

# CASE STUDY ON CORRELATION OF WORKPLACE FRIENDSHIP WITH VALUE CO-CREATION

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## ABSTRACT

*In the rapid changing competitive environment, attracting cooperative companies to maximize profits and create a win-win situation highlights the value of workplace friendship in corporate partnerships. The present study investigate how the two enterprise (S power plant and the contractor company C) can overcome the differences and achieve value co-creation goal due to improvement the workplace friendship despite the differences in corporate culture, business cognition and practical operation understanding?. In the present study, the in-depth interview was conducted to the management personnel of S power plant, the contact responsible person of company C, and contracted labour personnel. Two research conclusions were obtained: (1) Personnel recruitment serves as a channel for dialogue, initiating value co-creation for both parties; (2) Only when both parties jointly create centripetal force, cohesion, and reputation can they jointly value co-creation. The suggestions are also made respectively to human resources management of S power plant based on research practice observations.*

**Keywords:** Workplace friendship, Value co-creation, S power plant.

## 1. INTRODUCTION

For the past years, COVID-19 epidemic has caused competitive structural changes in global economic development and supply chains. The business model that emphasized competitive advantages in the past needs to be adjusted urgently in the post-epidemic era in order to help companies make correct decisions.

S power plant is located in a rural area in Tainan, and company C is the contractor responsible for the cleaning services of the S power plant. It is worth noting that in order to implement corporate social responsibility, maintain good neighbourliness and good community interaction, S power plant expects company C to give priority to local residents adjacent to the power plant when recruiting new cleaning manpower. As the connection interface between S power plant and company C, has observed that the two companies have different thinking and interests in terms of business execution. This also highlights the importance of friendship in the workplace as a bridge to create value together.

The present study investigate how to arise the workplace friendship between the two companies, and how to create value co-creation and achieved win-win cooperation?

### Workplace Friendship

The essence of workplace friendship is the interpersonal relationship between colleagues in the workplace [1]. Although it is an informal relationship [2], it is extremely important. Berman et al. [1] also point out that the meaning of friendship in the workplace includes: spontaneous

feedback, interpersonal reciprocity, positive effect on job performance and organization, and the probability of occurrence is related to chance.

Regarding the importance of friendship to people, Maslow [3] proposed the hierarchy of needs theory, which means that when individuals satisfy their physiological and safety needs, they will pursue social needs and desire others. Care and integration into the group enable people to establish interpersonal relationships such as intimacy and friendship to meet social needs. The workplace has also become a living environment. You can have care and respect from others in the workplace, and establish close relationships, so that the workplace has warmth and is no longer cold. Such psychological needs from the hierarchy of needs have established one of the importance of friendship in the workplace.

Nielsen et al. [4] clearly defined workplace friendship as a form of social systems support and developed and provided evidence to support the construct validity of scores to measure two aspects of workplace friendship: friendship prevalence and friendship opportunities. The workplace friendship also regarded as an interactive form of social support; workers naturally form interpersonal relationships of mutual trust, affirmation, support, and commitment with others in the workplace [4].

Workplace friendship is an important and informally structured interactive relationship [5]. The interactive process helps to enhance mutual understanding of each other and develop friendship relationships [6; 7]. It can also successfully attract people with similar beliefs and values, helping workers quickly integrate into the organization, thereby generating a strong sense of belonging and identity [8].

When an enterprise provides a higher level of support for workers to create workplace friendships through good communication and interaction with others in the workplace, it can not only meet the friendship needs of different workers, but also help them cope with setbacks at work [9].

### **Value Co-creation**

Value co-creation theory was first proposed by Prahalad & Ramaswamy [10] based on the service-led logic theory, and the connotation of value co-creation theory has been further enriched and developed. Value co-creation is widely used in many field which including marketing management, business management, art industry, brand building and other industries.

