

DISSERTATIONS IN
**SOCIAL SCIENCES
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STUDIES**

MIRJAMI IKONEN

*Trust Development and
Dynamics at Dyadic Level*

*A Narrative Approach to Studying Processes of
Interpersonal Trust in Leader-Follower Relationships*



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ABSTRACT

This dissertation focuses on trust as an organizational phenomenon, more specifically, the dyadic trust development and dynamics in leader-follower relationships. The study applies a processual and relational perspective on leadership and trust, drawing on LMX theory and stage-based models of trust. The study adopts an explorative approach in seeking an understanding of trust perceived of organizational actors in their own, real-life contexts. The research data include interviews from third sector non-profit organizations and narrative data from a fictive business context gathered by the method of empathy-based stories. Trust in a leader-follower relationship appears as a continually forming and developing process. The dynamics of the development process of dyadic trust appear more complex than previous research has indicated. The study demonstrates that there are specific moments when dyadic trust increases unexpectedly or suddenly breaks down and becomes a vicious cycle. The main new contribution of the study are the spirals in the development process of dyadic trust identified as dynamics of 'vortices', as self-intensifying circles, whether virtuous or vicious. I use the concepts of appreciation and leniency to describe the way the spiral is strengthened. The findings imply for managerial leadership that the importance of raising the level of awareness of trust development is crucial because leaders may subconsciously and without intent influence the break-up of trust for example by their passivity. On the other hand, this study illustrates that mundane, small actions may have a notable impact on the trust building process in leader-follower relationships, especially when both the parties are able to appreciate differences in showing approval.

Keywords (LSHC): Trust; Leaders; Employees; Followership; Dyadic analysis; Social constructionism; Narrative inquiry. Author's keywords: Leader-follower relationship; Method of empathy-based stories

Ikonen, Mirjami

Kahdenvälisen luottamuksen kehittyminen ja dynamiikka. Narratiivinen näkökulma henkilöidenvälisten luottamusprosessien tutkimiseksi esimies-alaisuhteissa 162 s.

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Väitöskirja

ABSTRAKTI

Tutkimukseni tarkoituksena on kuvata ja tehdä ymmärrettäväksi luottamuksen kehittymisen prosessia ja dynamiikkaa esimies-alaisuhteissa: millaisena se näyttäytyy esimiesten ja alaisten käsityksissä? Teoreettinen viitekehys nojaa aiempiin luottamuksen kehittymisen vaihemalleihin sekä LMX -teoriaan. Tutkimusaineistona ovat uusien esimies-alaisparien haastattelut kolmannen sektorin organisaatioissa sekä kulttuurisesti tuotetut, eläytymismenetelmällä hankitut tarinat kuvitteellisessa yrityskontekstissa. Aineistosta nousee esiin uutena tuloksena ja keskeisenä kontribuutiona kahdenvälisen luottamuksen kehittämissuhteissa ilmenevät kierteet ja pyörteet spiraalimaisina, itsestään voimistuvina kehinä. Luottamus esimies-alaisuhteissa näyttäytyy jatkuvasti muotoutuvana ja kehkeytyvänä prosessina, jonka vahvistamista kuvaan arvostuksen ja armeliaisuuden käsitteillä. Tutkimukseni antaa viitteitä siitä, että kahdenvälisen luottamuksen kehittymisen prosessi on dynamiikaltaan monimuotoisempi kuin mitä aiempi tutkimus on osoittanut. Tulokset osoittavat, että luottamuksen kehittämisessä ilmenee erityisiä hetkiä, episodeja, jolloin kahdenvälisen luottamus saattaa pyrähtäen vahvistua tai nopeasti rapautua jopa noidankehäksi. Tulokset implikoivat käytännön johtamistyöhön erityisesti tietoisuuden lisäämistä luottamuksen kehittämisestä, sillä esimiehet saattavat tarkoittamattaankin murentaa luottamusta passiivisella tai välinpitämättömällä käyttäytymisellään. Toisaalta väitöstutkimukseni osoittaa, että luottamusta voidaan vahvistaa pienillä, arkisilla teoilla, etenkin silloin, kun sekä esimies että alainen kykenevät arvostamaan toisiaan erilaisuudestaan huolimatta.

Avainsanat (YSA): Luottamus; kehitys; prosessit; esimies-alaisuus; johtaminen; sosiaalinen konstruktivismi; narratiivinen tutkimus; eläytymismenetelmä

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Like a dancer, a researcher, too, possesses a lifetime passion for moving forward, making progress, trying again, taking risks, and testing the boundaries. A dancer never arrives, nor does a researcher. My 'Dance of Research' began by some wobbly steps as I had more zeal than skill. I feel extremely fortunate that I have had many people guiding and encouraging me. I have enjoyed my journey to the academic world and research because I have had supporters and colleagues who have made my road more rewarding than rocky. Now it is time to thank them all.

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Lord, whatever You ask, I want to obey You to let my life beat with a servant's heart.

*Lord, whatever You ask I know that You can give me wisdom and courage
to equal the task. Lord, whatever You ask. (Phill Mchugh)*

Joensuu, February 2013

Mirjami Ikonen

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1 Introduction

1.1 RESEARCH TOPIC AND BACKGROUND OF THE STUDY

This doctoral dissertation focuses on trust as an organizational and management phenomenon, specifically, it is about the dyadic trusting process in leader-follower relationship. Leader-follower relationships are among the most essential work relationships in organizations, if not the most important. Trust is the essence of leadership and I am therefore interested in trust at the interpersonal level in work relationships in the organizational context. As trust is recognized as a multifaceted phenomenon (e.g. Möllering, 2001; 2006; Schoorman et al. 2007), the topic of my dissertation appears challenging. Dietz (2011, p. 220) describes trust as 'depiction of the trust process' and Lyon et al. (2012, p. 1) describes it as "one of the most elusive and challenging concepts one could study." Adopting a social constructionist approach, this study provides a perspective on how organizational actors (leaders and followers) make sense of their perceptions and experiences in narration and how they build trust in interaction.

The current global complexity and uncertainty of society has increased the need for trust in society and business interactions, while the antecedents of trust have decreased, for example, in order to maintain the development and legitimacy of the world and for social co-operation as a whole (e.g. Möllering, 2001; Misztal, 1996; Mishra, 1996). Intra- and inter-organizational work relationships are described as complex, uncertain, and demanding flexibility. Today's knowledge-intensiveness, the variety of inter-organizational networks and team based organizations have increased the need for inter- and intra-organizational trust while trust building in global competition and the hectic business environment has become troubled (Lane, 1998, pp. 17-21; Sitkin & Stickel, 1996, pp. 196-197). Further, partly because of the processes of globalization, increasing flexibility of labor relations and virtualization of organizational forms, intra- and inter-organizational work relations have become looser and less easy to monitor; hence the present need for trust research. In the knowledge era, a variety of organizations is expertise- and knowledge-based, and mainly involved in creating, sharing and utilizing the knowledge in the possession of individuals and groups. For example, in today's organizations, professionals are expected to disseminate their skills and knowledge in trusting relationships within teams. As trust has important effects on behavioral outcomes, such as higher levels of cooperation (Dirks & Ferrin, 2002), it has undoubtedly become one of the key concepts in the analysis of

intra- and inter-organizational relations (Costa & Bijlsma-Frankema, 2007, p. 393). Cooperation is crucial especially in work relationships, and trust is frequently recognized as important precursor of cooperation.

The significance of trust in leadership is highlighted in the final report of the Wellsprings of Finnish Vitality Development Program (Nurmio & Turkki, 2010). 'Vibrant Finland' needs *leadership by trust* (Savolainen, 2011a) as it promotes motivation, inspiration, creativity, and innovativeness. This may provide a sustainable way to greater productivity and longer careers (Nurmio & Turkki, 2010). Building and maintaining trust are recognized as the most significant elements of leadership and are prioritized in the selection of leaders and training of leadership skills for competitiveness in Finnish organizations (Nurmio & Turkki, 2010). Trust also plays a role in enhancing business competitiveness. *Organizational vitality* is a force which enables organizations to compete and succeed. By vitality I mean human energy of the will, emotions and actions. This can be seen in people's motivation, enthusiasm, and in their utilization to the full of their different skills, abilities and talents, for example in change situations in which they are able to take risks (Savolainen, 2011a; Nurmio & Turkki, 2010). However, organizational vitality has not yet been unambiguously defined. The concept includes the competitiveness and success of organizations. In the knowledge era, vitality is increasingly built on human intellectual capital, intangible assets, which entail knowledge and knowing and their varied invocation (creation, transfer, sharing, and utilizing) enabled by trust in leadership (Savolainen, 2011a). More recently the significance of trust in leadership has been visibly recognized in Finland's Strategy for Work Life Development 2020 (Ministry of Employment and the Economy, 2012): The program for developing work life has identified trust and co-operation as one of the five foci for the future in Finland. Despite this, research on trust in Finland has so far been rare, especially at the interpersonal level. The focus of my dissertation is on the process of trust development in leader-follower relationships.

Personally, the starting point of the current study was (to put it somewhat melodramatically) the search for the cores of leadership, more specifically, the role of trust in leadership. Obviously, trust is involved in leadership; it is the essence of leadership. One of my main interests at the beginning of my doctoral studies was how leadership is enacted in not-for-profit organizations (NPOs), especially, when staffed mainly by voluntary workers. Since the labor law regulation in Finland is different in NPOs than in for-profit organizations, the legal position of a leader is not so strong. Therefore, I soon focused on trust in leader-follower relationships. I was initially confused by the blurring boundaries of trust while finding the concept of trust fascinating and compelling, though essentially elusive. In the sense of researching, the nature and dynamics of trust began to increasingly inspire me as a research subject and topic of

discussion. Later I found myself becoming ever more intrigued by the phenomenon of dyadic trust and its development over time.

Advantages of trust within organizations

Building trust within organizations, in particular within the context of the dyad relationship between employees and their managers, is crucial for effective operation of the firm. (Tzafrir et al., 2004, p. 631)

Why study trust? The research so far has identified multiple benefits of trust (e.g. Bijlsma-Frankema & Costa, 2005; Kramer, 1999; Rousseau et al., 1998). The literature has largely focused on exploring these positive effects of trust (e.g. Langfred, 2004). Next I introduce the benefits of trust using several metaphors describing various dimensions of trust.

First, trust is seen as *social glue*, which is crucial to successful progress and performance of teams enabling co-operation and the implicitly positive emotions needed for unity and communality (e.g. Tzafrir et al., 2004; Laine, 2008 among others). Trust binds organizational members to one another. The research so far clearly shows the connection between trust and organizational performance (McEvily et al., 2003). For example, Dirks and Ferrin (2002) studied the impact of trust on how talents, knowledge, and expertise are utilized in an organization. According to them, trust plays an important role in employee attitudes and behavior. It manifests in more positive work attitudes as well as in a willingness and ability to co-operate. As trust forms a foundation for cooperation and is part of a social moral order more widely (Rousseau et al., 1998) it facilitates prosperity in the organization. The effects and consequences of trust are many, including promoting adaptation to new organizational forms, for example, to network relations, and even crisis situations, flexible organizing of groups, reducing negative conflicts, and decreasing transaction costs (Savolainen, 2011b).

Second, related to the foregoing, trust is also seen as *a building block*, an essential element of an intra- and inter-organizational social system. The organizational literature in particular has asserted that trust in inter-firm exchange is beneficial and can be a source of competitive advantage (Zaheer et al., 1998). Within organizations, the role of trust is crucial when creating an ethical work context and generating social capital (Pastoriza et al., 2009). Inter- and intra-organizational trust has been seen as a basis for all relationships and business interactions and a positive correlation between collaboration and trust is obvious (Bijlsma & Koopman, 2003, p. 545). On the organizational level, the research recognizes linkages to positive effects in HRM by trust as a facilitator for extra-role behavior or, in other words, organizational citizenship behavior (e.g. Tyler, 2003, p. 556; Burke et al., 2007; Kramer, 1996; Colquitt et al., 2007). Trust in leadership fosters follower performance (Casimir et al., 2006).

Third, trust has paradoxically been seen as both *glue* and *oil*. Trust as lubricant symbolizes the fluency of operations facilitated by trust in interpersonal interactions (Lane, 1998, p. 7; Misztal, 1996, p. 77). The research has indicated the role of trust as an antecedent of many performance outcomes, but also as a *process* resulting from collaborative interaction between organizational actors, for example, the leaders and followers, and processes such as communication, cooperation, and information sharing (Burke et al., 2007). Trust has an important role in leadership as it is a key element, for example, in co-operation (Tyler 2003, p. 556) and facilitates communication (Mishra, 1996). Interpersonal trust has been identified as a key factor for knowledge sharing and accommodating behavior in organizations (e.g. McAllister, 1995; Bijlsma & Koopman, 2003). Moreover, trust enables more open interpersonal communication in groups and organizations, thereby also contributing to information and knowledge sharing in network relationships (Savolainen, 2011b). Trust in organizations is considered vital in nature (McKnight & Chervany, 1996). Metaphorically, trust lubricates the machinery of an organization (Tschannen-Moran & Hoy, 2000).

Fourth, trust is seen as an *intangible asset, intellectual capital, and resource* (Savolainen, 2011a). In the knowledge era, trust is an important element of human intellectual capital influencing creativity and innovative organization culture. Therefore the role of trust within organizations is crucial when generating social capital for fostering organizational climate (e.g. Lewicki et al., 2006; Bijlsma & Koopman, 2003; Pastoriza et al., 2009). Trust at the individual level predicts outcomes such as job satisfaction, organizational commitment, and job performance (Lewicki et al., 2006, p. 992). Fifth, trust as a *jump or leap of faith* emphasizes risk as an integral part of trust. Trust is considered to include a decision to overcome suspicion (Möllering, 2001; 2006) which can be described, for instance, by the metaphor of parachuting. What is essential about trust is that it needs a choice or decision as well as courage to overcome the fear of being deceived and disappointed. Emotions are heavily involved in trust and emotional strength is needed. Further, trust as a *glass or mirror* emphasizes the fragile nature of trust. Indeed, trust is more easily broken than built. By definition, willingness to take risks is at the core of trust (Mayer et al., 1995). Therefore understanding practices of trust more profoundly may provide a way for societal encouragement to take risks. On the other hand, in safety management, too, trust between leaders and subordinates is reported to influence the safety climate of an organization and to be negatively related to the injury rate (Luria, 2010). The benefits of trust are therefore multiple in organizations. Trust in organizations is seen as a social glue, a building block, an intangible asset, intellectual capital and a resource.

The dark side of trust

Among the advantages of trust within and between organizations, scholars have discussed the dark side of trust. Doubtless trust may be more easily broken than built (e.g. Dirks et al., 2011) and also abused. Trust as such is not 'absolutely good'. Most scholars embrace the idea of an optimal level of trust in different levels of relationships, both organizational and personal (Langfred, 2004; Jeffries & Reed, 2000). According to this perspective, the risk of manipulation and exploitation by trust does indeed exist. If there is 'too much' trust or 'blind trust' the abuse of it may occur (e.g. Gargiulo & Ertug, 2006; McAllister, 1997). Further, negative outcomes are possible, as Langfred (2004) reports that excessive trust in teams can be harmful. I consider that excessive trust in self-directed teams refers to the ultimate indispensability of leadership. Trust cannot totally substitute leadership (Kerr & Jermier, 1978) hence I see trust as the essence of leadership. Recently the dark side of leadership in general has been drawn into the discussion, e.g. destructive leadership (Schyns & Schilling, 2012).

1.2 FINDING AND REASONING OF THE RESEARCH GAP

Trust in different organizational and business relationships has been multidisciplinary investigated throughout its semicentennial history (Ebert, 2009; Burke et al., 2007; Lewicki et al., 2006; McEvily & Tortoriello, 2011). Hence, trust research as a fairly new topic was predominantly conceptual until the turn of the millennium. Interest in empirical trust research has increased enormously since the mid-1990s in several fields of social sciences (Lewicki et al., 2006). The phenomenon of trust has largely been studied by a variety of disciplines across the social sciences, including economics, social psychology and political science (Lewicki & Tomlinson, 2003; Sztompka, 1999; Lewicki et al., 2006). Although several theoretical and methodological traditions i.e., rational choice, functionalist, symbolic-interactionist, and phenomenological traditions have recognized the importance of trust in economic exchange (Sztompka, 1999), less research has been done to explain how trust operates. Trust has been investigated in economics and political science on the basis of the assumption of rational choice and game theory modeling (Coleman, 1990; Williamson, 1993; Hardin, 1991). In economic models trust is often defined as a calculative decision whereas the contextual factors are ignored. Economics alone would make trust a reasonable point of view, with the exception of Fukuyama (1995). Moreover, trust has recently been examined in the fields of organizational science (e.g. Kramer & Tyler, 1996; Rousseau et al., 1998), education (e.g. Laine, 2008; Tschannen-Moran & Hoy, 2000), philosophy (e.g. Baier, 1986), health sciences (Goudge & Gilson, 2005), law, theology, and neuroscience (c.f. Fulmer & Gelfand, 2012). Anecdotally, the biological basis of trust has also recently come under scrutiny, resulting, for example, in the findings that oxytocin increases an

individual's willingness to accept social risks and has a significant role in human trust (Kosfeld et al., 2005).

Sociologists have contributed greatly to the research of trust within and between organizations beginning from the classical sociological studies on trust e.g. Simmel (1950), Weber (1947), and Blau (1964). According to Möllering (2001, pp. 403, 408), Georg Simmel laid the foundation for the concept of trust in sociology, to be further elaborated by Luhmann (1979) and Giddens (1990), and discussed in different research traditions. More recently, e.g. Lewis and Weigert (2012; 1985) have discussed trust as a sociological concept as have Zucker (1986), Sztompka (1999), Gambetta (1988), and Coleman (1990). A variety of different conceptual approaches exists (Bachmann, 2011), addressing both macro and micro levels (e.g. Conviser, 1973). To put it simply, 'system trust' comes from sociology, 'situational decision' comes from economics and social psychology, and 'dispositional trust' from psychology (McKnight & Chervany, 1996, p. 40).

The roots of trust research can also be traced back to psychology, mainly social psychology regarding trust at the interpersonal level (e.g. Covey, 1977). In the social psychological stream of trust literature, Johnson-George and Swap (1982) focused on interpersonal trust, but certainly not in work relationships. Trust regards personality when it a person is said to have an honest, co-operative, and altruistic character (Rotter, 1967). Nonetheless, in conventional psychology character, temperament, and personal traits are usually seen as fairly permanent and genetically determined. Furthermore, trust is considered as a learned aptitude or facility related to perceived resources and self-esteem rather than a tendency. More recently Simpson (2007, p. 168) discussed the psychological foundations of trust stating that "a limited amount of research has examined how and why trust develops, is maintained, and occasionally unravels in relationships."

While trust has mostly been studied in the social sciences, much remains unknown. Trust is still rarely studied within organizations, from the point of view of management and leadership, although trust in inter-organizational relationships has been studied somewhat more extensively within networks, alliances, and partnerships (Gillespie & Mann, 2004; Blomqvist & Levy, 2006). In particular, intra-organizational trust and the organizational effects of trusting leadership relationships need to be more examined (Nooteboom, 2002, p. 210). Earlier research into the emergence of trust research has developed along two parallel axes, one examining trust at the macro-level, including processes of trust repair and impersonal trust (e.g. Bachmann, 2011), and the other looking at micro-level trust as a relational phenomenon (e.g. Mayer et al., 1995; Lewicki & Bunker, 1996). Trust is often viewed in light of its consequences and, on the other hand, of its antecedents (Möllering, 2001, p. 404).

A great amount of trust research in leadership has focused on defining trust and investigating its antecedents and outcomes (Fulmer & Gelfand, 2012; Burke et al., 2007). For example, trust in leadership has been empirically studied in the

context of total quality management (TQM), providing evidence that trust in the intentions of leaders promotes continuous improvement through the effect of job autonomy (Anand et al., 2012). Although it is known that trust is important in organizations, several themes still merit investigation, especially the formation of trust (e.g. Fulmer & Gelfand, 2012). Within the leadership domain, trust has been assumed to be vital and indispensable to the leadership process (Kramer, 2011). Despite an increasing amount of research on social networks in organizations, the processes of trust in relationships are still largely unknown (Möllering, 2013). Thus it is important to study how trust is constructed in the processes of leadership. The purpose of my dissertation is therefore to explore new ways of conceptualizing and investigating dyadic trust development (theoretical and empirical) and dynamics.

All in all, empirical research on interpersonal trust development in intra-organizational work relationships and in different contexts is still in its infancy. A clear research gap exists specifically regarding the key work relationships such as managerial relationships between leaders and followers (Savolainen, 2011b). As far as qualitative, empirical research settings are considered, the gap is obvious. Trust development has also been studied by qualitative methods, e.g. by symbolic interactionist and ethnographic researchers in everyday life roles and situations, but not in organizational leader-follower relationships (Gawley, 2007). According to Savolainen (2011b), studying the process of trust development and its significance in enabling vitality in work organizations is very well grounded; a scientific and practical contribution is possible in studies on inter-personal dyadic trust development. For practice new research findings are also useful for both leaders and organization members when they struggle to balance tensions between co-operation, solidarity competition, creativity, and performance (Savolainen, 2011b).

Trust in organizational (and wider) contexts has been little studied in Finland in the past decade, with the exceptions of Mamia and Koivumäki (2006) and Koivumäki (2008), whose perspective has been at the macro-level and that of trust as a part of social capital; Ellonen et al. (2008) with the focus on the organizational level and inter-organizational trust; Vuorenmaa (2006) in the international corporate integration context; Tuomola-Karp (2005) in the context of adult education; and Laine (2008) in superior-subordinate relationships with a learning perspective. More recently Vanhala (2011) studied impersonal trust in the HRM context, and Häkkinen (2012) leaders' trustworthiness. Savolainen (2011a) discusses *leadership by trust* in which trust is considered as an influential force, and a leadership skill enabling more open interpersonal communication in groups, teams, and organizations thereby contributing to information and knowledge sharing in work relationships (see also Savolainen & Lopez-Fresno, 2012). However, research on trust development has so far been even less common, especially the interpersonal level of trust, and the dynamics of trust

development over time in dyadic relationships has scarcely ever been examined in Finland.

As discussed above, the advantages of trust have been more straightforward to find but as yet little is known about how trust develops over time (e.g. Lewicki et al., 2006, p. 1015; Kramer, 1999, pp. 586-587; Wright & Ehnert, 2010; Möllering, 2006). Researchers have observed that trust development processes have received relatively little attention in the context of managerial relationships (Atkinson & Butcher, 2003). Moreover, McKnight & Chervany (1996) call for research “in order to capture more fully the nuances of the trust phenomenon” (p. 45). As to the research in the field, it is the *dynamics and processes* of interpersonal trust development in work relationships that are still largely unknown.

To sum up, a fair degree of consensus exists across disciplines that the issue of trust is vital in organizations (Fulmer & Gelfand, 2012). Trust issues have been empirically studied in the field of organizational behavior and business relationships at the levels of inter- and intra-organizational trust. In the field of trust research within and between organizations, this study is located in intra-organizational trust development. Despite agreement on the importance of trust, questions about the process of the development of interpersonal trust remain unanswered. This captures the core question in this study that focuses on the dyadic level of interpersonal trust development. Yet the issue of dyadic trust in leader-follower relationships is rarely discussed. Furthermore, the following question arises but remains unexamined: How does trust develop in work relationships and in leadership? This study attempts to answer the question by studying trust development in leader-follower relationship.

The purpose of the present study is to contribute to management and leadership research although leadership is not limited to the business context but pervades all kinds of organizations. The study focuses on intra-organizational trust at the interpersonal level in leader-follower relationships. The dissertation aims to make a contribution by filling a research gap in interpersonal trust research in organizational and leadership contexts. It contributes to the discussion of how dyadic trust is constructed over time. Methodologically the aim in the study is to discover what contribution the method of empathy-based stories (MEBS) may provide to trust research. It is the specific purpose of the dissertation to explore *dyadic trust development* and the nature of trust development process contextually. This means searching, identifying and describing the elements, patterns, and dimensions of the process of trust construction. The ambitious aim of the dissertation is to make both a theoretical and a methodological contribution and also to present practical managerial implications.

1.3 RESEARCH QUESTIONS

The process of dyadic trust development in leader-follower relationships is examined in this study. The following research question is posed:

How does interpersonal trust develop over time at the dyadic level in leader-follower relationships?

The empirically oriented subsidiary-questions are:

How do leaders and followers enact on trust building and maintaining?

What meanings of dyadic trust do leaders and followers construct?

1.4 OUTLINE OF THE REPORT

In the next chapter I will discuss how trust has been studied and how my approach relates to the existing research. I will also discuss the construct of trust that I will use in this study. The aim of Chapter 2 is to develop and describe a theoretical framework for exploring the process of trust development and dynamics in not-for-profit organizations as well as fictive business contexts. My methodological choices are presented and the assumptions reflected in Chapter 3. In Chapter 4, I will introduce my empirical data and the analysis of it, also providing connections to the theoretical themes. I will analyze the data by thematic analysis, analysis of narratives and narrative analysis. In Chapter 4 I will also bring trust, leadership and the social constructionist perspective together in the analysis of the empirical data. In Chapter 5, I will conclude the findings of the study presenting key results of the study. Finally, in Chapter 6, I will discuss the contribution of the study, present certain managerial implications and further research ideas.

2 Dyadic trust development in leadership

This chapter aims to develop further and describe in detail a theoretical framework and setting for exploring the process of dyadic trust development in intra-organizational relationships, more specifically, in leader-follower relationships within organizations. First, I will explain how the concept of trust is understood, especially in the field of management and leadership studies, and the definitions of trust. I continue with the multiple dimensions involved in the nature of trust and in the processes of dyadic trust development in focus. I explore the nature and meanings of trust: its facets, bases, and degrees, including related constructs. After outlining the main levels of trust, I proceed to models of building trust in business relationships. Then I will move on to look at possible meanings of the relational leadership and leader-follower relationship and continue to discuss Leader-Member Exchange theory and its core concepts. The chapter concludes with the theoretical framework.

2.1 DEFINING TRUST

Trust is one of the most fascinating and fundamental social phenomena yet at the same time one of the most elusive and challenging concepts one could study. Lyon, Möllering and Saunders (2012, p. 1)

Although everyone has a perception of what trust is, a precise definition is no straightforward matter. As trust is recognized as a multifaceted phenomenon (Creed & Miles, 1996; Harré, 1999, pp. 254-255; Möllering 2001; 2006), the topic of the dissertation is challenging, to say the least. Dietz (2011, p. 220) describes trust as “the most enigmatic of constructs” and Lyon et al. (2012, p. 1) “one of the most fascinating and fundamental social phenomena yet at the same time one of the most elusive and challenging concepts one could study.” In spite of diversity in debates, perspectives, approaches, and avenues of trust research within and across disciplines, trust researchers have also shown a tendency to integrate different disciplinary views and explicate the role that trust plays in social processes and organizational life (e.g. Bigley & Pearce, 1998; Rousseau et al., 1998). In the literature trust has been defined in numerous ways, as the topic

is multi-disciplinary, multifaceted and multilevel concept (Fulmer & Gelfand, 2012).

Although scholars agree on the significance of trust, they lack consensus on a generally accepted precise definition of trust, despite the suggestion by Rousseau et al. (1998) regarding the integrative conceptualization of trust (McEvily et al., 2003). The definitions and conceptual issues of trust have also been discussed by Kramer (1999), Mayer et al. (1995) and McKnight et al. (1998). Hence, the emphases in definitions vary according to the disciplinary perspectives (Ferrin et al., 2012). On the other hand, Lewicki and Bunker (1996) do not explicitly define trust in their paper on trust development (McKnight & Chervany, 1996, p. 6). Researchers have recently continued to make progress with conceptual clarification, e.g. Möllering (2001; 2006). The trust literature has called for the Big Picture of the trust phenomenon (Lewicki & Bunker, 1996; McKnight & Chervany, 1996) and criticized empirical research due to narrow hypothesis testing or measurements of aspects of trust. Interestingly, McKnight & Chervany (1996, p. 39) argue that “the more complex a concept is, the less parsimonious its dimensions may appear.” On the other hand, a broad description of trust may generate new research possibilities (McKnight & Chervany, 1996, p. 42).

Willingness to be vulnerable

One of the key components of trust is willingness to be vulnerable (cf. Möllering, 2006). Vulnerability appears in most of the definitions (e.g. Bigley & Pearce, 1998; Tschannen-Moran & Hoy, 2000, p. 556). Mishra (1996, p. 5) states that the definition of trust (a willingness to be vulnerable and a belief) includes the cognitive, affective and behavioral components of trust. In their seminal paper Mayer et al. (1995) developed a model of organizational trust according to which several characteristics of both parties lead to trust, which is defined as

The willingness of a party to be vulnerable to the actions of another party based on the expectations that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party (Mayer, Davis & Schoorman, 1995, p. 712).

This is probably the most cited definition in the trust literature. It is applicable to a relationship with another identifiable party who is perceived to act and react with volition toward the trustor. Making oneself vulnerable entails taking a risk and implies that there is something of importance to be lost. Trust is *paradoxical in nature* (Nooteboom, 2002) and it is widely accepted that the concept of risk is related to trust by vulnerability. Yet in relationships there is *always* a risk of trust being betrayed. More precisely, trust is not taking a risk per se, but rather it is a willingness to take risk (Mayer et al., 1995). An individual takes the risk of being vulnerable in the anticipation of a positive expectation of the intentions and

actions of another (Dirks & Ferrin, 2002; Rousseau et al., 1998). Therefore, to understand the concept of trust, the concept of risk should be included as an essential and crucial component of trust (Bijlsma & Koopman, 2003, p. 545). The attributes of uncertainty, complexity, and risk describe the concept. Uncertainty originates from the risk and expectations (Savolainen, 2010). Trust involves the risk of being betrayed or hurt despite the positive endeavors of trust in developing openness and effective co-operation (Savolainen, 2010). I agree that the notion of vulnerability is at the core of the trust phenomenon and by its very nature trust lays itself open to abuse (cf. Möllering, 2006). The notion of willingness to be vulnerable refers to the suspension of uncertainty (Möllering, 2006). Willingness to accept vulnerability manifests itself in authenticity and the courage to face and overcome fears of being hurt in relationships. Vulnerability may also entail admitting one's own weaknesses and acknowledging one's own mistakes, although this is not to say that competence is irrelevant even if vulnerability is more about taking risks. Trust entails accepting the risk of maltreatment or being taken advantage of. Definitely, the notion of willingness to be vulnerable and the suspension of uncertainty are positioned at the heart of the concept of trust (Möllering, 2006).

Expectancies

Early trust researchers such as Deutsch (1958) claim that trust comprises a person's beliefs and expectations as to how the trustee will behave. Rotter (1967, p. 651), another early trust theorist, has defined interpersonal trust as an "expectancy by an individual that the word, promise, verbal or written statement of another individual or group can be relied upon". Expectancies (future orientation of trust) or beliefs (critical role of perceptions about the other party in trust) regarding the trustworthiness of the other party emerge in a variety of trust definitions. For example, Creed and Miles (1996, p. 17) focusing on intra-organizational trust define trust as "the specific expectation of another's actions" that they will be "rather beneficial than detrimental", and at the same time, a "generalized ability to take for granted, to take under trust, a vast array of features of the social order." In particular, expectations in the definitions of trust are related to positive expectations of *trustworthiness* (Fulmer & Gelfand, 2012), which will be discussed below. As mentioned before, among scholars trust is often referred to as one's positive expectations of the likelihood of a desirable action being performed by the other party. Specifically encapsulated in the widely applied definition of trust by Rousseau and co-workers (1998, p. 395) as "a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another" whereas the early scholar Zucker (1986, p. 54) emphasizes "a set of expectations shared by all those involved in an exchange". Klausner (2012) also states that positive expectations are an important condition for trust to develop, and this falls within the scope of the present study.

Psychological state

As the abovementioned definition by Rousseau et al. (1998, 395) states, trust is widely conceptualized as a psychological state (Kramer, 1999; Lewis & Weigert, 1985; Möllering, 2006). As Wright and Ehnert (2006) put it, from the perspective of the trustor, trust is defined as a state of perceived vulnerability or risk, including positive expectations concerning the behavior of the other party (trustee), and the trustor's willingness to be vulnerable to the trustee. This refers to Mayer et al. (1995), Kramer (1999), and Rousseau et al. (1998). Moreover, Klaussner (2012, p. 11) views trust as a state of the relationship in general, explaining that conceptualizing trust as a state also refers to the notion of the dynamic nature of trust as a state which may vary across different interactions and different points in time (Klaussner, 2012). Trust is defined not only as a psychological but also as a functional state (Savolainen, 2011a). Klaussner (2012) defines trust as an *interactional state* where the relationship is taken into account. Fundamentally, defining and operationalization is a question of the research tradition related to methodological issues as Wrightsman pointed out (1991, p. 411, cited in McKnight & Chervany 1996, p. 3) stating that "Measurement has advanced more rapidly than conceptual clarification". McKnight and Chervany (1996) argue that trust is defined in narrow ways due to empirical settings. These "narrow definitions of trust do not accurately depict the concept's rich set of meanings" (McKnight & Chervany, 1996, p. 5). Their solution is a model of trust typology where trust is characterized as a set of inter-related constructs (ibid, p. 5). Recently Fulmer and Gelfand (2012, p. 1173) proposed a conceptualization of organizational level trust as "shared psychological states of mind." Principally, trust as a psychological state of mind (Kramer, 1999, p. 571) refers to cognitive processes and orientations underlying the emergence of trust, which, according to Wright and Ehnert (2006, p. 5), take it beyond the idea a function of rational choice (Kramer, 1999). Dietz appropriately states (2011, p. 215) that this psychological state "is not enough for trust to actually happen" as the state is static, whereas trusting is dynamic. The epistemological questions will be discussed in more detail in the next chapter.

Attitude

Trust as a choice draws on sociology (e.g. Coleman, 1990), economics (Williamson, 1993), and political science (Hardin, 1991) as a rational, calculus-based activity (Rousseau et al., 1998). However, Kramer (1999, p. 573) casts doubts on the assumptions of rational choice models (Wright & Ehnert, 2006, pp. 4-5). Instead of defining trust as a choice, trust is defined as an attitude (Luhmann, 1979). Attitudes are evaluative in nature, and trusting attitudes are likely formed by the information of other party's trustworthiness (Tschannen-Moran & Hoy, 2000). In all the standard models of trust (Dietz 2011, 215) "willingness to be vulnerable" (Rousseau et al., 1998) refers to a psychological

state, which Li (2007; 2008, cited by Dietz 2011, p. 215) called attitude. Interpersonal trust is defined as “an attitude held by one individual – the trustor – toward another – the trustee” (Robinson, 1996; see also Hosmer, 1995; Mayer et al., 1995; Whitener et al., 1998, p. 513). According to Lewicki and Bunker (1996), trust is an attitude that evolves over the course of the leader-follower relationship.

The propensity and disposition to trust

Trust is studied as a characteristic of an individual, which refers to the propensity and power or capability to trust and be trusted (McEvily et al., 2003; Becerra & Gupta, 2003). Whitener et al. (1998, p. 522) state that “some individuals are more dispositionally trusting than others” (Rotter, 1967; Mayer et al., 1995). Dispositional trust is viewed as a general tendency on the part of the trustor to trust others (Rotter, 1967, p. 65; McKnight & Chervany, 1996, pp. 7-8). Dispositional trust is close to definitions of trust as an attitude influenced by the general propensity to trust and also by the individual’s prior experiences of trust. On the other hand, Dietz (2011) perceives dispositional trust as the second phase of the universal progress of trust. Dispositional trust is seen as a cross-situational and cross-personal construct (McKnight & Chervany, 1996, p. 37) whereas interpersonal trust is highly situational and contextual by nature (ibid, p. 8). Dispositional trust is involved in leader-follower relationships. For instance, when asked if an employee trusts a new leader, he or she may say that he or she trusts new people in general (McKnight & Chervany, 1996, p. 37). More recently, Fulmer and Gelfand (2012, p. 1170) differentiated interpersonal trust from generalized, dispositional trust and also from the propensity to trust. Trust is studied as a characteristic of an individual, which refers to the propensity and power or capability to trust and be trusted; a characteristic not only of individuals but also existing within and between organizations and societies; a characteristic of the social system or operational environment as well as the interaction between all these different levels of trust (McEvily et al., 2003; Becerra & Gupta, 1999). In the literature, disposition to trust is conceptualized as an antecedent of trust (e.g. Tschannen-Moran & Hoy, 2000, p. 559) and dispositional trust as an attitude that makes certain individuals likely to extend trust more readily (McKnight et al., 1998), especially when people do not know each other beforehand. I consider the disposition to trust to be stable but *dispositional trust* to be more dynamic as a source of trust in interpersonal relationships. Bachmann (2011, p. 205) refers to micro-level trust often defined as a dispositional attitude or a state of mind (Rousseau et al., 1998; Mayer et al., 1995). By contrast, in my dissertation trust is not stable by nature, but a socially constructed phenomenon i.e. context is highly involved in this definition of trust.

In conclusion, the construct of trust seems to include multiple and overlapping facets of conceptualization. Lewicki and co-workers (2006, p. 1014) emphasize the significance of the definition due to measurements, while this

dissertation is not concerned with measuring trust. Bachmann (2011, p. 207) considers attitudes, dispositions, emotions, and calculations “convincingly only conceptualisable as more or less important antecedents of the trustor’s decision to either invest trust in a relationship or refrain from so doing.” I view this conceptualization from the process perspective and as supporting the highly dynamic nature of trust. I will continue by discussing multidimensionality of trust in the next section. Nevertheless the concept still lacks a precise and commonly accepted definition.

