

Potential influence of trust on the successful completion of a project

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The temporary organisations formed in many projects create a situation in which trust between individuals is important to the successful completion of the project. Unfortunately, because the organisation is temporary, there is not time to develop long-term trust in interpersonal relationships. It is suggested that the initial opinions of the individuals entering the project are important in shaping its final outcome. The initial opinions can force the project into a spiral of increasing or decreasing trust. Methods are suggested of reversing the outcome when the initial attitude is one of mistrusting the other parties, to enable the project manager to build a more positive environment.

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In a recent article in *Building*, it was suggested that the construction industry has 'too little trust and not enough money', and, as a result of this, 'the client and the industry suffer'. To suggest that an industry suffers from too little trust is a condemning indictment. In any society, trust is necessary for processes to operate efficiently and effectively. For example, when money is deposited in a bank, that bank is entrusted to take care of the money. It is assumed that the money can be withdrawn when it is required at some date in the future. If a car is given to a mechanic to repair, trust is placed in the skills of that mechanic, and his/her expertise is relied upon to return the car in a safe condition.

When there is a lack of trust in a society, the result is a situation in which everyone completes each task for him/herself, because he/she cannot rely on anyone else to complete tasks for him/her. Therefore, to imply that there is too little trust in an industry could result in a situation in which work is not given to that industry, but is carried out directly by clients, because that is seen to be the only satisfactory means of completing a project.

This paper examines the basis for trust in organisations and projects. Drawing on established literature about long-term, stable relationships, it shows how these principles can be applied to the short-term, temporary relationships often encountered in projects. The notion of a spiral of trust is presented. This spiral of trust is influential in determining the successful completion of a project. It should be noted that the successful completion of a project narrowly defined. Success is viewed purely in terms of a lack of conflict between the individuals involved in the project. Total project success is a considerably wider concept, involving issues such as delivery on time, completion to

budget, satisfaction of client's needs, and achievement of the correct quality of work. These factors are outside the scope of this paper.

The paper concludes by discussing techniques which can be used to reverse a downward spiral in relations. It proposes techniques for building trust that can be used in a project environment.

Trust

A definition of the term 'trust' is required before we can examine how trust can influence a project. A large number of definitions of trust have been proposed, and a characteristic of much of the work in this field is that each author develops his/her own definition. At a simple level, trust can be defined as a decision to become vulnerable to or dependent on another in return for the possibility of a shared positive outcome. Such a definition can easily apply to a project, because the shared positive outcome is the successful completion of the project. To achieve that completion, the client normally requires the skills and expertise of various individuals who will form the project team. The client becomes vulnerable by trusting that those individuals can achieve the desired outcome. The individuals in the project team also share in the trust shown by the client because they become dependent upon the client, in particular for the payment of wages or fees. The project team will also seek a positive outcome, if only because the reputations of the members will be enhanced if this is achieved.

This simple definition of trust can be extended in two ways, first in terms of the kind of trust that exists in a

relationship, and second in terms of the different levels of trust felt by an individual.

Types of trust

Lindsfold¹ suggests that there are four different kinds of trust which exist in any relationship. These relate to the following:

- objective credibility;
- the attribution of benevolence;
- nonmanipulation;
- costs for lying.

Objective credibility is a personal characteristic that belongs to an individual or group. It relates to the truthfulness of that individual or group. It can be viewed in terms of whether that person's or group members' words can be believed, and whether their actions correspond with their words. Trust is therefore linked to honesty and actions, honesty in that there must be no attempt to deceive, and actions because deeds must follow and comply with the statements made.

The attribution of benevolence examines the motives of an individual's actions. If someone's motive is to help or reward, he/she will be considered more trustworthy than when he/she seeks to injure or reduce the welfare of another party. Possessing a hidden agenda of requirements that must be satisfied creates a motivation that is different from the portrayed surface motivation and actions. When motives are perceived to be harmful, the level of trust declines.

