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Creating a High-Trust Organization: An Exploration into Organizational Policies that Stimulate Interpersonal Trust Building

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ABSTRACT We examine empirically how an organization that deliberately enhances interpersonal trust to become a significant organizational phenomenon, is different from a similar organization without explicit trust enhancement policies. The point of departure is relational signalling theory, which says that trust is a function of consistently giving off signals that indicate credible concern, to potential trustors. A matched pair of two consulting organizations, with different trust policies but otherwise similar characteristics, were studied intensively, using survey research, participant observation and half-open interviewing, focused on the generation of trust and the handling of trouble when trust was threatened or destroyed. A higher stage of trust can be reached by an inter-related set of policies: promoting a relationship-oriented culture, facilitation of unambiguous signalling, consistent induction training, creating opportunities for meeting informally, and the day-to-day management of competencies. Such policies are in principle independent of recognized contextual contingencies.

INTRODUCTION

Interpersonal trust is considered an important mechanism to stimulate satisfaction and commitment of members and enhance organizational effectiveness (among others, Deutsch, 1973; Lewis and Weigert, 1985; McAllister, 1995; Zand, 1972; Zucker, 1986). It has been a frequent object of conceptualisation and investigation. Trust is commonly seen as dependent on the behaviour of the individuals involved, the trustee and the trustor (Mayer et al., 1995; Rousseau et al., 1998). It is also commonly accepted that individual behaviour is guided by the wider or proximate context in which the individual operates, but behaviour is not determined by its settings. Individuals retain (some) freedom of choice; they can choose to obey rules and norms, or they can choose to break them (e.g. Archer, 1995; Coleman, 1990). Organizational characteristics guide but do

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not determine behaviour at the individual level. Despite a wealth of research on antecedents of trust in general (such as control, contract or team characteristics), we know very little about how organizations can (and do) purposefully enhance interpersonal trust. The purpose of this study is to investigate this.

There are numerous possible relations between trust, forms of behaviour, organizational contexts, policies and structures. Here, we are particularly concerned with the trust that can deliberately be built up by organizational policies. Organizational context (organizational size, complexity and variability of the task environment, resource dependencies etc) is widely used to explain structures (Sorge, 2002, 2006). It is also acknowledged that structures interact with behaviour. Organizational context is therefore indirectly related to the generation and maintenance of interpersonal trust (Blunsdon and Reed, 2003). But the open question is how, given a particular context, organizations can and do devise structures and promote behaviour to promote trust. It is important to understand how organizational policies can influence interpersonal trust building, in particular what the underlying mechanisms are. In order to create high-trust organizations, it is important to know how to stimulate interpersonal trust. We therefore empirically investigate the nature and effect of deliberate trust-building outside artificial laboratories but inside real organizations. It is important to understand how organizations can influence trust through organizational and human resource policies, without going through pervasive contextual and environmental, thus strategic, reorientation. It is one thing to explain trust as it ‘naturally’ arises or not, and it is another thing to explain how it can be influenced by those interested in having more of it.

The research question constrains the research design. We opted for an in-depth exploratory study of two organizations with combined qualitative and quantitative data. We hold contextual factors such as industry, location, size and (basic) structure constant. Interpersonal trust is a dyadic phenomenon and requires micro data, whilst policies require organization level data, and further data bridging these levels are needed to explain the transmission of policies into individual and relational characteristics. The two organizations differ only in that one has implemented policies aimed at building interpersonal trust while the other has trust-neutral policies. In the latter organization, trust is left to unguided interactional dynamics. Our research design is therefore quasi-experimental but it is that in a real-life setting. It is informed by theory but also explorative since we do not go for causal relations but gather a wide range of differences which together make a difference for trust. This combines the attractions of a ‘natural’ organizational setting with methodological control through matching of units of investigation.

In this study we explore which organizational policies are deliberately devised and successful in bringing forth trusting and trustworthy behaviour. Attention is especially paid to human resource management (selection, initiation, socialization, training, career management) and organizational (handling of interdependencies, attribution of roles, sanctioning of behaviour, organization of workflow and teams) policies. What we know about the spontaneous emergence of trust is that issuing and interpreting relational signals is crucial; this follows from our theoretical point that trust hinges on the perception of reciprocal and respectful handling of mutual vulnerability evolving into a stable expectation.

INTERPERSONAL TRUST BUILDING, RELATIONAL SIGNALLING AND ORGANIZATIONAL POLICIES

Trust is a psychological state comprising the intention to accept vulnerability to the actions of another individual (a trustee), based upon the expectation that the other will perform a particular action that is important to the trustor (Mayer et al., 1995; Rousseau et al., 1998). Trust is thus founded on the positive expectation that it will not be taken advantage of. It requires the absence of opportunistic behaviour by the trustee so that the trustor can make him/herself vulnerable to the action(s) of the trustee. This, in turn, requires that the trustee wants to maintain a mutually rewarding relationship with the trustor (Hardin, 2002; Lindenberg, 2000). For the trustor to be willing to rely on the trustee's future actions, he or she must perceive that the trustee's intentions and competencies to maintain the relationship and forego opportunities for opportunism (Nooteboom, 2002) are stable. Interpersonal trust building is an interactive process in which individuals learn or unlearn to establish and maintain trustworthiness, under given organizational (contextual and structural) settings, and subject to policies directly or indirectly, positively or negatively sanctioning the building of interpersonal trust. Stable intentions for behaviour can be stimulated by durable policies, structures and contextual settings.

Research has shown that for interpersonal trust to be possible in work relations, the trustee's behaviour must not be guided by rational self-interest only; it must (also) be guided by the wish to enhance the wellbeing of the trustor (e.g. Lindenberg, 2000; Nooteboom, 2002). Signals to this effect have to be exchanged effectively and credibly, for trust to come about. Several models to account for these different mindsets have been proposed, such as mixed motive situations (Schelling, 1960), social dilemmas (Komorita and Parks, 1995), social value orientation (McClintock, 1972) or the dual concerns model (Pruitt and Rubin, 1986). However, these models do not address the relationship between individual action and organizational policies. Relational Signalling Theory (RST) explicitly links individual action and organizational conditions by stressing that human behaviour is guided by the social rules within an organizational context (Wittek, 1999). It helps to understand the impact of organizational policies on interpersonal trust building. Whether action is guided by pure self-interest or the goal to act appropriately depends, among others, on organizational level conditions (Lindenberg, 2003). Such conditions include policies to instil regard for others, the correct interpretation of behaviour in the light of this criterion, and the application of such competencies when trouble occurs. Also, the way RST treats dyadic relationships is compatible with current trust models. For more detail on RST, see Lindenberg (1997, 1998, 2000, 2003) and Wittek (1999). For empirical tests of this theory see Mühlau (2000), Wielers (1997), Wittek (1999), Wittek et al. (2003) and Mühlau and Lindenberg (2003). Explicit application of RST to trust research is relatively rare. Wittek (1999) used RST in his in-depth, multi-method, empirical study of primarily informal control, but secondarily also trust. Lindenberg (2000) then explicitly applied RST to trust in a conceptual article. Six (2004) subsequently used RST as the theoretical foundation for her empirical, multi-method research into the processes of interpersonal trust building and dealing with trouble events.

