UNDERSTANDING THE INFLUENCE OF NATIONAL CULTURE ON THE DEVELOPMENT OF TRUST

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Increasingly, researchers from a variety of business disciplines are finding that trust can lower transaction costs, facilitate interorganizational relationships, and enhance manager-subordinate relationships. At the same time, we see a growing trend toward globalization—in establishing alliances, managing and hiring employees, and entering new markets. These trends suggest a need to view the concept of trust from the perspective of national culture. Drawing on theories from several disciplines, we develop a framework that identifies and describes five cognitive trust-building processes that help explain how trust develops in business contexts. We include a series of research propositions demonstrating how societal norms and values influence application of the trust-building processes, and we discuss implications for theory and practice.

Trust is a valuable contributor to many forms of exchange. In interfirm relationships, researchers credit trust with lowering transaction costs in more uncertain environments (Dore, 1983; Noordewier, John, & Nevin, 1990), thereby providing firms with a source of competitive advantage (Barney & Hansen, 1994). Trust also facilitates long-term relationships between firms (Ganesan, 1994; Ring & Van de Ven, 1992) and is an important component in the success of strategic alliances (Browning, Beyer, & Shetler, 1995; Gulati, 1995). Within organizations, trust contributes to more effective implementation of strategy, greater managerial coordination (McAllister, 1995), and more effective work teams (Lawler, 1992).

Concurrent with the growing interest in trust, two related trends have focused scholars’ attention on the role culture plays in exchange. First, an increasingly diverse and multicultural workforce, and corporate interest in harnessing the benefits of diversity, have heightened awareness of how cultural differences impact organizational performance (Cox, 1991; Nemeth & Christensen, 1996). A second major trend is the increased globalization that has occurred in the business world during the last decade. More firms view the world as their market—in terms of establishing alliances, managing and hiring employees, entering new markets, and sourcing supplies.

The importance and benefits of trust, and the emerging global and multicultural workplace, highlight the need for us to understand how trust develops and the ways national culture impacts the trust-building process. Although trust may form in a variety of ways, whether and how trust is established depend upon the societal norms and values that guide people’s behavior and beliefs (e.g., Hofstede, 1980). Since each culture’s “collective programming” results in different norms and values, the processes trustors use to decide whether and whom to trust may be heavily dependent upon a society’s culture. Indeed, one of the greatest impacts of culture is on how information is used to make decisions (Triandis, 1972).

We thank Special Issue Editor Denise M. Rousseau and three anonymous reviewers for their insightful comments on previous drafts of this article.
ORGANIZING FRAMEWORK

In this article we examine the extent to which cultural norms and values facilitate or inhibit the formation of trust. Figure 1 provides a graphical overview of our proposed model and delimits the conceptual domain of this article. First, as we show in Figure 1, certain noncognitive processes may influence the formation of trust (e.g., emotional or blind trust; see Lewis & Weigert, 1985, and Rempel, Holmes, & Zanna, 1985); however, in this article we focus on more rational, cognitive trust-building processes. Second, although these cognitive trust-building processes may be influenced by organizational, relational, or individual factors (cf., Doney & Cannon, 1997; McAllister, 1995), our discussion centers on the influence of national culture on the development of trust. Finally, in this article we do not address cultural factors that may have a direct effect on the level of trust in a society (e.g., intermediate institutions; see Fukuyama, 1995).

The organization of this article moves from right to left along the top row of Figure 1. Given the many perspectives on the topic of trust (cf., Andaleeb, 1992; Gambetta, 1988; Mayer, Davis, & Schoorman, 1995; Williamson, 1991), we begin with a selective literature review, discussing other integrative frameworks and introducing our definition of trust. Next, drawing on literature from several disciplines, we describe five cognitive processes for developing trust and identify behavioral assumptions associated with each. In the section following that, we define and describe national culture and several taxonomies useful for identifying cultural norms and values. We then turn our attention to a set of research propositions that illustrates how cultural norms and values affect the trust-building processes. In the concluding section we discuss implications of the framework for managers and theory development, as well as limitations and opportunities for future research.

TRUST

Trust has received a great deal of attention from scholars in the base disciplines of social psychology (e.g., Deutsch, 1960; Lewicki & Bun-
ker, 1995; Lindskold, 1978), sociology (e.g., Lewis & Weigert, 1985; Strub & Priest, 1976), and economics (e.g., Dasgupta, 1988; Williamson, 1991), as well as in more applied areas like management (e.g., Gulati, 1995; Lane & Bachman, 1996) and marketing (e.g., Anderson & Weitz, 1989; Dwyer, Schurr, & Oh, 1987; Moorman, Zaltman, & Deshpande, 1992). Each of these bodies of literature offers unique insights into the nature of trust and the processes through which trust develops. However, although multidisciplinary interest has added to the richness of the construct, there have been surprisingly few attempts to integrate the various perspectives on trust (Lewicki & Bunker, 1995; Mayer et al., 1995). In one such effort, Shapiro, Sheppard, & Cheraskin (1992) propose that trust has three bases: (1) deterrence-based trust emphasizes costs and benefits, (2) knowledge-based trust requires getting to know the target, and (3) identification-based trust forms on the basis of common values. Zucker (1986) suggests that trust may be based on (1) the process of exchange, (2) characteristics of the exchange partners, or (3) societal institutions. Focusing on characteristics of the trustee, Mayer et al. (1995) suggest that a target’s ability, benevolence, and integrity are the primary factors leading to trust. Each model suggests that trustors make assessments about the trustworthiness of targets, and that such assessments may be along multiple dimensions.

Developing an integrated model of trust is particularly difficult, given the vagueness and idiosyncrasies in defining trust across multiple disciplines and orientations (Andaleeb, 1992; Barber, 1983; Mayer et al., 1995; McAllister, 1995). However, in our review of the extant literature, we uncovered two streams of thought: (1) trust as a set of beliefs or expectations and (2) trust as a willingness to act on those beliefs (e.g., trusting behavior per Scott, 1980). In the next section we highlight commonalities and differences across the various bodies of trust literature, and we provide our working definition of trust.

**What Is Trust?**

Most perspectives on trust recognize that risk is required for trust to influence choice and behavior (Lewis & Weigert, 1985; Schlenker, Helm, & Tedeschi, 1973). In trusting situations the sources of risk generally are related to vulnerability and/or uncertainty about an outcome. For example, Luhmann emphasizes vulnerability in noting that a "fundamental condition of trust is that it must be possible for the partner to abuse the trust" (1979: 42; see also Dasgupta, 1988, and Zand, 1972). Lewis and Weigert emphasize the need for uncertainty, because "if one were omniscient, actions could be undertaken with complete certainty, leaving no need, or even possibility, for trust to develop" (1985: 970; see also Deutsch, 1958).

Thus, a trustor must develop enough confidence in a target’s motives and future behavior to be willing to rely on that target in a situation that is potentially risky for the trustor. Therefore, one perspective is that trust reflects a trustor’s beliefs, sentiments, or expectations about a target’s trustworthiness (Pruitt, 1981; Rotter, 1971). In defining trust, advocates of this approach tend to focus on the nature of a trustor’s beliefs; however, each base discipline emphasizes different beliefs as central to human behavior. Whereas economists emphasize costs and benefits, psychologists focus on consistent and benevolent behavior, and sociologists consider aspects of society.