Ramaswamy & Gouillart [11] define value co-creation as promoting interaction among individual stakeholders by governing the relationships among multiple stakeholders and regulating the behaviour of participants with structures and rules; leveraging each other's resources to create common interests process. Prahalad & Ramaswamy [10] point out that when enterprises and consumers jointly create value, which is a market strategy for enterprises to win consumers in the face of fierce market competition in the new era environment. Value co-creation can help brands clearly understand customer feedback about the brand and improve the front-end process of identifying customer needs [12].

Botti et al. [13] developed the different steps of the methodological path that should be followed in formulating a value co-creation measurement model and classified the potential specific behavioural and cognitive activities performed by consumers during the real exchange process. The approach adopted by Botti et al. [13] is based on the multi-project procedure developed by Churchill [14], which is perfectly suited to the study of multidimensional structures by ensuring

appropriate semantic coverage. In detail, the first two steps of the model: (1) constructing the specification of the domain; (2) project generation are performed.

Sarker et al. [15] believe that value co-creation refers to a symbiotic relationship between partners. Through customized product services that integrate industry and customer resources, viewed from the perspective of value co-creation, it can especially create greater perceived value for partners, and enhance customer loyalty, partner participation, and organizational competitive advantages [16].

For enterprises, value co-creation activities can gain sustainable competitive advantages, effectively reduce operating costs and risks, activate operational resources, and achieve overall strategic goals; for consumers, they are no longer the final use of products or services. When consumers participate in product design and development, they can not only gain unprecedented experience value by incorporating their real needs into it, but also help create mutually beneficial new value with the company [17].

The Value Co-Creation Academic Research Community [18] further proposed the thinking steps of value co-creation. The five steps are to explore pain points, connect pain points, promote interaction, continuous adjustment and achieve common prosperity. The details are as follows:

- 1) Explore pain points: Only by clearly understanding the pain points of stakeholders can we avoid being petty and understand the pain points of the other party through empathy. Whether it is an in-depth interview through oral communication or a digital questionnaire survey, we should listen and read as much as possible. , and then deeply understand the pain points.
- 2) Series pain points: The new strategic thinking of value co-creation is to fundamentally solve problems. It does not just solve the problems of a single stakeholder. Instead, it connects each other's pain points into systemic problems and seeks the best solution through brainstorming.
- 3) Promote interaction: Encourage partners to interact in a friendly manner, and be willing to effectively collide, integrate and share their operational resources to further develop into new resource combinations that can create competitive advantages. In this way, many solutions to systemic problems can be obtained.
- 4) Continuous adaptation: Through the continuous friendly interaction of stakeholders and the dynamic adjustment of systemic problems, the main reason is that some stakeholders' pain points have been effectively solved or they have chosen to withdraw from participating in the process of value co-creation due to their lack of competitiveness. It can attract other stakeholders to join in, allowing the value co-creation process to evolve into a service ecosystem that pursues common interests and common goals.
- 5) Achieved win-win cooperation: In the process of value co-creation, the most difficult link is to achieve win-win cooperation. Explore the pain points of partners from the beginning, connect common pain points into systemic problems, properly utilize each other's operational resources, and obtain the ability to solve systemic problems and obtained the best solution.

### **DART Model**

Prahalad & Ramaswamy [19] proposed the DART (dialogue, access, risk-benefits, and transparency) model are emerging as the basis for interaction between the consumer and the firm. DART are emerging as the basis for interaction between the consumer and the firm.

The DART strategy model is suitable for analysing innovation strategies and testing the readiness of the value creation process. When the company's own human, financial, technical and other resources are insufficient, it will affect the development of the co-creation process. If the collective wisdom and resources of platform users can be made good use of, will likely bring more innovation opportunities to organizations to provide consumers with richer experiences, create new value, and nurture innovative strategies that are mutually beneficial.

These building blocks of consumer-company interaction challenge the strong positions managers have traditionally taken on laws, disclosure of risks, transparency of financial statements, and open access and dialog with consumers and communities. We have to start with the building blocks of interactions between the partners that facilitate co-creation experiences.