2.2 MULTIDIMENSIONALITY OF TRUST

The research on trust at the individual (and organizational) levels of analysis has suffered from unidimensional conceptualizations and operationalizations and failed to distinguish between its related constructs (Mishra, 1996). However, since Lewis and Weigert (1985) the complexity and multidimensionality of trust has been discussed. As noted, trust is seen as a hybrid phenomenon (Bachmann, 1998). Nootboom (2002, p. 249) conceptualizes trust in people or organizations as “behavioral trust,” which has multiple aspects. Nootboom (ibid, p. 250) states, that “trust has rational reasons, based on inference of trustworthiness, and psychological causes, which block, affect or enable rational evaluation.” Trust is typically conceptualized as a unidimensional measure in empirical studies, for example in those on the impact of trust on organizational citizenships behavior and job performance (Pillai et al., 1999; Jung & Avolio, 2000). From the process point of view of trust, there are particular dimensions that have a remarkable role in the dynamics of trust, namely, time and the role of emotions.

2.2.1 The temporal dimension of interpersonal trust

Trust is not static. Nootboom (2002, p. 248) aptly states that “while it is needed as the basis for a relationship, it is also shaped by it” and summarizes that trust should be seen as a process. Similarly Whitener et al. (1998) view trust as a social process. In Möllering’s (2013) as well as in my view, trust is a *process* and we can discuss *trusting*. A process-like perspective on trust describes a more dynamic view of trust than trust in and of itself (Burke et al. 2007, p. 609). We may also state that research has produced wide-ranging conceptualizations of trust from Rotter’s (1967) views of trust as a stable trait over time. The dynamics of trust refers to initiating, sustaining, and breaking trust, as well as repairing it (Tschannen-Moran & Hoy, 2000, p. 548). The dynamic nature of trust (e.g. Lewicki et al., 2006) is in the focus of the study. As mentioned above, trust is a highly dynamic phenomenon; trust tends to grow or decline in interaction between partners (cf. Bijlsma-Frankema & Costa 2005, p. 262). Doubts are cast as

to whether trust is so static after all as the previous theoretical research has suggested (Vuorenmaa, 2006, pp. 27-28).

In general, time is a complex topic (Shamir, 2011) as an organizational phenomenon. Several trust theorists have stated that trust develops incrementally over time. However, time itself does not cause trust to develop; continuous interaction is needed. Trust is seen as an *ongoing process* (Connell et al., 2003). Leadership relationships and processes as they evolve over time, and trust as such, have a time-sensitive nature even though the 'temporal element' of trust has been little studied. Successful relationships are thought to enable organizations to cope with levels of uncertainty in times of changes (Atkinson, 2004). Trust is seen as a central element in enabling collaborative actions in the dynamics of managerial relationships (Mayer et al. 1995; Lewicki et al. 2006). Trust is built in the course of time and of compatible words and actions (Mishra, 1996, p. 268; Lewicki & Bunker, 1996, p. 119).

The foundation of process-based trust is in former exchange and experiences and is therefore also defined as deserved trust rather than as given trust (Lane, 1998, pp. 11-12; Misztal, 1996). Harré (1999) discusses a posteriori trust enlarging the temporal tension of trust. According to earlier research, established conditions are needed for trust to develop, which means that at the social level it is increasingly difficult to produce the sort of environment for trust to develop. Trust development process is a never ending story (Martin, 1998, p. 43). The temporal dimension of the ongoing trusting process is encapsulated by Wright and Ehnert (2010, p. 110): "Trust is not something that can be turned on and off; like 'sensemaking' (Weick, 1995) it is something we have been doing all our lives and will continue to do as long as we live."

2.2.2 Cognitive and affective dimensions of trust

The literature typically differentiates trust into two dimensions, one of which is exchange-based or relational in nature and the other character-based or cognitive in nature (Zhu et al., 2013; Dirks & Ferrin, 2002; McAllister, 1995). In his study, McAllister (1995) provided evidence that trust has cognitive and affective aspects as Lewis and Weigert (1985) suggested. More specifically, scholars distinguish between these different *bases* of trust as relation-based trust has an affective basis, and character-based trust has a cognitive basis (Zucker, 1986; Dirks & Ferrin, 2002; Gillespie & Mann, 2004; McAllister, 1995). The affective, cognitive and behavioral dimensions of trust are also conceptualized as intent of trust (Cummings & Bromiley, 1996). Cognitive trust and affective trust may also be viewed as dimensions of interpersonal trust (Dirks & Ferrin, 2002), where cognitive trust reflects issues of trustworthiness and affective trust reflects a special relationship with concern for the trustee's welfare. Distinguishing between these perspectives is important, because they have implications for trust development at the workplace and for the consequences of trust (Dirks 2006, p. 16). Zhu et al. (2013) recently recognized that earlier studies

have typically used measures of trust that combined both affective and cognitive dimensions; however, due to the different types of trust, they could have different effects on the outcomes of dynamic leader-follower relationships.

Trust can be founded on both cognition and emotions of an actor. Cognition-based trust expresses rationalism and knowledge (McAllister, 1995, pp. 25-26) and is based on an evaluation of personal characteristics and trustworthy behavior, i.e., integrity, competence, benevolence, and reliability (e.g. Dirks & Ferrin, 2002), thereby exerting influence on attitudes (Mayer et al., 1995). In other words, character-based, cognitive trust refers to beliefs about another's trustworthiness; relation-based affective trust refers to the role of emotions and the process of trust development (Gillespie & Mann, 2004). Zhu et al. (2013) state, that "we are unable to fully understand the dynamic and complex roles played by different types of trust" in leadership. Lewicki et al. (2006, p. 1001-1002) state that affect felt toward the trustee plays a role in interpersonal trust. Affective trust is based on emotional ties in relationship originating from mutual care and concern (Dirks & Ferrin, 2002; McAllister, 1995). The importance of affect-based trust refers to reciprocated interpersonal concern as a mechanism which promotes positive work outcomes has recently been highlighted in leadership (e.g. Zhu et al., 2013). Trust may be founded on both the cognition and emotions of an actor. Zhu et al. (2013) suggest that the undesirable phenomenon of over-dependence originating through the development of high levels of cognitive trust is more likely to operate at the individual level. Unlike affective trust, cognitive trust may have negative outcomes (Zhu et al., 2013).

McKnight and Chervany (1996) conceptualize cognitive and emotional trust as trusting beliefs and expectancies, and personality as dispositional trust constructs. Chen et al. (2011, p. 86), referring to Jones and George (1998) and McAllister (1995) among others, stress that "without accounting for affective processes, we cannot hope to understand fully the *dynamics of interpersonal trust*" (italics mine). While cognition-based trust refers to a judgment based on evidence of another's competence and reliability, affect-based trust refers to "a bond that arises from one's own emotions and sense of the other's feelings and motives" (Chua et al., 2008, p. 437). Vulnerability is related to affective trust as well as a sense of security, genuine caring and concern on the part of the other party (McAllister, 1995). This kind of relational trust is based on emotions (McAllister, 1995) and has also been called process-based (Zucker, 1986). The dissertation focuses on the interpersonal, relational process of trust with special reference to dyadic leader-follower relationships.

McAllister (1995, p. 51) considers cognition-based trust necessary for affect-based trust to develop, and then in the course of time, affectively based trust evolves. Neither affection as such nor time can produce trust but may promote it. Nonetheless, affection does not seem to be necessary for trust to develop (Tschannen-Moran & Hoy, 2000, p. 560). On the other hand, the role of affect can also be viewed as an antecedent of trust when focusing on understanding how

trust evolves (Fulmer & Gelfand, 2012, p. 1210). Zucker (1986, p. 65) considers that process-based trust rests on long-term, stable relationships. For example, loyalty and commitment are evinced as examples of relationship-based trust. Accordingly, Zucker (1986) shows that social similarities, similar background and values, e.g. family, culture, religion, and community, exemplify characteristics-based trust at interpersonal level. I consider 'affect' to be broader than moods and emotions (Fulmer & Gelfand, 2012). As my purpose is to understand the phenomenon from multiple perspectives, I also focus on emotions in the process of trust development (Dunn & Schweitzer, 2005; Lount, 2010).

Wright and Ehnert (2010, p. 108) take the view that the rational choice perspective of trust negates emotion and social influences. Interestingly, emotions are often considered an outcome of trust although they may also be viewed as antecedents; for example, in their review, Fulmer and Gelfand (2012, p. 1210) consider emotion as an antecedent; for example, as such underexplored, because only few investigations have focused on trust and affect. However, scholars are unanimous about the important role of emotions in the trusting process, in building and maintaining trust. In work relationships trust is typically based on competence and even in the face of possible personal dislike, may be maintained (Gabarro, 1978). Trust is not merely a feeling or emotion, rather, the role of affect is crucial in trust (e.g. Laine, 2008). According to Tschannen-Moran & Hoy (2000) "trust is not a feeling of warmth or affection but the conscious regulation of one's dependence on another" (referring to Zand, 1971).

According to Jones and George (1998), the states of trust are conditional, unconditional and distrust and the experience of trust and the interplay of individual's values, attitudes, and moods and emotions are emphasized in the process. Moods and emotions may be a powerful foundation for trust in ongoing relationships and situations (Jones & George, 1998). I agree with the conceptualization of emotions of Jones and George (1998) as explicitly linked to particular events or circumstances, whereas moods are not so tied to specific situations. Fulmer and Gelfand (2012) claim that research has found that individuals in a positive mood are more likely to increase interpersonal trust based on situational cues (and vice versa, see Lount, 2010). Further, even incidental, separate emotions may affect interpersonal trust development (Dunn & Schweitzer, 2005). Uhl-Bien (2006, p. 670) states that the role of emotions in relational processes should be more examined, continuing: "Emotions play a key part in human interactions and dynamics" (see also e.g. Ashkanasy & Daus 2001).

Despite the body of literature on emotions in organizations, I concentrate on social constructionist views whereas naturalist and positivist views are beyond the scope of the present study. The social constructionist approach views emotions produced by social events and feelings produced by actions (e.g.

Kuusela, 2010, p. 58). I do not distinguish emotions into positive and negative and consider all emotions as 'messages' indicating what is important and valuable to us. So-called "negative emotions," such as anger, may manifest for the good, for example, if it is about defending the weak. Perhaps such anger may foster trust building. The issue with emotions is how we handle them, in other words, to what actions and deeds they lead us. Is it possible that negatively perceived emotions, such as anger or jealousy, may inhibit the trusting process? Accordingly, could positively perceived emotions, such as compassion or sympathy, increase the likelihood of trust? I consider feelings as moods and emotions (George, 2000) playing a crucial role in leadership. The construct of *emotional intelligence* is the term used in leadership literature to refer to the ability to understand and manage moods and emotions in the self and others (George, 2000, p. 1027).

2.2.3 Related constructs

Trust is often distinguished from related constructs (e.g. cooperation) as a *consequence* of trust. The related constructs of trust according to Mayer et al. (1995) are *confidence*, *cooperation*, and *predictability*. Most scholars agree that cooperation is entailed in trust. Generally, cooperation, confidence, and predictability are overlapping concepts although, somewhat differentiable at the same time (Mayer et al., 1995).

Confidence

Scholars have distinguished between trust and confidence as the latter is more obvious and is not questioned in those cases in which no other options are even considered (Seligman, 1997). Typically, trust refers to interpersonal trust whereas confidence is seen as more systematic, such as trust in institutions and abstract systems, where relationships between actors are indirect, systemic, and impersonal (e.g. Seligman, 1997). In Schoorman's et al. (2007, p. 494) words: "The key difference is that whereas trust refers to expectations about positive motive, confidence refers to certainty about cooperative behaviors." Luhmann (1979) said that risk is recognized and assumed with trust, but not with confidence (cited in McKnight & Chervany, 1996), which is adopted by Mayer et al. (1995). By confidence McKnight and Chervany (1996, p. 35) mean "a feeling of certainty or easiness regarding a belief one holds." They continue "this affective definition of confidence contrasts with the depiction of confidence as a cognitive, subjective probability. --The term confidence is frequently used -- both as a synonym and as a definitional term." On the other hand, Jones and George (1998) analyzed trust development in organizations and emphasize the experience of trust and the interplay of people's values, attitudes, moods, and emotions in the process. From this perspective, they view trust as an expression of confidence between parties in an exchange situation (Jones & George, 1998, p. 531).

Cooperation and predictability

Confidence and cooperation are often used synonymously with trust. Trust is recognized as an important precursor of cooperation. For example, Colquitt et al. (2007) described patterns and openness of cooperation as antecedents of trust. Competence, benevolence, honesty, and predictability are often presented as dimensions of trustworthiness in the literature or as antecedents (trustee characteristics) of trust (Dietz & Den Hartog, 2006; Burke et al., 2007, p. 613). Predictability refers to how the other party will behave in future if the situation changes (Aldrich & Ruef, 2006, p. 70). Predictability is suggested to act as a constituent element of trust (Dirks, 1999), and Lewicki and Bunker (1996) state that trust is grounded in predictability, stating also that predictability enhances trust.

Trustworthiness

Mayer et al. (1995) developed a model of organizational trust according to which several characteristics of both parties lead to trust. The distinction between trust and trustworthiness is crucial as trustworthiness refers to the characteristics of the trustee (Mayer et al., 1995) appearing as a key element in the trusting process (Chen et al., 2011). Trustworthiness is essentially an issue of business ethics: "To be ethical is to be trustworthy" (Dietz & Gillespie, 2011), which includes fairness, integrity, keeping promises, etc. Trusting beliefs usually refer to trustworthiness, although some scholars conceptualize the dimensions of trustworthiness as elements of trust or facets of trust e.g. (Tschannen-Moran & Hoy, 2000, pp. 556-558). By multidimensionality Mishra (1996) refers to *dimensions of trustworthiness* such as competence, openness, concern/benevolence, and reliability. Competence (ability), benevolence (goodwill), integrity (honesty), and predictability are often presented as dimensions of trustworthiness in the literature or as antecedents (trustee characteristics) of trust (Dietz & Den Hartog, 2006; Burke et al., 2007, p. 613). According to Möllering et al. (2004), "There is no overall agreement on whether all four should be part of a concept of trust." Dietz (2011) argues that the basis of trust is trustworthiness. Ability, benevolence, and integrity, hereafter referred to as ABI, are the immediate precursors of trust (Mayer et al. 2011, p. 180).

In the literature, trust in dyadic relationships is related to the attributes of the trustee and trustor, and repeatedly throughout the literature the trustee attributes are his or her perceived trustworthiness (ABI), particularly in management and leadership studies. Despite the use of the ABI frame in trust research, its meaning has rarely been discussed. Trustworthiness operationalized as a *perception* refers to perceptions of ABI, consequently the question arises: How are these concepts defined? Significantly according to quantitative approaches, these dimensions of trustworthiness are underpinned by variables usually taken for granted. However, ability, benevolence, and

integrity are multidimensional constructs as such and each of them encompasses a variety of nuances and overlapping meanings. Furthermore, each element of ABI may vary independently of the others (Mayer et al., 1995, p. 720). I consider *these dimensions of trustworthiness* separable but rather overlapping and elusive. For instance, if a trustor believes that a trustee will fulfill promises and obligations, that trustee is perceived to be honest, benevolent, and competent (Krot & Lewicka, 2012). It is also noteworthy from the perspective of dynamic trust, that “a feedback loop from outcomes of trusting behavior back to the factors of trustworthiness (ABI)” is recognized by Lewicki et al. (2006, p. 1002). Colquitt et al. (2007, p. 918) distinguish trustworthiness and trust propensity, (which they define as a dispositional willingness to rely on others) from trust, which they define according to Mayer et al. (1995) as “the intention to accept vulnerability to a trustee based on positive expectations of his or her actions.”

Ability. Scholars explain that ability and competence refer to the extent to which the trustee has knowledge and skill (Dietz, 2011). “Ability captures the trustor’s perception of the trustee’s capabilities and skills required for success in a particular domain” (Zapata et al., 2013, referring to Mayer et al., 1995). Gabarro (1978) refers to ability or competence as one of the bases of trust, including expertise, general wisdom, and interpersonal skills. Ability refers to competence and professional skills (Jarvenpaa et al., 1998, p. 31). Additionally, use is made of Mishra’s (1996) elements of trust consisting of ‘know-how, openness, caring and trustworthiness’ although know-how may also be implicit in ability. Kim et al. (2013, p. 3) define competence as “the extent to which one possesses the technical and interpersonal skills required for a job.” In this definition, for example, ‘interpersonal skills’ refers to the wide battery of interactional skills. Colquitt et al. (2007, p. 910) discuss unique relationships between trust and ability (combined with character) on the basis of theoretical reasons. In the literature competence is often operationalized explicitly even though it may cover a wide range of meanings. Characteristically in organizations an employee may trust that his or her leader is highly competent in the substance although questioning if the leader can manage conflicts.

Benevolence. The trust literature suggests that benevolence and goodwill refer to confidence that one’s wellbeing will be protected by the trustee (e.g. Tschannen-Moran & Hoy, 2000). Nootboom refers to intentional trust as trust in benevolence and trust in dedication. Benevolence means “interpersonal care and concern” (Jarvenpaa et al., 1998, p. 31), in line with Zapata et al., (2013, referring to Mayer et al., 1995), who conclude that benevolence is about loyalty, caring, supportiveness, and openness. Zapata et al. (2013) define benevolence as the “perceived extent to which the trustee wants to do well by the trustor, excluding self-interested motives.” Mayer et al. (1995) include loyalty, caring, supportiveness, and openness in the construct of ability. Openness, on the one hand, refers to “the extent to which there is no withholding of information from others,” and, on the other hand, it also more widely to willingness to be

vulnerable (Dietz, 2011). Additionally, excessively open behavior is found to diminish trust instead of strengthening it (Mishra, 1996). Some researchers explain that benevolence refers to 'mutual help', 'extraordinary behavior for trustor's well-being' and 'a willingness to take into consideration the trustor's interests in a decision-making process' (Krot & Lewicka, 2012). Benevolence is also defined as a desire for and sensitivity to concern for others and expressions of altruism (Krot & Lewicka, 2012). In addition, Zapata et al. (2013, p. 2) state that benevolence includes loyalty, caring, supportiveness, and openness, and defines it as do Mayer et al. (1995) as "the perceived extent to which the trustee wants to do well by the trustor, excluding self-interested motives." Nootboom (2002, p. 247), by contrast, pose the question "Can trustworthiness go beyond self-interest?" referring to the paradoxical nature of trust. As a conclusion, benevolence as such, and ability and integrity especially, appear more multidimensional constructs than their use as variables indicates.

Integrity and honesty have to do with perceived trustworthiness. In the literature, integrity refers to honesty, the character, and authenticity of the trustee Dietz (2011). Integrity is related to the principles (Jarvenpaa et al., 1998, p. 31), and Mayer et al. (1995) argue that integrity is judged by previous behaviors, reputation, similarity of values and consistency between word and actions. Mayer et al. (1995) suggest that integrity is important in initial trust formation and in the early stages of a relationship, whereas the meaning of benevolence grows on the course of the relationship. Zapata et al. (2013, p. 2, referring to Mayer et al., 1995) state that integrity refers to "the extent to which the trustor believes the trustee adheres to moral and ethically sensible principles." Integrity generally refers to congruence between what the parties say and what they do, although it may have numerous other meanings. One definition of integrity is "the extent to which one adheres to a set of principles that a perceiver finds acceptable" (Kim et al., 2013, p. 3). Definitions similar to this one are applicable in measurements and hypothesis testing. Honesty may refer to truthful statements, commitments to be kept in future, and refusal to distort the truth for one's own benefit (Tschannen-Moran & Hoy, 2000). Colquitt et al. (2007, p. 910) refer by integrity to "moral and ethical principles, with synonyms including fairness, justice, consistency, and promise fulfillment." In conclusion, integrity and honesty appear to multifaceted constructs as well.

2.3 MULTILEVEL TRUST

Having reviewed some perspectives regarding the conceptual issues of the construct of trust, I will now turn to the levels of organizational trust in more detail, focusing on interpersonal and in particular, trust at dyadic level. As mentioned before, trust in organizational contexts may exist at many levels; at the inter-organizational level, the organizational level, the leadership level, and at the team level (Burke et al., 2007, p. 610). In my framework, I consider 'organizational trust' as an umbrella term for all levels and types of trust within organizations, referring by institutional trust to trust *in* the organization. Regarding the level of analysis, Fulmer and Gelfand (2012, p. 1170) state: "at least three referents are possible: interpersonal, team, and organization." In that sense, I study trust in an interpersonal referent, more specifically, trust in leader-follower relationships at the dyadic level of trust. On the other hand, Fulmer and Gelfand (2012) reviewed the research, which is predominantly based on the quantitative approach to trust in the leader (or trust in the follower). Fulmer and Gelfand (2012, p. 1173) consider conceptualizations of trust as "a shared construct beyond the individual level," for example, trust at team level is defined as "shared psychological states."

Partly due to the reciprocal nature of trust, the effects, means, and consequences of trust can be seen in the different levels of trust in organizations. Shapiro (1987) makes a sharp distinction between impersonal, institutional, and personalized *sources* of trust. Dietz (2011) discusses the co-existence of institutional and interpersonal trust and also other sources of trust: reputation, third party testimonies (vs. rumor), as well as role-based assumptions in organizations. Empirical evidence of employees' multiple trust *foci* has recently been presented by Redman et al. (2011), related to both levels and referents of trust. In the present study, I use *trust at a level* to refer to the level of analysis of a study (Fulmer & Gelfand, 2012, p. 1170) focusing on dyadic trust at the individual level of trust. Significantly, Fulmer and Gelfand (2012) ignore the dyadic level of trust in their review of earlier trust research.

Trust within social capital

Trust in general also refers to cultural and social capital (Sztompka, 1999, p. 15). However, the national level of trust is beyond the research aims of this study. Trust in organizations is intertwined especially in empirical situations. Trust is deeply involved in social capital as relationships are resources for social action and interpersonal relationships provide the basis for trust (Nahapiet & Ghosdal 1998, p. 234). Referring to the definition of social capital by Nahapiet and Ghosdal (1998, p. 243): "the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit," at the organizational level, trust is an important element of social capital in the creation of intellectual capital. Trust is

embedded in all classifications or dimensions of social capital (Nahapiet & Ghosdal 1998, p. 243). Impersonal trust is related to structural capital, which refers to social system and networks as a whole. According to Nahapiet and Ghosdal (1998, p. 244) structural embeddedness describes “the impersonal configuration of linkages between people or units.” On the contrary, the relational embeddedness of social capital refers to personal relationships that individuals have developed with each other in the course of time by interactions, both intra- and inter-organizationally. In particular, trust building is seen as a leadership skill within cognitive capital and it is also the essence of leadership, as managerial leaders are responsible for knowledge sharing, motivating and creating learning culture (Savolainen, 2011a). Nahapiet and Ghosdal (1998) state that the skills to create and share human intellectual capital will be manifest in the everyday routine of both leader-follower relationships as well as other work relationships. I consider trust to be an inseparable part of human capital which “originates in the cognition, affect, behaviors, or other characteristics of individuals is amplified by their interactions, and manifests as a higher-level, collective phenomenon” (Kozlowski & Klein, 2000, p. 55). Social capital is crystallized in mutual trust at multiple levels of trust in organizations.

The institutional level of trust

The institutional level of trust is discussed briefly because institution-based trust may influence interpersonal trust (Dirks, 2006; McKnight & Chervany, 2006, among others). Institutional trust is conceptualized as societal trust (e.g. Sztompka, 1999) referring to the “precondition of trust developed between firms and/or managers” (Bachmann, 2011, p. 208). The concept of system trust (Luhmann, 1979; Giddens, 1990) is similar to institutional trust (Bachmann 2011, p. 206). At the institutional level trust indicates confidence and faith that the organization will prosper in the future. Institutional trust is tested particularly in troubled times when it is a matter employees’ trust in organizational survival and vitality. Institutional trust may also be expressed by employees’ confidence in the commitments of the employer. For example, employees trust their managers to make decisions for the common good, including the perspective of all employees on their resolutions (Gilbert & Tang, 1998, p. 322). From this perspective trust at institutional and interpersonal levels is interlinked, as successful relationships are seen to enable organizations to cope with levels of uncertainty in times of changes (Atkinson, 2004).

Bachmann (2011, p. 208) differentiates between institutional trust (trust in institutions) and institutional-based trust, by which he refers to trust developing in “a social relationship constitutively embedded in the institutional environment” where “individuals or organizational actors develop trust in the face of specific institutional arrangement.” I define trust as a socially constructed phenomenon implying this embeddedness. Dietz (2011, p. 215) states that types of trust (depending on their bases: contract, competence, goodwill, deterrence,

calculus, knowledge and identification) have distinctive origins and dynamics. Dietz (2011) depicts interaction-based trust and institution-based trust as being qualitatively distinguishable while Bachmann, according to Dietz (*ibid*, pp. 215-216), argues for a 'multiplicity of trust types.' This individual versus collective distinction may have significant implications for the measurement of trust. While I attempt no measurements in that sense, the question is not relevant to my study. To be more precise, the role of the context, e.g. the influence of institutional trust on interpersonal trust relationships, is not neglected in the present study. As Bachmann (2011) calls for a re-orientation of trust research, it may be partly supported by regarding more holistic perspectives on trust research. Sitkin and George (2005) also distinguish between institutional and interpersonal trust focusing on their interrelation. Subordinates who maintain institutional trust in their manager or organization may believe that the social structures influencing interpersonal interactions enable the deepening of superior-subordinate relationships (Zucker, 1986). Individual trust may be invisible and even "tacit", easily broken and fragile. On an organizational level it is usually more tangible and can be sensed, for example, in the culture and atmosphere as well as in various relationships of influence, e.g. between a leader and a follower (Savolainen, 2011a).

McKnight and Chervany (1996, p. 7) categorize trust into three construct types: Impersonal/Structural, Dispositional, Personal/Interpersonal. I refer to the first of these as institutional as well. Structural trust is an institutional property, and in that sense, a part of social capital. In organizations trust as structural property can be utilized in a variety of ways when first identified as an asset by managers (Savolainen, 2011a). Further, impersonal trust contributes to organizational success by Human Resource Management practices and procedures (e.g. Vanhala, 2011). Besides, Creed and Miles (1996) suggest that HR procedures affect perceptions of trust and HR systems as reward and control may facilitate or inhabit trust in organizations. Trust is supported and facilitated by institutional structures and procedures since trust at the interpersonal level is crucial, for example, in knowledge management. Trust at different organizational levels is interlinked and intertwined and leaders need to know better how trust can be promoted in organizations.

Intra- and inter-organizational levels of trust

Intra- and inter-organizational trust has been the dominating theme in the trust literature, e.g. in the volume edited by Lane and Bachmann (1998). Although my study focuses on the intra-organizational trust, the inter-organizational level of trust is briefly discussed due to interrelations for institutionalized trust (Bachmann, 2011, p. 204): it is not possible to entirely exclude institutional or impersonal trust from this study since leader-follower trust relationships can be considered to be interlinked with organizational trust, in particular, when considered as trust in a leader.

Trust is a key concept in management and industrial relationships inter-organizationally (Blomqvist, 1995). Trust is clearly a concern of both intra- and inter-organizational networks as trust drives, or lack of it may hinder, collaborative, trustworthy interactions within groups and between individuals in organizations (Savolainen, 2011a). In particular, intra-organizational trust and the organizational effects of trusting leadership relationships need to be examined more (Nooteboom, 2002, p. 210). In inter-organizational relationships, too much trust is as bad as too little (Jeffries & Reed, 2000). In the continuing discussion on interrelations interpersonal trust and inter-organizational trust are also interrelated but empirically and theoretically distinct constructs (Zaheer et al., 1998). Trust in intra-organizational relationships has an effect on the atmosphere of the innovative organization culture as the employees know that innovations and new ideas are highly appreciated. Trust is seen as reciprocal at the organizational level, as Levinson (1963) defines reciprocity between an employee and an organization as “a concept which encompasses a continuous two-way process, which can incorporate and accommodate other concepts” (Levinson, 1963, p. 384). Indeed, institutional-based trust may be understood as a micro-level phenomenon (Bachmann 2011, p. 208). In that sense, my point of view is close to that of institutional-based trust development, although I focus here on dyadic trust. In this dissertation trust is not seen only as a micro-level phenomenon that spontaneously emerges between individuals and is characterized by sympathy and harmony (Bachmann, 2011, p. 204) but a socially constructed phenomenon affected not only by both parties but also by the situation and the organizational context (discussed more detail in Chapter 3).

Zaheer et al. (1998) suggest that in the inter-organizational context, both inter-organizational trust and interpersonal trust must be considered together due to reciprocal effects. This implies, for example, that even though the individuals in the dyad may not trust each other, as long as the institutional structures accompanying high inter-organizational trust are in place, negotiation costs will be kept down. Further, high inter-organizational trust and low interpersonal trust can coexist in the same relationship given that boundary-spanning individuals come and go, whereas the institutionalized structures and processes accompanying inter-organizational trust are more stable and enduring (Ring & Van de Ven, 1994). This can be found, for example, in organizational structures and systems. In comparison with interpersonal trust, inter-organizational trust emerges as the dominant influence on exchange processes and outcomes. The stability of inter-firm exchange is not created and maintained solely by boundary individuals, but rather is institutionalized in the inter-organizational relationship (Zaheer et al., 1998). The investigation of inter-organizational trust formation and processes is beyond the scope of this research, but does not underestimate its importance.

The interpersonal and dyadic level of trust

Returning now to the discussion in the focus of this study, namely the interpersonal and dyadic level of trust, the relational perspective is discussed in more detail. At the interpersonal level, trust is studied as *a relational concept* that develops in the interaction between to organizational actors. In interpersonal relations, trust has been examined, for example, between peers, supervisors and subordinates, and at managerial and organizational levels (Dirks & Ferrin, 2002; Bijlsma & Koopman, 2003; Lewicki et al., 2006). Interpersonal trust has also been conceptualized as an opposite to impersonal trust (e.g. Vanhala, 2011). Trust refers to interpersonal trust where the interaction is spontaneous, impulsive, intimate, and individual (e.g. Seligman, 1997). As mentioned above, it is useful to make a distinction between two different types of trust depending on the source of trust as interaction-based and institutional-based (Bachmann 2011, p. 206). In addition, trust may be based on mutual agreement, perhaps legal and psychological. I consider interaction-based trust to be interpersonal and relational trust. As to the role of relational trust it has been seen vital in sharing tacit knowledge in order to create new intellectual capital (Savolainen, 2011b) which means that both interpersonal and relational trust are involved. Dietz (2011) conceptualizes relational trust as interpersonal trust (p. 217), whereas by relational trust McAllister (1995) refers to emotions-based trust. McKnight and Chervany (1996) categorize a third type of trust (impersonal, dispositional and interpersonal) of which interpersonal trust is what I focus on in this dissertation. Interpersonal trust theory can be traced back to 1973, when Conviser proposed a more general interpersonal trust theory in contrast to the narrow models developed for Prisoner's Dilemma game situations in economics. McKnight and Chervany (1996, p. 8) define interpersonal trust such "that two or more people (or groups) trust each other in a specific situation" referring to the trusting entity that involves at least two persons or groups. In that sense, trust can be seen as dyadic in nature. Nevertheless, in this study, I focus on interpersonal trust as a more relational phenomenon, "in between" the partners, instead of entities (or referents) as such.

The relational nature of trust is generally agreed on, although ignored in reports (Wright & Ehnert 2010, p. 109). Trust is seen as dyadic in nature (e.g. Yakoleva et al., 2010) and relational models of dyadic trust in organizations have been developed e.g. by Mayer et al. (1995, discussed above). However, trust is not typically studied as a dyadic phenomenon (Yakoleva et al., 2010). Traditionally, trust research has examined the topic from the individual's perspective (Serva et al., 2005, p. 626). For example, Brower et al. (2009) found that trust in the subordinate has unique consequences beyond trust in the manager. However, my interest is in neither the leader nor the subordinate as a referent of trust, but in the development and dynamics of trust in the leader-follower relationship. It is noteworthy that a few management researchers have studied manager-employee dyads using trust as a predictor of the outcomes of

dyadic interactions e.g. in hypothesis testing (Yakoleva et al., 2010, p. 79). In the literature trust is acknowledged to be a relational phenomenon and the concept is defined as evolving gradually over time in interactions between trustor and trustee (Mayer et al., 1995). Trust is built in the course of time and of compatible words and actions (Mishra, 1996, p. 268; Lewicki & Bunker, 1996, p. 119). Trust at the interpersonal level may include several individuals (peers) in groups and teams while dyadic trust refers to a vertical relationship between a leader and a follower in this dissertation.

Bachmann (ibid. p. 206) argues that interpersonal trust is unusable in business relationships as it is time-consuming to build due to the need for face-to-face contacts. I agree that face-to-face contacts have their importance in interpersonal trust building. Nevertheless, relational trust can also be maintained by other means of communication. It is also possible to create interpersonal trust on the basis of institutional trust, e.g. in virtual teams where swift trust is identified (e.g. Jarvenpaa et al., 1998). In conclusion, as trust, and especially dyadic trust, is fundamentally an interpersonal phenomenon (Saunders et al., 2010, p. 498; Yakoleva et al., 2010), it is worth studying at the interpersonal level, even though Bachmann (2011, p. 206) argues that interpersonal trust is a “misleading direction of trust research”.

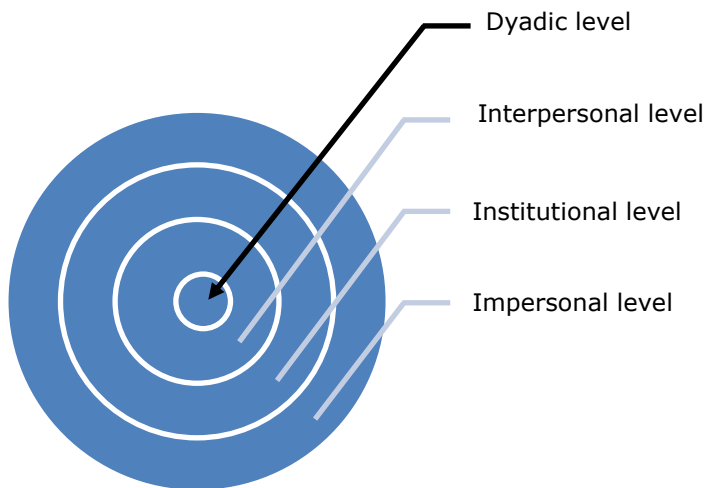


Figure 1: Positioning the focus of the study within the levels of organizational trust

2.4 DYADIC TRUST

Models of trust development

I now move on to the discussion of models relevant to the development of trust as the subject of this dissertation. Several trust theorists have stated that trust develops incrementally over time. According to the research, the process is seen as a linear stage-based model. Trust is also seen as an ongoing process (Connell et al., 2003). On the other hand, focusing on how trust develops, trust could be considered as an outcome (or consequence) of the process. As to the development of trust, researchers have proposed models e.g. comprising the stages (Lewicki & Bunker, 1996) and interactive processes of trust development (McAllister et al. 2006, p. 1).

Mayer et al. (1995) developed a model of organizational trust in which several characteristics of both parties lead to trust. Trust develops dynamically in relationships in three stages that also describe the changes in *the foundations of trust*. The development of trust proceeds from calculative-based to competence-based trust, and finally, to identification-based trust. The better the other party is known the deeper the relationship between the parties develops in the course of time. These two models can be linked to each other in the sense that they look at a developmental nature of relationships and are also related to trust in relationships. Development is assumed to be progressive, i.e., relationships are seen to progress towards a deeper or more advanced level. Questions have risen as to the validity of the stage model of trust development, for example, in developing swift trust in temporary groups (Lander et al., 2004). I conclude with the same idea as e.g. Tschannen-Moran and Hoy (2000, p. 551) that it seems well established to say that trust is multifaceted with different bases and degrees depending on the context of the trust relationship. The model presented by Mayer et al. (1995) integrates the factors related to trust formation in organizations in a relational context. However, pertaining to studying trust development in work relationships, the model proposed by Mayer et al. is unidirectional. It does not include the reciprocal and dynamic nature of relationships or the process aspects (Savolainen, 2011b), which are the focus of this study. In more recent studies (see e.g., Brower et al., 2000) reciprocal trust perceptions have been studied in the dyadic leadership context.

According to Lewicki and Bunker (1996, p. 120) trust develops in three stages (Figure 2). They call the stages as follows: *calculus-based trust, knowledge-based trust and identification-based trust*. According to the psychological and transformational approach several trust types exist and the nature of trust as such transforms over time (Lewicki et al., 2006, p. 1006) when positive experiences, increased information, and predictability promote trust to the higher level. Identification-based trust is reached in a few relationships; knowledge-based trust develops in many relationships and calculus-based trust

in some relationships (Lewicki & Bunker, 1996). In the stage model of Lewicki and Bunker (1996) time is included.

