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A mixed methods examination of the influence of social culture on perceptions of culturally adaptive behaviours and trustworthiness in work settings

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ABSTRACT

A mixed-methods approach was used to assess the role of trustworthiness in cross-cultural business partnerships. In Study One, qualitative responses from 100 undergraduate students (50 Canadian, 50 Taiwanese) were analyzed to identify cultural similarities and differences in their perceptions of a trustworthy person, employee, and supervisor/employer. Respondents from both countries used descriptors that fit the ability, benevolence, and integrity framework to describe trustworthy individuals. However, comparison between countries and between targets (i.e., person, employee, supervisor/employer) revealed differences in the frequency with which certain types of descriptors were used. Additionally, dimensions of trustworthiness not included in the ability, benevolence, and integrity framework were identified, some of which were unique to a specific culture. In Study Two, quantitative analyses (i.e., multiple and hierarchical regression analyses) were conducted to examine the relationship between perceptions of trustworthiness and power dynamics within a partnership (antecedent), engagement in cultural adaptive behaviours (mediator), self-construals (moderator), and willingness to negotiate (outcome variable). 185 respondents (111 from Canada and 74 from Taiwan) experienced in cross-cultural business interactions completed an online survey. Results demonstrated that power directly influenced perceptions of trustworthiness, and engagement in culturally adaptive behaviours partially mediated the relationship between power (mediated and non-mediated) and perceptions of trustworthiness. Similarly, level of interdependent self-construal was found to moderate the relationship between respondents' engagement in culturally adaptive behaviours and perceptions of their own trustworthiness. A positive relationship was found between perceptions of partner trustworthiness and respondents' willingness to engage in negotiations with that partner. Findings are discussed.

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CHAPTER I

INTRODUCTION AND RATIONALE FOR MIXED METHODS DESIGN

Trust can be described as a psychological state comprising the intention of individuals to place themselves in a position of risk and vulnerability because they believe in the other party's goodwill or positive intentions (Rousseau, Sitkin, Burt, & Camerer, 1998). Although philosophers and researchers have debated the role of trust in social interactions for many years, it is only in the last two decades that trust research began to gain momentum in the field of organizational psychology due to its importance in allowing businesses to run effectively and efficiently (Freitag & Traunmuller, 2009). Researchers found that when trust existed between people working together on a common project, all partners saved extensively in terms of time and financial cost because a smaller amount of these resources were needed to implement control mechanisms such as formal contracts, which were used to ensure that both parties delivered what was expected (Bidault, de La Torre, de Rham, & Sisto, 2007). Trust has also been shown to promote network relations, decrease harmful conflict, and improve effective responses to crises (Hudson, 2004).

The definition of trust given above is but one of many definitions taken from a large body of trust literature that encompasses contributions from the disciplines of economics, anthropology, sociology, psychology, and organizational behaviour. Not only do researchers from different disciplines have different definitions and conceptualizations of trust, they also propose the existence of different types or dimensions of trust. For example, some dimensions of trust identified by researchers include the following: trust as a psychological property, unconditional trust, and trust as a structural property (such as

when trust is formed as a result of government regulations; Hudson, 2004); ethical trust (integrity), technical trust (ability), and behavioural trust or caring (Bidault et al., 2007); cooperative trust, pure trust, and selfish trust (Eilam & Suleiman, 2004); and particularised trust and generalized trust (Freitag & Traunmuller, 2009). Although some of these dimensions do offer unique contributions to the trust literature, others often overlap with each other with regards to their conceptualizations. Researchers have noted that the numerous conceptual variations of trust are hindering both the empirical examination of trust and the development of measures of inter-organizational and intra-organizational trust (Freitag & Traunmuller, 2009; Hudson, 2004).

Additionally, in the past, research on trust in business contexts has focused on the formation and maintenance of trust between business partners from different organizations within the same country. This stream of research was followed by cross-cultural comparisons of trust formation in different countries. Furthermore, due to the rising trend in globalization and the increase in multinational corporations and international joint ventures, researchers in the last few years have begun considering the influence of social culture when business partnerships are formed between individuals from different organizations located in different countries (Johnson, Lenartowicz, & Apud, 2006). Other than the role of culture on the formation of international joint ventures and business partnerships, researchers have also examined the relationship between social culture and aspects of business relationships influenced by one's trust in a business partner such as business negotiations (Adair et al., 2004; Bülow & Kumar, 2011; Zhu & Sun, 2004), conflict management (Kim, Wang, Kondo, & Kim, 2007; Mohammed,

Prabhakar, & White, 2008), communication strategies (Jameson, 2007; Zhu, Nel, & Bhat, 2006), and knowledge sharing (Möller & Svahn, 2004).

Despite this increased interest in the role of social culture in trust-related business interactions, there are still many pieces of the trust development puzzle that need to be examined, including the ways in which perceptions of trustworthiness may differ across cultures. As previously explained, the act of trusting others is dependent on *the trustor's* willingness to place himself/herself in a position of risk and vulnerability (Rousseau et al., 1998). Conversely, when talking about trustworthiness, the focus is on *the trustee* (i.e., the person being trusted) and describes the trustor's belief that the person being trusted will do what he/she is trusted to do (Hardin, 2002). In other words, the act of trusting a person is often preceded by judgements of his/her trustworthiness (Kiyonari, Yamagishi, Cook, & Cheshire, 2006). However, just as different cultures may value different beliefs and traits (Hofstede & McCrae, 2004), the qualities used to form judgements of trustworthiness may also differ across social cultures, in which case researchers should examine the issue of whether existing measures of trustworthiness are valid when used with different cultural groups.

In acknowledgement that existing measures of trustworthiness may lack construct equivalence when used across cultures, it was felt that a greater understanding of how trustworthiness was conceptualized in the cultures of interest for this dissertation was necessary prior to the use of existing quantitative measures of trustworthiness, as greater understanding of conceptual similarities and differences may allow one to make a determination as to whether the trustworthiness measure being proposed for use in Study Two was applicable to both of the cultures of interest. Consequently, this dissertation was

designed to reflect a mixed methods approach so that the cross-cultural relevance of the trustworthiness measure used for Study Two for quantitative data collection was first supported by the qualitative examination conducted in Study One of conceptualizations of trustworthiness.

"Mixed methods research is defined as research in which the investigator collects and analyzes data, integrates the findings, and draws inferences using both qualitative and quantitative approaches" (Tashakkori & Creswell, 2007, p. 4). A mixed methods design was considered to be most appropriate for this dissertation because the qualitative portion of the dissertation supported the cross-cultural content validity of the trustworthiness measure used in the quantitative study and also provided greater context for interpreting the quantitative results, thereby providing a better understanding of the research issues than the use of a single research approach alone. Study One of this dissertation used open-ended responses from a small sample of Canadian and Taiwanese respondents to explore the influence of social culture on people's conceptualizations of trustworthiness in business contexts; Study Two of the dissertation examined the behavioural influences of social culture on trustworthiness, such as the influence that engagement in culturally adaptive behaviours during business interactions had on perceptions of trustworthiness.

The mixed methods design used in this dissertation most closely resembled an exploratory sequential design, characterized by the collection and analysis of qualitative data in the first phase, followed by the use of the qualitative findings to inform the quantitative phase of the study (Creswell & Plano Clark, 2011). Figure 1 below depicts the qualitative and quantitative stages of this study.

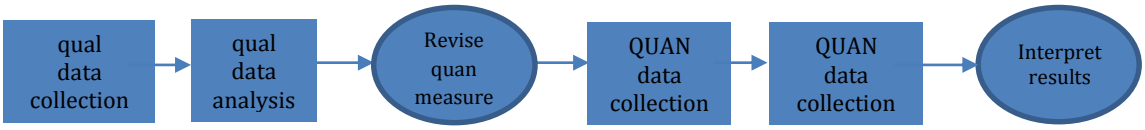

Figure 1. Diagram of sequential exploratory research design

CHAPTER II

STUDY ONE: INTRODUCTION TO QUALITATIVE STUDY

What is Trust and Trustworthiness?

Researchers have defined trust in a variety of ways including focusing on trust as confidence in others (Rousseau et al., 1998), as a set of expectations, as a person's willingness to trust (Blomqvist, 1997), or as a person's exposure to risk if he or she were to trust others (Schoorman, Mayer, & Davis, 2007). These different approaches to defining trust may be categorized into two types of conceptualizations: defining trust according to the components that must be present in order for trust to exist (preconditions) or defining trust by describing the type or nature of the trusting relationship.

Most researchers across disciplines agree that exposure to risk and vulnerability are necessary preconditions to the existence of trust (Blomqvist, 1997; Hudson, 2004; Rousseau et al., 1998), and some researchers have proposed that having incomplete information about the motivations and possible future actions of a partner, and being interdependent on each other to fulfill the goals of a partnership are also preconditions of trust (Hudson, 2004; Sheppard & Sherman, 1998). Therefore if these conditions were not present, then trust could not exist. For example, possessing incomplete information about the other is a risk because this will cause both parties in a trust relationship to feel uncertainty regarding whether the other intends to and will act appropriately (Hudson, 2004). In other words, if one knew everything about a potential partner, that individual would not be in a position of risk because he or she would know exactly how that partner would behave in any given situation (Rousseau et al., 1998).

The nature of the trusting relationship has also been used to conceptualize the construct of trust. Three of the most common conceptualizations include the following types of trust: trust as a psychological property, trust as a social property, and trust as a structural property (Hudson, 2004). Trust as a psychological property assumes that people will possess traits that will predispose them to trust in others (Wood, Boles, & Babin, 2008). People who exhibit a predisposition to trust will show a consistent tendency to trust in others regardless of the situation or the type of people that they are interacting with. Conversely, although trust as a psychological property focuses on the individual, trust as a social property looks at the relationship that develops between partners. Trust as a social property is proposed to develop incrementally over time as a product of ongoing interactions (Stolle, 1998). Lastly, trust as a structural property focuses on the influence of the larger social context and uses organizational or legal processes such as formal contracts and contract law to increase the predictability of people's actions, thereby increasing the amount of trust they may have in a partnership (Luhmann, 1979).

Because this dissertation focuses on the trust that exists in business relationships, the conceptualization of trust as a social property is of greater interest. When trust as a social property is studied in academic research, it is commonly operationalized as ratings of trustworthiness, which is defined as the subjectively perceived point on a continuum at which an individual's behaviours are perceived as complying with the ethical duties considered to be owed to the person who is making the decision to trust (Caldwell & Clapham, 2003). Ability, integrity, and benevolence are three commonly identified dimensions of trustworthiness in the existing academic literature (Dietz & Den Hartog,

2006; Dirks & Skarlicki, 2009; Hudson, 2004; Mayer, Davis, Schoorman, 1995; Schoorman et al., 2007; Spreitzer & Mishra, 1999; Tan & Lim, 2009). In other words, people use their perceptions of a potential partner's integrity, ability, and benevolence to form judgements about trustworthiness. The ability dimension of trustworthiness looks at whether or not the partner has the capability or expertise to undertake the purpose of the partnership and the integrity component is used to describe the partner's adherence to a set of principles or standards that the trustor finds acceptable (Dar, 2010). Lastly, the role of opportunism is considered when making a judgement about the benevolence dimension of trustworthiness, such as whether the partner will be accommodating when new conditions in the relationship arise and whether or not the person being trusted will act in a manner that is beneficial to both sides (Hudson, 2004).

Social Culture and Its Influence on Conceptualizations of Trustworthiness

With specific reference to the three types of trust mentioned above (psychological, social, and structural), research has shown that there are no significant cultural differences when trust is conceptualized as a psychological property (Strong & Weber, 1998). This conceptualization of trust assumes that people will possess traits that will predispose them to trust in others (Schoorman et al., 2007). People who exhibit a predisposition to trust will show a consistent tendency to trust in others regardless of the situation or the type of people that they are interacting with. Some researchers propose that social culture may influence propensity to trust, especially when social culture is studied using the dimensions of uncertainty avoidance or task-oriented versus relationship-oriented cultures (Schoorman et al., 2007). Research has shown that individuals from certain cultures are more likely to trust members of their in-group as

opposed to people judged to be out-group members (Buchan & Croson, 2004; Yuki, Maddux, Brewer, & Takemura, 2005). However, when social culture is studied at the macro level, research has as of yet been unable to show a significant relationship between social culture and propensity to trust, meaning that social cultures as a whole have not been found to be linked to greater or weaker propensities to trust in strangers (Strong & Weber, 1998).

With regards to trust as a social property, researchers have found that not only do definitions of trust vary across disciplines, conceptualizations of trustworthiness in business contexts may also vary across social cultures because people's communicative behaviours and their attributions of trustworthiness are often influenced by culture-based habits and assumptions (Rousseau et al., 1998). Consequently, people's social cultural background may influence the criteria used to recognize and evaluate another person's level of trustworthiness. Current research indicates that many cultures believe that trustworthiness is composed of the following core components: ability, integrity, and benevolence (Dirks & Skarlicki, 2009; Tan & Lim, 2009). However, although the core components of trustworthiness may be common across cultures, the importance or weights of the components had been found to vary across cultures (Schoorman et al., 2007) and a few cultures were also found to include additional components or beliefs when they conceptualized trustworthiness.

For example, it was found that Japanese people placed greater importance on organizational commitment than Americans when assessing trustworthiness in a business context; in comparison, people from the U.S. placed more emphasis on personal integrity (Nishishiba & Ritchie, 2000). Using a broader view, it can be said that when judging

trustworthiness, collectivistic cultures such as Japan emphasized the relationship of the individual to the group or the organization (interdependent) and people from individualistic cultures focused on individual personal qualities and behaviours (independent). This focus on group relationships when building trust was also found in Persian Gulf business people. Trust in the Persian Gulf is given based on the personal relationship that is shared between partners and untrustworthy behaviour often leads to expulsion from the group (Bohnet, Herrmann, & Zeckhauser, 2010). On the other hand, the smaller focus on relationships in Western countries is once again highlighted by the finding that trust is often produced by the use of contract law in the West (Bohnet et al., 2010). In other words, a person can be trusted because it would be too costly for that person to behave in an untrustworthy manner.

Trust as a structural property uses organizational structures and processes to give partners a sense of confidence in the partnership. Research shows that partners in a cross-cultural partnership may hold differing expectations regarding business conduct because they were accustomed to operating under differing institutional norms in the past (Andersen, Christensen, & Damgaard, 2009). These expectations are also known as relationship roles. Because relationship roles are pre-existing, both partners in a business relationship are thought to bring with them their own personal expectations, which are then introduced into the relationship (Andersen et al., 2009). Research findings confirm that partners from different social cultures do hold different expectations regarding business conduct involving communication processes, role specificity within a partnership, and the use and meaning of contracts. These structural norms have also been found to influence people's assessment of trustworthiness. For example, in one study the

findings suggested that it was important to Chinese suppliers that their partners not behave in an opportunistic manner, implying that they appeared to be more reliant on goodwill trust when judging their partners' trustworthiness. On the other hand, Danish buyers were more reliant on competence-based trust, expecting that their partners' (trustees) would be capable of solving the business problems of the trustors (Andersen et al., 2009). Consequently, because of the prevalence of the ability, integrity, and benevolence dimensions in the existing trust literature and the research findings that support the proposition that social culture does influence people's expectations and conceptualizations of trustworthiness, the first central research question for Study One of this dissertation is as follows:

> **RQ1:** When making judgements about the trustworthiness of a business partner or work relationship, will the importance placed on specific trustworthiness dimensions vary across sociocultural contexts?

In order to examine and organize the findings for RQ1 of the qualitative portion of this dissertation, the ability-integrity-benevolence framework of trustworthiness was used to provide direction for the following research sub-questions:

> **RQ1a:** Do the ability, integrity, and benevolence dimensions of trustworthiness exist in both collectivistic and individualistic cultures?

If qualitative analysis indicated that respondents of both cultures did not use the dimensions of ability, integrity, and benevolence to conceptualize trustworthiness, then further analyses of the qualitative responses would not have been necessary. However, since qualitative analysis demonstrated that respondents from collectivistic and individualistic cultures did use descriptors of ability, integrity, and benevolence in their

conceptualizations of trustworthiness, the following three research sub-questions were also examined in order to gain a more detailed understanding of potential cross-cultural similarities and differences in these dimensions:

> **RQ1b:** If people from both collectivistic and individualistic cultural contexts make judgements of trustworthiness using indications of others' ability, integrity, and benevolence, then do conceptualizations of these dimensions vary across cultural contexts or do people from collectivistic and individualistic cultures share similar conceptualizations of these trustworthiness dimensions (e.g., the trustworthiness dimension of benevolence is described in a similar manner by people in collectivistic and individualistic cultures)?
>
> **RQ1c:** Do culture-specific dimensions of trustworthiness exist in collectivistic cultures that are not found in individualistic cultures and vice versa?
>
> **RQ1d:** If people from both collectivistic and individualistic cultures make judgements of trustworthiness using indications of others' ability, integrity, and benevolence, then does the value or importance placed on specific dimensions of trustworthiness vary across sociocultural contexts?

Influence of Organizational Position on Conceptualizations of Trustworthiness

As mentioned in the previous section, conceptualizations of trustworthiness may differ across cultures because people's social cultural backgrounds influence the expectations that they hold towards trustworthy people. However, social culture is not the only factor that may influence people's expectations; the organizational or hierarchical position held by the person being trusted may also influence people's expectations towards that person (Chou, Wang, Wang, Huang, & Cheng, 2008). For example, people's

expectations for a trustworthy manager may differ from the behaviours that people would expect from a trustworthy employee. Accordingly, even though the dimensions of ability, integrity, and benevolence are frequently used to study employees' trust in managers or in co-workers, researchers have found that some dimensions are valued more than others depending on the type of person being trusted (Dar, 2010; Wasti, Tan, Brower, Onder, 2007). In their study of co-workers' trustworthiness, Tan and Lim (2009) found that Singaporean Chinese respondents only linked the trustworthiness dimensions of benevolence and integrity to trust in coworkers. Dirks and Skarlicki (2009) found that only the dimensions of ability and integrity interacted with Canadian employees' willingness to share resources with their coworkers, implying that only ability and integrity were used to judge a co-worker's trustworthiness. Research that examined the trustworthiness of managers also used the ability, integrity, and benevolence dimensions in the assessment measure and found that greater emphasis was placed on factors such as interactional justice and social support (Dar, 2010). Conversely, managers also seek to identify trustworthy subordinates and they do so by judging subordinates' capabilities and other characteristics (Graen & Scandura, 1987). Consequently, when analyzing the qualitative responses for a trustworthy employee and supervisor/employer for this dissertation, a second central research question was also considered:

> **RQ2:** When asked to make a judgement about a person's trustworthiness in a work relationship, will the frequency with which respondents use descriptors of trustworthiness dimensions vary depending on the position held by the referent person (i.e., employee vs. supervisor/employer)?

CHAPTER III

STUDY ONE: METHODS

Data from the International Trustworthiness Study were used to assess the research questions in Study One of this dissertation. The International Trustworthiness Study obtained qualitative descriptions of people's conceptualizations of trustworthiness and assessed the relationship between people's trustworthiness conceptualizations and various individual and cultural characteristics. As such, an online survey was disseminated to undergraduate students in countries of interest. Specifically, the weblink to the online survey was sent to professors actively teaching undergraduate courses. These professors then forwarded the weblink to their students or included the study as a part of their department's participant pool research program. The survey consisted of both open and close-ended questions and asked students about their demographic characteristics, cultural orientations, social beliefs, and their thoughts and perceptions regarding trustworthy people.

Because the research questions in Study One of this dissertation focused on the comparison between individualistic and collectivistic cultures, only data from the Canadian and Taiwanese samples of the International Trustworthiness Study were used for this dissertation. Canada and Taiwan were identified in previous studies as being representative of individualistic and collectivistic cultures respectively (Hofstede, 2001a; Marshall, 2008), and because changes in social culture often occur gradually (Inglehart, 1990), it is expected that the cultural orientation of today's Canadian and Taiwanese societies will also remain unchanged.

Even though the archival data in the International Trustworthiness Study were gathered from undergraduate students, the qualitative descriptions of trustworthiness provided by these students should still be representative of their culture. Amongst other things, social culture was found to influence the way people perceived their surroundings (Nisbett & Miyamoto, 2005), their ethical reasoning (Tsui & Windsor, 2001), communication styles (Gudykunst et al., 1996), and behavioural patterns (Earley, 1997). Consequently, even though undergraduate students may have less experience with workplace dynamics than a full-time employed sample, they still share similarities as they share the same cultural context. It was expected therefore that respondents in each country sample would be representative of the university-educated members of their culture with respect to their expectations towards trustworthy people because they were raised to uphold similar cultural values and standards of behaviour.

100 respondents (50 Canadian and 50 Taiwanese) from the International Trustworthiness Study data corpus were selected to be included in this qualitative study. Unlike quantitative studies where minimum sample sizes must be obtained in order to achieve the power needed to conduct specific statistical analyses, determination of sample size in qualitative studies is guided by the principle of "saturation." Qualitative researchers recognize that their samples must be large enough to cover most of the perceptions that might be important to a research question; however, at the same time, qualitative researchers also realize that up to a certain point (i.e., saturation point), the collection of new data does not shed any further light to the issue under investigation and so the collection of additional responses will just be repetitive and superfluous (Mason, 2010). In his comparison of 560 qualitative doctoral dissertations, Mason (2010) found

that samples sizes of 20 or 30 were the most common in qualitative studies, with the average sample size being 31 respondents. Because many qualitative researchers were able to reach saturation points by the time responses were collected from 20 or 30 respondents, it was felt that for this study, the collection of responses from 50 individuals from each culture of interest should provide enough data to uncover the major themes associated with the research questions, and a purposive selection approach was used to select respondents from the overarching International Trustworthiness Study databases. Because the data for the International Trustworthiness Study were collected primarily from the Psychology department in Canada and the Psychology and Education departments in Taiwan, there was a much larger ratio of female to male respondents in these datasets. Consequently, purposive sampling was used when selecting respondents for Study One to ensure that the findings of this study would be representative of both gender perspectives.

The selection procedure that was used for the qualitative study followed the process listed below:

1. Respondents were separated into four different groups, first by country and then by gender (i.e., Group One included Canadian male respondents, Group Two included Canadian female respondents, Group Three included Taiwanese male respondents, and Group Four included Taiwanese female respondents).
2. Respondents in each group were assigned unique subject numbers.
3. Subject numbers for each group were written on slips of paper and then placed in boxes.

4. 25 names were selected from each box so that a total of 100 respondents were selected for inclusion in the qualitative study (i.e., 25 Canadian males, 25 Canadian females, 25 Taiwanese males, and 25 Taiwanese females).

When respondent demographics were examined by country (refer to Table 1 below), it was found that 20% of the Canadian sample were 18 years of age, 18% were 19 years old, 14% were 20, 12% each were ages 21, 22, and 23 respectively, 4% were 24 years old, and 8% were 25 years of age or older. The majority of the Canadian sample was White/Caucasian (84%), and a few respondents reported being of other ethnic backgrounds (10% Arab, 4% Black/African American, and 2% South Asian). In terms of education, all respondents in the Canadian sample attended the University of Windsor (Ontario, Canada), with 30% of respondents being in their first year of undergraduate studies, 30% in their second year of studies, 18% in their third year, 16% in their fourth year, and 6% in their fifth year or more of undergraduate studies. Respondents in the Canadian sample also represented a variety of disciplines, with Psychology being the most well represented academic major (42%), followed by Human Kinetics/Kinesiology (18%), Biology (10%), and Social Work (8%). Other disciplines that were also reported included Business, Computer Science, Education, Criminology, Disability Studies, Drama, History, English Writing and Literature, Music, Neuroscience, Sociology, and Women's Studies. However, only one or two individuals in the Canadian sample reported studying these disciplines.

All 50 respondents in the Taiwanese sample reported being Taiwanese or Chinese. With regards to age, the Taiwanese sample was slightly older on average than the Canadian sample, with 2% being 18 years old, 20% were 19 years old, 28% were 20

years old, 22% were 21, 16% were 22, 2% were 23, 4% were 24, and 6% were 25 years of age or older. Of these 50 respondents, 6% were in their first year of undergraduate studies, 28% in their second year, 28% in their third year, 32% in their fourth year, and 6% were in their fifth year or more of undergraduate studies. These fifty respondents were recruited from a number of Taiwanese universities (including the National Taiwan University, the Chinese Culture University, the National Taipei University of Technology, and the National Taiwan University of Education) and a variety of disciplines. 26% of the Taiwanese respondents studied Biological Mechatronics, 12% studied Industrial/Worker Education, 10% studied Interior Design, and 8% studied Counseling Psychology. Other disciplines that were reported included Public Affairs and Civic Education, Chinese, English, Biology, Business Administration, Computer Science, Education, Accounting, and Mechanical and Electrical Engineering.

Table 1. Demographic overview of Canadian and Taiwanese samples

	% of Canadian Sample	% of Taiwanese Sample
Age		
18-19	38	22
20-21	26	50
22-23	24	18
24+	12	10
Ethnicity		
Arab	10	0
Black/African American	4	0
East Asian	0	100
South Asian	2	0
White/Caucasian	84	0
Year of Studies		
1st Year	30	6
2nd Year	30	28
3rd Year	18	28
4th Year	16	32
5th+ Year	6	6
Discipline of Study		
Psychology	42	8
Human Kinetics/Kinesiology	18	0
Biology	10	0
Social Work	8	0
Biological Mechatronics	0	26
Industrial/Worker Education	0	12
Interior Design	0	10
Other	22	44

CHAPTER IV

STUDY ONE: ANALYSIS

Respondents were asked to describe a trustworthy person, a trustworthy employee, and a trustworthy supervisor or employer and/or describe the behaviours that these types of people would engage in. Specifically, respondents were provided with the following instructions, "In your opinion, what qualities or characteristics does a "trustworthy" person possess? Please list all of the words that come to mind as you complete each of the following statements:

A trustworthy person is someone who is or will _____.