For example, some have defined trust as the expectation that an exchange partner will not engage in opportunistic behavior, despite short-term incentives and uncertainty about long-term rewards (e.g., Bradach & Eccles, 1989). Others have emphasized one’s beliefs about a partner’s motives—a target perceived to be motivated to help a trustor will be trusted (e.g., Deutsch, 1973; Lindskold, 1978). Larzelere and Huston (1980) propose two qualities of trust: (1) benevolence and (2) honesty. Fukuyama (1995) views trust as the expectation of regular, honest, and cooperative behavior based on commonly shared norms and values. Finally, Rotter (1971) focuses on one party’s ability to rely on another’s word or promise, stressing the need for consistency. Together, these approaches focus on beliefs about, or characteristics of, the target of trust. However, despite growing consensus that trust involves a belief or expectation, there is little agreement about the content of those beliefs.

A second perspective emphasizes a trustor’s willingness to use trusting expectations as a basis for behavioral intentions and behavior (Luhmann, 1979; McAllister, 1995; Scott, 1980). For example, Deutsch defines trust as “actions that increase one’s vulnerability to another” (1962: 276). Some researchers suggest that both belief
and behavioral intention components must be present for trust to exist (e.g., Moorman et al., 1992). Lewis and Weigert (1985) refer to the “behavioral enactment” component of trust, which involves trustors undertaking a risky course of action based on expectations that targets will act dutifully. In other words, trust involves more than just forming beliefs about another's trustworthiness; there must be a willingness to act based on those beliefs.

To build an integrative model of trust, we must have a single definition that encompasses each of these diverse perspectives. Accordingly, we define trust as a willingness to rely on another party and to take action in circumstances where such action makes one vulnerable to the other party (for similar definitions see Mayer et al., 1995, and Moorman et al., 1992). Our definition incorporates the notion of risk as a precondition for trust, and it includes both the belief and behavioral components of trust. In our view, expectations of a target's trustworthiness drive a trustor's behavior, and both are necessary for trust to be present. How a trustor comes to form trusting expectations we do not specify in this definition. However, we argue that trustors engage in one or more cognitive processes in order to determine whether or not targets are trustworthy.

**Developing Trust**

Different base disciplines emphasize at least five alternative processes by which trustors come to “choose” whom to trust. These various theoretical perspectives form the basis of our framework of cognitive trust-building processes. A careful reading of this diverse literature also provides insight into the behavioral assumption(s) that underlie each trust-building process. Whether trustors form trust via a particular process is contingent upon these underlying behavioral assumptions being met.

We outline the five cognitive trust-building processes, their base disciplines, and underlying behavioral assumptions in Table 1. Cultural norms, which “govern the actions of people toward one another” (Hill, 1997: 68), and cultural values, which express a group’s beliefs about how things should be (Hill, 1997; Mead, 1994), provide some indication of whether a given behavioral assumption is tenable. Therefore, we provide examples of cultural norms and values that facilitate application of each trust-building process.

**Calculative process.** The economics literature (e.g., Buckley & Casson, 1988; Dasgupta, 1988; Williamson, 1985) suggests that developing trust involves a calculative process. Trust is established through a calculative process whereby one party calculates the costs and/or rewards of

<table>
<thead>
<tr>
<th>Trust-Building Process</th>
<th>Primary Base Discipline</th>
<th>Underlying Behavioral Assumptions</th>
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<tbody>
<tr>
<td><strong>Calculative:</strong> Trustor calculates the costs and rewards of a target acting in an untrustworthy way.</td>
<td>Economics (Dasgupta, 1988; Williamson, 1985)</td>
<td>Individuals are opportunistic and seek to maximize self-interest.</td>
</tr>
<tr>
<td><strong>Prediction:</strong> Trustor develops confidence that a target’s behavior can be predicted.</td>
<td>Social psychology (Deutsch, 1960; Lewicki &amp; Bunker, 1995)</td>
<td>Individual behavior is consistent and predictable.</td>
</tr>
<tr>
<td><strong>Intentionality:</strong> Trustor evaluates a target’s motivations.</td>
<td>Social psychology (Bempel &amp; Holmes, 1986)</td>
<td>Individuals are geared toward others, as opposed to themselves (e.g., motivated to seek joint gain).</td>
</tr>
<tr>
<td><strong>Capability:</strong> Trustor assesses a target’s ability to fulfill his or her promises.</td>
<td>Sociology (Barber, 1983; Butler &amp; Cantrell, 1984)</td>
<td>Individuals differ in their competence, ability, and/or expertise and, thus, the ability to deliver on their promises.</td>
</tr>
<tr>
<td><strong>Transference:</strong> Trustor draws on proof sources from which trust is transferred to a target.</td>
<td>Sociology (Granovetter, 1985; Strub &amp; Priest, 1976)</td>
<td>Individuals and institutions can be trusted; connections in a network are strong and reliable.</td>
</tr>
</tbody>
</table>
another party cheating or cooperating in a relationship (Lindskold, 1978). To the extent that the benefits of cheating do not exceed the costs of being caught (factoring in the likelihood of being caught), the trustor infers that it would be contrary to the other party’s best interest to cheat, so that party can be trusted (Akerlof, 1970). Buckley and Casson (1988) suggest that assessment of costs and benefits leads to forbearance (refraining from cheating), which leads to trust. Dasgupta concludes that trusting another “implicitly mean[s] that the probability that he will perform an action that is beneficial or at least not detrimental to us is high enough for us to consider engaging in some form of coordination with him” (1986: 217).

Shapiro et al. (1992) suggest that trust in business relationships first develops on a calculative basis, as parties try to determine the nature of their interdependence, what they will get from the relationship and give to it, and what their risks and vulnerabilities are likely to be. In their parlance, calculative trust is “deterrence based”—people do what they say they will do because they fear the consequences of doing otherwise. Trust is sustained to the degree that the deterrent is clear, possible, and likely to occur if the trust is violated (Shapiro et al., 1992).

To establish trust via a calculative process, trustors must determine whether the targets’ costs for opportunistic behavior exceed the benefits. In other words, the economic calculus trustors use to establish whether a target is “trustworthy” is based on the behavioral assumption that, given the chance, most people act opportunistically and in their own self-interest (Williamson, 1985). Trustors assume that targets exhibit “trust-like” behavior (Husted, 1989) because they are self-interest-seeking individuals, making net present value calculations—the results of which indicate net benefits to refraining from opportunistic behavior. Were this not the case, targets would have no reason to refrain from opportunistic behavior, and trustors would be unable to confer trust based on a calculative process. For example, in the case of long-term joint ventures, incentives to engage in opportunistic behavior are minimized by shared profits, joint decision making, and reward and control systems that allow parties to pursue self-interest without a need to resort to guile (Beamish & Banks, 1987). Thus, a calculative process is triggered by evidence that targets are opportunistic and seek to maximize self-interest. Evidence that a target is prone toward opportunism is provided by societal norms supporting self-serving behavior (e.g., norms for individual initiative, advancement, and achievement, and norms for differential prestige, power, and wealth).