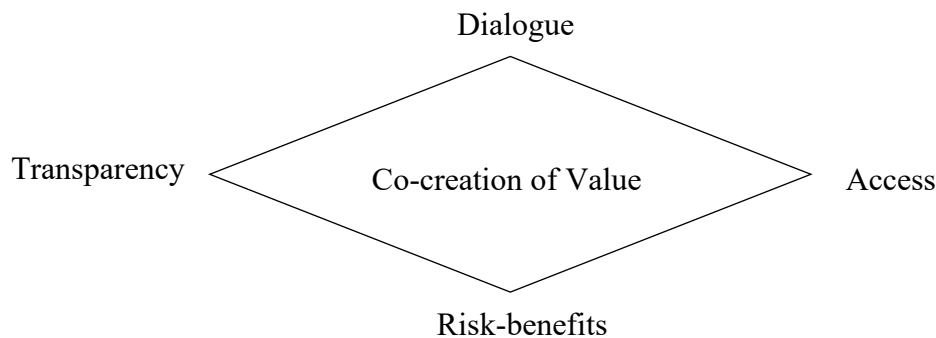


Figure 1. DART model for co-creation of value

- 1) Dialogue is an important element in the co-creation view. Markets can be viewed as a set of conversations between the customer and the firm [20]. Dialog implies interactivity, deep engagement, and the ability and willingness to act on both sides. It is difficult to envisage a dialog between two unequal partners.
- 2) Access means that stakeholders must have access rights to resources, so that all stakeholders can be given the opportunity to pursue common interests and, more importantly, help each other seek consensus through dialogue.
- 3) Risk-benefits means that in the process of creating common interests, we should not just think about the benefits, but should jointly evaluate the risks and challenges we may face, and make trade-offs between interests and risks, as well as other stakeholders' mutual opinions on value co-creation. Make a scientific assessment of the benefits and risks, and clarify the responsibilities and risks that each needs to bear.
- 4) Transparency means that all partners in the value creation process should avoid information asymmetry and enhance mutual trust. In other words, the more transparent the information, the more effective the dialogue which will help activate resources and create common interests.

In co-creation, direct interactions with consumers and consumer communities are critical. Consumer shifts are best understood by being there, co-creating with them. Firms must learn as much as possible about the customer through rich dialogue that evolves with the sophistication of consumers.

## 2. RESEARCH METHOD

The current challenges and difficulties faced by value co-creation are dynamic and multifaceted. Each challenge involves intricate causal relationships across various dimensions.

The goal of the present study is to find solutions to these complex challenges that cannot be adequately addressed by linear analysis typically associated with quantitative methods. Qualitative research allows for a dynamic and exploratory approach to problem solving. It enables a deeper understanding of nuanced issues within value co-creation and provides flexibility for exploring different perspectives and contexts.

### Research Framework

Through a review of the literature, it was found that the influencing factors of workplace friendship cover a two-dimensional model. In addition to providing workers with the opportunity to exchange opinions and communicate with others in the workplace, "friendship prevalence", and the "friendship opportunities" in which workers develop close interpersonal relationships with colleagues in the workplace. It is the relationship between partners (S power plant and company C) through dialogue, access, risk-benefits and transparency in the workplace friendship relationship. The value co-creation process can not only promote healthy, harmonious, and friendly workplace friendships between stakeholders, but also help partners create unique cleaning service value.

Based on this, the present study conducted the research framework in Figure 2.