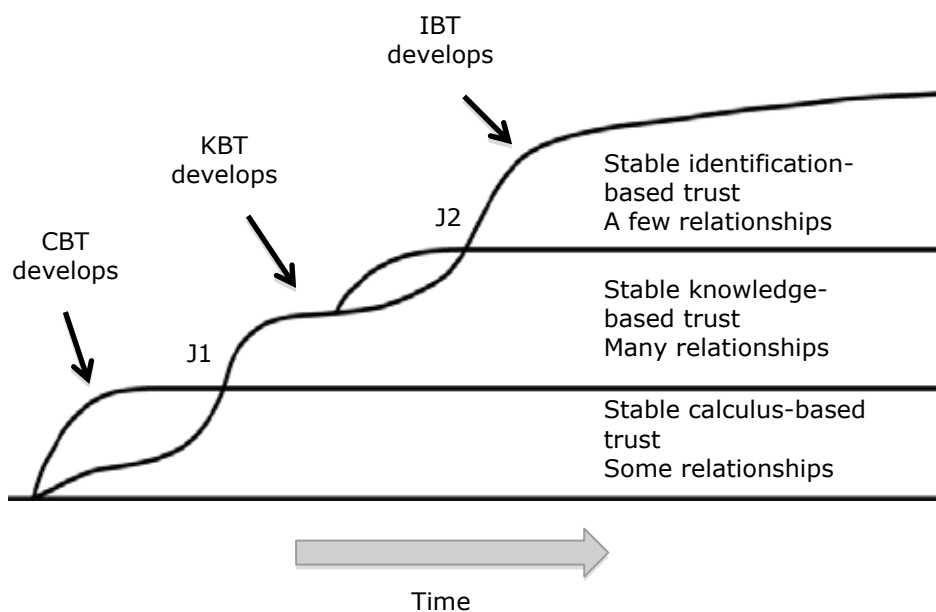


Figure 2: Model of trust development by Lewicki and Bunker (1996)

McKnight and Chervany (2006) on the other hand have criticized the 'calculation phase' (CBT) to be the first one as calculation is supposed to include information. The stage model assumes that the parties have a "tendency to extend trust more readily to people they perceive as similar to themselves, what Zucker (1986) called characteristic-based trust" (Tschannen-Moran & Hoy, 2000, p. 560). Therefore it may be contradictory that identification-based trust is the "final phase" of trust development.

McKnight et al. (1998) have developed a model of initial trust formation to explain why trust may be high in the early phases of a relationship. In their model, the impact of institution-based trust on inter-personal relationships is fairly high. Trust is taken for granted until there emerges reason to think otherwise and to suspect the intentions of others. In their model, honesty, benevolence, competence, and predictability are subsumed as trusting beliefs, and one's willingness to depend on the other person as trusting intention (McKnight et al., 1998). Recently the dynamics of trust has been discussed in the context of trust repair (e.g. Kim et al., 2009) on the basis that "our assessments of trustworthiness are far from systematic" (p. 403). "Trust in others" may develop gradually over time (Kim et al., 2009; Lewicki & Wiethoff, 2000) although it is suggested that "individuals can exhibit surprisingly high levels of trust even

without a history of interaction” (Kim et al., 2009), i.e. initial trust (McKnight et al., 1998).

Jones and George’s (1998) unidimensional model of the evolution of trust does not focus only on leaders and followers but also on co-workers and business acquaintances. Specifically, within this psychological perspective, distrust, conditional trust, and unconditional trust are conceptualized as three different states (or forms) of the concept of trust experience (Jones & George, 1998, p. 537). According Jones and George (1998), during unconditional trust, the exchange relationship is based on shared values and described with positive affections and sense of meaning. The symbolic interactionist model of trust proposes that conditional trust can dissolve and distrust appear instead; moreover, emotional outbursts can cause unconditional trust to change to conditional trust or distrust (Jones & George, 1998, p. 538).

Two different traditions have been distinguished in trust research (Lewicki et al., 2006), namely the behavioral tradition and the psychological tradition, which have provided different suggestions for the further research of the *dynamics of trust* (Lewicki et al., 2006, p. 992). Lewicki et al. (2006) have divided the prior research in the psychological approach into three divisions according to conceptualizations of trust and distrust (Table 1).

Table 1: Divisions of psychological approach (Lewicki et al. 2006, p. 992)

Model	Researchers	Description
1. The unidimensional model	Jones & George, 1998; Mayer et al., 1995; McAllister, 1995	Trust & distrust bipolar opposites
2. Two-dimensional model	Lewicki, McAllister & Bies, 1998	Independently varying dimensions
3. The transformational model	Lewicki & Bunker, 1996; Shapiro et al. 1992	Trust has different forms that develop and emerge over time

Lewicki et al. (2006) review three transformational models in which calculus-based trust is included in Lewicki et al. model as well as Rousseau et al. model. I agree with Rousseau et al. (1998) that relational trust derives from repeated interaction over time. The model of Rousseau et al. (1998) is the only one which explicitly acknowledges the role of emotions in trust development.

Droege et al. (2003) distinguish between initial trust and gradual trust stating that gradual trust is based on knowledge and experiences. According to the models currently proposed (e.g., Lewicki et al., 1998) development of trust is assumed to be progressive, i.e., relationships are seen to progress towards a deeper or more advanced level. In the models, progressing towards a higher level requires reciprocal, continuous interaction which fits the relational trust

definition adopted. The individual takes action based on his or her beliefs (McAllister, 1995) and may have to face disappointment when expectations are not met. Thus trust within work relationships is dynamic and varying. It develops in relationships between actors depending on the nature and functionality of those relationships. This is described for example in Laaksonen's (2010) research on trust formation in a team context. The study revealed that trust is a wave-like motion with its "surges, spatters, splashes and calms." The process seems complex, non-linear, and non-straight forward with more of a wave-like development (Laaksonen 2010; Savolainen, 2011a; Savolainen & Ikonen, 2012; Csik, 2012).

The model by Dietz et al. (2006) integrates five stages of trust development distinguishing between "real trust" and "pre-trust" (Figure 3). Dietz (2011) considers types of trust as the origins of trust and differentiates between contract trust, competence trust, goodwill trust (Sako, 1998), deterrence-based, calculation-based trust, knowledge-based trust, and identification-based trust. In their model, Dietz et al. (2006) use 'real trust' to refer to the stage model of Lewicki and Bunker (1996) and by 'pre-trust' to refer to deterrence-based trust, which they define as 'not trust at all, but distrust.' By 'complete trust' they refer to identification-based trust (Dietz et al., 2006). 'Complete trust' may also be related to unconditional trust (Jones & George, 1998).

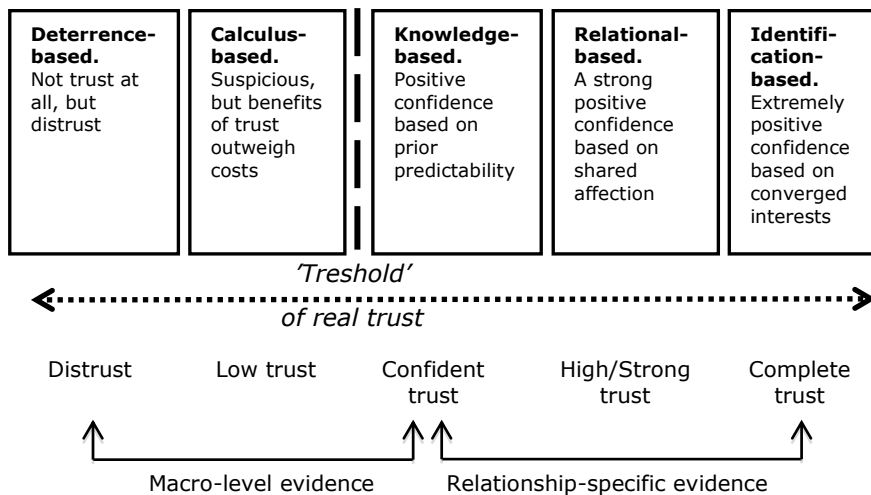


Figure 3: Trust development (Dietz & Den Hartog, 2006, p. 563)

Dietz (2011) argues that the stages of the universal sequence of trust describe the dynamics of trust formation in general: First, an assessment of beliefs (trustworthiness); second, a decision (a choice); third, a risk-taking act; and

fourth, feedback on the outcomes. Dietz (2011) argues that the basis of trust may vary, but the process is the same. The cyclical dynamic of trust is described by Dietz (2011, p. 215): The outcome from demonstrating trust by a risk-taking act “then feeds back information which updates the assessment on the other’s trustworthiness.” Dietz (2011, p. 219) thus describes the ‘general’ cycle of trust calling it a universal dynamic although the details remain unknown. He summarizes that these types of trust have distinctive origins and dynamics which are qualitatively distinguishable and uniquely suited to particular circumstances (Dietz, 2011).

Coexistence of trust and distrust

Trust and distrust are dimensionally distinct constructs based on cognition, affect and intentions (Lewicki et al., 2006). By contrast, Schoorman et al. (2007, p. 350) evince a more traditional view of trust and distrust regarding them as the opposite ends of the same continuum. They also refer to the trust definition by Mayer et al. (1995) that willingness to take a risk in a relationship means that at the lowest level of trust this does not entail taking a risk, and thus lack of trust is the same as distrust (Schoorman et al. 2007, p. 350). Tillmar (2009, p. 408) also conceptualizes trust and distrust as the endpoints of a continuum. Furthermore, Klaussner (2012) postulates trust and *mistrust* as opposite ends of a single continuum, referring to Bigley and Pearce (1998). Instead, in the mainstream of trust research, trust and distrust are conceptualized as separate but related constructs (Lewicki et al., 1998). Lewicki et al. (2006, p. 1005) also state that trust and distrust increase in *depth and breadth* that is not explicitly taken into account e.g. in Bachmann’s (2011) conceptualization of the co-existence of trust and distrust. I consider the coexistence of trust and distrust a possibility that “there may be simultaneous reasons for both trust and distrust another within the same relationship” (Lewicki et al., 2006, p. 1002). In this sense, trust is seen as paradoxical in nature, as the coexistence of trust and distrust may produce turns and shifts within relationships.

2.5 DYADIC TRUST IN LEADERSHIP

2.5.1 Relational and reciprocal trust in leadership

The construct of trust has been discussed, and I now approach the dyadic trust, i.e. trusting process, in cases of the vertical relationships between leaders and followers in organizations. This leads to another as yet unexplored issue – the issue of leadership. Leadership has been defined in numerous ways (Northouse, 2004; Yukl, 2010). For example, Northouse (2004, p. 3) defines leadership as “a process whereby an individual influences a group of individuals to achieve a common goal.” According to Northouse (2004, p. 3), first, a process refers to a transactional event; second, influence is essential, without it there is no

leadership; and, third, a group is the context of leadership. According to this definition, self-leadership is not leadership in that sense. Fourth, the focus is on the common goal that is a shared feature of all these definitions. Yukl (2010, p. 26) defines leadership in a commonly accepted way: "Leadership is the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives."

In this dissertation, leadership is defined relationally. According to Brower et al. (2000, p. 245), the concept of *relational leadership* can be extended to the organizational level. The term relational leadership has recently been used to describe "a view of leadership and organization as human social constructions that emanate from rich connections and interdependencies of organizations and their members" (Uhl-Bien, 2006, p. 655). The starting point of relational orientation is "processes and not persons, and views persons, leadership and other relational realities as made in processes" (Uhl-Bien, 2006, p. 655, referring to Hosking, 2007). Hosking (1999, p. 117) points out that "Relational processes often construct persons and worlds in either/or relations, however 'both/and' is also possible." The relational approach to leadership is considered by Hosking (1999, p. 118): "In such talk individual entities usually are presumed such that talk of relating is a reference to what goes on 'between' entities (in contrast to what goes 'within')." As Uhl-Bien depicts, the relational leadership approach based on social constructionist ontology,

breaks down the distinction between leader and follower. It sees leadership *not* as management, or managers and subordinates, but instead as an interactive process engaged in by participants, collaborators or partners (Uhl-Bien, 2006, p. 664).

The leader has the responsibility to create and maintain the relationship (e.g. according to leader-member exchange theory). However, it does not mean that leaders are better than followers or above them as such even according to the organizational hierarchy. Therefore, leadership can be considered as a role of a leader as well as a role of a follower; both are understood in relation to each other and collectively. Ultimately, there are no leaders without followers. Leaders and followers participate in the same leader-follower relationship, so they are two sides of the same coin (more about the leadership-making process and role-making in the next section, LMX theory). I have adopted the following definition of leadership:

Leadership is co-constructed, a product of socio-historical and collective meaning making, and negotiated on an ongoing basis through a complex interplay among leadership actors, be they designated or emergent leaders, managers and/or followers. (Fairhurst & Grant, 2010, p. 172)

I purposefully use the terms leader (manager/supervisor) and follower (subordinate), not referring to the value of either role but referring to them as established terms used in this field of research. On the one hand, from the point of view of labor code the leader-follower relationship is hierarchical and also reciprocally dependent between different individuals. In this dissertation, I refer by 'leader' to a direct leader (i.e. immediate superior) and by 'follower' to a subordinate. In other words, 'leader' refers to any person who has subordinates at any organizational level. The terms employee and subordinate are used synonymously without any value resonance in this study. By 'follower' I mean a subordinate of an immediate superior. Note that in Finnish there is only one word signifying both "manager" and "leader" (johtaja) and the same goes for the Finnish verb (johtaa) rendered in English by both "to manage" and "to lead." More precisely, in translating and discussing the data I have used the terms 'leader' and 'to lead' when the story refers to interpersonal skills and personal attributes but the terms 'manager' and 'to manage' when the issue is one of strategy, systems, and processes (see Katila & Eriksson, 2011, p. 5). Interestingly, leadership and management used to be largely interchangeable terms until leaders became change-masters and managers taskmasters who implement the change (e.g. House, 1977; Bass, 1985; cited in Fairhurst & Grant, 2010, p. 179). In this dissertation, the terms manager and superior are also used synonymously, likewise subordinate and a 'member' (within LMX theory, see next section).

Trust development in the leader-follower relationship

Trust is the essence of leadership (e.g. Badaracco & Ellsworth, 1993). As Mayer et al. (2011, p. 180) have observed (referring to Blake & Mouton, 1964), the literature on leadership has confirmed that "the manner in which leaders attempt to influence their followers affects leader effectiveness." Hence trust is the essence of leadership. Leadership, as well as trust, is a multilevel phenomenon (e.g. Yukl, 2010; Yammarino et al., 2005). The relationship between a leader and a follower is at the core of leadership (e.g. Locke, 2003). The most basic aspect of leadership at all levels is the building of interpersonal relationships with followers. Both trust and leadership are approached as relational concepts in my dissertation, which focuses on dyadic trust in leader-member relationships.

Besides being a cognitive phenomenon, leadership is a sensory experience that occurs in relating to other people. (Ropo & Sauer, 2008, p. 470)

As trust is the essence of leadership, trust is a 'sensory experience' occurring in interaction and with relationships. As Ropo and Sauer (2008, p. 470) state, "leadership develops and is constructed in and through the bodies as leaders relate to other people in everyday situations." As well as leadership, trust, too,

“becomes a corporeal relationship taking place between people” (Ropo & Sauer, 2008, p. 470). On the other hand, trust itself is a driving force engendering and shaping relationships and their dynamics. Leadership can be viewed as a process involving at its core social influence between leaders and various constituents (Kramer, 2011). Assuming now that leadership is a phenomenon of social interaction (Klaussner, 2012, p. 2), as well as trust, followers must also be taken into account. Uhl-Bien (2006, p. 672) suggests that the next direction to enhance our understanding of relational leadership is “to address the question of what the relational dynamics are by which leadership is developed throughout the workplace?” As I assume that trust is the essence of leadership and trust development and dynamics are also involved in leadership. Atkinson (2004, p. 582) studied the dynamics of interpersonal relationships of senior management and concludes that trust is “at the heart of managerial relationship cognition.” The findings challenge “the notion that trust matters and is even desirable in all managerial relationships” (ibid., p. 582). It seems that trust matters particularly in leadership.

When trust in leadership is taken into account, for example, the issue is that subordinates must feel free to make suggestions and use their creativity in contributing to the work processes. Conversely lack of transparency on the part of leaders as perceived by employees can diminish the effect of job autonomy (Anand et al., 2012). Laine (2008) has stated that it is easier for superiors to trust in followers due to means of control. Mayer et al. (2011, p. 178) consider supervisory power and influence tactics as precursors to the development of trust. The use of power can affect the level of trust (Mayer et al., 2011, p. 178, referring to French & Raven, 1959). While leaders have positional power, the focus is on the “benevolent use of managerial power” in trust building (McKnight & Chervany, 1996, p. 44). The relationship between trust and leadership has been studied by Dirks and Ferrin (2002), whose findings contradict the notion of leadership as a phenomenon of social interaction (Klaussner, 2012, p. 2). Otherwise, a variety of theoretical models has been developed to describe trust in leadership and for empirical testing (e.g. Zeffane, 2010) as well as meta-analytic research (Dirks & Ferrin, 2002; Colquitt et al., 2007). Previous research on trust and leadership is mostly one-sided, concentrating on the leader’s side of the relationship (Klaussner, 2012).

A core definition of *relationship* as “a state of connectedness between people, especially an emotional connection” (Webster’s Online Dictionary) refers to the central role of affect in relationships. In general, the relationship as such involves relational processes or relatedness, therefore, it can be understood that a relationship exists where there is an element of *interdependence*. According to Atkinson (2004), a traditional definition of relationships in social psychology conceptualizes a relationship as two entities influencing each other (Kelly et al., 1983, cited in Atkinson, 2004, p. 573). A relationship has a generic nature; a relationship has a temporal dimension with its beginning, and two parties are

needed. Depending on the perspective of leadership studies, whether entity or relational, the definitions of relationship vary. According to Uhl-Bien (2006, p. 655), “relational researchers are not speaking of inter-personal or intrapersonal processes between already known actors, but instead of the ‘relating of written and spoken languages, as well as the relating of nonverbal actions, things, and events’ (citing Hosking, 2007). A prevalent orientation in leadership studies has been an entity perspective, which focuses on individual entities consistently with the epistemology of an objective truth (which will be discussed in more detail in the next chapter) and approaches relationship-based leadership by focusing on individuals, e.g. leaders and followers (Uhl-Bien, 2006, p. 655). Instead, the relational perspective views reality and knowledge as socially constructed and socially distributed, not as accumulated and stored by individuals (Uhl-Bien, 2006, p. 655). Further, Uhl-Bien (2006, p. 656) continues, “both entity and relational approaches view leadership as a social process, what they mean by process, particularly with respect to their ontology and epistemology, is quite different.”

Looking ahead, Uhl-Bien (2006, p. 672) states that relationships will be in the focus of leadership, rather than authority, superiority, or dominance. The ideas of Mary Parker Follet (1919) are echoed in these words. It is noteworthy that work relationships differ in nature from private, close relationships. The leader-follower relationship is typically involuntary; it is rare that an employee can choose his or her leader. Occasionally these issues may be negotiated in the work communities although, more typically top management makes the decisions, and leaders may recruit their subordinates. Managerial leadership relationships are traditionally perceived as power relationships due to leaders’ power to make decisions that affect followers. By contrast, as early as at the beginning of the twentieth century Mary Parker Follet (1919) noted reciprocal interaction in leadership. She perceived organization as a process, and individuals as actively participating in the creation of that process. Follet (1919) questions the hierarchy in the leader-follower relationship as she uses the term “*power with*” instead of “*power over*”:

It seems to me that whereas power usually means power-over, the power of some person or group over some other person or group, it is possible to develop the conception of power-with, a jointly developed power, a co-active, not a coercive power. (Follet, 1919)

She requires both parties to participate even if they have different positional power and responsibilities. Hierarchical positions shape the dependence of individual members of an organization, for example, as they are dependent in different ways on organizational resources, both tangible and intangible (Vuorenmaa, 2006). In Finland, for example, Kuusela (2010) studied power and interaction in leaderships using narrative methods. The duality of control

(Möllering, 2005) and flexibility in leadership arises from power relationships and the different responsibilities of a leader and a subordinate. Furthermore, *the double role of managers* is conventional in today's organizations, meaning that they are simultaneously superiors and subordinates. Most leaders are themselves simultaneously followers, especially in matrix organizations, as the other target organizations of the study. Those leaders who are not themselves followers are rare indeed.

In summary, trust is complex as interpersonal relationships are complex as such (Lewicki et al., 2006, p. 1002); trust is *dynamic, volatile* and *contextual* in nature (Lewicki et al., 2006, p. 992). Trust is multifaceted, multilayered and interactive. The inclusion of a mysterious, missing element in trust has been suggested as Simmel (in Möllering, 2001, p. 404) calls for 'a mysterious further element, a kind of faith that is required to explain trust and to grasp its unique nature.' From the perspective of organizations and, especially, leadership, a crucial question is if it is conceivable at all to produce trust or even maintain target-oriented trust. Scholars have discussed the spontaneous nature of trust and viewpoints of trust as a spin-off depicted (e.g. Misztal, 1996, p. 32). As Bachmann (2011, p. 204) notes, trust does not occur spontaneously and automatically but is deliberately created and shaped, which justifies studying trust development and searching for a better understanding of effective trust-building processes.

Reciprocal nature of trust

Trust is reciprocal in nature, referring to mutual trust and dependence (e.g. Butler & Cantrell, 1984; Mayer et al., 2011, p. 183; Deutsch, 1958; Ferrin et al., 2008). Sztompka (1999) distinguishes three *types of trust* naming as an example anticipatory trust which refers to expectations. In the case, trustee may not be aware that (s)he is trusted. Responsive trust, on the other hand, refers to a relationship where somebody is entrusted with something to take care of or something is left to his or her responsibility considering specific and voluntarily accepted responsibility. In other words, trust obligates the trustee in this sense. The third type of commitment according to Sztompka (1999) is evocative trust which refers to the reciprocal nature of trust. Evocative trust may also refer to the affective and emotional dimension of trust. According to Levinson's (1963, pp. 384-385) seminal article, "This process of fulfilling mutual expectations and satisfying mutual needs in the relationship between a man and his work organization was conceptualized as a process of reciprocation." Levinson discusses organizational identity and the multilevel nature of trust as it easily spreads through organizational levels:

It is a process of carrying out a psychological contract between person and organization. It is a complementary process in which the person and the organization seem to become a part of each other. The person feels that he is part of the corporation

or institution and, at the same time, that he is a symbol standing for the whole organization. That is, he sees himself and is seen by others who are not fellow employees at the company personified. The public image of the organization is displaced onto the person and vice versa. (Levinson, 1963, pp. 384-385)

Levinson (1963, p. 385) defines reciprocation as “a continuous process of fulfilling mutual expectations, of carrying out a psychological contract, and thereby, of enhancing the -- relationship.” The reciprocal nature of trust is particularly obvious in dyadic relationships. Levinson (1963, p. 389) continues: “In reciprocation, each partner shapes the other to some extent.” Further, in his seminal article about reciprocation in employee-organization relationships, Levinson (1963) states, that the mutual shaping of each party by the other can be described as a “fusion process.” At the organizational level, when the reciprocation between the two is inadequate, both suffer (Levinson, 1963, p. 390). This kind of reciprocity between an employee and an organization may also be present in dyadic leader-follower relationships. Trust formation between people is reciprocal in nature, which means that in leadership work those who are being led need also to be involved in examination. Van de Bunt et al. (2005) investigated the nature and dynamics of trust and recognized that dynamics of dyadic trust involves an effect of reciprocity. It refers to the tendency of trust to become reciprocal and mutual over time and also to pervade other relationships. More recently Mayer et al. (2011, p. 184) have explained reciprocal trust in two ways, first, through the re-evaluation of trustworthiness and second, through cognitive dissonance in which the reciprocal effect of trust may be rooted. Reciprocal trust and mutual trust refer to dynamics of trust development, and the reverse cycle of mistrust is also identified (Mayer et al. 2011; Ryan & Oestreich, 1991).

As I have considered above, trust is a complex, multifaceted phenomenon, and different conceptualizations of the nature of trust exist in interpersonal relations: for example, trust between peers, supervisor-subordinate trust, managerial trust and organizational trust (Möllering, 2006; Bachmann & Lee, 2004, p. 557; Joseph & Winston, 2005, p. 7). Expectations are involved in the dynamics of trust, producing the reciprocal process: “The individual subjective cognitive structures (expectations) facilitate social interaction and are influenced by the interaction at the same time” (Klaussner, 2012, p. 4).

2.5.2 Trust in LMX: Relational leadership model

I have discussed the concepts of trust, and trust at different organizational levels as well as leadership in previous sections and the summary of the theoretical framework will be presented in the next section. Yet the framework is to be completed by Leader-Member Exchange theory (LMX), which describes leadership as a process based on a mutual relationship and interaction between a leader and a follower (Northouse, 2004, p. 147). In the literature, leadership

has been conceptualized in terms of relationships, for example, originating from vertical dyadic linkage (VDL) theory (Dansereau et al., 1975).

Different theories and models make it possible to describe and understand phenomena even though it is impossible to interpret theories as an absolute regular more of behavior. In organizations the dynamic interaction between leader and follower is one of its basic elements, and an important aspect of the leadership process is the dyadic relationship that leaders have with their individual followers. As the central concept of the LMX theory is the dyadic relationship between a leader and each of his or her followers, in this sense, it is a unique theory and relevant to the present study. Hence trust is (implicitly) included in several other approaches in the field of leadership and organization research, for example Transformational Leadership and Servant Leadership among others (Avolio et al., 2009). Trust is included in and related to social exchange theory, which states that social exchange depends on and promotes trust (Blau, 1964). The theory (Blau, 1964) explains the influence of transformational leadership on follower work performance (Dirks & Ferrin, 2002).

Leader-Member Exchange theory is a social exchange approach to leadership that focuses on the dyadic relationship between leaders and subordinates (Dansereau et al., 1975). Drawing on social exchange theory (Blau, 1964), LMX theory proposes that leaders differentiate with followers. However, the term *exchange* refers to trade and commerce, and it may sound strange and calculative when speaking about relationships. Nevertheless, according to Blau (1964, p. 94), exchange is perhaps the most basic form of social interaction: “only social exchange tends to engender feelings of personal obligation, gratitude, and trust; purely economic exchange as such does not.” Gouldner (1960) puts it briefly: “Social exchange is based on the norm of reciprocity namely we help those who help us” (cited in Tzafir et al., 2004, p. 630). More specifically, Tzafir et al. (2004) state,

The dynamics of the exchange between the actors and the need to rely on the goodwill and obligations of the other actors may create uncertainty (especially at the beginning of the exchange). Thus, social exchange emphasizes the development of relations over time and indicates that a successful social exchange circle involves trust and uncertainty. (Tzafir et al., 2004, p. 630; emphases mine)

As noted in the quote, social exchange is dynamic in nature rather than repeated exchange relations based on values of commodities. Jones and George (1998) analyzed trust development in organizations and emphasize the experience of trust and the interplay of people’s values, attitudes, moods, and emotions in the process. From this perspective, they view trust as an expression of confidence between parties in an exchange situation (Jones & George, 1998, p. 531).

Stages of LMX

LMX theory is a three-stage model of leadership focusing on developing a leader-follower relationship by interactions in the course of time through the stages from an alien stage towards acquaintance and partnership stages. LMX theory first identified the differentiated dyads (Danserau et al., 1975) of interest in this study. In the model of LMX development (Uhl-Bien et al., 2000; Graen & Uhl-Bien, 1995) both leaders and members initially test each other, and if, reciprocates, the quality of the relationship improves, enabling more emotional exchange (Cropanzano & Mitchell, 2005). Mutual trust, respect and reciprocal influence have a central role in this process (Graen & Uhl-Bien, 1995, p. 230). Recently, LMX-based research has increased in Finland (Leponiemi, 2008; Mäkelä, 2009; Häkkinen, 2012) and also abroad. In their review of 82 articles on LMX theory, Schriesheim et al. (1999, p. 77) identified six subdomains, namely mutual support, trust, liking, latitude, attention, and loyalty.

More specifically, the extended version of the LMX theory describes the role-making process between a leader and each individual subordinate and the development of a unique exchange relationship over time (Yukl, 2010, p. 235; Graen & Uhl-Bien, 1995; p. 240). Graen and Uhl-Bien (1995) posited building leadership into three chronological phases of the life cycle of leadership making. The basic premise behind the theory is that leaders develop a separate exchange relationship with each individual follower. The development of the typical leader-follower relationship has been described in terms of a 'life cycle' that progresses through three stages. The *leadership-making process* is described by three stages, in which the roles are first scripted, then tested, and finally negotiated. The role-making process is central in LMX (Graen & Cashman, 1975; Graen, 1976) as it is transformational and reciprocal (Graen & Uhl-Bien, 2002). Influence is one way at the beginning of a leader-follower relationship, and finally reciprocal. Leadership is established in in-groups, where extra-role behavior appears but in out-groups the roles are defined (Northouse, 2004). The initial version of LMX theory suggests that subordinates belong to an in-group or an out-group of their leader. In-group membership is characterized by high quality LMX relationships between leader and followers, such as mutual respect, loyalty and trust (Brower et al., 2000). According to Northouse (2004), LMX theory has later developed from the 'in-group' and 'out-group' level to focus on leader behavior, and then to the relationship between a leader and a follower as well as its outcomes for the organization (Graen & Uhl-Bien, 2002, p. 227).

Graen and Uhl-Bien (1995) posited building leadership into three chronological phases of the life cycle of leadership making, namely, *stranger*, *acquaintance*, and *mature partnership stages*. In the first, the stranger stage, individuals are assumed to meet without previous knowledge of each other. During the next 'acquaintance' stage, a leader and a follower get to know each other by interactions, such as sharing information. To be exact, the second stage is a testing phase in which both the leader and the follower evaluate each other's

potential resources. Those dyads that do not develop from the acquaintance stage to the third mature stage fall back to the first stage (Graen & Uhl-Bien, 1995, p. 232). If relationships never progress beyond this level, the members remain in the 'out-group'. Instead, during the second phase mutual trust, loyalty, and respect are established. The second stage is a testing phase in which both leader and follower evaluate each other's potential resources. Those dyads that do not develop from the acquaintance stage to the third mature stage fall back to the first stage (Graen & Uhl-Bien, 1995, p. 232). In the final 'mature partnership' stage, mutual commitment and partnership describe the relationship between a leader and a member. The mature relationship is more like partnership in which mutual accountability, loyalty and reciprocity enables both leaders and followers to strengthen their organizational commitment and organizational citizenship behavior (OCB). Mature partnership exchanges are not only behavioral but also emotional; mutual support, respect, and trust empower and motivate both (Graen & Uhl-Bien, 1995). Traditionally these subordinates are identified as in-group members. Research on LMX theory has emphasized that leaders should try to establish high-quality exchanges with all their followers, not just with a few favorites (Northouse, 2001, p. 127; Graen & Uhl-Bien, 1995, p. 233).

Besides the advantages of LMX theory, it has also been harshly criticized (e.g. Dienesch & Liden, 1986). This criticism focuses upon essential faults such as discrimination, inequality, and unfairness, which are substantial from the perspective of the trust process. Further, traditionally the dyadic relationship between a leader and a follower is seen in the theory to develop fairly quickly and to remain relatively stable over time. Based on empirical studies, Scandura and Pellegrini (2008) suggest that LMX relationships may not be as stable as the theory suggests. Having the research questions in view, their findings are especially noteworthy. LMX theory describes and prescribes leadership where trust-building is strongly promoted but lacks the description of the means through which it is developed (Graen & Uhl-Bien, 1995, p. 156) and the explanation of how to build trust or how the role-making process actually occurs (Yukl, 2002, p. 120). Furthermore, research on LMX theory has been criticized because of its person-centric and hierarchical approach that supervisors are leaders, subordinates are followers, and that these leader-follower identities are static (DeRue, 2011). Northouse states (2007, p. 151) that with LMX theory, the focus of leadership research is now more in the relationships instead of the leader. However, it is problematic to study the development of leader-member relationship with a stage model as not all the relationships are expected to develop through the same stages. Northouse sums up that "LMX theory tells us to be respectful and to build trusting relationships with all of our subordinates, recognizing that each is unique and wants to relate to us in a special way" (Northouse, 2004, p. 158).

Trust and LMX integrated

LMX theory has focused on the relationships in leadership highlighting the significance of communication in leadership. I refer to the meaning of communication by Hosking (1999) as “the realm of language and action.” Interaction is also essential in enacting trust in leadership and affecting commitment and mutual trust, respect and commitment are emphasized in LMX theory. As LMX provides a theoretical description of how dyadic relationships form (Uhl-Bien, 2006), it is applicable to the present study.

Leadership is seen as a process in LMX theory with reciprocal interaction in its focus. Burke et al. (2007, p. 621) suggest examining LMX theory to envision how prior interaction may influence a leader’s or follower’s future perceptions. Brower et al. (2000) present a model of *relational leadership* in which trust and LMX theory are integrated. It specifies how a trusting relationship between leader and subordinate is formed and the development and consequences of the leader’s trust in the subordinate. More recently Häkkinen (2012) studied leaders’ trustworthiness within the LMX theory framework. LMX theory has made an impression on ‘leadership making’ and the manager’s point of view (Graen & Uhl-Bien, 1995) while a great deal of research into LMX relationships suggests that today’s subordinates look for mutual trust (e.g. Ansari et al., 2007). Hence, due to differential relationships between leaders and followers, relationships and actions may be differently interpreted (Burke et al., 2007, p. 621).

As discussed above, according to Lewicki and Bunker (1996), trust develops incrementally through three phases, namely calculative-based (CBT), knowledge-based (KBT), and identification-based trust (IBT). Lewicki and Bunker (1996) state that identification-based trust is reached in few relationships, knowledge-based trust develops in many relationships and calculus-based trust in most of relationships. Analogically, LMX theory suggests that subordinates belong to an in-group or an out-group of their leader. In-group membership is characterized by high quality LMX relationships between leader and followers, and includes mutual respect, loyalty, and trust (Brower et al., 2000). In her framework, Savolainen (2008; 2011b) integrated the stages of LMX theory and the model of trust development by Lewicki and Bunker (1996) into alien-calculative, acquaintance-knowledge, and mature-identification phases. Savolainen (2011b) suggests that integration forms an appropriate starting point and foundation for elaborating the way of studying the dynamics of trust development theoretically and empirically. In the theoretical model, progressing towards a higher level of trust requires reciprocal, continuous interaction. Therefore, the integration of the models produces a basis for studying trust development processually, i.e., to understand and analyze the patterns and features related to the process and dynamics of how interpersonal trust develops between actors (Savolainen, 2011b).

As regards the present research question, the first stage of the integrated model is most interesting. How does trust develop at the dyadic level at the very

beginning? The initial trust formation model by McKnight et al. (1998) could be integrated into the LMX stranger stage. LMX theory assumes in the first stranger stage a leader and a follower meet without previous knowledge of each other. Although McKnight et al. (1998, pp. 473-477) do not include LMX theory in their framework, they define 'initial' to mean the time when parties meet or interact for the first time and when they do not have firsthand knowledge of each other. Hence in leader-member relationships the parties usually do have some second-hand or third-party knowledge (such as reputation) beforehand. Interestingly, only a few studies have investigated leader-follower relationship development in its early phases (e.g. Nahrgang et al., 2009). More generally, the nature of the relationship quality over time has been little studied in leader-member relationships (Yukl, 2002, p. 121; Nahrgang et al., 2009, p. 257). The present study will provide perspectives on trust change and development over time within LMX relationships.

Scandura and Pellegrini (2008, p. 103) elaborate the model of Lewicki and Bunker (1996) by considering knowledge-based trust as a dimension of the relationship rather than as a dimension of trust. In their quantitative research on two fundamental forms of trust, i.e. calculus-based trust (CBT) and identification-based trust (IBT), trust appears to be vulnerable even in high-quality LMX relationships. Scandura and Pellegrini (2008) found that the relationship between calculus-based trust and Leader-Member Exchange is curvilinear. Interestingly, Scandura and Pellegrini (2008) report that calculation persists in the maturity stage of LMX relationships. As demonstrated in their study, they suggest that LMX relationships may not be as stable as suggested by earlier research. This study aims to capture the process and dynamics of dyadic trust development over time. LMX theory emphasizes the importance of interaction and communication but also reciprocal trust, respect, and commitment.

In integration, I have considered the states of trust (Jones & George 1998) as types or forms of trust. Integrated with trust development models, the LMX stages 'stranger' and 'mature partnership' seem to be different kinds of concepts. Particularly, the acquaintance phase is seen as a critical testing phase of the relationship for further development or return to the stranger phase (Graen & Uhl-Bien, 1995). As discussed above, two theoretical dimensions (Dirks & Ferrin, 2002) or perspectives (Kacmar et al., 2012) of trust in leadership have been identified; character-based trust and the relationship-based trust (Dirks & Ferrin, 2002). Tschannen-Moran and Hoy (2000) also consider unconditional trust (Jones & George, 1998) to be the same as identification-based trust (Lewicki & Bunker, 1996). McKnight and Chervany (2006) criticized making the 'calculation phase' (Lewicki & Bunker, 1996) the first one because calculation is supposed to include information. Indeed, Droege et al. (2003) distinguish between initial trust and what they call gradual trust, stating that gradual trust is based on

knowledge and experiences. These findings from the literature on trust development and dynamics are illustrated as arrows in Figure 4.