Nonmanipulative trust is based on the perceived level of self interest of the party. If an individual is seen to be acting to force another person to perform in a manner that will provide him/her with the maximum gain, he/she is seen to be manipulating a situation. As a result he/she will be perceived to be untrustworthy. The ability to manipulate depends on the degree of control of the manipulator over the other person. When there is little potential or need for control, there is likely to be more trust.

The 'costs of lying' aspect of trust balances the costs of deceit against the possible gains. If the costs of lying and subsequently being detected will outweigh the gains from deceitfulness for an individual, the individual will be seen to be more trustworthy.

These four types of trust will determine how people relate in a project environment. If any individual on a project team acts in a manner which contradicts any of the trust criteria, the remainder of the team will view him/her as untrustworthy. However, in the context of a team, there is little that the team leader can do to manipulate these kinds of trust. The first three types are dependent on the individual or group, and on whether he, she or they decide to be unreliable, motivated towards injury, or manipulative. The leader can adopt two approaches to influence the attitude taken: (a) lead by example, and act in a trustworthy manner in the hope that all the group members will follow suit, or (b) make the costs of lying so great that it is not profitable for any team member to act in an untrustworthy manner. Unfortunately, if the costs for lying are increased to too high a level, the project leader may be perceived by all the team members as not having trust in them. The results of this could be detrimental to the effective working of the team.

Levels of trust

The majority of recent literature about trust in organisational behaviour suggest that an individual has two levels of trust. Butler² describes the two levels as the global and the specific components of trust. Scott³ delineates two levels which are defined as attitudinal trust and situational trust. Heretick⁴ also describes two levels, using the terms 'situationally induced attributions' and 'crosssituational beliefs'. These three authors, and many others, suggest that there are two different levels of trust, the basic definitions of which are similar, but for which they all use different terms. These levels can be considered as a global level and a specific level of trust.

'Global' trust relates to the universal perception of other people or groups. It is a general belief held by an individual. It is personal to that individual, and arises from the experiences of and influences on that individual.

The 'specific' element of trust relates to the way in which an individual responds to a particular situation. The context of a particular relationship, the actions of other individuals and groups, the history of a relationship, and the degree of trust shown by others, all dictate the specific level of trust. In any situation, the specific-trust component tends to override the global trust.

Recent research has tended to concentrate on the specific component of trust because of its strength in dictating how an individual will respond in a particular situation. Butler², Scott³, Johnson-George and Swap⁵ and Gabarro⁶ have all focused on measuring the specific component of relationships. However, all of these studies have studied permanent organisations in which trust has been allowed to develop over a period of time. Projects provide an environment in which relationships cannot or do not develop in exactly the same way as in a permanent organisation.

Project characteristics

Many of the studies of trust have been carried out in the context of permanent relationships. These allow individuals to develop impressions of others which can be tested over an extended period of time. Projects have certain characteristics which do not permit such long-term impressions to be developed. Rosenfeld *et al.*⁷ suggest three characteristics of projects which make them significantly different from traditional organisations. These characteristics relate to the personnel, the job, and the organisation.

The personnel who work on projects are often employed on a temporary basis. As a result, they lack the motivation to participate in the long-term success of the project. The development of long-term stable relationships is therefore a secondary concern. They are oriented towards completing their tasks quickly and efficiently and moving on to the next project.

Each job is unique, and the changing conditions reduce the potential for saving that may result from improved relations. There is also a tendency for management to adopt a task-oriented style of leadership. This means that emphasis is placed on getting the project finished to time and to budget, regardless of the effects on people involved in the project.

The organisation is temporary, and, as a result, there is no commitment between the client and the project-team members in terms of developing people-building skills. The

emphasis is on completing the project so that the client can start to gain benefit from it.

Given such a context for project management, is there any benefit in considering the levels of trust and ways of improving trust?

Spiral of trust

To begin to answer any question about whether trust is beneficial to the success of projects, it is necessary to understand how trust develops. One model of the development of trust is that presented by Zand⁸. This model examines the dynamics of trust when two individuals enter into a relationship with similar expectations and intentions. Taking the situation in which both individuals lack trust in one another, *Figure 1* shows how the dynamics of the relationship are developed in this model.

