trust (Hemmert et al., 2016), it is hypothesized that the effect of the partnership logic alignment type on goodwill trust becomes more pronounced when supplier dependence is higher. More specifically, the positive effects of embedded partnership logic and the negative effects of transactional partnership logic may be amplified in situations of high supplier dependence, thereby intensifying the distinction between different types of alignment.

This hypothesis finds support in the idea that the more dependent the supplier is, the more susceptible they are to indications of the buyer's goodwill, as they allocate more resources (such as dedicated personnel and time) to the relationship (Piercy & Lane, 2007). The interplay of these signals and supplier dependence gives rise to the notion of two aspects of dependence: a 'beneficial' and a 'detrimental' side (Johnsen & Lacoste, 2016; Scheer et al., 2010; Vázquez-Casielles et al., 2017). The 'beneficial' type of dependence fosters collaborative relationships, whereas the 'detrimental' type promotes disengagement (Johnsen & Lacoste, 2016; Svensson, 2004). Whether dependence is deemed beneficial or detrimental is suggested to be at least partially determined by the relational behaviour of the buying firm (Vázquez-Casielles et al., 2017). Thus, when supplier dependence is high, the behaviour of the buying firm becomes pivotal in determining whether the supplier trusts their goodwill (beneficial dependence) or not (detrimental dependence). Specifically, a dependent supplier will likely start with a negative view of the buyer's goodwill (Shen et al., 2019). If these expectations are met with transactional behaviour, this will lead to a detrimental dependency, resulting in decreased goodwill trust and potentially leading to a difficult-to-break cycle of reciprocation (Cropanzano & Mitchell, 2005). However, if these expectations are met with embedded behaviour, goodwill trust can be established even in relationships where the supplier is highly dependent (Pulles et al., 2014). The supplier will be motivated to foster goodwill trust, as it mitigates the relational risk posed by their dependence (Das & Teng, 2001).

H4a: The differences in goodwill trust between the different aligned partnership logics (H2a) and competing partnership logics (H3a) will be enlarged by supplier dependence.

Likewise, the partnership logic alignment type is also hypothesised to have an effect on competence trust. However, when combining this effect with the notion that dependence influences trust, then the effect of competence trust is expected to be attenuated, rather than magnified, as dependence increases. More specifically, if the supplier is not dependent on the buyer, then the positive effects of embedded partnership logic and the negative effects of transactional partnership logic are amplified, making the difference between the different types of alignment greater.

This reasoning is supported by the finding that the more dependent the supplier is on the buyer, the more positive their expectations in the buyer's competence (Lee & Zhong, 2020; Shen et al., 2019; Zhong et al., 2017). This is logical when considering that the supplier's dependence is rooted in the supplier's perception that the buyer is able to perform the relevant actions to enable to supplier's goals (Emerson, 1962; Lee & Zhong, 2020), i.e., if the supplier did not believe the buyer would be able to meet their demands, then they would not be dependent on them. On the flipside, when the supplier is relatively independent of the buyer, then the buyer has to prove its competence. This leads to the conclusion that independent suppliers will be more receptive to signals of the buyer's competence. As posited in the prior hypotheses, the partnership logic alignment type is a key signal of the buyer's competence. Therefore, it can be expected that there is an interaction effect between different types of partnership logic alignment (signalling the buyer's competence) and the supplier's dependence.

H4b: The differences in competence trust between the different aligned partnership logics (H2b) and competing partnership logics (H3b) will be attenuated by supplier dependence.

4. METHODOLOGY

4.1 Research Design

This section details the methodology used to test the proposed hypotheses. A quantitative research design was chosen over a qualitative one to provide an in-depth, quantifiable analysis of how individuals think and act in the context of internal integration, a field that has been criticized for lacking such analysis (Brattström & Faems, 2019). Furthermore, a quantitative study design is well-suited to test the theoretical logic developed in previous qualitative work (Carr, 1994). Given that the hypotheses involve both metric (degree of competing partnership logic) and categorical independent variables (partnership logic alignment type), multiple linear regression (MLR) is most appropriate (Duleba & Olive, 1996; Tabachnic & Fidell, 2012). This methodological approach aligns with existing research in the field, as demonstrated by Shen et al. (2019), who successfully employed multiple regression analysis to explore the antecedents of goodwill and competence trust.

The alternative would have been structural equation modelling (SEM), which has also been proven effective in similar approaches to researching buyer-supplier relationships (e.g., Lee & Zhong, 2020; Pulles et al., 2014). However, SEM is best suited for testing multiple constructs which are directly represented by underlying observed variables (Nusair & Hua, 2010), whereas this study involves the use of recomputed and categorical variables (those regarding partnership logic). Using extensively recomputed variables as the main predictors decreases the added value of SEM and increases its complexity since the data validity needs to be checked separately from the structural equation model. Furthermore, when comparing groups (categories) together with a metric moderator variable, generally, analysis of covariance (ANCOVA) or MLR are the recommended methods (Tabachnic & Fidell, 2012).

4.2 Sample and Data Collection

Data was collected from a broad range of firms, without focusing on a particular industry. This approach facilitated the generalization of findings, providing universal insights into buyer-supplier relationships which have been called for in prior research (e.g., Ellegaard & Koch, 2012). Table 1 presents the characteristics of the participating firms.

Table 1. Characteristics of Participating Firms

	Firm 1 – Cable manufacturer	Firm 2 – Heating equipment provider	Firm 3 – Hospital	Firm 4 – Machine manufacturer	Firm 5 – Pump Manufacturer
Industry	Telecom, Building, and Industrial	Heating	Healthcare	Bakery	Technology, Water, and Industrial
Employees ^a	925	196	3800	650	8000
Turnover (millions of EUR) ^a	450	66	450	180	1,890
Supplier survey ^b	23	17	14	15	15
Response rate ^b	77%	38%	28%	54%	56%

^a These are approximate numbers, derived from calendar year 2022

^b Only a portion of these surveys (69 out of 84) is used in this paper because the corresponding buying firm data could not be gathered in time

The data was collected at five companies. The first is a cable manufacturer located in the Netherlands. With around 925 employees this firm can be considered to be a large enterprise (OECD, 2017). They

provide cables, systems, and services to their worldwide customer base. The second is a heating equipment provider located in the Netherlands. With 196 employees this firm can be considered a medium sized enterprise (OECD, 2017). They manufacture, deliver, and maintain heating equipment, serving and operating an international market. The third firm on the list is a Netherlands-based hospital, which stands out as an anomaly among the firms considered. It aligns with the majority of Dutch hospitals in being privately owned and operating on a not-for-profit basis, reflecting a goal to stimulate competition within the hospital market (Busse et al., 2007; Tip et al., 2022). This positions it in a distinct operational context compared to the other four firms. With a workforce of over 3,500, it qualifies as a large enterprise. The fourth is a machine manufacturer located in the Netherlands, specializing in bakery. With roughly 650 employees they can be considered a large enterprise. They design, manufacture, and install completely integrated bakery lines. Finally, the last firm is a pump manufacturer located in Germany. With around 8000 employees this firm can also be considered a large enterprise. They position themselves as a supplier of pumps and pump systems for building services, water management and the industrial sector. All of these five companies are well-suited to research regarding internal integration. They are sufficiently large so that internal differences in opinions can exist. The nature of these companies also necessitates the involvement of other departments with suppliers, where suppliers play an important role in different aspects of the business such as research and development or logistics.

The data was collected through online surveys, which captured more variables than those solely used in this study. These surveys also supported other concurrent research projects examining the impact of internal buying firm dynamics on external supplier relationships. Each sample or observation consisted of three interlinked surveys: one filled out by the supplier's contact person, one by the buyer's boundary spanner (purchasing manager), and one by a colleague of the purchasing manager from preferably a different functional department. This colleague, while not part from the purchasing department, had adequate knowledge of the organization's supplier to provide an opinion about the buyer-supplier relationship. Including a colleague from a different department was intentional; it allowed for an examination of how different functional goals can lead to varied partnership logics, as individuals in the same function often adopt similar viewpoints (Moses & Åhlström, 2008). An exception here was firm 2, where the operational purchasing department was identified as the boundary spanning function and the tactical purchasing department was identified as an appropriate internal department other than the main purchasing function. Here it was argued that internal differences could exist because they are two distinct departments, operational purchasing dealing with the supplier on a daily basis and tactical purchasing only getting involved on occasions.

To mitigate common method bias, the research design incorporated (1) partial separation of the measurement of dependent and independent variables, (2) assurance of respondent anonymity, and (3) the assertion that there were no 'right' or 'wrong' answers (Podsakoff et al., 2003; Shen et al., 2019). For the first point: the dependent variables (goodwill trust and competence trust) are measured by the supplier's survey, whereas the main independent variables (those regarding partnership logic) are measured by the purchasing manager's and the colleague's survey. However, the supplier's survey also measures the other independent variables, making it only a partial separation of dependent and independent variables. For the second point, assuring anonymity, it was made clear in every communication with a respondent, be it through email or phone call, that the response would be anonymous. Additionally, respondents were informed that they would receive a management report of the results.