Several trust researchers have shown or argued that relational signals play a crucial role in interpersonal trust building (Bacharach and Gambetta, 2001; Bottom et al., 2002; Hardin, 2002; Kramer, 1999; Pillutla et al., 2003; Weber et al., 2005). Trustors look for two things in the behaviour of trustees. First, they check if behaviour shows the competence to perform according to expectations (ability dimension of trustworthiness). Second, trustors look for signs in the behaviour of trustees for indications whether the trustee is interested in maintaining the relationship in the future (intentions dimension). These signs are called relational signals (Lindenberg, 1997, 1998, 2000, 2003). Relational signals are 'behavioural clues that allow us to make inferences about other people's interest in maintaining a mutually rewarding social relationship with us' (Wittek, 1999, p. 8). A positive relational signal is any behaviour that reassures another individual and is perceived by the second individual as an indication that the first individual wants to maintain a mutually rewarding relationship. A negative relational signal is any behaviour that makes another individual uncomfortable, perceiving this behaviour as an indication that the first individual does not want to maintain a mutually rewarding relationship.

The notion of a relational signal reflects the insight that much of human behaviour, and particularly interpersonal interaction and communication, is not only about the exchange of information, but also about defining the nature of the relationship between the individuals involved (Dillard et al., 1996). What relational signals mean depends on shared understandings, built up through interaction (Wittek, 1999). When signals are meaningful in the interaction between two or more individuals, they include 'expressions given off', seemingly involuntary aspects like blushing or other body language (Goffman, 1959). These are only partly open to manipulation (Frank, 1988). This is important, since individuals who have no relational interest can and probably will exploit relational signalling (Deutsch, 1973). It is difficult for most people to pretend consistently that they have good intentions when in fact they do not, as they will nearly always give off signals to the contrary.

It was shown that consistent exchange of positive relational signals leads to positive affect, which also enhances group cohesion, commitment and trust (Lawler et al., 2000), and therefore helps to suspend opportunistic behaviour. The presence of affect-based trust is founded on positive relational signals being sent and received. This insight legitimates our central operational definition of the extent of trust within a work unit, following McAllister (1995): it depends on the relative weight of affect-based related to cognition-based trust. Relational signalling therefore is a trigger for stronger trust: '. . . behaviour recognized as . . . serving to meet legitimate needs, and demonstrating interpersonal care and concern . . . may be critical for the development of affect-based trust' (McAllister, 1995, p. 29).

In this way, organizational policies can stimulate actors to (partially) suspend rational self-interested behaviour, by building up affect-based trust. But this suspension is precarious, threatened by strategic (i.e. longer-term) opportunism and by myopic opportunism (i.e. short-term temptations). Organizational policies can align longer-term interests and thus reduce strategic opportunism. However, short-term temptations to grab the golden opportunity or cut corners, even though this means taking advantage of the other, remain unaffected by these policies, and when they occur this will lead to trouble. Policies addressing the handling of trouble therefore merit empirical attention.

When not handled well, myopic opportunism and the resulting trouble will damage interpersonal trust. To be credible, the actor (the trustee) needs to regularly signal interest in the wellbeing of the trustor (Lindenberg, 2000). RST also stresses the dual function of relational signals: positive relational signals show that the sending actor wishes to act appropriately and is concerned about the wellbeing of the receiving actor, and they strengthen a corresponding mindset in the receiver (a similar point is made by Messick and Kramer, 2001). A central suggestion then is that organizations can enhance interpersonal trust by targeting the relational signalling in interacting dyads, by instilling and promoting norms at the organizational level and also monitoring their practice down to the level of dyadic relations, in hierarchical and in collegial relations.

METHOD

Our research design follows Eisenhardt's (1989) approach of building 'midrange theory' from case studies, which consists of eight steps that we follow. In the theory section we briefly discussed the key constructs to be considered, and how policies may link up with the emergence of trust via relational signalling, through the encouragement and sanctioning of behaviour. Our research design is therefore theoretically founded and empirically informed, and empirically open at the same time, as Eisenhardt had suggested. We then present the methods used, accounting for selection of cases, methods of data collection and analysis. We exploratively compare an organization with a deliberately non-opportunistic policy of controlling relational signalling, with another organization, similar in other respects, that does not aim to control relational signalling and leaves trust to spontaneous individual dynamics in the interaction. We do not try to explain interpersonal trust per se. We concentrate on how it is deliberately promoted in real organizational life, compared to when this does not happen, and this comparison has not been done before.

The presentation of findings follows. The findings establish four types of organizational policies that enhance interpersonal trust building. We show the combined effect of these policies and how relational signalling can be used as an explanatory construct. In the final section we draw conclusions and discuss implications for theory and practice.

Selection of Cases

Our research approach, comparing matched cases with different policies to control or influence trust-oriented relational signalling, has a number of methodological consequences. The attention to relational signalling implies the micro level of individual behaviour and its attitudinal results and residues, which have to be compared between the cases at a more aggregate level. At the aggregate level, we have to direct attention at policies. We opted for a research design which contrasted two organizational cases, one distinguished by an active and deliberate policy of building interpersonal trust, and another in which trust was not an object of conscious organizational choice and Human Resource Management (HRM) policies. Comparison of two units is exploratory, because it does not lead to causally detailed and representative answers to how organizational policies build up trust. However, in a field where comparative studies of organizational policies to build trust are lacking, a dichotomised comparison is a first exploratory step towards insights that lead on to further research (cf. Edmondson and McManus, 2007). Within cases, in view of the dyadic aspect of the trust-building that follows from policies, we went for substantial coverage of individuals and instances of trust-building and loss of trust, using various methods to tap into not only attitudes but observable forms of behaviour. This means that the depth of investigation, the numbers of individuals and instances investigated in the cases and the use of both open qualitative and standardized methods allow us to give a rounded, comparative understanding of the cases.

The cases were selected to have a similar size, be comparable with regard to the complexity and variety of their task environments, and have a similar goal or 'product'. This is delivery of professional consultancy services. In Mintzberg's (1989) terms, both organizations are professional bureaucracies. One of them, Krauthammer International, provides consultancy in coaching, organization development and some human-centred HRM methods. The other, Deerns, is an engineering consultancy, providing consulting, design and engineering for technical installations in buildings, such as heating, cooling, lighting, elevators, IT cabling. Both organizations are Dutch, professional consultancies offering customized services, and of similar size. Organizational context hence is very comparable. In line with customer-specific demand, both have used a project team type of organization, such that the constitution of the teams varied over time as projects finished and new ones were started. Within projects there was a clear division of roles and tasks. Both organizations were seen in their markets as delivering high quality and showed solid financial results. Although services provided are not perfectly the same, we can nevertheless see that basic organizational structures are very similar, in line with context.

At the time of research, Krauthammer had some 220 employees worldwide, 71 in the Dutch office which was studied. The second organization, Deerns, had some 280 employees, of which 69 were part of the two operational units under investigation.

Data Collection

We used a multi-method research approach, meaning that different methods of data collection and analysis were used. The data collection was done by the first author. Data collection was intensive over roughly four months for each organization. During this period the first author conducted in-depth interviews, observed a representative range of meetings (Table I), participated in plenary events, had informal encounters and was simply present working at a desk. We also studied relevant documents, such as strategy documents, internal surveys or reports, minutes of meetings, e-mails, speeches and presentations, internal magazines and training manuals. A questionnaire survey was conducted among employees, asking respondents, among others, to indicate on a 5-point scale how often particular actions occurred within their work unit. Feedback meetings were held at a later date within each organization to verify findings and collect more recent company data. The research reported here was part of a larger research project covering trust building and processes of dealing with 'trouble' as instances in which trust was put to the test (Six, 2004).