Denoting two individuals as A and B, and assuming that A makes the first move in the relationship, the model shows how there will be a downwards spiral in the level of trust between A and B. A enters the relationship at stage 1 with the intention of not trusting B, and with the expectation that B is not to be trusted. Because of this initial orientation, at stage 2, A's behaviour towards B is to restrict the information provided and to seek concessions from B. Kimmel *et al.*⁹ support the idea that, when there is a lack of trust in a relationship, there is a tendency to restrict the amount of information that is exchanged. However, not only is the amount of information restricted, but the nature of the information also changes. In a trusting relationship, information is disclosed in the knowledge that this makes one side vulnerable to exploitation by the other. When there is a lack of trust, specific information is not provided. Instead, information is provided at a general level about how an offer could be improved, with no information being divulged on true needs and values.

Full and open exchange of information in a project team is important for success. If any team member withholds information, this reduces any chance that the project has of being successful. All the members act as information gatekeepers, and they must be encouraged to keep their gates open. If people enter a project with the specific

intention of not fully cooperating because others cannot be trusted, this will have serious implications for the management's ability to manage effectively.

When B enters the relationship at stage 3 with the same intentions and expectations towards A, B will perceive at stage 4 that A is acting in an untrustworthy manner. This happens because of the way in which A has initiated the relationship. B will therefore conclude at stage 5 that his/her initial opinion of A was correct. A was expected to be untrustworthy, and has justified this expectation by his/her behaviour. This will condition the way that B responds to A in the future.

B will now respond at stage 6 by also seeking to restrict information and to obtain concessions from A. A can now perceive that B does not trust him/her, and will conclude that B is also untrustworthy. Thus their initial perception will be confirmed. As a result, A will continue to act in a way that is untrusting of B. This initiates a spiral of behaviour in which both A and B act in ways that confirm their lack of trust in each other. Consequently, a downward spiral of relations is initiated as each side reduces its trust in the other because of the actions of the other party.

This model presents a negative impression of trust based on two parties who start with pessimistic intentions and expectations of a relationship. It does, however, highlight an important aspect of trust, which is the reciprocal nature of any relationship. Many authors have highlighted the reciprocal nature of trust (see, for example, References 10–13). The reciprocity of trust tends to be concentrated on the positive aspects of a relationship. This suggests that, in any dyadic relationship between a superior and subordinate, when the superior shows trust in the subordinate, the result is an increasing level of trust being shown by the subordinate in the superior. Applying this to a dynamic model of trust, because A enters the model not willing to trust B, the reciprocal response of B is not to trust A. We could therefore assume that, if A entered the model with a different attitude, the reciprocal response of B could be changed.

In the context of project management, the final project outcome is influenced by the initial intentions and expectations of the parties involved. If all the parties enter the

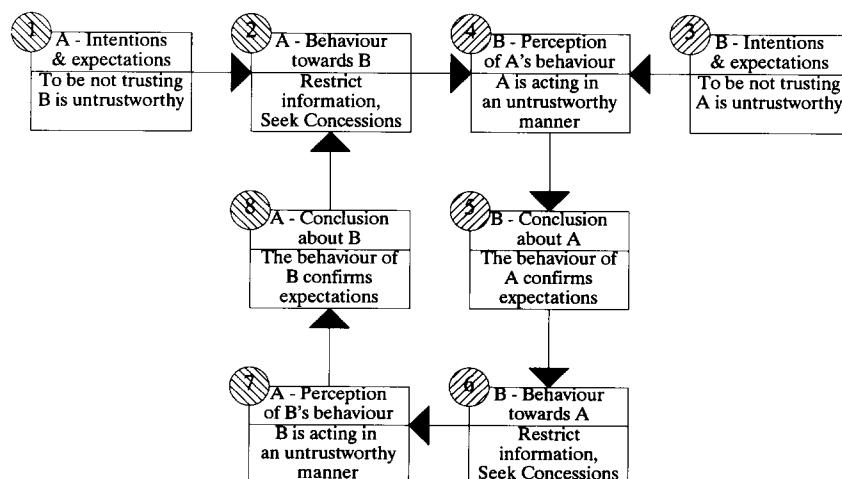


Figure 1 Spiral of trust
[After Reference 8.]

relationship with the intention of not trusting, the project will enter a downward spiral of dynamics, the final outcome of which will be an unsuccessful project. The project will be unsuccessful because the parties will not move towards the shared positive outcome which is the natural result of trust. Instead, the team members will restrict information and seek concessions from one another. This will result in a project team which does not seek mutual agreements and a common direction for the project. The team members will instead seek to bring pressure to move the project in a direction which suits their own advantage.