A trustworthy employee is someone who is or will _____.

A trustworthy supervisor/employer is someone who is or will_____."

Responses to these open-ended items ranged from single word descriptors to entries with multiple sentences. Two bilingual individuals translated responses given by the Taiwanese respondents from Mandarin to English and the English translations were compared to ensure the consistency of the translations. Email communications and multiple telephone conversations were used to discuss translation inconsistencies until both translators were able to reach a consensus regarding the English translations of the Mandarin qualitative responses. Three types of coding methods were used during thematic analyses to code each meaningful chunk of text.

Thematic analysis is a method for identifying, analysing, and reporting patterns or themes within data (Braun & Clarke, 2006). A theme is expected to capture something important about the data in relation to the research question and should represent some type of patterned response (Braun & Clarke, 2006). Consequently, before and during the

process of data analysis, consideration was given to setting flexible guidelines regarding what could be considered a theme and what size a theme should be (in terms of the number of descriptors). Specifically, the thematic analysis procedure used in this qualitative study was completed using the following process (as recommended by Braun & Clarke, 2006):

1. Familiarization with the data: Read through all qualitative responses multiple times to become familiar with the depth and breadth of the content. During this step of the qualitative analysis, possible patterns in the data were noted to determine whether the ability-benevolence-integrity framework of trustworthiness would be suitable for coding the data into different themes.

2. Generating initial themes: Thematic analysis can be conducted using an inductive approach or a theoretical approach. The inductive approach to thematic analysis is data-driven, meaning that the process of data coding is completed without trying to fit the data into a pre-existing coding frame or a researcher's preconceptions regarding the analysis (Braun & Clarke, 2006). Because the inductive approach does not use pre-existing coding guidelines, the research question can often evolve during the process of data analysis. On the other hand, the theoretical approach to thematic analysis is driven by a researcher's theoretical interests and is consequently thought to be more analyst-driven (Braun & Clarke, 2006). In other words, when using the theoretical approach, the data are coded using a framework identified by previous literature in response to specific research questions. Because the trustworthiness

dimensions of ability, benevolence, and integrity had already been identified in past trust literature, the theoretical approach was used in this study, assessing if amongst other themes, these three themes appeared in the Canadian and Taiwanese responses.

To code data is to arrange it in a systematic order (Saldana, 2009). Coding is therefore a method that allows researchers to organize and group similarly coded data into categories because they share similar characteristics or meaning. During the initial cycle of data coding, the provisional coding method was used. Because provisional coding uses previous research findings to generate a predetermined "start list" of codes, it is used when qualitative studies are building on or corroborating previous research (Saldana, 2009). For this study, "ability," "integrity," and "benevolence" were used as the predetermined start codes. In order to assist with the process of provisional coding and categorizing, rules for inclusion in the form of propositional statements were created to clearly identify the characteristics for including or excluding descriptors from the different thematic categories. The propositional statements for the three dimensions of trustworthiness are as follows:

Ability: The respondent mentioned descriptors or behaviours that reflected one's level or possession of capability or expertise or one's ability to transfer these qualities to others (e.g., imparting knowledge or training to others). For example, responses that were coded as "ability" included "competent," "capable," "successful," and "has professional/technical abilities."

Benevolence: The respondent mentioned descriptors or behaviours that benefited others or showed consideration for others. For example, phrases that described the trustworthy individual acting on behalf of others such as "keeps secrets for me," "is willing to listen to me," "helps me," or "is there for you" were included in this category.

Integrity: The respondent mentioned descriptors or behaviours that reflected one's adherence to a set of standards. These standards may be internally held (e.g., one's values, attitudes, beliefs) or set by external sources (e.g., workplace policies, societal laws). For example, text that was coded as being integrity descriptors included "reliable," "responsible," "ethical," "honourable," "loyal," and "honest."

Coding of themes was completed manually (i.e., multi-coloured highlighters were used to categorize appropriate descriptors or phrases). Descriptors and phrases that did not fit any of the three trustworthiness theme categories were coded as "Other."

3. Generating codes for sub-themes: Descriptive coding summarizes in a word or a short phrase the basic topic of a passage of qualitative data (Saldana, 2009). Once the qualitative data were separated into ability, integrity, and benevolence categories, descriptive coding was used to analyse data within each category to identify the existence of more refined sub-themes (refer to tables in Appendix A for more details about the coding structure).

4. Reviewing and refining sub-themes: After initial provisional and descriptive coding was completed, a second cycle of coding analysis was completed to merge together codes that were conceptually similar, further separate codes into more refined sub-themes, and remove codes that were infrequent and did not provide additional interpretive value. When breaking themes into more refined categories or collapsing subcategories into one, the rules of internal homogeneity and external heterogeneity were followed: data within themes should cohere together meaningfully and data between themes should show clear and identifiable distinctions.

5. Tallying frequency counts: Magnitude coding applies alphanumeric or symbolic codes to qualitative data (Saldana, 2009) and was also used in the second cycle of data coding to record the frequency with which different individuals endorsed unique trustworthiness descriptors. Pearson's chi-square tests were used to compare the frequency with which Canadian and Taiwanese respondents endorsed trustworthiness descriptors and McNemar's tests were used to compare the difference between respondents' descriptions of a trustworthy employee and trustworthy supervisor.

6. Defining and naming themes within the "Other" category: Focusing only on the data initially coded as "Other," steps 1 through 5 were repeated to identify new themes. The secondary coder as well as two subject matter experts reviewed the content validity of the "other" descriptors and the new themes that they were categorized into.

In order to determine inter-rater reliability, two coders independently analysed the qualitative dataset. The primary coder generated the initial coding guidelines and provisional coding statements and then trained the secondary coder. Training for the secondary coder consisted of an explanation of the coding process and the initial provisional statements (that described the criteria for the ability, benevolence, and integrity categories), followed by a practice run of coding using qualitative responses from a subset of the International Trustworthiness Study Canadian dataset that was excluded from this qualitative study. The primary and secondary coders compared their results of the practice run of coding and discussed areas where the coders disagreed about the codes assigned. This discussion led to further refinement of the coding criteria and provisional statements. Using the refined coding criteria, both coders then went on to independently code the entire qualitative dataset selected for this study. Cohen's kappa was calculated as an assessment of inter-rater reliability.

CHAPTER V

STUDY ONE: FINDINGS

Inter-Rater Reliability

Cohen's kappa (κ) was calculated to assess the level of inter-rater agreement between ratings given by two coders for the descriptors associated with a Taiwanese trustworthy person, a Taiwanese trustworthy employee, a Taiwanese trustworthy supervisor, a Canadian trustworthy person, a Canadian trustworthy employee, and a Canadian trustworthy supervisor. Although there are no firm criteria with which to judge the acceptability of different levels of Cohen's kappa, guidelines are provided in the literature. Specifically, kappa values ranging from 0.61 to 0.80 are considered "good" and values ranging from 0.81 to 1.00 are considered "very good" (Altman, 1999).

With regards to a Taiwanese trustworthy person, the qualitative dataset revealed 136 distinct descriptors. Of these 136 descriptors, the two coders agreed on the codes assigned to 122 descriptors. However, there were two instances where the primary coder rated a descriptor as "ability" but the secondary coder rated the same descriptor as "integrity," and also two instances where "ability" descriptors rated by the primary coder where thought to be "other" descriptors by the secondary coder. Conversely, there was one instance where the primary coder rated a descriptor as "integrity" but the secondary coder gave a rating of "ability," and two instances where "integrity" ratings given by the primary coder was coded as "other" by the secondary coder. Lastly, there were seven instances of disagreement in the "other" category, where the secondary coder gave ratings of "ability" or "benevolence" instead. Despite these differences, there was still a

very good level of agreement between the two coders' judgements, $\kappa = .85$, 95% CI [.78, .93], $p < .00$.

For a Taiwanese trustworthy employee, the qualitative dataset revealed 123 distinct descriptors. Of these 123 descriptors, the two coders agreed on the codes assigned to 99 descriptors. The greatest amount of coding disagreement occurred with the ability and integrity categories, where there were 15 instances when the primary coder assigned "integrity" codes but the secondary coder assigned "ability" codes. Phrases that resulted in coding disagreements included statements such as "someone who usually does an exceptional job," "works on tasks efficiently but properly," and "completes tasks before the deadline." Discussion between the coders revealed that the secondary coder assigned "ability" codes to these statements because she was focused on the basic abilities needed to accomplish these tasks. However, the primary coder assigned "integrity" codes to these statements because she perceived these behaviours as going above and beyond the basic competencies expected in a job role; in other words, demonstration of one's willingness to go above and beyond one's job expectations is more indicative of one's adherence to personal standards of performance. Despite these differences, there was still a good level of agreement between the two coders' judgements, $\kappa = .69$, 95% CI [.58, .80], $p < .00$.

For the Taiwanese trustworthy supervisor, the qualitative dataset revealed 122 distinct descriptors. Of these 122 descriptors, the two coders agreed on the codes assigned to 115 descriptors. There was a very good level of agreement between the two coders' judgements, $\kappa = .92$, 95% CI [.86, .98], $p < .00$, and examinations of the instances of disagreement did not reveal any patterns to the differences in coding.

Looking at the Canadian trustworthy person, the two coders agreed on the codes assigned to 120 descriptors out of a total of 128. This indicated a very good level of agreement between the two coders' judgements, $\kappa = .89$, 95% CI [.81, .96], $p < .00$. Examination of the areas of disagreement revealed a pattern where there were four instances when the primary coder assigned "integrity" codes to descriptors that the secondary coder felt were "benevolence." Phrases where coding disagreements occurred included "they do not use any of the information you give against them" and "someone you can always count on." After discussion, the primary coder agreed that these types of statements were more reflective of benevolence than integrity.

For a Canadian trustworthy employee, the qualitative dataset revealed 122 distinct descriptors. Of these 122 descriptors, the two coders agreed on the codes assigned to 108 descriptors. The greatest amount of coding disagreement occurred with the integrity category, where there were five instances when the secondary coder assigned "integrity" codes but the primary coder assigned "benevolence" codes and another five instances where the secondary coder assigned "integrity" codes to descriptors that the primary coder thought were "other." Phrases that resulted in coding disagreements (integrity vs. benevolence) included statements such as "have the interest of the company as their first priority, making it more important than achieving their own personal gains" and "work for the betterment of the company by keeping the company's best interests in mind." Although the primary coder gave these types of statements a "benevolence" rating because the actor was behaving in a manner that would benefit others, the secondary coder gave ratings of "integrity" instead because she felt that it was a part of an employee's job responsibilities to act for the betterment of the company. Phrases that

resulted in coding disagreements between "integrity" and "other" codes included "trusting of others," "being reasonable," and "willing to make compromises." Discussion regarding these coding differences resulted in the secondary coder's agreement that these types of descriptors were more characteristic of interpersonal tendencies as opposed to adherence to a set of standards. Examination of Cohen's kappa revealed that once again despite the coding differences, there was still a good level of agreement between the two coders' judgements, $\kappa = .69$, 95% CI [.54, .83], $p < .00$.

Lastly, examination of Cohen's kappa for the ratings given for a trustworthy Canadian supervisor revealed a good level of agreement between the two coders' judgements, $\kappa = .80$, 95% CI [.70, .90], $p < .00$. Of the 118 descriptors, the two coders agreed on the codes assigned to 105 descriptors. The greatest amount of coding disagreement occurred with the integrity category, where there were five instances when the secondary coder assigned "integrity" codes but the primary coder assigned "other" codes and another three instances where the primary coder assigned "integrity" codes to descriptors that the secondary coder thought were "benevolence." Phrases that resulted in coding disagreements (integrity vs. benevolence) included statements such as "try and make the best work environment for you possible" and "judge the things I do based off of effort and not perfection." After discussion, the primary coder agreed with the secondary coder that there was a "benevolent" overtone to these behaviours. Phrases that resulted in coding disagreements between "integrity" and "other" codes included "being respectful," "is positive," and "open to new ideas." Discussion regarding these coding differences resulted in the secondary coder's agreement that these types of descriptors were more characteristic of interpersonal tendencies as opposed to adherence to a set of standards.

Qualitative Findings

Qualitative comparisons of the trustworthiness dimensions were made to note the similarities and differences between the descriptions provided by Canadian and Taiwanese respondents. Although the three trustworthiness dimensions of ability, benevolence, and integrity were found in both Canadian and Taiwanese respondents' descriptions of a trustworthy person, employee, or supervisor, closer examination of the open-ended responses revealed that there were slight differences in the ways that these three dimensions were conceptualized across cultures.

Ability. Responses were coded as ability descriptors when references were made about the person being trusted possessing certain capabilities or exhibiting certain levels of competency or performance. Interestingly, the Taiwanese sample used ability descriptors in their responses for a trustworthy person, employee, and supervisor; in comparison, the Canadian sample only used ability descriptors in their discussions of a trustworthy employee and supervisor, and these mentions of ability were very few in comparison to the frequency with which they were used in the Taiwanese responses.

When talking about a trustworthy person, Taiwanese respondents felt that the trusted individual would be "competent," possess "strong cognitive skills" such as being "rational," "smart," and "wise," and also display leadership qualities such as being "brave" and "determined" and is the type of person who would "lead others" and is able to "provide advice and encouragement." Leadership qualities were also emphasized in Taiwanese responses for a trustworthy supervisor/employer, as well as the importance of supervisors possessing the necessary competence to fulfil their roles. For example, the Taiwanese respondents felt that a trustworthy supervisor would possess the following

abilities and characteristics: “have professional/technical abilities,” “have problem-solving abilities,” “knows how to instruct others,” and be “willing to personally teach subordinates technical abilities or knowledge.” The value that Taiwanese respondents placed on competence was also reflected in their responses for a trustworthy employee. For instance, other than describing a trustworthy employee as being “competent” and “capable,” these respondents also felt that a trustworthy employee would possess “relevant professional backgrounds” or a “high school education,” and they would have a history of “repeated successes” in the workplace, “not often make mistakes or do wrong things,” and had “been recognized or praised by superiors” in the past.

In contrast, ability was only briefly mentioned by the Canadian sample in their descriptions of a trustworthy supervisor and a trustworthy employee. For example, one respondent felt that a trustworthy supervisor would be “qualified for the job” and four respondents felt that trustworthy employees would “do their assigned tasks” or “do their job well.”

Benevolence. The theme of benevolence showed up multiple times in both Canadian and Taiwanese respondents’ descriptions of a trustworthy person, supervisor, and employee, and analyses of these descriptions showed that there were many similarities in the conceptualization of benevolence across these two groups of respondents. For example, when using benevolence to describe a trustworthy person, both Canadian and Taiwanese respondents emphasized that the trusted individual should display “caring” tendencies. The Canadian respondents used descriptors such as being “nice and kind,” “compassionate,” “thinks of others,” and “genuinely cares about the outcomes of other people,” which were similar to Taiwanese respondents’ use of

descriptors such as being "sincere and kind," "caring of others," and "using their heart to consider your needs." Similarly, respondents from both cultures also mentioned the importance of acting as a confidant. This subcategory was coded as an act of benevolence because the person being trusted was expected to act as a sounding board, available and willing to listen to others' concerns while also sharing the burden of keeping other people's secrets, both of which were acts that may have provided psychological and emotional comfort to others. Unlike the Taiwanese sample, many Canadian respondents also felt that a trustworthy person was supportive. More specifically, there was an expectation that a trustworthy person should "be there for you" that was not found in the Taiwanese responses.

This sense of supporting and being there when needed was also found in Canadian respondents' description of a trustworthy supervisor/employer. To the Canadian respondents, a trustworthy supervisor would act as a confidant, be caring, supportive, and understanding, and also would provide employees with a safe work environment. While the issue of safety was not explicitly mentioned in Taiwanese respondents' descriptions of a trustworthy supervisor/employer, there was an expectation that trustworthy Taiwanese supervisors/employers would show a type of paternal care towards their employees that included being concerned about their welfare. For example, phrases coded as being examples of "paternal care" included "is loving and caring to subordinates," "will protect subordinates," "will truly care about and take care of their subordinates," and "will fight for the welfare and interests of subordinates."

However, although both Canadian and Taiwanese respondents felt that trustworthy supervisors/employers should care about the welfare of their employees, this

sense of caring was slightly different between the two cultures in that there seemed to be more emphasis placed on hierarchical order in the descriptions given by Taiwanese respondents. For example, while Canadian respondents felt that it was important for trustworthy supervisors/employers to "give constructive feedback" and be "communicative," Canadian respondents also felt supervisors were trustworthy if they were great listeners. In other words, trustworthy supervisors were perceived as people who were "open-minded" and with whom employees could share personal and workplace concerns with or suggest recommendations regarding work tasks, indicating that communication in a Canadian employee-supervisor relationship was more flexible and open to give-and-take (i.e., the employee also has the power to contribute to the relationship). This was contrasted with the Taiwanese descriptors, which emphasized the expectation that because Taiwanese supervisors/employers occupied positions of greater organizational power, they were expected to work on behalf of their employees, to care, protect, and support their employees without expectation of repayment in kind. This sense of selflessness was further supported by the Taiwanese respondents' endorsement of a "putting others first" subcategory that was not found in Canadian respondents' descriptions of a trustworthy supervisor/employer. Descriptors that were coded in this subcategory included "willing to work for the group's benefit and not for individual benefit," "will share the best benefit with their employees," and "in their eyes there is only the team, not themselves."

Unlike the slight differences in tone used to describe a trustworthy supervisor/employer, Canadian and Taiwanese respondents shared much more similar conceptualizations of benevolence in a trustworthy employee. In both cultures,

trustworthy employees were expected to work for the company's best interests and be supportive of other employees. For example, Canadian respondents described a trustworthy employee as someone who "works for the betterment of the company," "looks out for the interests of the organization," "supports other co-workers," and is "understanding" and "helpful." These benevolence descriptors were very similar to the ones used by Taiwanese respondents. From a Taiwanese perspective, a trustworthy employee is "willing to assist co-workers," "will place the organization's efficiency first" and will behave in a manner that "allows the company's bottom line to continuously improve."

Integrity. Descriptors that indicated one's adherence to a set of standards were coded under the integrity dimension. Examination of the subcategories within this theme showed that there seemed to be greater cross-cultural diversity in respondents' conceptualization of this trustworthiness dimension than there was for the benevolence dimension. Although both Canadian and Taiwanese respondents agreed that a trustworthy person was honest and reliable, and was someone who acted in a moral/ethical manner, the Canadian respondents also felt that loyalty was an important characteristic of a trustworthy person. Additionally, even though Canadian respondents felt that it was important to follow moral/ethical standards, they also did not like being too prescriptive of other people's behaviours, as indicated by their belief that a trustworthy person should be "non-judgmental." The Taiwanese sample also came up with integrity sub-categories that were unique to their culture. For example, although no mention of time was made in any of the Canadian responses for a trustworthy person, the importance of punctuality and being on time was mentioned by some Taiwanese respondents as an indicator of

trustworthiness. Taiwanese respondents also described a trustworthy person as being someone who "keeps promises" and acts as "a role model" for others.

Interestingly, many of the integrity descriptors used by the Taiwanese sample for a trustworthy person were the ones that Canadian respondents used to describe a trustworthy supervisor. One possible explanation for this overlap of qualities across different targets (i.e., Taiwanese person and Canadian supervisor) is that being heavily steeped in paternalistic values, Taiwanese people tend to view those who demonstrate authority and leadership qualities as being more trustworthy in general, even if the person being judged (i.e., the trustee) does not hold actual leader or supervisory authority over the trustor. When comparing descriptions of a trustworthy Taiwanese person to the descriptions of a trustworthy Taiwanese supervisor, it can be seen that supervisors are expected to hold even greater responsibility and authority over their subordinates, as demonstrated by respondents' beliefs that a trustworthy supervisor should be willing to "assume responsibility" for a team or an outcome and also demonstrate to employees their willingness to "make an effort" as opposed to accepting the bare minimum or the status quo. Conversely, Canadian respondents described a trustworthy supervisor/employer as being "fair," "honest," "loyal," "reliable," "punctual," "upstanding and admirable," and as being someone who "keeps promises," with the only integrity descriptor that hints at a difference in hierarchical status being the expectation that supervisors would be "upstanding and admirable" role models for their subordinates.

In terms of a trustworthy employee, culturally-unique subcategories only emerged from the responses of the Canadian sample. Both cultural groups agreed that a trustworthy employee would be "ethical," "hardworking," "honest," "punctual," and

"reliable," and would also follow procedures to ensure that work was done properly rather than being careless or taking shortcuts when working. However, rather than just making sure the work was done properly, Canadian respondents also seemed to support greater amounts of initiative-taking by stating that a trustworthy employee should ensure that their work gets completed and they should always "make an effort to do their best." Canadian respondents also emphasized "loyalty" to the company, which was also demonstrated by their belief that a trustworthy employee would "follow company policies" and "not engage in acts detrimental to the company."

Other trustworthiness dimensions. Additionally, other than coding for ability, benevolence, and integrity, an "interpersonal" dimension also emerged. Descriptors were coded under this dimension if the trustworthy individual engaged in behaviours or exhibited qualities that would assist with the building of positive interpersonal relationships. When describing a trustworthy person, Canadians used interpersonal terms such as being "open" and Taiwanese respondents felt that a trustworthy person would be someone that you can have "positive interactions" with, is "charming" and "enthusiastic," and is "someone who you have relaxed and happy interactions with." With regards to a trustworthy supervisor/employer, Canadians used terms such as "open-minded" and "respectful" and the Taiwanese respondents used phrases such as "believes in employees," and "has positive interactions with employees." For trustworthy employees, Canadian respondents felt it was important for employees to be "cooperative" and "willing to make compromises." The importance for employees to maintain positive interpersonal relationships was also noted by Taiwanese respondents, who felt that trustworthy employees would "get along with co-workers," "maintain a positive working atmosphere,"

"engage in mutual cooperation" and be respectful of others by recognizing their abilities and contributions. As can be seen, none of these descriptors fit into the more well-known trustworthiness dimensions of ability, benevolence, and integrity, but they are all linked in that they reflect an interpersonal quality, behaviour, or outcome. Consequently, based on these findings, it seems as though judgments about other people's trustworthiness are not dependent solely on their level of competence, the standards that they adhere to, or the benefits that they may confer onto others, but may also be dependent on the actual interpersonal experience that people have when interacting with a person.

Lastly, in their description of a trustworthy person, Taiwanese respondents also took into consideration their past history with the one being trusted. More specifically, this dimension was labelled as "social history," and is best-described using respondents' quotes that said a trustworthy person was someone with whom they "have interacted with for a long period of time" and their "previous experience with him…produced an excellent outcome."

Quantitative Findings

Between cultural groups. None of the Canadian respondents used ability descriptors to describe a trustworthy person, and consequently, a chi-square comparison between Canadian and Taiwanese usage of ability descriptors was not possible. However, chi-square tests were completed to compare the frequencies with which Canadian and Taiwanese respondents mentioned the other two dimensions of trustworthiness in their descriptions of a trustworthy person. When the chi-square test was conducted between country and usage of benevolence descriptors, the analysis showed that the association between country and usage of benevolence descriptors was not statistically significant,

$\chi^2(1) = .64$, $p > .05$. Similarly, when the chi-square test was conducted between country and usage of integrity descriptors, the association between country and usage of integrity descriptors was also found to be not statistically significant, $\chi^2(1) = .17$, $p > .05$. Based on these findings, it appeared that respondents' use of benevolence and integrity descriptors when talking about a trustworthy person was not related to their country of association and therefore was not influenced by the social culture in which they resided.

When comparisons were made between countries for respondents' descriptions of a trustworthy employee, a statistically significant difference was only found between Canadian and Taiwanese respondents' usage of ability descriptors ($\chi^2(1) = 9.00$, $p < .05$). Odds ratio calculations showed that Taiwanese respondents were 5.41 times more likely than Canadian respondents to use ability descriptors to describe trustworthy employees. Lastly, when comparisons were made between countries for respondents' descriptions of a trustworthy supervisor, statistically significant differences were found between Canadian and Taiwanese respondents' usage of ability ($\chi^2(1) = 28.21$, $p < .05$) and benevolence descriptors ($\chi^2(1) = 6.76$, $p < .05$), with Taiwanese respondents being 45.23 times more likely to use ability descriptors when talking about trustworthiness in a supervisor/employer and Canadian respondents being 2.90 times more likely than their Taiwanese counterparts to use benevolence descriptors.

Within cultural groups. In order to determine if there were significant differences between the proportion of respondents who used ability, integrity, or benevolence descriptors when talking about a trustworthy employee to those who used these descriptors when talking about a trustworthy supervisor/employer, six McNemar's

tests were run, one for each of the three trustworthiness dimensions for the two different country samples (see Table 2 for a summary of the respondents' response patterns).

An exact McNemar's test was run to determine if there was a difference in the proportion of Canadian respondents who used ability descriptors to describe a trustworthy employee compared to the proportion of Canadian respondents who used ability descriptors to describe a trustworthy supervisor/employer. Two percent of respondents used ability descriptors when talking about trustworthy supervisors and eight percent used ability descriptors when talking about trustworthy employees. This difference was not statistically significant, $p > .05$. On the other hand, when McNemar's tests were run to assess the proportions of Canadian respondents who used benevolence and integrity descriptors, statistically significant differences were found. Sixty-two percent of respondents used benevolence descriptors to describe a trustworthy supervisor/employer, but only twenty percent of these respondents used benevolence descriptors to talk about a trustworthy employee ($p < .05$), and although sixty-six percent of respondents used integrity descriptors for supervisors, eighty-six percent of this Canadian sample used integrity descriptors in their discussion of a trustworthy employee ($p < .05$).

