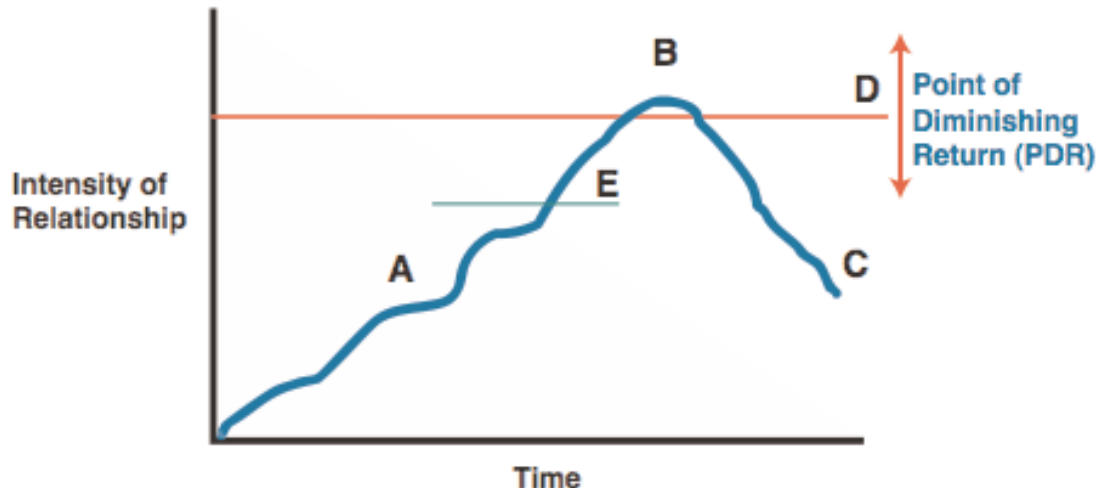


Have you ever asked, "Is this relationship really worth it?"

Economic Model of Relationships



Economic Model of Relationships by Dr. Elliot A. Pood
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Have you ever asked, "Is this relationship really worth it?" If so, you have asked a question that places the relationship into economic terms of costs vs. benefits. This model is based on the subjective cost vs. benefit perceptions of an individual. As with any model, this model is meant to help our understanding. Though it has not been tested and validated, it has been helpful in understanding some aspects of relationships and how they might work.

Note that two individuals in a relationship can have totally opposite perceptions of their own costs and benefits of any given relationship. For examples, 1) one partner in a marriage might perceive more benefits and be perfectly happy in the relationship while the other perceives the costs too high to continue, or 2) the supervisor's perception of costs and benefits of a work-related relationship might be very different from that of their direct report or staff person.

A: A relationship begins and continues to increase in intensity over a period of time as long as a person feels he or she is getting more benefits than costs from the relationship.

B: When the intensity of the relationship crosses the PDR, the person perceives the costs as outweighing the benefits of the relationship. At this point, the person starts to decrease his/her investment in the relationship by reducing his/her costs. The other person might see this as reducing their own perceived benefits and respond in a like manner by cutting their perceived costs. This results in a drop in the intensity of the relationship on both sides.

C. As the intensity of the relationship drops, the PDR also tends to drop, and eventually the relationship disintegrates or reaches a much lower level of intensity if it continues at all.

D. The point of diminishing returns is totally subjective and can move up if one wants to increase the intensity of the relationship, or down if one wants to decrease intensity or eliminate the relationship. For an extreme example, if someone does something you really do not like, your PDR for the relationship could drop to zero and you would refuse to ever see that person again. Can you ever be sure of the level of someone else's PDR for your relationship?

E. The best time to work on keeping a relationship healthy is before it hits the PDR. (Here is where the personal coach can be very helpful.)