Trust in Relationships

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Is trust easier to destroy than to build? Cooperation and conflict management research of the last 30 years assumes the answer is "yes."

To answer this question, it is important to understand how trust develops and how that process is linked to the development of relationships.

### Perspectives on trust

- **Personality theorists** conceive of trust as a belief or feeling, deeply rooted in an individual's personality and shaped by early life experiences.
- Sociologists and economists view trust as a phenomenon that individuals place on institutions.
- **Social psychologists** focus on transactions between individuals that create or destroy trust at the interpersonal or group level.

This paper adopts the definition of trust as "*a state involving confident positive expectations about another's motives with respect to oneself in situations involving risk.*" This definition is based on: (1) an individual's chronic disposition towards trust; (2) situational parameters; and (3) the history of the relationship.

### Trust in relationships

Long-term relationships depend on cooperation. To achieve this, individuals need to be able to substitute for each other, influence one another, and have a positive attitude towards one another. Trust is a core issue at the beginning of a business relationship, but a secondary concern at the start of a romantic relationship.

In romantic relationships, people move from an initial state of wonder to evaluation and finally, accommodation. Trust evolves at each of these stages. It takes root as the parties develop and take risks. It solidifies as the relationship matures and the couple takes a "leap of faith."

## Trust in professional relationships

The three types of trust identified in professional relationships are linked and sequential. By understanding how trust changes, grows and declines, we learn about change, growth and decline in relationships.

Deterrence-based trust depends on consistent behavior and the threat of punishment if people don't follow through on what they say they will do.

**Calculus-based trust** takes deterrence a step further. This form is grounded not only in the fear of punishment for violating trust, but also in the rewards for preserving it. Trust is based on a calculation—comparing the costs and benefits of creating and sustaining a relationship versus the costs and benefits of severing it.

For deterrence to be an effective threat, the potential loss of a relationship must outweigh the gain created by defecting from it. There must be monitoring and reporting between the parties. The person who has been harmed must also be willing to follow through on threats of punishment.

Control of another person's behavior is central to calculus-based trust (CBT). A metaphor for growth of CBT is tactical climbing, as in scaling ladders or mountains. Parties coordinate their actions as they increasingly take risks and reveal their vulnerability to each other.

**Knowledge-based trust** occurs when an individual has enough information and understanding about another person to predict that person's behavior. Accurate prediction depends on understanding, which develops from repeated interactions, communication, and building a relationship.

Unlike calculus-based trust, knowledge-based trust (KBT) is founded not on control, but information. Parties cultivate knowledge of each other by gathering data, seeing each other in different contexts, and experiencing each other's range.

**Identification-based trust** happens when parties understand and endorse one another, and can act for each other in interpersonal transactions. This requires parties to fully internalize and harmonize with each other's desires and intentions.

Certain activities enhance trust based on identification. For example, organizations and individuals can assume a common identity. They can co-locate, create joint products and goals, and share core values.

Identification-based trust (IBT) builds on trust based on knowing and predicting another person's needs and preferences; these needs and preferences are also shared. Identification enables us to think, feel and respond like the other person.

Adapted from a paper by Roy J. Lewicki and Barbara B. Bunker in <u>Conflict Cooperation and Justice</u>, Essays inspired by the work of Morton Deutsch, by Barbara B. Bunker, Jeffrey Z. Rubin & Associates.

## How does trust develop?

Trust evolves over time. A relationship that develops and matures moves from calculusbased trust to one based on knowledge and, finally, on identification. It may also, as in the case of many business and legal relationships, end with the first stage of calculusbased trust.

*Relationship building begins with the development of calculus-based trust activities.* If one party is consistent and does not oblige the other to use punishment, trust is validated. The parties can then begin to acquire a knowledge base about each other's needs, preferences, and priorities.

If parties do not move beyond the CBT stage, there are a number of possible explanations. Perhaps the relationship does not require more than business or arms-length transactions. Violations of trust may also make parties wary of continuing their relationship.

If relationships advance to the KBT stage—as many do—there is an overlap in the developmental stages of trust. For example, knowledge-based trust begins while people are at the previous level (calculus), and continues while they are advancing to the next level (identification).

Only a few relationships move to the stage of trust grounded in mutual identification. Factors that may prevent this progression include lack of time, energy or desire to make a deeper commitment to the relationship.

## Shifting up and down the trust ladder

Moving from calculus-based trust to knowledge-based trust involves a shift from perceiving contrasts or differences between oneself and another person to perceiving similarities. Detection of differences, large or small, can tip the balance and cause a relationship to fall back to the previous plateau.

In a similar way, moving from knowledge-based trust to identification-based trust involves a shift from extending one's knowledge about another person to more personal identification. As long as this shift is mutual, the parties begin to take on each other's identity and develop a shared identity. On the other hand, increased pursuits of very different interests diminish the foundation of knowledge and identification on which trust is built. Trust is fragile because it takes time to build up and no time to tear down. Violation of trust leads to instability and reassessment of the situation, at a rational (cognitive) and emotional level. The outcome can be to maintain the status quo, renegotiate the relationship or terminate it.

**Violations of calculus-based trust** may cause parties who are already careful about risktaking in a relationship to drop out. Without a significant investment in each other, parties may feel more tolerant of loss caused by broken trust.

**Violations of knowledge-based trust**, which is linked to the prediction of behavior, is unsettling. It's not only because one individual failed to act as expected, but also because the other party failed to make the right prediction.

Following such an event, an individual might feel bewildered about the true nature of the other person in the relationship. Re-evaluation and new perceptions lead to an uncertain outcome. An experience of estrangement is strongly related to reduced willingness to trust. If the conflict and harm are serious enough, trust may be permanently destabilized.

**Violations of identification-based trust** can transform relationships. Such breaches disturb the underlying values of a relationship, and can cause a sense of moral violation from which two people might not recover.

Trust occurs at several levels at once—perhaps at all three of the levels identified (calculus, knowledge, identification). Relationships operating at a higher level, where there is a strong bond of trust based on identification may be able to sustain challenges at lower levels of trust functioning.

### Summary

Ultimately, there is no simple answer to the question: "Is trust fragile?" It depends, because of the following factors:

- Trust is not one-dimensional, but changes character as a relationship develops.
- The three types of trust are different, but linked, and build on each other.
- Depending on the levels of trust that are operating in a relationship, there is no sure way of predicting the impact of untrustworthy actions. In relationships that have not been allowed to deepen and mature, trust is easily undermined. If, however, trust has developed to the stage of mutual identification, disruptive actions may have minimal impact.