Prediction process. Trust based on prediction depends on one party’s ability to forecast another party’s behavior (Deutsch, 1960; Rempel & Holmes, 1986). Trust emerges via a prediction process whereby a trustor determines that a target’s past actions provide a reasonable basis upon which to predict future behavior. According to Good (1988), trust stems from expectations of how another party will behave based on that party’s past and present implicit and explicit claims. Shapiro et al.’s (1992) knowledge-based trust is also grounded in the predictability of behavior.

Using a prediction process, the trustor confers trust based on prior experiences demonstrating that the target’s behavior is predictable. The consistency of the target’s past actions and the extent to which the target’s actions are congruent with his or her words affect the degree to which a trustor judges the target’s behavior to be predictable. Thus, trust building via a prediction process requires information about a target’s past actions—the greater the variety of shared experiences, the greater the generated knowledge base and the more a target’s behavior becomes predictable (Lewicki & Bunker, 1995). Similarly, Zucker’s (1986) process-based trust derives from repeated transactions. Trust endures as long as a target remains predictable, thereby confirming a trustor’s knowledge (Shapiro et al., 1992).

To establish trust via a prediction process, a trustor must be able to determine the probabilities associated with a target’s likely choice of future actions. Trust emerges when the trustor gains confidence in his or her ability to predict the target’s future behavior with accuracy. Thus, a behavioral assumption central to a prediction process of trust building is that human behavior is, in fact, consistent and predictable. Were this not the case, there would be no reason for a trustor to expect a target’s past actions to mirror future behavior. Therefore, a prediction process is triggered by evidence increasing the trustor’s confidence that the target’s future behavior is consistent and predictable. For example, soci-
etal norms that restrict variance in human behavior limit the occurrence of deviant behavior and raise the costs of such behavior (e.g., norms for behavioral conformity, solidarity, and service, as well as authoritarian norms).

**Intentionality process.** A number of researchers have addressed the link between intentions, or motives, and trust (e.g., Deutsch, 1960; Giffin, 1967). Motives underlie an intentionality process in which trust formation is influenced by one party’s perception of the intentions of the other party (e.g., Deutsch, 1973). Using an intentionality process to establish trust, trustors interpret targets’ words and behavior and attempt to determine their intentions in exchange (Lindskold, 1978). If one party perceives another to have only selfish intentions, trust is unlikely to develop, but if an attribution of altruistic intentions is made, trust may result (Lindskold & Bennett, 1973).

Others have suggested benevolence as a basis for trust (Larzelere & Huston, 1980; Mayer et al., 1995). Trust emerges if trustors perceive targets to be genuinely interested in the trustors’ welfare and motivated to seek joint gain. For example, in a joint venture established in the spirit of mutual commitment to long-term success, parties focus their attention on long-term joint profit maximization, thus creating a foundation for trust (Beamish & Banks, 1987). Deutsch (1973) reflects on this view of trust, suggesting that helpful and rewarding (i.e., benevolent) people or groups usually will be considered trustworthy. Similarly, Frost, Stimpson, and Manghan (1978) associate trust with an individual’s expectation that the behavior of another person or group will be altruistic and personally beneficial.

To establish trust via an intentionality process, a trustor must determine that a target’s intentions in exchange are benevolent. Thus, a behavioral assumption central to an intentionality process is that individuals are geared toward others—not themselves. Interpretation and assessment of benevolent intentions are facilitated when the two parties share values or norms (Macneil, 1980) that allow one party to better understand the other partner’s objectives and goals. For example, norms of reciprocity (Gouldner, 1960), obligation and cooperation (Bradach & Eccles, 1989), and fairness (Kahneman, Knetsch, & Thaler, 1986) generate shared expectations between parties and provide evidence that a target’s intentions are benevolent.

**Capability process.** Trust building by means of a capability process involves a trustor’s willingness to trust based on an assessment of the target’s ability to meet his or her obligations as well as the trustor’s expectations. Mayer et al. use the term “ability” to describe “that group of skills, competencies, and characteristics that enable a party to have influence within some specific domain” (1995: 717). Several researchers (Busch & Wilson, 1976; Copeland & Griggs, 1988; Frazier & Summers, 1984; O’Shaughnessy, 1971; Schurr & Ozanne, 1985; Swan, Trawick, & Silva, 1985) have discussed similar constructs as affecting trust. Barber (1983), for instance, considers technical competence a precursor for trust (see also Butler & Cantrell, 1984). Trust as a derivative of technically competent performance ensures trustors that desired outcomes can be obtained. Trust based on a partner’s expertise focuses on an expectancy held by an individual that he or she can rely on the partner’s word or written statement (Lindskold, 1978).

Since to establish trust via a capability process trustors must determine that targets are “capable” of meeting their obligations and the trustor’s expectations, a behavioral assumption central to the capability process is that people differ significantly in their competence, ability, or expertise. Therefore, people differ in their capability to deliver on their promises. Trust is likely to form via a capability process in societies where people perceive a large “competence gap” and show respect for individual qualifications, expertise, and accomplishment.

**Transference process.** Finally, trust may develop through a transference process, during which the trustor transfers trust from a known entity to an unknown one. Strub and Priest describe the “extension pattern” of gaining trust as using a “third party’s definition of another as a basis for defining that other as trustworthy” (1976: 399). Trust is transferred from a trusted “proof source” to another individual or group with which the trustor has little or no direct experience (Milliman & Fugate, 1988; Strub & Priest, 1976). Similarly, Zucker’s (1986) institution-based trust is founded on the notion that formal societal structures can confer trust—for example, certified public accountants may be trusted because they are certified by a trusted agency.
To establish trust via a transference process, trustors must be able to identify proof sources and to establish links between these known entities and unknown ones. Thus, a transference process may be triggered when a strong interpersonal network exists (e.g., strong ties per Granovetter, 1985) that allows trust to transfer readily between individuals. Transference-based trust rests on the assumption that the individuals and institutions that act as proof sources are themselves trustworthy. Therefore, a transference process also is facilitated in cultures where faith in other people and institutions is high—since it is through these proof sources that trust is transferred. A strong faith in people is characteristic of cultures fostering stability and confidence in others.

In summary, our framework of trust-building processes suggests that a trustor’s willingness to act based on trusting expectations develops through a pattern of cognitive analysis. Although the cognitive trust-building processes are conceptually mutually exclusive, in practice they may be interrelated. For example, a trustor who engages in frequent transactions with a target is better able to establish the target’s predictability. Also, frequent interactions help the trustor assess the target’s capabilities. Indeed, in any given situation it is likely that trustors rely on more than one—and perhaps all five—cognitive processes to determine their willingness to place themselves at risk.

The extent to which trustors employ a particular trust-building process hinges on whether its underlying behavioral assumptions are satisfied. Whether such assumptions are tenable depends, in part, on societal norms and values that establish “appropriate” beliefs and behavioral standards. Since such norms and values tend to vary across cultures (e.g., Triandis, 1972), the processes trustors use to form trust may depend heavily on culture. Indeed, Hofstede (1980) suggests that trust is linked to broader cultural norms. In the following section we define and describe culture and cultural taxonomies useful for understanding how culture influences the development of trust.