Participating buying companies were asked to provide the names and emails of their suppliers, purchasing managers, and colleagues from different departments. Using this data, survey emails were systematically sent out. Initially, an announcement email was dispatched to the supplier, followed by the actual survey after a week. Suppliers who did not respond or partially filled the survey received reminder emails. If the response was still pending, a phone call from the responsible researcher was

placed, inquiring about the status of the email and participation willingness. These steps, including the announcement email, reminder email, and follow-up phone calls, were carried out to maximize the

Table 2. Characteristics of Suppliers (N = 69)

Supplying firm	Frequency	Supplying firm's respondent	Frequency
<i>Industry</i>		<i>Function</i>	
Automotive	3%	Operational	43%
Chemicals/ Pharmaceuticals	3%	Tactical	19%
Consumer Goods	3%	Strategic	10%
Industrial Machinery	20%	Executive	28%
Services	7%	<i>Work experience</i>	
Other	64%	0-5 years	1%
<i>Country</i>		5-10 years	13%
Austria	1%	10-20 years	20%
Finland	1%	≥ 20 years	65%
Germany	28%	<i>Organizational tenure</i>	
Italy	9%	0-5 years	20%
Netherlands	46%	5-10 years	22%
Norway	1%	10-20 years	35%
Poland	1%	≥ 20 years	23%
Spain	1%	<i>Number of employees</i>	
UK	3%	0-50	22%
Other*	7%	50-250	36%
		≥ 250	42%

* Some of the respondents indicated their 'country' to be multiple countries, a region, or a city. These answers fall under the category 'other.'

Table 3. Characteristics of Buying Firm Participants

Purchasing managers (N = 16)	Frequency	Internal others (N = 36)	Frequency
<i>Work experience</i>		<i>Work experience*</i>	
0-5 years	0%	0-5 years	12%
5-10 years	25%	5-10 years	9%
10-20 years	19%	10-20 years	29%
≥ 20 years	56%	≥ 20 years	50%
<i>Organizational tenure</i>		<i>Organizational tenure*</i>	
0-5 years	38%	0-5 years	18%
5-10 years	13%	5-10 years	15%
10-20 years	19%	10-20 years	38%
≥ 20 years	31%	≥ 20 years	29%
<i>Role category</i>		<i>Role category/ department</i>	
Strategic	31%	Engineering	28%
Tactical	6%	Logistics	19%
Operational	31%	Management and coordination roles	14%
Managerial	13%	Procurement	17%
Generic role	19%	Other roles	17%
		Not answered	6%

*2 missing cases are excluded, here all the survey questions were answered, except for the work experience, organizational tenure, and job description

response rate. The characteristics of the participating suppliers are displayed in Table 2. Simultaneously, when suppliers received their announcement email, the buying company employees involved in the study also received an announcement email, which signified the commencement of the data collection process. Once the supplier completed their survey, the survey was sent to the boundary spanner and the colleague from the buying firm, highlighting that the supplier had already fulfilled their part. This was done to increase the response rate. In some cases, the participating employees of the buying firm also received a reminder email after a week or were inquired about the survey by phone or in person. If a respondent from within the buying firm, for whatever reason, could not fill in the survey, then a replacement respondent was identified. This did not affect the quality of the data since in all the firms there were multiple internal others/ colleagues who were capable to fill in the survey about the buyer-supplier relationship. The characteristics of the participants from the buying firms are shown in Table 3. In 15 instances it occurred that not all of the data from the participants in the buying firm could be collected, even though the supplier filled in their survey. These cases were dismissed as they did not provide full samples.

Participating companies were asked to provide their annual expenditure with each supplier. Four out of five firms complied, while the fifth considered the data too sensitive to share. Comparative t-tests were conducted on this data to investigate any nonresponse bias. The analysis revealed, for Firm 1, the average spend with respondents was 7,552,998 euros and 2,236,244 euros with non-respondents. The difference was not statistically significant ($t = 0.963$, $p = 0.344$). It should be noted that one outlier in the respondent group had an annual spend three times larger than the next highest, influencing the average. Firm 2's average expenditure was 506,339 euros with respondents and 547,081 euros with non-respondents. No significant difference was found ($t = 0.042$, $p = 0.967$). Firm 3 reported an average of 925,353 euros with respondents and 710,206 euros with non-respondents, with no significant difference ($t = 0.572$, $p = 0.570$). Lastly, Firm 4 had an average expenditure of 933,168 euros with respondents and 604,562 euros with non-respondents. The difference was not significant ($t = 1.333$, $p = 0.194$). In summary, the annual expenditure of the buyer with the supplier did not appear to influence whether a supplier would respond to the survey.

4.3 Measures

4.3.1 Measurement of Partnership Logic

Understanding partnership logic is central to this study, but quantifying it presents challenges. Mainly, it was crucial to determine whether the 'partnership logic' of an individual should be measured as a singular reflective variable or as two distinct variables (embedded and transactional). Initially, the survey for both the purchasing manager and the colleague included two sets of questions: one for measuring transactional partnership logic and one for measuring embedded partnership logic. This approach allowed the possibility of measuring either as a single variable or two distinct variables. The conceptualisation of partnership logic by Brattström and Faems (2019) supports the notion that partnership logic is a single latent variable that spans from completely transactional to completely embedded, as illustrated in Figure 1. This understanding aligns with the conceptualisation of partnership logic at the firm level (Hawkins et al., 2008). To validate this conceptualisation in practical contexts, the distribution of the scores for transactional and embedded partnership as separate variables was assessed (without removing measurement items). Theoretically, if these concepts indeed represent two ends of a spectrum, higher scores in one should correspond to lower scores in the other.

However, an examination of the data, involving the calculation of Pearson correlation coefficients between the partnership logics, clarifies that the hypothesised dynamics of partnership logic might not hold true. Firstly, considering all cases, transactional partnership logic does not significantly correlate with embedded partnership logic ($r = 0.040$, $\text{sig.} = 0.642$, $n = 138$). More specifically, for purchasing managers' partnership logics, transactional partnership logic shows a significant negative correlation with embedded partnership logic ($r = -0.202$, $\text{sig.} = 0.097$, $n = 69$). This trend aligns with the expected relationship between the variables, i.e., the higher transactional the lower embedded partnership logic

and vice versa. However, a colleague's transactional partnership logic significantly positively correlates with their embedded partnership logic ($r = 0.307$, $\text{sig.} = 0.010$, $n = 69$). This suggests that, for colleagues, higher transactional partnership logic correlates with higher embedded partnership logic. Thus, based on these findings, it is concluded that for testing the hypotheses the two logics need to be measured as separate variables in this analysis, since they do not appear to be two ends of the same spectrum.

Table 4. Measurement Items

Constructs	Measurement items	Factor loading
Supplier survey		
Goodwill trust (Pulles et al., 2014)	(1 = strongly disagree; 4 = neutral; 7 = strongly agree) We can rely on <this customer> to help us in ways not required by our agreement with them	0.71
	We can depend on <this customer> to always treat us fairly	0.63
	<This customer> takes initiatives for mutual benefits that exceed the contractual agreements	0.73
Competence trust (Pulles et al., 2014)	(1 = strongly disagree; 4 = neutral; 7 = strongly agree) We feel that <this customer> is a highly capable partner	0.89
	<This customer> is very capable of providing value to our firm	0.85
	We trust that <this customer> has the managerial and technical capabilities to do what it says it will do	Removed
Supplier dependence (Terpend & Krause, 2015)	(1 = strongly disagree; 4 = neutral; 7 = strongly agree) If <this customer> would stop buying from us, we could easily replace their volume with sales from other buyers (reverse score)	0.81
	If the relationship with <this customer> was terminated, it would not hurt our operations (reverse score)	0.84
	We are very dependent on <this customer>	Removed
Supplier size (Wang et al., 2020)	Please indicate the number of employees working at your organization (if your organization has multiple business units, please indicate the number of employees at your business unit) Number of employees:	N/A
Purchasing manager survey		
Embedded partnership logic purchasing manager (Brattström & Faems, 2019)	(1 = strongly disagree; 4 = neutral; 7 = strongly agree) In dealing with this supplier ...	
	... I seek to establish cooperative practices	0.80
	... I am sharing information openly	0.59
	... I seek to maximize joint benefits	0.81
Transactional partnership logic purchasing manager (Brattström & Faems, 2019)	(1 = strongly disagree; 4 = neutral; 7 = strongly agree) In dealing with this supplier ...	
	... I see them as a transactional supplier	0.60
	... I view our interactions as competitive	Removed
	... I consider them as opportunistic actor	0.66
Colleague survey		
Embedded partnership logic colleague (Brattström & Faems, 2019)	(1 = strongly disagree; 4 = neutral; 7 = strongly agree) In dealing with this supplier ...	
	... I seek to establish cooperative practices	0.81
	... I am sharing information openly	0.90
	... I seek to maximize joint benefits	0.67
Transactional partnership logic colleague (Brattström & Faems, 2019)	(1 = strongly disagree; 4 = neutral; 7 = strongly agree) In dealing with this supplier ...	
	... I see them as a transactional supplier	0.57
	... I view our interactions as competitive	0.58
	... I consider them as opportunistic actor	0.78
Supplier and purchasing manager surveys		
Relationship length	Please indicate the relationship length with <this customer> (in years)	N/A

4.3.2 Measurement Items

Table 4 details the measurement items used to evaluate the hypotheses. All items, except relationship length and supplier size, are assessed on a 7-point scale. Partnership logic is measured from both the boundary spanner and the colleague using their respective surveys. The relationship length is measured via both the supplier and the purchasing manager surveys. All other variables (goodwill trust, competence trust, supplier independence, and supplier size) are determined using the supplier survey. In the parts where the item says '<this customer>' the name of the corresponding buying firm was inserted.