This suggests that the final outcome of the project is influenced by the initial expectations of the parties involved. In understanding project success, we therefore have to consider how the intentions and expectations of the team are shaped before the initiation of the project. The expectations will be shaped by the level of global trust of the individuals involved. This is because the team members cannot experience situational trust when the situation is abstract, which is the case in a temporary environment. The specific component of trust, which relies on the situation, can only be developed as the project team begins to work together and the behaviour of the team members can be assessed.

The arguments so far imply that there are two key instruments in determining the relationships that will exist on a project. These are the level of global trust experienced by all the project members, and the early actions of the team members in the formation of the team. It has been suggested that the first actions of the team members will be dictated by their level of global trust, and so it is the shaping of this global trust that needs to be understood.

Global trust can be divided into two categories. One category is the general trust shown to all individuals or groups when the person is faced with a novel situation, and there is no past data on which to base a judgment. This general trust is shaped by the individual's past experience of people and his/her world view. Of more interest in the context of the project is the second category, which relates to the response to specific groups or categories of individual. This is the opinion of people who have a specific classification or label, such as used-car salesman, estate agent, lawyer or accountant. We are conditioned to respond to such titles either through our own personal experiences of others who bear these titles, or because of how they are portrayed by colleagues or the media. If we perceive all used-car salesmen as being untrustworthy, when we enter a new relationship with a used-car salesman, we will expect him to comply with the global interpretation of that group. If his early actions in the relationship confirm our expectations, we will enter the downward spiral discussed above. Consequently, the specific trust that develops in that relationship will be dictated by the global trust which determines our expectations.

A project team consists of members who bear titles: client, project manager, engineer, designer, contractor etc. These titles create an impression in the other team members before the team starts to operate. Unfortunately, the titles dictate the initial conceptions of trustworthiness in the project team.

At the start of a project, the direction taken in terms of trust is not under the direct control of the manager. Instead, the project manager is subject to the preconceptions of the individual members of the team. The project manager must

therefore attempt to control the early behaviour of the team members to try and encourage them to start an upward spiral rather than a downward spiral.

Building trust

The model of the dynamics of trust suggests that the initial situation with respect to relations on a project is largely outside the control of the project manager. We therefore need to consider whether a project manager can salvage an unfavourable start, and turn the downward spiral around. This will require the reciprocal nature of a relationship to be changed, the normal reciprocal response being to react with a further lack of trust.

Lindskold¹ has taken the GRIT proposal, and suggested how this could be applied to the building of trust. A summary of the GRIT proposal is shown in *Figure 2*. For this proposal to work, there needs to be a conscious decision by one member of the team to make him/herself vulnerable, and to break the downward spiral. This starts by that person making statements of intent which clearly express his/her desire to trust the other parties. These statements of intent must be followed by actions which support and comply with the statements. Any failure to embark on supporting actions will remove the objective credibility of the individual.

The other parties within the relationship can now respond to the actions in one of three ways. One response would be to make no change in their actions, but to continue behaving in the same way as before. In such a situation, it is important that the statements of trust and the supporting actions are continued. The lack of response means that nothing has been lost by adopting a trusting stance, and a potential will exist for future change, particularly as the opposite party views the attribution of benevolence shown towards him/her.

When the received response is one of exploitation, that is, where the vulnerability created by the first two actions is taken advantage of, it is important not to allow the other party to gain from this response. Rather than increasing the trust within the cycle, if there is exploitation and no response to counter this, the effect will be to lower esteem within the relationship because it will prove gullibility, rather than create trust. The nature of response to exploitation is important. There should not be reciprocal exploitation, because this would negate the earlier statements of intent.