Table I. Overview of observed meetings

Type of meeting/gathering	*Number observed*
Krauthammer	
Plenary sessions Dutch office	4
Partner meeting	4
Coaching team	3
Business planning sessions	3
Management meetings	2
Department head meeting	1
Meeting of junior consultants	1
Theme day	1
Christmas 'luner' (lunch/dinner)	1
Deerns	
Unit meeting	3
Board meeting	3
Management team meeting	1
Management team conference (1.5 days)	1
HCD workshop (1 day)	1

Studying the organizations as an overt non-participant observer, the first author gained access to each organization through a meeting with the executive director, followed by a meeting with the whole management team. Before the actual research started, presentations were made to the organization as a whole to explain the study's aim and approach. During the data collection in the first firm, Krauthammer, methods and instruments were selected and adapted as and when we came to understand the issues, people and behaviour in context. Methods developed in Krauthammer, as the case with an active trust-enhancing set of policies, were then transferred to the Deerns case.

The interviews consisted of an open questions (qualitative) part and a standardized part. Qualitative parts of interviews were used to elicit individual perceptions, experience and attitudes regarding company policies. Interviewees were asked to talk about how they perceived the organization's culture with three questions (Schein, 1999): (1) What attracts you to [name of organization]? (2) What is the downside to working at [name]? (3) What is the key to success within [name]? Interviewees who had been with the firm for many years were asked about the firm's history. Newcomers to the organization were asked to talk about their perceptions and experiences during their first months with the organization. People in charge of HRM or formal introduction programmes (if present), and line managers were asked to talk about how newcomers were socialized. Interviewees across the hierarchy were asked about perceptions, experience and attitudes regarding control, discipline, trust building, coaching, giving and receiving feedback, communication, professional development and performance appraisal, and the role and performance of management.

The interviews were also used to elicit detailed information on events in which the respondent experienced trust or trouble, including the generation and processing of relational signals in people's experience. Finally, structured parts of interviews coded each trust or trouble event systematically along several variables, such as most important basis for trust or evaluation of the trouble event. Most of the interview was spent on the qualitative part.

Interviewees were selected to be representative within the units, in terms of function and tenure, with a subsidiary focus on gender and age (Table II). Interviews lasted on average about one and a half hours and were taped. For Krauthammer, 26 people (37 per cent) were interviewed. To triangulate interviewing with observation, a representative range of meetings was observed during September–December 2000. For Deerns, we conducted 26 interviews (38 per cent) and observed several meetings during March–July 2002. A total of 67 hours of taped interview material was generated. The observed meetings were also taped, resulting in some 59 hours of taped material.

Analysis of Data

Data analysis had three stages. In the first stage the transcripts of the interviews, the documents and the observations were analysed to identify possibly relevant policies. For the interviews, using simple cut-and-paste techniques, text from the interview notes was reordered into 'policy' files. Combined with the data from documents and impressions from the observations, working documents were produced, with many direct quotes, for discussion in the research team. Next, draft texts were written and presentations prepared for discussions with people in each organization. These discussions were part of the verification meetings. A cross-case analysis was then performed in which the findings for the two organizations were compared and related to policies emerging from both interview and company data. Policies were only included if the cross-case comparison yielded clearly different policies in the two organizations. Presentations and discussions of draft documents on these general patterns were held with colleagues at seminars and workshops. The patterns we induced were compared with existing literature. This confirmed the value of the construct of relational signalling for explaining how policies took effect in stimulating interpersonal trust building within work relations. Finally, a draft manuscript was read and commented on by a few key contacts within each organization.

Interviews and observations were also used for conducting a 'trust and trouble' event analysis, which was developed from the trouble case analysis (Morrill, 1995; Wittek, 1999). In trust events, the interviewee was aware of the trust he/she had placed in a colleague. In trouble events, the interviewee experienced trouble that he/she perceived to be caused by a colleague, and which made the interviewee reconsider behaviour and safeguard an appropriate level of trust in that colleague. Trouble events are thus events which put trust to the test, in which the (non-)existence of sanctioned behavioural routines to deal with trouble, specifically to prevent or resolve it, is exposed. For Krauthammer, 197 trust and trouble events were collected; for Deerns, 193. These events were coded by the person who had provided the event (interviews) or who was directly involved (observations).

To analyse the degree to which the organization's proclaimed values and norms were actually lived and experienced in practice, two analyses were carried out in each orga-

Table II. Sampling people for interviews

Krauthammer	*Total number of people (n = 71)*	*Interviews (n = 26; 37%)*
By function		
Partner	17	5 (29%)
Consultant	21	11 (52%)
Commercial assistant	11	4 (36%)
Other office	23	6 (26%)
By gender		
Female	33	10 (30%)
Male	39	16 (41%)
By starting year		
–1990	16	5 (31%)
1991–1999	45	18 (40%)
2000–2001	11	3 (27%)
By age		
>45	9	1 (11%)
36–45	25	12 (48%)
25–35	35	11 (31%)
<25	3	2 (67%)
Deerns	*Total number of people (n = 69)*	*Interviews (n = 26; 38%)*
By function		
Management team member	8	6 (75%)
Consultant/project leader	21	8 (38%)
Engineer	35	10 (29%)
Secretary	5	2 (40%)
By gender		
Female	10	6 (60%)
Male	59	20 (34%)
Starting year		
–1972	6	2 (33%)
1973–1982	12	4 (33%)
1983–1992	15	8 (53%)
1993–2002	36	12 (33%)
By age		
>45	12	5 (42%)
36–45	25	10 (40%)
25–35	19	7 (37%)
<25	13	4 (31%)

nization. In both organizations interviewees were asked the three questions mentioned above about positive and negative sides of the organisation and keys to success. In the second analysis in Krauthammer the observations, documents and a half day session on Krauthammer's underlying assumptions, also yielded indications of the degree to which the espoused values were lived and experienced. In Deerns the second analysis also came from the observations and document analysis, particularly the results of the personnel satisfaction survey (January 2002). The results for each organization were presented and confirmed in verification meetings.

FINDINGS

Trustworthiness encapsulates a distinction between ability (or competence) and intentions (e.g. Mayer et al., 1995; Nooteboom, 2002): Apart from being able competently to perform the future actions that the trustor expects, trustees also need to have good intentions. That is, they also need to be willing to go beyond direct self-interest, taking the other individual's interest into account (Hardin, 2002), wanting to maintain a mutually rewarding relationship (Lindenberg, 2000). To stimulate interpersonal trust building, as we will show, a combination of four inductively derived types of organizational policies can be effective:

(1) Creation of a culture in which relationships are important and showing care and concern for the other person's needs is valued.
(2) Facilitation of (unambiguous) relational signalling among colleagues (vertically and horizontally).
(3) Explicit socialization to make newcomers understand the values and principles of the organization and how 'we do things around here'.
(4) Mechanisms to manage, match and develop employees' professional competencies.

The first three types of policies focus on the intentions dimension of trustworthiness, while the fourth focuses on the ability dimension. A central concept underlying these policies is that of relational signals. As we discuss each type of policy we will elaborate on this.