The dependent variables, *goodwill trust* and *competence trust*, are assessed using the same scales employed by Pulles et al. (2014). For goodwill trust, respondents indicate to what extent they expect fair treatment and initiatives beyond contractual terms from the buying firm. Competence trust evaluates the perceived capability of the buyer. The assessment items for both *embedded* and *transactional partnership logic* draw upon the work of Brattström and Faems (2019). Embedded partnership logic evaluates the belief that the buying company should cooperate, share information, and maximize joint benefits with the supplier. Transactional partnership logic assesses whether an individual from the buying company views the buyer as transactional, the interaction as competitive, and the supplier as opportunistic, thereby measuring transactional partnership logic. Because in this paper the interest lies in what the effect is of the combination of a purchasing manager's partnership logic and a colleague's partnership logic, these variables are later recomputed into variables that aim to measure this combination (see section 4.5). The measurement items for *supplier dependence* originate from Terpend and Krause (2015). Respondents indicate the significance of the buying volume for their organization, how easily they can substitute the buyer, and their perceived dependence on the buyer. Note that the first two measures are reverse coded (1 becomes 7, 2 becomes 6, etc.). This way all the questions load in the same manner: the higher, the more dependent the supplier is on the buyer.

4.3.3 Control Variables

Supplier size, measured by the number of employees at the supplier's company, is the first control variable in this study. The rationale for this is that firm size may influence organizational behaviours and decisions (Lee & Zhong, 2020). The second control variable is *relationship length*. For this respondents report the length of the relationship in years. In case of discrepancies in reported relationship lengths between the supplier and the buyer, the average of the two values is taken (see section 4.5). Relationship length is included because the creation of both goodwill and competence trust is argued to be preceded by previous interactions where mutual commitments are tested and relational norms are established (Gulati, 1995; Gulati & Sytch, 2008; Mayer et al., 1995). The longer the relationship, the greater the likelihood that trust has developed.

Including control variables in regression analysis is of particular importance here because it (may) reduce omitted variables bias and (may) give more accurate and meaningful results (Clarke, 2005). The decision to incorporate only two control variables is two-fold. Firstly, adding more control variables to the model consumes degrees of freedom and increases complexity. Given the relatively small sample size of this study, the addition of more variables might compromise the validity of the results. Secondly, the potential for multicollinearity is a concern with the current independent variables, particularly when including common control variables such as interpersonal trust (e.g., Shen et al., 2019). For instance, it has been argued that the significant impact of boundary spanners is partly due to their ability to foster interpersonal trust (Zhang et al., 2011). Therefore, to avoid confounding effects, the number of control variables has been limited.

4.4 Data Validity

The validity of the data for hypothesis testing presents limitations, primarily due to the criteria of Confirmatory Factor Analysis (CFA). Successful CFA requires an appropriate sample size for model convergence, an unbiased Chi-Square statistic, and the power to distinguish paths between latent

constructs (Koran, 2016). One significant challenge was ensuring model convergence (i.e., the algorithm's capacity to find a stable or sensible solution). According to Koran (2016), at least 100 samples are recommended for a CFA with six factors, each with three observed variables, and factor loadings of 0.80. If factor loadings decrease, this required sample size increases. Conversely, Jackson et al. (2013) suggest a more lenient threshold of 50 samples for similar CFAs, though this excludes the power to detect paths between latent constructs. With seven latent variables, each with three observed variables, and a sample size of 69, the data's validity testing falls into a grey area. It might offer some insights but also risks unreliable outcomes. These constraints were acknowledged during validity testing, and adjustments were made as needed. As a result, the ensuing validity outcomes should be interpreted in light of the modest sample size and the relatively expansive model.

To ensure reliable results in the regression models, construct validity is assessed in a three-stage process that includes unidimensionality, reliability, and validity (O'Leary-Kelly & Vokurka, 1998). In the first stage, unidimensionality is confirmed by using Confirmatory Factor Analysis (CFA) for each multi-item variable. The factor loadings for these are displayed in Table 4. At this point, limitations due to the small sample size became evident, as some factor loadings slightly exceeded 1, signalling a failed model convergence. Consequently, the variable 'supplier dependence' was excluded from the primary model, and its factor loadings were separately estimated in a different CFA. For the remaining variables, factor loadings below 0.40 were automatically excluded. Loadings between 0.40 and 0.708 were evaluated for potential removal based on their impact on the model's reliability or validity (Hair et al., 2021). Three items were removed following this criterion. However, seven factor loadings still remained below the threshold of 0.706, the lowest being 0.582. These were retained either because their removal did not substantially improve reliability or convergent validity, or because removing them resulted in other factor loadings exceeding 1, which would again signal a failed model convergence. To avoid over-deletion, which would harm content validity (Hair et al., 2021; O'Leary-Kelly & Vokurka, 1998), these lower factor loadings were acceptable. The model fit indices were: $\chi^2 = 98.56$, $p = 0.229$, $\chi^2/df = 1.11$, comparative fit index (CFI) = 0.969, incremental fit index (IFI) = 0.972, and root mean square error of approximation (RMSEA) = 0.039 (Liu et al., 2009; Shen et al., 2019). All these indices indicate appropriate model fit (Bagozzi & Yi, 1988; Hooper et al., 2008). A sidenote here is that supplier dependence was not included in this model. Finally, the factor scores are calculated by taking the arithmetic mean of the observable variables that load onto each respective factor (Liu et al., 2009).

Table 5. Reliability and Convergent Validity Measures

	No. of items	Cronbach's α	CR	AVE
Competence trust	2	0.86	0.86	0.77
Goodwill trust	3	0.73	0.73	0.48
INT Embedded	3	0.79	0.81	0.59
INT Transactional	3	0.68	0.68	0.42
PUR Embedded	3	0.77	0.76	0.54
PUR Transactional	2	0.57	0.57	0.40
Supplier dependence*	2	0.81	0.81	0.68

* *Supplier dependence is not included in the main CFA, but in a second CFA on its own.*

Abbreviations: No., number; CR, composite reliability; AVE, average variance extracted; INT, internal other/colleague; PUR, purchasing manager. (N = 69)

The reliability of the measures, indicating the consistency and stability of a measure, was evaluated using Cronbach's alpha and composite reliability for each multi-item construct. By example of similar

studies, Cronbach's alpha and composite reliability are both reported (Liu et al., 2009; Shen et al., 2019), because Cronbach's alpha is considered as a conservative measure and composite reliability as a more liberal one (Hair et al., 2021). For demonstrating adequate reliability, values for both Cronbach's alpha and composite reliability should surpass the 0.70 threshold (Bagozzi & Yi, 1988; Hair et al., 2021). Referring to Table 5, it was observed that for both the colleague's and purchasing manager's transactional partnership logic, these criteria were not met. Nonetheless, the scores were not critically low, being above the 0.50 or 0.40 thresholds (O'Leary-Kelly & Vokurka, 1998). Therefore, while noted as a limitation, the research proceeded.

Validity was then evaluated to ensure that the variance in the measure resulted from variations in the variable in question, rather than external factors. Convergent reliability was checked using the average variance extracted, as showcased in Table 5. Constructs needed to be above 0.5, indicating that the construct explains 50% or more of the variance of its indicators (Hair et al., 2021). Referring to Table 5, it was noted that this criterion was not met for goodwill trust and the transactional partnership logic of both the colleague and the purchasing manager. Again, this was recorded as a limitation, but the research continued. Discriminant validity of the measures was determined using two methods. Initially, the test by Fornell and Larcker (1981) was applied. This test contrasted the shared variance between every pair of constructs with the squared average variance extracted for each separate construct, as illustrated in Table 6. Each squared AVE exceeded the highest correlation among constructs, indicating appropriate discriminant validity. Secondly, Table 17 in Appendix A presented the heterotrait-monotrait (HTMT) ratios, with all values being below the 0.85 benchmark, confirming discriminant validity (Henseler et al., 2015).

Table 6. Descriptives, Correlation Matrix, and Square Root of AVE for All Latent Constructs

Construct	M	SD	(1)	(2)	(3)	(4)	(5)	(6)	(7)
(1) Competence trust	5.93	0.95	0.871						
(2) Goodwill trust	5.11	0.94	0.591**	0.690					
(3) INT Embedded	4.61	1.10	0.171	0.216	0.767				
(4) INT Transactional	4.04	0.96	0.006	0.167	0.307*	0.651			
(5) PUR Embedded	5.20	0.80	0.091	0.163	0.141	0.130	0.737		
(6) PUR Transactional	3.64	1.19	0.025	-0.003	0.029	-0.162	-0.252*	0.629	
(7) Supplier dependence	3.78	1.40	0.454**	0.169	0.281	0.043	0.047	0.040	0.825

Abbreviations: M, mean; SD, standard deviation; INT, internal other/ colleague; PUR, purchasing manager. The diagonal represents the square root of that constructs AVE. The off diagonal represents the Pearson's correlations among constructs. (N = 69)

*** Correlation is significant at the 0.01 level (two-tailed)*

** Correlation is significant at the 0.05 level (two-tailed)*

4.5 Data Preparation

The partnership logic construct was transformed into specific variables, correlating with the hypotheses that suggest different effects of partnership logic combinations on both goodwill and competence trust. For Hypotheses 1a and 1b, the partnership logic values of the purchasing manager and colleague were reformulated to derive the ‘degree of competing partnership logic’ using the formula:

$$\text{Degree of competing partnership logic} = | \text{transactional partnership logic purchasing manager} - \text{transactional partnership logic colleague} | + | \text{embedded partnership logic purchasing manager} - \text{embedded partnership logic colleague} |$$

Here, the ‘|’ indicates that the result will be an absolute value.