**NATIONAL CULTURE**

Researchers have offered many different definitions of culture. Indeed, 45 years ago Kroeber and Kluckhohn (1952) had already identified over 160 definitions of culture. Recently, sociologists Namenwirth and Weber defined culture as a “system of ideas” that provide a “design for living” (1987: 8). In Clark’s review of national character, he describes culture “as a distinctive, enduring pattern of behavior and/or personality characteristics” (1990: 66). Anthropologists Hall and Hall (1990) view culture as a system for creating, sending, storing, and processing information. According to Hofstede, culture is “the collective programming of the mind which distinguishes the members of one group from another” (1984: 21). We adopt Hill’s definition, which builds on these works, and define culture as “a system of values and norms that are shared among a group of people and that when taken together constitute a design for living” (1997: 67; emphasis added).

We apply the label “national” to culture to distinguish the character of a society from other forms of culture that we do not directly address here (e.g., corporate culture). However, it is important to note that the cultural boundaries between nations are becoming increasingly “fuzzy” with economic integration (Fukuyama, 1995), and there may be significant cultural differences within countries (see Fukuyama, 1995; Locke, 1995). Thus, although many researchers have used “nation” as a surrogate for culture, we do not equate national with the geographical boundaries of nations. Nor do we mean to imply that norms and values are embraced by all groups or subgroups or are consistent across all segments of a population. On the contrary, national culture as we view it is not a characteristic of individuals or nation states but of a large number of people conditioned by similar background, education, and life experiences. Thus, we focus on how cultural traits shared by groups or subgroups influence the development of trust, whether or not they are in congruence with a nation’s dominant cultural stereotypes.

**CULTURAL TAXONOMIES**

Researchers have taken two approaches to uncover universal dimensions of national culture. Social scientists (e.g., Inkeles & Levinson,

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1969; Kluckhohn & Strodbeck, 1961; Lynn, 1982) have developed various classification systems based on theory. Other researchers (e.g., Allport & Odbert, 1936; Hofstede, 1980; Peabody, 1985) have attempted to dimensionalize national culture based on empirical studies. Although numerous cultural taxonomies have been proposed, there has been considerable convergence in terms of conceptual domain. In his integrative review of national character, Clark (1990) identifies three emerging domains of study in the extant literature on culture: (1) relation to self, (2) relation to others, and (3) relation to risk. As we show in the first column of Table 2, Clark categorizes dimensions from various theoretical and empirical taxonomies according to their relatedness (see Clark, 1990, for an in-depth discussion of this issue).

Culture is an attribute that develops within any identity group enduring over time. The dimensions derived from national cultures may be useful in the study of intra- or interorganizational phenomena. For our purposes, the values approach Hofstede (1980) uses to identify dimensions makes his taxonomy a particularly useful tool for studying the relationship between the cognitive trust-building processes and their underlying behavioral assumptions. More generally, the striking correspondence between Hofstede's empirically derived dimensions and those based on theory affords researchers an opportunity to combine theoretical rigor with empirical discipline. While we use Hofstede's taxonomy and terminology to illustrate the application of our framework, it is important to note that other cultural taxonomies should prove equally useful for studying culture's impact on the development of trust.

**RESEARCH PROPOSITIONS**

In the following research propositions, we consider how cultural norms and values (which establish "appropriate" behavioral standards and beliefs) facilitate or inhibit application of the cognitive trust-building processes. We organize these propositions according to the three theoretical domains Clark (1990) culled from the various literatures on culture. Hofstede's (1984) taxonomy serves as a summary device for grouping norms and values associated with a given conceptual domain; his cultural dimensions, their associated norms and values, and the proposed relationships with the trust-building processes can be found in the last two columns of Table 2.

It is important to note that context may play a role in determining the relationship between culture and the cognitive processes a trustor invokes. First, situational factors may influence the relevance of a particular cultural dimension. For example, whereas individualism/collectivism is likely to be important in studying leadership behavior, an examination of budget control practices may focus on uncertainty avoidance. Second, some of the cognitive processes may operate differently when trustors and targets are members of the same—as opposed to different—cultures. Therefore, in the following discussion we assume that each dimension of culture is of equal importance and that trustors and targets share in-group membership (i.e., are members of the same culture).

**Relation to Self**

The conceptual domain Clark labels "relation to self" encompasses issues of personality and self-concept (1990). Two of Hofstede's (1984) dimensions deal with relation to self. First, individualism/collectivism refers to the relationship between the individual and the collectivity that prevails in a society—a self-versus a group orientation. Norms and values associated with individualism/collectivism reflect the way people interact, such as the importance of unilateral versus group goals, the strength of interpersonal ties, respect for individual accomplishment, and tolerance of individual opinion. Second, masculinity/femininity concerns the dominant values in a society (Singh, 1990). The masculinity/femininity dimension assesses the degree to which "tough" values, such as assertiveness, success, and competition, prevail over "tender" values, such as nurturance, service, and solidarity.

