

# Chapter 5.14

## Building Trust in Globally Distributed Teams

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### INTRODUCTION

Smith and Blanck (2002) claim that “an effective team depends on open, effective communication, which in turn depends on trust among members. Thus, trust is the foundation, but it is also the very quality that is most difficult to build at a distance” (p.294). Trust is “the willingness of one person or group to relate to another in the belief that the other’s action will be beneficial rather than detrimental, even though this cannot be guaranteed” (Child, 2001, p.275).

Trust is widely recognized as crucial for the success of the collaboration and completion of globally distributed team projects (Jarvenpaa

et al., 1998; Rousseau et al., 1998; Jarvenpaa & Leidner, 1999; Child, 2001; Holton, 2001; Evaristo, 2003; Kotlarsky & Oshri, 2005). However, developing trust in global teams often presents significant challenges because it is difficult to assess teammates’ trustworthiness without ever having met them (McDonough et al., 1999; Powell et al., 2004).

Globally distributed teams consist of professionals working together from different geographical locations to accomplish joint goals. In addition to geographical dispersion, globally distributed teams<sup>1</sup> face time-zone and cultural differences such as different language, national traditions, values, and norms of behavior (Carmel, 1999).

Virtual team members rely strongly on ICT-based communications. They often have no prior history of working together and rarely have face-to-face interactions (Zakaria et al., 2004).

Irrespective of the advanced technologies that are in place, trust is the main factor that can prevent the transformation of geographical and organizational distances to psychological distances (i.e., individuals experiencing their counterparts as strangers) (Snow et al., 1996).

In this article, trust-building in globally distributed teams will be explored. First, some definitions of the key concepts and types of trust will be provided and a review of recent discussions in the literature will be presented. Following this, a discussion about trust-building in globally distributed teams will be developed. Lastly, future research in this area will be suggested and conclusions offered.

## BACKGROUND

Trust denotes the collaborative dynamic of a learning organisation (Handy, 1995). Several researchers have studied this concept and obtained various definitions and influences of trust:

- It is a psychological state comprising the intention to accept vulnerability based on positive expectations of the intentions or behaviour of another (Rousseau et al., 1998).
- The willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party (Mayer et al., 1995).
- Having sufficient confidence in a partner to commit valuable resources, such as finance and know-how, to collaboration with that partner, despite the risk that the latter may take advantage of this commitment (Child, 2001).

According to Jarvenpaa et al. (1998), trust is a “dyadic relationship” involving the trustee’s perceived ability, benevolence and integrity and the trustor’s propensity to trust. *Ability* is defined as the acquired skills that make a trustee competent in the eyes of the team. *Benevolence* is the willingness to do good to the trustor without having ulterior motives. Integrity is the dependability the trustor feels towards the trustee as a consequence of adherence to a set of principles. The trustor’s propensity to trust is the expectation that the trustor has about the trustworthiness of the trustee. Dirks and Ferrin (2001) propose that trust can affect how individuals measure the future behaviours of their team members or can affect how individuals construe past or present actions of the same members. Adding to this, Evaristo (2003) suggests that trust in past, present and future actions can “reduce some of the uncertainties or ambiguities in relationships”.

The benefits of trust as outlined by Child (2001) are:

- Members are willing to overcome cultural barriers and put in efforts to eliminate difficulties that arise in collaboration.
- Members can handle uncertain situations far better when there is trust involved; they are able to adapt to unforeseen circumstances quicker and with fewer conflicts.
- Trust provides an alternative to the demotivating impact of control.
- It encourages the open exchange of ideas that lead to innovation in product development.

Different types of trust have been identified in the literature. We will focus on those appropriate to virtual environments:

1. **Swift trust** is a fragile form of trust that emerges quickly, has a temporary lifespan and is most common in virtual teams. The concept of “swift trust”, developed by

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