For the subsequent hypotheses, both the purchasing manager and colleague were categorized as either transactional or embedded. As discussed in Section 4.3, the two partnership logics (transactional and embedded) for an individual, particularly the colleague, are more appropriately viewed as distinct variables. Consequently, this categorization might not precisely reflect actual distinctions. However, to assess the hypotheses, they were still categorized based on whichever score was higher: transactional or embedded. If an individual’s embedded score matched their transactional score, they were categorized as transactional, anticipating fewer samples in that category. After these classifications, each instance was grouped into one of four ‘partnership logic alignment types’: (1) aligned, where both actors are embedded (AE), (2) aligned, where both actors are transactional (AT), (3) competing, where only the boundary spanner is embedded (CE), and (4) competing, where only the boundary spanner is transactional (CT). These categories could be included in the regression analysis as dummy variables.

Table 7 displays the statistics for these redefined variables. A noteworthy observation is the unequal distribution of cases across categories. Most cases fall under the AE or CE categories, while AT and CT categories each consist of only 6 cases. This distribution disparity somewhat restricts the regression analysis’s potential to derive significant insights.

Table 7. Computed Variables Regarding Partnership Logic and Their Characteristics

Computed variable	Characteristics
Degree of competing partnership logic	Metric variable <ul style="list-style-type: none"> - Mean: 2.47 - Standard deviation: 1.42 - Min: 0 - Max: 6.67
Partnership logic alignment type	Categorical variable <ul style="list-style-type: none"> - AE: 33 samples - AT: 6 samples - CE: 24 samples - CT: 6 samples

Abbreviations: AE = both actors have an embedded partnership logic, AT = both actors have a transactional partnership logic, CE = the purchasing manager has an embedded partnership logic while the colleague has a transactional partnership logic, CT = the purchasing manager has a transactional partnership logic while the colleague has an embedded partnership logic.

Lastly, in assessing relationship length, the arithmetic mean of the responses from the purchasing manager and the supplier was computed for the regression. This approach was adopted because, particularly in long-standing relationships, there might be variations in responses. Supporting this notion, the observed average discrepancy between the two responses was 10 years. Using the average between the two answers was considered to enhance the precision of the regression.

5. RESULTS

The analysis is divided into two parts. Initially, the metric used for combining multiple partnership logics is the ‘degree of competing partnership logic,’ termed the ‘basic operationalization design.’ This is aimed at testing hypothesis 1. Subsequently, the ‘advanced operationalization design’ uses the ‘partnership logic alignment type’ in a similar role. This is aimed at testing hypotheses 2 to 4. All hypotheses are evaluated using multiple linear regression models. Since standard linear regression analyses a single dependent variable and all hypotheses differentiate between two dependent variables (namely goodwill trust and competence trust), regression models are consistently divided into two sections. The first group focuses on goodwill trust as the dependent variable, succeeded by models for competence trust. Notably, the structures of the models for both groups mirror each other, with the dependent variable being the sole differentiator.

Before delving into the specifics of each model, the Variance Inflation Factor (VIF) is checked as a preliminary measure to ensure multicollinearity is not a significant concern. It is confirmed that no model has a VIF exceeding 3.614, which is well below the commonly accepted threshold of 10 (Shen et al., 2019).

5.1 Basic Operationalization Design

In the basic operationalization design, the effect of the degree of competing partnership logic on both types of trust is examined. Table 8 displays the four regression models applied. Models 1 and 3 present the baseline models with only the control variables. Models 2 and 4 introduce the variable ‘degree of competing partnership logic.’

Table 8. The Effect of the Degree of Competing Partnership Logic on Trust

	Goodwill trust		Competence trust	
	Model 1	Model 2	Model 3	Model 4
<i>Control variables</i>				
Supplier firm size	0.027	0.029	-0.047	-0.047
Supplier dependence	0.175	0.160	0.456***	0.453***
Relationship length	-0.161	-0.163	-0.086	-0.086
<i>Independent variables</i>				
Degree of competing partnership logic		-0.147		-0.037
Adjusted R ²	0.010	0.017	0.181	0.170
F-statistics	1.219	1.291	6.018***	4.480***
Highest VIF	1.041	1.041	1.041	1.041
N	69	69	69	69

*** P < 0.001 level (two-tailed)

When examining goodwill trust, all control variables in Model 2 show no significant impact. Specifically, supplier firm size shows a minimal effect ($\beta = 0.029$, $p = 0.816$), while supplier dependence presents a slightly positive, yet not significant, impact ($\beta = 0.160$, $p = 0.189$). Relationship length demonstrates a minor negative effect without significance ($\beta = -0.163$, $p = 0.189$). Analysing Model 2 for hypothesis H1a reveals that the degree of competing partnership logic has a minor negative effect on goodwill trust, but this is not significant ($\beta = -0.147$, $p = 0.228$). Thus, H1a is not supported: a higher degree of competing partnership logic does not significantly reduce goodwill trust levels.

Regarding competence trust, Model 4 identifies supplier dependence as a significant control variable, given its positive and highly significant impact ($\beta = 0.453$, $p < 0.001$). Other control variables like supplier firm size ($\beta = -0.047$, $p = 0.680$) and relationship length ($\beta = -0.086$, $p = 0.448$) exhibit minor and non-significant effects. Model 4, which tests hypothesis H1b, shows the effect of the degree of competing partnership logic on competence trust as minor and not significant ($\beta = -0.037$, $p = 0.738$).

Consequently, H1b is not supported, meaning a higher degree of competing partnership logic does not significantly reduce competence trust levels.

5.2 Advanced Operationalization Design

5.2.1 Trust Variation Across Alignment Types

The advanced operationalization design examines how different alignment types influence various forms of trust. Table 9 presents the means and standard deviations of goodwill and competence trust for distinct partnership logic alignment categories. At first glance, the averages do not seem to differ a lot.

Regarding goodwill trust, the lowest average, 4.83, is observed when the purchasing manager adopts a transactional perspective which competes with the partnership logic of the colleague, denoted as CT. On the other hand, the highest average, 5.17, emerges in scenarios where both the purchasing manager and the colleague align with a transactional partnership logic, termed as AT.

For competence trust, the scenario shifts slightly. The lowest average, 5.63, appears when the purchasing manager embraces an embedded viewpoint while competing in partnership logic with the colleague, labelled as CE. Conversely, the highest average value of 6.25 is recorded when both the purchasing manager and the colleague align with a transactional approach, indicated as AT.

Table 9. Trust Levels Across Different Partnership Logic Alignment Types

Alignment type	Goodwill trust	Competence trust
Aligned Embedded (AE)	M: 5.15, SD: 1.06	M: 6.11, SD: 1.04
Aligned Transactional (AT)	M: 5.17, SD: 1.01	M: 6.25, SD: 0.52
Competing with Embedded purchaser (CE)	M: 5.10, SD: 0.83	M: 5.63, SD: 0.94
Competing with Transactional purchaser (CT)	M: 4.83, SD: 0.72	M: 5.92, SD: 0.66

Abbreviations: M = mean, SD = Standard deviation, AE = both actors have an embedded partnership logic, AT = both actors have a transactional partnership logic, CE = the purchasing manager has an embedded partnership logic while the colleague has a transactional partnership logic, CT = the purchasing manager has a transactional partnership logic while the colleague has an embedded partnership logic.

5.2.2 Assessing Trust Across Different Partnership Logic Alignment Categories

In the advanced operationalization model, the objective is to determine if there are significant disparities between categories concerning their influence on both goodwill and competence trust. The approach also factors in dependence as a potential moderator. To this end, various partnership logic alignment categories are integrated as dummy variables in a regression analysis. Due to the necessity of a reference category when deploying these dummy variables (Lunt, 2015), and the hypotheses proposing differences between two categories, different reference categories are required for separate hypotheses. Consequently, identical regression analyses are executed twice, each with a distinct reference category. A negative coefficient for a dummy variable indicates that the respective category induces lower trust levels than the reference category, and vice versa for a positive coefficient.

Table 10 shows the regression models of goodwill trust on different partnership logic alignment types. Models 5 and 6 introduce the different categories to the baseline model (Model 1). Model 5 takes AE as the reference category; Model 6 takes CE as the reference category. Models 7 and 8 add interaction terms between the dummy variables and supplier dependence to models 5 and 6 respectively.

In Model 7 the coefficient for AT is small and insignificant ($\beta = 0.010$, $p = 0.940$), thereby rejecting H2a. Aligned embedded partnership logic (AE) does not significantly elevate goodwill trust compared to aligned transactional partnership logic (AT). In Model 8 the coefficient for CT is also small and insignificant ($\beta = -0.021$, $p = 0.907$). This refutes H3a, demonstrating that competing partnership logic

with an embedded boundary spanner (CE) does not significantly increase goodwill trust compared to a transactional boundary spanner (CT).