Table 2. Number and proportion of respondents who used trustworthiness descriptors

	Canada		Taiwan	
Trustworthiness Dimension	Employee Raw number (%)	Supervisor Raw number (%)	Employee Raw number (%)	Supervisor Raw number (%)
Ability	4 (8%)	1 (2%)	16 (32%)	24 (48%)
Benevolence	10 (20%)	31 (62%)	7 (14%)	19 (38%)
Integrity	43 (86%)	33 (66%)	37 (74%)	25 (50%)

Three exact McNemar's tests were also run to assess the responses from the Taiwanese sample, and it was found that forty-eight percent of these respondents used

ability descriptors to describe a trustworthy supervisor/employer and thirty-two percent of them used ability descriptors to describe a trustworthy employee. This difference in proportion was not statistically significant, $p > .05$. On the other hand, statistically significant differences were found with regards to the usage of integrity descriptors and benevolence descriptors. Fifty percent of Taiwanese respondents used integrity descriptors for supervisors and seventy-four percent used them when referring to a trustworthy employee ($p < .05$). With regards to benevolence, thirty-eight percent of respondents used them when talking about a trustworthy supervisor and only fourteen percent of respondents used them to talk about a trustworthy employee. This difference in proportion of usage was also statistically significant ($p < .05$).

CHAPTER VI

STUDY ONE: DISCUSSION

Thematic and frequency analyses were conducted to assess the ways in which Canadian and Taiwanese respondents thought about and used trustworthiness descriptors when talking about a trustworthy person, employee, and supervisor/employer. These analyses revealed that although there were some similarities in how the trustworthiness dimensions of ability, benevolence, and integrity were conceptualized and used across cultures, there were also slight differences. These variations in the usage and conceptualization of trustworthiness dimensions may be due to the differences in cultural values and practices of Canadian and Taiwanese people.

Although respondents of both countries used ability descriptors, those from the Taiwanese sample used ability to describe trustworthiness much more frequently than those from the Canadian sample. Considering the value that individualistic cultures place on an individual's professional competence, this finding is somewhat counterintuitive at first. However, when one considers the differences in criteria used to make hiring and promoting decisions in collectivistic versus individualistic cultures, the differential rates in which Canadian and Taiwanese respondents used ability descriptors may be explained.

East Asian countries such as the People's Republic of China, Taiwan, Korea, Japan, and Hong Kong all share common cultural roots in Buddhism and Confucian philosophy (Hofstede & Bond, 1988). In these countries, social and business transactions are often accomplished through one's network of *guanxi* relationships (Lovett, Simmons, & Kali, 1999). When translated literally, *guanxi* means "connections" or "relations," and in Chinese cultures such as Taiwan, the phrase *guanxi* is used to refer to the personal

connection between two individuals bound by an implicit psychological contract to follow the social norms associated with a *guanxi* relationship such as mutual commitment, loyalty, obligation, reciprocity, unequal exchange of favours (each party will try to improve upon the favours that were given to them), and working to maintain the long-term orientation of the relationship (Chen & Chen, 2004). Even in current Taiwanese society, the use of *guanxi* is still prevalent and greatly influential in the business arena, affecting aspects of business such as dyadic trust, knowledge sharing, and felt obligations (Shih & Lin, 2014; Yen, Tseng, & Want 2014).

Some researchers have distinguished between three types of *guanxi* relationships depending on the bases upon which the relationship is built: family or kinship ties, familiar persons, or strangers. Depending on the *guanxi* base, different rules of interaction and relationship outcomes are expected (Chen & Chen, 2004). In Chinese societies, people are more likely to trust those that they have *guanxi* relationships with, and have better quality relationships with them, rather than trusting strangers or others who are not considered to be a part of their in-group (Gudykunst et al., 1996). Additionally, rather than one's technical abilities, Chinese perceptions of a person's trustworthiness are more likely to be dependent on the amount of sincerity that one displays, in other words, demonstrations of one's willingness to uphold and honour the give-and-take expectations associated with *guanxi* relationships (Chen & Chen, 2004). In this sense, perceptions of trustworthiness may also be influenced by one's ability to assist others or uphold promises, indicating that people in positions of power may be considered more trustworthy because they possess the ability (e.g., legitimate organizational authority) to "bestow favours" onto others.

For example, this practice of "bestowing favours" and helping one another can also be used to hire new employees or promote existing employees. However, when people are hired or promoted because of their *guanxi* to others, more weight may have been given to the affective relationship between the *guanxi* parties rather than assessments of the new employee's or new manager's competence for the role. Because of this practice of giving greater weight to one's connections rather than one's abilities when making hiring or promoting decisions, there is no guarantee that Chinese employees or supervisors will possess the necessary professional competence needed to fulfil their role obligations. Consequently, Taiwanese respondents may have felt that there was a need to explicitly state ability descriptors in their descriptions of a trustworthy employee and supervisor because although ability is a valued quality in employees and supervisors, it is not necessarily something that they see in practice. In particular, Taiwanese respondents were slightly more likely to use ability descriptors when talking about a trustworthy supervisor rather than a trustworthy employee, possibly indicating their desire to see people being promoted based on professional competence or a proven track record of past successes, with less weight being given to one's personal connections when these human resource decisions are being made.

Conversely, Western cultures, such as Canadian culture, are more likely to endorse a merit-based selection system, as demonstrated through the common usage of open/closed applications, aptitude and selection assessments, and interviews and reference-checking during the human resource selection process or the use of call for proposals when contracting out specific projects (Ramamoorthy & Carroll, 1998). Consequently, people in Western cultures operate under the assumption that their

employees, co-workers, and supervisors all possess the necessary abilities, skills, knowledge, and experience needed to complete their job tasks. Therefore, the Canadian respondents in this study may not have felt there was a need to explicitly include ability descriptors in their descriptions of a trustworthy employee or supervisor because there is an underlying expectation that merely being hired into the position indicates that the employee or supervisor possesses the necessary abilities. In other words, because of the trust that Canadian respondents had in the merit-based selection system used in Canada for hiring competent individuals into job roles, they were less likely to consider ability in their judgements of an individual employee's or supervisor's trustworthiness. However, although having an employee or supervisor demonstrate that they are competent in their role may not increase perceptions of this individual's trustworthiness in Western cultures, violations of this social expectation through demonstrations of incompetence may have a greater (and unequal) effect on making an employee or supervisor seem untrustworthy because these individuals would have behaved in an unexpected manner, making their lack of competence seem more salient to others.

Both Canadians and Taiwanese respondents valued the role of benevolence in describing someone's trustworthiness, with respondents from both countries being more likely to use benevolence descriptors when talking about trustworthy supervisors as opposed to trustworthy employees, and Canadians being more likely than Taiwanese respondents to use benevolence descriptors when discussing a supervisor's trustworthiness. However, although there were smaller differences in the frequency with which these two cultures used benevolence descriptors, there were notable differences in the ways that Canadian and Taiwanese respondents portrayed benevolence. For example,

with regards to supervisors/employers, although respondents from both countries expected that a trustworthy supervisor would demonstrate caring for their employees, the type of caring described by Taiwanese respondents was more proactive and in many ways similar to the caring that a parent would display towards his/her children. This was contrasted by the descriptions provided by the Canadian respondents, where the caring nature of supervisors was more reactive in that they were expected to support employees if that assistance was asked for or needed.

This expectation that Chinese supervisors will proactively support, protect, and watch out for their employees is reflective of the paternal leadership style that is still being used and valued by male leaders operating in collectivistic cultures, especially amongst family-owned businesses and companies (Cheng, Chou, Wu, Huang, & Farh, 2004). Paternalism is a father-like leadership style in which strong authority and discipline is combined with concern and considerateness (Pelligrini & Scandura, 2008). For example, amongst the Taiwanese descriptions of a trustworthy supervisor, respondents mentioned a trustworthy supervisor as being "loving and caring to subordinates" and as someone who "protects subordinates" and "speaks harshly [to subordinates] but in actuality possesses a really soft/kind heart." In cultures that use the paternalistic leadership model, people in authority positions consider it their obligation to provide protection for those under their care, and in exchange, subordinates are expected to show loyalty and deference to the leader (Aycan, Kanungo, & Sinha, 1999). Consequently, as repayment for the paternalistic benevolence displayed by supervisors and employers, employees are expected to conform to the rules that the leader has set for the group or the company (Aycan et al., 2000; Pelligrini & Scandura, 2006). Although

this style of leadership may seem too authoritarian to those in individualistic cultures, paternalism has flourished in some collectivistic cultures (particularly those rooted in Confucian ideology), where great importance is placed on the maintenance of social relationships and a greater emphasis is also placed on the value of loyalty and a sense of obligation (Sullivan, Mitchell, & Uhl-Bien, 2003). In these cultures, paternalistic leadership may operate to foster trust amongst workers and managers, cooperation throughout the organization, group harmony, lifetime employee commitment, as well as encourage employees to work for their leaders as a result of affective motivation as opposed to being motivated by economic incentives (Uhl-Bien, Tierney, Graen, & Wakayabashi, 1990).

Paternalism is also congruent with the values held by high-power distance cultures (Pelligrini & Scandura, 2008). Power distance is described as the extent to which individuals accept unequal distributions of power amongst different levels of society (Hofstede, 2001b). Members of high-power distance cultures are more likely to expect and accept a high degree of asymmetric power distribution between individuals at different hierarchical levels. In contrast, low-power distance cultures tend to favour a more even distribution of power among organizational and social ranks (Vidyarthi, Anand, & Liden, 2014). One's acceptance of low- versus high-power distance values may serve as another reason why Canadians' descriptions of benevolence in trustworthy supervisors differ from the Taiwanese conceptualizations of these qualities.

In comparison to high-power distance countries such as Taiwan where supervisors hold authority positions similar to the role that a father holds as the head of a household and consequently, expects to be obeyed and respected accordingly, the supervisor-

employee relationship in low-power distance countries such as Canada tend to be more balanced. For example, like the Taiwanese respondents, Canadian respondents also expected their supervisors to be caring and kind; however, other behaviours that Canadian respondents felt that trustworthy supervisors should engage in included acting as a confidant to employees, respecting employees, trusting and believing in employees, and being there for employees when they needed assistance. This expectation of "being there for you through thick and thin" was also found in Canadian respondents' descriptions of a trustworthy person. Unlike the Taiwanese context where support was often conveyed as the mutual exchange of support and favours or the bestowment of caring and kindness from someone in a higher social or organizational position to individuals lower in the hierarchy, the Canadian description of support was more reflective of the independent and low-power distance nature of the culture. In other words, Canadian respondents only wanted support from others if it was needed or asked for, and when it was needed, they expected the person giving the support to be in the trenches with them, willing to share the burden of shouldering the consequences or outcomes.

While not a theme that was specifically coded for, benevolence descriptors from both Taiwanese and Canadian respondents shared a common theme: the person giving the trust was in a position of vulnerability or risk, where some form of assistance or care was needed or the person being trusted possessed the power to betray or negatively affect others in some manner. The importance of benevolence in both Taiwanese and Canadian cultures suggest that people who are judged to be trustworthy have the power to influence others; consequently, the influence of power possession on perceptions of trustworthiness was examined in Study Two of the dissertation.

Other than benevolence, morality is also an important aspect of a paternalistic leader. The morality dimension of paternalistic leadership has been described as depicting leader behaviours that demonstrate superior personal virtues, leading subordinates to respect and identify with the leader (Farh & Cheng, 2000). For example, leaders with strong morals would use their personal and work conduct to act as role models for others and would also not abuse their authority. The morality aspect of paternalistic leadership is similar to the integrity dimension of trustworthiness, where trustworthy people are expected to adhere to standards that are accepted by others. Consequently, considering the importance of morality in paternalistic leaders, it was not surprising that Taiwanese respondents also frequently used integrity descriptors when describing trustworthy supervisors. However, in both the Taiwanese and Canadian samples, respondents used more integrity descriptors to describe trustworthy employees than trustworthy supervisors.

Although integrity descriptors were extremely valued by both Taiwanese and Canadian respondents when talking about trustworthy employees, the manner in which integrity was valued differed across Taiwanese and Canadian workplaces. Integrity descriptors were used by the Taiwanese respondents to discuss the role of the employee as a member of a team or collective, describing how one's integrity (or lack of integrity) may influence other members of the group, thus once again highlighting the interdependent nature of in-group members in collectivistic cultures. For example, Taiwanese respondents described a trustworthy employee as someone who "does not make rash promises regarding things they are not able to do," "always completes his share of the work in a timely manner and does the work well," and "will not avoid/push

responsibility to others." As can be seen, these types of descriptors all share a common theme in that the opposite behaviour would inconvenience or be detrimental to others.

Conversely, when talking about trustworthy employees, Canadian respondents were more likely to stress the importance of integrity when employees were working in an independent context. For example, some integrity descriptors used for a trustworthy Canadian employee included "will not goof off when left alone," "does their work properly without cutting corners," and "does the job right with or without the presence of a camera or the boss' constant watch." As opposed to high-power distance cultures where employees are used to taking orders from those higher up in the organizational hierarchy, managers in low-power distance cultures are more likely to share power by delegating to employees decision-making authority over projects or tasks (Pelligrini & Scandura, 2006). Once a task or project has been delegated to them, employees in individualistic cultures may experience greater independence in determining the manner and pace in which work is completed. Consequently, Canadian supervisors are most likely heavily reliant on their employees' sense of integrity to be honest about admitting to mistakes or needing assistance, remaining on-task and hardworking, and ensuring that assigned work is completed and done in a manner that meets acceptable standards of performance.

In terms of cross-cultural comparisons, both Canadian and Taiwanese respondents agreed that a trustworthy person was honest and reliable, and was someone who acted in a moral/ethical manner. However, in accordance with the practice of delegating and sharing power, Canadian respondents seemed to support greater amounts of initiative-taking by stating that trustworthy employees should take responsibility for ensuring that their work gets completed and they should always "make an effort to do their best."

Additionally, Canadian respondents did not like being too prescriptive of other people's behaviours, as indicated by their belief that a trustworthy person should be "non-judgmental."

The Taiwanese sample also came up with integrity sub-categories that were unique to their culture. For example, they described a trustworthy person as being someone who acts as "a role model" for others. The obligation for trustworthy individuals to act in a manner that is appropriate for others to model is another reflection of the collectivistic nature of the Taiwanese respondents, and once again displays their constant awareness of how an individual's behaviour may influence others as well as their belief that individuals should act in a manner that fits with the values held by the group.

It was also interesting to note that depending on the context associated with specific descriptors, certain qualitative descriptors for trustworthiness could have been coded as either a "benevolence" descriptor or an "integrity" descriptor. For example if a supervisor was mandated by law or organizational regulations to provide his employees with a safe work environment, then the act of actually implementing safety measures in the workplace would demonstrate his adherence to these regulations and therefore be seen as a demonstration of his integrity. However, if the supervisor created a safe work environment for his employees because he *chose* to do so and not because he *had* to do so to satisfy formal regulations, then his behaviour would be seen as a demonstration of his caring and benevolence towards his employees. This example proposes that other than the cultural context, the social context in which behaviours are enacted may also influence perceptions of trustworthiness. In other words, different interpretations of trustworthiness may be attached to a person's behaviour depending on whether it was

thought to reflect a professional and impersonal context (such as demonstrating adherence to a formal contract or government regulation) as opposed to a more social and personal context (such as the unstructured give-and-take that is expected between trusted friends).

Similarly, just as the social context may influence people's perceptions of trustworthy behaviours, the level of personal investment or personal expectation associated with relationships may also influence the severity of consequences associated with a loss of trust. Other than existing on a personal or dyadic level, researchers such as Luhmann (1979) have also proposed that trust may exist on a systems-level. According to Luhmann's *Systems Theory*, acting within the same social system increases the likelihood that people will possess shared meanings, and people who are better able to behave in ways that correspond with the expectations of their social system are also deemed to be more trustworthy (Luhmann, 1979). Just as the nature of trust may differ depending on whether it exists on a systems-level or a personal-level, Luhmann (1979) proposes that the consequences of broken trust may also differ across different levels of interaction. For example, if one party fails to adhere to formal regulations or to the terms set out in a formal contract, then their partner may attribute the undesirable outcome of the partnership as being due to deficiencies in the regulations or in the formal contracting procedure. Rather than a loss of trust in a specific individual, these scenarios were described by Luhmann as demonstrating a loss of confidence in the structures governing the trust relationship.

Conversely, a loss of trust was described by Luhmann as being a more personal and consequently, a more severe affront to a trust partnership because if trust was

extended to another party without the safety of formal governance structures, this indicated that the people who gave their trust had made a decision to engage in a "leap of faith" and consequently, they may feel some degree of personal responsibility or guilt if the trust relationship failed to deliver expected outcomes. Luhmann's approach to conceptualizing trust points out that the outcomes of a trust relationship may differ depending on the foundation upon which the relationship is built (e.g., a system versus an individual's personal qualities). From a cultural standpoint, some cultures are more likely to develop business relationships based on formal or contractual agreements, and other cultures are more likely to cultivate business partnerships through informal means of relationship building. Future examinations should assess whether the specific dynamics of a partnership influences the development of trust within the business relationship. For example, power has been categorized as being mediated or non-mediated, with mediated forms of power being displayed in more coercive contexts such as forcing one's adherence to formal contracts and non-mediated power being linked to more relational contexts, such as the sharing of valued information. Consequently, examination of the influence of power dynamics within dyadic partnerships may enhance one's understanding of how social variables, such as one's possession of power, influences trustworthiness perceptions.

Other than the three trustworthiness dimensions of ability, benevolence, and integrity, two new dimensions emerged from the qualitative data. Both Canadian and Taiwanese respondents felt that trustworthy individuals would also demonstrate positive interpersonal skills such as being open-minded, cooperative, and pleasant. The identification of this category as a separate dimension of trustworthiness proposes that

when judging another person's trustworthiness, people also take into consideration their actual experiences of interacting with the trusted individual. Both Canadian and Taiwanese respondents valued the possession of positive interpersonal skills across all three trustworthiness targets (i.e., person, employee, and supervisor/employer).

In addition to one's possession of positive interpersonal skills, having a social history with an individual was also considered by Taiwanese respondents to be an important indicator of a person's trustworthiness. This focus on having a shared history is another reflection of the importance that collectivistic respondents placed on time, specifically the value that they placed on relationships that were developed and maintained over a long period of time. For instance, another example of how time is valued in collectivistic societies is the long-term orientation of *guanxi* relationships, where repayment of favours need not, and in most cases should not, be repaid immediately (Chen & Chen, 2004). Instead, the acceptance of delayed repayment of favours is an indicator of one's sincerity and willingness to build upon a relationship and deepen the *guanxi* between two individuals (Chen & Chen, 2004). Although Canadian respondents also considered the importance of time by valuing punctuality in their employees and supervisors/employers, the consideration of the length of time associated with a relationship in the form of a shared history was a trustworthiness indicator that was found only in the Taiwanese responses. Other researchers have also found that a shared social history strengthens the relationship between trust and reciprocity because the history that exists between two parties acts to reinforce shared social norms, thus making reciprocity more likely (Dickhart, McCabe, Lunawat, & Hubbard, 2008).

As can be seen from the findings of this qualitative study, the respondents from both the Taiwanese and Canadian samples used descriptors of trustworthiness that were reflective of the values upheld by their social cultures. Past research on intergroup biases suggest that people are more likely to view others more positively if they share common values. For example, the *common ingroup identity model*, which assumes that intergroup biases are rooted in people's natural tendency to simplify complex social environments by classifying people into groups or categories, suggests that people belonging to different groups will be more likely to engage in cooperative behaviours if they believe that both groups will behave in accordance to similar values and care for similar goals (Williams, 2001). If a shared value system is able to encourage people to behave in a manner that is considered socially acceptable to a particular culture or behave in ways that support a specific shared goal, then the existence of a shared value system between business partners may lend a greater sense of predictability to the partnership, thereby increasing the perceptions of trustworthiness felt towards one's partner. However, one's cultural values may influence social interactions in multiple ways, for example influencing the way people behave as well as the way they perceive and interpret the social cues given off by other people's behaviours (Thomas & Doak, 2000). Consequently further research is needed to better understand the mechanisms through which cultural values influence people's perceptions of trustworthiness. Specifically, Study Two of this dissertation attempted to further clarify the role of culture in trustworthiness research by examining the influence of one's engagement in culturally adaptive behaviours on perceptions of trustworthiness as well as examining if one's cultural values (i.e., specifically independent self-construal and interdependent self-

construal) influenced the social meaning attached to behaviours such as cultural adaptation, thereby potentially moderating the relationship between culturally adaptive behaviours and perceptions of trustworthiness.

Finally, prior to the conduction of Study Two, there was a concern that the content validity of existing measures of trustworthiness (which were primarily developed in Western cultural contexts) may be lacking when used in non-Western cultures because of differing cultural conceptualizations of the trustworthiness construct. Consequently, other than answering the research questions in Study One of this dissertation, the qualitative analyses conducted in this study also provided confirmation of the cross-cultural content validity of the trustworthiness measure used in Study Two of this dissertation. The qualitative analyses demonstrated that the primary trustworthiness dimensions of ability, integrity, and benevolence were used by both Canadian and Taiwanese respondents in their judgements of trustworthiness. Additionally, there were enough cross-cultural similarities in respondents' conceptualizations of these dimensions to indicate that the trustworthiness measure used in Study Two of this dissertation could adequately measure trustworthiness in Canadian and Taiwanese cultures, which were also the cultures of interest being examined in Study Two. Lastly, even though there were many areas of overlap in Canadian and Taiwanese respondents' conceptualizations of the three trustworthiness dimensions, there were also some differences. Consequently, the findings from Study One of this dissertation were also used to provide additional context for interpreting the trustworthiness findings of Study Two.

CHAPTER VII

STUDY TWO: INTRODUCTION TO QUANTITATIVE STUDY

Power and Trust in Business Relationships

One of the goals of establishing trust in social relationships is to reduce the complexity associated with not knowing how others will behave in given social contexts; in other words, the ability to predict other people's actions will make them seem more trustworthy (Hardy, Phillips, & Lawrence, 2002). The importance placed on predictability is central to Luhmann's systems approach to trust and power (Luhmann, 1979). According to Luhmann's *Systems Theory*, acting within the same social system increases the likelihood that people will possess shared meanings. In other words, the meanings of symbols are institutionalized within the larger cultural context so that members within the same system are able to recognize symbols and understand the unequivocal meanings associated with them. Based on their shared understanding of their cultural system, people who behave in ways that correspond with the expectations of their community are deemed to be trustworthy.

In this context, trust acts as a social control mechanism in relationships; it reduces one's sense of social complexity by ensuring that shared expectations are developed regarding future behaviours, thus allowing people to coordinate their social interactions and engage in cooperation and collaboration with each other (Lane & Bachmann, 1996). Consequently, in cultures that possess clear societal norms and strong regulatory bodies (e.g., trade associations, financial systems, economic policies of relevant political administrations, standardization of product quality and production processes, etc.), trust in others may be a reflection of their trust in the systems that they operate in (Bachmann,

2001), also known as systems trust, as opposed to their judgement of individuals' indicators of trustworthiness (personal trust). In these situations, systems trust can exist spontaneously or be extended to other members of the same system, as opposed to personal trust, which must be created and built between two parties. Personal trust is nurtured between partners and is more likely to develop when individuals frequently have contact and become familiar with each other's personal preferences and interests (Bachmann, 2001).

However, just as the development of mutual trust may reduce one's sense of uncertainty in a business relationship, one's possession and use of power may also work towards increasing one's ability to predict the behaviours of others. In other words, power may be viewed as a functional equivalent of trust (Lane & Bachman, 1996) because more powerful members of a partnership have the ability to sanction less powerful parties, reducing the tendency of weaker parties to engage in opportunistic behaviours and increasing the likelihood that they will act in ways expected by the more powerful partner (Hardy et al., 2002). In some situations, power may even be the preferred tactic used to manage relationships because it reduces the amount of risk associated with a partnership (e.g., the risk of betrayal) while also ensuring the cooperation of others in an efficient manner (Hardy et al., 2002). When considered together, although both trust and power may be used to predict behaviours and coordinate interactions, the use of trust is based on the assumption that a partner is willing to display positive relationship behaviours such as cooperation; in comparison, the use of power places more emphasis on the possibility that a partner may behave negatively, thus necessitating the use of power to reduce the risk associated with that relationship

(Bachmann, 2001). In reality, rather than being a choice of one or the other, most business relationships function using a mixture of both trust and power as coordination mechanisms (Bachmann, 2001).

Influence of Power on Perceptions of Trustworthiness

Many power researchers conceptualize power as a relationship between persons and not as an attribute or possession of a single person or group (Lee & Low, 2010). Within organizational and business contexts, theorists largely agree that individual power is the ability to control others, to exercise discretion, or to get one's own way. Study One's findings regarding the benevolence dimension of trustworthiness suggested that the person giving the trust was in a position of vulnerability or risk, where some form of assistance or care was needed or the person being trusted possessed the power to betray or negatively affect others in some manner. In other words, in Study One, people who were judged to be trustworthy had the power to influence others. Researchers propose that there are two main sources of power within organizational contexts (Bass, 1990). The first is related to one's position in the organizational structure (positional power), with people who occupy higher hierarchical positions being better able to influence others who are lower in status. The other source of power is associated with the extent to which the wielder of power can grant affection, consideration, sympathy, recognition, and secure relationships to others (personal power) (Lee & Low, 2010). Personal power is normally acquired through an individual's display of personal attributes such as expertise, abilities, charisma, or the individual's connection to a network of relevant contacts (Lee & Low, 2010).