INTEGRATED MODEL OF TRUST DEVELOPMENT OVER TIME

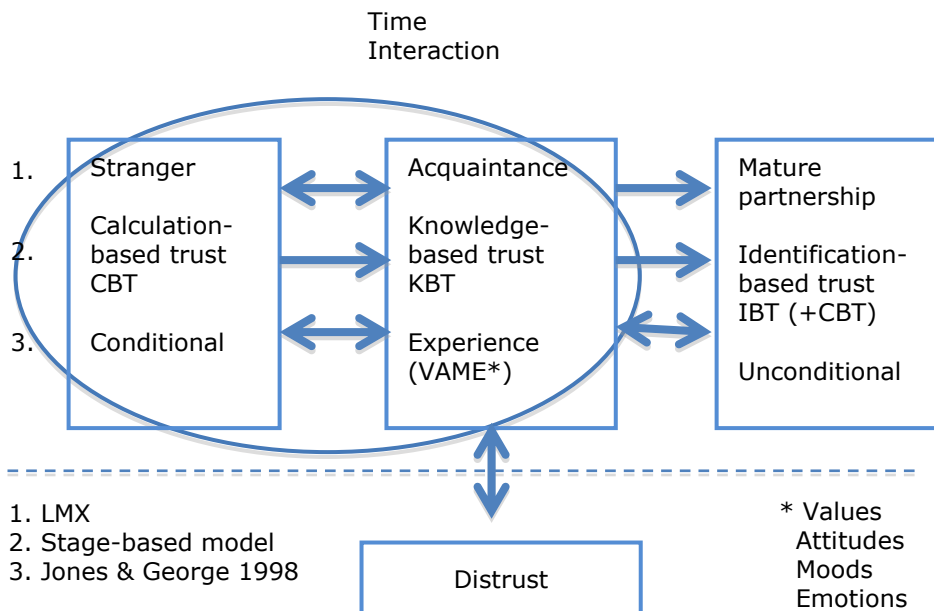


Figure 4: Theoretical focus of the study in the integration of the stage-based trust models and LMX (Graen & Uhl-Bien, 1995; Lewicki & Bunker, 1996; Jones & George, 1998; Scandura & Pellegrini, 2008)

To conclude, LMX theory offers a novel and helpful approach to gain an in-depth understanding of what occurs in trust development between leaders and followers. LMX theory is applied in the study because its assumptions and interests are closely aligned with theories of interpersonal trust. The conceptions are relevant for use as a part of the theoretical frame of the present study, because in LMX theory leadership is seen as a process occurring over time. It is noteworthy that LMX describes only successful relationships; therefore distrust is excluded from the model. Consequently LMX theory alone is insufficient for a theoretical basis. As is well stated by Scandura and Pellegrini (2008, p. 102), research integrating trust and LMX theory is topical and justifiable given our poor understanding of trust in LMX relationships. The theory also highlights the significance of communication in leadership. Therefore, when studying dyadic trust in the leadership and managerial leadership relationships context, LMX theory can be applied. Combining these two research fields provides a better

understanding of the trust process (see e.g. Häkkinen, 2012). In this study the empirical context is not-for-profit organizations, and it can be argued that the LMX approach to leader-follower relationships in organizations is appropriate for both not-for-profit organizations and traditional businesses. Traditionally, with the exception of LMX theory, relational leadership theories emphasizing relationships more than individuals are rare. In the model building trust is seen as one of the main tasks of a leader (Graen & Uhl-Bien, 1995; Yukl, 2010). Mary Uhl-Bien (2006, p. 654) stated that LMX theory actually represents an entity perspective instead of a “relational perspective that views leadership as a process of social construction.” The ontological assumptions will be discussed in more detail in the next chapter.

2.6 CONCLUDING THEORETICAL DISCUSSION

Different conceptualizations and numerous definitions of trust have been proposed. I rely on the process perspective of trust, meaning that trust is conceptualized as a dynamic process of trusting. Propensity to trust and dispositional trust refer to the individual’s capacity to trust, which differs between individuals. In leadership, both leaders’ and followers’ individual experiences throughout the lifespan are involved in their relationships and dyadic trust within it. Willingness to be vulnerable and expectancies are also involved in the reciprocal process of dyadic trust. Instead, the definition of trust as a psychological state as such is too static and unilateral a view to study dyadic trust. Trust defined as a psychological state of mind is a definition formulated for purposes of measurement. Trust as a social construction implies that values, attitudes, moods and emotions (Jones & George, 1998) are involved in the process as well as perceptions of trustworthiness.

Dyadic trust in leadership is a reciprocal process which is dynamic and contextual in nature. Trust itself is also fragile in nature; it is easy to breach but usually difficult to regain. Trust is said, like air, to be conspicuous only by its absence (Baier, 1986, p. 234). At the dyadic level this means that trust is often taken for granted in human interactions until it is broken or lost (Savolainen, 2011a). Dyadic trust neither occurs in a vacuum. In organizations, dyadic trust is interlinked with other levels of trust. I view dyadic trust as the core of organizational trust in general. Basically, trust as a social construction is a human phenomenon, constructed by means of language and manifested in human actions and perceptions. For example, even inter-organizational trust is essentially based on dyadic relationships although a separate phenomenon per se. Leadership as a relational phenomenon and models of trust development in the literature were discussed above and integrated into the theoretical framework of the study. The framework is described in the next section.

2.7 FRAMEWORK OF THE STUDY

To recapitulate, the theoretical framework draws on LMX theory, stage-based models of trust development, relational and process perspectives of leadership, and foundations of interpersonal trust at the dyadic level. The role of the framework in this study is to form a pre-understanding of the key concepts and applicable theories of the research topic in seeking answers to the research questions. The theoretical framework is based on the complexity of the dynamics of trust over time. The stage-based models have not sufficiently contrived to reveal the dynamics and nature of dyadic trust development. While the conventional perspectives of trust development have taken us nearer to understanding the process of trusting, the unanswered question still remains: how trust develops over time?

In conclusion, the theoretical framework for exploring the building and sustaining of trust and within organizations is built upon the theoretical models, approaches and dimensions discussed above. The theoretical foundation and empirical part of the study have their focus in intra-organizational trust and interpersonal level, more precisely on dyadic trust. The theoretical foundation of the study overlaps the process view into leader-follower relationships in methodology. Both process perspective and narrative approach make it possible to focus on the dynamics of trusting process. Agreement on trust as both a complex and dynamic process seems to exist (Wright & Ehnert, 2006, p. 6). We know comparatively little about how trust is actually created and maintained by actors (Wright & Ehnert, 2010; Kramer 1999; Möllering 2001; 2006). Conceptualizing trust as “perceived” begs the question: what is trust about? And seeing trust as ‘perceiving’ leads to how it is created. My study takes a micro-level perspective, though trust is not defined as merely a dispositional attitude or psychological state of mind (Rousseau et al., 1998) as is predominantly the case in the literature (Fulmer & Gelfand, 2012; Bachmann, 2011, p. 205). The originality of the current study emanates from perspective of dyadic trust. I define trust as a socially constructed phenomenon, leading to conceptualizing trust as a narrative process (Wright & Ehnert, 2010), which will be discussed in more detail in the next chapter. The foregoing is summarized in Figure 5.

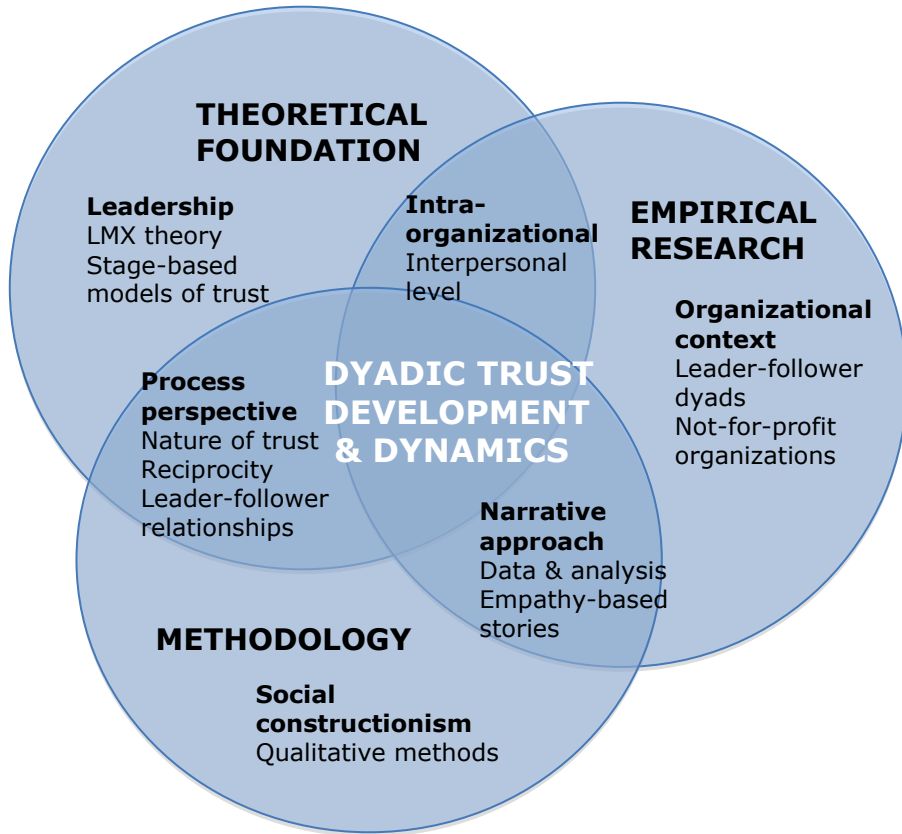


Figure 5: Theoretical framework of the study

To conclude, the role of the theoretical frame is to serve as a starting point for data collection and analysis informing what and where to look and what to expect (Eriksson & Kovalainen, 2008). Pertaining to the process type question of the study of *how* trust develops or changes over time, flexibility is required. In this dissertation it is possible to pay attention to other relevant and revealing aspects of the phenomenon. The theoretical framework is based on the understanding of the complex, varying and dynamic nature of trust over time. This study proposes a new way to approach the examination of the complexity and dynamics of trust development. The theoretical perspectives are integrated to form a way to critically study and understand trust development over time, i.e., to analyze and understand the nature and main dimensions of the trust development process, in other words, to gain insights into trust development in a process perspective. The methodological and empirical areas of the framework will be discussed and described in the next chapter.

3 *Empirical research setting*

Ontological, epistemological and methodological choices are next discussed. As stated in the preceding chapter, trust is process-like in nature. However, trust as a process has been very little studied. How and by what means can one learn more about it? I see trust and *trusting* as an on-going process and according to this way of thinking, researching trust is based on the meanings by which the participants describe their perceptions and experiences of trust. The investigation of trust is based on those meanings that the participants of the study attach to trust. In the following sections I will discuss the methodological and philosophical choices of my doctoral dissertation.

3.1 METHODOLOGICAL CHOICES AND APPROACH

My point of departure is that due to my pre-understanding and personal experiences of the phenomenon, it is impossible to be totally objective. First, I will discuss social constructionism; trust in the current study is defined as a socially constructed phenomenon. Trust is subjectively experienced; each individual has his or her own conception and perception of trust influenced by his or her experiences and knowledge. Trust is reciprocal, mutual, and relational in nature and therefore simultaneously common and personal (Savolainen, 2011a). In my study, I consider myself to be a social constructionist researcher whose methods alternate between interpretative ethnography and narrative methods.

3.1.1 Social constructionism

Phenomenology and symbolic interactionism

From the philosophy of science perspective, this qualitative study is based on the constructionist paradigm. The idea of social constructionism is also shared in various textual analyses applied in social sciences such as discourse and conversation analysis. The idea of the world as socially constructed by means of language is a core theme of narrative knowing. I take a constructionist approach to the process of trust development as I assume that language operates constitutively and is used to construct reality (e.g. Davies & Harré, 1990; Gergen, 1997). The roots of social constructionism can be found in symbolic interactionism (Mead, 1934) and phenomenology until the seminal work of Berger and Luckmann (1966), *The Social Construction of Reality* (Fairhurst & Grant,

2010). In symbolic interactionism, the focus is predominantly on the means by which social reality is negotiated in interaction. In ethnomethodology, on the other hand, the focus is on the form of accounts. Burrell and Morgan (1979, p. 276) identify the contradiction between theory and 'empereia' as ontological oscillation originating from a lack of explication by researchers but call for explications of the aims of the study. Phenomenology by its ontological questions totally challenged organizational research (ibid, p. 274), questioning the concepts and constructs and criticizing concepts such as organization structure, job satisfaction and organizational climate etc. which reifications straightforward were confused with social reality. In sum, phenomenological research criticized functional orthodoxy for the reifications of social phenomena (Burrell & Morgan, 1979, p. 274). I realized that phenomenology was not what I was looking for, even though it offers a precise method of exploring uncertainty objectively. I am more interested in how the perceptions are told and how the phenomenon is described than in analyzing phenomena as they appear. Therefore I found phenomenology rather different from a hermeneutic analysis, which is interpretive and explanatory in nature. Social constructionism and social constructivism are both sociological theories of knowledge; hence, I understand social constructivism to concern more the conditions of knowledge and learning, and to be related typically to education. Social constructionist abide by the perception that language does not mirror reality; rather, it constitutes it (Fairhurst & Grant, 2010).

Interpretive approach

The interpretive approach has become common in business studies and leadership research in recent decades. The interpretive approach pursues descriptions of the phenomena studied and attempts an understanding of the perceptions of actors, individuals, groups, etc. in their own, real-life contexts. The starting point of interpretive research is the idea of an organization as a socially constructed reality. This reality can be investigated from multiple and different points of view which are not mutually exclusive. In the interpretive approach of the philosophy of science, researchers are interested in the language and interactions of everyday life as 'a social world of *intersubjectively* shared meanings' is created and sustained by them (Burrell & Morgan, 1979, p. 260; Berger & Luckmann, 1966, p. 23). The focus of the interpretive approach is on understanding individual subjective experiences (e.g. Burrell & Morgan, 1979, 260-261). Reality is socially constructed, socially maintained and socially changed (Silverman's *The Theory of Organisations*, 1970, referred to in Burrell & Morgan, 1979, p. 266); to study that socially constructed reality Silverman contributed by a particular methodology and 'the first steps' for a new paradigm (Burrell & Morgan, 1979, p. 266-267). As opposed to the positivist approach (e.g. rational choice theory in economics), the irrationality of the human being is accepted and conceded in the interpretive approach (Burrell & Morgan, 1979). In

other words, the assumptions of rational choice theory are excluded as such, even if a human being behaves rationally once but at another occasion the impact of emotions may produce in irrational behavior.

Usually the reality of everyday life is taken for granted (Berger & Luckmann, 1966). "In social constructionist terms, taken-for-granted realities are produced from interactions between and among social agents" (Hacking, 1999, cited in Fairhurst & Grant, 2010, p. 174). Berger and Luckmann (1966) state that everyday life is lived through *language* shared with others by the meaning categories and symbol systems. A relevant idea from the perspective of this study is that we can maintain and accumulate the history by language, which is also selective in nature. This accumulation produces the *social reserve of knowledge* (Berger & Luckmann, 1966, p. 23). The basic understanding is derived from social processes such as language and interpersonal relationships. Multiple realities exist, competing for truth and legitimacy (Fairhurst & Grant, 2010; Eriksson & Kovalainen, 2008). In the interpretative approach, reality is denied as a straightforward captured object of research but multifaceted, formed deep in networks and interaction. Knowledge is created and transformed within people by shared understanding through interaction and negotiation. The focus of the interpretive approach is on the meaning social actions have for participants and the emphasis on the socially constructed nature of organizational processes (Aldrich & Ruef, 2006, p. 43). However, a shared reality exists only through that which is considered to be reality. Therefore phenomena once socially constructed remains to be continually constructed and reconstructed. In other words, social reality is produced in interaction between individuals by continuous reconstruction. I assume that language operates performatively, and by language we can communicate *meanings* (Berger & Luckmann, 1966). I view meanings produced and reproduced in an ongoing process as interaction evolving over time (Fairhurst & Grant, 2010). In that sense, performative language refers to the creative power of words "that is, brings people and things into being" (Hosking, 1999, p. 118).

When it comes to ontology, the idea of man (Burrell & Morgan, 1979), i.e. how I view human nature and a human being as an actor. According to Burrell and Morgan (1979), the idea of man could be seen as an extension of how we see a human being. For example, occasional ideas and whims influence our decisions, choices, and behavior without any rational reasoning. The idea of man needs to be taken into consideration in research due to its influence on the choices, decisions, and thinking of a researcher. I take the view that people have diverse opinions and different points of views although these are all incomplete and changeable. This approach makes it possible for understanding of multifaceted phenomena instead of focusing on explaining causality relations as in the functional approach. Generally speaking, the concept of interpretation refers to meanings, relationships, linkages, and nexuses between phenomena and making them understandable. Interpretation is closely related to

contextuality, language, conventionalism, and the dynamics of accounts and change (Burrell & Morgan, 1979). Understanding social phenomena and organizational behavior is demanding due to the context and continuous change.

Meanings are produced in a particular context and continuously shaped by language in interpersonal interaction. The members of an organization tend to make sense of the multidimensional reality mainly for themselves, although sensemaking is visible in written and spoken accounts which enable shared interpretations of reality in the organization. Sensemaking has multifaceted patterns, on the one hand, rather mundane and momentary conversations, and on the other hand, all the written documents and, for example, ceremonial speeches shape the shared interpretations of reality in an organization. Maitlis and Sonenshein (2010, p. 551) define sensemaking as a “process of social construction that occurs when discrepant cues interrupt individuals’ ongoing activity, and involves the retrospective development of plausible meanings that rationalize what people are doing” referring to Weick (1995).

Constructionism in organizational and leadership studies

During this dissertation process my own perception of an organization has transformed. Now I view ‘an organization’ as conceptually more multidimensional and as a socially constructed phenomenon. Constructionism in organizational studies refers, for example, to the conventional view of an organization as a *negotiated order* based on social action and co-constructed social reality which is able to contemplate from different perspectives which are not mutually exclusive. An organization can be seen as a social construction which does not exist as in tangible and rather concrete form (e.g. Burrell & Morgan, 1979). The construction of an organization has a different meaning for each individual, thus organization theory and organizational research are of minor importance to outsiders (ibid, p. 274). Every organization has its own social order, with rules, values and distinctive cultural patterns. In sociology, an organization is defined as a negotiated order where the negotiation of the meaning of action is an ongoing organizational process (Aldrich & Ruef, 2006, p. 43). From the philosophy of science point of view, I understand negotiated order to be closely related to symbolic interactionism as the role of participants involved and the continuous change in it. In this study I consider work organizations as negotiated orders involving continually emergent forms of activity arising from the interplay of initiatives and reactions within formal and informal power structures and official and unofficial interaction (Watson, 2006). Understanding organizations as negotiated orders emphasizes its dynamic nature and imply the voluntary idea of man. The perspective of symbolic interactionism is not far away in the present study because it places emphasis on micro scale social interaction and cultural factors such as the expression of feelings and emotions.

Turning to leadership, Hansen et al. (2007, p. 553) view social constructionism as follows: “meaning of anything must be formed, learned, and transmitted through a process of indication, as it occurs in context. There are no fixed meanings, but meaning may be sustained through reconstruction.” Meindl (1995, cited in Hansen et al. 2007, p. 553) puts it:

the meaning and symbolism of the relationship-as-constructed between followers and leaders, as opposed to traditional causal behavioral linkages, which are merely derivatives of the follower-made construction of leadership. (Meindl, 1995, p. 330)

To be clear, according to Hosking and Green (1999), there are a variety of social constructionisms that “share an emphasis on language as communication (rather than representation) and view communication as formative i.e., as ‘forming’ or constructing persons and worlds.” They continue that constructionisms differ e.g. in their emphasis on socially constructed ‘products’, processes, and researcher’s participation. In that sense, I focus on the trusting process within leadership, implicitly positioning myself in light constructionism. Burr (2003, p. 21) explains the distinction between ‘light’ and ‘dark’ constructionism by this emphasis either on processes or products. The process perspective involves the ‘light’ idea of people constructing themselves and each other in interaction, in contrast to being the outcomes of ‘dark’ social forces (Burr, 2003, p. 21). In leadership, this mutual interaction is visualized, for example, by Hansen et al. (2007, p. 550) related to the change into leadership which is “constructed in interaction between leader and follower which allow social influence.” (Figure 6)

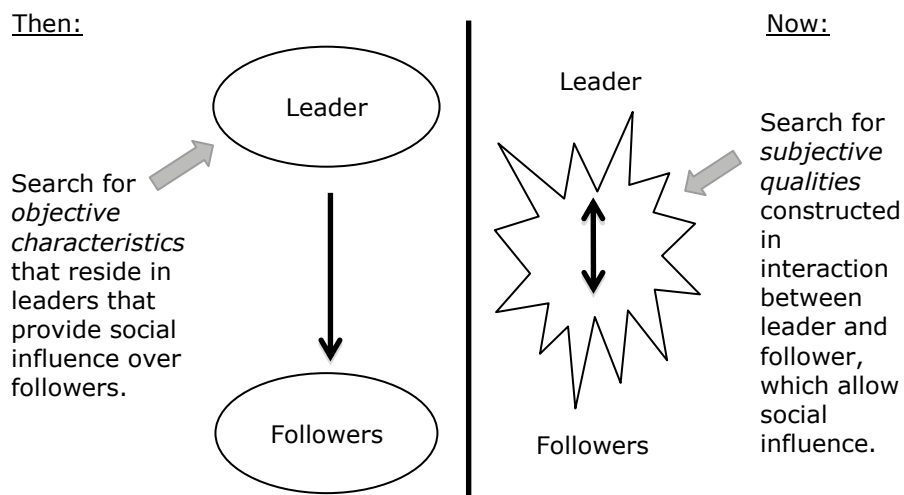


Figure 6: An illustration of constructionism in leadership (Adopted from Hansen, Ropo & Sauer, 2007, p. 550)

Fairhurst and Grant stress the distinction between constructs:

A crucial distinction in social constructionist leadership approaches are those that distinguish between the construction of social reality and the social construction of reality. The former foregrounds the cognitive products of social interaction – constructions of social reality involving categories, implicit theories, attributions, and sense-making accounts – whereas the latter emphasizes sociality or the interaction themselves, be they implicitly, explicitly, or sociohistorically interactional. (Fairhurst & Grant, 2010, p. 181)

Wright and Ehnert (2006) discuss social constructionist leadership and trust criticizing studies where a “social constructionist-like stance is taken, by pointing out that if we adopt a social constructionist position when seeking further understanding of organizational phenomena, we cannot be selective in where we apply it” (2006, p. 3). The social constructionist approach to trust will be discussed next.

3.1.2 Social constructionism in trust research

Social constructionism stresses the meaning of language and is based on Berger and Luckmann’s (1966) *The Social Construction of Reality*. As such, social constructionism as a cornerstone of the framework of the study attempts to cast doubt on the conventional truisms behind the trust literature. As mentioned before, negotiation and construction of meaning takes place by communication (Fairhurst & Grant, 2010). However, the constructionist approach to trust is widely ignored, with the exception of Wright and Ehnert (2006; 2010) and Weber & Carter (2003). Indications of trust as a social construction, however, were recognized as early as Lewis and Weigert (1985) and more recently by Möllering (2006), although from this perspective much remains to be explored in trust research. The constructionist perspective focuses on the social construction of trust instead of the static ‘state of mind’ view aiming at offering new prospects for trust research. Mainstream theories and methodologies underpinning organizational phenomena (e.g. trust) encouraged me to look for new ways to theorize, analyze and describe the complex processes and practices of trust (cf. Fairhurst & Grant, 2010).

This study departs from the mainstream trust research through the ontological and epistemological questions. As Wright and Ehnert (2010) state, the implications of framing trust as a social construction have yet to be fully explored. This dissertation is an attempt to explore trust from the constructionist perspective, which may have “a significant effect on mainstream trust research” (Wright & Ehnert 2010, p. 109). I fully agree with Wright and Ehnert:

One way of better understanding how people make sense of trust is by framing it as a social construction. By doing this *the fluidity and unevenness of trust* is recognized, which questions any notion of trust being fixed or static. (Wright & Ehnert 2010, p. 107; italics mine)

As Wright and Ehnert (2010) continue “this leads us to advocate an understanding of trust in its verb form.” Actually, trust is often defined as a verb (McKnight & Chervany, 1996, p. 8). I draw on the process perspective of trust, emphasizing the process-like nature of *trusting* (c.f. Möllering, 2013). This constructionist perspective of trust proposed by Wright and Ehnert (2010) leads me further than Ferrin and Gillespie (2010) or Bachmann (2010) considering that “Actors are always in the process of trusting, and trust is created through narrative, a social process of interaction and conversation” (Saunders et al., 2010, p. 410). As noted above, trust relationships are multifaceted, interactive, and contextual in nature; actors themselves are involved in the forming of these relationships. From that perspective, my purpose is to discuss how leaders and followers construct the social phenomenon of trust development, and what the role of *narrative* is in this process (Wright & Ehnert, 2010, pp. 107-108). I conceptualize trust as “constituted within cultural contexts that are themselves ongoing social constructions” (Wright & Ehnert, 2010, p. 107). Trust is viewed as socially constructed in interaction between individuals, issues, situations and environment. From the standpoint of social constructionism, the *connectedness, temporalness, patternedness, and embeddedness of relational moves* characterizes social constructionist approaches (Fairhurst & Grant, 2010, p. 181). “To constitute means to form, to compose” (Baxter, 2004, p. 18). For example, interpersonal communication can be seen as constitutive (see Baxter, 2004, p. 1) and from this perspective, “persons and relationships are not analytically separable from communication; instead, communication constitutes these phenomena.” If we adopt this view into trust and consider relationships constituted by communication, then, interpersonal trust is deeply involved in communication. Therefore I have adopted a constructionist approach to the process of trust development in leader-follower relationships.

My epistemological choice in this study is subjectivist and parallel to anti-positivist epistemology. I take the view that it is impossible to acquire objective knowledge but rather the social world is seen as essentially relativistic and understood from the point of view of the participants in particular activities (Burrell & Morgan, 1979, p. 5). When the complexity of social interaction is taken into account, it also includes the social influence of third parties. Wright and Ehnert (2010, p. 109, italics originally) state that “third parties *always* influence how trust is constructed and this relationship may be direct or indirect, conscious or unconscious, intended or unintended.” An interesting and unanswered question arises about how the trusting parties have been influenced by a variety of third parties and how they themselves consider it; also, “whose

voice did they listen to and why, and whose voices did they ignore and why” (Wright & Ehnert, 2010, p. 109).

Regarding trust as a dynamic phenomenon, there seems to be a contradiction, as individuals are said to move sequentially through different stages of trust (Wright & Ehnert 2010, p. 109). According to Wright and Ehnert (2010, p. 109), the solution to this controversy in earlier research is to simplify trust to e.g. a three-stage model of trust development (Lewicki & Bunker, 1996). As noted by Wright and Ehnert (2010, 109), in their own words, “this movement, it is suggested, is achieved once the requirements of the previous level have been satisfied.” As they put it (ibid, p. 109): “Similarly, if trust is not always the same differences have to be explained.” An explanation for differences in trust has been derived by identifying multiple types of trust and forming categories according to basis of trust, beginning from calculation (Williamson, 1993) to eight different types of trust noted by Möllering (2001, p. 404) and aiming at an accumulation of trust research. In conclusion, I rely on Wright and Ehnert’s (2010, p. 109) statement: “The conceptualization of trust as a socially constituted phenomenon is still to have a significant effect on mainstream trust research.”

3.1.3 Qualitative research and its relevance to the study

In this section I discuss the reasons for and benefits of my methodological choices. Overall, methodological decisions are based on the epistemological and ontological choices and their implications discussed above. As the purpose of my dissertation is to understand the complex phenomenon of trust development and dynamics in dyadic leader-follower relationships, I opted for qualitative research methods. A qualitative approach makes it possible to preserve information on the subtle nuances that may be lost in quantitative analysis. Empirical studies on the development of trust are rare (Mayer et al., 2011; Fulmer & Gelfand, 2012). The research group *Trust within and between organizations* at University of Eastern Finland (UEF) carries out empirical studies on trust and it worthy of mention (e.g. Savolainen, 2013; Häkkinen, 2012; Savolainen & Ikonen, 2012; Savolainen & Lopez Fresno, 2012; Ikonen & Savolainen, 2011b; Ikonen et al., 2012; Savolainen & Malkamäki, 2011).

When defining trust, a generally held view is that of trust as a psychological state or event, as already discussed in Chapter 2. Wright and Ehnert (2010, p. 108) state that such a definition is absolutely “necessary to hold the epistemological stance that trust can and should be measured,” continuing that “states can be measured as they are relatively fixed and stable” (referring to Dietz & Den Hartog, 2006). Fundamentally, the predominant approaches have resulted in measures and ratings of trustworthiness (Ferres et al., 2004, p. 109) and pursuit of the antecedents of trust (e.g. Mayer et al., 1995).” However, considering trust in static terms is problematic (Wright & Ehnert, 2010, p. 109) as trust is a decidedly dynamic phenomenon: “A conceptualization of trust as a social construction dismisses any notion that trust is best understood as a state

or event. Trust is better seen as part of the ongoing flow of living that should not be artificially halted in order that it can be measured" (Wright & Ehnert, 2006). On the other hand, the internal states of individuals are considered to be involved in the production of reality (Bolton, 2005; cited in Mäkelä, 2009, p. 37). Wright and Ehnert (2010, p. 110) assert that "Actors are never in any particular state of trust, but are in a ceaseless and uneven flow of trusting. As contexts unfold the need for trusting activity fluctuates." Thus I agree with Wright and Ehnert's (2010, p. 110) point of view that trust, as a social construction, "cannot be accurately measured as trust is never stable enough to be pinned out in any quantitative way."

Quantitative approaches have traditionally dominated in empirical studies in trust and leadership research with laboratory experiments, standardized surveys, Likert-scaled measurements in hypothesis testing and modeling (Möllering et al., 2004; Lewicki et al., 2006; Wright & Ehnert, 2010). Trust has typically been investigated as one person's trust in another, e.g. employees' trust in managers (Tzafrir et al., 2004) and vice versa. Much of the discussion about trust rests upon survey data. Survey analysis typically takes into account only a few variables at a time. Thus it is inadequate for gaining a profound understanding of the complex nature of trust and the subtle distinctions that are critical for understanding a particular situation in an organization. To investigate the nature of the process of trust development at the dyadic level more profoundly a holistic research strategy is needed which also takes the context into account. Measuring trust unavoidably leads to oversimplifying the phenomenon (Wright & Ehnert, 2010, p. 110). As a consequence of the oversimplification, Wright and Ehnert (2010) refer to the 'reality check' on trust research called for by Möllering et al. (2004). I consider reality as do Fairhurst and Grant (2010, p. 174, referring to Astley, 1985) to be "not objectifiable truth waiting to be uncovered through positivistic scientific inquiry." Nevertheless, trust research by statistical methods has yielded useful results e.g. at the individual (psychological) and institutional levels of trust.

The qualitative study of management and leadership from the trust point of view is by nature explorative. This means that qualitative research is still scarce and no tightly framed procedure can be used. In fact, trust research has only recently moved in a more empirical direction. Empirical qualitative explorations in interpersonal trust have recently been encouraged because most research on trust has taken a static 'snapshot' perspective measuring trust at a particular point of time (Lewicki et al., 2006). Likert-type scale surveys have not managed to "meaningfully capture changes and dynamics in trust development over time" (ibid, p. 1015). More specifically, Lewicki et al. (2006) call for complementary methodological choices such as interviews, fieldwork, participant observation, diary accounts, and narrative analysis to reveal insights into trust development as particularly suitable. Ferrin et al. (2007, p. 491) also call for field studies to complement theoretical and laboratory studies.

As empirical research on interpersonal trust in intra-organizational work relationships is still in its infancy, a qualitative approach is adopted in the study, meaning that data is gathered from multiple sources and methods and is rich in composition (see Savolainen, 2011b). Moreover, the qualitative approach is iterative in nature. Following *the interpretive, hermeneutical research tradition*, a pre-understanding for the researchers is built on the topic and the issues arise that are appropriate and applicable as research questions to be answered. This is how the qualitative, hermeneutical and interpretive research process commonly proceeds. Flexibility and changes may be needed and occur as the process of the qualitative study progresses (Myers, 2009).

Bryman (2004) has argued that researchers do not build sufficiently on the studies conducted by others. Multiple perspectives provide a richer picture of trust, leadership and organizations. Thus, as noted earlier, alternative approaches to examining trust in dyadic relationships exist. To capture the development over time, a qualitative approach seems relevant. Focusing on the question of the process of trust development, the viewpoint of how trust emerges and what kind of patterns it may reveal become more appropriate and interesting. In addition, to find out how trust develops can be examined processually, and as an outcome. "Interaction on the dyadic level and expectations on the individual level are in permanent reciprocity and cannot be studied separately to understand the interaction process" (Klaussner, 2012, p. 4).

Gabarro (1978) is among the early qualitative trust researchers. His aimed to avoid 'forcing' theory on his respondents by means of qualitative techniques when he studied what attributes of the other person are important to the trustor in practice (McKnight & Chervany, 1996). More recently, Atkinson's work (2004) is one of the explorative, qualitative empirical studies in the managerial relationships context. Her work focuses on top management level and peers in the work relationships context. The ideas can be partly utilized theoretically specifically pertaining to relationships (see Savolainen, 2011a) as in relationships between actors interpersonal trust research is conceptually and empirically ambiguous and complex (Atkinson, 2004). For this reason qualitative studies of the process of trust development are very well grounded and bridge the research gap. In addition, a few studies have applied qualitative methods in trust research (e.g. the abovementioned Atkinson, 2004; Tillmar, 2006). Tillmar (2006) investigated trust creation with a comparative and longitudinal research design employing ethnographical methodology. According to Tillmar (2006, p. 105), this approach is still rarely used in trust research though it appears auspicious.

Regarding qualitative methodology more precisely, Atkinson (2004, p. 573) states, that using a purely grounded methodology may produce confused data and unexpected analyzing difficulties. When considering other methodological options I found that for instance, phenomenography is based on an assumption of a human being as behaving rationally, which leads to a logical-hierarchical

construction space of experiences. Concerning rationality, I am inclined to believe that an individual may aim to behave rationally but without success, and spontaneity is also more or less characteristic of individuals. Furthermore, phenomenography appears rather 'technical' for the aims of this study.

A theoretical framework including concepts of LMX theory seems to be appropriate for this study because of it describes the development of the leader-member relationship. Overall, LMX theory is developed by quantitative methods. In other words, the ontological and epistemological assumptions of most studies concerning LMX theory so far differ from the methodology of this study. However, the qualitative roots of studying leader-member exchange relationships do exist (e.g. Fairhurst, 2007, p. 120, cited in Mäkelä 2009, p. 45) and theory can be built further through different approaches by integrating the results. A more constructionist approach to understanding LMX relationships provides an opportunity to gain a more profound understanding of the leader-follower relationship and trust development within it than does a snapshot on a usual quantitative scale (see e.g., Fairhurst, 2007). The methodological approach adopted for the study and LMX theory are used together quite seldom and may therefore be a cause for criticism (Mäkelä, 2009). Further research is needed to enhance our understanding of trust development over time and how trusting relationships are created and repaired. Like the existing research on LMX theory, the existing trust research also has a strong quantitative tradition. As mentioned before, quantitative methodology has dominated in empirical studies of trust research; therefore, demands for a qualitative approach have recently been presented to redress the somewhat one-sided setting (Möllering, 2006; Lewicki et al., 2006).

Trust in itself provides varying and interesting settings for qualitative research, the aim of which is to gain an understanding of the perceptions of actors, individuals, groups, etc. in their own real-life contexts. In that sense, the aim of my dissertation is to capture the phenomenon embedded in organizational culture and the situational frames. Recently trust has been investigated by qualitative methods in diverse educational contexts in Finland, e.g. by grounded theory (Tuomola-Karp, 2005) and narratives (Laine, 2008; Raatikainen, 2011).

In conclusion, a qualitative research approach was chosen for a few sound reasons: the sensitive and delicate nature of the research topic itself and the ambiguity of the theoretical concepts of the issue (both trust and its development). The dynamics of dyadic trust development has so far been very rarely studied empirically by qualitative, rigorous, empirical methods. Qualitative methodology is also well grounded in the stage of the trust topic, as gaining ideas and insights about the phenomenon for stimulating further research is pursued. As the reasons for and benefits of my methodological choices I argue that earlier studies have provided an incomplete picture of trust development and dynamics in vertical dyadic relationships in organizations. I

have adopted an explorative, qualitative approach for the empirical study of trust development within leadership. In this study, I am aiming to capture for description trusting processes within leader-follower relationships in the target organizations. Therefore, qualitative approach is well grounded in the framework of the study due to the depth and multidimensionality of the topic.

3.2 NARRATIVE APPROACH TO STUDYING TRUST

This peculiarity – research that is not searching for the truth and therefore is incapable of distinguishing between fact and fiction – naturally creates concern among the research community that is not familiar with the narrative approach. (Hytti, 2003, p. 89)

The study adopts an explorative, narrative approach to the study of trust development within leadership. In general, narratives and stories are typical ways to clarify reality, and narration is close to normal speech (Kovalainen & Eriksson, 2008). In fact, the human world is based on story-telling and listening and the stories and tales have become interests of research (Czarniawska, 2004). More precisely, in the current study these terms of a narrative and a story are not crucial to distinguish, as is common in organizational studies on narrative (Maitlis, 2012, p. 493). The distinction is more relevant for example in linguistics studies. Polkinghorne (1988) prefers the term ‘narrative’ instead of a story due to imaginativeness. In this dissertation, instead, I use the terms ‘narrative’ and ‘story’ synonymously. Narrative in the current study is defined as “a spoken or written text that involves temporal sequences of events and actions” (Maitlis, 2012, p. 492). As its simplest, a narrative is a description about an event by a narrator or more (Eriksson & Kovalainen, 2008). Noteworthy, actually one narrative always includes two stories: The one told by narrator and the other one received by the listener or reader. Narrative research is interested in how people themselves interpret events and then, researcher interprets these interpretations. Narrative researchers have quoted the idea of *narrative knowing* presented by Jerome Bruner (Bruner, 1986). Another definition to narrative is a form of knowledge and equipment for understanding temporality (Hyvärinen & Löyttyniemi, 2005, p. 189). Telling stories is a way that human beings may *structure and give meanings* to things as people construct reality along with others by means of story-telling. Narrative research is interested in how people themselves interpret events and then, researcher interprets these interpretations. Usually a narrative has a beginning, middle and an end reflecting the social reality and context where and to whom they are told (Eriksson & Kovalainen, 2008).

Narrative is also seen as an organizing principle. Pioneers of narrative approach in psychology such as Sarbin (1986) proposed that “narrative is an

organizing principle for all human action and the way we understand the world and make decisions is guided by narrative structures.” Interestingly, trust is also seen as an organizing principle (McEvily et al., 2003). Leadership can be considered as a process of organizing:

We know surprisingly little about how relationships form and develop in the workplace. Moreover, investigation into the *relational dynamics of leadership as a process of organizing* has been severely overlooked in leadership research (Uhl-Bien, 2006, p. 672, italics mine).