Table 10. Regression Analysis of Goodwill Trust Based on Partnership Logic Alignment Type

	Goodwill trust			
	Model 5	Model 6	Model 7	Model 8
<i>Control variables</i>				
Supplier firm size	0.018	0.018	0.010	0.010
Supplier dependence	0.186	0.186	0.418**	0.184
Relationship length	-0.143	-0.143	-0.081	-0.081
<i>Independent variables</i>				
Aligned embedded (AE)		0.003		-0.031
Aligned transactional (AT)	-0.014	-0.012	0.010	-0.008
Competing embedded (CE)	-0.003		0.030	
Competing transactional (CT)	-0.086	-0.084	-0.004	-0.021
<i>Interaction terms</i>				
AE x Dependence				-0.146
AT x Dependence			-0.271 [‡]	-0.159
CE x Dependence			-0.130	
CT x Dependence			-0.156	-0.112
Adjusted R ²	-0.031	-0.031	-0.026	-0.026
F-statistics	0.659	0.659	0.805	0.805
Highest VIF	1.267	1.267	2.672	3.614
N	69	69	69	69

Abbreviations: AE = both actors have an embedded partnership logic, AT = both actors have a transactional partnership logic, CE = the purchasing manager has an embedded partnership logic while the colleague has a transactional partnership logic, CT = the purchasing manager has a transactional partnership logic while the colleague has an embedded partnership logic.

** P < 0.01 level (two-tailed)

[‡] P < 0.10 level (two-tailed)

The introduction of interaction terms in Models 7 and 8 seeks to test H4a, which delves into the moderating effect of dependence on the primary influence of partnership logic alignment type, as indicated by the dummy variables, on goodwill trust. Model 7 shows the interaction between AT and dependence resulting in a negative and marginally significant coefficient ($\beta = -0.271$, $p = 0.089$). This initially seems to offer partial support for H4a, suggesting that the discrepancies in goodwill trust among various aligned partnership logics (H2a) are amplified by supplier dependence. Yet, a closer analysis reveals a trend reversal: in scenarios with low dependence, AT engenders higher goodwill trust than AE. Conversely, when dependence is elevated, AE appears more favourable. A deeper exploration of this phenomenon will be presented in the discussion section (section 6.1). Notably, the coefficient for dependence transitions from a marginally positive and non-significant value in Model 5 ($\beta = 0.186$, $p = 0.155$) to a more robust and significant figure in Model 7 ($\beta = 0.418$, $p = 0.042$). This underscores that heightened dependence levels gravitate towards an aligned embedded strategy over an aligned transactional one. Meanwhile, in Model 8, the interaction between CT and dependence is observed to be negative and lacks significance ($\beta = -0.112$, $p = 0.559$). To conclude, while H4a is ultimately refuted, suggesting that differences in goodwill trust between various aligned (H2a) and competing partnership

logics (H3a) are not intensified by supplier dependence, a notable moderation effect was discerned, albeit not as initially hypothesized.

Table 11. Regression of Competence Trust on Partnership Logic Alignment Type

	Competence trust			
	Model 9	Model 10	Model 11	Model 12
<i>Control variables</i>				
Supplier firm size	-0.059	-0.059	-0.069	0.069
Supplier dependence	0.427***	0.427***	0.656**	0.363 [‡]
Relationship length	-0.082	-0.082	-0.008	-0.008
<i>Independent variables</i>				
Aligned embedded (AE)		0.152		0.127
Aligned transactional (AT)	0.047	0.132	0.074	0.145
Competing embedded (CE)	-0.145		-0.121	
Competing transactional (CT)	-0.081	0.005	0.042	0.113
<i>Interaction terms</i>				
AE x Dependence				0.184
AT x Dependence			-0.217	-0.077
CE x Dependence			-0.163	
CT x Dependence			-0.215	-0.161
Adjusted R ²	0.172	0.172	0.179	0.179
F-statistics	3.346**	3.346**	2.647**	2.647**
Highest VIF	1.267	1.394	2.672	3.614
N	69	69	69	69

Abbreviations: AE = both actors have an embedded partnership logic, AT = both actors have a transactional partnership logic, CE = the purchasing manager has an embedded partnership logic while the colleague has a transactional partnership logic, CT = the purchasing manager has a transactional partnership logic while the colleague has an embedded partnership logic.

*** P < 0.001 level (two-tailed)

** P < 0.01 level (two-tailed)

[‡] P < 0.10 level (two-tailed)

Table 11 shows the regression models of competence trust on different partnership logic alignment types. In Model 11 the coefficient for AT is small and insignificant ($\beta = 0.074$, $p = 0.535$), thereby rejecting H2b. This implies that aligned embedded partnership logic (AE) does not significantly raise competence trust levels compared to aligned transactional partnership logic (AT). In Model 12 the coefficient for CT is slightly positive and insignificant ($\beta = 0.113$, $p = 0.490$). This finding rejects H3b, indicating that competing partnership logic where the boundary spanner is embedded (CE) does not elevate the levels of competence trust compared to when the boundary spanner is transactional (CT).

Again, the interaction terms added in Models 11 and 12 are aimed at testing H4b, concerned with the moderation effect of dependence on the main effect of partnership logic alignment type (the dummy variables) on competence trust. The coefficient for the interaction term between AT and dependence is negative and insignificant ($\beta = -0.217$, $p = 0.126$). The coefficient for the for the interaction term between CT and dependence is also negative and insignificant ($\beta = -0.161$, $p = 0.214$). Therefore, H4b must be rejected, the differences in competence trust between the different aligned partnership logics (H2b) and competing partnership logics (H3b) are not attenuated by supplier dependence.

5.3 Post Hoc Analysis of the Effect of Internal Integration on Colleague’s Partnership Logic
 Section 4.3.1 uncovered an intriguing observation: the colleague’s transactional partnership logic exhibited a positive correlation with their embedded partnership logic. This unexpected correlation demanded deeper post hoc analysis, especially since understanding individual partnership logics is a central aim of this research. Figure 5 visualizes this relationship, hinting that certain outliers might even minimize the perceived strength of the correlation.

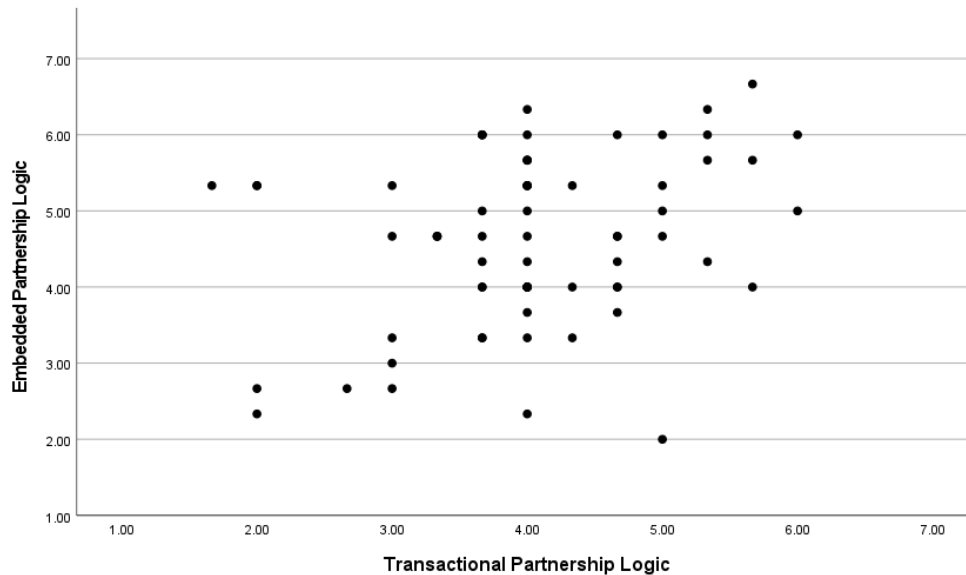


Figure 5. Visualization of the Correlation Between Colleague’s Embedded and Transactional Partnership Logic.

5.3.1 Post Hoc Hypothesis Formulation

Considering the inherent differences between embedded and transactional partnership logic – essentially contrasting beliefs and practices – a direct causative relationship seems improbable. It is more plausible that a third variable, yet to be identified, influences both logics. Both embedded and transactional logics denote specific ‘sets of beliefs and practices’ (Brattström & Faems, 2019). This suggests the mystery factor may shape colleagues’ overall belief and practice formation, regardless of the specific type. Grounded in social psychology, greater personal investment in a subject boosts cognitive efforts to shape views (Petty & Cacioppo, 1986). Consequently, a colleague’s degree of involvement in supplier relations may dictate the intensity of their beliefs and practices about that supplier. Lesser engagement in the purchasing procedure could diminish the need for such strong beliefs and practices.

To investigate this perspective, the degree of the colleague’s involvement was assessed through their perceived internal integration (focusing on interactions, communication, collaboration, and teamwork with the purchasing department about the supplier). Fortunately, as highlighted in section 3.2, the data collection process, designed for a variety of research projects, already incorporated metrics for internal integration. Section 2.2 further elaborated on the intrinsic connection between internal integration and individual partnership logics, reinforcing the value of inspecting these interrelated variables. Based on this, the post hoc hypothesis is:

H5: the degree of perceived internal integration by a colleague not from the purchasing department positively affects their (a) embedded partnership logic, (b) transactional partnership logic, and (c) overall partnership logic.