In the context of business partnerships between companies or organizations, power may be defined as the ability of one company to influence the intentions and actions of another company (Maloni & Benton, 2000). Past research that examined power relationships in inter-company contexts have identified different bases of power. Of the many power classifications offered by researchers, the five bases of power proposed by French and Raven (1959) is one of the most popular classifications used in applied research (Lee & Low, 2010). Reward power refers to the ability of one company (e.g., a sought-after business partner) to facilitate the attainment of outcomes desired by another company (e.g., a service provider may seek a long-term relationship with a buyer) and coercive power refers to the ability of the partner to punish the service provider if the service provider does not conform to the power holder's influence attempts. Expert power refers to the perception that one company holds information, expertise, or wisdom that is valued by another company. Referent power implies that one company desires identification with another, meaning that there is value perceived in being associated with the other company. Lastly, legitimate power is apparent when the service provider believes that the partner retains a natural right to wield influence in the partnership (Maloni & Benton, 2000). Legitimate power emphasizes the social positions held by the two parties and does not focus on the personal attributes of the people in the relationship (Lee & Low, 2010).

Rather than using all five power bases, the power dynamics between business partners in supply chain environments are often described by researchers using a dichotomization of the five power bases into two types of power: mediated power and non-mediated power (Benton & Maloni, 2005). Mediated power is used when the partner

deliberately engages in efforts to influence or threaten the service provider towards a particular response and includes the coercive and reward bases of power (Maloni & Benton, 2000). Non-mediated power is comprised of the expert, referent, and legitimate bases of power and is apparent when the partner is not specifically attempting to influence or manipulate the service provider (Maloni & Benton, 2000).

Non-mediated power may influence trust relationships at both the systems-level and the individual-level. For example, in terms of systems trust placed in others, a person who holds referent power may be deemed trustworthy not because assessments are made of his/her integrity, benevolence, or ability, but rather because that person is representing and therefore associated with an organization that holds a reputation for keeping its contractual obligations. Similarly, people who hold expert power such as technical certifications may be considered trustworthy merely because their expertise has been acknowledged by reputable programs or associations that adhere to set standards of quality assurance. In these situations, power is not merely an alternative to trust but actually functions as a precondition to judgements of trustworthiness (Bachmann, 2001). In other words, in order for systems trust to exist, one must first possess relevant experience, knowledge, or membership in professional/trade associations.

As mentioned in Study One's discussion of *guanxi* relationships, power may also influence perceptions of trustworthiness because people with power are in a better position to bestow favours unto others. Specifically, at the individual-level, non-mediated power may positively influence trustworthiness because people who hold higher levels of non-mediated power may also possess greater ability to fulfill the promises made within a partnership. In their study of the Swedish labour market, Oberg and Svensson (2010)

measured power by assessing the amount of influence a person held, the usefulness of information that they may contribute, and the ability of partners to form preferred alliances with others. These three measures of power were conceptually similar to the three non-mediated power bases (i.e., legitimate, expert, and referent) described by Maloni and Benton (2000). Using their three measures of power, Oberg and Svensson found that power was positively related to trustworthiness. These researchers proposed that people who held higher levels of power were better able to keep promises, thereby increasing the sense of predictability and trustworthiness that they brought to a partnership. Conversely, people who held lower levels of power may have possessed good intentions in that they wanted to keep promises, but may have been forced by external influences (e.g., more powerful members of their organization) to break the promises that they made to the service provider, thereby decreasing people's perceptions of their trustworthiness.

Other than focusing on one's ability to keep promises, non-mediated power has been shown to have other benefits on relationship quality. Research in Western contexts demonstrated that the use of non-mediated power was related to positive relationship outcomes. From the service provider's point of view, Maloni and Benton (2000) noted that under conditions of the partner holding referent or expert power, the service provider would value the expertise or visibility associated with the partner and would therefore be intrinsically motivated to seek a closer relationship with the partner. For example, Brown, Lusch, and Nicholson (1995) found that use of non-mediated power increased people's commitment to a partnership. Similarly, Hunt, Mentzer, and Danes (1987) found a positive relationship between non-mediated power and cooperation. Researchers have

also used trustworthiness as an indicator of relationship quality, with increased usage of non-mediated power being associated with higher levels of perceived trustworthiness (Crook & Combs, 2007; Maloni & Benton, 2000; Zhao, Huo, Flynn, & Yeung, 2008).

Theories of interaction tendencies may explain this link between non-mediated power and positive relationship quality. Research that examined interpersonal complementarity suggests that interpersonal interactions based upon judgements of communion follow the principles of correspondence (Foley, 2006). *Communion* (also referred to as affiliation or warmth) is characterized by strivings for social connectedness (Wiggins, 1991). Interpersonal theorists suggest that when faced with communal behaviours, people will tend to respond in ways that match or are consistent with what they had observed or experienced (Gurtman, 2001). In other words, according to principles of correspondence, when faced with behaviours that fall on the positive side of the communal axis (e.g., agreeableness), people will match that behavioural tone and also respond with agreeable behaviours. However, when faced with negative communal behaviours (e.g., quarrelsomeness), people will also engage in more hostile responses. In the context of business partnerships, the use of non-mediated power may be perceived as falling on the positive axis of communion because of its positive influence on building and maintaining partnerships. Consequently, one would expect that the display of non-mediated power (as opposed to mediated power) by a partner would encourage the other member of the relationship to respond in kind by also engaging in behaviours that would benefit the relationship, such as taking steps to actively demonstrate his/her trustworthiness.

When considered together, there is ample support (i.e., systems power, ability to keep promises, and interpersonal complementarity) for the proposal of a relationship between non-mediated power and perceptions of trustworthiness (refer to Figure 2):

H1: Respondent perceptions of the non-mediated power held by his/her partner are positively related to perceptions of the partner's trustworthiness.

H2: Based on the reciprocity principles in relation to communal behaviours, respondent perceptions of the non-mediated power held by his/her partner will be related to increased perceptions of respondent display of agreeable communal behaviours such as indicators of trustworthiness.

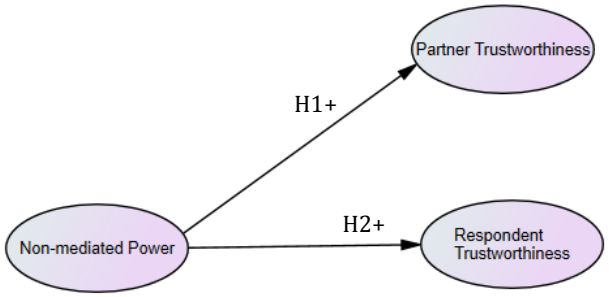

Figure 2. Depiction of hypotheses 1 and 2

As opposed to non-mediated power, mediated power has often been linked to negative relationship outcomes such as increased levels of dissension, dissatisfaction, underperformance, and unwillingness to participate in the relationship (Benton & Maloni, 2005; Jonsson & Zineldin, 2003). According to the principles of interpersonal correspondence, it is expected that one's engagement in negative communal interactions such as the use of coercive forms of power would be matched by hostile behaviours on the part of the subordinated party. Brown et al. (1995) reported that use of mediated power by the more dominant company was related to lower target commitment due to the target company's resentment over their forced subordinated position. Skinner,

Gassenheimer, and Kelley (1992) demonstrated that coercive power had a negative relationship with cooperation. Other studies have found that the level of conflict experienced in the partnership was associated positively with mediated power and negatively with non-mediated power (Frazier & Rody, 1991; Skinner, Gassenheimer, & Kelley, 1992). Similarly, in their study of the dyadic relationship between graduate students and supervising professors, Aguinis, Nesler, Quigley, Lee, and Tedeschi (1996) found that professors who exercised coercive power were perceived by students to be less trustworthy and those who displayed expert power were perceived by students as being more trustworthy. Based on these findings, researchers have suggested that companies who were interested in maintaining positive relationships with their service providers should use non-mediated power such as referent and expert power as opposed to mediated power, which may result in resentment from the service provider (Brown, Lusch, & Nicholson, 1995).

However, despite this potential degradation of relationship quality, from the dominant partner's point of view, the use of mediated power is more necessary if one is working off of the assumption that their partner may behave in a manner that could negatively affect the partnership, implying lower trust in the partner (Bachmann, 2001). Additionally, companies who hold significant power in a relationship may not feel there is a need to engage in usage of non-mediated forms of power to ensure win-win situations. Instead, these dominant companies may find the use of mediated power tactics such as the enforcement of legal contracts to be a more efficient and effective method of achieving their own agendas (Benton & Maloni, 2005). When considered in these contexts, one's possession of mediated power may represent one's potential or ability to

engage in competitive and negative uses of power and conversely, one's possession of non-mediated power may be seen as the potential for one's partner to being more relationship-oriented (Frazier & Rody, 1991; Skinner et al., 1992). Consequently, the following hypotheses about mediated power are also proposed (depicted in Figure 3):

H3: The amount of mediated power that the partner is perceived to hold is negatively related to perceptions of the partner's trustworthiness.

H4: Based on principles of correspondence in relation to communal behaviours, perceptions of increased mediated power held by the partner is related to decreased perceptions of respondent display of agreeable communal behaviours such as indicators of trustworthiness (i.e., respondents will react to perceptions of cold/hostile displays of power with their own displays of hostility).

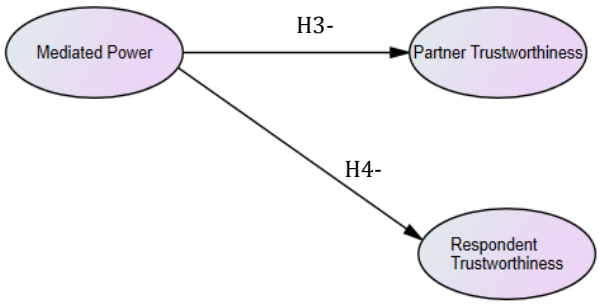

Figure 3. Depiction of hypotheses 3 and 4

Role of Culture in Business

Culture has been conceptualized as being both a multi-level and multi-layer construct. The multi-level construct describes culture as consisting of various levels nested within each other, with the most macro level reflecting a global culture, followed by national cultures, organizational cultures, group cultures, and lastly cultural values at the individual level (Leung, Bhagat, Buchan, Erez, & Gibson, 2005). Schein's (1992) conceptualization of culture as a multi-layer construct views culture as consisting of an

external layer of observed behaviours and artifacts, a deeper level of values as measured through social consensus items, and the deepest level of basic assumptions, which are often invisible to individuals and taken for granted. International business studies tend to study culture at the group or national level, with national culture often being used as a proxy for cultural orientation at the individual level (Leung et al., 2005). National culture is broadly defined as the values, beliefs, norms, and behavioural patterns of a national group and research shows that national culture does impact many individual-level outcomes such as perceptions, beliefs, and behaviours (Hofstede, 2001b; Leung et al., 2005). Specific to the business context, cultural values at the national level have been found to be related to the following individual-level outcomes: work attitudes and emotion, change management behaviour, reward allocation, conflict management, negotiation behaviour, decision-making, human resource management, leadership, individual behaviour in groups, and personality (Leung et al., 2005).

Globalization refers to the growing economic interdependence amongst countries and is reflected in the increased flow of goods and services, capital, and knowledge across national borders (Govindarajan & Gupta, 2001). Because of these increased interactions between people of different nationalities, some researchers propose that cultures of various nations and locations around the world are converging (Leung et al., 2005). Consequently, many cross-cultural researchers have attempted to search for similarities in cultural beliefs and attitudes around work-related behaviours (Leung et al., 2005). Following this line of research, it is believed that if cultures are indeed converging, then international business practices should become increasingly similar and eventually culture-free business practices will emerge (Heuer, Cummings, & Hutabarat, 1999).

However, studies have shown that while trends do show that patterns of material consumption and leisure activities around the world are converging to mimic more Western European and American patterns, these convergences may be only superficial in that they have little influence on fundamental issues such as beliefs, norms, and ideas about how individuals, groups, institutions, and other social agencies ought to function in relation to each other (Barkema & Vermeulen, 1997). However, one of the criteria for the assignment of systems trust in others is that all members of a trust relationship operate within the same social, cultural, or professional system. If parties of a business relationship come from different cultures and are used to operating within different systems, then one cannot assume the existence of shared behavioural expectations and interpretation of symbol meanings. In situations where systems trust is not possible, the development of personal trust in a business relationship becomes more critical (Bachmann, 2001), and people engaged in international business relationships should continue to be aware of how cultural divergences in values and behaviours may influence their attempts to create shared meanings and norms with their partners (Leung et al., 2005).

The Influence of Cultural Adaptability in Building Business Relationships

A prerequisite element of business relationships is that interactions occur between individuals and this interaction process may be seen as being composed of a series of short-term episodes (Ivanova, 2011). Over time, these short-term interactions lead to long-term relationships and short-term interactions continue to play a vital role in the management and shaping of the business relationship (Ivanova, 2011). A business relationship can be said to progress through five stages: pre-relationship stage, early

interaction stage, relationship growth stage, partnership stage, and relationship end stage (Heffernan, 2004). Of these five stages, this research project is primarily interested in the role that trust plays during the early interaction stage, which is when business partners engage in negotiations with each other regarding the style and structure of their relationship. This stage is of particular interest to the process of trust formation because at this point in the relationship, both parties are still learning about each other and deciding whether or not they want to commit to the relationship. Because of their lack of knowledge of each other at this point, both parties are feeling high levels of uncertainty and the formation of trust is a critical necessity to ensure further development of the partnership.

However, despite the previously stated importance of knowing and understanding the other party in a dyadic business relationship, business partnerships or alliances are commonly studied by focusing on the organization as the unit of analysis, thereby disregarding the role that individuals play as the people who actually engage in the interactions. When considering social interactions at the individual level, it is important to remember that people are different and hold within themselves diverse cultural influences (Ivanova, 2011). In other words, when two business people from different cultures interact, they bring their own cultural backgrounds with them (Bolten, 1999). Therefore, as suggested in Study One, when two individuals are engaging in a business interaction, their expectations of the other party and definitions of the situation are influenced by the cultural lens through which they view the world (Ivanova, 2011).

Researchers who examined the influence of societal/social culture in business relationships reported that while shared cultural values can promote the formation of trust

within business relationships, cultural differences may increase feelings of ambiguity within relationships, which could lead to conflict, misunderstandings, misconceptions, miscommunications, and even the termination of a partnership (Barkema, Bell, & Pennings, 1996; Shenkar & Zeira, 1992). For example, differences between partners in terms of their levels of uncertainty avoidance and long-term orientation tend to be less easily resolved and are more disruptive to cross-cultural partnerships than differences on other cultural dimensions such as power distance, individualism, and masculinity. Researchers proposed that uncertainty avoidance and long-term orientation both influence how people perceive and adapt to opportunities and environmental threats, therefore differences along these cultural values would be more difficult to resolve (Barkema & Vermeulen, 1997).

Social identity theory proposes that people's sense of self is based on their group membership, such as their membership in specific professional, ethnic, cultural, or national groups (Tajfel & Turner, 1979). By belonging to a variety of groups, people are able to achieve a sense of belonging to the social world; consequently the groups that people belong to can be an important source of pride and self-esteem (Tajfel & Turner, 1979). At times, people may feel the need to protect their social identities by enhancing the status of the group(s) to which they belong (i.e., ingroups) by focusing on the negative qualities held by members of different groups (i.e., outgroups). However, the act of making group differences more salient may lead to increased intergroup conflict and discrimination (Hewstone, Rubin, & Willis, 2002), which is problematic for those who are involved in cross-cultural business transactions.

One method used to overcome intergroup differences is the creation of a *common ingroup identity*, which involves using perceptions of similarity to recategorize group memberships (Gaertner, Dovidio, Anastasio, Bachman, & Rust, 1993). Specifically, the common ingroup identity model assumes that intergroup biases are rooted in people's natural tendency to simplify complex social environments by classifying people into groups or categories. This process of categorization often occurs spontaneously on the basis of physical similarity, proximity, or shared fate. The common ingroup identity model proposes that changing the ways people socially categorize others can reduce intergroup prejudice and bias. For example, if people belonging to different groups perceive that their groups hold similar values or goals or share a common superordinate identity, they are more likely to engage in cooperative behaviours because they are more likely to believe that both groups will behave in accordance to similar values and care for similar goals (Williams, 2001). In other words, the positive feelings that one normally associates with ingroup members may be extended to outgroup members if one's perceptions of similarity with outgroup members is increased. In this sense, one method of potentially decreasing intergroup discrimination and increasing perceptions of similarity between culturally different partners is the engagement of culturally adaptive behaviours.

Engagement in culturally adaptive behaviours may be described as attempts to accommodate the perceived foreignness of the "other culture participant" by altering communication styles and making adjustments with regards to practices, behavioural norms, and differences in beliefs (Francis, 1991; Pornpitakpan, 1999). Engagement in culturally adaptive behaviours is motivated by one's desire to close the cultural distance

between two parties (Francis, 1991). Business people may attempt to understand the rites and ceremonies of their partners because by performing the behaviours of a rite or ceremony, people are making use of specific language, gestures, stories, or material artifacts to heighten the impression of shared meanings (Ivanova, 2011). For example, Francis (1991) found that the demonstration of moderate amounts of cultural adaptation by Americans had positive effects on their negotiations with Japanese and Thai business people. More specifically, making observable adaptations in one's language, manners, greetings and gratitude expression, dress and physical appearance, style of addressing others, etc. have been found to improve the perceptions of Japanese and Thai business people of an American sales team's trustworthiness (Pornpitakpan, 1999). Similar findings were found with Chinese Indonesian, Malaysian, and People's Republic of China Chinese respondents (Pornpitakpan, 2002, 2004, 2005).

These cultural adaptation studies demonstrate that superficial cues of culture, such as those displayed through acts of cultural adaptation, may influence the development of business relationships, especially in the context of short-term business interactions where neither side of a partnership would have had sufficient time to understand each other's values. Culture can be expressed through symbolic vehicles of meaning such as ritual practices, art forms, ceremonies, rituals of daily life, language, and even gossip stories (Ivanova, 2011). Consequently, researchers who study the influence of culture in business interactions are not limited to viewing culture as only being internal values or as an external contextual or geographical variable, but can instead also assess how culture is exhibited in human actions within specific events and how adaptation to these actions and contexts may affect business interactions (Ivanova, 2011).

Relationship between cultural adaptation and perceptions of trustworthiness. Engagement in cultural adaptation during one's business interactions may benefit the business relationship in a variety of ways. For example, adapting one's behaviours to match the cultural norms of one's partner may increase perceptions of similarity between the partners through the creation of a common ingroup identity. Successful engagement of culturally adaptive behaviours is dependent on one's ability and willingness to learn about the customs and norms of the other culture. Consequently, engagement of cultural adaptability within a partnership also demonstrates a party's willingness to invest in a particular relationship, indicating that he or she is committed to that relationship (Ford, 1980; Nyaga, Lynch, Marshall, & Ambrose, 2013). Also, through the process of learning and adapting to other cultures, one increases one's ability to create shared meanings and interaction patterns with one's partner, thereby decreasing the occurrence of misunderstandings and miscommunication. Researchers also demonstrated a relationship between trust and adaptation where one's willingness to adapt in a relationship can be used to demonstrate the level of trust one feels in the relationship (Hallen, Johanson, & Seyed-Mohamed, 1991). Because of these linkages between culturally adaptive behaviours and positive relationship outcomes, it is proposed that the engagement of culturally adaptive behaviours will be positively associated with perceptions of trustworthiness (as depicted in Figure 4):

H5: A positive relationship exists between a partner's engagement in culturally adaptive behaviours and respondent's perception of the partner's trustworthiness.

H6: A positive relationship exists between respondent's engagement in culturally adaptive behaviours and his/her own perception of his/her appearance of trustworthiness.

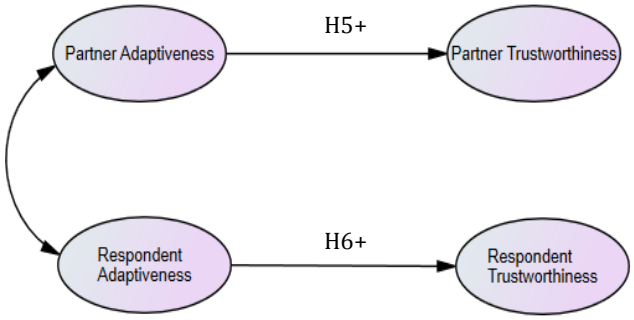

Figure 4. Depiction of hypotheses 5 and 6

Antecedents of Cultural Adaptability

Relationship commitment and dependence. Due to the belief that cultural adaptation or learning may increase feelings of similarity between culturally different partners and ultimately lead to improved effectiveness in business interactions because behavioural conflicts are reduced, engagement in culturally adaptive behaviours is a commonly suggested solution for dealing with cultural differences in business contexts (Lin, 2004; Parkhe, 1991; Stening & Hammer, 1992). In an attempt to gain a better understanding of the factors that encourage people's engagement in culturally adaptive behaviours, Lin (2004) studied the role of relationship commitment and relative dependence as potential antecedents to cultural adaptation. Relationship commitment occurs when a partner believes that an ongoing relationship with another party is important enough to warrant the engagement of maximum maintenance efforts (Morgan & Hunt, 1994). Relationships that involve two committed parties usually lead to more effective buyer-seller partnerships since both partners are more likely to engage in various kinds of collaborative behaviour, resulting in better financial performance from

the partnership as well as an improved interpersonal relationship (Lin, 2004). For example, Morgan and Hunt (1994) found that partners are more likely to engage in culturally adaptive behaviours when they consider the relationship to be strategically significant and are therefore more willing to expend maximum efforts towards maintaining and enhancing the relationship. Similarly, Lin also found a positive relationship between relationship commitment and cultural adaptation.

According to *social exchange theory,* which focuses on norms of reciprocity, business partners cooperate with each other because they expect to both give and receive rewards from the partnership (Lambe, Wittmann, & Spekman, 2001). However, the degree to which cooperation through engagement in adaptive behaviours is expected of each partner may depend on the power asymmetry that exists in a partnership. For example, in his study of U.S. and Chinese managers, Lin (2004) found a positive relationship between relative dependence and cultural adaptation, suggesting that the more dependent partner's lack of power in the relationship may force him/her to adapt to the other party. This finding is supported by the *resource-dependence theory,* which proposes that organizations will respond to the demands of those who control critical resources; consequently, business partners may be expected to engage in more adaptive behaviours if they are more dependent on the other party's resources (Hallen et al., 1991; Nyaga et al., 2013).

Influence of power on cultural adaptability. Gulbro and Herbig (1996) stated that more than 70% of American companies are either competing against foreign-based companies or are buying from or selling to foreign-based companies. Consequently, they propose that it will become increasingly important for companies to understand how to

engage in successful cross-cultural interactions. Because the engagement of culturally adaptive behaviours is also viewed as a method of maintaining positive relationships between partners, it is possible that companies who prefer to use non-mediated power as opposed to mediated power will also be more willing to engage in adaptive behaviours. Similarly, when a weaker partner sees the other side acting with a greater degree of benevolence, he/she may be more willing to reciprocate in kind by engaging in behaviours that will benefit the stronger partner (Crook & Combs, 2007), such as adapting their business processes or interaction methods, because they are willing to put more effort into maintaining or enhancing the sense of harmony within this business relationship (Nyaga et al., 2013).

Conversely, companies who support the use of mediated power may be less interested in maintaining positive win-win relationships with their partners and therefore they might be less willing to expend effort towards adapting their behaviours. Although Lin (2004) discusses his relative dependence findings in terms of power imbalances, he did not actually include power as a variable of interest within his study. Consequently, this study will contribute to the literature by using a direct measure of power to assess the relationship between power dynamics and cultural adaptability. Based on the research findings highlighted above, the following four hypotheses regarding the potential influences of power on cultural adaptability are proposed (depicted in Figure 5):

H7: A negative relationship exists between the levels of mediated power that partners are perceived to hold and the amount of cultural adaptive behaviours that they engage in.

H8: A positive relationship exists between the level of mediated power that partners are perceived to hold and the amount of cultural adaptive behaviours that respondents (as the service providers) will feel coerced to engage in.

H9: A positive relationship exists between the levels of non-mediated power that partners are perceived to possess and the amount of cultural adaptive behaviours that partners are perceived to engage in.

H10: A positive relationship exists between the level of non-mediated power that partners are perceived to possess and the amount of cultural adaptive behaviours respondents display.

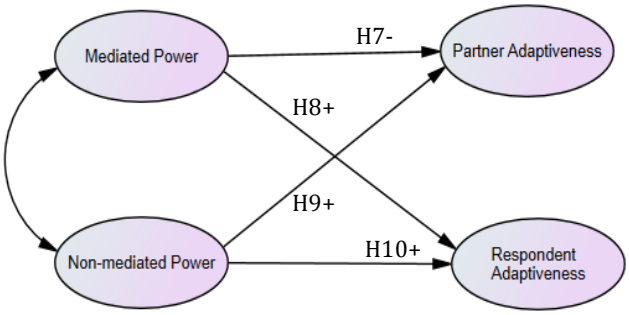

Figure 5. Depiction of hypotheses 7 through 10

Because power is predicted to have both direct and indirect influences on perceptions of trustworthiness, the following partial mediation hypotheses are proposed (depicted in Figure 6):

H11: Respondent cultural adaptability will partially mediate the relationship between mediated power and perceptions of respondent trustworthiness.

H12: Respondent cultural adaptability will partially mediate the relationship between non-mediated power and perceptions of respondent trustworthiness.

H13: Cultural adaptability displayed by the partner will partially mediate the relationship between mediated power and perceptions of partner trustworthiness.