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2 Hofstede (1983) provides an accessible ranking of "scores" on cultural dimensions for 40 countries.
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<tr>
<td><strong>Relation to self:</strong> reflects concerns with self-concept and personality</td>
<td><strong>Individualism</strong></td>
<td><strong>Individualism</strong></td>
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<tr>
<td>Individualism/collectivism (Hofstede, 1980)</td>
<td>&quot;I&quot; consciousness (self-orientation)</td>
<td>Calculative (+)</td>
</tr>
<tr>
<td>Masculinity/femininity (Hofstede, 1980)</td>
<td>Value individual accomplishment</td>
<td>Capability (+)</td>
</tr>
<tr>
<td>Conceptions of self (Inkeles &amp; Levinson, 1969)</td>
<td>Tolerate individual behavior and opinion</td>
<td></td>
</tr>
<tr>
<td>Tightness/looseness (Peabody, 1965)</td>
<td>Low loyalty to other people and institutions</td>
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<tr>
<td>Extroversion (Eysenck &amp; Eysenck, 1969)</td>
<td>Interact on an individual, competitive basis</td>
<td></td>
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<tr>
<td>Perception of human nature (Kluckhohn &amp; Strodtbeck, 1961)</td>
<td>Loose interpersonal ties</td>
<td></td>
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<tr>
<td><strong>Collectivism</strong></td>
<td><strong>Masculinity</strong></td>
<td><strong>Collectivism</strong></td>
</tr>
<tr>
<td>&quot;We&quot; consciousness (group orientation)</td>
<td>Value individual achievement</td>
<td>Calculative (+)</td>
</tr>
<tr>
<td>Value joint efforts and group rewards</td>
<td>Norm for confrontation</td>
<td>Capability (+)</td>
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<tr>
<td>Norms for behavioral conformity</td>
<td>Norms for independent thought and action</td>
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<tr>
<td>High loyalty to other people and institutions</td>
<td><strong>Femininity</strong></td>
<td><strong>Femininity</strong></td>
</tr>
<tr>
<td>Interact in an interdependent, cooperative mode</td>
<td>Norms for solidarity and service</td>
<td>Prediction (+)</td>
</tr>
<tr>
<td>Strong interpersonal ties</td>
<td>Norm for cooperation</td>
<td>Intentionality (+)</td>
</tr>
<tr>
<td></td>
<td>Social norms honoring moral obligations</td>
<td>Transference (+)</td>
</tr>
<tr>
<td><strong>Relational to authority:</strong> reflects the emphasis given to hierarchical relations in family, social class, and reference groups</td>
<td><strong>High power distance</strong></td>
<td><strong>High power distance</strong></td>
</tr>
<tr>
<td>Power distance (Hofstede, 1980)</td>
<td>Norms for differential prestige, power, wealth</td>
<td>Calculative (+)</td>
</tr>
<tr>
<td>Relation to authority (Inkeles &amp; Levinson, 1969)</td>
<td>Norm for conflict</td>
<td>Prediction (+)</td>
</tr>
<tr>
<td>Assertiveness (Peabody, 1965)</td>
<td>Authoritarian norm</td>
<td>Capability (+)</td>
</tr>
<tr>
<td>Psychoticism (Eysenck &amp; Eysenck, 1969)</td>
<td><strong>Low power distance</strong></td>
<td><strong>Low power distance</strong></td>
</tr>
<tr>
<td>Orientation toward human relationships (Kluckhohn and Strodtbeck, 1961)</td>
<td>Egalitarian relationships prevail</td>
<td>Intentionality (+)</td>
</tr>
<tr>
<td></td>
<td>Norm for cooperation</td>
<td>Transference (+)</td>
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<td></td>
<td>Norms for interdependence, solidarity, affiliation</td>
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<td><strong>Relational to risk:</strong> reflects research into the perception, evaluation, and experience of risk in the buying/consumption process</td>
<td><strong>High uncertainty avoidance</strong></td>
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<td>Uncertainty avoidance (Hofstede, 1980)</td>
<td>Need for structure (formal rules and regulations)</td>
<td>Prediction (+)</td>
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<td>Primary dilemmas or conflicts (Inkeles &amp; Levinson, 1969)</td>
<td>Human behavior is purposive</td>
<td>Intentionality (+)</td>
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<td>Norm for compromise</td>
<td>Capability (+)</td>
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<td>Strong faith in institutions</td>
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<td>Belief in experts and their knowledge</td>
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**Calculative process.** The individualism/collectivism and masculinity/femininity dimensions influence the likelihood that targets will act opportunistically, as well as the costs/rewards associated with such behavior. For example, self-serving behavior runs counter to the "we" consciousness that prevails in collectivist societies. The likelihood that collectivists will engage in opportunistic behavior is low, because people hold group values and beliefs and seek collective interests (Hofstede, 1984; Singh, 1990). In other words, self-serving behavior is unlikely because people are not motivated by self-interest (e.g., Earley, 1989; Ueno & Sekaran, 1992). Deterrence mechanisms, such as social sanctions for pursuing individual interests (e.g., Lindsay, 1983), also curb opportunism by driving up the costs of opportunistic behavior. Targets who expect to be ostracized for acting in their own self-interest will likely assign high costs to opportunism.

Self-serving behavior is unlikely in feminine societies as well, because it is inconsistent with the value system: feminine societies exhibit a pattern of nurture, and there is a tendency toward less aggressive, more cooperative behavior. To the extent that feminine societies frown upon opportunistic behavior, the costs associated with such behavior would be quite high.

Such is not the case in individualist or masculine societies, where instances of opportunism are frequent and the price paid for opportunistic behavior is likely to be discounted. For example, societal norms in individualist societies support self-serving behavior. People are expected to promote their own self-interest (e.g., Kale, 1991; Kale & Barnes, 1992; Singh, 1990; Ueno & Sekaran, 1992) and to attempt to maximize the gains from any opportunity that presents itself (Hofstede, 1984). Therefore, the likelihood of self-serving behavior is quite high in individualist societies. In fact, people often drop out of in-groups if membership inhibits the attainment of individual goals (Earley, 1989). The value placed on personal accomplishment in individualist societies (e.g., individual initiative, achievement, and wealth) also suggests that little cost is associated with instances of self-serving behavior.

The same can be said for masculine societies. Evidence from anthropology, psychology, and political science confirms a pattern of assertiveness and aggressiveness (Hofstede, 1984), which is fully consistent with a tendency toward opportunism. "Tough" values in masculine societies (e.g., visible achievement and making money) suggest that the potential rewards for opportunistic behavior may well exceed the costs. Indeed, targets may give more weight to the rewards that might accrue from opportunistic behavior. In sum, norms in both individualist and masculine cultures promote a calculative process by providing evidence that opportunistic behavior is likely and has relatively low costs.

Proposition 1: Relative to counterparts in collectivist (feminine) cultures, trustees in individualist (masculine) cultures are more likely to form trust via a calculative process.

**Prediction process.** The individualism/collectivism and masculinity/femininity dimensions influence a trustor's ability to develop trust based on predictable behavior by establishing the value society places on behavioral conformity. Predictable behavior runs counter to norms in individualist societies, which provide for distinctiveness and idiosyncrasy. Indeed, the large degree of freedom endorsed by individualist societies does little to restrict variance in human behavior. Since individualist societies accept great latitude in behavior and are tolerant of variance in a partner's performance (Kale & McIntyre, 1991), the costs for unpredictable behavior do not appear to be substantial.

Norms in masculine societies that allow for a wide range of acceptable behavior are also inconsistent with the notion of predictable behavior. The fact that masculine societies are associated with independence—the opportunity for freedom of thought and action—suggests that it would be difficult for a trustor to predict a target's future behavior with accuracy. Indeed, unpredictable behavior on the part of others might be accepted and expected in masculine societies. To the extent this is true, behavioral anomalies may not prove costly in masculine societies.

However, norms and values both in collectivist and feminine cultures support behavioral conformity and serve to curb variability in human behavior. In collectivist societies in-groups establish guidelines for acceptable behavior, and people act in unison to accomplish joint goals (e.g., Earley, 1989; Olson, 1971; Triandis,
Leung, Villareal, & Clack, 1985; Ueno & Sekaran, 1992). Since in-group members are expected to follow the group’s established norms, conformity is high and deviant behaviors are negligible (Ueno & Sekaran, 1992). Also, the costs of deviant behavior are high in collectivist societies; people who violate in-group norms may be ostracized by the group.

Similarly, norms for solidarity and service in feminine societies restrict the range of acceptable behaviors to those supporting the common good. The society’s value system (e.g., social norms honoring moral obligations) dictates that the costs of behavioral anomalies are high. In sum, norms in collectivist and feminine cultures that support behavioral conformity facilitate a prediction process by making it easier for a trustee to predict a target’s behavior with accuracy.

Proposition 2: Relative to counterparts in individualist (masculine) cultures, trustees in collectivist (feminine) cultures are more likely to form trust via a prediction process.