To verify this hypothesis, regression analysis, mirroring the methodology used for prior hypotheses, was identified as the most suitable approach. The subsequent segment will briefly detail the method chosen to test this hypothesis. It is worth noting that several stages, including the data collection aspect, align with the primary research analysis, so a thorough understanding of this methodology can be derived from section 4.

5.3.2 Methodology for Post Hoc Analysis

Table 12 shows the additional variable used in the secondary analysis: *internal integration colleague*. The items for the variable internal integration were inspired by Zhao et al. (2011) and Horn et al. (2014). They aim to measure internal integration as perceived by the internal other/ colleague through their perception of the degree of their involvement (i.e., interactions, communication, collaboration, and teamwork with the purchasing department regarding that supplier).

Table 12. Additional Measurement Items for Secondary Analysis

Constructs	Measurement items	Factor loading
Colleague survey		
Internal integration colleague (Horn et al., 2014; Zhao et al., 2011)	(1 = strongly disagree; 4 = neutral; 7 = strongly agree)	
	In dealing with this supplier, to what extent is your department interacting and collaborating with the purchasing department?	Removed
	My department often interacts with the purchasing department in dealing with this supplier	0.89
	We have good communication with the purchasing department regarding this supplier	0.88
	My department has good collaborations with the purchasing department in dealing with this supplier	0.86
	My department and the purchasing department work as a team regarding this supplier	

The data validity of this model was tested in the same manner as the prior analysis, i.e., in three steps: unidimensionality, reliability, and validity (O'Leary-Kelly & Vokurka, 1998). First, unidimensionality, where all factor loadings for internal integration were above 0.708. Again, some of the factor loadings for partnership logic were below 0.708, lowest being 0.593. These factor loadings were deemed acceptable because their deletion did not significantly improve reliability or convergent validity and deleting them would harm the content validity (Hair et al., 2021). The model fit indices were: $\chi^2 = 41.210$, $p = 0.128$, $\chi^2/df = 1.29$, comparative fit index (CFI) = 0.956, incremental fit index (IFI) = 0.985, and root mean square error of approximation (RMSEA) = 0.074 (Liu et al., 2009; Shen et al., 2019). These indices generally indicated a fitting model, though the RMSEA was on the higher side for some considerations. (Bagozzi & Yi, 1988; Hooper et al., 2008). Finally, after this step, the factor scores were calculated by taking the arithmetic mean of the observable variables loading on that factor (Liu et al., 2009).

Table 13. Reliability and Convergent Validity Measures

	No. of items	Cronbach's α	CR	AVE
INT Embedded	3	0.79	0.81	0.59
INT Transactional	3	0.68	0.68	0.42
Internal Integration	3	0.91	0.91	0.77

Abbreviations: No., number; CR, composite reliability; AVE, average variance extracted; INT, internal other/colleague; N = 69.

Reliability was assessed using Cronbach’s alpha and composite reliability, with both ideally exceeding 0.70 for adequacy (Bagozzi & Yi, 1988; Hair et al., 2021). Table 13 shows that the colleague’s transactional partnership logic falls short of this threshold. However, it remains above the low acceptable bounds (O’Leary-Kelly & Vokurka, 1998), so while noted as a limitation, the research proceeds. Finally, validity needs to be checked. Convergent reliability is checked using the average variance extracted as displayed in Table 13. All values exceeded 0.5 except for transactional partnership logic, which was another recognized limitation. Discriminant validity of the measures is assessed using two methods. First, the test by Fornell and Larcker (1981) is employed. As shown in Table 14, every squared AVE is greater than the greatest correlation among constructs, so this signals appropriate discriminant validity. Second, Table 18 in Appendix A shows the heterotrait-monotrait (HTMT), where all values are below the 0.85 threshold, signalling discriminant validity (Henseler et al., 2015).

Table 14. Descriptives, Correlation Matrix, and Square Root of AVE for all Latent Constructs Used in Post Hoc Analysis

Construct	M	SD	(1)	(2)	(3)
(1) INT Embedded	4.61	1.10	0.77		
(2) INT Transactional	3.65	1.19	0.307*	0.65	
(7) Internal Integration	4.94	1.15	0.718**	0.187	0.88

Abbreviations: M, mean; SD, standard deviation; INT, internal other/ colleague. The diagonal represents the square root of that constructs AVE (N= 69). The off diagonal represents the Pearson’s correlations among constructs. (N = 69)

*** Correlation is significant at the 0.01 level (two-tailed)*

** Correlation is significant at the 0.05 level (two-tailed)*

Finally, in order to test H5c, a new variable had to be computed, termed ‘colleague’s combined partnership logic.’ It was formulated by averaging the factor scores of the transactional and embedded partnership logic of colleagues. This new variable can be interpreted as not measuring a certain set of beliefs and practices regarding the relationship with a supplier (i.e., transactional or embedded), but rather the degree to which the colleague has any set of beliefs and practices regarding the supplier. Its mean was 4.33, with a standard deviation of 0.83 (N = 69).

Lastly, the dataset had to be altered, because the argumentation presented only holds for colleagues not from the purchasing department. Measuring internal integration with the purchasing department of people working in a purchasing department is not logical. Therefore, the colleagues which were from the purchasing department were deleted from the dataset for this analysis. This resulted in a sample size of 50 instead of 69.

Table 15. Regression Models of Colleague’s Internal Integration and Partnership Logic

	Embedded partnership logic	Transactional partnership logic	Combined partnership logic
	Model 13	Model 14	Model 15
<i>Independent variable</i>			
Internal integration colleague	0.698***	0.304*	0.669***
Adjusted R ²	0.477	0.074	0.436
F-statistics	45.625***	4.891***	38.941***
N	50	50	50

**** P < 0.001 level (one-tailed)*

** P < 0.05 level (one-tailed)*

5.3.3 Results of Post Hoc Analysis

In order to test the possibility that the internal integration as perceived by the colleague influences both their embedded and transactional partnership logic in the same way, thereby causing these variables to be correlated, three more regression models were run.

Table 15 details the regression results. In Model 13, the colleague's perception of internal integration was used to predict their embedded partnership logic, yielding a significant coefficient ($\beta = 0.698$, $p < 0.001$). Similarly, Model 14 involved the regression of the colleague's transactional partnership logic against their perceived internal integration, revealing a significant coefficient ($\beta = 0.304$, $p = 0.016$). Model 15 regressed the colleague's combined partnership logic against their perceived internal integration, producing a significant coefficient again ($\beta = 0.669$, $p < 0.001$). Figure 6 visually represents these relationships. The graphs depict the influence of the colleague's perceived internal integration (X-axis) on their partnership logic. Graph A illustrates the correlation with the embedded partnership logic (Y1), Graph B with the transactional partnership logic (Y2), and Graph C with their combined partnership logic (Y3).

The analysis suggests that both transactional and embedded partnership logic of the colleague are significantly impacted by their perception of internal integration. This relationship might shed light on the earlier-identified positive correlation between the colleague's embedded and transactional partnership logic from section 4.3.1. By combining the partnership logics into a single measure (as in Model 15/Graph C), it becomes evident that as the colleague's perception of internal integration heightens their beliefs and practices regarding the supplier, irrespective of whether those beliefs and practices are transactional or embedded. Therefore, hypothesis 5 is fully supported: a colleague's degree of perceived internal integration, especially those outside the purchasing department, positively influences their (a) embedded, (b) transactional, and (c) overall partnership logic.

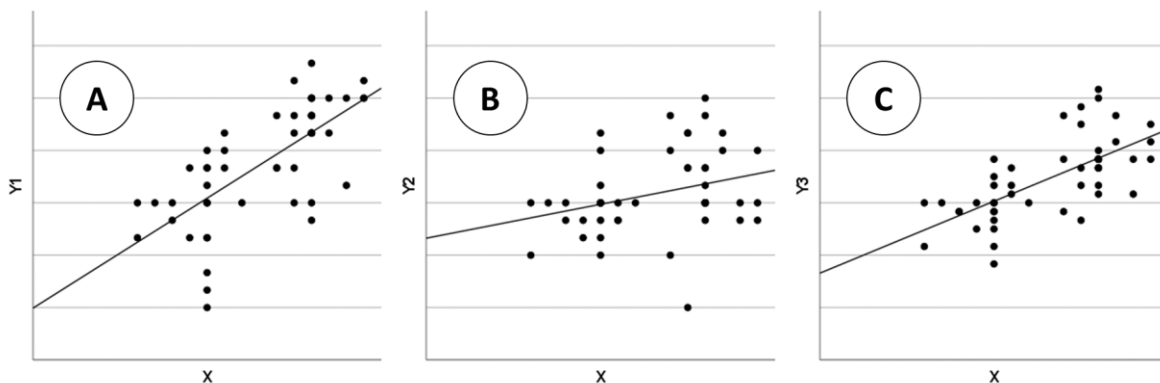


Figure 6: Regressions of the Colleague's (A) Embedded, (B) Transactional, and (C) Combined Partnership on Their Internal Integration

6. DISCUSSION

The aim of this study was to find out if and how the alignment of partnership logics within a buying firm influenced the trust of a supplier in that buying firm. In doing so it tackled the little understood dynamics of individual partnership logics within an organisation. Through the investigation it became apparent that partnership logic on an individual level is shaped differently than on an organizational level. Individuals within a firm (especially not from the purchasing department) may simultaneously perceive the supplier as a transactional actor and an embedded partner, or they may not hold either of these perceptions. These partnership logics within a firm were framed as a key firm practice that influences trust, based on whether they compete or align. The results did not provide evidence that partnership logic alignment alone significantly influences goodwill trust. However, a significant moderation effect of supplier dependence was found (although not the hypothesized type of moderation).