H14: Cultural adaptability displayed by the partner will partially mediate the relationship between non-mediated power and perceptions of partner trustworthiness

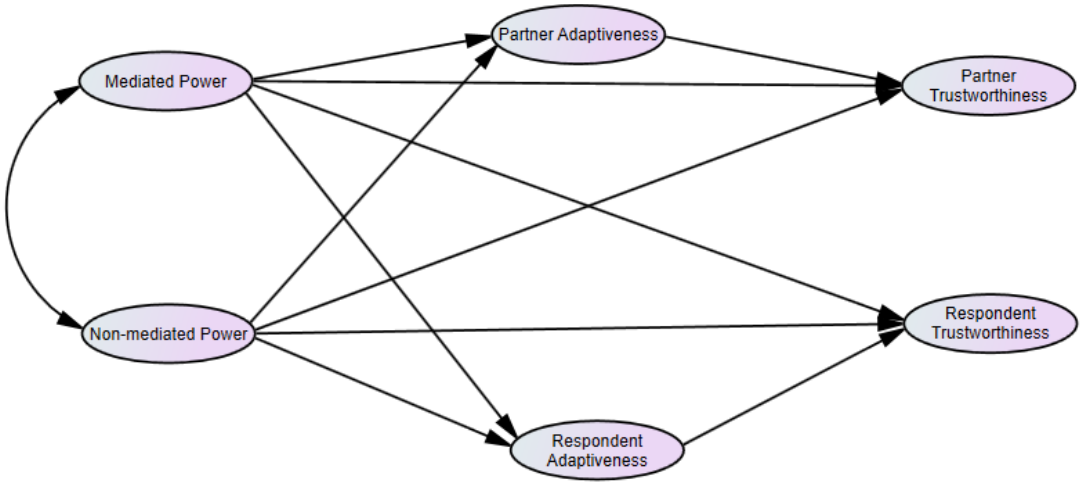

Figure 6. Depiction of hypotheses 11 through 14

Moderating influence of cultural orientation on the adaptation-trustworthiness relationship. When business people are interacting with foreign partners for the first time, knowledge of each other's culture can be distorted and based on stereotypes (Ivanova, 2011). When stereotypic expectations regarding a person are confirmed, people will show a tendency to attribute confirming behaviours to dispositional factors. However, according to *expectancy violation theory*, when information about a partner violates stereotype-based expectations and those violations are attributed to dispositional factors, that partner will be judged negatively (Biernat, Vesico, & Billings, 1999).

Conversely, disconfirmation of stereotypes can also be attributed to situational factors such as when a partner is engaging in culturally adaptive behaviours (Pornpitakpan, 2002). Research has found that the use of culturally adaptive behaviours by American executives increased the perceptions of trustworthiness felt by Japanese, Thai, Malaysian, Chinese managers towards American executives (Pornpitakpan, 1999, 2002, 2004, 2005). On the other hand, other research found that when Japanese managers engaged in high levels of cultural adaptation, Americans perceived them as being less trustworthy (Francis, 1989).

The *individualism-collectivism* dimension of societal culture has been proposed as a possible explanation for these contradictory results (Pornpitakpan, 2002). Collectively-oriented individuals value fitting in with others, fulfilling obligations, and building relationships; consequently they may find people who adapt to situations to be more trustworthy than those who display their own unique dispositions without consideration for their circumstances (Pornpitakpan, 2002). In individualistic cultures people are encouraged to display their true selves because behaviour is supposed to be primarily shaped by one's own internal thoughts, feelings, and actions rather than be influenced by the actions of others. Consequently, although people from individualistic cultures may engage in cultural adaptation if they feel these behaviours are valued in the cultures where they conduct business, they may attribute negative motivations to others when they see other people engaging in adaptive behaviours, perceiving cultural adaptation as being manipulative, inconsistent, and untrustworthy when they are on the receiving end of such behaviours (Coupland, Coupland, Giles, & Henwood, 1988).

Because people's behaviours and perceptions are influenced not only by the culture that they live in but also by the degree to which they identify with that specific culture (Markus & Kitayama, 1991), the possibility exists that strength of cultural endorsement may have a moderating influence on people's interpretations of culturally adaptive behaviours. Although the individualism-collectivism dimension is used as a measure of social culture at the group level, the usage of *independent* and *interdependent self-construals* is more appropriately used to describe people's cultural orientations at the level of the individual (Singelis, 1994). People with highly developed independent self-construals will emphasize being unique and being direct when expressing themselves as well as value the promotion of their own goals. People who are highly interdependent are more likely to try to belong and fit in with their surroundings and they also value the engagement of behaviours considered to be "appropriate," such as communicating in an indirect manner (Singelis, 1994). Because of the value congruence between self-construals and the individualism-collectivism dimension, one's endorsement of self-construals may be considered a reflection of the extent to which one endorses the group culture (i.e., individualism or collectivism); consequently, if endorsement of self-construals comprises a large component of people's self-concept, then group-level cultural values will have a strong and pervasive influence on their beliefs. Conversely, if people only weakly identify with a cultural orientation and culture is not a primary consideration when they conceptualize themselves, then culture will have a weaker influence on their beliefs and behaviours.

As mentioned in Study One, people's cultural values may influence the way they behave as well as the way they perceive and interpret the social cues given off by other

people's behaviours (Thomas & Doak, 2000). Specifically, the literature presented here suggests that one's endorsement of independent and interdependent self-construals may influence the social meaning that one attaches to culturally adaptive behaviours and so using the independent-interdependent self-construal framework to describe the relationship between culturally adaptive behaviours and trustworthiness, the following hypotheses are proposed (depicted in Figure 7):

H15: The independent self-construal of respondents will moderate the relationship between the amount of adaptive behaviours displayed by the partner and perceptions of the partner's trustworthiness. Respondents with higher independent self-construal scores will perceive partners who engage in culturally adaptive behaviours as being less trustworthy.

H16: The independent self-construal of respondents will moderate the relationship between amount of culturally adaptive behaviours displayed by respondents and respondents' perceptions of their own trustworthiness. Respondents with higher independent self-construal scores believe that their own engagement in culturally adaptive behaviours will increase their partners' perceptions of respondents' own trustworthiness.

H17: The interdependent self-construal of respondents will moderate the relationship between the amount of adaptive behaviours displayed by the partner and perceptions of the partner's trustworthiness. Respondents with higher interdependent self-construal scores will perceive partners who engage in culturally adaptive behaviours as being more trustworthy.

H18: The interdependent self-construal of respondents will moderate the relationship between amount of culturally adaptive behaviours displayed by respondents and respondents' perceptions of their own trustworthiness. Respondents with higher interdependent self-construal scores believe that their own engagement in culturally adaptive behaviours will increase their partners' perceptions of respondents' own trustworthiness.

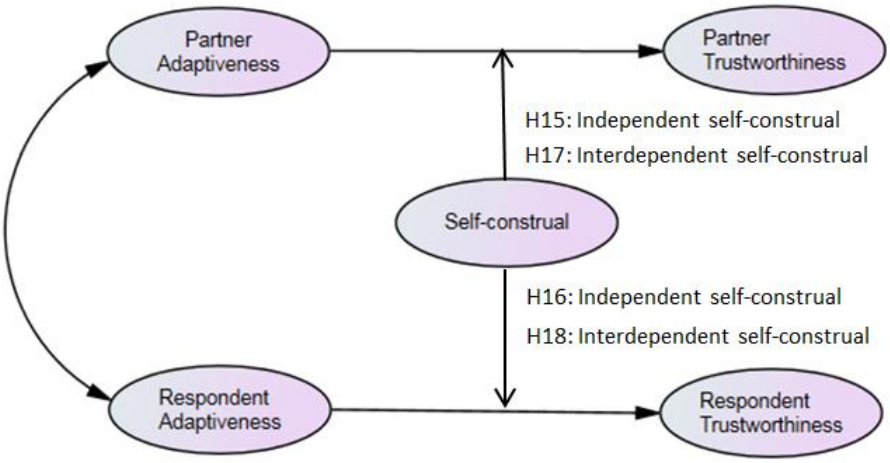

Figure 7. Depiction of hypotheses 15 through 18

Relationship between trustworthiness and negotiation. Although it is important to identify the role and influence of antecedents, mediators, and moderators of trustworthiness, it is also important to examine the outcomes that increased or decreased levels of trustworthiness may have on business relationships. Consequently, this last portion of the dissertation examined the influence that perceptions of partner trustworthiness had on respondents' willingness to continue a partnership by using negotiation as a tactic for resolving conflicts.

As mentioned previously with regards to social identity theory, conflict may arise in cross-cultural relationships because both parties of the interaction perceive the other to

be outgroup members, and are therefore associating negative biases with the other person or acting in discriminatory ways towards them (Christen, 2004). Alternatively, *realistic group conflict theory* proposes that conflicts may arise between groups not because of group membership, but rather because of incompatibility in terms of the goals or interests that the partners would like to pursue through a business relationship (Sherif, Harvey, White, Hood, & Sherif, 1961). Regardless of whether intergroup conflict is due to group membership effects or incompatibility of goals and interests or a combination of both, negotiation is a commonly used tactic for resolving conflict between groups.

Negotiation is the process by which at least two parties try to reach an agreement on matters of mutual interest (Gulbro & Herbig, 1996). Fisher and Ury (1983) suggested that one not only needed to fully understand the other party in order to succeed in business negotiations, the people engaging in the negotiation also needed to use their understanding of the other party to their own advantage so that they realized what each party hoped to gain from the negotiation and worked towards a win-win outcome for both sides.

Willingness to negotiate is described as being favourable towards meeting the other parties in a conflict to discuss issues of common concern and exchange proposals for resolving the conflict (Stein, 1989). In other words, willingness to negotiate is a precondition of one's decision to engage (or not engage) in formal negotiations. Christen (2004) proposed that organizations that are perceived as being trustworthy will also be expected to engage in negotiations in a trustworthy manner and so perceived trustworthiness will be a strong predictor of one's willingness to negotiate. Results of the Christen (2004) study supported this positive relationship and consequently, a similar

relationship between perceptions of trustworthiness and willingness to negotiate is expected in this study (depicted in Figure 8):

H19: A positive relationship exists between perceptions of the partner's trustworthiness and respondents' willingness to engage in negotiation with their partners.

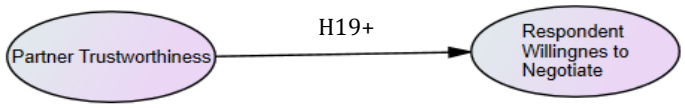

Figure 8. Depiction of hypothesis 19

Current Study

Although many researchers were able to demonstrate the existence of relationships between culture and individual-level outcomes, it was still difficult for them to identify the specific impacts and roles that culture played as well as differentiate between the circumstances in which culture should be the central focus of a research study or when it may play a less critical role. Consequently, researchers argued that future studies should focus on addressing how and when culture makes a difference and not merely whether or not it influences outcomes of interest (Leung et al., 2005). This study has therefore been designed to assess the role that culture plays in people's interpretations of culturally adaptive behaviours in short-term business interactions.

Rather than using national culture measures (such as Hofstede's Individualism/Collectivism scale, which assesses the relationship of the individual to the collective at the group or cultural level) as a proxy for individual cultural orientations, this study sought to gain a more precise measurement of the influences of culture on

individuals by using the Independent and Interdependent Self-Construals Scale, which assesses at the individual level people's conceptualizations of the self in relation to the collective.

Lastly, the influence that power imbalance may play in business partnerships is a relatively new area of study. Considering recent trends towards increasing globalization, business people are likely to spend more and more time interacting with foreign partners. Consequently, this study investigated the relationship between power dynamics in a partnership and one's engagement (or lack thereof) in culturally adaptive behaviours. Due to the complexity of studying relationships between multiple independent and dependent variables, the hypotheses presented above were tested using multiple and hierarchical regression analyses.

CHAPTER VIII

STUDY TWO: METHODS

Respondents

Similar to the recruitment methodology used in Study One of this dissertation, purposive sampling was also used for Study Two. Because this study was designed to investigate the influence of culturally adaptive behaviours on perceptions of trustworthiness at the individual level, employees or managers who were employed in private companies or were members of international business/trade associations in Taiwan and Canada and were actively engaged in business interactions with foreign partners or customers were recruited. Because Study One collected data about trustworthy supervisors and trustworthy employees, Study Two was designed to focus on the relationship between business partners. The asymmetric distribution of power that characterizes many business partnerships is similar to the unequal distribution of power between supervisors and their subordinates, meaning that these two types of relationships may share similarities in terms of their relationship dynamics. Consequently, because Study One and Study Two of this dissertation both focus on dyadic relationships characterized by power imbalances, the findings and inferences from Study One may be generally applied to the interpretations of Study Two results. Additionally, even though this study measured cultural orientation directly at the individual-level using self-construals, data collection was still completed in both Canada and Taiwan (e.g., previously identified as individualistic and collectivistic cultures, respectively) to increase the likelihood that the overall sample would include more balanced ratios of respondents who obtained high or low independent and interdependent self-construal

scores. Respondents who performed similar job roles (i.e., jobs that required respondents to interact and form relationships with culturally different partners) were recruited for this study in order to limit the types of business interactions reflected in the sample.

At the end of the data collection period, 239 respondents had completed the online survey, of which 24 listed their nationality as being not from either Taiwan or Canada. Removal of those cases, submissions that included multiple incomplete responses for more than one variable of interest, and outliers resulted in a final research sample of 185 respondents, of which 111 were Canadian and 74 were Taiwanese. Characteristics of the sample were analyzed by country and an overview of the results is provided below (also refer to Table 3).

Canadian sample. Of the 111 Canadian respondents, 54.1% were male and 45.9% were female. In terms of age, 7.2% were between the ages of 18-25, 26.1% were between 26-35 years old, 24.3% between 36-45 years old, 24.3% between 46-55 years old, 16.2% between 56-65 years old, and 1.8% (2 respondents) were greater than 65 years old. In terms of education level, 20.7% had completed secondary schooling, 28.8% completed a 2-year post-secondary program, 36% completed a 4-year college or university degree, 10.8% completed a Master's degree, and 3.6% had completed a doctoral degree program. All respondents were living in Canada at the time of their participation in this study and when they were asked about their nationality, all respondents reported being Canadian, with 88.3% being of a White/Caucasian ethnic background, 7.2% were Asian, and the remaining respondents reported being of other ethnicities (Note: all other ethnicities reported were only represented by one respondent in the country sample). Of those 111 respondents, 24.3% reported working in the business sector, 10.8% in the manufacturing

sector, 8.1% in government, 8.1% in Health, 8.1% in the public service, 6.3% in education, 4.5% in non-governmental organizations, 1.8% in development, and 0.9% in international organizations. 27% of respondents reported working in other sectors such as engineering services, finance, information technology, law, recreation/leisure, and transportation.

Taiwanese sample. Of the 74 Taiwanese respondents, 43.2% were male and 56.8% were female. In terms of age, 1.4% was between the ages of 18-25, 29.7% were between 26-35 years old, 21.6% between 36-45 years old, 23% between 46-55 years old, 23% between 56-65 years old, and one respondent was greater than 65 years old. In terms of education level, 1.4% had completed secondary schooling, 24.3% completed a 2-year post-secondary program, 41.9% completed a 4-year college or university degree, 27% completed a Master's degree, and 5.4% had completed a doctoral degree program. All respondents were living in Taiwan at the time of their participation in this study and when they were asked about their nationality, all respondents reported being Taiwanese, with all respondents reporting being of an Asian ethnic background. Of those 74 respondents, 39.2% reported working in the business sector, 39.2% in the manufacturing sector, 6.8% in education, and 4.1% in government. 11% of respondents reported working in other sectors such as development, international organizations, public service, non-governmental organizations, construction, retail, and finance.

Table 3. Demographic overview of Canadian and Taiwanese samples

	% of Canadian Sample (N=111)	% of Taiwanese Sample (N=74)
Gender		
Male	54.1	43.2
Female	45.9	56.8
Age		
18-25	7.2	1.4
26-35	26.1	29.7
36-45	24.3	21.6
46-55	24.3	23.0
56-65	16.2	23.0
65+	1.8	1.4
Ethnicity		
Asian	7.2	100.0
White/Caucasian	88.3	0.0
Other	4.5	0.0
Education Level		
Secondary Schooling	20.7	1.4
2-Year Post-Secondary Program	28.8	24.3
4-Year College/University Degree	36.0	41.9
Master's Degree	10.8	27.0
Doctoral Degree	3.6	5.4
Industry		
Business	24.3	39.2
Education	6.3	6.7
Government	8.1	4.0
Health	8.1	0.0
Manufacturing	10.8	39.2
Public Service	8.1	0.0
Other	34.2	11.0

Description of Measures

Bases of power. To assess respondents' perceptions of social power in their business relationships, Hinkin and Schriesheim's (1989) measure of the five bases of social power was used. Each of the five power bases (i.e., legitimate, coercive, reward, referent, and expert) was assessed through four items in this measure. Respondents provided ratings using a 5-point Likert scale (*1 = Strongly disagree* to *5 = Strongly agree*). This measure has reported coefficient alpha reliabilities ranging from .77-.90 based on three samples (Hinkin & Schriesheim, 1989; Hinkin & Schreisheim, 1994). In this dissertation, Cronbach's alpha values were calculated by country and for each of the

five bases the values were as follows: for the Taiwanese sample, reward power was .80, coercive power was .79, legitimate power was .60, expert power was .77, and referent power was .80; for the Canadian sample reward power was .85, coercive power was .84, legitimate power was .79, expert power was .83, and referent power was .79. Scores for each of the power bases were calculated by averaging the item responses for each base. A higher score on this measure would indicate that the business partner held greater power over the service provider (the study respondent). Sample items for each type of power are as follows:

"My business partner/client can provide me with needed technical knowledge." (Expert Power)

"My business partner/client can make me feel valued." (Referent Power)

"My business partner/client can make me feel like I should satisfy my job requirements." (Legitimate Power)

"My business partner/client can influence my getting a promotion." (Reward Power)

"My business partner/client can make my work difficult for me." (Coercive Power)

Past research has supported the grouping of expert, referent, and legitimate power as non-mediated forms of power and coercive and reward power as mediated forms of power (Rahim, 1989). Consequently, non-mediated power was measured by a total of 12 items and mediated power was measured using eight items.

Culturally adaptive behaviour. Engagement of culturally adaptive behaviours was assessed using a portion of the Assessing Intercultural Competence (AIC) questionnaire. The Assessment of Intercultural Competence (AIC) questionnaire was

developed by A. Fantini for the Federation of the Experiment in International Living (FEIL) (Fantini & Tirmizi, 2006). This scale was developed as the first step in a larger project that explored and assessed the intercultural competence outcomes of FEIL programs. Intercultural competence was defined by FEIL researchers as the complex set of abilities needed to perform effectively and appropriately when interacting with others who were linguistically and culturally different from one's self (Fantini & Tirmizi, 2006). Although the original AIC questionnaire consists of seven sections and 211 items, only the 11 items from the skills dimension of intercultural competence were used in this study. Reliability estimates of .70 and greater and factor loadings of .60 and greater were found for each item in the skills dimension of intercultural competence (Fantini & Tirmizi, 2006). For this study, these 11 items were used to assess the perceived amount of cultural adaptability engaged in by the respondents and their partners. When used to reflect respondent cultural adaptability in the current study, the items resulted in a Cronbach's alpha of .93 for the Canadian sample and .94 for the Taiwanese sample. Similarly, when used to assess partner cultural adaptability, high Cronbach's alphas were also obtained for the Taiwanese sample (.90) and the Canadian sample (.92), demonstrating the strong internal consistency of this scale. Using a rating scale from 0 *(not at all)* to 5 *(extremely high)*, sample items from the skills dimension of intercultural competence include the following:

> "I demonstrated flexibility when interacting with my business partner/client from another culture."
>
> "I adjusted my behaviour, dress, etc., as appropriate, to avoid offending my business partner/client."

"I used strategies for learning my business partner/client's language and about his/her culture."

Trustworthiness. The findings from Study One demonstrated that the dimensions of ability, integrity, and benevolence were used in both Taiwanese and Canadian cultures to make judgements of a person's trustworthiness. Consequently, for Study Two, it was important to identify a measure of trustworthiness that assessed these three dimensions. Additionally, because integrity was found to be equally valued by both cultures, the measure of trustworthiness used in Study Two would ideally be composed of primarily integrity items. Consequently, perceptions of respondent and partner trustworthiness were assessed in Study Two using a 16-item measure developed by Spreitzer and Mishra (1999) when they were studying managers' trust in lower echelon employees. These 16 items represented the three dimensions of trustworthiness commonly found in the trust literature—concern (benevolence), competence (ability), and openness (integrity), and of the 16 items, eight were integrity items. The measure items were found to have acceptable levels of validity and reliability and were found to load onto a single factor in a factor analysis (Mishra, 1993). Cronbach's alpha for the three trust dimensions ranged from .73 to .88 for Taiwanese responses regarding respondent trustworthiness and .80 to .89 for the Canadian responses. For partner trustworthiness, Cronbach's alphas values for the three trustworthiness dimensions ranged from .71 to .86 for the Taiwanese sample and .72 to .89 for the Canadian sample. Sample items include the following:

"I trust that my business partner or client is completely honest with me." (Integrity)

"I trust that my business partner or client places my organization's interest above his or her own." (Benevolence)

"I trust that my business partner or client is competent in performing his or her job." (Ability)

Respondents responded to the survey items using a 7-point Likert scale anchored from *1 = strongly disagree* to *7 = strongly agree*.

Additionally, the qualitative analyses from Study One of this dissertation identified additional qualities that were used by Taiwanese people and Canadians to assess trustworthiness in others, such as one's possession of positive interpersonal skills as well as the importance of engaging in behaviours beneficial to the maintenance of interpersonal relationships, such as not taking advantage of others or acting as a confidant. Using the behaviours and qualities depicted in the qualitative responses, eight supplemental items were developed and added to the 16-item Spreitzer and Mishra (1999) trustworthiness measure in an effort to capture a more complete picture of trustworthiness (all new trustworthiness items are listed in Appendix B).

Independent and interdependent self-construals. Respondents' cultural orientations were assessed using a shortened version of the Independent and Interdependent Self-Construals Scale (Singelis, 1994), which provides researchers with respondents' self-reported assessments of the strength with which they hold independent or interdependent conceptualizations of the self in relation to the collective. In their efforts to identify the core components of individualism and collectivism, Fernandez, Paez, and Gonzalez (2005) removed all of the items from the Singelis scale that were related to vertical collectivism or respect, so as to avoid potential content confounding

between collectivism and power distance. The selection of items for the shortened measure was performed by a group of 12 multicultural American and European social psychologists. Additionally, a pilot study conducted in Latin-America and southern Europe was used to exclude items related to health and well-being, resulting in a final shortened measure that consisted of seven interdependent self-construal items and six independent self-construal items. When used in this study, this shortened measure achieved internal consistency estimates of .72 for the independent self-construal and .66 for the interdependent self-construal construct in the Taiwanese sample and .63 for independent self-construal and .72 for the interdependent self-construal construct in the Canadian sample. Sample items in the measure are "It is important for me to maintain harmony within my group" for the interdependent self-construal and "I act the same way no matter who I am with" for the independent self-construal. Responses were indicated using a 7-point Likert scale with anchors ranging from 1 (*strongly disagree)* to 7 *(strongly agree).* Item responses for each self-construal were averaged to achieve overall scores for independent self-construal and interdependent self-construal.

Negotiation. Willingness to negotiate was assessed using items developed by Christen (2004), who was studying the willingness of organizations and external interest groups to consider a negotiated solution to a conflict. Of the negotiation index developed by Christen, three items were chosen to reflect respondents' willingness to negotiate with business partners (or the organizations that they represented). Using a 7-point Likert scale ranging from *1=strongly disagree* to *7=strongly agree*, respondents provided ratings for the following items:

"Under current conditions, exchanging ideas with this cross-cultural business partner/client for resolving conflicts is worth considering."

"I should pursue alternatives other than negotiating with this cross-cultural business partner/client."

"Based on my relations with this cross-cultural business partner/client, I have added negotiation to the options I am considering."

Described by Christen as being indicators of one's willingness to negotiate with a specific party, these three items achieved Cronbach's alphas ranging from .77 to .82 across four groups (Christen, 2004). For this study, the combination of the three negotiation items had a Cronbach's alpha of .68 for the Taiwanese sample and .63 for the Canadian sample.

Procedures

After receiving clearance from the Research Ethics Board of the University of Windsor, appropriate organizations and associations (i.e., those with an adequate number of employees or members who often interacted with foreign business representatives) in Canada and Taiwan were approached with an overview of the project and requirements of participation. Organizations who agreed to participate in the research study were asked to promote the survey to relevant employees by emailing a recruitment letter to employees in their business development, sales, or marketing departments, or any other relevant departments, and posting study advertisements at their place of work. Although management-level individuals were approached to query about an organization's willingness to participate in the study, the actual task of recruiting employees' participation was handled by administrative staff and other employees so as to decrease

the sense of coercion that might otherwise be felt by respondents if their managers or directors were the ones promoting the study. Both the recruitment letter and the study advertisements were created by the researcher and emailed to the administrative staff or employee assigned to be the organizational contact for this study.

Employees of participating organizations were emailed a recruitment letter with the survey link, or they saw posted advertisements describing the research study and the link they would need to access to participate in the study. Once respondents have read through the recruitment letter and clicked on the survey link, they were first asked to read a Letter of Information. Next, respondents had to indicate their consent to participate by clicking a box that said 'I agree to participate' before continuing to the first set of questions (refer to Appendix B for a listing of all study measures). If they clicked on the box that said 'I DO NOT agree to participate' they were taken to the Summary Letter.