In organizations, the dynamic between leader and follower is one of its basic elements; and, an important aspect of the leadership process is the dyadic relationship that leaders have with their individual follower. Thus, narrative methodology seems to be suitable for studying dynamics of dyadic trust in leadership.

As trust is defined as an ongoing process, socially constructed by the participants, highly contextually, ‘on the move’, the investigation and acquiring deeper understanding of the nature and the process of trust is enabled by the narrative accounts of actors. We know comparatively little about how trust actually is created and maintained by actors. Wright and Ehnert (2010, p. 109, italics originally): “trust is *always* shaped by contexts, histories and other actants (both human and non-human), and it is these other elements that need to be studied if we are to produce meaningful research narratives.” According to Ashleigh and Meyer (2012, p. 139), narrative methods enables exploring the meaning of trust given by the participants of the study. In this study, I rely on social constructionist view on narratives where they are subjective accounts and acts of sensemaking. I presume that narratives not only create realities but are also constituents of ongoing (Riesmann, 1993). Narratives can be used to study how everyday reality becomes constructed in narratives and by narratives in organizations. I am interested in how trust is constructed in leader-follower relationships in narratives. I have always been intrigued by stories, and experiences described by them.

Ubiquitous, stories have encouraged scholars to utilize narratives beyond the linguistics and take the “narrative turn” embracing fields as diverse as psychology, sociology, history, the law, management, and more. Narrative approach assumes that human actions are always culturally bounded (Polkinghorne, 1988, p. 169). The narrative approach is adopted in the study due to the nature of research problem. Narratives and storytelling is a natural manner for human beings to understand themselves and phenomena and linkages between phenomena (e.g. Bruner, 1986). The narrative approach enables to study the changes and transformations over time as well as make distinctions, parallel and analogize. Narratives are captivating due to they both carry and create meanings. Czarniawska (2004) has stated that narratives

facilitate investigation of the knowledge and perceptions about organization and human behavior transform. Individuals create, maintain and transform the reality of an organization by narratives which plead both emotions and intelligence. Furthermore, narratives provide a chance to formulate the future of an organization.

The theory developed by trust research could benefit qualitative studies, especially in helping better account for the suspects of representations of emotions in various types of narratives as e.g. sensitive issues of trust breaches. Recently, trust research is contributed by studying narratives of top managers about their most important relationships (Atkinson, 2004) and by investigating correlations between different leadership styles and trust (Gillespie & Mann, 2004). Empirical studies on the development of trust are rare (Mayer et al., 2011). The crucial building block of a leader-follower relationship is interaction. According to Atkinson (2004, p. 573) this highlights the dynamic and process-like perspective of trust in leadership due to the relationships continuously changes over its history.

In this dissertation, my aim is to integrate narrative and ethnographical methods by emphasize their similarities instead of differences. Opportunities for combining and utilizing these two approaches are abound, due to overlapping interests. I have adopted an explorative research strategy due to the nature of trust. Reflecting pre-assumptions as well as all the choices during the research process is typical in ethnographical study. Traditionally, the purpose of qualitative reporting is a "thick description" (Geertz, 1973), however, not boring or too heavily detailed. I consider that no individual expression can ever stand for ultimate truth; therefore, no narrative can be a representation of the final statement (Hytti, 2003). I understand reality as socially constructed within different negotiations about meanings. Since the narrative allows focus on the interaction between the researcher and the participant, a researcher is able to be reflective about his or her interventions and the way the researcher generates the data. The persons narrate their thoughts and the events that have taken place (Czarniawska, 2004).

My aim is to provide new knowledge about the phenomenon of the process of dyadic trust development. Knowledge and information can be reached and construed by the disclosed meanings of participant. What meanings are given to phenomena? My aim is to catch these meanings by interviewing and by written narratives. I also aim to reflect my purposes thus the readers are able to evaluate my study and the results. The aim of research in general is to gain results by systematic and detailed methods. I rely on Hytti (2003, p. 88) considering that the chosen approach is heavily dependent on the choices I have done regarding the themes that "emerge for me in the interview and the in the texts." The term 'perception' refers to the attributes that are purely subjective, not of any objective nature, as a perception of an individual regarding another individual's behavior ultimately depends on the perceiver's cognitive categories (Klaussner

2012, p. 11, referring to Lord et al., 1984). My own perception about the organizational and leadership studies was reorganized during the research process when I realized that the main themes of the field has been in the focus of the research for a long time but still worth of studying from several standpoints and approaches even though not yet to the core. The diversity of these organizational phenomena is an object for continuous interest and curiosity. If we want to better understand the challenges of leaders face today and how they feel about leading and managing, we need to pay attention to their subjective experiences. However, the emotional and experimental aspects of leader-follower relationship from the perspective of trust have surprisingly rarely been the focus of research. All in all, narrative research covers a multitude of possibilities to carry out research (Hytti, 2003).

The metaphorical way of reporting

In constructionist and narrative based philosophy, social reality is produced through story-telling. Characteristically, qualitative research within interpretivism and constructionism enables multiple possible interpretations of the same data depending on the intuition, insights and scientific imagination of a researcher, perceiving all these interpretations to be potentially meaningful (Eriksson & Kovalainen, 2008). Metaphors may present a surprising understanding of the topic under consideration (e.g. Isenman, 1997). I am aiming at it through the use of metaphors as a way of reporting.

The term of metaphor is derived from Greek 'metapherein', meaning *transference* (Tourish & Hargie, 2012, p. 1047). Metaphors represent a controversial component of organizational theories (Boxenbaum & Rouleau, 2011), referring to Morgan (1983). The importance of metaphor in organizational theorizing, as well as everyday life, has recently been recognized (Boxenbaum & Rouleau, 2011; Tourish & Hargie, 2012). In fact, the exact nature of metaphor has been debated in a long and rich history (Tourish & Hargie, 2012). According to Boxenbaum and Rouleau (2011, p. 273) "they were traditionally held to be a source of pollution in scientific thinking and writing" (Pinder & Bourgeois, 1982, referred in Boxenbaum & Rouleau, 2011, p. 273), but recent work on the topic suggest that metaphors constitute a core component in cognitive processing." Metaphors provide a source of imagination, inspiring scholars to integrate them with theoretical concepts (Boxenbaum & Rouleau, 2011). In my dissertation, metaphors are used for that purpose.

A qualitative approach allows, indeed particularly recommends, metaphorical language for describing the research findings. For example, (Janesick, 2000, p. 380) uses the metaphor of choreography as "a tool to make reader think about metaphor. Metaphor in general creeps up on you, surprises you." Like Janesick (2000, p. 380), I wholeheartedly agree with Eisner (1991) when he puts it: "Metaphoric precision is the central vehicle for revealing the qualitative aspects of live." (Quoted in Janesick 2000, p. 380). In my dissertation I

have chosen a metaphorical way of describing the dyadic trust development process. Metaphors are used in a theory-constructive way utilizing their innovative and generative powers (Boyd, 1993; Knudsen, 2003). As its best, a scientific metaphor generates new insight into conceptual development (Knudsen, 2005) and, as Tourish and Hargie (2012, p. 1047) state, referring to Morgan (1986, p. 342), “using metaphor to unravel multiple patterns of significance and their interrelations” provides more than a neutral depiction of an external reality. Fundamentally, a good deal of our social reality is understood in metaphorical terms (Tourish & Hargie, 2012, p. 1047). Anecdotally, for example, the term ‘construction’ is actually a metaphor itself, adapted for academic discussion.

Boxenbaum and Rouleau (2011, p. 274) state that “organizational theories are composed of various building blocks, the most important being empirical material, theoretical concepts, and metaphors.” However, metaphors represent a less recognized but generative component of organizational theories, meaning that they have “a creative potential to stimulate new perspectives” (Boxenbaum & Rouleau, 2011, p. 275). These propositions can later be elaborated into theory formulations and testable hypotheses. According to Boxenbaum and Rouleau (2011, p. 275), “perception and knowing are linked in an interpretive process that is metaphorically structured”, referring to Koch and Deetz (1981), and Morgan (1996, p. 228), stating that metaphor represents “a primal, generative process that is fundamental to the creation of human understanding and meaning in all aspects of life.” Therefore, the guiding theme of the role of metaphor in this dissertation is adopted from Fleming (2005, p. 48): “The use of metaphor in scholarship is an important dimension of theory development and empirical analysis that enables researchers to visualize organizational processes from multiple perspectives.” This view is also supported by Cornelissen (2005, p. 753), who highlights the “heuristic quality in opening up new and multiple ways of seeing, conceptualizing, and understanding organizational phenomena.” Besides, metaphors are not a novel way of conceptualization in business studies, as early theorists as Adam Smith (1759) contributed to economics by the metaphor of “the invisible hand of the market.”

In addition to a metaphorical way of reporting findings, I will also aim at illustrating the results. Usually narrative researchers rely on the power of words in their reports and actually avoid figures, depending on the phenomena studied. However, I have combined both methods of reporting results in order to produce a diverse description. Incomplete illustrations as such may point out the essential features of a phenomenon while nuances may disappear. The challenges of visualizing are multiple; hence, I will use it due to personal preferences. I categorize myself as a visual personality to whom visualizing is a natural way of thinking.

To sum up this section, I have adopted an explorative, qualitative approach to the empirical study of dyadic trust development and dynamics within

leadership. This qualitative study is based on the constructionist paradigm and the interpretive approach pursuing descriptions of the phenomena studied. It aims to gain an understanding of the perceptions of actors in their own, real-life contexts. This approach pursues descriptions of the phenomena studied and aims at an understanding of the perceptions of actors, individuals and groups, in their own real-life contexts. The starting point of the interpretive research is the idea of an organization as a socially constructed reality. Therefore, this reality can be studied from multiple and different points of view which are not mutually exclusive. I have chosen narrative methods for analysis and a metaphorical way of reporting in order to discover and describe both the nuances of the phenomenon as well as the core features.

3.3 TARGET ORGANIZATIONAL

3.3.1 Overview

The empirical context of this study is a not-for-profit organizations and the third sector. The study has two main target organizations, both of them not-for-profit organizations (NPOs), one providing social services similarly to private business, and the other a non-profit-making association. Within this organizational context, trust in leadership is as equally interesting a phenomenon as in the context of "traditional" business organization. There were practical reasons for the choice of organizations, such as previous contacts to them. Typically, useful personal contacts helped me to get started with the empirical study. In this study the organizational context is Finnish not-for-profit organizations, which increases the originality of the dissertation.

What are organizations? According to Aldrich and Ruef (2006, p. 4) three dimensions define organizations: organizations are goal-directed, boundary maintaining and socially constructed human activity systems. Globally most organizations are small, though large companies are economically dominant. Furthermore, distinct lines between public and private organizations have become blurred and varying combinations of hybrid and partnership forms are arising in a turbulent environment (Scott 2003, p. 362). Collins and Porras (2004, p. 19) state that there is no conceptual difference between for-profit organizations and not-for-profit organizations. Organizations have to renew and change in a turbulent environment, since core values and mission are essential to all organizations. Organizations have to be economically efficient, using its resources effectively and improve continuously to survive in current challenging environments. All these challenges exist in one of the target organizations of the present study, namely the foundation-based organization providing social services similarly to private business.

The foundation organization of the study is a proper example of a third sector organization not differing from a private sector organization. The organization is multi-professional and multi-branched with organizational units around the local area. Management and leadership correspond (are comparable) to those in business organizations. The performance of the organization determines future funding and whether new projects are to be established. This organization is a typical growth organization occupied by young professionals who eagerly attend in-service training. At the time of data collection, the foundation had undergone an organizational change in which a new level of team leaders was added to the organizational structure instead of the dominant trend of a flatter organization. This organizational reform was implemented after thorough discussion in the foundation in which all the employees were involved. The new organization chart is presented in Figure 7.

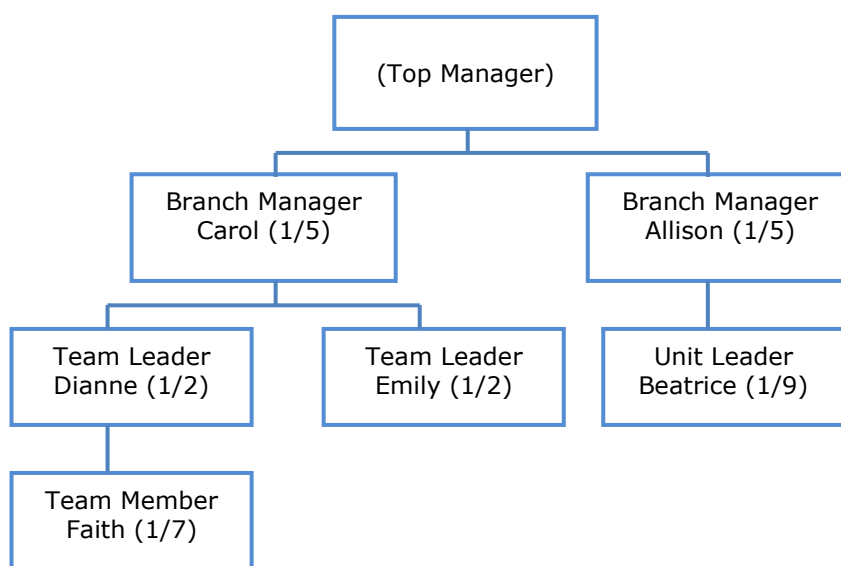


Figure 7: Organizational chart of the foundation

The other target organization is an NPO where the staff is involved in social activity apart from commercial business and profitability. Usually not-for-profit organizations are legally organized as associations and are fairly small. For example, an association may have one or more paid employees. Aldrich and Ruef (2006, p. 5) note that “participants must be enticed or coerced into contributing to the organization’s activities.” Not-for-profit organizations usually offer more intangible advantages, such as social occasions (Aldrich & Ruef, 2006). The difficulty of managing NPOs comes both from their mission and voluntary nature of the personnel. Therefore, a leader cannot force

voluntary workers to engage in a task against their will. In Finland, management and leadership differ between not-for-profit and business organization because of the labor legislation. A peculiarity may appear in leader-follower relationships in voluntary organization as these relationships are usually formed on the basis of voluntary commitment. Leadership in voluntary organizations has been little studied in compared to leadership in business organizations. The commonly held opinion of the disappearance of voluntary work in modern society can be questioned. Voluntary work is currently needed as is new knowledge about voluntarism in Finland and abroad (Yeung & Grönlund, 2005). A variety of voluntary work activities and organizations exists especially in the United States, where research traditions are stronger. For example, according to Drucker (1990), we should not speak about voluntary workers, but *unpaid staff* to emphasize their meaning as staff, not as 'helpers'. Drucker (2001, p. 271) also argues that the challenges of the information society in the future will be more about leadership challenges. In the knowledge era, leadership issues are emphasized in all kinds of organizations.

The current situation in the voluntary organization is described by a practice of shared leadership. The board of the association has the executive decision-making power. The salaried general manager of the association is fairly new in his position, at the time of the interview he had been at his post for less than three years. There are also three other paid employees: two branch managers and a financial assistant.

3.3.2 Ethical considerations

For scientific purposes treat people as if they were human beings (Harré & Secord, 1972, p. 84)

From the research ethics point of view, survey investigations and statistical analysis can be conducted without problems, whereas in a qualitative study, the consideration of the researcher's role is of crucial importance. First, as a researcher I have to recognize the premises on which I have based the study. Second, I have to be conscious of my position in the field and gain the trust of the participants of my study (Eriksson & Kovalainen, 2008; Dentzin & Lincoln, 2000). Occasionally during the research process, the ethical balance has brought unexpected challenges. In order to follow the ethical rules of research, first of all, the protection of the anonymity of the organizations and individuals involved the study is essential. For that reason, all the participants and the places have been renamed in the report. Second, I have omitted everything that might damage an individual or the organization from the analysis and from the findings. In that sense, survey studies are ethically simple to carry out. However, this study applies qualitative methodology, as the qualitative approach is well suited to capture the nature and dynamics of dyadic trust development.

Access to the target organizations was gained on the basis of prior knowledge and familiarity. Some useful personal contacts were helpful in getting started with the empirical study. However, access was obtained by ensuring anonymity. This facilitates the formation of trust between a researcher and the informants (Lyon et al., 2012). I have been involved with several not-for-profit organizations as a board member and hands-on volunteer throughout my adult life. The other organization in the study is one of those in which I was a volunteer. My role during the study in that voluntary organization was somewhat exceptional as I have been a member of the association for several years. Yet it is impossible to identify the organization. The descriptions of the organizations, however, are scant and brief due to the need for anonymity. The narrative analysis of the data is therefore colored by descriptive details in order to reveal the nuances of the phenomenon.

In particular, the method of empathy-based stories can be considered an ethical way of data collection on sensitive research topics (Eskola, 1997). On the other hand, among the methodological questions of the study one of the main issues has been how to include fiction in research. Considering my research questions and aims, different methods are designed and suited to different kinds of questions. The chosen methodology has guided the entire project from the theoretical framework and design through to data collection, analysis and writing up to conceptualization, not only analysis. With a qualitative approach it has been well justified to report the results as a mix of “facts and fiction” for certain research ethical reasons, see e.g. Siren (2009). This is reasonable for research ethics when the participants or organizations of the study are totally anonymous. In other words, fiction is included in the report for purposes of protecting the participants of the study. Furthermore, fiction may introduce new perspectives and dimensions of the phenomenon which could not have been achieved by other methods. As such, the data may be partly fictive (‘not true’) for example, interviewees may not tell the truth: Who knows whether or not the participants speak truthfully? The participants of the study may have told me how things are but in a sense it is always their perception, an interpretation of how they believe them to be. As discussed above in narrative methodology, I am not for the ‘ultimate truth’ but the socially constructed reality, continuously changed, transformed, and shaped by concerned.

3.4 DATA COLLECTION AND ANALYSIS

Due to the social constructionist approach taken in this current study, the appropriate title for this section could be data *producing* instead of data collection or gathering. The term data producing involves the idea of researcher's active participation to the process of data collection. I agree with this point of view, especially in interviewing the role of the researcher is significant. However, I adhered to the traditional title of data collection mainly because I also gathered natural data (site documents) and the method of empathy-based stories is better described as data collection than data producing although as a researcher I naturally exerted some influence on the data by my words, behavior, and presence.

The data gathering process can be loosely divided into two phases. First, data was gathered by interviews and participant observation in the target organizations 2009-2010. Secondly, narrative data from a fictitious business context was collected 2010-2011. The research data was collected by participant observation in one organization and by observation in the other, by ethnographic interviews where the dyadic members were interviewed together and separately, and also by site documents and field notes during the data collection period. The original idea of the data collection was to conduct a longitudinal study in the organizations. However, ethnography and narrative methods are combined in this study, which aimed to observe and interview the same leader-follower dyads of the foundation organization. The purpose of interview data gathering was to *shed light on* the research problem, originally, to answer to the main research question. Moreover, the MEBS data was gathered to *enrich* the exploration, specifically, to answer the sub-questions. Finally, both data sets were diversely analyzed to provide a rich description of the trust phenomenon in dyadic leader-follower relationships.

3.4.1 Narrative and ethnographic interviewing

The aim of narrative interviewing is to acquire narrative data, i.e. *narratives* and *stories*. Narrative interviewing refers to the researcher's way of formulating the interview questions in order to gain narratives and provide space for storytelling in the interview situation (e.g. Hyvärinen & Löyttyniemi 2005, p. 191). Although all qualitative interviews usually contain narratives and storytelling, I deliberately aimed at eliciting narratives about the changes and transformations of a relationship or a situation. The narrative type of interviewing may produce new research questions, for example, "How do leaders and followers enact on trust building and maintaining?" in this study, although it also led to several rounds of analysis (Eriksson & Kovalainen, 2008, p. 83).

Ethnographic interviewing is applied in the study for the purpose of the *co-construction of meaning* in the situation. I am aiming at awareness and reflection

of the ways in which the relationship between the researcher and interviewee affects 'how the questions are approached, negotiated and responded to' (Sherman Heyl, 2001, p. 379). Generally speaking, the term 'ethnography' is commonly used throughout disciplines referring to variety of field methods. In this study ethnography refers to the style or type of research rather than special methods from data collection to analysis and reporting. Ethnographical research includes fieldwork in the authentic environment including participative observation, interviews as well as other data gathering methods. The purpose is to understand a phenomenon by observing and interviewing the participants involved in the real-life context. Furthermore, ethnography may refer to the description of the data as well as its analysis. The idea of the ethnographic approach is to 'get in' to the scope, personal involvement in the target organization, observation and learning (Anderson, 1992). By ethnographic interviews I mean that the participants are interviewed in the field enabling observation before, during and after the interviews. As Hytti (2003, p. 54) justifies in her dissertation, "by going to the field it is possible to study the actual production of the narratives."

During the period 2009-2010, I interviewed 12 leaders and/or followers in two not-for-profit organizations. The leaders were top managers, branch managers, team leaders, and the subordinates were team leaders and voluntary workers. The main body of the data consists of interviews where the leaders and the subordinates were interviewed separately except two interviews where the dyad was interviewed together. The interviews were conducted in several places according to what best suited the participants, for example, meeting rooms, offices or cafés. However, the most natural place was their workplace, which enabled me to gain field diary material by observation.

The data were collected by means of thematic face-to-face interviews, open-ended, unstructured interviews and observations. By adopting an open-ended approach to interviewing, it is possible to listen to unanticipated but closely related issues which seem to be particularly important to the respondents. Four leader-follower dyads in an organization were interviewed and observed, and another leader-follower dyad in another organization, and four followers as well. Usually dyads were encouraged to describe stories about behaviors, situations and incidents in everyday life from the very beginning of their leader-follower relationship. Dyad interviews differentiated from individual interviews. The atmosphere was different than in the other interviews. However, it seemed that the leader-follower dyads were relaxed although the situation was new for all of us. It takes time to interview the same dyads longitudinally (together and separately); therefore, it was carried out with one dyad of the study. During these interviews, trust (and distrust) was discussed by a number of participants as an organizational and interpersonal phenomenon that has several meanings in relationships. Dyads were encouraged to describe stories about behaviors, situations, and incidents in everyday life including retrospectively from the very

beginning of their leader-follower relationship (Ikonen, 2010). The method stresses active listening. Questions were open-ended along the lines of "Tell me about..." (Reissner, 2008, p. 126). Employing a qualitative strategy for the study involves the how and why type of questions. After listening to a story, I as a researcher continued asking, for example: "How did you feel about that" or "How did you react?"

My purpose is to truly explore *experiences* and *views*, allowing participants' voices to emerge from the data without trying to impose, develop or test some theory. Therefore, I chose to use very open-ended interview questions that simply ask participants about their experiences. Questions like the following allowed them to describe their experiences openly: "What is it like to be a leader?", "What are your views on trust and leadership?", "How would you describe the relationship with your leader (or follower)?" According to Eriksson and Kovalainen (2008, p. 80), constructionist interview research is usually more interested in 'how' questions, however, the best research work is done by combining both 'what' and 'how' questions. I avoided mentioning the word trust until the interviewee started telling about it. The aim of the interviews is to allow the participants to recount what they consider important and significant. As trust is an abstract issue and may be a delicate matter for the informants, this particular method seemed the most appropriate to understand the interviewees' perceptions of how trust is built and maintained. It seemed that it would be easier for the interviewees to answer the questions verbally rather than for example completing a questionnaire.

The duration of the interviews varied from approximately half an hour to 75 minutes (see Appendix 1). For example, the interview with Allison is identified as an in-depth interview. It was the second time we met and this open, informal, unstructured interview became individualized, contextualized, and, according to my interpretation, relevant to the interviewee as well (Eriksson & Kovalainen, 2008, p. 83). All the interviews were recorded and transcribed immediately afterwards and the field notes were separated from the transcriptions. These twelve interviews produced 78 pages (A4) of transcribed data. As all the interviews are in Finnish, they were translated into English in the course of the analysis. Furthermore, field notes are analyzed and combined by the narrative analysis (see next Chapter).

Additional data

One of the major unexplored aspects of trust in empirical work is the time issue and longitudinal trust research is rare (Möllering, 2013; McKnight & Chervany, 2006, p. 43; Burke et al., 2007, p. 626). As Aldrich and Ruef (2006, p. 268) suggest, if prolonged access to participants is desired, researchers can use ethnographic methods to track evolutionary processes through field (participant) observation. Naturally, direct observation requires the most extensive access to participants in an evolutionary process (Aldrich & Ruef, 2006, p. 270). As Aldrich and Ruef

continue, it allows participants of the study to “emerge” during the process as it is impossible to observe a person’s intentions or capabilities directly. In turn, a researcher can listen to them carefully and, moreover, observe characteristics and people’s behavior and actions. However, collecting detailed information is time consuming and expensive in intensive field-based studies and ethnographies (Aldrich & Ruef, 2006, p. 270). Furthermore, ethnographic research has an interest in cultural meanings with an emphasis on the ‘emic’ view. The ethnographic approach emphasizes the complexity of organizational cultures and conflicts as well.

In addition, informal observations, recorded in the form of field notes; (Reissner, 2008, p. 127) complemented data collection. The field notes contain descriptions of the situations participated in and were written as soon as possible after the interviews and, in many cases, during the observation in the field. The site documents were used as additional material in narrative analysis. For example, I used the web sites of the target organizations as a source of details to write the stories more descriptively in order to add to the verisimilitude of the report. The supporting data comprises the web sites and some archival documents (e.g. brochures, annual reports) of the organizations. The research diary and field notes are different sources of data. Additional data is used to amplify the narrative analysis and make the description more vivid. Such a systematic analysis was needed for the additional data; its role remains supporting. The role of observational data in the study is to provide a more profound and richer understanding of the particular context.

I had to seriously ponder the ontological issues as I chose both interviewing and observation as research methods. I found it rather ontologically and epistemologically problematic to see organizational reality as ‘one truth’ that is under investigation by diverse methods. I disagree with the idea of observation as checking or monitoring whether participants behave as they had told me they behaved behave in the interviews. Instead, I understand the reality of an organization as socially constructed. I am not interested in whether the participants did actually act as they told me to or not, but I am interested in their *perceptions* of trust. Hence I made interpretations of what the participants were willing to share with me and what I observed. However, I view these narratives as socially constructed in the interview situations (e.g. Czarniawska, 2004).

Participative observation could produce insights even if the quality of the study may be more difficult to evaluate (cf. Mattila, 2006, p. 8). The field notes are full of my hunches, feelings, and ideas. The interview data as such is a relevant to narrative analysis. Observational data has an additional role in order to acquire more a holistic and richer view of the organizational context. The additional data was gathered in order to provide several opportunities for analysis. Descriptions of the situations in which I participated were written as soon as possible after the interviews and, in many cases, during the observation

in the field. Furthermore, field notes were analyzed and combined with the narrative analysis (see next chapter).

3.4.2 Empathy-based stories

Another source of data is also used in this study. This data was gathered by the method of empathy-based stories (MEBS), which means that a researcher generates an orientation text about a fictional situation to gain descriptions of experiences from the participants (Eskola, 2010). This method of data collection refers to imaginative stories (Bruner, 1990, p. 53) and the method of role play. In fact, empathy-based stories are rooted in the method of passive role play. However, these methods of data collection are not so often used in business studies (see Katila & Eriksson, 2011; Moisander & Pesonen, 2002).

According to (Riek & Mania, 2012, p. 308) “empathy consists of cognitively perceiving the world from another’s perspective and emotionally experiencing what another “feels” referring to Stephan & Finley, 1999, and Wade & Worthington, 2005. In this study the method of empathy-based stories implies an orientation text according to which the participants continue writing short stories. The idea of the method is different versions of the orientation text (usually two or four variations). In this study, I had four different versions of the story so that each participant received only one version and was unaware of the other (Eskola, 1997; Katila & Eriksson, 2011, p. 4).

In this study, this sort of empirical data was collected among business students of the university. I asked students to write stories about an imagined situation to describe their experiences. More specifically, these empathy-based stories were collected from 41 students on a the course entitled Qualitative Methods in Business Research at the University of Eastern Finland, Joensuu Campus, in November 2010, and later 24 more empathy-based stories were collected from the students on a course entitled Human Resource Management in March 2011. At the beginning of one lecture the students were guided by a few words about the theme of the study (trust in leader-follower relationships) and they were allowed to use their imagination for empathizing in the situation of the orientation text. Each student got one of the four variations of the orientation text on a sheet of paper and was asked to continue the story for some 15 minutes. The study includes four (4) variations of the orientation text (see Table 2).

- A. Imagine that you are working as a summer trainee accounting assistant at a local company. Marketing manager *Mr. Peter Snowhill* has behaved in a *trust building* manner toward you. Describe what happens.
- B. Imagine that you are working as a summer trainee accounting assistant at a local company. Marketing manager *Mr. Peter Snowhill* has behaved in a *trust breaking* manner toward you. Describe what happens. Same suggestions as for A.

- C. Imagine that you are working as a summer trainee accounting assistant at a local company. Marketing manager *Ms. Patricia Snowhill* has behaved in a *trust building* manner toward you. Describe what happens.
- D. Imagine that you are working as a summer trainee accounting assistant at a local company. Marketing manager *Ms. Patricia Snowhill* has behaved in a *trust breaking* manner toward you. Describe what happens.

Table 2: Data by MEBS

Data set	Quality of action	Gender of leader	No. of stories
A.	Building	Male	17
B.	Breaking	Male	18
C.	Building	Female	16
D.	Breaking	Female	14
Total no. of stories			65

The writers did not know that four versions of the story had been given out. In the first data collection round the only background information required was the gender of the writer. Another time the age of the writer was required as well.

The data includes narratives written by students and these stories were analyzed by content analysis and narrative methods. MEBS is based on the assumption that people can express their understanding of social situations and episodes in the form of a story rather than answer a researcher's questions (Eskola, 1997). MEBS provides both challenges and unusual opportunities for analysis (Eskola, 2010). For example, the method facilitates the capture of the cultural meanings of a particular situation, such as trust building or trust violating in the present study. Note that these stories are not merely fictional but based on the experiences of the writers' own leader-follower relationships and the managerial discourses encountered in their studies and in media (Katila & Eriksson, 2011). In Finland it is fairly common to work part-time during university studies, especially in business.

The MEBS data was analyzed by content analysis first and then by narrative analysis. The point in the analysis of data collected by the method of empathy-based stories is the variation of the stories according to the original orientation text (Eskola, 1997). In this analysis of narratives I concentrated on what changes in the stories in the variations. The method enables to capture cultural meanings of a particular situation such as trust building or trust breaching in this case (Eriksson & Kovalainen, 2008). The empirical data of the study is originated in two sources analyzed in detailed in the next chapter.

Analysis of the orientation text

I aimed to gather narratives describing initial relationships between a leader and a follower. As the participants were students I thought that it would be easier for them to empathize with the role of a follower. I directed the orientation text to business students, which explains the inclusion of the words “marketing manager” and “accounting assistant”. On the other hand, I found the orientation text somewhat confusing as the hierarchal positions were equivocal. Nevertheless, all the written stories described trust in organizational relationships from the perspective of an employee. I generated the text in order to elicit stories describing trust building or breaking situations in leader-follower relationships in their early phases. The study is explorative by nature and therefore I was also interested in any possible gender variation in the data. Partly because of the example of Katila and Eriksson (2011), the variation of “Peter” and “Patricia” was also included in the orientation text. However, gender differences as such are not in the focus of the study.

3.4.3 Thematic analysis

The data is analyzed holistically in qualitative research. During the analysis, attention is paid to essential issues and details on the basis of the theoretical framework and the research questions. In the interpretation, I looked for the meanings that participants attached to dyadic trust. In relation to the research questions in the study it is possible to pay attention to relevant aspects and reveal something as yet unknown. *Thematic analysis* (Miles & Huberman, 1994) is often, in one way or another, the first qualitative technique for analyzing qualitative data when other methods are also utilized. This kind of thematic analysis is a commonly used technique for organizing the data (Riessman, 2008; Eriksson & Kovalainen, 2008). Arranging research material is a preliminary part of analysis (Hytti, 2003, p. 69). To put it simply, in research “analyzing” means concrete actions such as reading the data meticulously several times, categorizing and organizing the texts, itemizing the content and structures, and considering and reflecting the content of the data. First, the empathy-based stories were arranged according to the orientation text variations. Second, in the analysis, my interest was on different questions that I posed the research data, for example: What is being said? What is it all about? What kind of meanings do the participants attach to trust? How it is being said? What are the points of tension, what does not fit? What is the role of participant-researcher interaction in the meaning making process? In the analysis of the interviews I concentrated on the perceptions (expressions of experiences) of the interviewees. I simply used colored markers (following the method applied by Brown et al., 1988), to gather various themes in the story, and read each one separately and repeatedly (Lieblich et al., 1998). Finally the analysis was compiled according to whether expressions were trust building or trust breaking, and then categorized according to descriptions of the behavior of the leader and the follower.

This method makes it possible to capture meanings in a particular situation and perspective, i.e. the, process of trust building and maintenance. The key themes were identified and coded. The data included valuable information in the form of process related expressions by interviewees and their perceptions of features, patterns, and dynamism related to the dyadic trust process. Through them the nature and dynamics of dyadic trust development process could be identified, interpreted and understood in more detail.

3.4.4 Narrative analysis

For clarification of the terms, Polkinghorne (1995) distinguishes between narrative analysis and analysis of narratives, both of which are used in this dissertation. First, I analyzed the interview data by narrative analysis, that is, I organized and interpreted the data in order to construct another narrative for interpretation and discussion (Eriksson & Kovalainen, 2008, p. 217). The use of narrative analysis as a method concerns firstly what is being spoken and second the way of speaking (Hytti, 2003). In this narrative analysis, 'narrative' refers to the mode of analysis which involves narrative writing throughout the research process (Eriksson & Kovalainen, 2008, p. 217). Second, I analyze the other data (to be presented in more detail in the next section) by an analysis of narratives. According to Eriksson and Kovalainen (2008, p. 217), analysis of narratives means collecting stories, analyzing their plots, structures or story types.

There is no single analysis method in the narrative approach. Earlier research offers examples of several linkable and complementary patterns of narrative research. The aim of narrative analysis is to answer questions beginning 'what' and 'how', and probably also 'why.' Therefore the analysis produces a description of a process. The time dimension is included in the narrative approach suitable for the present study. The main principle in narrative analysis is to provide a description over time focusing on the events (or episodes). I analyzed the data of "vocabularies and narratives of leadership actors as sense-making accounts, in which meanings are generated for the environments they enact, identities and relationships they manage, change they foster" (Fairhurst & Grant, 2010, p. 179). Aldrich and Ruef (2006, p. 46) note that the concept of *enactment* is demanding for conducting study on *why* actors behave as they do. They refer by enactment to the fact "that actions precede interpretations and interpretations create a context for action"(ibid, p.46). Similarly, narratives and storytelling enable individuals committed to leader-follower exchange to reflect upon their experiences and make sense of the relationship in communication (Fairhurst, 2007, p. 122). On the other hand, I agree with Hytti (2003, p. 88) that the chosen approach and analysis techniques are heavily dependent on the choices of researcher regarding the themes that 'emerge' in the interview and the in the texts.

Narrative analysis provides insight into complex relationships in the social context, for example, the only and same speaker (interviewee) had several social

voices internally negotiating instead of 'pure' representation of expressions. Investigating the narratives of leaders and followers reveals patterns and features of dyadic trust development and its dynamism within organizations through personal stories. From Deutsch (1958) on, sociologists have pointed to the ways in which work relations are embedded in institutional arrangements endorsed by social structures.

I consider that social constructionism includes an idea of socially sustained reality; as a researcher I participate in the production of meanings. I analyzed my participation in the interviewing which was organized only for the study. In these situations, I participated in the construction of reality by my questions, comments, nodding, and non-verbal communication. In this study each narrative is be constructed from several (two or more) interviews into a new narrative, a story interpreted and written by the researcher. When I was writing the analysis my purpose was to keep in mind the interview as a whole in order to capture the characteristics of each story. The additional data was also used in the construction of new stories. None of the reported stories was told by a single person. The excerpts from the original data are presented in order to demonstrate the reasoning and interpretation to the reader. In so doing, the reader of the research report is able to evaluate the interpretations made by the researcher. The reader can also create his or her own story of how events unfolded, for example, based on his or her own experiences. These stories written by the researcher may carry some fictive details as well, in order to protect the identities of the participants.

The interviews themselves are not in a narrative form as such. However, I present them in the form of narrative in order to draw together and communicate the content of the interviews as best I can. I conducted the in-depth interviews in order to achieve an in-depth understanding of the phenomenon of dyadic trust development and dynamics in leader-follower relationships. In the analysis, the narratives are rewritten several times in order to make them interesting by focusing on the meanings the leaders and followers attached to trust and the way they construct trust in their stories. I analyze these stories with regard to the contents (what is told) and the interpersonal function of the language (Riessman, 2008; Maitlis, 2012). Critical readers may wonder whether this is fraud (Riessman, 2008). The concept of *discourse* is limitedly included in the analysis of the research data. By discourse (in a narrow meaning) I refer to the ways of giving crystallized meanings which I have constructed and identified in the data.

3.4.5 Analysis of narratives

According to Eriksson and Kovalainen (2008, p. 217), analysis of narratives means collecting stories, analyzing their plots, structures or story types. For example, story type analysis will be used in the study to analyze the MEBS data. The narratives collected by the method of empathy-based stories consist of short

stories describing a particular experience or situation as well as more general stories about the behavior of the leader introduced in the orientation text. The narratives emphasize subjective experiences, and are usually culturally shared and linked. These narratives and accounts may be seen as fiction, which may pose problems for scientific research. They may be fictive and, presumably, have never taken place as such, but certainly they could have.