6.1 Discussion of Results

In order to gain meaningful insights, the main findings of the analysis are briefly revisited, and where necessary provided with further interpretation. Table 16 provides an overview of the tested hypotheses and their corresponding outcomes.

Table 16. Summary of Hypotheses and Results

Main analysis	
Hypotheses	Result
H1: the degree of competing partnership logic within a firm negatively affects the supplier's (a) goodwill trust and (b) competence trust	Rejected
H2: aligned embedded partnership logic results in higher levels of (a) goodwill trust and (b) competence trust compared to aligned transactional partnership logic	Rejected
H3: competing partnership logic, where the boundary spanner has an embedded partnership logic, leads to higher levels of (a) goodwill trust and (b) competence trust compared to a situation where the boundary spanner has a transactional partnership logic	Rejected
H4a: the differences in goodwill trust between the different aligned partnership logics (H2a) and competing partnership logics (H3a) will be enlarged by supplier dependence.	Rejected
H4b: the differences in competence trust between the different aligned partnership logics (H2b) and competing partnership logics (H3b) will be attenuated by supplier dependence.	Rejected
Post Hoc Analysis	
H5: the degree of perceived internal integration by a colleague not from the purchasing department positively affects (a) their embedded partnership logic, (b) their transactional partnership logic, and (c) their overall partnership logic.	Supported

Initially, the study explored the potential effects of competing partnership logics on trust, referencing its potential to decrease goodwill trust by breaking reciprocity cycles (Brattström & Faems, 2019), and competence trust by signalling incompetence (Mayer et al., 1995). The findings did not support the idea that competing logics directly influence goodwill or competence trust (H1), indicating that the measure might lack specificity.

The second set of hypotheses (2 to 4) tried to add this specificity. Four scenarios of partnership logic alignment were analysed: two aligned (both embedded or both transactional) and two competing (one adopting embedded while the other follows transactional, and vice versa). Despite the literature suggesting distinct trust outcomes for different aligned scenarios (Dyer & Singh, 1998; Hemmert et al., 2016; Moeller et al., 2006), no significant trust differences were found between the two aligned partnership logics (H2). Similarly, despite the boundary-spanning role of the purchasing manager (Perrone et al., 2003; Zaheer et al., 1998), the competing logic scenarios also showed no significant difference in their impact on trust (H3).

Finally, dependence was added as a potential moderator. The previously hypothesized differences between the categories were argued to be enlarged by supplier dependence for goodwill trust and attenuated for competence trust. No evidence was found for larger differences between competing partnership logics for goodwill trust (H4a) or smaller differences between categories for competence trust (H4b). However, the findings did indicate that dependence moderates the effect of aligned

partnership logics, specifically the effect of aligned transactional logic (AT) on goodwill trust compared to the effect of aligned embedded logic (AE). The significance of the respective interaction term was below the 0.10 mark ($p = 0.089$). However, all regression models were run with two-tailed p-values to leave open the possibility of effects in other directions. If model 7 is run with one-tailed p-values, which has some merit because of the directional hypotheses, the interaction term becomes significant at the 0.05 level ($p = 0.021$). To further investigate this moderation, consider Figure 7. Here the variable supplier dependence is split into low and high for simplicity.

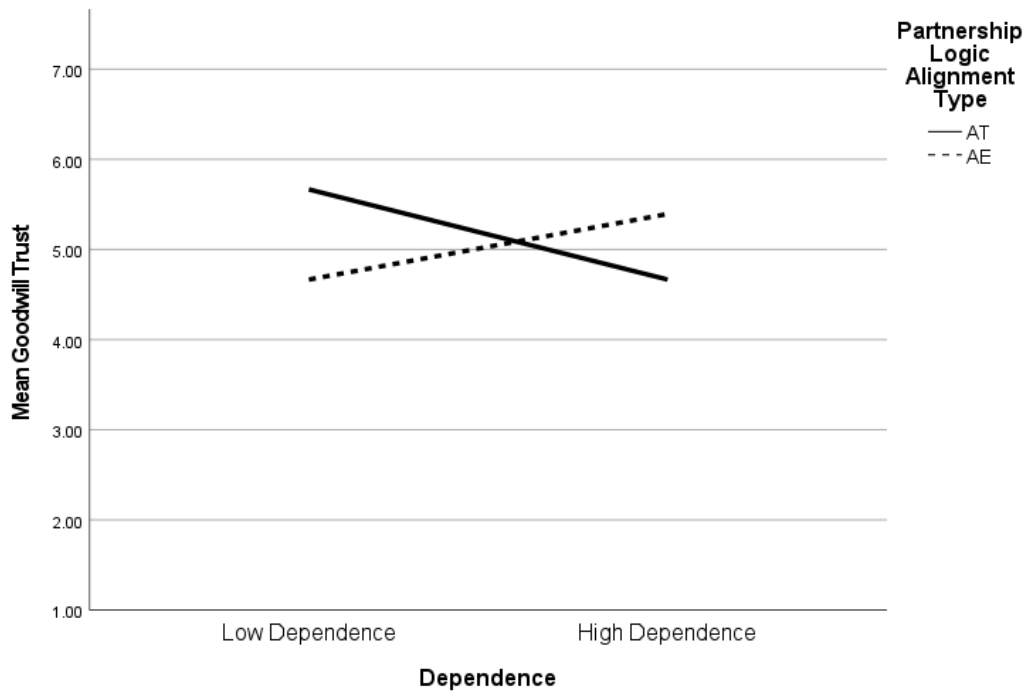


Figure 7. Visualization of the Moderating Effect of Supplier Dependence on the Relationship Between Partnership Logic Alignment and Goodwill Trust.

Here it can be seen that the moderation is there, but not as initially hypothesized. It seems that it is more a ‘reversing’ type moderation than an amplifying moderation. It was hypothesized that for AE goodwill trust would always be higher than AT, and that this difference would be enlarged by supplier dependence. However, the results indicate that when dependence is high, AE is beneficial in developing goodwill trust, and when dependence is low, AT is beneficial in developing goodwill trust. The logic that with higher dependence, the embedded practices by the buyer become more important seems to be right. However, the results indicate that in lower dependence contexts the supplier may actually prefer to be confronted with transactional behaviour, rather than embedded behaviour. Lastly, of note, including dependence as a moderator variable enabled investigation of its direct effect on different types of trust. The data suggests that increased supplier dependence significantly increases competence trust and may also increase goodwill trust, though this result was less definitive.

Finally, a post hoc analysis was conducted as a response to the observation that the colleague’s embedded and transactional partnership logic were positively correlated. This was argued to be because the degree of a colleague’s involvement with the supplier relationship influences the extent to which they have beliefs and practices regarding that supplier. Less involvement in the purchasing process might result in less necessity for these beliefs and practices. To test this, the degree of involvement was quantified through the colleagues’ perceived internal integration (i.e., interactions, communication, collaboration, and teamwork with the purchasing department regarding that supplier). Analysis reveals that the level of internal integration significantly influences both transactional and embedded partnership logic, with higher integration resulting in stronger expressions of both logics. Moreover, when both logics are combined as a measure of having any beliefs and practices towards the supplier,

internal integration again appears highly significant. This underpins the idea that the degree of a colleague's internal integration influences the formation of their opinions about the supplier.

This partially clarifies the positive correlation between a colleague's transactional and embedded partnership logic. However, the coexistence of seemingly opposing beliefs and practices remains unexplained. This may be due to their lack of purchasing knowledge necessary to distinguish between transactional and embedded suppliers. While purchasing managers can distinguish between transactional suppliers (arms-length relationships) and embedded suppliers (requiring trust and collaboration for mutual benefits, i.e., relational rents) (Dyer & Singh, 1998), a non-purchasing colleague might perceive a supplier as an entity both conducting self-serving business and generating value for the buying company, leading to the adoption of these apparently contradictory sets of beliefs and practices.

6.2 Theoretical Contributions

Through the investigation there were three key findings that enrich the current literature on the complexity of trust/ supplier trust development, the internal dynamics of firms, and partnership logic.

First, the conceptualization of partnership logic adds a fresh perspective to the literature, serving as a foundation for subsequent investigations. Linking individual partnership logic alignment with trust development offers a new lens to understand the intricacies of buying firm practices and trust dynamics (Hemmert et al., 2016; Zaheer et al., 1998). Drawing from Brattström and Faems (2019), this study argues the significant role of individual partnership logics in affecting relational dynamics, especially trust. Surprisingly, the results suggest that internal fragmentation does not substantially influence a supplier's trust. This insight merits exploration in future studies with larger sample sizes. Additionally, the alignment of partnership logics is also framed as being part of the wider concept of internal integration within a buying firm (Ellegaard & Koch, 2012; Horn et al., 2014). The findings reveal that almost half of the purchasing managers and colleagues had misaligned partnership logics. This quantitative observation substantiates the qualitative arguments around the existence of internal differences in relationship management beliefs (Brattström & Faems, 2019; Ellegaard & Koch, 2012; Foerstl et al., 2013). It opens doors for examining if the alignment of partnership logics, representing internal integration, influences other aspects like external integration (Zhao et al., 2011). Adopting the measurement approach proposed in this study can be a promising starting point for such explorations.