Intentionality process. The individualism/collectivism and masculinity/femininity dimensions influence how much value a trustee places on a target’s capability (e.g., competence, ability, or expertise). For example, evidence of a target’s capability may be particularly valuable in collectivist cultures, where group cooperation is the norm and where people work together to accomplish group goals. On the contrary, collectivists evaluate performance based on group achievements and goals—not individual performance (Ueno & Sekaran, 1992)—and see events as the result of contributions from all participants, rather than from individual efforts (Kale & McIntrye, 1991). When the group as a whole can be counted on to get the job done, it seems unlikely that trustees will rely on evidence of a target’s capability to establish trustworthiness.

Similarly, feminine societies attach little importance to individual achievement. The norm is for leveling—not trying to be better than others—and the social rewards for excellence are slight. In fact, feminine cultures emphasize not drawing attention to oneself (Hofstede, 1984). Here, too, we would expect relatively little value to be placed on evidence of a target’s capability.

Conversely, a key facet of both individualist and masculine cultures is the focus on individual: societal norms and values support individual initiative, achievement, and wealth. In individualist cultures, for example, a person’s identity is a function of personal accomplish-
ments. Performance evaluation is based on individual achievement, and rewards are tied closely to performance (Ueno & Sekaran, 1992). Similarly, masculine cultures respect "super achievers" (Kale & Barnes, 1992) and support a norm for excelling—that is, trying to be the best. Individual brilliance is admired, and the successful achiever is idolized (Kale, 1991). In sum, norms in both individualist and masculine cultures suggest that evidence of a target's capability is a reasonable basis upon which to form trust.

**Proposition 4:** Relative to counterparts in collectivist (feminine) cultures, trustors in individualist (masculine) cultures are more likely to form trust via a capability process.

**Transference process.** Both individualism/collectivism and masculinity/femininity dimensions influence how readily trust transfers. The individualism/collectivism dimension provides an indication of the strength of ties in a society (Granovetter, 1985). Individualist cultures are characterized by a loosely knit social framework (Singh, 1990; Ueno & Sekaran, 1992), which makes it difficult for trust to transfer from one entity to another.

The transfer of trust is also inhibited in masculine societies because it is difficult for trustors to identify trusted proof sources from which they may transfer trust to an unknown target. Masculine societies are associated with independence, and people tend to show a skeptical view of others (Hofstede, 1984). It follows that trustors are less likely to confer trust on institutions and individuals and, thus, to deem them acceptable proof sources.

The reverse is true in collectivist and in feminine societies, which facilitate a transference process. For example, the fact that collectivist cultures show tight integration (Kale & Barnes, 1992) suggests that trust will transfer with ease. Because failure of one in-group member brings shame to all members of the group and because people afforded in-group status tend to be highly trusted, it should be relatively easy for trustors to identify a proof source. Finally, strong interpersonal ties and the we consciousness characteristic of a collectivist society suggest that trustors will judge others to be similar. Thus, when the transferring entity is an in-group member, the trustor has greater confidence in the transferee—and a greater willingness to transfer trust to the target.

Similarly, in feminine societies trustors readily accept other entities as trusted proof sources. Feminine cultures have been associated with higher levels of benevolence (Gordon, 1976) and a greater feeling that business institutions should support people and society (Hofstede, 1984). In other words, feminine cultures expect people and institutions to be nurturing and supportive and, therefore, trustworthy. In sum, norms in both collectivist and feminine cultures promote the transfer of trust by forging strong societal ties.

**Proposition 5:** Relative to counterparts in individualist (masculine) cultures, trustors in collectivist (feminine) cultures are more likely to form trust via a transference process.

**Relation to Authority**

"Relation to authority" reflects the emphasis a society gives to hierarchical relations in family, social class, and reference groups (Clark, 1990). In this regard, Hofstede's (1984) power distance dimension addresses ideological orientations to authority and behavioral adaptations to authority. Power distance is reflected in the values embraced by the society's members (Singh, 1990), such as adherence to authoritarian norms and dependence on authority.

**Calculative process.** By establishing acceptable levels of power and coercion, the power distance dimension influences the likelihood that targets will act opportunistically, as well as the costs/rewards associated with opportunistic behavior. Opportunism may be less likely in low power distance cultures, which tend toward a natural sharing of power and more participative decision making. In low power distance cultures people are more willing to consult with others and to temper the use of power (Kale & McIntyre, 1991). In fact, firms consciously refrain from using coercion in their influence attempts (Frazier & Summers, 1984, 1986). Thus, one might expect higher costs to be assigned to opportunistic behavior in low power distance cultures.

However, the exercise of power and use of coercion are frequent occurrences in high power distance societies (Kale & McIntyre, 1991). John (1984) demonstrates empirically that when attri-
butions of influence are made to coercion, more opportunistic behavior is induced. Norms supporting power differentials also provide evidence that targets will act for personal gain. According to John (1984), perceptions of increased centralization and controls (rule enforcement and surveillance) lead to more opportunism. To the extent that such self-serving behaviors are sanctioned, one might infer that targets in high power distance societies will act opportunistically and fail to associate high costs with opportunistic behavior.

Proposition 6: Relative to counterparts in low power distance cultures, trustors in high power distance cultures are more likely to form trust via a calculative process.

Prediction process. The power distance dimension addresses the predominance of norms for conformity (doing what is accepted and proper) versus independence (doing whatever one wants to do). In low power distance cultures people are less likely to conform and more likely to do whatever they want to do (Hofstede, 1984). Clearly, freedom to act individually hampers a trustor’s ability to predict a target’s behavior.

Conversely, in high power distance societies people endorse conformity more and independence less. Norms for conformity provide evidence that a target’s behavior is predictable. The fact that authoritarian norms prevail (Hofstede, 1984) suggests a low tolerance for variability in behavior and, consequently, a high regard for predictability in relationships. As a result, evidence demonstrating that a target’s behavior is predictable will be highly valued and pave the way for trust to form.

Proposition 7: Relative to counterparts in low power distance cultures, trustors in high power distance cultures are more likely to form trust via a prediction process.

Intentionality process. By establishing standards for interpersonal interaction, the power distance dimension can either promote or inhibit assignment of benevolent intentions. For example, in high power distance societies those at the top make all the decisions, and those at the lower levels simply carry out the orders given by powerful groups at the top (Ueno & Sekaran, 1992). People view conflict and compe-

Proposition 8: Relative to counterparts in high power distance cultures, trustors in low power distance cultures are more likely to form trust via an intentionality process.

Capability process. The power distance dimension addresses whether people expect a wide distribution of capabilities among a society’s members and, thus, the value placed on evidence of a target’s capability. For example, people in low power distance societies embrace an egalitarian view of others. Inequalities in ability and expertise are deemphasized (Kale, 1991; Kale & Barnes, 1992). Therefore, evidence of a target’s individual capability may be discounted.

The reverse is true in high power distance societies, where there is a strong dependence on authority, emphasis on qualifications, and a large perceived difference between experts and nonexperts. In high power distance societies people expect inequalities in inborn traits and intellectual abilities. This perceived competence gap implies that evidence supporting a target’s capability is valuable, and provides a solid base on which trust can be built.

Proposition 9: Relative to counterparts in low power distance cultures, trustors in high power distance cultures are more likely to form trust via a capability process.