As described in the preceding chapter, the data includes altogether 65 stories, of which 33 describe trust building and 32 trust breaking. I had pre-analyzed the first 42 stories before I gave them to Hanne Tapanen for her Master's thesis. Tapanen (2012) analyzed the data from a different perspective than I had done as she also had additional discursive data as a part of her study. She considered the data as a sample of the young generation's perceptions and analyzed the data as perceptions of the next generation of working life in Finland. Later I re-analyzed the original data once again together with the other part of the empathy-based stories (more 24 stories). My perspective in the analysis is somewhat different, at least in an ontological and epistemological sense. I see the data as *culturally produced*, and therefore amenable to analysis from multiple perspectives. I consider that the data carries *cultural meanings* of organizational life in Finland. As a preliminary method of analysis, thematic analysis was useful. I carried out an analysis round posing the questions "What is trust in these stories? How is it described? What meanings are given to trust in these stories?" The data was analyzed in several rounds varying the analysis questions. For example, the first analysis question was: "What is it all about?" The next round the question was: "What occurs before trust building or trust breaking, and thereafter?" On the basis of that analysis I categorized the key themes from these individual stories focusing on trust building and trust breaking by selecting items that might be significant and relevant to the logic of the story (Eskola 1997, p. 174).

Emplotment

The idea of emplotment comes from Ricoeur (1984, p. 73), who stated that storytelling is not a faithful repetition of what has happened or what is the truth or even fiction. Storytelling is a form of active searching, understanding, and interacting (Hyvärinen, 2006, p. 11) including an aspect of re-understanding and re-formulation, producing a challenge to investigate. The interplay between change, sensemaking, and storytelling is the basis of the description how trust develops and forms in the course of relationship. The essential elements of stories are transformation and change and are worth studying. The next step may be loosely described as a hermeneutical analysis of core episodes and key events (Denzin & Lincoln, 2005) within the variations of the stories. The analysis question, for example, concerned the meanings given to trust in these stories and possible differences according to variation. Then I took the analysis further by asking if there were other persons involved. In the structural analysis of the

stories, the aim is to answer the question 'what is the point of the story?' (Eriksson & Kovalainen, 2008).

Representative quotes from the interviews and written stories are reported (Silverman, 2001). The data was also analyzed by asking about what did *not* happen. Exclusions carry a strong meaning. As Boje (2001) states, "every story excludes." Negative phrases were rather revealing in the narratives and usually expressed more than an affirmative sentence. I also analyzed if the narrator was repeating e.g. the organizational speech or if he or she had taken his or her own voice in interview, which is identifiable by colorful speech and the use of rather strong, descriptive words.

4 Analysis of the stories of dyadic trust development

My research question (p. 21) is: How does interpersonal trust develop at the dyadic level in leader-follower relationships over time? The research also aimed to answer empirically oriented subsidiary questions: How do leaders and followers enact on trust building and maintaining? What meanings of dyadic trust do leaders and followers construct? For an adequate answer to these questions the link between theory and method is the key. In the following sections, I will first present findings from the content analysis of the interviews, focusing on the descriptions of trust formation and the perceptions of the participants. Then, based on an analysis of narratives, I discuss how the employees expressed their perceptions of leaders' trust building and trust breaching behavior. The stories of the organizational actors are presented as examples of a narrative analysis. The findings from the data are used below to illustrate the nature and dynamics of dyadic trust in leader-follower relationships.

4.1 STORIES OF DYADS

The story of Allison and Beatrice¹

It was a cold wintery day when I was on my way to the main office of the foundation organization in a local town. I was excited but also a bit nervous because it was one of my first interviews. On my way there, I did not feel I was an experienced researcher but I assumed the role of 'a humble doctoral student who is willing to learn' as I later wrote in my diary. Finally it was easy to find to the right place even though I did not know it beforehand. I had time to look around: The building was spacious and clean-cut. Suddenly a door opened and Allison¹ came to welcome me in the hall. Beatrice arrived at the same time and Allison led us to the negotiation room. There were tea and coffee and some sandwiches already on the table. When we were drinking coffee and discussing Allison's and Beatrice's leader-follower relationship I felt relaxed. I enjoyed the

¹ The names of the participants and the places have been changed to pseudonyms in alphabetical order

situation as I felt I was a real researcher as I finally was in our captivating conversation. At the beginning, Allison told me that she had been a branch manager in the organization for more than ten years. Allison told me that she had nine subordinates, Beatrice being one of them. They had known each other beforehand since Beatrice was a member of the quality group Allison led as a quality manager. "The relationship with each of my followers is unique" she said which reminded me of the ideas of LMX theory. Beatrice had become a manager of her service unit in Garnaville a year and a half ago. Garnaville is 70 km from the city and the unit there provides housing services.

Allison and Beatrice told me that they usually called each other at least twice a week. Furthermore, they e-mailed each other during the week. Allison told me that she had also given her personal phone number to Beatrice so that she can call any time if necessary. In so doing, she strengthened trust in their relationship, although it is also an example of risk taking behavior. Moreover, their interaction tends to be regular and plentiful, which is a fruitful basis for trust to grow. For example, Savolainen (2009) referred to trust as a force enabling more effective communication and cooperation. When I asked them to describe a particular situation concerning trust in their leader-follower relationship they just looked at each other and burst out laughing. Then they told me that for a long time, there had been a difficult situation with one of Beatrice's subordinates. This challenging situation had demanded a great amount of time and effort but no solution had been found. There had been signs of difficulties in the Garnaville unit before Beatrice became a leader but nothing had been done until Beatrice intervened in it with Allison's support. The way things were going was not towards a solution. Related to that particular situation, Beatrice told me that a few days ago some ones from a health authority had called her about Beatrice's subordinate. This person had said in the phone call: "Do not tell the exact truth to your supervisor!" Beatrice told me that at that instant she became angry and immediately called Allison. Beatrice described to me how she had felt at the moment: "I was so cranky, snorting what's that, I can't believe it. No way!" and decided to call her leader." Beatrice continued saying that she had always been able to call Allison in any situation and could be sure that Allison would be attentive and supportive. Beatrice tells her story:

Excerpt 1

Without Allison's support I would have given up. Because I had been a worker in that unit before I became a leader, I know what had happened there and that's why it was especially important to me that my own superior was continuously supporting me. ²

² The following transcription notations are used in reporting:

. a full stop in parentheses indicates a pause; [text in square brackets] is author's clarification

As trust is built over time, both parties need be able to share feelings and thoughts about their relationship. When Allison stands by Beatrice supporting her and she reciprocates by respect and appreciation, trust spirals upwards. Jones and George (1998, p. 537) describe trust as an evolving experience in which values, attitudes, moods and emotions operate simultaneously to produce trust. Allison describes how their relationship changed:

Excerpt 2

It is my job to listen to Beatrice and help where I can. Nowadays our relationship is more like a consulting relationship. Earlier I used to be more authoritarian because I knew how quality issues should be taken care of. I just told her what to do.

Allison had been able to develop her leadership skills and change her leadership style in a more authentic direction. Beatrice told me that she appreciated Allison's administrative experience. For me as a researcher, their relationship seemed to be uncomplicated, confidential, and respectful. Neither of them interrupted the other but both swapped stories. Their leader-follower relationship can be described by mutual respect. Beatrice was grateful for Allison's support. This supports the findings of Laine (2008) that it is easier for superiors to trust followers due to means of monitoring and control. Allison trusted Beatrice's knowledge and experience. She knew that Beatrice was achieving excellent financial results, which was substantiated by reports. They were both experts in their own fields. The study provides support for the importance of competence, one of the dimensions of trustworthiness. The significance of keeping promises and communication in trust building and maintaining in leader-follower relationships is highlighted in this story. In Savolainen's (2008, p. 11) words: "In practice trust appears e.g. in a frequency of interaction, communication, keeping the deals and promises, and guidance to learn." Through their interaction, Allison and Beatrice shared their values for mutual trust building, and practiced it on a daily basis. Trust between a leader and a follower seems to require time and reciprocal interaction.

The interview lasted 75 minutes. Later, I visited Beatrice at her unit in Garnaville spending a few hours observing and interviewing her. The remote village of Garnaville is secluded, located in the middle of nowhere. Nevertheless, the atmosphere in the organizational unit providing social housing services was very friendly and warmly welcoming. Beatrice, the manager of the unit, had a small office located in the middle of the main building. The door was open until I entered. The office was dominated by a table with a computer on it. Beatrice took some clothing off a chair so I could sit down. I felt a little bit nervous but at the same time I was very enthusiastic to learn more about the fascinating phenomenon of trust development and its dynamics, in this case, from Beatrice's perspective. In general I am also interested in leadership. During the day I spent in the Garnaville unit the importance of Allison's regular visits of Allison

emerged in our discussions. I concluded that a leader may show trustworthiness by visibility and presence and by supporting, encouraging and delegating responsibility, and giving continuous feedback.

Later, when I interviewed Allison on her own, I had a respectful attitude towards her. Thereafter I listened to the interviews several times; and transcribed and analyzed them. I view Allison as an experienced, wise leader. I had written in my field notes: "I felt I was privileged to be there interviewing her and listening to her ideas about trust and leadership." Later on, I wondered why I did not tell her that I, too well had worked years ago in the same profession. Perhaps I was so respecting in that situation that I just could not focus on myself. When Allison continued her story, she told me how straightforward a relationship she had with her own immediate superior. She also told me that her colleague was an important source of support. "You need a person with whom you can discuss everything; even if you do not share views." That made me think about trusting relationships at workplaces and I found dyadic trust invasive in nature. Dyadic trust cannot be limited to certain relationships. Rather, dyadic trust is emergent in nature; it emerges in relationships and then spreads to other relationships nearby.

At the end of the interview Allison told me something essential about leadership and trust when she said that "a leader has to be a little bit kooky."³ I realized how essential it is as a leader to put him or herself to be an object of ridicule, at least from time to time, for example, in the parties and celebrations in the workplace. From the perspective of trust, this can be seen as a responsible action to build trust. This sort of behavior signals a willingness to be vulnerable and reveals a kind of humanity on the part of the leader when she or he assumes another role than is usual.

The Stories of Carol, Dianne and Evelyn

When I e-mailed Carol to set the date for the interview, in her reply she addressed me by my first name, which gave me an impression of a nice person who was interested in participating in the study. On the day of the interview, before we started, I gave Carol some general information about our research group and my overall interests. The atmosphere in the interview was very warm but I was still somewhat confused about it and my own role as a researcher, not least due to the fact that Carol herself was a doctoral student in education. At the beginning of an interview, I always ask permission to record it. My recorder is rather small and immediately Carol commented on this with a few words about her own research. In this particular situation, Carol, a branch manager of the foundation organization, started to talk about her own data collection experiences. Later on, she continued on this shared experience and told me that

³ No better translation for the Finnish dialect word "*hupelo*" could be found.

she was a mother of teenagers. I also shared this and told her a little about my children.

Carol had eight years of experience in the foundation organization; she had three subordinates. She continued her story by telling me about the process of reshaping the organizational structure. Her unit had gone through a painful process with the help of a consultant. Before the change the unit had been too large but now they had ended up with two team leaders. Dianne was the other new leader of a multi-professional team in the office for client services. Carol was Dianne's immediate superior and she herself had five subordinates in her team. When I listened to Dianne, I immediately realized that she had read quite a lot of leadership literature. Dianne was very interested in her job, and especially, everything new things related to her new position as a leader. She told me how in terms of LMX theory she was "making leadership":

Excerpt 3

I have tried just to go downstairs and chat with them informally. One of my employees expressed a wish to meet regularly and we have done that. And I have walked around and asked at the doors how you are doing. I wonder if there could be too much of that. I need to keep doing that and develop it.

Dianne was deeply committed to the organization. She stated firmly that she wanted to become a good leader, she obviously had a mission. Dianne seemed to be very open and honest, which strengthens trustworthiness, and she created an open atmosphere by chatting informally. She spoke with quite a strong local dialect which makes me feel easy and relaxed. During the interview, Dianne wondered how to find the right way to be a leader. She referred to trust as an essential key component of leadership. She has received her new position as an example for other employees there. How often do we think about what we are? I noticed that in this interview I was no longer as nervous as I had been in earlier interviewing situations. I had accepted my role as a researcher and I enjoyed it. Now it was easier for me to actively listen to the interviewee than to speak myself. I considered it my mission to ask more about the themes the participant took up. Actually, I found it fascinating to listen to her when she was "thinking aloud" (as she said) and getting ideas throughout our conversation which was meant to be an interview. I appreciated her competence and her experience and in that sense I trusted her more and more.

In an organizational context, trust and cooperation will not operate in a vacuum. I realized that the relationship with her own leader (Carol) mattered a great deal to her. My interpretation is that Carol was a role model for Dianne. Integrity, mutual support, reciprocity, and initiative are crucial elements of efficient leader-follower relationship. Integrity, one of the dimensions of trustworthiness, emerges when the partners keeps promises. Trust is induced through actions which are in line with the spoken words. Furthermore, a

leader's expressions of emotion have an influence on a follower's experience of trust (Häkkinen et al., 2010; Savolainen & Häkkinen, 2011).

Trust is argued to facilitate cooperation because a team member who believes that another member is trustworthy will be disposed to take risks (Mayer et al., 1995; Ferrin et al., 2007). Dianne's story emphasizes the cycles of trust development with times of stable maintaining. Leader-follower dyads communicate on a regular basis without avoiding disagreeable issues. Moreover, the leader never criticizes those members who tell the truth, as Dianne told me:

Excerpt 4

For me it has been good to see that people dare to speak out in our team. Looking back I believe that we have not been courageous enough to speak aloud all we have to say to our boss. We have found that the manager is a little distant towards us.

At the end of that interview, Dianne told me that I had asked good questions. As a researcher, I felt more confident interviewing Dianne and I was satisfied with the interview. I found this particular interview the most inspiring so far. Right after the interview I wrote to my field notes: "It was so good to get a comment: Good questions!"

A few weeks earlier, when I had had an appointment to interview Evelyn I followed her into the same room where I interviewed Dianne, Evelyn's colleague and the follower of Carol as well. Evelyn was cool, her voice was low and quiet and she spoke slowly. When she described her perceptions and experiences of trust in leader-follower relationships, I could not help thinking that if ever a leader was trustworthy, she was. She told me that she had only short experience of leadership, having now 7-8 subordinates, depending on temporary posts. As the field is dominated by women, there are always a few employees on maternity leave. Evelyn describes the situation:

Excerpt 5

It has been a frustrating start. First, I have to win trust...You know, two of us were interviewed as candidates for team leaders. And I was chosen. The other one is now my follower. The situation was awkward.

She sketches her immediate superior, Carol, as a hard-working, assertive and dedicated leader. She said that she knows Carol will help her "whatever she needed". Evelyn appreciates Carol's support in the new situation of being a team leader. At the end of the interview, I got the impression that she was mildly amused. Perhaps she thought that my questions were very simple or maybe she was just relieved.

When carrying out the interviews with the team leaders the aim was to let people choose their own way of telling their stories and decide upon the most relevant themes and events in their relationships. In this context of team leadership, trust signifies belief in the good intentions and motives of the other

party, and integrity and sincerity (Deutsch, 1958; Lewicki et al., 2006). Trust grows when leaders promote a relationship-oriented organizational culture by creating opportunities for meeting informally, and by the day-to-day management of competencies. Different styles of leadership may reflect either trust building or trust breaking (Häkkinen & Savolainen, 2010). Linkages between trust and the current understanding of motivation concerning autonomy, mastery and purpose also occur (Pink, 2009). The motivation of the team members may be promoted by the leader's trustworthy behavior.

The story of Dianne and Faith

The interview with Faith mildly differed from the other interviews: It was a warm summer day and Faith was waiting for me in her office. Her roommates were on holidays, so we could hold the interview there. Faith was soon to go on maternity leave. She had 4 years of experience at the foundation and she had enjoyed working there. The good side of the job was independence although the employees were supported by cross-professional teams. In Faith's case, Carol, the branch manager and the immediate superior of her own leader, Dianne, was also her colleague when they did they work with clients in pairs.

Faith started her story saying: "Without trust it is impossible to do your job." She tells me that they did not share same profession in their cross-professional teams, but they shared same educational perspectives. She thought that this was a fruitful basis for trust to grow in their leader-follower relationships. During the interview, she reverted to the recent organizational change. It seemed that unawareness when the new roles are forming. Faith describes the current situation:

Excerpt 6

It was no surprise, but we have a lot of difficulties finding time to plan together. For me trust means that I can tell my leader my concerns and if needed, my personal problems, too. I know that my leader believes that the follower is able to manage her job, although cooperation is still needed. I think that Dianne trusts our competence, but finding time for the planning the directions for the future is the big challenge.

She said the last sentence thoughtfully and I heard resignation in her voice. My interpretation might be wrong; however, she repeated it several times, continuing that there should be more team work and decision-making. In analysis, what is repeated is meaningful to the narrator (Eriksson & Kovalainen, 2008). She continued that it was not good that trust in a relationship leads to a situation where there is no time for cooperation.

I asked Faith if she had any examples of trust building in mind. She answered that last week there had been a get-together to improve the work organization but the most important was what was done on ordinary working days. Special events had their role, too, though usually there were problems

with schedules, but definitely, they were worth it. Simple ideas were the best, she said. For example, the leaders and employees might spontaneously spend time together on Friday evenings.

In Faith's story, the contextual nature of trust is obvious as the leader's benevolence was highlighted as a basis for follower's trust (cf. Gaines, 1980, cited in McKnight & Chervany, 1996). However, the emphasis of the dimensions of trustworthiness varied from situation to situation in her story. For example, in a multi-professional team Carol, Dianne, and Evelyn highlighted competence-based trust, and, as a branch manager, Allison trusted Beatrice's ability to manage her unit financially successfully. Traditionally trust research has examined the topic from the individual's perspective (Serva et al., 2005, p626) although scholars have recognized the importance of trust at team level (Costa et al., 2001, p. 226). Scholars have noticed that the team leader is also expected to develop trust between team members and more research is needed because it is important to examine team leadership and trust (Lee et al., 2010, pp. 477, 488). Research has found that when a team has common values it helps the members of the team to predict the leader's future behavior. In the same way a common vision helps leaders and team members to focus on common goals (Gillespie & Mann, 2004, p. 602). Trust is seen as a necessary requirement for team cohesion and for a functioning team (effectiveness; Burke et al., 2006; Brower et al., 2009). In this sense, it is necessary also to identify and understand possible emerging distrust. However, this dissertation focuses on dyadic trust, not particularly at the team level.

The stories of Kenneth, Lee and Michelle

I next look at the leader-follower relationships in the voluntary organization. It was a warm spring day and I was sitting with Kenneth and Lee in an office for the interview. I have known afar the chair, Lee, for about 20 years and the general manager of the organization, Kenneth, for three years. Kenneth told me that his time in this organization as a general manager had been exceptional for him from the perspective of trust. When I asked him to tell more about it he explained:

Excerpt 7

General principles are clear among board members. There have been no problems with procedures so far and the atmosphere has been different from the other organizations I have worked. It is of great importance. For example, it is allowed and even suggested to take days off.

At that moment, Lee breaks in: "Indeed, days-off are important," talking about the fact that even he knows that Kenneth is working long days; there is no glory in burn out. Later, I wondered whether it is about the organization itself. In an organization staffed mainly by voluntary workers the position of a paid leader

may prove problematic: Is the leader also expected to work voluntarily in addition to his paid job? As regards coping in the job, the workers should know the limits. In the case of Kenneth, the number of working hours was more than sufficient if not too high. It seemed that Kenneth dedicated his time to work.

Our conversation then turned to cooperation. Cooperation had been positive and easy; there had been no communication problems between Kenneth and Lee, as they both assured me. Earlier, there had been difficult times with leaders with their more individualistic leadership style, as Lee described to me. For example, years ago, there was no trust in the leader among the board members due to the unexpected behavior autocratic decision-making of the then general manager. Now it was different, opposing opinions were accepted and even welcomed. In this story, Kenneth was talking about his experiences of trust, that he would like to promote an atmosphere where diverse opinions were taken into consideration and discussed together. On the other hand, he continued:

Excerpt 8

For example, one person with a need for recognition is enough to spoil the atmosphere of the meetings and working together in general.

He continued wondering, what was better, to vote or seek for a compromise. He thinks thought that it was also an issue of trust how conflicts are resolved in relationships. The most difficult situation was when people had totally opposite opinions without dialogical connection but they still have to co-operate. I immediately interpreted this comment in my mind as a description of lack of trust, but then the discussion went beyond the leader-follower relationship of Kenneth and Lee. The voluntary workers were Kenneth's followers. In the analysis, the four voluntary workers interviewed Grace, Helen, Irene, and Joanne was combined with a fictive person 'Michelle'. This was done to guarantee the anonymity of these persons. Because these interviews had been done at the time of Kenneth's and Lee's interview, some excerpts were presented to them as well. Michelle had told me before that Kenneth had said she got a 100 per cent trust in what she is doing. She had described to me a situation when she had something to ask Kenneth but he had said: "It's good, for sure, I know." Michelle had felt that Kenneth trusted too much and so she was left without support and aid in that situation. When I say this to Kenneth, he continues:

Excerpt 9

Usually, when you pour into trust, you will also reap trust. That's why I usually keep that attitude towards my followers that I trust them. The other side of the coin is that when you trust, you can easily dismiss a request for help.

Lee commented that: "At least, if you are doing some [voluntary work] for the very first time you should not be left all alone." Then these two men threw ideas around about the network of voluntary workers. "The network is needed as the worker may feel left all alone with his or her job," said Kenneth. This story ended with an important comment on how easily misunderstandings and misconceptions may breach dyadic trust: "Email is a good tool for asking and giving feedback but very easily misunderstandings happen." This story revealed that the leader may easily leave employees alone, to survive and pull through without support under the cover of trust, perhaps relying on confidence although it is about the opposite, lack of trust.

The key moment of trust development and dynamics in these stories at these not-for profit organizations appears to be related to situations where feelings and emotions are involved. For example, during organizational change these moments of trust could readily emerge. The moments of trust appear as fleeting moments that might be recognized by the emotional intelligence of the actors. Scholars have recognized the role of emotions in trust development in leader-follower relationships (e.g. Laine, 2008).

4.2 FICTIVE STORIES OF TRUST BUILDING AND BREACHING

Now I have presented the findings of the narrative analysis of the data from the organizational contexts based on the interview and observational data and enriched by the details of the archival data. Next, I will discuss the findings of the data collected by the method of empathy-based stories (MEBS). Furthermore, I will combine the findings from these distinctive data basis when linkages are worth of discussion.

On the basis of preliminary thematic analysis I developed new integrated narratives from the individual stories focusing on trust building and trust breaking by selecting items that might be significant and relevant to the logic of the story (Eskola 1997, p. 174). I developed a story line by integrating the meaningful descriptions according to the time dimension: what occurs before 'trust building' or 'trust breaking' and what occurs after. The analysis question was 'what is told' (Eriksson & Kovalainen, 2008). Next, I categorized these results into chronological order (before – after) to find out what elements are meaningful for trust to grow within these stories and, accordingly, what consequences are referred to. Similarly, I categorized the trust breaking narratives according to questions as to what occurs before trust breaking and what occurs after that in these particular stories. Next, I put these pieces of stories in chronological order according to two variations of the stories, one about trust building and the other about trust breaking. In so doing, I was able

to gain an overview of the elements of these variations of the stories from this before – after perspective. These integrated narratives are constructed by the researcher as a central part of analysis (Eriksson & Kovalainen, 2008). As a result of this thematic analysis, I acquired lists of what occurs before and after trust building or trust breaching episodes. Altogether, these themes tend to reify trust development and dynamics. Moreover, the findings indicate that trust in leader-follower relationships may have consequences beyond the dyad to the organizational level (Tables 3-4).

Table 3: Example of the thematic analysis of trust building stories

BEFORE		AFTER		
Leader	Follower	Leader	Follower	Organization
Gives challenging duties	Need for counsel and aid	Good image	No longer afraid of his leader	Positive affect at many levels
Shares his own experiences	Lack of confidence	Human image	Being flattered/ Appreciated	Positive organizational climate
Praises	Embarrassment		Self-esteem; confidence	
Listens; looks you in the eye	Lack of knowledge		Willingness to correct mistakes	Trusting climate
Doesn't highlight his position	Dubiousness		Sense of security	"Additional value"
Appreciates follower's opinion			Suspicion: Why?	

Table 4: Example of the thematic analysis of trust breaching stories

BEFORE		AFTER		
Leader	Follower	Leader	Follower	Organization
Doesn't keep her promises	Wondering if it's her fault	Loses his authority	Stops appreciating his leader	Avoidance between departments
Doesn't trust follower's abilities	Scrutinizes the quality of his work		Avoids marketing sector; Avoiding	Telling to the colleagues
Criticizes			Disappointment	General suspicion
Accuses			Totally loses trust in his leader	Telling the boss
Remiss his duties			Suspicious	Disappointment

Structural analysis of the story

The structural analysis focuses on the way in which a story is written (Maitlis, 2012). One other technique to analyze written narratives is to categorize them by their genres e.g. romances, tragedies, comedies and satire or irony (Eriksson & Kovalainen, 2008, p. 219). These narratives are heterogeneous; as regards the type of story examples of all genres can be found. On the whole, the prevalent expressions and perceptions of trust building can be described as mundane yet meaningful. Typical in romances are characters of heroes as well as 'happy endings.' In general, the trust building stories are positive in tone full of expressions of a pleasant atmosphere and positive attitude towards the workplace and the leader. Most of the trust strengthening stories were romances; accordingly, most of the trust breaking stories were tragedies with few satires. The following excerpts are examples of romances:

Excerpt 10

Ms. Snowhill listens, understands, discusses and behaves as one person should towards another. The situation is interactional and equal on both sides. She doesn't highlight her own position in the organization, but treats another person as a person, not title to title. Ms. Snowhill looks you in the eye during a discussion. All these factors create a trustful atmosphere. (C6FM)⁴

This story is rich in many ways. It could be analyzed by negation, as the narrator explains what the leader does *not* do: 'She doesn't highlight her position.' To strengthen his expression, the participant of the study writes 'but treats another person as a person. Moreover, he wrote that 'not as a title to title.' My interpretation is that equality, and a sort of fairness, is meaningful to the writer.

Excerpt 11

It is exciting to go to work on the first day, because the workplace, people and work habits are new. In the lobby the company's secretary meets me. The secretary shows me to Patricia's office to wait for her to return from a meeting. Patricia greets me happily and kindly upon arrival and welcomes me to the company. She is sorry that I had to wait. Patricia asks me how it feels to start work and tells me what the work is going to be about and tells me quite exactly what the first day and week will entail. Patricia has a file ready for me with important information and tells me that if I have any questions I can contact her. Patricia shows me to my place and gives me my first assignment. She checks up on me a few times a day to see how I'm doing and we have lunch together. (C3FF)

⁴ F/M = Female or male: The first letter refers to the gender of the manager and the latter to the gender of the assistant

X = missing information about the gender of the assistant

As noted in the analysis of the orientation text in the page 87, I generate the text in order to get stories that describe trust building or breaking situations in leader-follower relationships in their early phases. It could be stated that the orientation text succeeded in focusing on the initial trust development, for example, the abovementioned story is a description of the very first day in a new workplace. It is noteworthy that the foundations of the trust development process between a superior and a subordinate are laid during the recruitment process, at least with regard to institutional trust. From that perspective, the data of the current study is limited.

While the trust building stories are optimistic, the trust breaking stories are negatively charged. The stories are longer than the first stories and stronger words are used to describe feelings and emotions. I was rather surprised about the strong expression of accusing and blaming. The word used in the original orientation text for 'trust breaching' is very descriptive, "niggling,"⁵ though in Finnish it lacks that dramatic connotation that the overall tone of the stories signals. In general, these stories are crowded with negative, peremptory and hard words. As a result of the analysis, I found two satires among the stories. This excerpt bears little resemblance to the other narratives as it is 'full of drama' lacking the dominant perception of ordinariness. The nuances, choice of words and style of narrating indicate irony. The next excerpt is desperate yet ironical in tone:

Excerpt 12

I went home crying and I loaded a message onto YouTube/ Facebook etc. that Snowhill is a jerk, and on the next day I regretted it and attempted to commit suicide but failed in that as well. (B9FM)

On the other hand, the desperate narrative above may also be interpreted as a genuine tragedy. By contrast, only one short story is categorized as a comedy:

Excerpt 13

Patricia gives me a High Five and I'm like 'whaat'. I decide to High Five her back and conclude that I've gotten in to the inside and I guess I did something right at some point. (C10FM)

Strictly, the difference between romance and comedy is open to various interpretations. Within the trust building stories, there is one exception that stuck out in the first analysis round as the structure of it might be analyzed as tragedy. One of the most surprising stories is the next excerpt, where trust unexpectedly turns to suspicion:

⁵ 'Nakertavasti' in Finnish

Excerpt 14

Initially I am naturally very flattered that I have been able to create a trustworthy image of myself in the company and with a person who is part of the management. Of course I also hope that this trust is not limited only to the marketing manager but also to other persons in management, in other words, I hope that the others would also behave in a trust building way towards me. But why is the marketing manager behaving in a trust building way towards me? Is she possibly trying to get to know me in order to create a situation where I would edit the marketing numbers to look better? (C1FM)

This story, although interesting, may not appear as the easiest to analyze. The method of structural analysis has been criticized in that stories may include features of multiple genres. Gergen and Gergen (1986) categorize stories into progressive, stable and regressive. In that sense, the abovementioned story is an example of a regressive story line. When we compare the trust building stories and trust breaking stories in general, there are more structurally stable or slightly progressive stories among the trust building stories, whereas trust breaking stories are decidedly regressive. By contrast, one of the trust breaking stories is interpreted as a romance:

Excerpt 15

I discussed privatively with her explaining my point of view and gave reasons why her behavior towards me was inappropriate. In the discussion, the highly charged situation was settled constructively which enhanced our mutual trust. (D3FM)

The story above suggests that it may be possible, to some extent, that repaired trust can become more confident than trust that has never been tested. There is another trust breaking story where the direction of the story line changes due to intervention of a third party and an apology.

Excerpt 16

Patricia Snowhill continuously makes remarks about my work and speaks ill of me to the other employees. In addition, she presents my ideas as her own. This has been going on from the beginning. I decided to first discuss this with her. And when it didn't help, I took it to the boss, John Smith, who is above both of us. John told me that Snowhill treated former summer workers the same way. He promised to talk to Snowhill. As a result, the situation changed and Snowhill apologized for her actions. (D10FF)

Trust building stories mostly describe the behavior of the leader. The same themes recur throughout the stories. In general, trust building stories are more homogenous than trust breaking stories.

Social and cultural context analysis of the stories

The question of what meanings are attached to trust in leader-follower relationships is analyzed in the preliminary thematic analysis. In order to enhance the interpretation by finding the meanings of trust in the fictional business contexts, I carried out a social and cultural context analysis of the stories. First, dyadic trust in leader-follower relationships enables people to overcome fears. In work organizations fears appear to be often related to competence and ability.

Excerpt 17

Under Snowhill I don't feel that I'm getting any support in my work. I feel that I have been put to too big shoes because I'm only an assistant. Management is not able to guide me in my work and due to my mistakes he has already threatened me with firing. This kind of action isn't very fruitful for a fluent cooperation. I feel that Snowhill doesn't trust me at all. Where is the management's responsibility? (B3MM)

Excerpt 18

The marketing manager has been promising to take me to be an assistant to a project that combines marketing and accounting, but at the first meeting of the project it turned out that there was no work for me in the project. A marketing assistant hired a couple weeks earlier got the position, even though I have already worked in the company for a month. Before hiring the marketing assistant the marketing manager had been very satisfied in my results but afterwards she didn't react to my work at all. Thus in the meeting I wondered at the marketing manager's behavior and mentioned it to my superior. You need to keep your promises! (D5FF)

For example, as trust may enable people to overcome fears, it encourages them and thereby empowers employees. In the stories courage is needed to accomplish the tasks.

Excerpt 19

If trust exists work gets done more easily and with more confidence. (C5FM)

The antecedents of managerial trustworthy behavior and initial trust building were investigated within the framework of organizational, relational, and individual factors (Whitener et al., 1998). The results show that employees' perceptions of managerial trustworthiness are influenced by behavioral consistency, behavioral integrity, sharing and delegation of control, communication and demonstration of concern (Whitener et al. 1998). The role of managers in initial trust building and management's responsibility to take the first steps comes out clearly in these stories:

Excerpt 20

You also learn to trust your leader if you know that he has trust in you. (A4MM)

This excerpt supports the idea of leader's greater responsibility to trust first so that trust is manifest. The reciprocal nature of trust is obvious. The reciprocal nature is also obvious in Excerpt 19 above.

Excerpt 21

The marketing manager's trust building behavior instills belief in him among the employees as they feel they are trusted. In addition to this, the employees feel secure when they are also able to trust their superior. As an accountant assistant I thus have courage to make independent decisions as well and strive to build trust in the marketing manager. The behavior of the marketing manager imparts a positive impression to the employee and this has a positive effect on many levels in the workplace. (A2MM)

Perhaps more importantly, initial trust is described as tentatively created. Applying the theory of social exchange to this situation, the explanation by Blau (1964) would be that starting a conversation around a coffee table is more cost-effective than directly requesting help since no responsibility for reciprocity arises:

Excerpt 22

During a coffee break I talk with Peter. We talk first generally about the economic situation. Soon he asks what I think of the company's current marketing and whether the profitability of the different marketing manners can be somehow investigated. (A6MX)

Concisely put, "Sometimes human trusting is acute and critical, at other times quiet and calm" (Wright & Ehnert, 2010, p. 110) which is seen in the excerpt above. However, statements such as the following were common:

Excerpt 23

I would not have taken this job if I had known what Snowhill is like. I expected to get valuable work experience and good recommendations but I can say good bye to the latter at least, because Ms. Snowhill speaks ill of me all the time at least when she is not drinking her coffee. I would say something to Patricia's supervisor, but he's on vacation... (D11FF)

Excerpt 24

Marketing manager Snowhill is suspicious of the quality of my work. He lets me understand that I'm a bad choice for the job. He doesn't listen when I try to suggest ideas for improvements or when I ask him to return a form. He doesn't trust me so it is hard to trust him. (B17MF)

Trust functions as a "lubricant" in the descriptions of trust building situations (cf. Tschannen-Moran & Hoy, 2000, p. 549). Transparency of leader's motives, decisions and actions is also about integrity. Trust building as a leadership skill

also challenges the leader to personal growth as a leader through self-evaluation and self-assessment. Leaders could develop their leadership skills through self-awareness, by being more mindful of the influences affecting decision-making. Nevertheless, interpersonal and dyadic relationships are facilitated by the belief that the other person is honest in words and deeds. I consider integrity to be related to rectitude and uprightness as well. Thorough sincerity is discussed in these excerpts:

Excerpt 25

The marketing manager tells me some confidential information and believes that I have kept it to myself. I of course take this as a compliment that she would tell me this. I create a certain bond with her and begin to build reciprocal trust for her. (C8FF)

An ironic narrative may refer to a discourse that undermines a particular account of leadership by constructing a competing or alternative version of the given account. These three examples were chosen to illustrate the importance of doing small but momentous good deeds, e.g. encouraging by words and eye contact. Excerpts 26-28 illustrate these ideas:

Excerpt 26

The company's accountant manager Kim Bark fell seriously ill yesterday and is thus not available for the company for a while. Kim and Patricia are close colleagues so Patricia has promised to help me with possible problems, if any even come up. "You are doing fine, as you have thus far", Patricia said to me. (C7FM)

Excerpt 27

Even though I'm an inexperienced summer helper the marketing manager has noticed my enthusiasm and recognizes that I might be able to handle more responsibility. She wants to encourage me and gives me more challenging tasks. She sees me as an equal among the staff and not just as an "extra" summer help. This positive attention encourages me to work even harder. (C15FF)

Excerpt 28

He is friendly, makes eye contact while talking and listening, and is at ease with me. Every now and then he may ask how I am doing and even tells me what's going on with him. He respects his employees and takes their opinions into consideration if it is appropriate in a given situation. (A16MF)

More specifically, the stories appear to indicate that delegating is related to trust. However, delegation is conceptualized as a consequence of trust (McGregor, 1967, cited in Mishra, 1996, p. 5). My interpretation is that giving demanding tasks may appear to be a trust breeding action in dyadic leader-follower relationships. The following excerpts represent the leaders as self-reflective and sensitive individuals, who build the relationship with followers by respecting the ability and competences of their subordinates:

Excerpt 29

I am being listened to and my opinions are appreciated. Summer workers especially often remain outsiders in a work community and their doings and sayings are disregarded. Giving challenging tasks also builds trust, but also that I am told that help is available and I can come and ask for it. (A7MF)

Excerpt 30

Patricia comes to me and asks for the true costs of the latest marketing campaign. When I give her the report, she asks me a somewhat irritably why the costs have exceeded the budget. She behaves understandably and equally. (C2FF)

Excerpt 31

The marketing manager's approach is genuinely interested and friendly. He shares his experiences and background while listening to information about me. I am invited to work community activities so that the time-consuming trust formation can get started. (A9MF)

The key elements of this narrative are the everyday practices and ways of organizing daily working life and also interpersonal communication and norms which led to a sense of security and an opportunity to identify with the workplace, illustrated by the following excerpt:

Excerpt 32

He gave me instruction when needed and I received orientation when I first started. I was given the right amount of responsibility which showed that they trust me to do my work diligently. The social atmosphere in the work place is good and as a new worker I am included in the conversations. (A17MF)

In the data competence is represented as highly appreciated in Finnish workplaces. Competence, or ability, is one of the dimensions of trustworthiness which is emphasized in the results. However, if the leader disregards guidance and support and criticizes the followers, trust may collapse (excerpt 33) whereas believing in follower's ability may promote trust to develop (excerpt 34).

