

The Trust Way
Trust Building
in International Management

An exploration and analysis
of specific leadership factors and their potential influence
on trust building in international management
illustrated by the example of Swiss People working in Hungary

Dissertation

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Abstract

In international management, trust becomes a decisive factor due to the daunting challenge of cultural diversity, however most theory-oriented approaches refer predominantly to the identification of cultural differences and the central features of trust building.

This dissertation on trust building in international management aims to fill the gap between scientific approaches and management practice with a preliminary concept on trust building in international management. The central features of current trust studies are identified, discussed and structured.

Based on this conceptual analysis, the dissertation presents the strategy of 'building a high trust organisation' and outlines key aspects of the operational process, which should be designed in accordance with an organisation's particularities and culturally specific requirements.

Illustrated by the results of an actual case study of Swiss, German and Hungarian managers and employees working in Hungary, the dissertation identifies the specific leadership factors that influence trust and the trust building process in international management.

As a result, the following core features trust and trust building in international management can be summarised:

First - In **culturally diverse environments**, it is essential that trust building occurs as a **strategic process** that suits the specific circumstances and currently lived cultural features or needs of cultural diversity (national cultures, business cultures). This strategic process also needs to fit in with inter-personal or organisational processes (business features, objectives, team-dynamics), and finally with individual leadership requests (character, function, management style).

Second - In the context of international management, trust building means essentially managing a **strategic learning process** within the given, culturally diverse environment. The relevance and the significance of trust factors always depend on the particular cultural environment and therefore the various aspects of national, local, group and business cultures. Subsequently, it is important to identify and improve those **trust factors** that, on the one hand, have a tangible and obvious impact on trust building, and on the other hand, can be influenced through strategic trust management. Crucial trust building factors in leadership: indicating relatedness, acting efficiently in culturally adapted manner, and being honestly interested in the personal aspects of partnership.

Third - Trust building on the **organisational level** is basically about creating optimised conditions for trustful interaction. Decisive factors for example are the series of consequences an action based on trusting expectation will have, the expected duration of a relationship, the possibility of withdrawal from a commitment and the amount of risk taken by trusting.

Fourth – As trust arises basically in **person-related business** and builds on personal attitudes and competencies, it therefore becomes decisive that managers accentuate their cultural diversity competencies towards **qualitative leadership** and value-oriented key skills. Managing a culturally adapted trust strategy by increasing leadership values furthermore means stimulating interpersonal trust building as well as organisational trust culture. As risk comes along with interpersonal actions and cultural diversity, trust seems to be an asset to reduce complexity and facilitate co-operative behaviour.

ABSTRACT AND ACKNOWLEDGEMENT

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Experts Opinion - Extracts

This thesis fulfils the requirements of an excellent MBA dissertation. The author goes beyond the already existing concepts and approaches in a fruitful way. The results are documented very well.

The management issues have been elaborated in detail especially regarding the strategic implications of trust building.

The overall structure of the dissertation is in line with the requirements of the research question. The dissertation is good example for a coherent work in terms of theoretical framework, empirical research and approach for practical application.

The research question is clearly focussed (specific leadership factors), the following aims clearly stated and logical.

The dissertation not only testifies a thorough understanding of the current research on the topic of trust building, but shows an astonishing knowledge across diverse disciplines, such as management theories, organisational behaviour theories, psychological, ethnological and last but not least intercultural (management and strategy) theories.

Margot Hug has collected the latest theories and available data for this dissertation, thus showing familiarity with the appropriate theoretical concepts, yet the approach goes beyond and she comes up with her own sound models of trust, integrating the latest research with her own findings of her case study. Trust building across cultures is a complex matter, so it is only logical to meet a highly complex matter with a complex theory.

Trust building in consulting and managing across cultures is of high complexity and relevance. The trust cube with its trust building areas and the trust building process described in chapter 7 are helpful tools for consulting, leading and managing.

With this dissertation Margot Hug proves to be a sensitive scholar and has become an expert on trust building in international management.

*Prof. Samuel van den Bergh und Prof. RD Reineke haben sich auf die definitive **Note 1,0** * geeinigt (22.07.2005).*

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