Second, by taking supplier dependence into consideration, together with partnership logic alignment, the research does provide significant insight into the development of goodwill trust. In situations of high supplier dependence, the buying firm's embedded behaviour becomes more important for fostering goodwill trust, resonating with previous findings (Vázquez-Casielles et al., 2017). Specifically, when a highly dependent supplier encounters a buying firm with a unified belief in adopting embedded measures, the supplier is more inclined to foster goodwill trust, compared to encountering buying firms that unanimously believe in transactional measures. This is argued to be the case because the embedded behaviour leads to a 'beneficial' type dependence rather than a 'detrimental' one (Johnsen & Lacoste, 2016; Scheer et al., 2010; Vázquez-Casielles et al., 2017).

In contrast, for contexts of lower supplier dependence, embedded behaviour can be counterproductive. Here, it appears that having a unified transactional partnership logic is more favourable for building goodwill trust than a cohesive embedded approach. This finding challenges the prevailing idea that embedded actions are always advantageous for buyer-supplier dynamics (Gadde & Snehota, 2000; Poppo & Zenger, 2002; Zaheer et al., 1998). One possible explanation is that in low dependence scenarios, suppliers might perceive these embedded actions as burdensome rather than beneficial. Considering the supplier's perspective, just as buyers categorize suppliers, suppliers too segment buyers (Kim et al., 2006; Nenonen & Storbacka, 2014). Given their finite resources, suppliers are likely to invest more in pivotal relationships (Nenonen & Storbacka, 2014). Thus, if a buyer exhibits embedded behaviours (i.e., seeking cooperation, sharing information, and seeking joint benefits) towards a less

dependent supplier, the latter might view it as an undue resource drain. Conversely, when the buyer confronts an independent supplier with transactional behaviour, then this aligns with their preferred relational conduct (arms-length) and might actually improve their estimation of the buyer's goodwill. Future research could further explore this detrimental side of embedded partnership logic.

The third, and final, contribution comes not from the main analysis, but from a post hoc analysis of an unexpected observation. Namely, internal colleagues, not from the purchasing department, displayed a unique trend in partnership logic: as their embedded logic rises, so does their transactional logic. The concept of a firm's partnership logic, either transactional or embedded, is well established (Jap, 1999; Moeller et al., 2006; Uzzi, 1997). These logics can change over time in varying degrees of embeddedness (Gadde & Snehota, 2000; Hawkins et al., 2008; Poppo & Zenger, 2002). However, the gathered data indicates that on an individual level, transactional and embedded logics are not opposing attributes but can coexist, contrary to the empirical evidence by Brattström and Faems (2019). The positive correlation was found to be caused by the colleague's involvement in the purchasing process, as measured by their perceived internal integration. Their perceived internal integration positively influenced the formation of their opinions about the supplier, regardless of whether those opinions are more transactional or embedded.

These findings add to the (scarce) existing literature on individual partnership logics within an organization (Brattström & Faems, 2019). The findings suggest that partnership logics might be more complex and flexible at the personal level than previously recognized. It thereby also adds a unique angle to the literature on transactional versus embedded suppliers on a firm level (Jap, 1999; Moeller et al., 2006; Uzzi, 1997), by showing how the concept translates to the individual level. Finally, it also adds a new consideration to the process of internal integration. In essence, internal integration breaks down functional barriers (Ellegaard & Koch, 2012; Flynn et al., 2010; Horn et al., 2014), which the findings support: more involvement of internal stakeholders means more individual involvement in the buyer-supplier relationship. However, when these functional barriers are broken down that means that the purchasing department's general relational stance (transactional or embedded) needs to be clearly communicated, because this might not be apparent to colleagues which are not part of that purchasing department, which may lead to them adopting contradicting views from a purchasing standpoint.

6.3 Practical Contributions

This research also provides three main practical insights. Firstly, companies should be aware that diverse perspectives on supplier relationship management can coexist within an organization, as the data suggests. These perspectives may differ based on whether the supplier is transactional (maintaining an arms-length relationship) or embedded (exhibiting a more collaborative relationship). If a firm wants to achieve true internal alignment, it needs to create a shared vision within the firm (Bals et al., 2009; Ellegaard & Koch, 2012), which means aligning these partnership logics.

Second, while the research findings suggest this alignment does not have a direct significant effect on the supplier's trust, when taking supplier dependence into consideration, there is an observed difference in what unified approach a firm takes. If a supplier is dependent on a buying firm, then that buying firm can foster more goodwill trust by taking a unified embedded approach, which creates a 'beneficial' dependence for the supplier (Vázquez-Casielles et al., 2017). If a supplier is less dependent on a buyer, then that buyer may do well by taking a more transactional unified stance. The supplier has limited resources, and when a buyer they are less dependent on implicitly asks more of those resources by embedded practices, then this may be detrimental to the trust of that supplier in the buyer's goodwill.

Finally, when the purchasing department involves other departments in supplier management, the alignment of partnership logics is not a natural given. The findings suggest that as internal stakeholders outside the purchasing department become more involved, they tend to adopt both transactional and embedded viewpoints simultaneously. This could lead to situations where these stakeholders send mixed signals to the supplier, possibly causing transactional behaviours to be viewed as opportunistic,

particularly if the supplier perceives the relationship to be more embedded (Brattström & Faems, 2019; Gelderman et al., 2019). For firms aiming to present a consistent approach to their suppliers, it is crucial for the purchasing department to communicate clearly to all colleagues involved about the nature of the relationship between the firm and the supplier.

6.4 Limitations and Future Research

This research comes with some limitations and recommendations for future research. The key limitation of this research is the small sample size (69). This limitation can affect data validity in several ways (Jackson et al., 2013; Koran, 2016), potentially leading to inaccurate inclusion or exclusion of measurement items. The number of independent variables used in the regression models for the primary analysis varies widely, ranging from four to eleven independent variables. This number is inflated by the inclusion of a categorical variable (partnership logic alignment type) that has four categories. While various diverging guidelines exist for determining an appropriate sample size for regression analysis (Green, 1991), one common rule of thumb suggests a minimum subject-to-predictor ratio of between 15-to-1 and 25-to-1 (Schmidt, 1971). However, Green (1991) offers a more complex rule of thumb, stating that the power for a test of a medium-sized partial correlation between a response and a predictor, holding all other predictors constant, is approximately .80 if $N \geq 104 + m$ (Green, 1991, p. 508). Despite the varying guidelines for determining adequate sample size for regression analysis, it is safe to assume that the sample size in this study is too small to provide definitive and reliable results, apart from the secondary regression analysis using internal integration as a predictor. This limitation suggests that the findings of this study should be interpreted with caution. It would be interesting to see if a similar approach to the combination of individual partnership logics with a larger sample size provides different results.

Another limitation is that by highlighting the role of the purchasing as the single key boundary spanner in establishing supplier trust it is neglected that other purchasing managers or even colleagues from other functional departments (e.g., upper management) can also act as key boundary spanners. A boundary spanner by definition is any individual who facilitates communication and interaction between an organization and its external environment (Aldrich & Herker, 1977; Stock, 2006). Even though this role is often placed upon the purchasing managers in the case of supplier relations (Perrone et al., 2003; Zaheer et al., 1998), people outside the purchasing department can also act as boundary spanners depending on the situation. The existence of multiple boundary spanners might influence the results, particularly when investigating the differences between different types of partnership logic alignment.

For future studies, it would be beneficial to delve deeper into how partnership logic alignment operates on a broader scale and across diverse contexts. Brattström and Faems (2019) pointed out that their empirical example of competing partnership logics came from a strategic alliance between a buyer and supplier, and this dynamic may vary in other scenarios. Interestingly, when a quantitative approach is used considering all buyer-supplier relationships, individual-level partnership logics appear to behave differently than previously described. It would be worthwhile to compare the evolution of partnership logics across different types of buyer-supplier relationships. Additionally, it would be interesting to investigate whether partnership logic alignment affects other facets of buyer-supplier relationships, such as external integration. This could test if partnership logic alignment, as part of a 'shared vision,' is indeed an integral component of internal integration (Ellegaard & Koch, 2012).

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Appendix A

Table 17. Heterotrait-Monotrait Ratio (HTMT)

Construct	(1)	(2)	(3)	(4)	(5)	(6)	(7)
(1) Competence trust							
(2) Goodwill trust	0.743						
(3) INT Embedded	0.207	0.283					
(6) INT Transactional	0.103	0.258	0.418				
(7) PUR Embedded	0.118	0.237	0.182	0.196			
(6) PUR Transactional	0.099	0.128	0.098	0.319	0.385		
(7) Supplier Dependence	0.545	0.220	0.351	0.179	0.133	0.256	

Abbreviations: INT, internal other/ colleague; PUR, purchasing manager. N = 69

Table 18. Heterotrait-Monotrait Ratio (HTMT) Post Hoc Analysis

Construct	(1)	(2)	(3)
(1) INT Embedded			
(2) INT Transactional	0.839		
(3) Internal Integration	0.292	0.464	

Abbreviations: INT, internal other/ colleague; N = 69