Transference process. Williams, Whyte, and Green (1966) have found the power distance dimension to be closely associated with the willingness to place faith in others. A transference process is triggered when faith in people and institutions is high: it is through such proof sources that trust is transferred. People in high power distance societies view others as a threat.
and show less inclination to trust them (Kale & Barnes, 1992). The fact that faith in people and institutions is low hampers the ease with which trust passes from one entity to another.

Alternatively, people in low power distance cultures feel less threatened by others and tend to trust them more (Kale & Barnes, 1992). Faith in people is high, and there are high levels of cooperation between employees (Negandhi & Prasad, 1971). The fact that relationships are based on interdependence, solidarity, and group affiliation suggests that trustors will judge others to be similar. Such conditions promote the transfer of trust in low power distance societies.

Proposition 10: Relative to counterparts in high power distance cultures, trustors in low power distance cultures are more likely to form trust via a transference process.

Relation to Risk

"Relation to risk" reflects the perception, evaluation, and experience of risk (Clark, 1990). Uncertainty avoidance (Hofstede, 1984) addresses the concepts of risk, risk preference, and reliance on risk-reducing strategies. Tolerance for unstructured, unclear, or unpredictable situations determines the extent to which people try to mitigate uncertainty by adopting strict codes of behavior, by establishing formal rules, and by rejecting deviant ideas and behaviors (Singh, 1990).

Calculative process. The level of uncertainty (or risk) a society considers tolerable influences economic rationality (Bazerman, 1994) and, consequently, assessment of the costs/rewards associated with opportunistic behavior. In other words, the calculations required for calculative trust to form may be shaped by orientation toward risk (Lewicki & Bunker, 1995). The fact that people in high uncertainty avoidance cultures show a strong resistance to change (Kale & Barnes, 1992) suggests that targets are not likely to engage in opportunistic behavior, because doing so jeopardizes continuation of the relationship. Similarly, targets will attach high costs to being caught acting opportunistically.

Conversely, targets in low uncertainty avoidance cultures may engage in opportunistic behavior, even if doing so risks damaging the relationship. This follows from the fact that people in low uncertainty avoidance cultures do not fear the future and tolerate risk easily (e.g., Hofstede, 1984; Kale, 1991; Kale & Barnes, 1992; Nakata & Sivakumar, 1996; Ueno & Sekaran, 1992). They are willing to sever existing relationships and enter into relationships with new partners (e.g., Kale & Barnes, 1992). Therefore, opportunistic behavior is likely because the cost of such behavior is relatively low.

Proposition 11: Relative to counterparts in high uncertainty avoidance cultures, trustors in low uncertainty avoidance cultures are more likely to form trust via a calculative process.

Prediction process. It is difficult for trustors to predict targets’ behavior in low uncertainty avoidance cultures, because society tolerates such a wide range of behaviors and opinions (Kale, 1991; Kale & Barnes, 1992; Singh, 1990). Moreover, the prevailing belief that human behavior is determined by outside, largely uncontrollable forces (Kale & McIntyre, 1991) counterindicates trust formation via a prediction process in low uncertainty avoidance cultures. Trust cannot be based on predictable behavior if behavior is not, in fact, predictable.

Conversely, the prevailing view in high uncertainty avoidance cultures is that human behavior is predictable (Kale & McIntyre, 1991). Variability in a partners’ performance is unacceptable, and a relatively high value is placed on predictability in relationships (Kale & McIntyre, 1991). Moreover, people in a high uncertainty avoidance culture desire to establish clear rules as to how one should behave and to live by these rules (Singh, 1990). By specifying the range of acceptable behaviors, this strong rules orientation makes it easy for trustors to predict targets’ behavior in high uncertainty avoidance cultures.

Proposition 12: Relative to counterparts in low uncertainty avoidance cultures, trustors in high uncertainty avoidance cultures are more likely to form trust via a prediction process.

Intentionality process. The uncertainty avoidance dimension determines the value people place on continuing current relationships, thus affecting the viability of an intentionality process. In low uncertainty avoidance cultures con-
rict is acceptable, and people are willing to risk severing existing relationships. Thus, there is no evidence that a target will act in a trustor's best interests.

The reverse is true in high uncertainty avoidance cultures. People are motivated to maintain existing relationships because they value stability and fear the unknown. If nothing else, a target is motivated to act in a trustor's best interest because it also is in the target's best interest to do so. Similarly, people in high uncertainty avoidance cultures frown on conflict and value compromise, providing further evidence that targets have benevolent intentions.

**Proposition 13:** Relative to counterparts in low uncertainty avoidance cultures, trustors in high uncertainty avoidance cultures are more likely to form trust via an intentionality process.

**Capability process.** The value placed on a target's capability is strongly determined by a societal norm for uncertainty avoidance. In low uncertainty avoidance cultures, where people deal easily with risk, there is a strong belief in generalists and common sense. It is unlikely, then, that trustors place a high value on evidence of a target's expertise, ability, or competence. The overall high regard for people and their abilities in low uncertainty avoidance cultures suggests that evidence of a target's capability is unlikely to serve as a precursor to trust.

However, evidence of a target's competence, ability, or expertise takes on added importance in cultures which shun risk, because it helps transform a trustor's uncertainty into certainty (Hofstede, 1984; Kale, 1991). Thus, it is not surprising that there is a strong accent on experts and expertise in high uncertainty avoidance cultures. To the extent that trustors in high uncertainty avoidance cultures seek to mitigate uncertainty, they are likely to establish trust based on evidence of a target's expertise, ability, or competence.

**Proposition 14:** Relative to counterparts in low uncertainty avoidance cultures, trustors in high uncertainty avoidance cultures are more likely to form trust via a capability process.

**Transference process.** The uncertainty avoidance dimension closely parallels the "tightness" and "looseness" concepts articulated in anthropology (Hofstede, 1984). "Loose" low uncertainty avoidance cultures are associated with less regard for stability and permanence in relationships and with greater risk taking. As a result, it may be difficult for trustors to trust other people and institutions. Given the high tolerance for opinions and behavior different from their own, trustors in low uncertainty avoidance cultures also may be less willing to judge others to be similar. Together, such conditions make identifying a proof source difficult.

Conversely, the stability inherent in "tight" societies permits trustors to develop confidence in individuals and institutions, because they will still be around in the future. Pelto (1968) notes that tight societies value durability, permanence, and solidarity—norms associated with high uncertainty avoidance. Norms for solidarity also suggest that trustors in high uncertainty avoidance cultures judge others to be similar to themselves. Such conditions facilitate the transfer of trust in high uncertainty avoidance cultures.

**Proposition 15:** Relative to counterparts in low uncertainty avoidance cultures, trustors in high uncertainty avoidance cultures are more likely to form trust via a transference process.

**DISCUSSION**

Our framework of trust-building processes suggests five different routes trustors may take to develop trust in a target. These pathways to trust reflect a pattern of cognitive analysis trustors engage in to determine their willingness to place themselves at risk. The extent to which each process is invoked depends on cultural factors, such as societal norms and values, which facilitate or inhibit application of a particular process. Thus, this research provides an important extension to current theoretical perspectives on trust. First, our framework of cognitive trust-building processes and their underlying behavioral assumptions provides researchers and practitioners with new insight into the way trust develops. Moreover, this research suggests straightforward strategies targets may use to establish and maintain trusting relationships.