Excerpt 33

Mr. Snowhill insisted that I have miscalculated the marketing budget. But it is obvious that he is the one who does not understand the figures. He has substantially underestimated the costs and now I am just wondering how a person who does not understand figures at all could be in the position he is in the company. The situation was handled by the CEO who explained the reasons for the calculations to Mr. Snowhill. Yet he argued that I had given him unclear reasons. (B1MM)

Excerpt 34

We discuss my next task, which turns out to be pretty big. I like it because I feel that even though I don't have much experience they think they can trust me. I feel good. (C13FF)

Out of curiosity I re-organized the stories by male and female participants according to male or female leaders in order to analyze gender differences. It seems that male subordinates are represented as more determined to straighten out their differences strictly with their leaders whereas a few of the female followers are represented as more tempted to discuss problems with their workmates. Slightly surprisingly, gender differences were not emphasized in the stories but an organizational culture of 'muteness' and the 'habit' of indirect and non-open communication in workplaces recur throughout the stories. The typical reaction of a follower in a case of trust eroding seems to be to avoid discussion with the leader but to tell workmates:

Excerpt 35

I am disappointed with the behavior of the marketing manager. In future, I will ignore her words. I shared my disappointment with my nearest colleagues. (B2MM)

A healthy organization is characterized by a culture conducive to trust enabling the expression and processing of negative emotions. In Finland the expression of emotions has been problematic perhaps due to the commonly held view that expressions of emotions refer to 'weakness' and should be avoided in workplaces. The culture of quietness and muteness is captured in the short story:

Excerpt 36

With bitterness I will swallow it down. After several years, I will buy the company and fire Peter. (B13MF)

I interpret the above story such that breach of trust may lead to resentment. In these stories, it seems that "hope for the best" is not enough for trust to develop. Interpersonal trust relies on interaction between individuals, whereas impersonal trust rests more on the management system and HRM procedures. It seems that trust building at the interpersonal level permeates the entire organizational atmosphere and culture. Similarly, breaches of trust have an impact on the organizational atmosphere, e.g. by the spread of rumors, and may by reputation have a negative impact on the inter-organizational relationships.

Excerpt 37

He gives imprecise assignments and doesn't provide better guidance even though I ask for it. Feedback is hard to get from him, too. Even though I am an accounting assistant, I proposed some improvements to our actions and he proposed them onward as his own at the weekly meeting and didn't even mention that the thought came from me. (B11MF)

In the data analysis process, I also scrutinized the negative sentences and denials. One of these denials caught my interest regarding a sense of appreciation. The question may arise: How is trust constructed in different social and

organizational contexts? Being respectful is a means of trust building, especially when the uniqueness of each subordinate is taken into account, which is highlighted in LMX theory. The need to be treated with respect concerning both leaders and followers, is represented, for example in this story:

Excerpt 38

I have been working diligently all morning. Yesterday, I got a new accounting job from my instructor. I was working enthusiastically until the marketing manager Patricia Snowhill came into the office. She thought I wasn't competent enough to do these kinds of tasks and gave the job to someone else. I felt really bad that she didn't trust me to handle the job. In fact, I felt that she didn't even give me a chance. After I had given it a try, the marketing manager could have evaluated the outcome and possibly given the job to someone else if necessary. (D12FF)

Lack of appreciation may be due to insufficient competence or a feeling that one's skills are not appreciated:

Excerpt 39

The marketing manager told me that in his view the accounting personnel and generally the whole of accounting are holding the company back. According to him the accounting personnel is scheming and 'pedantic' people. I take his views with a pinch of salt because I know the significance of my work. (B5MF)

Excerpt 40

The marketing manager asks me to take a look at some figures for him. After I give them to him, he doesn't believe they are correct and undermines my abilities, because I'm just a summer worker. I know, however, that those figures are correct. (B10MF)

Excerpt 41

Marketing manager Patricia Snowhill doesn't trust my skills and constantly criticizes the way I work. In an assistant's position I don't have the guts to start 'making a scene' instead I ignore it and keep working – however somewhat angry at the marketing manager. Our relationship probably starts to 'cool off' and communication with the marketing manager decreases unless she starts to behave properly. In the assistant's position 'making peace' seems somehow useless, so I keep working as normal. (D8FF)

Excerpt 42

Marketing manager Peter Snowhill has spread information about my personal affairs to the company management who have nothing to do with my work. These things may, however, significantly affect my position in the organization, taking into consideration our male dominated personnel. My trust in Peter is totally lost. (B6MF)

It must be noted that talking about leaders behind their backs, breaking promises and jumping to conclusions instead of knowing seem to be rather

usual in workplaces in these stories. This storyteller nicely captures what *leniency* might mean in leader-follower relationships:

Excerpt 43

As an example I could imagine a situation where I can't do something and need help. The situation is embarrassing since considering my education I should absolutely be able to do it. I am too afraid to take it up with the manager, but the manager notices the situation and approaches me asking about it. I have to admit the situation and tell him I don't quite know how to handle it and I could use a little prepping / training / clarification on it. The marketing manager is able to handle the situation well and lets me know that he faced similar situations when starting his work at the company. He creates a human picture of himself as a leader and I feel that mistakes are only human, not the end of the world, if you fix them in time and ask for help when needed. (A4MM)

Misunderstanding and miscommunication are common in work relationships (e.g. McAllister, 1995). One person may blame her/himself; others may lose their respect immediately. However, the consequences of trust breaching situations may appear unexpectedly serious:

Excerpt 44

Of course I think first whether it's my fault. I look at the quality, precision, and possible flaws in my work. If I conclude I have done my work well and don't see anything wrong with it, I want to discuss this with Peter. I let him know that his behavior offends me and I can't find a reason for it, especially since I've done my work well, so his behavior can't be because of that. I try by discussion to remedy the situation and hope he would understand. If not, I will talk about it with the manager and hope the situation would change that way. (B7MF)

Excerpt 45

I lost my respect for this person. Her authority over me suffers, the marketing sector begins to feel stranger and I don't want to have as much to do with her anymore. (D1FM)

4.3 SUMMARY OF THE FINDINGS OF THE STORIES

The patterns of the dynamics of trust development were revealed when I categorized the data according to what occurs before and what after the trust building or trust breaching situation. In practice, leaders and followers do not move through different stages of trust in a "linear and sequential way"; rather, "they skip back and forth continually and, mostly, unknowingly, between times when trusting is vitally important to ongoing organizing and times when it is less crucial" (Wright & Ehnert, 2010, p. 110). I suggest conceptualizing these

crucial times of “skip back and forth” as special moments of trust referring to these particular episodes of the trust development process which can be seen as turning points in the course of a relationship. I use the term *trusting* to refer to the ongoing process of trust development (cf. Möllering, 2013).

The personal stories recounted in the interviews are interpretations of experiences rather than reproductions of the past precisely as it was (Riessman, 2008, p. 62). These are stories about what people mean when they use the term trust in everyday life (McKnight & Chervany, 1996, p. 42). I offered the interviewees no definitions of trust but allowed them to tell me the how they understood trust particularly in their leader-follower relationships. It is conducive to trusting when the leader becomes conscious of the commonly felt but unspoken feelings and emotions and puts them into words, or at least, behaves in a way that shows he has understood the situation. These dyads squared up to problems and questions. For example, Kenneth shows his emotional intelligence in conflict resolving situations. According to Aaltio (2007), a leader is a sort of mirror whose task is to reflect the common experiences to his followers and in that sense, is the source of emotional climate in organization. In fact, the primary task of leadership might be seen as emotional (Goleman et al., 2001). In the MEBS data, emotional reactions in work relationships are also described. Interestingly, the language and the expressions are stronger in the narratives of trust breach and eroding trust than in positive narratives. If communication is evaporated without reason it, as such, creates suspension and undermines trust. Genuine concern for others is manifested in these dialogues.

When I had interviewed the first participants of my study I was confused about the distinction between trust and leader-follower relationship. In my understanding, trust is the essence of leadership and therefore it is impossible to distinguish between trust development and relationship development. Indeed, trust is crucial in leadership. The means for strengthening trust are several, e.g. open communication, sharing critical information, emotions and perceptions as well as the employees' commitment to the decisions (Mishra & Morrissey, 1990, pp. 444; 459). The participants of my study had different ways of building trust in their dyadic relationships. The meaning of trust was different for each of the participants. My analysis focused on the different stories narrated. In the analysis, I also analyzed how the participants approached constructing good leadership, the 'ideal' leader-follower relationship in the moral story and how they attached their own trust stories to the ideal relationship. Mutual appreciation and support were highlighted in the story of Allison and Beatrice. Allison relied on Beatrice's financial competence as a unit leader, and Beatrice in turn appreciated Allison's knowledge and experience particularly in conflict situations.

When leaders note the affective side of trust and devote time to developing trusting relationships with their subordinates, they can feel security (McKnight & Chervany, 1996). Trustworthy behavior (ABI) seems to be of importance in

building trust in leader-follower relationships. Both parties are expected to be the type of person whom others feel is trustworthy. As illustrated in the story of Allison and Beatrice, trust building includes moving from a formal relationship to a more personal and informal relationship, which signals to the subordinates that they can be trusted. As McKnight and Chervany (1996, p. 43) state, informality may also have positive effects on a trusted person's self-esteem. In these stories the leaders "show their heart," but they do not lose their professionalism. They show trustworthiness by humility, humility of a special type. For an authentic leader, talking is an important way of sharing values and visions with followers. Furthermore, the dyads have their own sense of humor, which is seen in the use they make of language. By this language they also generate progress within their teams. It is not only a sense of humor, but an idiolect created within a group for their own purposes. The leaders take into consideration the individual needs of followers.

Interestingly, the perceptions of distrust were described with strong emotions and discrimination between organizational actors. The national organizational culture is strongly reflected in the students' stories. The leaders are mainly responsible for the change in the organizational culture. The findings indicate that repaired trust can develop to be more confident and resilient than trust that has never been put to the test in work relationships. In addition, constructive feedback seems to strengthen trust. Leaders should be encouraged not only to build trust in their relationships with subordinates but also learn to sustain it as Scandura and Pellegrini (2008, p. 107) suggest. While trust may appear harmonious and calm, it also seems to mean that conflicts are faced and resolved, which refers to the classic definition of trust as willingness to accept vulnerability.

The analysis indicates that integrity, listening to the subordinate, appreciating his or her opinion, and keeping promises are the main components of efficiently functioning relationships in organizations. These findings by themselves are quite unsurprising, indicating that informal discussion with subordinates, appreciation of their work and opinions and honesty are the most important elements of trust building. Furthermore, supporting subordinates and giving both responsibility and help are crucial in trust development in leader-follower relationships. These findings have been reported in other studies (Brower et al., 2000; Bijlsma & van de Bunt, 2003; Gillespie & Mann, 2004). The consequences of trust building appear to be reciprocity, mutual appreciation, motivation, and positive emotions such as safety and boldness, which can make the atmosphere more encouraging and foster innovativeness. Most of the participants expressed, in one way or other, that there is an affective and emotional dimension in their leader-follower relationships. The emotional tie and shared values strengthen trust while disappointments erode it (Lewicki et al., 2006, p. 994).

Rewards in work relationships are accumulated by relationships and bonds through consistent interaction, which in turn makes it possible to maintain them. All these stories are unique in their characteristics and features. However, two 'highly experienced leaders' are identified in these stories: Allison and Kenneth. Both of them have grown as leaders, usually through adversities. Both of them have learned through setbacks how to be a leader and they have emotional intelligence (Salovey & Mayer, 1990; Goleman, 1995). My interpretation is that dyadic trust in leader-follower relationships is promoted by the emotional intelligence of a leader. It is related to the sense of humor which is mentioned several times in these stories about the trusting process in leader-follower relationships. The sense of humor is typical also for 'fledgling leaders' in these stories. All these leaders are characterized by a willingness to develop their leadership skills. On a practical level in organizations, trust in leadership refers to the leader's ability to enable interaction and co-operation. As well as power (Kuusela 2010, p. 8), trust is also "constructed by means of interaction in social situations, and it also concretizes the fulfillment of expectations."

The findings reinforce the importance of training managers to help them understand their crucial role in leadership and the trust development process. For example, leader's support and regular interaction from the very beginning of the leader-follower relationship could be one essential element of trust building. Consequently, leadership skills, and especially communication skills are appreciated. Moreover, attention needs to be paid to how to help followers understand their role in the dyadic trust development process and enhance mutual understanding, and above all, how to facilitate the development of trust. The findings moreover provide support for the importance of keeping promises and communication. Through their interaction, leaders and members share their values for mutual trust building, and use it on a daily basis.

4.4 CONCLUSION OF MAIN FINDINGS

Appreciation is expressed in multiple ways in trust building stories. The basis for trust-building is interaction and dialogue (e.g. Tuomola-Karp, 2005). According to my interpretation, appreciation is one of the cornerstones of the trust development process. I consider appreciation to refer, for example, to a genuine ability to closely listen to what the other person has to say. When I found an old Finnish book on leadership, written by Antero Rautavaara (1962, 7th edition), I was both amazed and thrilled at the same time to read what he had to say about trust (ibid, pp. 66-67). Answering a question of what trust means, Rautavaara states, from the viewpoint of an employee that:

He has to discover his leader to be honest, honoring agreements, caring about the well-being and safety of followers, treating them fairly, *appreciating the job of a follower,*

however simple it is, carrying himself with dignity, and behaving politely and considerately towards followers. ⁶ (Rautavaara, 1962, pp. 66-67)

Lack of appreciation

My interpretation is that “he does not trust me at all” fundamentally refers to the statement that “he does not appreciate me.” Discussing the dimensions of trustworthiness, it can also be considered as being about competence. In this perspective, in general, the data highlights the significance of appreciation, especially feedback and commendation. Active interaction, giving responsibility and asking opinions are also examples of appreciation in leader-follower relationships.

Due to their heterogeneity, “general features” of the narratives are difficult to find. However, a sort of appreciation is characteristic of almost all of the stories. More precisely, it seems to be of importance to express appreciation in a special way to each individual according to the diversity of leaders and followers in receiving appreciation (Chapman & White, 2011). I have conducted the findings according to Chapman and White’s ideas (Table 5).

Table 5: The five languages of appreciation in the workplace, adopted from Chapman and White (2011) and applied to the data of the current study

Receiving gifts	Acts of service	Quality Time	Words of affirmation	Physical touch
Help and assistance	Active initiatives	Conversations	Encouraging	Clapping on the shoulder
Rewards	Listening	Have a cup of coffee together	Praises	Gives me a High Five
Lunch	Help when needed	Help when needed	Asking opinion	Accessibility
Sacrifices	Being interested	Aid and counsel Presence	Appreciating follower’s opinion	

Typically, a person shows appreciation by the means and ways she or he would receive appreciation. That is the natural, usually unconscious behavior of an individual. As a managerial implication for organizations, the findings suggest that training is needed for all organizational members to understand how diverse means of showing and receiving appreciation in work organizations. It

⁶ Translation and italics mine

seems that receiving gifts, services or time are meaningful. Traditionally, offering coffee or lunch and giving help are included in the tasks of a leader. In today's organizations followers may also exhibit extra-role behavior (Reychav & Sharkie, 2010). To apply the categorization to my data, examples of all the different ways of expressing appreciation were found both in the interview data and fictive stories.

The nature of trust is seen as rather fluid and uneven as the trust building process may also include unpredictable and astonishing elements. The data revealed the kaleidoscopic nature of trust as trust may rapidly and unexpectedly "fray at the edges" and the upward spiral may occur rather suddenly. Typically, these changes in the trust development process seem to originate from mundane and minor actions, especially from the subordinate's perspective. It is noteworthy that the leader's passiveness is a choice that may end up with perceived breach of trust in the leader-follower relationship. Activity is demanded as well as presence among followers in their everyday working lives. If any kind of trust breach occurs it is the leader who is primarily responsible to try to talk it out. Less frequently, but possibly, a subordinate with high-quality followership skills could be active and responsible, for example, requesting a face-to-face discussion with his or her immediate superior. However, according to the data, followers seem to be liable to withdraw from the relationship or even retreat into their shells. Withdrawing to a certain distance is rather characteristic way of behaving in situations of doubt. My interpretation is that suspicion is "there" ready to wake up without proof of trust violation.

Momentum of trust

The concept of the *aesthetic moment* is used in communication science to describe brief incidents in interpersonal relationships which can bring participants together by use of dialogue (Baxter, 2004, pp. 12-13). Usually, intensive emotions are involved in these incidents of feeling of 'total understanding' and contradictions. I consider such aesthetic moments of trust as special occasions of the trusting *cycles*. These moments can promote upward spiraling and the same time, enhance and strengthen it. Even though the concept of aesthetic moment refers to close relationships, it can also be applied in work relationships. As Baxter (2004, p. 13) states, "Conversational flow is another form of aesthetic moment, in which parties feel that discrete utterances flow into one another effortlessly and the conversation seems to take on a life of its own." Momentum of trust refers to the leap of faith (Möllering, 2001) in this sense, as is both a starting point and an endpoint of the ongoing trust cycles. I use the concept of momentum in order to conceptualize the dynamics involved in these special moments. The momentum of trust refers to an impulse that may produce change of direction in the dynamics of trust development. The direction of the development may turn into upward or downward cycles; or accelerate, decrease or continue the same in these special moments. (Figure 8 below)

The process of maintaining trust seems to presuppose actions, especially concerning leaders, as initiatives for trust building in organizations. Without actions trust may simply falter though the trust development process also inherently includes times of calm. Lack of interaction is currently one of the most prominent features in Finnish workplace culture and leads to poor sharing of knowledge and dysfunctional relationships. Lack of trust and suspicion may appear if interaction is low. Leadership requires a greater awareness of the responsibility and effects of one's own actions. Turning to trust repair, the starting point to the process of trust repair is that the person who has given offence admits it and is willing to make amends. The multidimensional experience of trust evolves from the interaction between leaders and their followers. Thus the study suggests looking at the nature of a trust process as involving varying degrees and features of building and sustaining trust.

The cyclical, episodic process of trust development

In conclusion, trust development appears to be a cyclical, episodic process with upward spirals through appreciation and downward spirals due to e.g. neglect and overlooking. The cycle of trust was identified by Deutsch (1958) and recognized by (Tzafrir et al., 2004, p. 632): "The trust cycle reflects a self-strengthening mechanism and establishes a 'promotive interdependence' and co-operation." Further, Schuler and co-workers (2001) suggested that one of the main purposes of HRM practices should be to build a "positive cycle of trust" in organizations by e.g. open communication, empowerment and procedural justice. The idea of circles or cycles in social relationships has already been presented, as cited in chapter 2 (p. 52): "social exchange emphasizes the development of relations over time and indicates that a successful social exchange circle involves trust and uncertainty" (Tzafrir et al., 2004, p. 630).

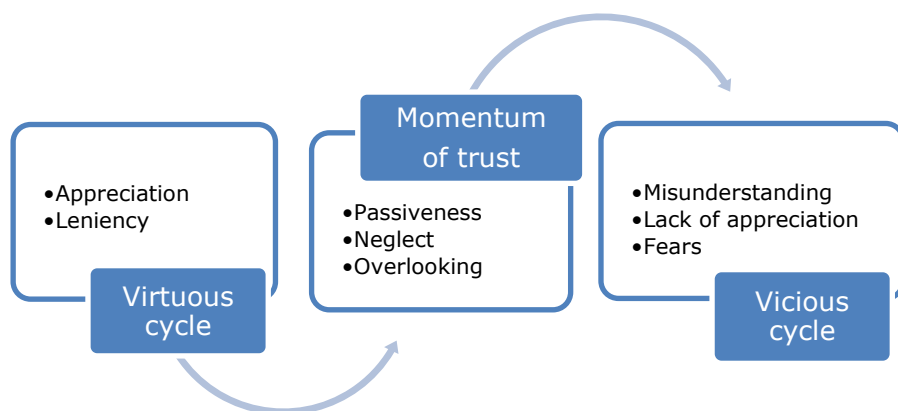


Figure 8: Momentum of trust: An illustration of the cyclical, episodic process of trust development

Trust development is described as spiraling downward and upward. Spiral, as such, describes dynamic movement including acceleration or broadening. It may be for good or deleterious, but the dynamic is essential. Spiral is also related to *vitality* due to the power it implies. A question may arise if trust is ever stable. The development of trust may seem to be stabilized at a particular level of trust even though the moments of trust may cause remarkable changes in mutual trust immediately. An example of that sort of a special moment of trust is illustrated in Figure 8 above.

Recently the *negative cyclical spiral* related to bullying at work was identified by Harrington et al. (2012) using qualitative methods. Further, *negative exchange spirals* at the workplace context are identified and discussed in the literature (Groth & Gratney, 2012). I have adopted the definition of a spiral from Groth & Gratney (2012, p. 210, referring to Lindsley et al. 1995), who define a negative spiral as “a pattern of consecutive increases or decreases in behavioral and affective negative reaction.” Spirals in trust research are recognized and described by Zand (1972, p. 233) as a “spiral reinforcement model of the dynamics of trust.” Möllering et al. (2004, p. 559) encapsulate the model stating that reciprocal trust reinforces initial trust of a party, which leads to trusting action, reinforcing trust of the other party as well and continuing forward. Furthermore, processes of trust, cooperation, and trustworthiness are also described as integrating spirals (Ferrin et al., 2008). Moreover, Berra and Gupta (1999, p. 191) outlined the idea of “a circle with trust in the middle” and Butler (1991) identified a trust process as a mutually reinforcing, cyclical process. Whether these cycles are positive or negative will be discussed in the next chapter.

5 Dynamics of dyadic trust development

My research question is (p. 21): How does interpersonal trust develop at the dyadic level in leader-follower relationships over time? The research also aims to answer the empirically orientated sub-questions: How do leaders and followers enact on trust building and maintaining? What meanings of dyadic trust do leaders and followers construct? For an answer to these questions the link between theory and method is the key. The findings of the current study show that trust is highly dynamic, episodic, and contextual in nature. To present the results metaphorically, the dynamics of trust is described by the metaphors of vortices adopted from hydro- and aerodynamics. A vortex is a lively depiction of the nature of trust in dyadic leader-follower relationships. As a result of the study, trust might be conceptualized as an emergent phenomenon.

5.1 VIRTUOUS VORTEX OF TRUST DEVELOPMENT

Regarding the nature of trust, its constancy was discussed as early as in Garfinkel (1967), who states that trust is “a function of the constancy of such natural phenomena as the law of gravity” (referred in McKnight & Chervany 1996, p. 7). I consider constancy of trust to refer to the ‘naturalness’ and permanence of trust; meaning that trusting is what we are continuously doing and will continue to do (Wright & Ehnert, 2010, p. 110). It is not about the stability of trust, but the dynamic nature of trust as the law of gravity refers to dynamics. Hence trust is described as ‘fluid’, and a variety of metaphors from hydro- and aerodynamics can be applied to describe the phenomenon of trust development and its dynamics. For example, turbulence is a term often used to describe today’s business environment. Originally, turbulence was used to refer to spiral caused by air currents and leverage or a sort of ‘lifting power’ that can be seen in trust dynamics as well.

The metaphor of a *vortex* originates from physics, which is not that far from the topic of my study, dynamics, as might initially appear. Vortices are a major component of turbulent flow (Kida, 2002), and as such, terms of both hydro- and aerodynamics. As I am not an expert in hydro- or aerodynamics, I simply rely on dictionaries and Wikipedia (and its references) in the next paragraphs. In fluid dynamics, a vortex is a rapidly whirling spiral within a fluid where the

flow is mostly a spinning motion around an imaginary axis. The motion pattern is called *vortical flow*. These vortices can be modeled as vortices of a "fluid" consisting of gas, dust, and stars (e.g. spiral galaxies like the Milky Way). According to my understanding, in aerodynamics it is about opposite powers that produce elevation and enable an airplane to maintain that elevation. Both positive pressure and vacuum are needed for that sort of spiral to originate. The symbolism transferred to trust dynamics appeals to me.

I conceptualize *leniency* referring to the act of being lenient and merciful. It refers also to the paradox of trust: in order to trust an individual needs to overcome the fear of being betrayed. It is an active act of manifesting trust. According to my interpretation, acting leniently usually leads to activity and confidence, strengthening trust by mutual appreciation. Leniency may also refer to an individual's sense of tolerance. An illustrative example of that kind of virtuous cycle is presented in Figure 9.

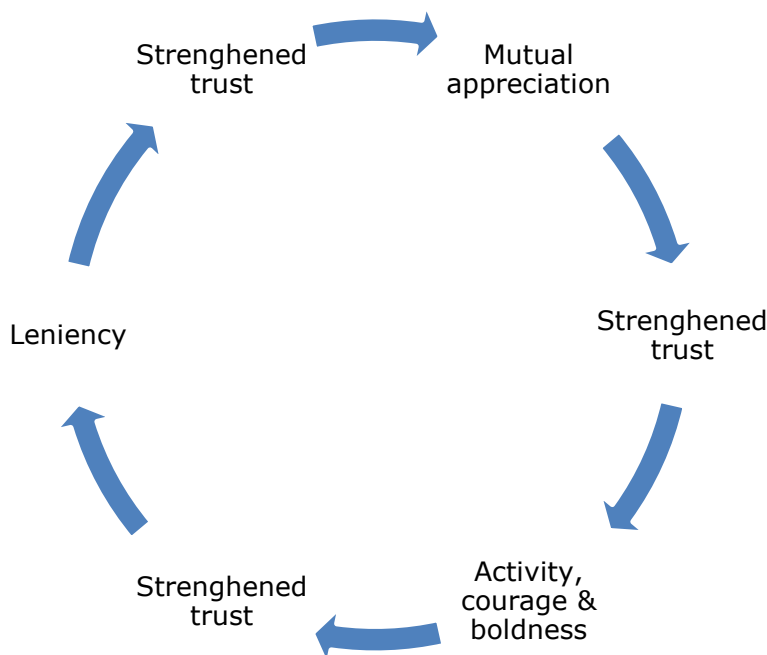


Figure 9: Illustrative example of virtuous cycle

According to Wikipedia, vortices form spontaneously in stirred fluids; some common examples are smoke rings, whirlpools, and the winds surrounding hurricanes, tornadoes and dust devils. To put this into the dynamics of trust context, for example, a whirlpool is a descriptive metaphor for the ultimate fluctuation of emotions in dyadic trusting processes. Once formed, these vortices

of trust dynamics can also move, stretch, twist, and interact in complex ways similarly to physical vortices. Interestingly, moving vortices described in aerodynamics carry with them some angular and linear moments. Vortices are also described as “the shape of something rotating rapidly”, “rotational movement occurring in flowing water” and “spiral motion of a fluid” (Webster’s online dictionary). For me, this refers to unevenness of trust; in an evolving vortex the lines are usually spirals. In my understanding, a vortex may create a dynamic pressure in fluid motion which is a proper description of trust development.

An example of the fictive stories (see excerpt 43) indicates that leniency is closely related to benevolence. In the literature, benevolence is often seen as an antecedent of trust. However, I see leniency as more active than benevolence though they are related concepts. This leads to the notion that benevolence may eventually be a multifaceted concept, too. Leniency is related to trust in the sense that as too much trust may prove prejudicial, too much leniency also rebounds on itself. On the other hand, leniency as such may cause suspicion, and depending on the contextual issues and probably the particular moment of trust, the development of trust may turn into the ‘vicious cycle’ which is discussed next.

5.2 VICIOUS VORTEX OF TRUST DEVELOPMENT

As a result of my study, I have recognized a ‘principle of bad’ (or evil) in dyadic trust development. By this I mean by that dyadic trust in leadership may be damaged without doing anything. I have identified this phenomenon as “the dynamics of evil”, by which I mean that trust in leader-follower relationships is easier to breach than to nurture. There is a tendency, when a person is involved in something good, say, breeding trust in a dyadic relationship in an organization, reactivity (being proactive) is needed. Conversely, a leader or a follower has to make a decision to choose the right actions and taken an initiative to allow trust to develop. I describe this kind of dynamics by the metaphor of a vicious cycle whose initial operation stems from ignorance or negligence though action is required and, accordingly, refrains from action when intervention is demanded. For example, a vicious cycle is exacerbated by passive support and nonverbal conspiracy. In the preceding chapter, I described this viciously spreading exacerbation by episodic, cyclical dynamics.

‘Evil’ and ‘vicious’ are strong words. I chose them for several reasons: first, the main reason for using these strong words to describe the dynamics of breaching trust was that in the trust development process, the power of bad seems definitely to be greater than that of good. Second, the consequences of breaching trust may appear dramatic, both at the individual and the

organizational levels, e.g. in cases of harassment (cf. Harrington et al., 2012). Third, the chosen metaphorical way of reporting in the current study does not merely allow but demands highly descriptive words to achieve the core of the phenomena studied. Recently, Klaussner (2012, p. 9) described a vicious circle that might become stable as a leader-follower relationship of transformational leadership (Bass, 1985). Klaussner (2012) refers to the leader who relies on threat and coercion and the role of expectations in the dynamics of a vicious circle.

The greater power of bad over good also appears in everyday life, e.g. interpersonal interactions and learning processes (Baumeister et al., 2001, p. 323): “Bad emotions and bad feedback have more impact than good ones, and bad information is processed more thoroughly than good.” What I identified as the ‘dynamics of evil’ refers to the general principle across a wide range of psychological phenomena that bad is stronger than good (Baumeister et al., 2001). For example, if a person learns something bad about a new acquaintance, it carries more weight than learning something good (Baumeister et al., 2001, p. 324). These are ordinary situations in organizations and in leadership in particular. Moreover, good as such is often taken for granted – likewise trust. However, as discussed above, trust is not “absolutely good” but includes a dark side if it occurs in excess. Trust is a multifaceted phenomenon and I do not consider it as a continuum with endpoints of ‘good trust’ and ‘bad distrust’. The psychological concept of *propinquity* is applied to trust in the leadership context to illustrate the power of bad over good. Interestingly, studies focusing on propinquity show that identical increase in propinquity produces more bad results than good ones (Baumeister et al., 2001). What does this mean in the trust development process? I have adopted the definitions for the concepts of good and bad from Baumeister et al. (2001, pp. 324-325): “By good we understand desirable, beneficial and pleasant outcomes including states or consequences. Bad is the opposite: undesirable, harmful, or unpleasant. Strength refers to the causal impact. To say that bad is stronger than good is thus to say that bad things will produce larger, more consistent, more multifaceted, or more lasting effects than good things.” Following this definition, trust is more about ‘good’ and distrust more about ‘bad’ although trust can produce ‘bad’ consequences (e.g. blind trust) and distrust may stand for ‘good’ e.g. in case of a sense of self-preservation.

Gargiulo and Ertug (2006) named dispositional, relational, and situational factors as the antecedents of trust in relationships in organizations. Hence, they contribute to the trust discussion by finding an optimal and excessive level of trust within organizations (Langfred, 2004). However, optimum and equilibrium are concepts that refer to the foundation of stability. It is about the amount of trust as optimum, which I do not see as a stable but an ongoing process with the possibility of the coexistence of trust and distrust or lack of trust. The greater power of bad is also seen as one reason for the difficulties of trust repair. To overcome trust breaking seems to need remedies again and again in order to

earn trust and repair it. It may also be totally impossible, for example, due to fears that a person has to experience the same pain repeatedly.

The trust development process in new leader-follower relationships appears rather fragile (Ikonen & Savolainen, 2011a). Interpersonal trust grows to develop as early as during the recruitment process, yet the orientation of a newcomer in an organization is crucial for the further trust development in leader-follower relationships. Recently Brockner and Bianchi (2012, p. 266) considered the notion that low trust instigates a vicious cycle. Brockner and Bianchi (2012, pp. 266-267) provide an example; when people behave differently from how they did in the past, i.e., by unpredictable or inconsistent behavior, it may reduce the extent to which they are trusted. This is due to the fragile nature of trust and also because of 'bad is stronger than good.'

Adobor (2005) states that "low initial expectations can produce a "vicious cycle" in which low expectations breed suspicion and ultimately a failure to build trust." He also supports the idea that expectations may have a "virtuous" effect on trust. Adobor (2005) studied trust as sensemaking in the inter-organizational context. He notes that self-fulfilling prophecies may have both positive and negative sides (Adobor, 2005). He suggests that initial expectations and trust may have a nonlinear relationship and be worth exploring. Laine (2008, p. 82) presents an illustration about the cycle of distrust at work (Figure 10 alla).

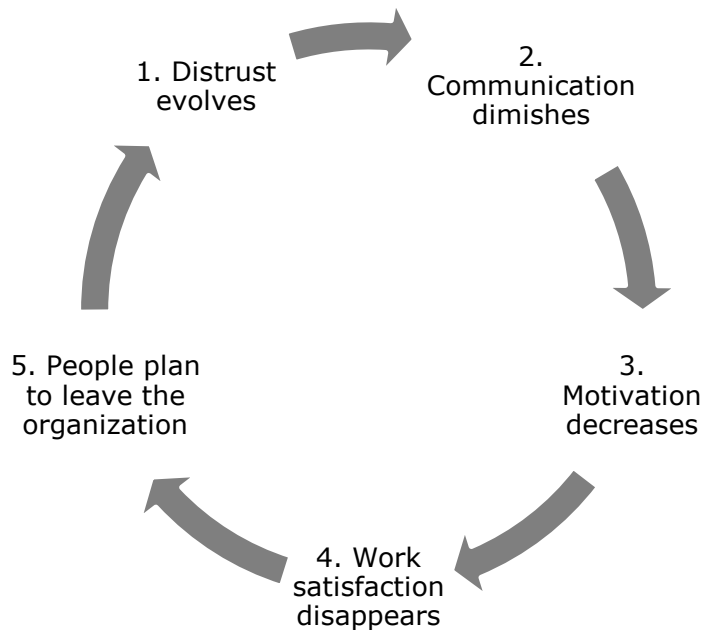


Figure 10: Cycle of distrust at work (adopted from Laine, 2008, p. 82)

Trust in leader-follower relationships does not grow by itself. The process seems complex, non-linear, and non-straight forward in nature with more of a wavelike development (Savolainen & Ikonen, 2012; Laaksonen, 2010; Ikonen & Savolainen, 2010). "One of the most difficult issues related to distrust, however, is that once it is established, it has a strong tendency to be self-perpetuating. When one is interacting with a distrusted person, even normally benign actions are regarded with suspicion." (Tschannen-Moran & Hoy, 2000, p. 550). In the worst case, the behavior of the distrusted person is systematically interpreted in a distrust confirming way (Tschannen-Moran & Hoy, 2000). Suspiciousness builds on itself, as behind ruthlessness and lack of appreciation there may be such a trivial issue as misunderstanding or sheer ignorance.

Suspicion generates the dynamics of 'evil'. Once a dyad or, perhaps, an organization, settles into the dynamics of evil, it is extremely difficult to exit (Losada & Heaphy, 2004). The cycle of mistrust (Ryan & Oestreich, 1991) is identified as an organizational phenomenon but not broadly investigated. Gambetta (1988, p. 234) states that "once distrust has set in it soon becomes impossible to know if it was ever in fact justified, for it has the capacity to be self-fulfilling, to generate a reality consistent with itself." Gambetta (1988, p. 234) continues that only accident or a third party may rectify the situation.

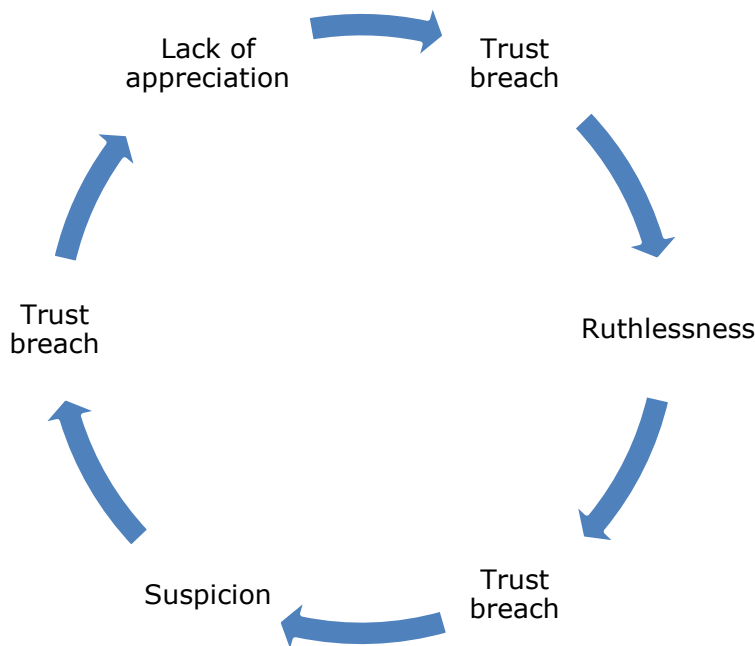


Figure 11: Illustrative example of vicious vortex

In the analysis of trust breaching stories this is not easily understood just here and I recommend you explain it rather than using this term stories the division into “us and the others” was apparent. The influence of the leader’s trust breaking behavior may spread in the organization increasing distrust towards the whole department. When a leader betrays subordinate’s trust by his or her behavior, the impact also spreads those who are totally uninvolved. This shows the multilevel dynamics of the trust process. According to this study, the challenge of trust development is crystallized in overcoming the dynamics of evil. For further research, a question arises if institutional procedures could substitute for or at least support the interpersonal trust development process at the organizational level and if so, to what extent. The influence of past experiences (with other leaders or other followers) on an individual’s understanding of fair behavior and the categorization process should be taken into account, as past experiences may intensify or diminish perceptions (Klaussner, 2012, p. 12).