At the conclusion of the survey, employees were thanked for their time and directed to a Summary Letter that included an overview of the purpose and goals of the study in addition to information regarding where the results of the study may be found. Respondents were also provided with instructions for entering an incentive draw for one of three $50 (or 1500NT for Taiwan) VISA prepaid credit cards. To protect their confidentiality, information provided for the incentive draw was kept in a separate database so that they were not linked to survey responses. Specifically, after the online survey was submitted, respondents were directed to another webpage URL and were given the opportunity to provide their email address to be entered in the draw. Reminder emails (also created by the researcher) were sent to organizational contacts two weeks after the first recruitment email had been sent out. Organizational contacts were asked to

forward the reminder email to organizational employees to further attract the attention of potential respondents to the study.

Because data collection also occurred in Taiwan, all study materials such as the recruitment email, the reminder email, the letter of information, the summary letter, and the study measures (i.e., the online survey) were translated into Mandarin. Specifically, the researcher first translated all study materials into Mandarin and then sent the Mandarin versions to two other individuals who were fluent in both Mandarin and English for backtranslation. One of the translators lived full-time in Taiwan and the other resided permanently in Canada. The researcher worked with both translators to resolve inconsistencies in the English backtranslations and the Mandarin study materials were revised accordingly. Once it was deemed that the English backtranslations were highly consistent with the original English version of the study materials, the final Mandarin version was sent to both translators for their review and approval, and then it was programmed into the Mandarin version of the online survey. Respondents in Taiwan were sent a survey link that was specific to the Mandarin version of the online survey.

CHAPTER IX

STUDY TWO: ANALYSIS

Preliminary Analyses

Missing data. The conclusions drawn from a dataset may be seriously biased depending on the amount and pattern of missing values within that dataset (Byrne, 2010). Researchers have identified three primary patterns of missing data: those missing completely at random (MCAR), data missing at random (MAR), and data that are missing in non-random patterns (NMAR). Of these three patterns, the MCAR pattern is of least concern to researchers. MCAR patterns are said to exist if the missingness is unrelated to the values of all other observed variables in the dataset as well as values of the X variable itself; in other words, there is no systematic pattern as to why those values are missing (Enders, 2006). On the other hand, MAR patterns suggest that even though the occurrence of missing values on variable X may be at random, their missingness may be linked to the observed values of other variables in that dataset. Lastly, the MNAR pattern of missing values can be extremely problematic with regards to forming research conclusions because the missingness of scores on variable X in this pattern is assumed to be dependent on the values of X itself or to have a systematic nature (Enders, 2006).

Analysis of the dataset showed that only 0.6% of values were missing throughout the entire dataset; however, because the missing values were spread across 91 respondents, it was inadvisable to use listwise deletion since the exclusion of all cases that had a missing value for any of the variables would result in a severely reduced sample size (Byrne, 2010). Consequently, after the conduction of Little's Missing Completely at Random (MCAR) Test in SPSS indicated that the null hypothesis (the

missing data was missing completely at random) was accepted ($p > .05$), the expectation maximization procedure in SPSS was used to address missing values in this dataset.

Outliers. As mentioned previously, the presence of outlier cases may influence the normality of the sample distribution. Outliers are extreme data points that typically occur because of data recording errors, errors in responding by respondents, or because a few respondents may represent a different population from the rest of the sample (West, Finch, & Curran, 1995).

Standardized and Mahalanobis distance scores were used to identify univariate and multivariate outliers in the SPSS dataset. Z-scores were calculated for all individual construct variables and those respondents who were associated with z-scores that were greater or less than three absolute standard deviations were removed as univariate outliers. Mahalanobis distance was used to assess multivariate normality and respondents who achieved significant Mahalanobis distance values at p=.001 were removed as multivariate outliers. A total of 30 responses were identified and removed from the dataset (i.e., cases that were missing values for multiple variables of interest or were outliers), resulting in a final sample size of 185 respondents.

Independence of observations. Other than the absence of systematic missing data, researchers must also check to ensure that their dataset meets the following statistical assumptions and considerations when using multiple regression analyses:

- Independence of observations
- A linear relationship between the predictor variables and the dependent variable
- Homoscedasticity of residuals
- No multicollinearity

- Errors are normally distributed

Independence of observations assumes that after controlling for variation due to the independent variables, the data from each individual in the dataset are unrelated to the data collected from every other individual in the study. Independence may usually be assumed if simple random sampling was used when recruiting respondents for data collection. In the case of this dissertation, since the online survey invite was sent to entire business associations as well as specific departments within organizations, it was possible that some of the study respondents may have worked together in the same workplace or worked with the same clients. However, because all respondents had the option of completing the survey by themselves at a time and location of their choosing, and because the survey did not ask respondents questions about their co-workers but instead only asked them about their interactions with external customers or business partners, the responses given should still uphold the independence of observations assumption. The Durbin-Watson statistic was calculated to statistically test for the independence of observations for each of the relationships of interest, and it was determined that there was independence of residuals in both country samples, with all Durbin-Watson values approximating 2 (see Table 4 below for Durbin-Watson values).

Table 4. Durbin-Watson values

Predictors	Dependent Variable	Durbin-Watson Statistic	
		Canadian Sample	Taiwanese Sample
Mediated Power + Non-Mediated Power	Respondent Cultural Adaptability	2.13	1.85
Mediated Power + Non-Mediated Power + Respondent Adaptability	Respondent Trustworthiness	2.07	2.15
Mediated Power + Non-Mediated Power	Partner Cultural Adaptability	1.94	2.13
Mediated Power + Non-Mediated Power + Partner Adaptability	Partner Trustworthiness	1.95	2.35
Partner Trustworthiness	Willingness to Negotiate	2.10	2.34

Linear relationship between predictors and dependent variable and homoscedasticity. Another assumption of multiple regression is that the independent variables collectively are linearly related to the dependent variable and also that each independent variable is linearly related to the dependent variable. Scatter plots were created plotting the studentized residuals against the (unstandardized) predicted values for each regression that was run, and the horizontal bands that were found in the scatterplots demonstrated that the relationships between a dependent variable and its associated independent variables were likely to be linear.

The assumption of homoscedasticity assumes that the residuals are equal for all values of the predicted dependent variable. Using the same scatter plots that were generated to assess for linearity, it was confirmed that the residuals were fairly evenly spread over the predicted values of the dependent variables, suggesting that this assumption has not been violated.

Multicollinearity. Multicollinearity occurs when two or more independent variables are highly correlated with each other. There are two stages to identifying

multicollinearity: inspection of correlation coefficients and Tolerance/VIF values. When the correlations were examined, none of the independent variables shared correlations that were greater than 0.7 (with the strongest correlations for both country samples occurring between Non-Mediated Power and Partner Adaptability, r = .58 for the Canadian sample and r = .53 for the Taiwanese sample). Additionally, when the tolerance values were examined, all of the values were greater 0.1, indicating that there were most likely no issues with multicollinearity with this data set. For both country datasets, the lowest tolerance value was found when non-mediated power was predicting partner trustworthiness, with the Canadian data showing a tolerance value of .60 and the Taiwanese data showing a tolerance value .67.

Normality. Due to the limited range in possible values associated with 5- and 7-point Likert scales, the Shapiro-Wilks test was not used to assess the normality of the variable distributions. Instead, visual inspection of histograms and Normal Q-Q plots were used as well as skewness and kurtosis values for univariate normality. Inspection of the histograms and Normal Q-Q plots for each variable in both country datasets showed that they all approximated a normal distribution.

Because this study used medium-sized samples for both the Canadian and Taiwanese groups, the critical value of 3.29 was used when assessing univariate skewness and kurtosis, with all absolute values greater than 3.29 being indicators of a non-normal distribution (West et al., 1995). Assessment of univariate skewness and kurtosis values showed that none of the variables had critical values greater than 3.29, which supported the conclusions of normality drawn from the visual inspections of histograms and Normal Q-Q plots (see Table 5 and 6 for skewness and kurtosis values).

Table 5. Skewness and kurtosis values for the Canadian dataset

Variable	Skewness	Standard Error	Z-score for skewness	Kurtosis	Standard Error	Z-score for kurtosis
Other Adaptability	0.26	0.23	1.14	-0.12	0.45	-0.23
Respondent Adaptability	0.35	0.23	1.51	0.08	0.45	0.18
Mediated Power	0.20	0.23	0.86	0.14	0.45	0.30
Non-Mediated Power	-0.08	0.23	-0.33	-0.18	0.45	-0.39
Independent SC	-0.32	0.23	-1.39	-0.52	0.45	-1.14
Interdependent SC	-0.23	0.23	-1.00	-0.79	0.45	-1.74
Other Trustworthiness	-0.43	0.23	-1.87	-0.39	0.45	-0.86
Respondent Trustworthiness	-0.72	0.23	-3.15	0.52	0.45	1.14
Negotiation	0.47	0.23	2.05	0.27	0.45	0.59

Table 6. Skewness and kurtosis values for the Taiwanese dataset

Variable	Skewness	Standard Error	Z-score for skewness	Kurtosis	Standard Error	Z-score for kurtosis
Other Adaptability	0.28	0.28	1.02	0.64	0.55	1.16
Respondent Adaptability	0.12	0.28	0.43	-0.28	0.55	-0.50
Mediated Power	0.54	0.28	1.92	0.84	0.55	1.53
Non-Mediated Power	-0.22	0.28	-0.78	-0.05	0.55	-0.08
Independent SC	-0.36	0.28	-1.27	-0.48	0.55	-0.88
Interdependent SC	-0.31	0.28	-1.11	-0.32	0.55	-0.58
Other Trustworthiness	0.16	0.28	0.58	-0.62	0.55	-1.12
Respondent Trustworthiness	-0.12	0.28	-0.44	-0.40	0.55	-0.72
Negotiation	-0.79	0.28	-2.82	1.78	0.55	3.23

Main Analyses

Analyses of direct relationships and mediating relationships were assessed through linear and multiple regression analyses using SPSS 22. To test for mediation, four conditions should be met (Baron & Kenny, 1986): (1) the predictor variable (power) must significantly predict the outcome variable (trustworthiness); (2) the predictor variable (power) must significantly predict the mediator (cultural adaptability); (3) the mediator (cultural adaptability) must significantly predict the outcome variable (trustworthiness); and lastly, (4) the predictor variable (power) must predict the outcome

variable (trustworthiness) less strongly when the mediator (cultural adaptability) is included in the regression model. If the effect of power was no longer significant after cultural adaptability was included in the model, this finding would indicate that cultural adaptability was fully mediating the relationship between power and trustworthiness. If power still significantly affected trustworthiness (i.e., both power and cultural adaptability significantly predicted trustworthiness), then this would indicate that partial mediation occurred.

Additionally, in order to examine for potential outcomes of trustworthiness, linear regression was used to examine the relationship between perceptions of partner trustworthiness and respondents' willingness to engage in negotiations with their partner (Hypothesis 19).

Multiple regression analyses of moderation effects. Moderation describes a situation that includes three or more variables, where the presence of one of the variables changes the relationship between the other two. In other words, moderation exists when the association between two variables is not the same at all levels of a third variable. For example, in this current study, there were three separate things in the model that could potentially influence perceptions of respondent trustworthiness: engagement in culturally adaptive behaviours, their level of identification with a cultural orientation (i.e., independent and interdependent self-construal), and the combined effect of adaptive behaviours and cultural orientation that was not accounted for by each individual variable.

Hierarchical multiple regression analysis was used to assess the direct and moderating effects of the predictor and moderator variables on perceptions of trustworthiness. In order to conduct the moderation analyses, the variables of interest

were first centred, and then four interaction variables were created by multiplying cultural adaptability with self-construal (i.e., respondent adaptability X independent self-construal, respondent adaptability X interdependent self-construal, partner adaptability X independent self-construal, and partner adaptability X interdependent self-construal). After the interaction variables were created, hierarchical regression analyses were run. The independent variable (cultural adaptability) and the moderator variable (self-construal) were entered into Model 1 of the hierarchical regression analysis, and Model 2 of the analysis included the addition of the interaction term.

CHAPTER X

STUDY TWO: RESULTS

Descriptive Statistics

Means and standard deviations of the two country samples as well as the bivariate correlations amongst study variables are presented in Tables 7 through 10 below.

Table 7. Descriptive statistics of study variables – Canadian sample

Variable	*N*	Minimum	Maximum	Mean	Standard Deviation
Mediated Power	111	1.13	5.00	2.98	.73
Non-mediated Power	111	2.50	5.00	3.86	.52
Partner Adaptability	111	1.00	6.00	3.56	1.16
Respondent Adaptability	111	1.00	6.00	3.59	1.08
Partner Trustworthiness	111	3.74	7.00	5.62	.79
Respondent Trustworthiness	111	4.00	7.00	5.97	.70
Willingness to Negotiate	111	3.33	6.67	4.86	.67
Independent Self-construal	111	3.50	7.00	5.46	.78
Interdependent Self-construal	111	3.71	7.00	5.38	.78

Table 8. Descriptive statistics of study variables - Taiwanese sample

Variable	*N*	Minimum	Maximum	Mean	Standard Deviation
Mediated Power	74	1.63	4.63	2.80	.57
Non-mediated Power	74	2.83	4.75	3.71	.38
Partner Adaptability	74	1.20	6.00	2.96	.89
Respondent Adaptability	74	1.00	6.00	3.68	1.02
Partner Trustworthiness	74	3.45	6.82	4.98	.75
Respondent Trustworthiness	74	3.93	6.89	5.46	.68
Willingness to Negotiate	74	2.67	5.67	4.48	.50
Independent Self-construal	74	3.33	6.67	5.22	.81
Interdependent Self-construal	74	3.86	6.71	5.39	.62

Table 9. Bivariate correlations of study variables - Canadian sample

	Med-iated power	Non-mediated power	Partner adaptability	Respondent adaptability	Partner trustworthiness	Respondent trustworthiness	Willingness to negotiate	Independent self-construal	Interdependent self-construal
Mediated power	.79	.32**	.10	.35**	.13	-.06	-.12	.18	.30**
Non-mediated power	-	.86	.58**	.55**	.60**	.57**	.36**	.42**	.33**
Partner adaptability	-	-	.92	.69**	.53**	.56**	.25**	.39**	.35**
Respondent adaptability	-	-	-	.93	.48**	.45**	.22*	.49**	.40**
Partner trustworthiness	-	-	-	-	.92	.72**	.31**	.44**	.48**
Respondent trustworthiness	-	-	-	-	-	.94	.39**	.48**	.38**
Willingness to negotiate	-	-	-	-	-	-	.63	.19*	.05
Independent self-construal	-	-	-	-	-	-	-	.63	.57**
Interdependent self-construal	-	-	-	-	-	-	-	-	.72

* Correlation is significant at the 0.05 level (2-tailed)

** Correlation is significant at the 0.01 level (2-tailed)

Note: The Cronbach's alpha values for each variable are listed along the diagonal of the correlations table

Table 10. Bivariate correlations of study variables - Taiwanese sample

	Med-iated power	Non-mediated power	Partner adaptability	Respondent adaptability	Partner trustworthiness	Respondent trustworthiness	Willingness to negotiate	Independent self-construal	Interdependent self-construal
Mediated power	.80	.33**	.23*	.14	.40**	.16	.11	-.16	.14
Non-mediated power	-	.83	.53**	.50**	.58**	.58**	.34**	.28*	.44**
Partner adaptability	-	-	.94	.54**	.42**	.48**	.10	.17	.28*
Respondent adaptability	-	-	-	.90	.30**	.46**	.14	.08	.35**
Partner trustworthiness	-	-	-	-	.92	.70**	.26*	.40**	.41**
Respondent trustworthiness	-	-	-	-	-	.92	.22	.44**	.47**
Willingness to negotiate	-	-	-	-	-	-	.68	.28*	.16
Independent self-construal	-	-	-	-	-	-	-	.72	.41**
Interdependent self-construal	-	-	-	-	-	-	-	-	.66

* Correlation is significant at the 0.05 level (2-tailed)

** Correlation is significant at the 0.01 level (2-tailed)

Note: The Cronbach's alpha values for each variable are listed along the diagonal of the correlations table

Examination of the correlational patterns between the two country datasets revealed that there seemed to be between-country differences in the relationships of some of the variable pairs. The Fisher r-to-z transformation was used to calculate a value of z that could be applied to assess the significance of the difference between the corresponding correlation coefficients found in the two country samples. Significant between-country differences were found in the correlations between mediated power and partner trustworthiness ($z = 1.88$, $p < .05$), mediated power and independent self-construal ($z = -2.27$, $p < .05$), and independent self-construal and respondent adaptability ($z = -2.93$, $p < .05$). Of these three correlational relationships, the correlation between mediated power and independent self-construal did not reach statistical significance in both country datasets, and the other two correlations were directly linked to specific study hypotheses, suggesting that the regression analyses should be run separately by country. Specifically, mediated power was found to be positively related to perceptions of partner trustworthiness in the Taiwanese sample but was not significantly related to partner trustworthiness in the Canadian sample. Findings from Study One of this dissertation suggest that Taiwanese respondents tend to ascribe more paternalistic tendencies and caring to people who hold power in their society, potentially explaining why even the possession of mediated power may be viewed positively, leading to increased perceptions of trustworthiness. Interestingly, levels of independent and interdependent self-construal were positively related to respondent adaptability in the Canadian sample, but only the interdependent self-construal relationship was statistically significant in the Taiwanese sample. These differences suggest that analyses of the moderation hypotheses may result

in country-specific results, further supporting the need for conducting regression analyses separately for each country.

Confirmatory Factor Analysis

In order to assess whether or not the variables were being interpreted in a similar manner across the two country samples, individual confirmatory factor analyses were conducted by country for each of the latent variables of interest. Details about the parcelling used to conduct the CFA analyses and the model fit indices used to assess the results of the CFA analyses are provided below.

Parcelling. Likert-type data are by definition not normally distributed because they are discrete in nature (Finney & DiStefano, 2006). However, Likert-scale data may be re-expressed as item parcels that produce distributions that more closely approximate normality (West et al., 1995). Item parcels are created by summing or averaging together several items that are thought to measure the same construct (West et al., 1995). The reduction of the number of manifest variables into item parcels also means that fewer parameters will need to be estimated in the measurement model, which may be beneficial if one is working with small sample sizes. All measured indicators in the univariate CFA models were combined into four parcels per latent construct using the domain parcelling method.

Model fit indices. The following absolute and incremental fit indices were used to analyze the fit of the CFA models:

- χ^2 = The chi-square test assesses overall model fit. The null hypothesis states that the implied covariance matrix is equivalent to the observed sample covariance matrix. In other words, the null hypothesis predicts that the proposed model

implies a covariance structure that is consistent with observed covariances. A large chi-square value and rejection of the null hypothesis indicates that the proposed model does not fit well with the sample dataset. Conversely, a small chi-square value and failure to reject the null hypothesis indicates good model fit. However, it is important to remember that chi-square is sensitive to sample size, meaning that as sample size increases, it will become increasingly difficult to retain the null hypothesis when it is false. In light of this consideration, it is recommended that information from other indexes such as the relative chi-square be included in one's interpretations of the analysis (Byrne, 2001).

- χ^2/d = The relative chi-square (also known as the normed chi-square) is equaled to the chi-square index divided by the degrees of freedom. This index is thought to be less sensitive to sample size. The criterion for acceptance varies across researchers, with most recommending values less than 2 or 3 indicating acceptable fit (Byrne, 2001).
- RMSEA = The Root Mean Square Error of Approximation is a population estimate of the degree of misspecification per degree of freedom, which basically means that this estimate looks at the degree of misfit of the proposed model. This statistic is commonly reported because it includes penalties for model complexity and it is relatively insensitive to sample size. RMSEA values can vary between 0.00 to 1.00, with lower values indicating better fit. Conventional cut-offs state that RMSEA values that are .06 or less usually indicate that the model is a close fit in relation to the degrees of freedom. Values that are less than .08 indicate fair fit and if they are greater than or equal to .10, this would indicate poor model fit

(Hu & Bentler, 1999). However, models with small degrees of freedom and low sample sizes can have artificially large values of RMSEA (Kenny, Kaniskan, & McCoach, 2014). Consequently, the RMSEA values for these CFA analyses should be interpreted with caution.

- SRMR = The Standardized Root Mean Square Residual is the standardized difference between the observed and predicted correlations. This is an absolute measure of fit with lower values indicating better fit. Because the SRMR does not include penalties for model complexity, it is often recommended that SRMR be reported in combination with incremental indices such as the CFI. According to Hu and Bentler's (1999) combinational guidelines, the CFI is recommended to have a cut-off value of .95 when SRMR has a cut-off value that is close to .06.
- CFI and TLI= The Comparative Fix Index and the Tucker-Lewis Index compares the fit of a proposed model to that of a baseline model in which all variables are assumed to be uncorrelated. Higher values indicate better fit, with values greater than .95 indicating good fit (Hu & Bentler, 1999).

All CFAs displayed acceptable to excellent model fit (see Tables 11 and 12; refer to Appendix C for CFA models) and although there were slight between-country differences in parameter estimates, all paths between parcels and latent variables were significant in the expected directions, sufficiently demonstrating the structural equivalence of the study measures across country samples. It should be noted that in cross-cultural research, rather than identical parameter estimates, structural equivalence may be assumed when factor structures obtained within a measurement instrument are

similar across various cultures (Berry, 1980; Eysenck & Eysenck, 1983; Vijver & Leung, 1997).

Table 11. Univariate CFA analysis for Canadian sample

	χ^2	χ^2/d	RMSEA (90% Conf. Interval)	SRMR	CFI	TLI
Mediated power	.25, *df*=1, *p*>.05	.25	.00 (.00-.13)	.00	1.00	1.02
Non-mediated power	1.89, *df*=2, *p*>.05	.94	.00 (.00-.19)	.02	1.00	1.00
Partner adaptability	.43, *df*=2, *p*>.05	.21	.00 (.00-.12)	.00	1.00	1.01
Respondent adaptability	3.69, *df*=2, *p*>.05	1.84	.09 (.00-.23)	.01	1.00	.99
Partner trustworthiness	.04, *df*=1, *p*>.05	.04	.00 (.00-.14)	.00	1.00	1.01
Respondent trustworthiness	1.85, *df*=1, *p*>.05	1.85	.09 (.00-.29)	.01	1.00	.99

Table 12. Univariate CFA analysis for Taiwanese sample

	χ^2	χ^2/d	RMSEA (90% Conf. Interval)	SRMR	CFI	TLI
Mediated power	2.33, *df*=1, *p*>.05	2.33	.13 (.00-.37)	.03	.99	.93
Non-mediated power	.75, *df*=2, *p*>.05	.38	.00 (.00-.17)	.01	1.00	1.03
Partner adaptability	1.94, *df*=2, *p*>.05	.97	.00 (.00-.23)	.01	1.00	1.00
Respondent adaptability	1.99, *df*=2, *p*>.05	1.00	.00 (.00-.23)	.01	1.00	1.00
Partner trustworthiness	1.58, *df*=1, *p*>.05	1.58	.09 (.00-.34)	.01	1.00	.98
Respondent trustworthiness	.05, *df*=1, *p*>.05	.05	.00 (.00-.19)	.00	1.00	1.02

For the variables of respondent trustworthiness and partner trustworthiness, measurement models were assessed with and without the eight trustworthiness items generated from the findings in Study One of this dissertation. Comparison of these models using the chi-square difference test indicated that when the new trustworthiness items were included in the analyses, the models displayed worse fit than the models that only included the original trustworthiness items. Although the new trustworthiness items

were developed using the qualitative responses provided in Study One of the dissertation, it is possible that the actual quantitative items were too specific in the content that it was covering, thereby providing a limited portrayal of the new trustworthiness dimensions. For example, the items "My business partner/client trusts that I am friendly and approachable" and "My business partner/client trusts that I am respectful towards the people I work with" were created to represent the new "Interpersonal" dimension identified in Study One, which describes one's engagement in behaviours or exhibition of qualities that would assist with the building of positive interpersonal relationships. However, as noted in Study One, the "Interpersonal" dimension of trustworthiness was characterized by a variety of qualities, such as being communicative, open-minded, cooperative, and engages in positive relations with others. The richness of qualitative data provides researchers with the foundation upon which numerous quantitative items may be developed. Conversely, this means that it is often difficult for researchers to capture the breadth and depth of meaning conveyed in qualitative data using a limited number of quantitative items. If the new "Interpersonal" items were too restrictive in terms of content coverage, this may have resulted in poorer model fit as respondents who may value the importance of interpersonal skills in determining trustworthiness may not necessarily associate this skillset with the specific qualities of being friendly, approachable, or respectful.

Consequently, in order to maintain consistency between assessments of partner and respondent trustworthiness, only the items from the Spreitzer and Mishra (1999) measure were included in assessments of trustworthiness when conducting the regression analyses.

Relationship between Power and Perceptions of Trustworthiness

Assessment of direct relationships. Of the ten direct relationships hypothesized in this study, the following results (also refer to Table 13 below) were found when regression analyses were run with the Canadian dataset:

- Hypothesis 1 predicted a positive relationship between non-mediated power and partner trustworthiness. The regression analysis found statistically significant results, $F(1, 110) = 62.96$, $p < .05$, adj. $R^2 = .36$.
- Hypothesis 2 predicted a positive relationship between non-mediated power and respondent trustworthiness. The regression analysis found statistically significant results, $F(1, 110) = 36.26$, $p < .05$, adj. $R^2 = .33$.
- Hypothesis 3 predicted a negative relationship between mediated power and partner trustworthiness. The regression analysis did not find statistically significant results, $F(1, 110) = 1.91$, $p > .05$, adj. $R^2 = .01$.
- Hypothesis 4 predicted a negative relationship between mediated power and respondent trustworthiness. The regression analysis did not reveal statistically significant results, $F(1, 110) = .33$, $p > .05$, adj. $R^2 = -.01$.
- Hypothesis 5 predicted a positive relationship between partner engagement in culturally adaptive behaviours and perceptions of partner trustworthiness. The regression analysis found statistically significant results, $F(1, 110) = 41.76$, $p < .05$, adj. $R^2 = .27$.
- Hypothesis 6 predicted a positive relationship between respondent engagement in culturally adaptive behaviours and perceptions of respondent trustworthiness. The

regression analysis found statistically significant results, $F(1, 110) = 27.19$, $p < .05$, adj. $R^2 = .19$.