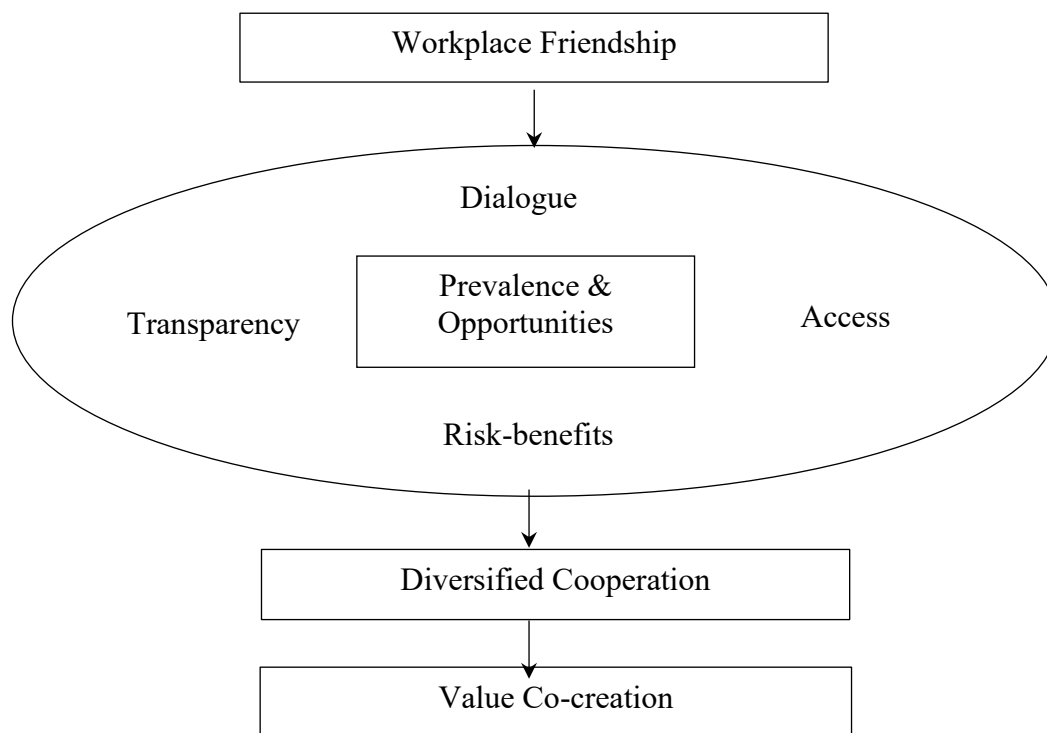


Figure 2. Research framework of the present study

### Outline of In-depth Interview Development

Considering the above, semi-structured in-depth interviews offer high flexibility and low restrictiveness. They provide a considerable degree of interview flexibility, allowing participants to express their genuine feelings in the given context. Through relaxed conversation and interaction, unexpected insights often emerge. Therefore, this thesis chooses semi-structured in-depth interviews to explore the inner world of senior executives from the case, industry, government, and professional technical sectors. Before conducting face-to-face interviews, an interview outline is prepared. During the actual interviews, the purpose of the interviews is explained, relevant questions are addressed, and participants from the case,

industry, government, and professional technical sectors are ensured to fully understand all interview outline.

**Table 1. Outline of in-depth interview**

Workplace Friendship: Prevalence	
1.	How do you share individual joys and sorrows with partners of your partner company?
2.	Will you share your joy when it comes to birthdays, children getting married, grandsons turning one month old, etc.?
3.	In addition to work, how can I have personal interactions with partners of partner companies such as shopping? Play ball? Take a walk etc.?
4.	Will you introduce special local attractions or snacks to your company partners?
Workplace Friendship: Opportunities	
1.	Do you feel there are opportunities in your workplace to create a sense of well-being, belonging and identity? For example: Sharing wedding candies when colleagues get engaged? Or cook special oily rice for colleagues to eat?
2.	Do you think it is possible to create a close partnership with your work colleagues in the workplace? What methods and approaches will be used? For example, annual department cleaning competitions or inspections by superiors, will they work harder for common honors?
Value Co-creation	
1.	Will friendships in the workplace make you more willing to take the initiative to help? For example: For example, if a colleague spilled his coffee, why do you have to clean it up for him? Or a colleague offers a vacuum cleaner to assist you?
2.	How can having good friends at work make you more effective at work? Will you share the problem or help solve the problem?
3.	How can having good friends in the workplace improve your work ability and professionalism?
4.	How do having good friends in the workplace affect your motivation for your current job? Regarding your previous work experience, do you feel particularly happy when you go to work?
5.	How does having good friends at work affect your emotions and mood at work? For example, you are in a good mood at work, but you get off work before you know it?
6.	How does having good friends in the workplace affect your work efficiency? Do you understand that improving work efficiency will help you get praise and rewards from the company?
7.	How does having good friends in the workplace affect professional sharing between you and your friends? How do you do it?