Relationship-Oriented Culture

The first type of policy is the promotion of a culture in which relationships are important and in which showing care and concern for the other person's interests and needs is valued. Krauthammer, the organization with explicit trust policies, had explicitly formulated its vision, values and the related principles (or norms). The vision was 'bringing out the best in people' and its values were: Passion for People, Enrichment, InnovAction, One Team, and Impact! (Table III). These were only espoused values and norms and the research was therefore focused on whether these values and norms were also lived and experienced in practice. The results from the two analyses performed to examine this are summarized in Table IV. The conclusion is that the values Passion for People and Impact! were strongly experienced in practice; the value Enrichment was reasonably experienced in practice. The values One Team and InnovAction were found to give more mixed results. The value Passion for People is exemplary for taking care of and showing concern for colleagues. When collecting the trust and trouble events, we were

Table III. Krauthammer's values and related principles

Values	*Related principles*
Passion for People	We always look for the positive in others
	We consider the individual behind his or her behaviour
Enrichment	We seize every opportunity to grow
	We give constructive feedback
	We constantly look for balance between work life and private life
InnovAction	We constantly challenge success
	We translate ideas into KISS* and concrete actions
One Team	Each takes full responsibility for the team result
	Each contributes the best he or she has to offer
Impact!	We do things with purpose
	We practice what we preach

Note: * Keep it simple, stupid.

Table IV. Degree to which espoused values are lived and experienced in Krauthammer

	Three questions	*Interviews, observations, documentation*
Passion for People	++	++
Enrichment	+	+
InnovAction	−	+/−
One team	−	+/−
Impact!	++	++

struck by how often a reference was made to Krauthammer's values or principles by either the person experiencing the trouble, the other player, or both. In almost two thirds of the events such a reference made was.

Deerns, the organization with trust-neutral policies, on the other hand, had a culture in which showing regard for the other's needs was not explicitly stimulated. Deerns had explicitly formulated its mission as: 'Deerns contributes to a safe, comfortable and sustainable work environment. In pursuit of this Deerns is a leading consultant in the field of technical installations for buildings. In so doing it develops and inspires highly qualified engineers, project managers and consultants'. It had, however, not yet explicitly formulated its values and related principles. This was done directly after the research was conducted (July 2002) and five espoused values with principles were formulated: Expert Knowledge, Entrepreneurship, Reputation, Integrity and Atmosphere (Table V). These values were explicitly formulated by a representative group of managers and engineers of Deerns, at the end of the data collection.

The results for the two analyses are summarized in Table VI. The conclusion is that large parts of the values Expert Knowledge and Atmosphere were sufficiently lived and

Table V. Deerns' values and related principles

Values	*Related principles*
Expert knowledge	We are continuously learning
	We use Deerns' knowledge, each other's knowledge
	We develop our technical knowledge and our consulting skills
	We also discuss difficult issues and contribute to their resolution
Entrepreneurship	We take risks – at least once a day
	We take signals for the market to the appropriate place within Deerns
	We embrace new partnerships, techniques and solutions – and thus secure our own responsibility
	We dare to tread outside the beaten track
Reputation	We put our reputation before short-term gains
	We speak positively and with respect about ourselves
Integrity	We can always be held accountable for our actions
	We work in the clients interest
	We take action to ensure that others' actions are incorruptible
Atmosphere	We keep our agreements and confront each other with our responsibilities
	We take the other's questions seriously
	We show respect: listen, give full attention, motivate and give compliments

Table VI. Degree to which espoused values are lived and experienced in Deerns

	Three questions	*Interviews, observations, documentation*
Expert knowledge	+/−	++/−
Entrepreneurship	+/−	−
Reputation	+	+
Integrity	+/−	+
Atmosphere	++/−	++/−−

experienced in practice, but in both values some elements were not. Expert Knowledge was strong for technical development of the knowledge base, but not in terms of communication and interpersonal skills. Atmosphere was strong in that many interviewees commented on the nice and pleasant work environment. However, many complained about colleagues hiding behind the excuse of having too much work when missing deadlines or meetings. A unit manager:

> Two weeks ago we had a firmwide acquisition meeting. Hardly anyone showed up. We cancelled the meeting. The minutes contained an angry message that this was unacceptable. The next meeting everyone was present.

The values Reputation and Integrity were reasonably lived and experienced in practice, but people were not aware of and proactive about them. The value Entrepreneurship appeared not to be widely lived and practiced throughout the organization; only some managers practiced this value. Most respondents were waiting for what the directors or managers would tell them needed doing.

In Deerns, pursuing one's self-interest was neither valued nor accepted; there was simply no explicit attention to relationships and other colleagues' needs. The culture was strongly task-oriented (or job-oriented, see Hofstede et al., 1990). A relationship-oriented culture complementary to a task-oriented culture appears to be important to stimulate interpersonal trust building. This is not to posit relationship orientation against task orientation. Krauthammer promoted a culture apparently strong on both dimensions, while Deerns was apparently only strong on task-orientation. Krauthammer had two values that were strongly lived and experienced in practice: Passion for People and Impact! How could a caring culture (Passion for People) and a job and results oriented commercial culture (Impact!) be combined? From the interviews it appeared that at the group level and in the management of contracts, the action-oriented elements dominated, while in the one-on-one situations the caring elements of the culture, showing concern for the other, being vulnerable, dominated. A junior consultant gave an illustrative example:

> During the . . . meeting I noticed that there were limits to vulnerability. I asked a question about how others dealt with a particular element of the training. I got some brief reactions in the group. Afterwards, two colleagues came up to me and said: 'I don't want to say this in the group, but I will say it to you individually.' That was a clear illustration that vulnerability is preached but not always practiced. They both said: 'This was my experience and that was not a success and I solved it in this way.' Both also admitted they did not dare show that vulnerability in the group.

Thus, in one-on-one situations the caring dimension of Krauthammer's culture could be shown and practiced without clashing with the tougher more results-oriented dimension of the culture, which dominated group meetings.

In summary, Krauthammer had explicitly formulated and largely implemented its norms and values, whereas Deerns had not. Krauthammer's value Passion for People in particular stressed the importance of relationships. Within Deerns the value 'Atmosphere' could be expected to enhance trust building, together with the value 'Integrity', but the degree to which these values were actually lived and experienced in practice was not strong.

It could be argued that for a consultancy firm providing training, coaching and other HRM related services, it is not surprising to find that Krauthammer has implemented more trust-enhancing organizational policies than an engineering consultancy firm. However, until 1993 Krauthammer's culture was not based on their current five values, but purely performance-based and, as one senior interviewee stated, 'leadership was based on the "exploit your people" model'. In 1993, a group of employees left the firm to set up a competing firm, and remaining employees 'rebelled' against current management to force a substantial re-orientation. As one leading 'rebel' (then lower management) described it:

> We wanted to organize the firm more along the principle of cooperation rather than the 'divide and rule' principle that was dominant then. We wanted to focus on personal and professional development as guiding principle, rather than financial ownership. The question 'what is the best way to develop talent quickly' should be key and the rest should be subservient to that and not the other way around.

Thus, it was a conscious management decision to re-orientate the firm to focus on values like Passion for People and Enrichment. This did not follow automatically from the specific service profile of the firm.