- Hypothesis 7 predicted a negative relationship between mediated power and partner engagement in culturally adaptive behaviours. The regression analysis did not find statistically significant results, $F(1, 110) = 1.21$, $p > .05$, adj. $R^2 = .00$.
- Hypothesis 8 predicted a positive relationship between mediated power and respondent engagement in culturally adaptive behaviours. The regression analysis found statistically significant results, $F(1, 110) = 15.24$, $p < .05$, adj. $R^2 = .12$.
- Hypothesis 9 predicted a positive relationship between non-mediated power and partner engagement in culturally adaptive behaviours. The regression analysis found statistically significant results, $F(1, 110) = 55.37$, $p < .05$, adj. $R^2 = .33$.
- Hypothesis 10 predicted a positive relationship between non-mediated power and respondent engagement in culturally adaptive behaviours. The regression analysis found statistically significant results, $F(1, 110) = 48.03$, $p < .05$, adj. $R^2 = .30$.

Table 13. Summary of regression analyses - Canadian sample

Hypothesis	Variable	*B*	SE_B	*β*
H1: Non-mediated power positively predicts partner trustworthiness	Intercept	2.08	.45	
	Non-mediated power	.92	.12	.61*
H2: Non-mediated power positively predicts respondent trustworthiness	Intercept	3.04	.41	
	Non-mediated power	.76	.10	.57*
H3: Mediated power negatively predicts partner trustworthiness	Intercept	5.19	.32	
	Mediated power	.14	.10	.13
H4: Mediated power negatively predicts respondent trustworthiness	Intercept	6.13	.28	
	Mediated power	-.05	.09	-.06
H5: Partner cultural adaptability positively predicts partner trustworthiness	Intercept	4.33	.21	
	Partner cultural adaptability	.36	.06	.53*
H6: Respondent cultural adaptability positively predicts respondent trustworthiness	Intercept	4.94	.21	
	Respondent cultural adaptability	.29	.06	.45*
H7: Mediated power negatively predicts partner cultural adaptability	Intercept	3.06	.46	
	Mediated power	.17	.15	.11
H8: Mediated power positively predicts respondent cultural adaptability	Intercept	2.05	.41	
	Mediated power	.52	.13	.35*
H9: Non-mediated power positively predicts partner cultural adaptability	Intercept	-1.40	.67	
	Non-mediated power	1.28	.17	.58*
H10: Non-mediated power positively predicts respondent cultural adaptability	Intercept	-.82	.64	
	Non-mediated power	1.14	.16	.55*

Note: $^*p < .05$; *B* = unstandardized regressions coefficient; SE_B = standard error of the coefficient; *β* = standardized coefficient

For the Taiwanese sample, the following results were found:

- Hypothesis 1 predicted a positive relationship between non-mediated power and partner trustworthiness. The regression analysis found statistically significant results, $F(1, 73) = 36.39$, $p < .05$, adj. $R^2 = .33$.
- Hypothesis 2 predicted a positive relationship between non-mediated power and respondent trustworthiness. The regression analysis found statistically significant results, $F(1, 73) = 36.26$, $p < .05$, adj. $R^2 = .33$.
- Hypothesis 3 predicted a negative relationship between mediated power and partner trustworthiness. The regression analysis found statistically significant

results, $F(1, 73) = 13.41$, $p < .05$, adj. $R^2 = .14$. However, rather than a negative relationship, a positive relationship was found between mediated power and partner trustworthiness.

- Hypothesis 4 predicted a negative relationship between mediated power and respondent trustworthiness. The regression analysis did not reveal statistically significant results, $F(1, 73) = 1.93$, $p > .05$, adj. $R^2 = .01$.
- Hypothesis 5 predicted a positive relationship between partner engagement in culturally adaptive behaviours and perceptions of partner trustworthiness. The regression analysis found statistically significant results, $F(1, 73) = 14.95$, $p < .05$, adj. $R^2 = .16$.
- Hypothesis 6 predicted a positive relationship between respondent engagement in culturally adaptive behaviours and perceptions of respondent trustworthiness. The regression analysis found statistically significant results, $F(1, 73) = 19.51$, $p < .05$, adj. $R^2 = .20$.
- Hypothesis 7 predicted a negative relationship between mediated power and partner engagement in culturally adaptive behaviours. The regression analysis found statistically significant results, $F(1, 73) = 4.07$, $p < .05$, adj. $R^2 = .04$. However, rather than a negative relationship, a statistically significant positive relationship was found between mediated power and partner engagement in culturally adaptive behaviours.
- Hypothesis 8 predicted a positive relationship between mediated power and respondent engagement in culturally adaptive behaviours. The regression analysis did not find statistically significant results, $F(1, 73) = 1.41$, $p > .05$, adj. $R^2 = .01$.

- Hypothesis 9 predicted a positive relationship between non-mediated power and partner engagement in culturally adaptive behaviours. The regression analysis found statistically significant results, $F(1, 73) = 28.67$, $p < .05$, adj. $R^2 = .28$.
- Hypothesis 10 predicted a positive relationship between non-mediated power and respondent engagement in culturally adaptive behaviours. The regression analysis found statistically significant results, $F(1, 73) = 23.78$, $p < .05$, adj. $R^2 = .24$.

Regression coefficients and standard errors can be found in Table 14 below.

Table 14. Summary of regression analyses - Taiwanese sample

Hypothesis	Variable	*B*	SE_B	*β*
H1: Non-mediated power positively predicts partner trustworthiness	Intercept	.76	.70	
	Non-mediated power	1.14	.19	.58*
H2: Non-mediated power positively predicts respondent trustworthiness	Intercept	1.60	.64	
	Non-mediated power	1.04	.17	.58*
H3: Mediated power negatively predicts partner trustworthiness	Intercept	3.54	.40	
	Mediated power	.52	.14	.40*
H4: Mediated power negatively predicts respondent trustworthiness	Intercept	4.92	.40	
	Mediated power	.19	.14	.16
H5: Partner cultural adaptability positively predicts partner trustworthiness	Intercept	3.96	.28	
	Partner cultural adaptability	.35	.09	.42*
H6: Respondent cultural adaptability positively predicts respondent trustworthiness	Intercept	4.32	.27	
	Respondent cultural adaptability	.31	.07	.46*
H7: Mediated power negatively predicts partner cultural adaptability	Intercept	1.95	.51	
	Mediated power	.36	.18	.23*
H8: Mediated power positively predicts respondent cultural adaptability	Intercept	2.99	.60	
	Mediated power	.25	.21	.14
H9: Non-mediated power positively predicts partner cultural adaptability	Intercept	-1.69	.87	
	Non-mediated power	1.25	.23	.53*
H10: Non-mediated power positively predicts respondent cultural adaptability	Intercept	-1.30	1.03	
	Non-mediated power	1.34	.28	.50*

Note: *$p < .05$; *B* = unstandardized regressions coefficient; SE_B = standard error of the coefficient; *β* = standardized coefficient

Assessment of mediation effects. Multiple regression analyses were run to assess Hypotheses 11 through 14. Results for the Canadian sample are as follows:

- Hypothesis 11 predicted that respondent cultural adaptability would partially mediate the relationship between mediated power and perceptions of respondent trustworthiness. The regression analysis found statistically significant results, $F(1, 109) = 18.05$, $p < .05$, adj. $R^2 = .24$. Both variables significantly predicted perceptions of respondent trustworthiness ($p < .05$), supporting the claim of partial mediation.
- Hypothesis 12 predicted that respondent cultural adaptability would partially mediate the relationship between non-mediated power and perceptions of respondent trustworthiness. The regression analysis found statistically significant results, $F(1, 109) = 28.95$, $p < .05$, adj. $R^2 = .34$. Both variables significantly predicted perceptions of respondent trustworthiness ($p < .05$), supporting the claim of partial mediation.
- Hypothesis 13 predicted that the cultural adaptability displayed by the partner would partially mediate the relationship between mediated power and perceptions of partner trustworthiness. However, since mediated power was found to not directly influence partner trustworthiness or partner adaptability, it was expected that a mediation relationship would also not be apparent. The regression model supported this expectation and while the model was found to be statistically significant, $F(1, 110) = 21.30$, $p < .05$, adj. $R^2 = .27$, only partner adaptability significantly predicted perceptions of partner trustworthiness ($p < .05$).

- Hypothesis 14 predicted that the cultural adaptability displayed by the partner would partially mediate the relationship between non-mediated power and perceptions of partner trustworthiness. The regression model was found to be statistically significant, $F(1, 110) = 37.89$, $p < .05$, adj. $R^2 = .40$. Both variables significantly predicted perceptions of partner trustworthiness ($p < .05$), supporting the claim of partial mediation.

Regression coefficients and standard errors can be found in Table 15 below.

Table 15. Summary of mediation analyses - Canadian sample

Hypothesis	Variable	*B*	SE_B	*β*
H11: Respondent adaptability partially mediates mediated power and respondent trustworthiness	Intercept	5.42	.27	
	Mediated power	-.23	.08	-.24*
	Respondent adaptability	.34	.06	.53*
H12: Respondent adaptability partially mediates non-mediated power and respondent trustworthiness	Intercept	3.14	.41	
	Non-mediated power	.62	.12	.46*
	Respondent adaptability	.12	.06	.19*
H13: Partner adaptability partially mediates mediated power and partner trustworthiness	Intercept	4.11	.32	
	Mediated power	.08	.09	.08
	Partner adaptability	.36	.06	.52*
H14: Partner adaptability partially mediates non-mediated power and partner trustworthiness	Intercept	2.33	.44	
	Non-mediated power	.68	.14	.45*
	Partner adaptability	.18	.06	.26*

Note: *$p < .05$; *B* = unstandardized regressions coefficient; SE_B = standard error of the coefficient; *β* = standardized coefficient

Next, the same analyses were run with the Taiwanese data, with the following results:

- Hypothesis 11 predicted that respondent cultural adaptability would partially mediate the relationship between mediated power and perceptions of respondent trustworthiness. However, since mediated power was found to not directly influence respondent trustworthiness or respondent adaptability, it was expected that a mediation relationship would also not be apparent. The regression model supported this expectation and while the model itself was statistically significant,

$F(2, 73) = 10.18$, $p < .05$, adj. $R^2 = .20$, only respondent adaptability was found to significantly predict respondent trustworthiness ($p < .05$).

- Hypothesis 12 predicted that respondent cultural adaptability would partially mediate the relationship between non-mediated power and perceptions of respondent trustworthiness. The regression analysis found statistically significant results, $F(2, 73) = 21.29$, $p < .05$, adj. $R^2 = .36$. Both variables significantly predicted perceptions of respondent trustworthiness ($p < .05$), supporting the claim of partial mediation.
- Hypothesis 13 predicted that the cultural adaptability displayed by the partner would partially mediate the relationship between mediated power and perceptions of partner trustworthiness. The regression analysis found statistically significant results, $F(2, 73) = 12.95$, $p < .05$, adj. $R^2 = .25$. Both variables significantly predicted perceptions of partner trustworthiness ($p < .05$), supporting the claim of partial mediation.
- Hypothesis 14 predicted that the cultural adaptability displayed by the partner would partially mediate the relationship between non-mediated power and perceptions of partner trustworthiness. The regression model was statistically significant, $F(2, 74) = 19.22$, $p < .05$, adj. $R^2 = .33$, but only non-mediated power significantly predicted partner trustworthiness, thereby indicating a lack of a mediating relationship.

Regression coefficients and standard errors can be found in Table 16 below.

Table 16. Summary of mediation analyses - Taiwanese sample

Hypothesis	Variable	*B*	SE_B	*β*
H11: Respondent adaptability partially mediates mediated power and respondent trustworthiness	Intercept	4.02	.41	
	Mediated power	.12	.13	.10
	Respondent adaptability	.30	.07	.45*
H12: Respondent adaptability partially mediates non-mediated power and respondent trustworthiness	Intercept	1.79	.64	
	Non-mediated power	.83	.20	.46*
	Respondent adaptability	.15	.07	.23*
H13: Partner adaptability partially mediates mediated power and partner trustworthiness	Intercept	2.98	.41	
	Mediated power	.41	.14	.32*
	Partner adaptability	.28	.09	.34*
H14: Partner adaptability partially mediates non-mediated power and partner trustworthiness	Intercept	.97	.72	
	Non-mediated power	.98	.22	.50*
	Partner adaptability	.12	.10	.15

Note: *$p < .05$; *B* = unstandardized regressions coefficient; SE_B = standard error of the coefficient; *β* = standardized coefficient

Assessment of Moderation Effects

The four moderation hypotheses (Hypotheses 15 through 18) were tested using hierarchical multiple regression analyses. The following procedures were used to test for moderation effects: the predictor and moderator variables were first entered into the regression equation in order to examine the main effects of the predictor and the moderator, and then the interaction term of these two variables was added to examine the moderating effect. In order to avoid multicollinearity issues, the interaction term was created by multiplying centred predictor and moderator variables (Aiken & West, 1991; Frazier, Tix, & Barron, 2004; Homebeck, 1997).

As shown in Table 17 and Table 18 below, independent self-construal levels did not have a moderating effect on the relationship between cultural adaptability to either perceptions of respondent trustworthiness (Canada: $\beta = -.12$, $p > .05$; Taiwan: $\beta = -.07$, $p > .05$) or perceptions of the partner's trustworthiness (Canada: $\beta = -.05$, $p > .05$; Taiwan: $\beta = -.03$, $p > .05$). Similarly, interdependent self-construal did not moderate the

relationship between cultural adaptability and perceptions of the partner's trustworthiness (Canada: β = -.14, p > .05; Taiwan: β =.02, p > .05) (see Table 19 and Table 20).

However, for both countries, the interdependent self-construal did significantly influence the relationship between cultural adaptability and perceptions of the respondent's own trustworthiness (Canada: β = -.16, p < .05; Taiwan: β = -.19, p < .05), thereby providing support for Hypothesis 18. The inclusion of the respondent adaptability X interdependent self-construal interaction term in the second step significantly improved the model (Canada: $F(3, 107) = 13.38$, p < .05; Taiwan: $F(3, 70) = 12.95$, p < .05), although it only accounted for 2.5% and 3.5% of the variance in the Canadian and Taiwanese datasets respectively for predicting respondent trustworthiness after controlling for the main effect of cultural adaptability. The negative beta of the interaction terms indicates that the relationship between cultural adaptability and perceptions of trustworthiness weakens as people's adherence to interdependence strengthens (Figure 9).

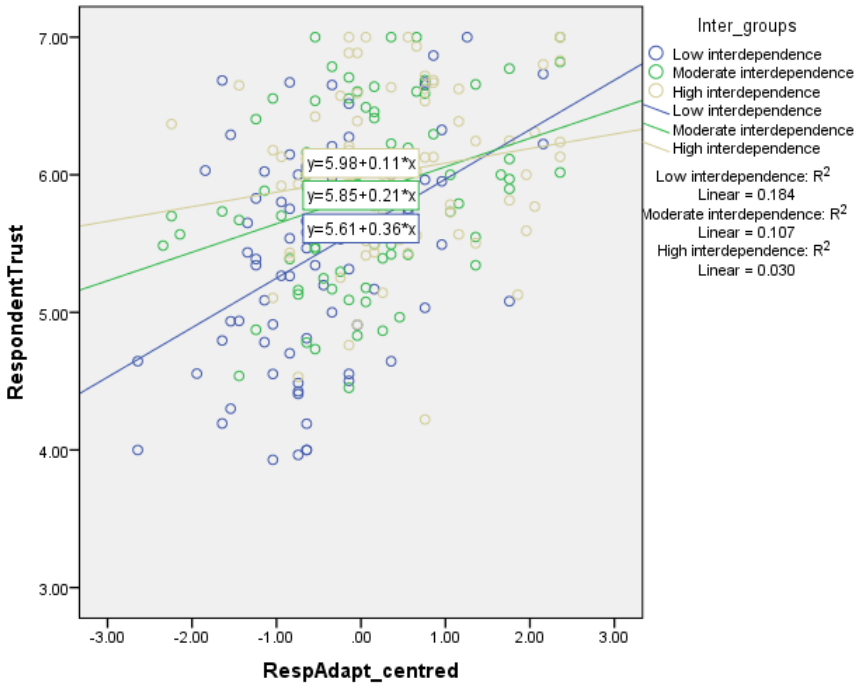

Figure 9. Moderation effect of interdependent self-construal on respondent adaptability-trustworthiness relationship (combined Canadian and Taiwanese dataset)

Table 17. Test of independent self-construal moderation model – Canadian sample

Step	*B*	*SE B*	*β*
Respondent Trustworthiness			
Step 1			
Constant	5.95	.06	
Independent self-construal	.31	.08	.34**
Respondent cultural adaptability	.18	.06	.28*
Step 2			
Constant	5.99	.06	
Independent self-construal	.28	.08	.31*
Respondent cultural adaptability	.20	.06	.31*
Independent SC X Resp Adapt	-.09	.06	-.12
Note. R^2= .29 and adjusted R^2=.28 for Step 1; ΔR^2=.01 for Step 2 (p>.05)			
Other Trustworthiness			
Step 1			
Constant	5.51	.06	
Independent self-construal	.28	.09	.27*
Other cultural adaptability	.29	.06	.42**
Step 2			
Constant	5.53	.07	
Independent self-construal	.28	.09	.28*
Other cultural adaptability	.29	.06	.43**
Independent SC X Other Adapt	-.04	.07	-.05
Note. R^2= .34 and adjusted R^2=.33 for Step 1; ΔR^2=.00 for Step 2 (p>.05)			

*p<.05; **p<.001

Table 18. Test of independent self-construal moderation model – Taiwanese sample

Step	*B*	*SE B*	*β*
Respondent Trustworthiness			
Step 1			
Constant	5.49	.06	
Independent self-construal	.34	.08	.41**
Respondent cultural adaptability	.29	.06	.43**
Step 2			
Constant	5.50	.06	
Independent self-construal	.35	.08	.41**
Respondent cultural adaptability	.27	.07	.41**
Independent SC X Resp Adapt	-.05	.08	-.07
Note. R^2= .38 and adjusted R^2=.36 for Step 1; ΔR^2=.00 for Step 2 (p>.05)			
Other Trustworthiness			
Step 1			
Constant	5.12	.08	
Independent self-construal	.30	.08	.36*
Other cultural adaptability	.31	.09	.34*
Step 2			
Constant	5.13	.08	
Independent self-construal	.30	.09	.36*
Other cultural adaptability	.30	.10	.33*
Independent SC X Other Adapt	-.04	.12	-.03
Note. R^2= .28 and adjusted R^2=.26 for Step 1; ΔR^2=.00 for Step 2 (p>.05)			

*p<.05; **p<.001

Table 19. Test of interdependent self-construal moderation model – Canadian sample

Step	*B*	*SE B*	*β*
Respondent Trustworthiness			
Step 1			
Constant	5.99	.06	
Interdependent self-construal	.22	.08	.24*
Respondent cultural adaptability	.23	.06	.35**
Step 2			
Constant	6.03	.06	
Interdependent self-construal	.22	.08	.24*
Respondent cultural adaptability	.23	.06	.35**
Interdependent SC X Resp Adapt	-.12	.06	-.16*
Note. R^2= .25 and adjusted R^2=.23 for Step 1; ΔR^2=.03 for Step 2 (p<.05)			
Other Trustworthiness			
Step 1			
Constant	5.55	.06	
Interdependent self-construal	.34	.08	.33**
Other cultural adaptability	.28	.06	.41**
Step 2			
Constant	5.59	.06	
Interdependent self-construal	.37	.08	.36**
Other cultural adaptability	.26	.06	.38**
Interdependent SC X Other Adapt	-.11	.06	-.14
Note. R^2= .38 and adjusted R^2=.36 for Step 1; ΔR^2=.02 for Step 2 (p>.05)			

*p<.05; **p<.001

Table 20. Test of interdependent self-construal moderation model – Taiwanese sample

Step	*B*	*SE B*	*β*
Respondent Trustworthiness			
Step 1			
Constant	5.45	.07	
Interdependent self-construal	.39	.12	.35*
Respondent cultural adaptability	.23	.07	.34*
Step 2			
Constant	5.50	.07	
Interdependent self-construal	.36	.11	.33*
Respondent cultural adaptability	.22	.07	.32*
Interdependent SC X Resp Adapt	-.22	.11	-.19*
Note. R^2= .32 and adjusted R^2=.30 for Step 1; ΔR^2=.04 for Step 2 (p<.05)			
Other Trustworthiness			
Step 1			
Constant	5.08	.08	
Interdependent self-construal	.27	.09	.32*
Other cultural adaptability	.38	.13	.32*
Step 2			
Constant	5.07	.08	
Interdependent self-construal	.27	.09	.33*
Other cultural adaptability	.40	.14	.33*
Interdependent SC X Other Adapt	.03	.16	.02
Note. R^2= .26 and adjusted R^2=.24 for Step 1; ΔR^2=.00 for Step 2 (p>.05)			

*p<.05; **p<.001

Willingness to Negotiate-An Outcome of Trustworthiness

Regression analysis was also used to assess the relationship between perceptions of partner trustworthiness and respondents' willingness to negotiate with their partners. A statistically significant positive relationship was found between these two variables for both country samples (Canada: β = .31, p < .05; Taiwan: β = .26, p < .05), thereby providing support for Hypothesis 19 and indicating that as respondents' perceptions of their partners' trustworthiness increased, they were more willing to engage in negotiation

with their partners when conflicts arose in the business partnership. This regression model accounted for 8.6% (Canada) and 5.7% (Taiwan) of the variance between partner trustworthiness and willingness to negotiate (Canada: $F(109)=11.36$, $p < .05$; Taiwan: $F(1, 73)=5.38$, $p < .05$).

CHAPTER XI

STUDY TWO: DISCUSSION

This study examined the direct, mediating, and moderating effects that power dynamics, engagement in culturally adaptive behaviours, and cultural orientation had on perceptions of trustworthiness, as well as the relationship between trustworthiness and willingness to negotiate as an outcome variable.

Power and Trustworthiness

This study proposed four hypotheses regarding the direct influence of power on perceptions of trustworthiness. In both Canada and Taiwan, non-mediated power was positively related to perceptions of partner trustworthiness and respondent trustworthiness, thereby providing support for Hypotheses 1 and 2. However, the relationship between mediated power and perceptions of trustworthiness was not as straigthforward, with differences in patterns being found between countries. Specifically, in both countries, the mediated power that one's partner was perceived to possess did not significantly predict respondents' perceptions of their own trustworthiness, and so Hypothesis 4 was not supported. Instead, rather than influencing perceptions of respondent trustworthiness, mediated power was found to be positively related to perceptions of partner trustworthiness when the Taiwanese dataset was analyzed. This finding was not mirrored in the Canadian dataset, where the relationship between mediated power and partner trustworthiness did not reach statistical significance.

In terms of the Taiwanese context, the findings from the qualitative study (Study One of the dissertation) may shed some light on Taiwanese respondents' willingness to associate mediated power with perceptions of trustworthiness. In Taiwanese society,

people in positions of power or leadership are expected to lead through paternalism, which is a father-like leadership style in which strong authority and discipline is combined with concern and considerateness (Pelligrini & Scandura, 2008). For example, amongst the Taiwanese descriptions of a trustworthy supervisor, respondents mentioned a trustworthy supervisor as being "loving and caring to subordinates" and as someone who "protects subordinates." Consequently, people with power are expected to display benevolent tendencies towards those lower in the hierarchy and even displays of coercive power may be viewed in a positive manner if subordinates believe that the more powerful leader or partner is acting in the best interests of the weaker party. For example, Taiwanese respondents in Study One felt that trustworthy supervisors would "speak harshly [to subordinates] but in actuality possesses a really soft/kind heart," implying that it was acceptable for those with more power to be harsh or push a weaker partner or subordinate if it was believed that such behaviour would benefit the weaker party in some manner (e.g., forcing a partner to implement new operational procedures to enhance his learning and efficiency). In cultures that use the paternalistic leadership model, people in authority positions consider it their obligation to provide protection for those under their care (Aycan, Kanungo, & Sinha, 1999); consequently, Taiwanese respondents may be less likely to associate the possession of power with negative connotations.

Additionally, the exchange of favours through *guanxi* relationships in Chinese cultures such as Taiwan may also contribute to Taiwanese respondents' tendency to view mediated power in a favourable light. The phrase *guanxi* is used to refer to the personal connection between two individuals bound by an implicit psychological contract to follow the social norms associated with a *guanxi* relationship such as mutual

commitment, loyalty, obligation, reciprocity, unequal exchange of favours (each party will try to improve upon the favours that were given to them), and working to maintain the long-term orientation of the relationship (Chen & Chen, 2004). Considered in this context, the reward power aspect of mediated power may be inferred by Taiwanese respondents as a person's ability to potentially bestow rewards or favours onto others, or to return favours when needed; therefore, in a Taiwanese context, people who possess more mediated power are perceived as being more capable of fulfilling the obligations of a *guanxi* relationship and are therefore perceived to be more trustworthy than those who possess less power.