### **Participants of In-depth Interview**

To enhance the richness and diversity of interview data, nine experts from the two companies will be selected as participants for semi-structured in-depth interviews. This selection aims to achieve a balanced representation across different perspectives, thus providing a comprehensive insight into the issues under examination. Table 2 show the affiliation of these nine participants.

**Table 2. Basic data of the participants of the in-depth interview**

No.	Affiliation	Experience
A1	Manager of labour service contracts	19 yrs
A2	Manager of administration department	30 yrs
B1	Chairman	30 yrs
B2	General manager	26 yrs
B3	Kitchen staff	10 yrs
B4	Cleaning staff	25 yrs
B5	Cleaning staff	32 yrs
B6	Cleaning staff	26 yrs

Note: A: S power plant; B: Company C.

### **3. RESULTS AND DISCUSSIONS**

#### **The Emergence of Friendship Prevalence**

- 1) Sharing personal life preferences: The interviewees' creation of universal friendship is based on sincerely viewing colleagues in the organization as objects of sharing, rather than just colleagues in the process of working. The evolution and interpretation of the role of colleagues, who are not just colleagues in the workplace, lies in sharing one's spare time and leisure activities. That is to say, the highlighting of one's non-work role, and inviting leisure activities that one is interested in is indeed a way to release a message of friendship.
- 2) Open personal life field: Because the deepening of mutual relations, manifested in friendship prevalence, consists in inviting partners of the organization to participate in individual family life and introduce partners to their families.
- 3) Proactively share experiences with partners: Sharing the experience is to affirm that your own preferences and experiences will be helpful to other partners. Also hope that our experience can help the other party accumulate more positive experience and value. The action of conveying information means an attitude of establishing a proactive and positive relationship.

The extension and development of friendship prevalence outside the workplace mainly focuses on the sharing of personal life preferences, the extension of friendship to personal daily life, and the sharing of personal life fields. Colleagues develop deeper connections and friendships by participating in leisure activities together and sharing personal interests and preferences. Therefore, the extension of friendship prevalence beyond the workplace promotes deeper interpersonal relationships and friendships, while also improving the cooperation and cohesion of the work team, bringing more fun and meaning to work and life.

#### **The Form of Friendship Opportunities**

- 1) Form naturally as the work progresses: As far as the function of the workplace is concerned, the purpose should naturally be to carry out work. The lateral definition of workplace friendship is that it is not simply limited to the performance of functions, but that members allow themselves to overflow from the role of fulfilling functions through the disclosure of personal information.
- 2) Invite partners to participate in important life processes: In addition to daily communication in the workplace, some interviewees will actively invite organizational members to participate especially in important personal life processes. This important life process has always been attended by individual members or close family members. In this way, by inviting members to participate or rejoice together, it means to express the importance and closeness of colleagues to the interviewee.
- 3) Passively and selectively build workplace friendships: There are also people who believe that the main function of the workplace lies in the completion of duties rather than the construction of personal friendships. Therefore, they are relatively passive in the construction and expectations of friendship, and their opportunistic friendships are based on choice. This passivity and selectivity is mainly reflected in the suppression of personal expression of ideas. Try your best not to interfere with the opinions of others in the workplace or form conflicts.

Friendship opportunities is the formation and operation of friendship centred in the workplace. It even depends on the individual's interpretation of the disclosure of personal information in the workplace. Friendship opportunities not only form naturally at work, but also share positive aspects of personal life. In constructing these friendships, people do so selectively, based on

relationships and familiarity with partners, as well as the demands and benefits of the job. From a supervisor's perspective, creating a work environment with a sense of belonging and happiness is a crucial responsibility. Through appropriate interaction and communication, as well as respecting and valuing everyone's work value, the formation of friendships can be promoted while improving team cohesion and work efficiency. Therefore, it can be concluded from the interviews that opportunistic friendships play an important role in the workplace, helping to establish good working relationships and teamwork atmosphere, while also improving job satisfaction and quality of life.