Many authors have shown that homogeneity of norms and values enhances trust building processes (for example, Lane, 1998; Zucker, 1986). The argument for this effect is based on the resulting higher predictability and reliability of the trustee's behaviour. Strong homogeneity denotes a strong culture. But the strength of an organization's culture may not be enough to achieve trust; where opportunistic behaviour is part of the accepted norms and values, the centrifugal forces would be too strong to hold an organization together. As argued before, trust can only be built when both individuals have their actions guided by a desire to maintain the relationship and forego opportunities for opportunism. This implies that the norms and values would have to stress these points, leading to a practical concern with relationships and an emphasis on positive relational signalling. And this can very well be combined with an action-oriented culture, as Krauthammer showed.

Facilitation of (Unambiguous) Relational Signalling

Ambiguous relational signals can occur when responsibilities are not clearly assigned and when helping may be interpreted as 'meddling' (see Wittek, 1999). But even when responsibilities are clearly assigned, behaviour may still in many instances be perceived positively or negatively, which implies ambiguous relational signals. This may, for example, occur when the verbal and nonverbal actions of the trustee are perceived to contradict each other. The trustee may also intend positive signals but be insufficiently skilled in credibly giving off an unambiguously positive signal. And, given the vulnerability involved in building trust, the trustor is more likely to err on the side of caution when perceiving an ambiguous relational signal, which in turn will hinder the trust-building process.

What type of policies can help to reduce the ambiguity of relational signals? Our data suggest two sets of policies. First, policies that promote signalling skills, in particular those that make both trustor and trustee have more self-confidence (Deutsch, 1973) and a high level of interpersonal skills (Johnson and Johnson, 1995). Second, policies that create opportunities for colleagues to meet each other informally to exchange signals outside formal, task oriented situations (Lindenberg, 2003).

Relational signalling skills. It is not the intention of the sender of the relational signal, the trustee, that determines the character and effect of the signal, but how the receiver, the trustor, perceives the signal. Making sure that one's actions convey unambiguously positive relational signals requires interpersonal skills such as communication skills on the part of the trustee. Also, being able to deal with ambiguous signals, without immediately concluding that distrust is warranted, requires self-confidence on the part of the trustor. We found that Krauthammer was very keen on developing its employees' inter- and intra-personal skills. It trained and coached *all* employees in intra- and inter-personal skills. Furthermore, Krauthammer promoted open confrontation, in the sense that when someone creates trouble for a colleague, that colleague is expected to confront the 'troublemaker'. However, it was made clear that there was the intention to say 'yes' to the person and 'no' to the behaviour.

All staff, office staff and consultants, are taught about confrontation. A junior commercial assistant:

> If something does not go as planned, for example, a consultant does not inform you about something, it is your job to confront the consultant and ask the question 'What is your proposal to change this, to improve?'.

This may be crucial in trust building since it is inevitable that trouble does occur (Hirschman, 1970; Lindenberg, 2000). But confrontation of trouble need not necessarily lead to distrust. When trouble is based on a mishap, misunderstanding or unfortunate error that can be avoided in the future, trust need not be negatively affected. Addressing the troublemaker in a way that you say 'yes' to the person, sends a clear positive relational signal, and then allows the individual to be direct about the troubling behaviour ('no' to the behaviour). All Krauthammer employees were trained in this routine.

It could be argued that it is not surprising that Krauthammer stressed interpersonal skills development since in many ways this was directly related to success in their work with clients. It should be noted though that this had only been part of explicit management policies since the early 90s and that support staff was also included in the emphasis on intra- and inter-personal skills development.

This emphasis on intra- and inter-personal skills development was not an explicit policy in Deerns; the key emphasis was on the development of technical skills. In many trouble events collected at Deerns, interviewees, when asked how they responded to troublemakers, told us that they had not reacted directly to the troublemaker because they were not assertive enough, and they often regretted not having done so. For example, a project leader had agreed a deadline for a particular task with a team member. When he asked the team member about the results one day after the deadline, the team member told him: 'I have not done it'. The project leader thus had a problem. Asked how he responded when the team member told him this, the project leader said:

> Well, probably not well, because I am not very assertive in those situations. I swallow it. While I should have been angry, or . . . ; that is what I think. I did not say 'Bill, you cannot do that that is not on; you should at least have informed me in time to find alternatives.' Later, when I spoke to our manager, I mentioned it and he confronted Bill. So in fact our manager did what I should have done.

In addition to confrontation, Krauthammer had promoted paying compliments. As a positive relational signal, a compliment helps build interpersonal trust. Several authors have already noted this effect (Johnson and Johnson, 1995; Zand, 1972), and our findings support it. At Krauthammer we were struck by the attention to *public* compliments, rather than just private compliments. Public compliments were especially potent when paid by an experienced and respected colleague to a newcomer in the presence of other colleagues who had not yet worked with the newcomer. This helped to build the trust of others in the newcomer and the self-confidence of the newcomer at the same time. For example:

> During a team meeting, the coach of a newcomer asks him to tell the team his first commercial experience. After he has done so, the coach gives him a big public compliment.

Such routines were absent in Deerns. When asked explicitly whether positive feedback was given or received, interviewees unanimously answered that compliments were rare, you were simply expected to perform. In the questionnaire survey that was conducted in the larger research (see Table VII), actions such as to 'give positive feedback (= compliment) at a private meeting' and to 'pay a compliment at a public meeting' occurred significantly more frequently in Krauthammer than in Deerns ($t = 5.01$ and 5.17 respectively, $p < 0.01$).

Opportunities for meeting informally. Our data also show that, given the importance of relationships, it is important that colleagues can meet informally, outside of direct task requirements. Within Krauthammer many mechanisms were in place to meet informally outside of tasks. This was especially important as most Krauthammer members only rarely met face-to-face during task execution. Within teams many social activities were organized, usually with spouses/partners. Many peer groups organized social events frequently, in particular in the early years of working with Krauthammer. At the Krauthammer University, the corporate university where all consultants and many support staff meet 4–5 weeks a year, most evenings were spent at the bar. The monthly meetings for the whole Dutch office which lasted a full day were a balance between functional and informal exchanges, although many commented that it was usually too busy to really sit down and look each other in the eye and resolve a trouble that had occurred. When serious trouble occurred that needed immediate resolution, the people involved would make arrangements, if necessary face-to-face, to resolve the trouble. In many of the more serious trouble events that were not resolved immediately, the interviewee remarked that the trouble was resolved later at the University when they took the time to sit down and really talk it through. This tended to restore or even deepen trust, as they learned more about the other person. A consultant:

> When I had only just joined Krauthammer, a senior colleague caused me to experience serious trouble. . . . It made me lose all trust in him. I was quite vulnerable then and did not feel confident enough to confront him about it. More than a year later, at the Krauthammer University, I put that right. I told him how I had felt then. I sensed that he was sincerely glad I told him. He responded very openly. My trust in him has been restored.

In comparison, Deerns had no formally instituted opportunities for informal meetings. Going for drinks after work with the unit happened only if an employee took the initiative. The new chairman had only recently instituted quarterly Deerns-wide meetings during which the Board gave an update of the business and people met for drinks and dinner. A project manager who had recently joined Deerns observed:

> There was an interesting experiment the other day when the restaurant was renovated. We temporarily had a few long tables which meant that people suddenly found themselves sitting next to a person they had never met before and they appeared to like it. And they talked about each other's work and learned. I jokingly said that the board had done that on purpose!