5.3 CONCLUSIONS OF DYNAMICS OF DYADIC TRUST DEVELOPMENT

I recognized the impossibility of separating the perceptions and experiences of the participants into thematic categories (Riessman, 2008). However, as a summary, I have tried to encapsulate their main ideas. The concepts of *appreciation* and *leniency* are used to describe the emergence of trust in these stories. On the other hand, my interpretation for this lack of trust is neglect (remissness), which usually seems to occur unintentionally. For example, the absence of leaders triggers initial “mistrust” (Zeffane, 2010). As a result of my study, I conceptualize that the concept of leniency refers to altruism and sacrifice in a sense of preferring the needs of a partner. Potential within the work organization is enabled by leniency and appreciation, which are the driving forces of trust development and dynamics. Willingness to accept vulnerability manifests itself in authenticity and the courage to face and overcome fears of being hurt in relationships. Fears are identified as a part of self-confirming cycle (Costa et al. 2009, pp. 220-221). Leniency and appreciation may also entail admitting one’s own weaknesses and acknowledging one’s own mistakes. Moreover, the findings indicate that repaired trust can develop to be more confident and resilient than trust that has never been put to the test in leadership relationships. Vortices are metaphors for the dynamics of dyadic trust development, by which I refer to the spiraling patterns of the phenomenon. Vortices refer to the diffusion of the trusting process. The main findings of the study are illustrated in Figure 12.

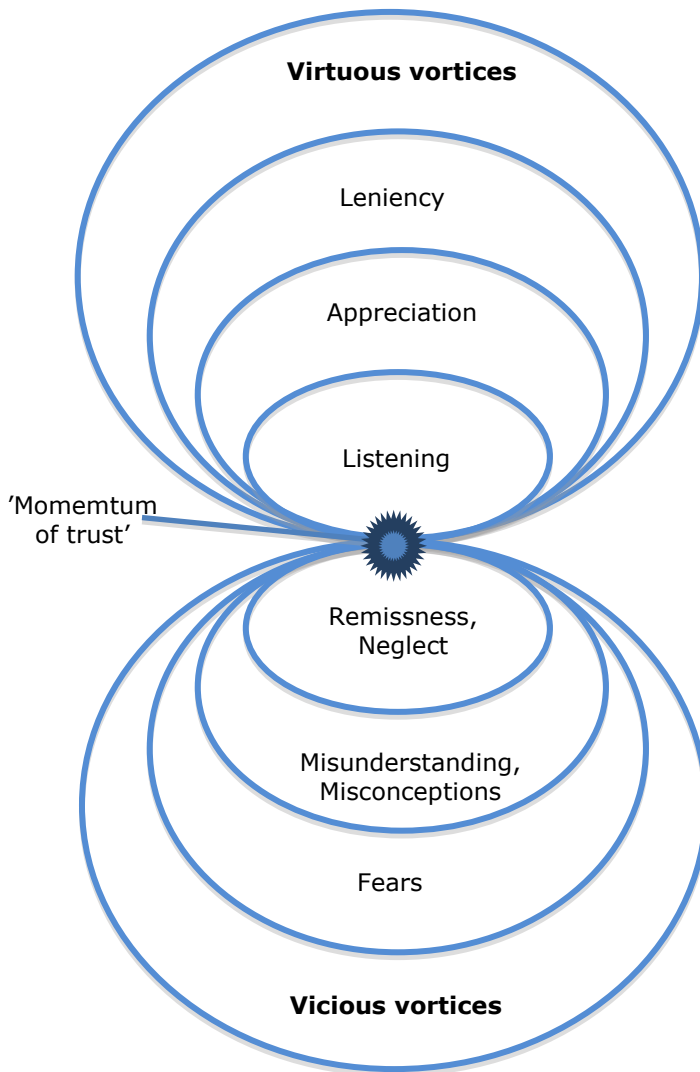


Figure 12: Illustration of main findings

As a final statement of the empirical study I stress that trust building and maintaining trust is fundamentally a question of character, both leader's and follower's, referring to self-evaluation and self-criticism. In that sense, a leader should be able to look in the mirror and be eager to develop his or her character. He or she should have an ability to admit to mistakes and be ready to apologize and forgive. Misunderstandings and misinterpretations occur in organizations wherever human beings are involved. The key issue as regards trust is that these conflicts can be resolved and trust re-established. However distrust and

suspicion when embedded in the organizational culture do not provide a fruitful foundation for organizations to prosper. McKnight and Chervany (1996, p. 45) suggest that "Managers should take small initial risks with their people to signal a desire to have a trusting relationship. This gives the relationship a chance to move forward on the increasingly trusting cycle instead backward on the decreasingly trusting cycle." The reciprocal spirals of trustworthiness are illustrated by the metaphor of a dance (Ferrin et al., 2008). Trust seems to permeate through simple interaction where emotions are involved. Leaders show high concern for both people and production (Blake & Mouton, 1964) by frequent interpersonal interaction. In addition, ability and competence were appreciated by leaders and followers in both organizations. For example, the first impression of a new leader as competent enables trust to develop. Trust seems to be rooted in the micro-dynamics of daily social interaction among leaders and followers. All the participants expressed, in one way or other, that there is an affective dimension in their relationship with followers.

Overall, the dynamics of trust seem to work through the organizational climate, functioning interpersonal relationships which also involve trustful behavior towards peers. Trust in organizational work relationships does not evolve automatically. In Finland the culture of perseverance (in Finnish 'sisu') has long traditions. It is a culture of 'never give ground or quit', including solitude and 'strain every nerve'. If this attitude operates in practice a major effort by leaders to build trust it is for the good, but the alternative is that it promotes isolation and withdrawal, leaving interaction at a minimum. Unresolved issues are typically ignored, which promotes suspicion and lack of trust in leader-follower relationships. Going back to my point of departure and based on my findings, I conclude that 'the nonlinear patterns of trust processes' (Fulmer & Gelfand, 2012) are described as dynamic vortices of trust in this dissertation.

6 *Summary and discussion*

6.1 SUMMARY OF THE STUDY

This study deals with the development and dynamics of dyadic trust in the leadership context. It focuses on the perceptions of leaders and followers in their own, real-life contexts. The study employs several methods of data collection and analysis. The research focuses on the development and dynamic in a dyadic relationship; its nature and expression from the point of view of different organizational actors, specifically, leaders and followers.

The main research question of the study is (p. 21): How does interpersonal trust develop at the dyadic level in leader-follower relationships over time? Several trust theorists have stated that trust develops incrementally over time, instead, in this study trust is seen as an ongoing process. The findings of the current study show that trust is highly dynamic, episodic, and contextual in nature. Metaphorically, the dynamics of trust process is described as vortices adopted from hydro- and aerodynamics. A vortex is a vivid description of the nature of trust in dyadic leader-follower relationships. In this study, vortices are metaphors for the dynamics of dyadic trust development, referring to the spiraling patterns of the phenomenon.

The development of dyadic trust can be seen as a process that develops through a series of vortices of self-strengthening cycles. Trust in a leader-follower relationship appears as a continually forming and developing process. These processes appear disorderly, punctuated by insignificant incidents that may alter the dynamics of the relationship. The research implies that the dynamics of the development process of dyadic trust are more complex than previous research has indicated. This study revealed that there are specific moments, or episodes, when dyadic trust increase unexpectedly or suddenly break down and become a vicious cycle. The vicious vortex appears to be particularly self-sustaining and self-intensifying.

The research also aims to answer the empirically orientated sub-questions: How do leaders and followers enact on trust building and maintaining? What meanings of dyadic trust do leaders and followers construct? In order to answer these questions, the study adopts an explorative, qualitative approach. The nature of the trust development process in leader-follower relationships seems to be fragile and delicate and therefore constant care is needed to sustain and develop trust. As a result of the study, trust might be conceptualized as culturally constructed, emergent phenomenon. I use the concept of leniency to describe the way trust is strengthened in leader-follower relationships, referring

to altruism and sacrifice in a sense of preferring the needs of a partner. Potential within the work organization is enabled by leniency and appreciation, which are the driving forces of trust development and dynamics. Moreover, the findings indicate that repaired trust can develop to be more confident and resilient than trust that has never been put to the test in leadership relationships.

In several ways the study implies for managerial leadership that appreciating subordinates and giving both responsibility and support are crucial in trust development in leader-follower relationships. The communication occurs on a regular basis without avoiding disagreeable issues. The findings indicate the importance of raising the level of awareness in organizations of the significance of trust in leadership, in particular, because leaders may subconsciously and without intent cause the break-up of trust for example by their passivity. In managerial practice this means developing trust building skills in organizations which may remove obstacles in pursuing trusting workplace relationships. Trust building appears to produce reciprocity, mutual appreciation, motivation, and positive emotions, such as a sense of security and confidence. On the other hand, this study illustrates that in leader-follower relationships even mundane, everyday actions may have a significant role in the trust building process, especially when both the parties are able to appreciate differences in showing appreciation. Based on this research organizations need awareness of the significance of trust and of the dynamics of its development because trust in an organization, especially in reciprocal leader-follower relationship, increases the well-being in the work place and creates an atmosphere of learning and innovativeness, which will ultimately foster the organization's success. The contribution of the study and its implications will be discussed more precisely next.

6.2 CONTRIBUTION OF THE STUDY

This dissertation contributes to the emerging research on trust development in organizational contexts. The results enhance our understanding of the development and dynamics of the trusting process at the interpersonal level in leadership. Generally, trust is a multifaceted construct, manifesting itself at different levels e.g. individual levels and organizational levels. The Finnish not-for-profit organizational perspective adds to the value and originality of the findings as a particular context which has not so far been extensively studied. The study illustrates the patterns of the trust development process from both the followers' perspective as well as that of the leaders thereby adding to what is known about the complex nature and dynamics of dyadic trust. The purpose of this study was to explore how trust develops in (new) leader-follower relationships. The main contribution of the study is the spirals in the

development process of dyadic trust identified as dynamics of vortices of self-intensifying circles, which are either virtuous or vicious.

6.2.1 Theoretical and conceptual contribution

The empirical findings show interestingly that the process of trust development deviates from the linear development mode as depicted in earlier research (Lewicki & Bunker, 1996). The development of trust emerges as a 'wavelike' movement and is characterized by 'splashes and calm' (Laaksonen, 2010; Savolainen & Ikonen, 2012). In this dissertation a metaphorical way of describing the development process was chosen: a metaphor of the vortical movement aptly describes the dynamic process of trust development. The findings of the study indicate that trust development appears in a series of self-intensifying cycles but also periods when the relationship may remain stable may occur. Trust is found to be continually formed and shaped that also refers to upward and downward motion. This should not be seen as non-progressive development for the trust process, as, according to the findings, after moving downward the process may then proceed upward and even to a deeper level. Upward motion may be described as calm and sedate spillover, whereas backward motion may appear to be more intensive, producing a kind of negative spillover effect. The metaphor of a weed also describes the pervasive nature and intensiveness of suspiciousness. The new finding of the dynamic, spiraling nature of the trust process serves as evidence in the pursuit of revealing how trust and the process of trust development emerge, in how trust develops in multiple ways.

Potential within the work organization is enabled by leniency and appreciation, which are the driving forces of trust development and dynamics. I conceptualize that the concept of leniency refers to altruism and sacrifice in a sense of preferring the needs of a partner. I conceptualize leniency referring to an act of being lenient and merciful, also referring to the paradox of trust: in order to trust an individual needs to overcome the fear to be betrayed. It is an active act of manifesting trust mercifully. It refers to the paradox of trust: in order to trust an individual needs to overcome the fear to be betrayed. Leniency describes that trust is strengthened by overcoming these fears (cf. leap of faith, Möllering, 2001). According to my interpretation, acting leniently usually leads to activity and confidence, strengthening trust by mutual appreciation. Leniency may also refer to an individual's sense of tolerance.

Moreover, the findings indicate that repaired trust can develop to be more confident and resilient than trust that has never been put to the test in leadership relationships. In particularly, appreciation and leniency are needed in restoring and repairing processes of trust development. In that case, appreciation and leniency are emphasized meaning 'hard work' and lot of effort. On the other hand, I address an opposite interaction issue by means of a metaphor of flotation. Flotation on trust means overcoming one's fears and

being relaxed in the relationship. This metaphor also serves to illustrate trust as a pool, a resource. On the basis of the data, I interpret trust development by a metaphor of throwing oneself into trust. It describes trust as a resource that can be taken into practice by a leap of faith (cf. Möllering, 2001). Dyadic trusting, when effortless and easy, is described as *buoyancy*, flotation on trust. However, this leads us to contemplate the issue from all sides as trust development appears multifaceted and unpredictable phenomenon. Buoyancy on trust may comprehensively mean a risk of blind trust, though at the same time, also lightness of trusting at its best.

The process of trust development is complex, appearing as more meandering and uneven. The development process includes various cycles and spirals instead of distinctive linearly progressing stages (Savolainen & Ikonen, 2012; Laaksonen, 2010). As (Tschannen-Moran & Hoy, 2000, p. 558) put it: "Even within a single relationship, trust and distrust may be uneven." Tschannen-Moran and Hoy (2000, pp. 562-563) continue, "as interdependent partners in an ongoing relationship gather experience with one another, they come to have a growing pool of trust-relevant evidence on which to draw." Instead of incremental progress of knowledge-based trust, the process of trust development appears more dynamic. Lewicki and Bunker (1996) refer to it this way:

However, the trust picture that emerges may not be a simple one. Different levels of trust may emerge across different facets of trust. Relationships are multifaceted; therefore, parties may hold simultaneously different views of each other that may be accurate but, nonetheless, inconsistent between them. A person may come to trust another person in some areas of interdependence but not in others. (Lewicki & Bunker, 1996, p. 563)

Lewicki et al. (1998, p. 442) also point out this diversity as these different "encounters accumulate and interact to create a rich texture of experience." Moreover, Lewicki et al., 2006, also refer to a 'bandwidth' of trust development in interpersonal relationships. As trust is seen as an uneven and fluid process (Wright & Ehnert, 2010, p. 107), impressionistic trust may appear even though relationships mature with the frequency and duration of interaction. In the present study, trust appeared as a positive spiral, and distrust as a negative spiral in the leader-subordinate relationship. I have illustrated these findings by a concept of vortex illustrated in Figure 12: Illustration of main findings yllä.

6.2.2 Methodological contribution

In qualitative studies, interpretations largely depend on the intuition, insights, and scientific imagination of the researcher and may thus vary according to the observer (Eriksson & Kovalainen, 2008). It is possible to pay attention to other relevant and revealing aspects of the study, and further research may provide support for the final results. Due to the interactive relationship between theory,

method and empirical data, the theoretical framework assumed its final form after the data had been fully analyzed (Eriksson & Kovalainen 2008, p. 41). As a methodological contribution, the results of the study indicate that the method of empathy-based stories (MEBS) may provide a richer and more profound view of the interpersonal trusting processes. In particular, MEBS proved a promising alternative to apply when studying such a sensitive topic as breaches of trust in which data collection may prove challenging (Ikonen & Savolainen, 2011a; 2011b). Studies on the trust development process have mostly been quantitative and conceptual while this dissertation makes a qualitative contribution. The chosen approach also enabled to provide conceptual contribution by a depiction of dyadic trust development through uneven and disorderly processes.

6.2.3 Implications for managerial leadership

Instead of the results of most quantitative research, as the relevance of these for practitioners might be doubted (e.g. Wright & Ehnert, 2010) this study offers several practical implications drawn from the findings of the study. As the theoretical framework of the study is based on LMX theory highlighting the uniqueness of the relationship between a leader and each of his or her followers, the findings of the study imply for managerial leadership that a leader should concentrate on each follower and aim to build a unique relationship with him or her on the basis of the needs of a follower. In trust building especially, individuals differ in how they express and experience trusting. If the leader is able to take into account the differences and uniqueness of each follower e.g. how they experience appreciation i.e. perceived appreciation from an immediate superior, the trust-building process may accelerate dramatically. As it is impossible for managers to know the past experiences of their followers, the importance of appreciation and leniency is highlighted in successful leader-follower relationships from the perspective of trust development.

I am inclined to agree with Wright and Ehnert (2006, p. 6) when they suggest that perhaps the Simmelian missing element to fully capture the nature of trust “is not so mysterious after all, but can be revealed in the mundane and daily action we all engage in during our ongoing organizing activities.” On the basis of my study, interaction, communication as ongoing dialogue and ‘a sense of we’ is called for in organizations, especially in leadership to create, maintain, and strengthen trust in vertical dyadic relationships. Face-to-face communication seems to be of importance in leader-follower trusting relationships. However, other communication channels may replace face-to-face communication or complement it while continuity seems to be crucial.

The findings suggest that in the development of leadership skills building trust needs to be considered as an intangible asset and a skill for leaders (Savolainen & Lopez Fresno, 2012). To develop leadership skills, building trust and showing trustworthiness cannot be overestimated in today’s business environments with their urgent requirements for cooperative abilities in daily

leadership practices (Ikonen & Savolainen, 2010). Today's organizations appreciate followership skills as well. Raising the level of awareness of the significance of trust and developing trust building skills in organizations may remove obstacles in pursuing trusting network relationships (Savolainen, 2010; Savolainen, 2011b). In daily leadership practices, in particular, the importance of showing trustworthiness towards subordinates cannot be overestimated in the current business environments which urgently require the development of cooperative abilities and skills in human resource management. Trust is seen as a basic feature of a healthy work community signaling openness and honesty of interaction (Laine, 2008). Trust in the leader-follower relationship enables creativity and learning in organizations. Moreover, the implication is that in the development of leadership skills building trust and showing trustworthiness cannot be overestimated in the current business environments with their urgent need for cooperative abilities in daily leadership practices (Ikonen & Savolainen, 2011a).

From the managerial point of view this more profound understanding of dyadic trust development and dynamics within organizations serves to support HRM processes and procedures. In practice, the importance of the recruitment and guidance of newcomers in organizations could be understood more profoundly. Taking a follower's perspective in general, the manager's first actions and the first impressions usually have an impact on trust development as well. Moreover, a crucial question is how to encourage followers to understand and assume their role in the dyadic trust development process and enhance mutual understanding, and above all, facilitate the development of trust. In today's organizations followership skills are appreciated as well. As a practical implication, the results suggest that the processes of building and maintaining trust need activity, especially concerning leaders and should be supported by the HRM practices of the organization. Without interaction trust may recede though the trust development process inherently endures times of stillness as well, especially later on in the course of the relationship. The study suggests that the interpersonal trust development process has a significant role in HRM influencing organizational success by renewing human capital emphasizing trust building as a leadership skill. In the knowledge era especially, trust building is seen as a leader's essential task.

The role of relational skills in leadership development (Uhl-Bien, 2006) could be taken into account more explicitly in organizations. The findings of the study confirm the importance of training managers to understand their crucial role in the leadership and trust development process (Smith, 2005). For example, providing feedback from the very beginning of the leader-follower relationship could be one essential element of trust building. Leaders should be encouraged not only to build trust in their relationships with followers but also to learn to maintain it as Scandura and Pellegrini (2008, p. 107) suggest. Consequently, leadership skills and especially communication skills are appreciated. On an

organizational level, discussion and development of organizational practices concerning initial trust are also needed.

The need for a new culture is obvious: we need a culture of interaction and relationships; an appreciative and supporting culture instead of criticizing and underestimation. Therefore, a relationship is essential in creating and renewing knowledge and creativity (Savolainen, 2011b). Trust facilitates the managerial routine, which manifests itself in a positive and open culture. Cooperation builds trust and has a positive effect on the organizational performance by the processes of renewing human capital (Savolainen, 2011b). Thus it is essential to discover how trust as a facilitating intangible asset can be integrated into the organization and leadership, and operations so as to improve organizational performance and make an impact on the work community for a better performance (Savolainen, 2011b).

Through interaction and continuous social activity mutual, collective learning, and the development of new competencies and skills are realized. Creativity is enabled by interaction, and open and flowing communication for which trust forms a foundation. Leaders enable the creation of a trustful workplace climate that supports creativity and innovativeness. Trust building serves *as influential force* and a device for leadership (Savolainen, 2011b; Savolainen & Malkamäki, 2011). Trust in leadership can provide vitality and competitiveness through skills and competence that affect open communication and atmosphere. With this change in workplace culture in the future Finland may cope in the world of concerted, multicultural, and diverse global competition economy. *Leadership by trust* (Savolainen, 2011a; 2011b) is a resource, skill, and asset for leadership enabling the renewing and developing of human intellectual capital and competencies. *Re-shaping leadership* requires new, more acute awareness of the significance and dynamics of trust building, and the necessity of positive influence in interaction (Lamminluoto, 2012).

6.3 IDEAS FOR FURTHER RESEARCH

In the light of this study, and based on a qualitative approach, the stimulating idea of spirals, cycles and vortices as well as the role of moments of trust in the progression of trust development should be studied in more detail. Further research is needed to enhance our understanding of trust development over time, and especially, how trusting relationships are created. The study produces some ideas for further research on the nature and dynamics of trust development, e.g. the role of emotions appeared meaningful although it was excluded from the framework. A question arises about trust development and dynamics in long-term relationships, in terms of LMX “mature partnerships.” How does the development of dyadic trust alter in the course of the relationship,

in particular, does trust develop with spirals and cycles or does it appear more stable? Furthermore, the role of emotions needs to be further investigated from the perspective of dynamics.

Multilevel trust

While it is beyond the scope of the present study to discuss and analyze the development and dynamics of multilevel trust in depth, I acknowledge it as a promising option for further research. This study revealed that dyadic trust appears diffusive in nature due to the dynamics of the phenomenon, which leads us to investigate the dynamics and inter-relation of macro- and interpersonal levels of trust. The study illustrates the characteristics of the trust development process from the followers' perspective as well as that of the leaders and thereby increases the knowledge of the complex nature of dyadic trust. In their stories, the interviewees made sense of the organizational culture and the procedures by describing how they usually acted in different situations. The intra-organizational relationships, for example, the images and perceptions of a new superior may live a life of their own in the organization through continually circulating and changing stories. In particular, the untrustworthy behavior of leaders may live on in the history of an organization through stories handed down in the organizational memory and culture to future generations of workers (cf. Auvinen, 2013).

An unanswered question as to how interpersonal and institutional trust interrelates in the development and dynamics of trust at different levels seems to be worth studying. A more precise, new question is generated by the current study: What is the role of dyadic trust in multilevel trust? The findings of this study indicate the generative and originate role of dyadic trust at the interpersonal level: it seems that dyadic trust may have a significant role as a source of multilevel trust, and probably, as a driving force. For further research the findings of the dissertation imply that interpersonal trust development and dynamics need to be studied longitudinally in real-life contexts. Despite an increasing amount of empirical research on trust in social networks, it is the dynamics and processes of interpersonal trust development in relationships remain largely unknown. Regarding the contextual nature of trust, further research could be done in multiple contexts, in public, private business and third sector organizations, for example. The unanswered question is if there are contextual differences in trust development processes and dynamics.

Also, as noted, more contextual studies are needed on the connections between interpersonal and institutional trust (e.g. Vuorenmaa, 2006), in particular, organizational forces to trust and leadership relationships need to be more examined (Nooteboom, 2002, p. 210). One of the main interests for further study is how interpersonal trust is transformed into organizational trust, and vice versa (e.g. Ikonen et al., 2012). Recently, my colleagues and I have suggested that the dynamics between micro and macro level trust in the

organization could be described as a bidirectional cycle with accelerations and decelerations where e.g. a management system is seen as ‘a channel’ of trust transformation (Ikonen et al., 2012). The dynamics between impersonal and interpersonal trust seems to be multiple and diverse (cf. Atkinson & Butcher, 2003). Fundamentally, trust seems to develop simultaneously but differently depending on the levels, interaction, and time needed (Malkamäki, 2011; Ikonen et al., 2012; Savolainen, 2013). As multi-level differing developments emerged, they seemed to interrelate enabling us to understand how organizational factors and relationships between actors are intertwined. The findings imply that this currently under-researched area of trust development needs to be considered more carefully and understood more thoroughly. Nevertheless, more empirical and qualitative studies are required to investigate processes of trusting, both interpersonal and multilevel designs.

Methodological ideas

The trust research so far has a clearly dominating quantitative tradition. With qualitative methodology it would be possible to capture the abstract nature of the dynamics of dyadic trust as well as the sensitive topic of trust repair. In particular, the method of empathy-based stories seems applicable for that purpose. On the basis of the current study, for example, the method of empathy-based stories seems to be applicable for data collection on breaches and violations of trust and how trust can be repaired. Moreover, further elaboration of the MEBS in trust research is needed, for example, to obtain rich and diverse data. More research is needed focusing on trust development e.g. by discursive methodology. My suggestion for further studies is that trust researchers need to be interested in the enactment of trust development by actors. For instance, the observation method appears well-suited for this, enabling us to study gestures and relationships holistically.

6.4 CONCLUDING REMARKS

6.4.1 Evaluation of the study

It is time for some final words. Since there are gaps in the field of trust research, the current study has attempted to enhance our understanding of dyadic trust development over time. As a result of the study I have produced a description of the dynamic nature of the phenomenon. How have I succeeded in the task? Basically, I have been aiming at making the *audit trail* of inference visible to the reader and enabling the reader to follow my reasoning throughout the report by means of reflexivity (see also the appendices). I have made my choices on the basis of the concordance between the goals and methods of the study, hence practical issues and my personal preferences had their role in the process (Lieblich et al., 1998). Nevertheless, the methodological approach adopted for

the study and LMX theory are used together quite seldom and may therefore be a cause of criticism as discussed above (Mäkelä, 2009). Moreover, the ontological and epistemological approach of the study needs to expose to assessments. As a social constructionist researcher I have participated in producing the data, especially in interviewing but also in giving instructions to the students for writing their stories. How this participation of a researcher is taken into account in the study is discussed next.

Reflexivity

“Reflexivity refers to the ability to engage in a dialectical process with regard to the theoretical constructs of the researcher, the informant’s concepts, the data itself, and the researcher’s ideological suppositions” (Tierney, 1996, p. 380). Researcher should develop a reflexive understanding of the research context (Fairhurst & Grant, 2010). As a researcher, I have endeavored to be sensitive to my own social background, preferences, and the environment in which the research takes place influences the research (Fairhurst & Grant, 2010, p. 196). I have realized that investigations need to be evaluated on their own premises. My purpose is to position my research and its assumptions as well as to reflect my own assumptions for readers to evaluate how the research process progressed and what my choices have been. For example, finally, when I finalized writing the stories for this report, I listened to all the tapes once again. In so doing, I became convinced of my interpretation, noting how my interaction as a researcher affected the process (Haynes, 2012, p. 79), yet knowing that another researcher may end up with another interpretation.

As another example of my own learning process I realized that multiple perspectives may provide a richer and a more realistic picture of trust, leadership, and organizations. Thus, as discussed earlier, I found that there are alternative approaches to examining trust in dyadic relationships. Aiming to capture the development and dynamics over time, this multi-frame approach seemed to be the most relevant and fruitful one even though no research can take everything into account. Focusing on the question of the nature of process trust development, the viewpoint of how trust emerges and what patterns it may include became more and more relevant during the dissertation process. I tried to be reflexive in the interpretations I made. I have aimed to describe the construction of reality both within time perspective and from the collective perspective, allowing polyphonic and multiple voices of participants arise. I have also declined to avoid contradictions in order to admit of readers to evaluate my reasoning and the whole process of the study.

Crystallization instead of triangulation

One of the criteria to evaluate qualitative research is triangulation, in which several perspectives are used to refine and clarify the results of the study (Eriksson & Kovalainen, 2008). In the 1970s, four basic types of triangulation

were identified: Data triangulation, investigator triangulation, theory triangulation, and methodological triangulation (Janesick, 2000, p. 391). However, triangulation draws on the idea of one version of reality that can be approached from several viewpoints in order to enhance the overall understanding of the research topic (Eriksson & Kovalainen, 2008, p. 293). I understand reality as socially constructed and interpreted through cultural meanings, which makes it problematic to apply triangulation in this study. Instead of triangulation, Janesick turns to Richardson (1994, quoted in Janesick, 2000, p. 392), who offers "the idea of crystallizations as a better lens through which to view qualitative research design and components." In Richardson's (1994) words, the crystal "combines symmetry and substance with an infinite variety of shapes, substances, transmutations, multidimensionalities, and angles of approach. Crystals grow, change, and alter, but are not amorphous." That is what I have been aiming at in this dissertation; even though the issue of trust is elusive, my purpose has been to provide a crystallized description of the phenomenon. Several methods were used to analyze the data to avoid a narrow perspective. The methods also enabled me to gain a more holistic view of the highly dynamic phenomenon of dyadic trust in leader-follower relationships. How I succeeded remains for readers and their evaluation of the verisimilitude of the study.

Like research in general, narrative research aims to convince the reader with the trustworthiness of the study (Eriksson & Kovalainen, 2008, p. 294). Evaluating the credibility of this study, the questions of the researcher's familiarity with the topic and the amount of the data to gain answers have to be taken into account. Conformability refers to interpretation: Have alternative explanations been considered and negative cases analyzed? (Symon & Cassell, 2012, p. 212). Moreover, narrative research, in particular evocative narrative reporting (Ellis, 2004), aims to resonate with the reader. This I pursued by metaphors as a way of reporting.

6.4.2 Cycle of the research process

In retrospect, the research process appears exciting with unexpected turns and learning experiences. In practice, the qualitative research process rarely progresses linearly but instead, is a circular process with moves back and forth (Eriksson & Kovalainen, 2008, p. 31). Looking back on my research process by reading my diary, there are some obvious turning points along the way. These 'moments of research' may appear to be tiny little things at that moment but important for the whole. For example, once I accidentally spilt coffee on my printed piece of data with remarks and colorings and was suddenly frightened that I had destroyed it. At that moment, I instantly realized how important the study had become for me. The cliché of research as a creative process described by the metaphor of pregnancy and deliverance is also appropriate to this

research process. Now I attempt to describe my research process as a cycle, loosely referring to the hermeneutic circle.

My research process started in autumn 2008, the theme of the study initially being “Trust development in the leader-follower relationship.” Since then, there were multiple rounds of data analysis around the cycle (Figure 13). I found the trust literature challenging due to a multitude of diverse perspectives and approaches. At the beginning conceptualization was confusing, partly due to the strong quantitative tradition with measurements, scaling and modeling. I started my research by studying theories of trust before the data collection in organizations. Preliminary understanding was mainly reached during the interviews and transcription and naturally during the analysis process.

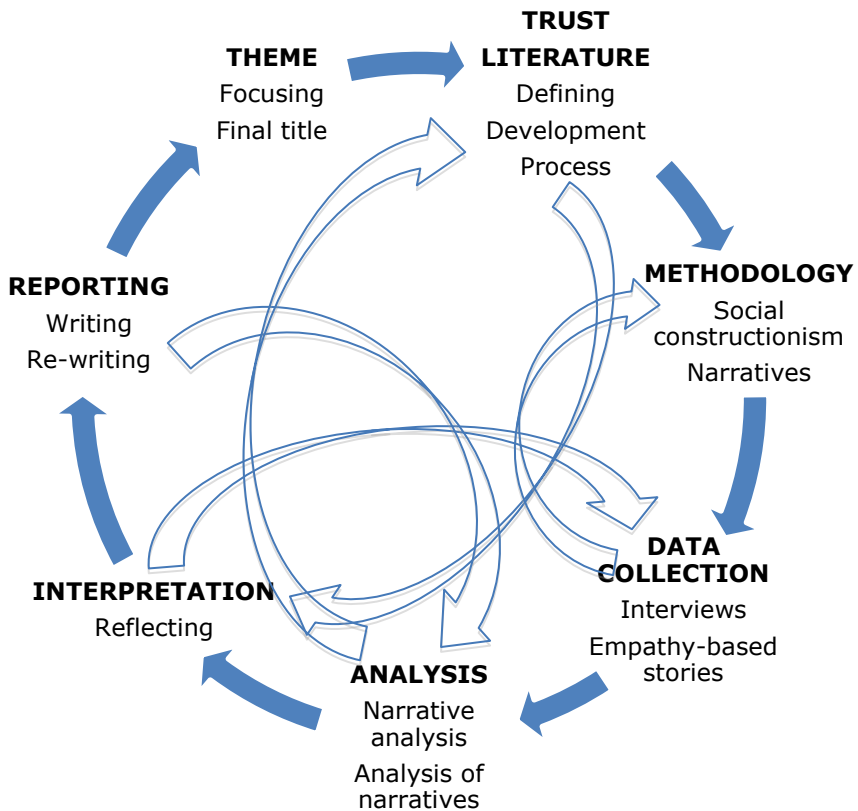


Figure 13: Research process

During the research process, I focused on sharpening my conceptualization. Thus, as noted earlier, multiple perspectives provide a richer picture of trust in leadership. Focusing on the question of the nature of process trust development, the aspect of how trust emerges and what kind of patterns it may include

became more appropriate. An example of a turning point is the book chapter written by Wright and Ehnert (2010), which I found in the final stages of my research journey. This article inspired me ever since: Finally, I found what I had been looking for from the very beginning: a social constructionist approach to trust. The first reaction was: "How could they write what I have been thinking about?" Then, soon after, I thought that I should rewrite my dissertation from the very beginning once again. Unfortunately, this was not possible. However, I *did* rewrite the report focusing on the new perspective of constructionism as a part of the research process. If I could start the dissertation process now, the report would definitely be different from the present form; I would write it totally differently. I suppose most researchers feel like that about their texts; the end is supposed to be a new start. For me, this doctoral dissertation is a good start for the 'spiraling vortices' of new research ideas.

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Appendices

APPENDIX 1. INTERVIEW DATA

Type	Organization	Code names	Date	Duration	Pages
Interview (<i>Dyad</i>)	Foundation	Allison & Beatrice	Dec. 7, 2009	75 min.	12
Interview (Single)	Foundation	Beatrice	March 2, 2010	47 min.	9
Interview (Single)	Foundation	Allison	May 26, 2010	69 min.	11
Interview (Single)	Foundation	Carol	Feb. 23, 2010	74 min.	11
Interview (Single)	Foundation	Dianne	May 12, 2010	45 min.	10
Interview (Single)	Foundation	Evelyn	May 3, 2010	56 min.	7
Interview (Single)	Foundation	Faith	June 7, 2010	42 min.	6
Interview (Single)	Voluntary	Grace	Nov. 11, 2009	32 min.	4
Interview (Single)	Voluntary	Helen	March 1, 2010	40 min.	5
Interview (Single)	Voluntary	Irene	March 30, 2010	55 min.	6
Interview (Single)	Voluntary	Joanne	April 1, 2010	48 min.	4
Interview (<i>Dyad</i>)	Voluntary	Kenneth & Lee	May 19, 2010	72 min.	12
TOTAL					78

APPENDIX 2. FIELD NOTES

Interview	Organization	Place	Date	Pages
Allison&Beatrice	Foundation	Main office	Dec. 7, 2009	1
Carol	Foundation	Carol's office	Feb. 23, 2010	1
Beatrice	Foundation	Garnaville Unit	March 2, 2010	3
Evelyn	Foundation	Meeting room	May 3, 2010	1
Dianne	Foundation	Meeting room	May 12, 2010	1
Kenneth&Lee	Voluntary	Main office	May 19, 2010	2
Allison	Foundation	Allison's office	May 26, 2010	1
Faith	Foundation	Faith's office	June 7, 2010	1
Total				11

APPENDIX 3. MEBS DATA

Type		Date	Number	Total
Variation A	Building of trust by a male leader	Nov. 2010 Feb. 2011	11 6	17
Variation B	Niggling at trust by a male leader	Nov. 2010 Feb. 2011	12 6	18
Variation C	Building of trust by a female leader	Nov. 2010 Feb. 2011	10 6	16
Variation D	Niggling at trust by a female leader	Nov. 2010 Feb. 2011	8 6	14
TOTAL				65

APPENDIX 4. EXAMPLE OF NARRATIVE ANALYSIS

RAW DATA

1. Original field notes: "A meeting with Kenny and Lee at 2 p.m. in the office. Sun was shining and the office was hot."
2. Field notes combined with site documents: Organizational archival facts
3. Interview data (transcription): "I have never before been working in an organization like this. It's so easy here cause you don't have to be on guard and keep on your toes."
4. My question/ interview data: "Could you tell more about it?"
5. Interview data (transcription: excerpt)
6. Interview data (transcription): "Indeed, day-offs are important. Day-offs are for your best and you should take it seriously. You know, we won't need a burn-out leader."
7. Field notes: "The role of organization?"
8. Additional data and other interview data (Michelle): "I know he is busy, I am wondering if I may call him at all. --- I got an email from Kenneth at night."
9. My interpretation

REPORT

1. It was a warm spring day and I was sitting with Kenneth and Lee in an office for the interview.
2. I have known afar the chair, Lee, for about 20 years and the general manager of the organization, Kenneth, for three years.
3. Kenneth told me that his time in this organization as a general manager had been exceptional for him from the perspective of trust.
4. When I asked him to tell more about it he explained:
5. Excerpt 7: General principles are clear among board members. There have been no problems with procedures so far and the atmosphere has been different from the other organizations I have worked. It is of great importance. For example, it is allowed and even suggested to take days off.
6. At that moment, Lee breaks in: "Indeed, days-off are important," talking about the fact that even he knows that Kenneth is working long days; there is no glory in burn out.
7. Later, I wondered whether it is about the organization itself.
8. In an organization staffed mainly by voluntary workers the position of a paid leader may prove problematic: Is the leader also expected to work voluntarily in addition to his paid job? As regards coping in the job, the workers should know the limits. In the case of Kenneth, the number of working hours was more than sufficient if not too high.
9. It seemed that Kenneth dedicated his time to work.

MIRJAMI IKONEN

*Trust Development and
Dynamics at Dyadic Level*

*A Narrative Approach to Studying
Processes of Interpersonal Trust in
Leader-Follower Relationships*



This dissertation focuses on dyadic trust development in leader-follower relationships, taking a relational perspective on trust and leadership and a qualitative, narrative methodological approach. Dyadic trust development appears as a constantly evolving dynamic process. As a new finding, the development dynamics is identified as 'vortices' - self-intensifying circles and spirals which are either virtuous or vicious.



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