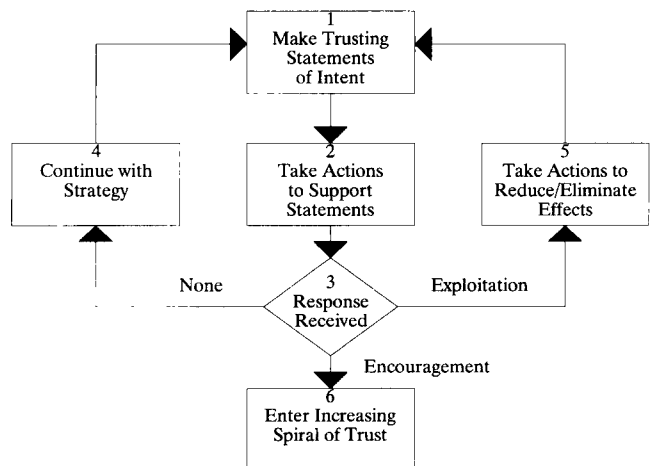


Figure 2 GRIT model

Any actions should occur solely to eliminate the specific effects of exploitation. Once their effects have been eliminated, further attempts to increase the level of trust can be made. It must be hoped that the receiver will now accept such actions in a more favourable manner, because he/she has observed that he/she has not gained in the relationship by exploiting them.

The final response is the reciprocal response of encouraging the trust shown, which consists in responding in a like manner. If trust is reciprocated in this way, the downward spiral will be reversed, and an increasing spiral will be initiated. Blau¹⁴ notes that this spiral may be slow to develop at first. It will tend to begin with small exchanges which entail little risk, and therefore require minimal trust. As both parties prove their trustworthiness in such minor transactions, and start to develop and expand the trusting relationship, the degree of trust and level of exchange will increase. This therefore suggests a self-generating model of increasing trust on an upward spiral, starting slowly, and then increasing. As Gabarro⁶ implies, a plateau in a relationship is likely to be reached after approximately 18 months, and so the spiral cannot be expected to continue indefinitely.

For this model to work, it requires one party to break the mould created by the lack of trust, and to start making the first trusting statements and carrying out the supporting actions. The project manager, in shaping and dictating the direction taken by a project team, should be the individual responsible for such a change.

The success of this model hinges on the reciprocity of actions in a relationship. There are situations in which this may start to fail, and Berscheid and Walster¹² suggest three factors which might mitigate against this:

- ingratiation;
- sequence;
- deprivation/saturation.

When an action is observed to take place purely because of the expected reward or benefit, this is known as ingratiation. The likelihood of any reciprocal act being carried out is reduced in this situation. A reciprocal response is more likely when the giver is unlikely to gain or is not dependent on any favourable response in return.

It is critical in the sequence effect that a constant level of trust is not maintained regardless of the response of the other parties. It is not beneficial to continue with trust when a negative response is forthcoming. The trust engendered should match the response of the other party. A withdrawal of trust in response to a negative reaction is beneficial, and it can be a very effective punishment in a close and long-term relationship.

These first two factors are important in determining a strategy for building trust in a project team. The third factor, deprivation/saturation, is less appropriate. This relates to the situation in which an individual receives either no trust or considerable and continuous trust over an extended period. Someone in the former situation is more likely to respond positively to any new degree of trust than someone in the latter situation.

Conclusions

It is assumed that the maintenance of good team relations is important in the success of a project, and this paper has

attempted to show how the development of trust is an important tool for the project manager. Although the established research relates trust to permanent and long-term relationships, the principles developed can be applied to a project environment.

Of importance to the project manager is the ability to create the correct initial atmosphere for the project. The way in which individuals and groups enter a project is important in determining the final outcome. The project manager needs to be aware of the intentions and expectations of team members and how this will shape their behaviour in the project.

For the situation in which a project moves in an unfavourable direction, a model based on the GRIT proposal has been presented. This method relies on the reciprocal nature of a relationship, and it will not succeed when the tool is incorrectly used.

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