Opportunities for informal meetings are useful for at least the following reasons: they enable relationships to be built before functional interdependencies may occur, thus facilitating functional relationships before and when they occur, and they enable the maintenance of the organizational culture (Coleman, 1990). Following RST it is important for colleagues to be able to meet informally, to exchange informal relational signals free of ambiguity (Lindenberg, 2003).

Socialization

Once an organization has established such policies, it is only consequential to make sure that newcomers understand and accept the reasons for, and importance of, these policies. Stressing the importance of positive relational signalling then requires a deliberate socialization. Individual predispositions and experience prior to entering the organization will be important here as well as an initiation into values, norms and behavioural practice specific to the organization. Schneider's (1997) Attraction–Selection–Attrition theory stresses the relevance of selection and socialization with the homogeneity of personality hypothesis. Loosely stated, this hypothesis says that organizations tend towards homogeneity of personality through processes of attraction, selection and attrition. Socialization by the organization to instil in newcomers the values, norms and practices of the organization is an important part of this theory. Our findings show distinctly different (selection and) socialization policies between Krauthammer and Deerns.

Krauthammer had a long selection process with many stages, including a headhunter's first screening, several interviews with Krauthammer co-workers, a presentation to a committee and a psychological assessment. In their first weeks, newcomers were explicitly told about the vision, mission, values and principles of Krauthammer. This gave them many clues as to how to interact within the organization. The socialization process also gave them an intensive training for the tasks they were expected to perform; they were taught explicitly what was expected of them. Thus they could build the confidence that they could do their job in the way that the firm expected. A newcomer:

> I joined Krauthammer two months ago. The honeymoon is now over, it is all becoming more real, but I am still surprised by the trust that I get. I joined August 20 and on September 6 I trained my first group, all alone. And everyone trusts I will do

> well. I still find that *very* special. Of course, they know from experience that their initiation training works, but I truly experienced it as very stimulating.

A partner who was also trainer of newcomers at the Corporate University:

> The philosophy of our client training is to confront. The trainer has to be taught first how to do it so that the participant can really learn from it. That is what the initial training at Corporate University is all about. We confront the new consultant with himself [or herself] so that he [or she] experiences the process first hand. The art of good confrontation is not to give back all that you observe. We can all see 10,000 things in a day. It is all about the tone, is there trust, and do people understand the why. Only then are you giving back . . . The art of training is, to be capable of giving it back at the appropriate time in a way that the other person understands it. . . . A good internal trainer knows how to touch the people while controlling himself at all times. We are not amateur-psychologists.

Finally, they were taught the common Krauthammer language and categories. Krauthammer was quite explicit about words that were relevant to its operations and interpersonal behaviour. The meaning of many words had strong cultural aspects. Principles such as confrontation (saying 'yes' to the person, and 'no' to the behaviour), and no gossip (we talk with people, not about them) helped build the confidence to ask and inquire into behaviour and motives in situations where trust was necessary. Another crucial step in building trust was the allocation of a coach with whom anything could be discussed. So far the focus was on how newcomers to the organization could build trust in the organization and their colleagues. The socialization process was geared to initiate employees into the basics of what they were expected to do. If newcomers had not learnt their role, they would not be 'released' into the organization. Also, after the initial introduction, newcomers received close coaching and training-on-the-job to continue practising what they had been taught and to develop new skills and experience. A person would not be allowed to perform a particular task alone, unless someone more experienced had checked that the person was able and ready for it, i.e. could be trusted to do it.

Organizations with strong cultures often have intensive initial training processes and/or corporate universities where employees are regularly (re)trained for new tasks, new roles or new procedures and receive a refreshment dose of the norms and values (Van Maanen and Kunda, 1989). A corporate university can thus be a crucial vehicle for the socialization, the sharing, shaping, reinforcing and changing of the organizational context. This was clearly the case for Krauthammer. The role of a corporate university for trust building becomes clear from this empirical evidence. The explicit and formalized training for new tasks and roles, and the retraining when procedures change, help a trustor form more accurate expectations about a trustee's ability to perform the particular action in question. The sharing, shaping, reinforcing and changing of norms, values and other relevant elements of the organizational context help a trustor form more accurate expectations about a trustee's intentions in the particular situation.

A corporate university can facilitate interpersonal trust building, not only for and with newcomers, but also because it strengthens the norms and values within the organization as a whole. In Krauthammer it played an important role in the way in which control was experienced, as normative rather than bureaucratic (Das and Teng, 1998, 2001; Kunda, 1992), because at the corporate university the norms and rules were regularly discussed, reinforced or adapted. Given the busy lives Krauthammer consultants lived, the corporate university also provided important opportunities to meet informally and resolve lingering trouble experiences.

Deerns' selection process consisted of a limited number of interviews with the personnel manager, a unit manager and occasionally a senior consultant or director (for senior recruits). The socialization of new people in Deerns was a largely informal process. The one formalized part of the socialization of newcomers was a brief introduction programme set up by the new chairman. Once the newcomer started his first day of work within his unit, the formal part ended and the way in which the newcomer was introduced to Deerns' way of working, his colleagues in the unit and the rest of the organization, depended entirely on the unit and the individual appointed as his mentor (if one was explicitly appointed at all). Most employees that were asked about their first days at work with Deerns commented on how chaotic it was. A relatively senior newcomer:

> The first day I thought, wow how chaotic! No one has time, everyone is busy with himself. The whole selection process and the personnel department were very well organized. Then the day I start, . . . there was nothing arranged within my unit.

Most people also used the term 'you are thrown in at the deep end'. One of the directors commented:

> I do not have many objections to a newcomer being thrown in at the deep end, that is quite normal. But implicitly we expect him to swim the way we do, yet we do not tell him how we do it. The risk for the organization is that we miss out on good people who just happen to swim in another way.

This risk was especially high when recruiting experienced senior people, which had been happening more regularly in recent years and had not always been successful.

The analysis suggests that the two organizations showed very different approaches to the selection and socialization of newcomers. Krauthammer had an in-depth and extensive selection process with several different assessments, whereas Deerns had a relatively short and simple process of interviews only. Krauthammer had a policy of an explicit and extensive socialization for newcomers – including a corporate university – while Deerns had no explicit socialization policy and therefore the socialization process of newcomers was mainly implicit and emergent.

Management of Competencies

Trustworthiness consists of two dimensions, ability and intentions. Whereas the preceding policies focused on intentions, this section deals with the ability dimension. This implies ensuring that employees have the competencies and experiences required for their task. Krauthammer had implemented a set of three related policies to cover this.

First, it was very explicit in managing the mutual expectations in how the firm's core processes were to be performed. Very detailed descriptions were given in handbooks and other documents. The extensive training Krauthammer employees received was discussed above, as part of socialization. The account manager for client XYZ, who did not actually give the training sessions himself, gave an illustrative example of how this policy helped build trust:

> The personnel manager of client XYZ told me: 'I understand that you want to remove two participants from the training'. I responded: 'I was not present, but I know my colleagues and I know how we deal with such situations; how we are trained. I am sure the trainer did not do that. I can tell you with a certainty of 90 per cent what my colleague has done. The participants were probably difficult to mobilize and the trainer will have responded to that. And ultimately, maybe, he may have told the participants: "if you do not want to participate in this training or you do not see the use or need for it, it may be good to take a decision; whether you want to attend this training or not. Because the way things are going now it is not going to work and I can imagine that in that case you have better things to do". He will always have put the decision with the participant.' The client's Personnel Manager said: 'I will check what happened'. And sure enough it checked out. This is ingrained in our internal training, so you can trust each other in that respect; you know how we approach such situations.