For example, trust formed via a calculative process is based on behavior control: the trus-
tor's actions are designed to get a target to do what the trustor wants. Given that the behavioral assumption of opportunism is met, trust is established when the trustor perceives that the target's costs for cheating exceed the rewards. This suggests several strategies for targets seeking to form trust based on a calculative process. Targets can (1) lower the trustor's perception of the likelihood that they will cheat, (2) increase the perceived costs of cheating, and/or (3) reduce the perceived benefits of cheating. Once established, trust endures as long as the trustor continues to believe it is contrary to the target's best interest to cheat. The fact that trust formed via a calculative process is deterrence based suggests that it may be destroyed easily. Therefore, targets would be wise to establish trust via additional trust-building processes.

Trust formed via a prediction process is based on consistency, as demonstrated by information about a target's prior actions. Trust is established when the trustor determines that a target's behavior can be predicted with accuracy and lasts as long as the target continues to show he or she is dependable. This suggests that trust based on prediction is fragile: the belief that a partner's behavior is predictable (not volatile) may easily crumble when stressed (Rempel et al., 1985). A single behavioral anomaly may be all it takes to destroy trust based on predictability. Therefore, targets should build a broad foundation for prediction-based trust—one with many experiences upon which the trustor may draw. A rich history between the two parties protects the relationship in the event that unpredictable behavior does occur.

Trust evolves via an intentionality process, when trustors perceive that targets share their values and beliefs, and lasts as long as trustors remain confident that targets' motives are benevolent. This suggests that targets should try to build a platform for intentionality-based trust that includes many dimensions upon which the parties may identify with one another. Strong underlying similarities and commonalities between the two parties protect the relationship in the event that trust is violated. ("If I understand you, I can understand your behavior, and I may be willing to overlook it.") Because trust formed through an intentionality process will be robust to crises in the relationship, efforts to establish and maintain such trust will be well spent.

Trust formed via a capability process is based on whether trustors believe that targets can meet their obligations, as demonstrated by evidence of a target's competence, ability, or expertise. Underlying the capability process is the assumption that people differ in their capabilities and, thus, in the likelihood that they will deliver on their promises. This suggests that, in addition to providing proof of their capability, targets might try to increase (or create) the perception that a competence gap does, indeed, exist. Since trust endures only as long as targets continue to demonstrate their capability, targets who fail to meet their obligations may find that such trust is easily destroyed.

Finally, when connections in a network are strong and reliable, trust may transfer from one entity to another. Here, a trustor bestows trust on a target based on the trustworthiness of individuals or institutions closely associated with the target. Once trust has been transferred, it falls on targets to continue to prove that they can be trusted. Therefore, targets need to establish trust via other trust-building processes to ensure that trusting relationships are maintained.

Another contribution our research makes to theories of trust concerns the role cultural norms and values play in influencing the trust-building process. Our framework suggests that when trustors and targets share the same norms and values, there is a greater chance that a trusting relationship will form, because the direction the target takes to earn trust is the same route the trustor follows to establish whether the target is trustworthy. For example, salespeople in the United States demonstrate their expertise as a way of gaining a buyer's trust (Swan et al., 1985). Establishing trust through the capability process is an effective strategy in individualist societies such as the United States, because people generally value evidence of individual initiative and achievement.

Although we do not explicitly consider how trust is established between parties from different cultures (i.e., within-culture versus intercultural trust formation), it is possible that the patterns of developing trust will hold when trustors and targets from different countries are congruent in their cultural milieu. For example, a salesperson may earn trust via the capability process, as long as the buyer is bred in a culture that values evidence of individual expertise (e.g., societies high in individualism, power dis-
tance, or masculinity). Conversely, a lack of congruence in cultural proclivities may result in a virtual collapse of the trust-building mechanism. Salespeople who "toot their own horn" in collectivist cultures most likely will fail to gain trust, because collectivists deemphasize individual accomplishment. Although anecdotal evidence suggests cross-cultural differences in the way trust develops (Schuster & Copeland, 1996; Sullivan, Peterson, Kameda, & Shimada, 1981), there has been little theoretical guidance about the reasons for such differences. Our framework provides insight into how trust may be established when parties embrace different norms and values.

This research also provides insight into the implications of trust developed by alternative processes. Although our framework does not specify a hierarchical approach, it may be that trustors assign greater weight to trust developed via one cognitive process compared to another. Lewicki and Bunker (1995) argue that trust formed through a calculative process is a lower form than trust based on either identification with the other party or prediction. Therefore, trust based on intentionality or prediction may render trust formed through calculative means inconsequential. According to Doney and Cannon (1997), buyers in the United States form trust of a supplier's salesperson primarily through the processes of prediction and intentionality. However, questions regarding whether, or how, trustors prioritize these trust-building processes remain unanswered.

In a similar vein, reliance upon a particular process may depend upon the cultural dimensions we propose, in essence suggesting that culture moderates the relationship between the cognitive processes and trust. Other researchers may examine if or when the direct effects of culture on trust swamp the indirect effects. For example, in collectivist cultures, where good intentions are expected, the intentionality process may provide little additional information to assess a target's trustworthiness.

Whereas we focus, in our framework, on the role norms and values play in the development of trust, other scholars stress different factors. For example, Fukuyama (1995) argues that the amount of trust inherent in societies differs based on the strength of family ties and the number and influence of intermediate organizations. If Fukuyama's thesis is correct, societies will differ in their overall level of trust and, perhaps, in the way trust forms. In cultures with strong familial ties and few intermediate institutions, the trust-building processes may be relevant only insofar as they pertain to family or an extended kinship group. For example, proof sources for the transference process would be limited to kin. Fukuyama's (1995) approach also emphasizes the feedback effect that trust may have upon the evolution of cultural values and other factors in society. Perhaps an interesting paradox exists in that trust may influence the development of the cultural norms and values that foster the development of trust. Thus, the linear model depicted in Figure 1 may benefit from a feedback loop. More extensive theoretical and empirical research is needed to justify such an effect.

Finally, individual personality and organizational culture surely affect trust formation, but these issues are beyond the scope of our research. In some circumstances organizational culture may overwhelm the effects of national culture (Nakata & Sivakumar, 1996). However, it is also possible that a person's cultural roots are so deeply embedded they overshadow the influence of both organizational culture and individual personality (cf., Laurent, 1991). In future studies scholars might consider how national culture, in conjunction with these variables, influences the formation of trust.

CONCLUSION

The model and propositions we describe in this article have important implications for establishing and maintaining trusting relationships in an increasingly diverse and global workplace. For example, as firms try to leverage the benefits of trust, they must develop training programs that explain how to engender trust in employees, customers, and suppliers. Multinational firms and firms with multicultural workforces must recognize that such programs need to be customized for specific groups.

Similarly, as firms become more involved in cross-national strategic alliances, where trust is a key to success, we see a growing need to understand how culture and trust interact. Finally, as firms expand into new global markets to buy and sell products, crucial to their success is an understanding of how to develop trust. In this article we provide a conceptual framework
that begins to address these important management issues, and we establish a theoretical base for future empirical work.

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