### **Managing Friendships in the Workplace**

- 1) Systematic release of resources at the management level: Is there real friendship in the workplace? This is an eternal subject. "I have good colleagues at work, but I don't know them after get off work" is a common phenomenon in interpersonal interactions in the workplace. On the other hand, if we can enhance the surrounding rewards in addition to achieving the purpose of work, wouldn't it make the workplace and positions more fully effective?
- 2) Gather centripetal force to plan sectoral competition: Not only does organizational friendship need to be deliberately created by the management unit, but also between departments. In addition to the creation of centripetal force within the power plant, with the division of labour, there are different departments within the organization, and the departments become a medium-sized community of destiny. In this way, under the large organization of the power plant and pull out the self-worth of the mid-sized sector. In fact, if a department can have sufficient centripetal force, the department will be easier to manage and will be able to achieve its goals and implement its work mission.

### **The Role of Friendship in the Workplace**

Regarding the role of job performance driven by the management of workplace friendship, it is shown in the observations of managers and the viewpoints of labours, and is summarized as follows:

- 1) Enhanced organizational trust: Friendship is established on the positive interaction between members, between individuals, rather than on the relationship between an individual and an organization or the individual's function as a labour. It is precisely because it is established on individuals and Interpersonal interactions are frequent, and from a cognitive perspective, personal relationships are positive cyclic relationships that are relatively unchanged. This leads to a sense of trust rising from the friendship of members to a sense of trust in the organization.
- 2) Experience inheritance is efficient: Because of trust in colleagues due to friendship, professional knowledge and skills can flow between each other, and issues related to work execution can be raised candidly, reducing the time cost of exploration. At the same time, because of the importance of friendship, they value the tasks that their colleagues are performing. Through friendship, individual constraints on members' commitment to work are created.
- 3) Professional-oriented teaching and mutual learning: The trust and affection between people created through workplace friendship can indeed effectively reduce internal friction. Even through the sharing of expertise, members can strengthen each other's expertise and automatically optimize human resources for the organization. When accepting tasks and challenges, they can communicate directly, and at the same time, they can strengthen the quality of efficiency and face and solve problems together.
- 4) Friendly workplace can stable manpower: One of the functions of friendship in the workplace is that, driven by friendship, members can expand from a simple functional role



to an attitude of goodwill and positive investment in the organization. The important atmosphere created by positive workplace friendship is the joyful mood while performing work.

#### 4. CONCLUSIONS AND SUGGESTIONS

Establishing workplace friendships can not only make you feel better at work, but can also jointly create more diversified corporate values and achieve the goal of solving corporate problems.

In the workplace, establishing good "workplace friendships" has an important impact on individual and team efficiency, satisfaction, and work quality. Here are a few ways to cultivate "workplace friendships":

- 1) Organize social activities: Supervisors can organize social activities, whether virtual or physical, to allow employees to bond. For example: setting up clubs, organizing outdoor or charity activities, or using lunch time to eat or take walks with different groups, etc., can help enhance connections and build workplace friendships.
- 2) Establish learning and team work: When employees feel isolated in their work position and team, the company can provide training opportunities so that employees can develop work skills and get to know their work colleagues. In addition, organizing working groups can also help expand the network. Employees can lend a helping hand to colleagues at work and start building friendships. Participating in the company's cross-department project is also a good opportunity to get to know colleagues you don't usually chat with, and you may develop deep friendships.
- 3) Give appreciation and thanks: Between supervisors and colleagues, give more appreciation, affirmation and thanks for your work. For example: a simple and informal thank you note or email can cultivate good working emotions, influence the interaction with surrounding partners, and improve employee job satisfaction.

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