Second, Krauthammer had implemented thorough planning procedures that on the one hand tracked individual employees' competency and experience levels; and on the other hand carefully matched competency and experience requirements of tasks to competency and experience levels of available employees. A fairly new consultant illustrated this:

> The first time I had to take over a training day for a sick colleague, I had only just joined the firm and I had not yet given this training before. But I was ready for it, because I had had the internal training that had prepared me for this. The system checked out. I was not asked to do a training I was not prepared for. The planning system would prevent me from being asked for that. I personally did not feel very confident that I could do the training, but I told myself: 'I may not have the self-confidence, but apparently I am competent to do this well, so I had better trust that all will be well.' And I did well which gives me a lot of self-confidence. The firm is demanding, but never over demanding in my experience.

Third, there was extensive monitoring to track an employee's performance and development. Krauthammer seems to monitor whatever possible and relevant. Some examples: training participants gave their evaluation of the trainer each training day; client satisfaction was regularly measured; personal performance evaluations were quantified where possible, monitoring for the consultants the average training scores and the sales generated, among other things. These characteristics at first suggest strong bureaucratic control, which is often related to high distrust (Das and Teng, 1998, 2001).Yet the intention of the monitoring was to 'check in order to be able to give compliments' and to 'support, stimulate and measure talent development'. This was against the background of the value Passion for People, coupled with the culture of confrontation. Many saw the explicit style and control of the organization, with all the rules and procedures as a source of stability and predictability, i.e. as a basis for trust.

Deerns, in contrast, had no specific policy for managing competencies. They had a functional hierarchy in which functions were distinguished based on experience and training/education. Interviewees provided many trouble events with the conclusion that their colleague had been lacking in competence. This indicates that the issue of competence trustworthiness was not dealt with at an organizational level. Several employees made comments like this engineer:

> There are a few people within Deerns whom I have told that I no longer wish to work with them, because it takes me longer to correct their work.

A senior engineer commented:

> We have some CAD designers who can mess up drawings that are 90 per cent correct so that when you get them back they are only 50 per cent correct. After a while you try to avoid them.

Explicit management of employees' competencies on the one hand and explicit management of expectations of competencies for different tasks on the other, appear to be conducive to building trust on the ability dimension of trustworthiness. This enhances the delegation of tasks and responsibilities, both vertically down the hierarchy and horizontally among team members working on a project.

The firms differed on both dimensions of trustworthiness.

Interpersonal Trust within Krauthammer and Deerns

In Krauthammer we found many policies aimed at interpersonal trusts that were not present in Deerns. The question remains whether interpersonal trust in Krauthammer was effectively higher than in Deerns. As argued in the second section, the presence of affect-based trust rather than cognition-based trust only (McAllister, 1995; see also Dietz and Den Hartog, 2006; Lewicki et al., 2006; Mesquita, 2007) can be used as an indicator of the presence of positive relational signals and of stronger trust. In any interaction implying trust, both cognition and affect are always present, but the more important base can be identified. We asked respondents to indicate for each trust and trouble event what the main basis for trust was, affect-based trust or cognition-based trust, providing respondents with McAllister's (1995, 1997) definitions.

The distribution of all events within each organization showed that within Krauthammer in 31 per cent of the events, affect was considered to be the main basis for trust, while within Deerns this was only 13 per cent (Figure 1). This difference was significant, $\chi^2 = 17.23$, $p < 0.001$, suggesting that interpersonal trust was higher and positive relational signals were more prevalent in Krauthammer than in Deerns. When trust has

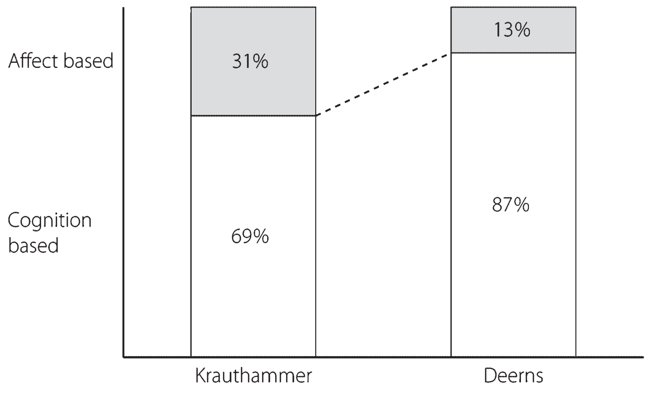

Figure 1. Distribution of level of trust building

Notes: Percentage of total events. $\chi^2 = 17.23$, df = 1, $p < 0.001$. Krauthammer: $n = 196$, Deerns: $n = 192$, based on interviews and observations.

progressed to affect-based trust, the level of trust is, according to McAllister (1995), higher than when it is cognition-based only.

Based on the questionnaire survey, people in Krauthammer performed 10 out of 20 effective trust building actions significantly more often than people in Deerns and none significantly less often (Table VII). Hence, we conclude that people working with Krauthammer are able to build trust more easily, and to higher levels than people working with Deerns.

A third indicator of the level of trust and the effectiveness of relational signalling is provided by the trouble event analysis. Trouble events in Deerns were more often ascribed to misunderstanding, disagreement or distrust than those in Krauthammer ($\chi^2 = 28.72$, $p < 0.001$; Figure 2). The result was that many people within Deerns had their own personal list of preferred colleagues and of those they actively avoided. Misunderstandings and disagreements are indications that positive relational signals are absent. Explanations can be found in all four policies identified: lack of agreement on organizational values and norms, lack of relational signalling skills, lack of informal meetings, weak socialization or weak management of competencies.

CONCLUSIONS

Our findings suggest that four types of organizational policies, in combination, are effective in stimulating interpersonal trust building among colleagues. These four types cover both dimensions of trustworthiness: ability and intentions.

(1) Creation of a culture in which relationships are important and showing care and concern for the other person's needs is valued.
(2) Facilitation of (unambiguous) relational signalling among colleagues (vertically and horizontally).

Table VII. Occurrence of trust building actions

Type of action	*Krauthammer*		*Deerns*		*t-test*
	Mean	*SD*	*Mean*	*SD*	*t-value*
Give positive feedback (= compliment) in a private meeting	4.19	(0.62)	3.29	(0.84)	5.01**
Give responsibility to the other person	4.11	(0.58)	3.60	(0.77)	3.18**
Show care and concern for the other person	4.07	(0.62)	3.32	(1.06)	3.72**
Give compliment in a public meeting	4.00	(0.55)	3.12	(0.70)	5.17**
Show a bias to see the other person's actions as well intended	4.00	(0.55)	3.83	(0.70)	1.05
Clarify general expectations early on in a new relationship	3.96	(0.59)	3.03	(0.96)	4.52**
Give negative feedback in a constructive manner	3.92	(0.56)	2.90	(0.77)	5.85**
Seek the counsel of others	3.89	(0.51)	3.61	(0.86)	1.68
Be open and direct about task problems	3.85	(0.61)	3.51	(0.71)	2.04*
Give help and assistance	3.81	(0.56)	3.83	(0.73)	–0.11
Take responsibility (don't pass the blame)	3.81	(0.62)	3.59	(1.02)	1.15
Receive help and assistance	3.70	(0.67)	3.52	(0.83)	0.94
Explore specific expectations in detail as the relationship develops	3.70	(0.82)	3.12	(0.93)	2.64*
Be honest and open about your motives	3.67	(0.68)	3.33	(0.98)	1.67
Process and evaluate how effectively you are working together at regular intervals	3.67	(0.73)	2.83	(0.93)	3.92**
Surface and settle differences in expectations	3.65	(0.63)	2.98	(0.82)	3.59**
Disclose information in an accurate and timely fashion	3.56	(0.58)	3.48	(0.80)	0.44
Recognize the legitimacy of each other's interests	3.48	(0.64)	3.37	(0.70)	0.69
Initiate and accept changes to your decisions	3.37	(0.49)	3.29	(0.84)	0.48
Make yourself dependent on the other person's actions	2.70	(0.67)	2.85	(0.91)	–0.74

Notes: * $p < 0.05$, ** $p < 0.01$. Means, standard deviations in brackets. 5-point scale with 1 = never occurs, 5 = always occurs.
These actions are based on Deering and Murphy (1998), Deutsch (1973), Ellinor and Gerard (1998), Gabarro (1978), Ghoshal and Bartlett (1997), Johnson and Johnson (1995), Ryan and Oestreich (1998), Zand (1972, 1997); for more detail, see Six (2004).

(3) Explicit socialization to make newcomers understand the values and principles of the organization and how 'we do things around here'.
(4) Mechanisms to manage match and develop employees' professional competencies.

The concept of relational signals and how these help build interpersonal trust was crucial to an explanation of our findings in Krauthammer and Deerns. The policies that Krauthammer's management had explicitly implemented and that were lacking at Deerns, directly or indirectly targeted relational signalling. RST does not explicitly address the ability dimension of trustworthiness. Therefore, the fourth organizational policy that enhances interpersonal trust building cannot be explained by it. This does not, however, diminish the value of the theory for understanding interpersonal trust building processes. It is worthwhile to develop RST further, taking account of the possible gap between intended and achieved meanings of signals and incorporating the competence dimension.

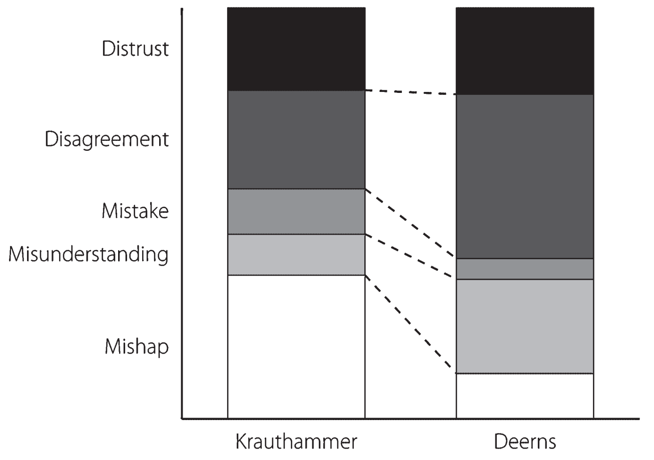

Figure 2. Distribution of evaluation of trouble event

Notes: Percentage of trouble events based on interviews and observations. $\chi^2 = 28.72$, df = 4, $p < 0.001$. Krauthammer: $n = 106$, Deerns: $n = 135$.

What we then have is *prima facie* a coherent syndrome of policies that may appear as interdependent rather than as substitutes for one another and that explains how a significantly higher level of trust, based on affect rather than remaining at the surface of cognitions, can be brought about if that is the will of management. It is in principle independent of task environmental contingencies that may always influence the uncontrolled emergence of trust. To some extent against expectations, greater formalization of interpersonal dealings appears to coincide with the building of trust, rather than hemming it in. But it is important to realize that the goal of formalization (procedures and standards for relational signals and for instilling them) was specific in the present study, possibly compensating the negative effect of formalization of roles per se, which other research has pointed out (e.g. Knights et al., 2001). Much as there was an emphasis on informal social meetings in Krauthammer, there was also a strong aspect of social control in the building of trust. This goes against an idea of trust emerging without or against social constraints. That may only be one kind of trust, and the question is what importance it can have in organizations purposefully enhancing trust. Our example suggests that interpersonal trust may only be generalized, strengthened and stabilized, against the pitfalls of trouble, if it is not left to chance but behaviour is subjected to constraints.

Further research is needed to examine (in a quantitatively representative fashion) whether Relational Signalling Theory explains the effect of the organizational policies identified more widely, to what extent policies mentioned here are complementary or substitutive, and if there are alternative ways of building and explaining trust. A larger and more specifically controlled selection of cases is required for all this. Also, RST has specific propositions about how individual level actions are influenced by organizational conditions, using concepts like framing/normative frame, frame resonance and frame decay (Lindenberg, 2000, 2003). Throughout this paper we have in essence argued that for trust to be built in long term work relationships both individuals need to have stable intentions to maintain the relationship and forego opportunities for opportunism. In

RST terminology this is the same as 'that both individuals have their actions guided by a stable normative frame'. When an individual's actions are guided by a normative frame, his or her goal is to act appropriately and maintain the relationship. Stable intentions to maintain a relationship can be stimulated, according to RST, by frame resonance and are threatened, according to RST, by frame decay. Frame resonance is the notion that individuals are sensitive to the frames of those around them. They are more likely to act from a normative frame if people around them act from such a frame rather than another frame (a similar point is made by Messick and Kramer, 2001). Frame decay refers to the tendency that, ceteris paribus, over time the normative frame will weaken relative to self-interested frames in which the goals are to feel good or better right now or to achieve maximum gain for oneself. To avoid frame decay, positive relational signals need to be sent and perceived regularly. Further research is needed to apply these concepts explicitly to understand the mechanisms through which organizational policies enhance interpersonal trust building.

The study also offers insights for practice. The set of four types of policies indicates a particular way to stimulate interpersonal trust. This set of policies requires a very consistent and systematic management approach. Lest the reader might think that we are implicitly or overtly advocating organizations to copy Krauthammer's policies, it also needs to be pointed out that the viability of trust-building in this firm cannot be generalized with regard to any organization and employee, in a mechanical fashion. Krauthammer is not an organization in which everyone would feel comfortable and satisfied, not even after extensive coaching and induction training; see the careful screening of potential recruits mentioned above, and personnel turnover was not below the average.

We therefore conjecture that only implementing, for example, policies on interpersonal skills development and socialization may not be effective. The policies appear to be interrelated. Further research may also address this conjecture by multivariate analysis. But whatever future results on this may be, the concept of relational signals allows the adaptation of policies found in Krauthammer to the specific circumstances of an organization, with a focus on: (1) creating a culture in which positive relational signals are the desired way to interact (a relationship oriented culture); (2) facilitating (unambiguous) relational signalling; (3) socializing newcomers; and (4) managing and matching competencies.

Our findings furthermore suggest that the answers to our research question are less instrumental than the question might imply. The policies that we have identified require strong top level commitment by example rather than proclamation. Management's actual behaviour may be as important, if not more so, than any policies it implements for stimulating interpersonal trust building (Mühlau and Lindenberg, 2003). As Whitener (2001, p. 532) concluded, 'employees interpret human resource practices and the trustworthiness of management . . . as indicative of the personified organization's commitment to them'.

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