Regardless of culture, the establishment of one's trustworthiness is key to initiating and maintaining business partnerships, as the trust that is established may be used to infer perceptions of people's predictability or their goodwill (Hardy et al., 2002). If predictability of each other's actions is one of the criteria used to form one's sense of trust in a partnership, researchers have proposed that the use of coercive forms of power may result in similar outcomes. In other words, when a large power asymmetry exists in a business relationship, the stronger or more dominant party may "trust" that the weaker party will behave in predicted or expected ways, not because they are basing their judgements on the other individual's integrity or benevolent intentions, but because the stronger party possesses the power to manipulate the weaker side or force their capitulation (Hardy et al., 2002). In these contexts, the more dominant partner will still be able to manage the business relationship so as to ensure the promotion of their own interests without having to invest resources and effort into building high-quality relationships with weaker parties through demonstrations of their trustworthiness.

Consequently, the lack of importance placed on establishing trustworthiness when higher levels of mediated power is held by one party may explain why the relationship between mediated power and perceptions of partner trustworthiness (i.e., perceptions of the more dominant partner's trustworthiness) did not reach statistical significance in the Canadian dataset. More specifically, one possible explanation for this finding is that because the partner held higher levels of mediated power, they may possess the ability to enforce their decisions using non-relational methods, such as the use of formal contracts. In situations where one's roles and responsibilities in a partnership are clearly defined and policed by contractual obligations, one's ability to predict the partner's behaviours may be based more heavily on the terms of the contract rather than on assessments of the other person's trustworthiness. Consequently, when the partner is perceived to hold higher levels of mediated power, respondents may rely less on perceptions of an individual's personal trustworthiness to navigate a business relationship, resulting in a weaker (statistically non-significant) relationship between mediated power and perceptions of the partner's trustworthiness.

However, the use of mediated power may be considered by some as being overly forceful and damaging to a relationship; in contrast, a partner's possession of non-mediated power may be viewed in a more positive light. Some researchers have proposed that trust is important in relationships not only because it lends an aspect of predictability to business interactions, but also because there is a sense of goodwill attached to trust (Ring & van de Ven, 1992). Hardy et al. (2002) proposed that in order to distinguish trust relationships from power relationships, one must consider both predictability and goodwill in a trust relationship. In other words, trust can be said to exist in a relationship

when there is a high degree of predictabilty on both sides that the other will not engage in oppotunistic behaviours (Hardy et al., 2002). When a trust relationship is built on the assumption of goodwill (and not just predictability), both parties in a business relationship hold mutual expectations regarding reciprocity and a willingness to engage in cooperation as opposed to conflictual or opportunistic behaviours (Hardy et al., 2002). The use of non-mediated power in business partnerships can be interpreted as the power holder's willingness to engage in collaborative behaviours as opposed to coercive or opportunistic behaviours. Consequently, the use of non-mediated power is more conducive to building goodwill trust. Examination of the results for Hypotheses 1 and 2 revealed that the level of non-mediated power held by the partner did positively influence perceptions of both partner and the respondent trustworthiness, as predicted, in both the Canadian and Taiwanese dataset.

Specifically, this study found a statistically significant positive relationship between the level of non-mediated power held by the partner and a respondent's display of trustworthiness behaviours, which may be due to the relational benefits of non-mediated power usage. In other words, because the use of non-mediated power may be taken as an symbol of goodwill, respondents may feel more inclined to reciprocate by also engaging in behaviours that they feel will increase their trustworthiness in their partners' eyes.

However, it is important to remember that when assessing other people's trustworthiness, their intent (e.g., degree of benevolence) is only one of the factors considered. Other dimensions of trustworthiness include their perceived levels of ability and integrity (e.g., ability and willingness to keep promises). In this study, a positive

linear relationship was also found between non-mediated power and partner trustworthiness, indicating that as the amount of power held by the partner increased, so did perceptions of that partner's trustworthiness. Other than influencing the building of goodwill trust, this finding about non-mediated power may also be a reflection of respondents' belief that business partners must possess enough legitimate power to uphold promises or make influential decisions in order to be deemed trustworthy (Oberg & Svensson, 2010). Similarly, individuals who possess less power may be considered to be less trustworthy because even if they possess benevolent intentions, they may not possess the power and ability to make the final decisions with regards to a business transaction.

Mediating Effect of Cultural Adaptability

It is proposed that systems trust may exist spontaneously because both parties of a partnership have experience operating in the same social system, and therefore hold the same expectations towards business interactions. However, if partners come from different cultural backgrounds and therefore hold different values, are subjected to different social regulatory bodies, or are interested in pursuing different business goals, then systems trust cannot be used to manage a business relationship; instead, one's actions and reactions to business exchanges will be based on the level of personal trust that is given and received.

As opposed to systems trust, personal trust in a dyadic relationship is developed over time as repeated communications and interactions result in the creation of shared meanings or common values and goals (Hardy et al., 2002). However, the creation of shared meaning can at times be made more difficult if symbols and presentation cues

mean different things to people from different cultural backgrounds. Consequently, when working with a culturally different business partner, one's engagement in culturally adaptive behaviours may ease communicative efforts and increase the sense of commonality shared between partners, thereby leading to increased perceptions of trustworthiness.

Of the four partial mediation hypotheses proposed, only one was supported in both country datasets, the hypothesis that respondents' engagement in cultural adaptability mediated the relationship between non-mediated power and respondent trustworthiness. In the Canadian dataset, it was also predicted that the cultural adaptability displayed by one's partner would mediate the relationship between mediated power and perceptions of a partner's trustworthiness. However, since mediated power was found to not directly influence partner trustworthiness or partner adaptability, this mediation hypothesis (Hypothesis 13) was not supported.

While the relationship between mediated power and perceptions of partner trustworthiness was positive in nature, this relationship was not strong enough in the mediation model to reach statistical significance in the Canadian dataset. Consequently it may be inferred that when taken in combination, Canadian respondents placed greater weight on the behaviours displayed by their partners when judging partner trustworthiness as opposed to being influenced by their perceptions about how much mediated power a partner might hold. In a business context, if both sides of a partnership agree to adhere to rules or regulations that were established by both parties (e.g., both parties agreed to the terms set forth in a contract), then both partners possess the mediated power needed to enforce the terms of the contract (although the partner with less to lose

from breaking the contract would hold greater mediated power). Consequently, rather than using the amounts of mediated power that one holds in a partnership as an indicator of a person's trustworthiness, the Canadian respondents in this study may have thought that the types of behaviours that partners displayed would be a better reflection of their willingness to commit to the partnership, resulting in a strong positive relationship between partners' engagement in culturally adaptive behaviours and perceptions of partner trustworthiness.

In the Taiwanese dataset, mediation hypotheses 11 and 14 were not supported by the data. Similar to the situation with Hypothesis 13 in the Canadian dataset, mediated power was found to not directly influence respondent trustworthiness or respondent adaptability, therefore Hypothesis 11 was not supported. While the possession of mediated power by one's partner may induce enough wariness in some contexts for individuals to proactively engage in adaptive behaviours or actions that would be pleasing to the partner so as to decrease the likelihood of future repercussions, Taiwanese respondents may hold a more benevolent view of leaders' usage of mediated power. Consequently, the mere possession of mediated power may not stimulate in Taiwanese respondents a need to actively change their behaviours or prove their trustworthiness to their more powerful partner. However, if partners were to engage in the actual use of their mediated power or to engage in ways that display their dominance in a partnership, then Taiwanese respondents might feel more threatened or compelled into adapting their behaviours to meet their partners' demands. Future studies may find that actual displays of power or dominance may be more effective at influencing people's behaviours than the mere perception that one possesses power.

Hypothesis 14 predicted that the cultural adaptability displayed by the partner would partially mediate the relationship between non-mediated power and perceptions of partner trustworthiness. However, because only non-mediated power significantly predicted partner trustworthiness in the Taiwanese dataset, this mediation relationship was not supported. In contrast to the Canadian respondents, who seemed to have a more "present focus" and placed more emphasis on their partners' behaviours during their business interactions (as demonstrated by the Canadian findings for Hypothesis 13), Taiwanese respondents seemed to place more emphasis on future possibilities in the non-mediated power mediation model. In other words, even though partners' engagement in culturally adaptive behaviours did significantly predict perceptions of partner trustworthiness in a linear regression model, when partner adaptive behaviours were placed in the same model as partners' possession of non-mediated power, the effect of partner adaptive behaviour on perceptions of partner trustworthiness was greatly reduced (i.e., no longer statistically significant). The value and influence that Taiwanese respondents attribute to one's possession or demonstration of non-mediated power may be linked to the relationship-building focus of their culture.

As mentioned previously in the discussion about *guanxi* relationships, in Taiwanese culture, people's willingness to work towards and maintain a long-term orientation in a business relationship is an indication of their commitment to the relationship (Chen & Chen, 2004), and may therefore influence people's perceptions of their partners' trustworthiness. Relationships based on a long-term orientation allow organizations or partners to sacrifice short-term gains in favor of accumulating benefits that may be enjoyed by both parties over the long run (Ganesan, 1993; Narayanan &

Raman, 2004). Partners with long-term orientations are willing to work through initial periods of uncertainty where the value of a long-term relationship is still questionable, while the short-term benefits of behaving opportunistically may be more obvious. Partners who hope to create a long-term orientation relationship are more likely to use problem solving, collaborative bargaining, and other relationship management techniques so that higher levels of performance and economic return may be achieved over the long-term (Ganesan, 1993; Kalwani & Narayandas, 1995).

The importance of relationship-building over time and thus having a long-term orientation towards a relationship was also brought up in the qualitative findings of Study One, where Taiwanese respondents specifically provided "Social History" descriptors in their descriptions of a trustworthy person. For example, they noted that an individual was considered to be trustworthy if they had "interacted with [him/her] for a long period of time," is "someone who I have frequent interaction and determined to be trustworthy," or "is very familiar with you." Cross-cultural researchers who studied the effects of social culture on long-term orientation did find some differences. For example, Cannon, Doney, Mullen, and Petersen (2010) found that business people from individualistic cultures were more likely to use their partners' performance to determine whether or not a long-term orientation to the relationship should be pursued. Conversely, people from collectivistic cultures placed less emphasis on performance and instead used the level of trust that they felt towards their partner to assess the value of building a relationship that had a long-term orientation. Similarly, Lee and Dawes (2005) found that in China, customers' long-term orientation towards a business relationship was linked to the personal trust that they had in their supplier or salesperson, and that oftentimes, it was the

guanxi relationship that they had developed with their supplier (and not the organization that the supplier represented) that built the sense of loyalty that they felt towards a particular supplier or sales individual. Based on these findings that demonstrate the importance of a long-term orientation to a Taiwanese business person, it may be inferred that if one's possession of non-mediated power was seen as being beneficial towards relationship-building, then the value of non-mediated power in a business relationship would outweigh the role of current performance or behaviours demonstrated by one's business partner in establishing the trustworthiness of that partner.

Moderation Effects

Of the four moderation hypotheses proposed, only one was statistically supported by the data: level of interdependent self-construal moderated the relationship between respondent cultural adaptability and respondent trustworthiness in both the Canadian and Taiwanese datasets. The negative valence of the beta estimate indicates that as one's interdependent orientation strengthens, the positive relationship between respondent cultural adaptability and respondent trustworthiness weakens. People with higher levels of interdependent self-construals are more likely to engage in high-context communication (Singelis & Brown, 1995), making the high- vs. low-context communication framework one that may be suited for potentially explaining this moderating relationship. Specifically, people who use high-context communication are more likely to use less explicit cues of behaviour when forming judgements and are also more likely to consider relational influences (Zaheer & Kamal, 2011). Consequently, one possible explanation for the finding that as interdependence increases, cultural adaptability has a weaker impact on perceptions of trustworthiness is because people with

higher levels of interdependent self-construal may be more likely to use cues other than one individual's behaviors to form judgements of trustworthiness. In other words, respondents who possess higher levels of interdependent self-construals may also be factoring in other qualities such as their past history with the partner, the reputation of the organization that they work for, etc. when judging the level of trustworthiness they are portraying to their partners, thereby weakening the direct relationship between cultural adaptability and trustworthiness. Conversely, respondents who have lower levels of interdependent self-construals may be more likely to consider proximal and explicit cues when judging their own trustworthiness, such as the level of adaptive behaviours that they displayed to their partners.

Outcomes of Trustworthiness

Willingness to negotiate was examined in this study as a potential outcome of trustworthiness and the results of both country datasets supported this hypothesis, demonstrating that a positive relationship existed between perceptions of a partner's trustworthiness and one's willingness to negotiate with the partner. Previous research demonstrated that increased perceptions of trustworthiness contributed to the development of more positive relationship outcomes such as increased cooperation and commitment to a partnership. Findings from this study demonstrated that when conflicts arose in a partnership, if a foundation of trustworthiness had already been established, then partners were more willing to work and negotiate with each other to achieve resolutions that were satisfactory to both parties.

Limitations

The findings of this dissertation are limited by a number of methodological concerns. For example, the difficulties encountered with the recruitment of respondents meant that a smaller sample size was obtained than what was originally hoped for. The medium-sized sample recruited for each country limited the ability to analyze the dissertation using more sophisticated statistical methodologies such as structural equation modelling, thus preventing the examination of more complex relationships between the constructs of interest. Future research would benefit from the inclusion of a larger sample size so that a greater variety of statistical analyses would be possible.

While most of the measures used in this dissertation showed adequate to excellent reliability, some of the constructs were measured using items that showed lower reliability (e.g., the self construals and willingness to negotiate). Measures with lower reliability may hinder the detection of predicted effects and so future research may consider the inclusion of more reliable measures for examining these constructs. Additionally, while independent and interdependent self-construal was chosen as the direct measure of cultural values in this dissertation, social cultures are differentiated along a variety of factors. Additional research should be conducted to assess how other cultural variables such as long-term orientation, power distance, or uncertainty avoidance may influence people's expectations and conceptualizations of trustworthiness.

The usage of a self-report survey in Study Two of this dissertation is also associated with methodological limitations. First, although dyadic partnerships were the focus of this research, this study was limited in that feedback was only gathered from one

side of the partnership (i.e., the respondents). It is possible that because a self-report method was used to gather data from only one partner in a business relationship, this may have resulted in more biased views (e.g., respondents may have rated their own culturally adaptive behaviours more positively than their partners' behaviours), while data collection from both partners would have produced a more balanced picture of their business interactions. The usage of Likert-scaled items as the only response method in Study Two of the dissertation makes the conclusions drawn from that data vulnerable to mono-method bias, where a portion of the variance found in related variables may be a reflection of the common methodology used to collect the data. In other words, the usage of a single method to collect the data may have introducted a bias to the dataset, changing the scores and relationships between variables of interest. It is recommended that future studies use more than one method when measuring a given construct. If possible, the usage of multiple methods to measure a construct is recommended, as this would allow for the assessment of the convergent validity of the different methods, thereby strengthening the construct validity of the study.

Although this study demonstrates that significant relationships exist between power, engagement in culturally adaptive behaviours, and perceptions of trustworthiness, there are still may unanswered questions about the specific processes that drive these relationships. For example, even though this study demonstrated that perceptions of a partner's trustworthiness increased if he/she held higher levels of non-mediated power, it was still unclear whether respondents' felt that their partners were more trustworthy because the non-mediated power made them more likely to believe in their partners' benevolent intentions, if they were more likely to believe that their partners held the

legitimate authority to uphold promises and make influential decisions, or if respondents had more faith in the institutions that their partners functioned in (i.e., systems trust). Consequently, additional research is needed to further understand the specific ways in which non-mediated power influences perceptions of trustworthiness.

One factor that was not examined in this study was the influence that cultural distance may have played in terms of cultural adaptivity. Although all respondents were asked to report about their interactions with a culturally-different business partner, distinctions in the degree of cultural dissimilarity were not made. For example, this study did not examine whether interaction patterns differed between two partners who both came from relatively collectivistic societies or individualistic societies in comparison to partners who came from two social cultures that were based upon more apparent differences. Consequently, it is possible that cultural distance may moderate the relationship between power assymetry and engagement in culturally adaptive behaviours, and so it should be acknowledged that the relationships identified in this study may differ depending on the level of cultural similarity or dissimilarity that exists between partners.

Lastly, the design of this study was based on the assumption that power assymetry exists between business partnerships. However, there are occurences where two partners possess equal or similar amounts of power within a relationship. Additionally, there may be situations where although one party possesses higher amounts of one power base (e.g., expert power), their partner may possess higher amounts of a different type of power (e.g., referent power), resulting in a balanced partnership because both parties are able to make unique contributions and obtain desired outcomes from the relationship. In these cases, it is possible that other factors may come into play when determining which party

will assume the responsibility for engaging in more cultural adaptability. Consequently, the findings of this study can only be generalized to situations where an imbalanced distribution of power exists in a business relationship.

Recommendations for Future Research

As mentioned previously, although power imbalances characterize many business relationships, there are instances where fairly equal distributions of power exist between partners or a more likely scenario is that each partner may hold greater amounts of different types of power. Future studies may examine whether the degree of power asymmetry (e.g., none, low, or high) may have differential effects on outcomes of interest such as perceptions of trustworthiness, collaborativeness, and conflict resolution techniques. Furthermore, another distinction that researchers may want to examine in the future is whether one's possession of power has similar effects on business dynamics as actually exercising the power that one partner holds over the other (e.g., displays of dominance).

The current study was designed to assess the influence that power had on a business relationship that was in the initial stages of development. However, considering that perceptions of power and trustworthiness may fluctuate over the course of a business partnership, a longitudinal study design may shed light on how changes in relationship structure and power imbalances may affect one's engagement in adaptive behaviours over time. Additionally, longitudinal studies may also be used to assess whether the nature and influence of trust in a partnership changes over time. For example, although systems trust may be used to initiate business partnerships in some contexts, does the role

of systems trust remain the same over the course of a partnership or would the influence of personal trust gain more weight over time, thereby decreasing the effect that systems trust may have in more established partnerships?

Although power and trust may both be used to manage business relationships, researchers propose that the use of trust may bring unique benefits such as an increased willingness to engage in collaborative and creative efforts to resolve conflicts (Hardy et al., 2002). For example, in a business relationship defined by an imbalance of power between parties, the side that possesses more power may expect others to capitulate to their demands. However, in a relationship that is based on trust, all parties in a partnership (regardless of their power status) should ideally be able to represent their interests and engage in open dialogue when conflict arises (Payne, 1991). Because relationships based on trust may be more open to collaborative problem-solving, resulting in more creative solutions, there is value in engaging in further studies to tease apart the relationship between power and trust, and rather than just measuring outcome variables, identifying mediating and moderating variables that are uniquely characteristic of trust relationships or power relationships.

Additionally, while this dissertation used a more optimistic approach to viewing trust and trustworthiness and linked perceptions of trustworthiness to positive relationship outcomes, recent research in the trust field have begun examining the potential "darker side" of trust, such as the influence of distrust and mistrust, or using gained trust to engage in manipulation or corruption. While not the focus of this dissertation, future research may be interested in examining how social culture may influence these darker aspects of trustworthiness and trust relationships. For example, future studies may seek to

gain a greater understanding of how consequences of broken trust may differ across cultures or in examining whether the process of regaining loss trust may differ if one is in a business relationship with culturally-similar versus culturally-different partners.

Lastly, trends towards increased globalization indicates that business partnerships in the future will be reliant in part on the ability of culturally-different partners to generate trust in each other in the absence of shared cultural systems and social institutions. Consequently, research that examines the ways in which shared meaning and goals are created between partners from different backgrounds will become increasingly important for organizations who are looking to maintain their competitiveness on an international stage.

Implications for Business Practice

Other than encouraging the usage of relationship-management techniques such as negotiation in business relationships, the establishment of one's trustworthiness in a business context, which is a strong predictor of one's engagement in actual trust behaviours, may lead to many other beneficial outcomes, such as encouraging a long-term orientation to the relationship (Doney et al., 2010), promoting networking relations, decreasing harmful conflict, increasing one's sense of enthusiasm towards the relationship, more effective communication, increased knowledge sharing, and improving effective responses to crises (Hudson, 2004; Savolainen & Häkkinen, 2011). However, as demonstrated through this dissertation, differing cultural norms and values may also result in differing expectations regarding the qualities valued in establishing one's

trustworthiness, as well as the relationship that perceptions of trustworthiness may have with other business outcomes of interest.

Rather than attempting to blindly navigate through the first few rounds of potentially awkward business encounters, where some parties may be uncertain as to the degree of culturally adaptive behaviours they should be engaging in, business people who are able to identify the similarities through which two cultures conceptualize trustworthiness may strengthen a new business relationship by engaging in behaviours recognized by both parties as being reliable indicators of trustworthiness. For example, through this dissertation, it was discovered that Taiwanese people seem to place a much greater value on ability and competence than Canadians in establishing one's trustworthiness. Because of the differing cultural weight given to the importance of ability, if a Taiwanese business person was to spend his first few business meetings with his Canadian business partner talking about his formal education, the training credentials that he had accumulated, and the successful projects that he had completed in the past, he may be inadvertently creating a negative impression with his Canadian business partner, who may be wondering why the Taiwanese business person was wasting their time by talking about information that the human resources office would have already examined during the selection process. Instead, given the importance that Taiwanese and Canadian cultures both place on benevolence in establishing trustworthiness, the Taiwanese business person may experience greater success at laying the foundation for a long-term trusting partnership if he discussed the ways in which he or his organization may act to benefit the Canadian's company or discussed the degree to which compromises may be negotiated if unexpected problems were to occur. Consequently, based on the findings

from this dissertation, it is recommended that business people engage in behaviours that stress the similarities in their approaches and values during their initial interactions with potential business partners so that a positive pattern and history of interactions is established.

Additionally, gaining a deeper of understanding of the cultural norms, values, or contexts in which trustworthiness is valued over other potential antecedents such as performance may help both parties of a business partnership to improve their relationship building strategies. For example, a business person may want to focus on establishing trustworthiness in some contexts but also be able to recognize when a focus on performance or other valued outcomes may be more effective, thereby increasing the likelihood that he will maintain successful business partnerships. Given the multiple benefits that may be gained from establishing one's own trustworthiness as well as the trustworthiness of one's partner, it will become increasingly important for those involved in corporate contexts to development an awareness of trustworthiness and also develop the skills needed to demonstrate trustworthiness appropriately in the a variety of business and sociocultural contexts.

Findings from this dissertation also demonstrated that non-mediated power positively enhanced perceptions of one's trustworthiness regardless of culture. Consequently, it is recommended that business people who engage in cross-cultural interactions should attempt to use non-mediated forms of power to enhance relationship-maintainence unless the business context or situation requires a more swift and decisive approach. Because the effect of mediated power on one's behaviours and perceptions of trustworthiness was not as consistent across cultures, it is recommended that usage of

mediated power be limited if possible, especially in cross-cultural interactions where one's usage of mediated power may carry with it unintended implications. However, if the usage of mediated power is necessary, it is recommended that explanation of one's use of mediated power be provided to one's partner, as an explanation of how meeting the more powerful partner's demands may potentially benefit both sides of a partnership may make the weaker partner more amenable to being influenced or coerced towards a particular outcome.

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APPENDIX A

COMPOSITIONAL STRUCTURE OF QUALITATIVE THEMES

Table 1. Compositional structure of themes - Taiwanese responses for trustworthy person

Thematic Level	Code	Theme One	Code	Theme Two	Code	Theme Three	Code	Theme Four
Master Theme	1.	Ability	2.	Benevolence	3.	Integrity	4.	Other
Subcategories	1.1	Competent	2.1	Acts as a confidant	3.1	Acts with morality	4.1	Interpersonal skills
	1.2	Leadership abilities	2.2	Kindness/caring	3.2	Honest	4.2	Time – positive past experiences
	1.3	Strong cognitive skills			3.3	Is a role model		
					3.4	Keeps promises		
					3.5	Punctual		
					3.6	Reliable		

Table 2. Compositional structure of themes - Canadian responses for trustworthy person

Thematic Level	Code	Theme One	Code	Theme Two	Code	Theme Three
Master Theme	1.	Benevolence	2.	Integrity	3.	Other
Subcategories	1.1	Acts as a confidant	2.1	Ethical	3.1	Interpersonal
	1.2	Caring	2.2	Honest		
	1.3	Supportive	2.3	Loyal		
			2.4	Non-judgmental		
			2.5	Reliable		
			2.6	Responsible		

Table 3. Compositional structure of themes - Taiwanese responses for trustworthy employee

Thematic Level	Code	Theme One	Code	Theme Two	Code	Theme Three	Code	Theme Four
Master Theme	1.	Ability	2.	Benevolence	3.	Integrity	4.	Other
Subcategories	1.1	Competent	2.1	Willing to help others	3.1	Does work properly (no shortcuts)	4.1	Interpersonal skills
	1.2	Formal credentials	2.2	Works for company's best interests	3.2	Ethical		
	1.3	Past successes			3.3	Hardworking		
					3.4	Honest		
					3.5	Punctual		
					3.6	Reliable		

Table 4. Compositional structure of themes - Canadian responses for trustworthy employee

Thematic Level	Code	Theme One	Code	Theme Two	Code	Theme Three	Code	Theme Four
Master Theme	1.	Ability	2.	Benevolence	3.	Integrity	4.	Other
Subcategories	1.1	Able to complete assigned tasks	2.1	Supportive	3.1	Makes effort to do their best	4.1	Interpersonal skills
	1.2	Does job well	2.2	Works for company's best interests	3.2	Does work properly		
					3.3	Ethical		
					3.4	Follows company policies		
					3.5	Ensures assigned work is completed		
					3.6	Hardworking		
					3.7	Honest		
					3.8	Loyal		
					3.9	Not engage in acts detrimental		

						to the company		
					3.10	Punctual		
					3.11	Reliable		

Table 5. Compositional structure of themes - Taiwanese responses for trustworthy supervisor/employer

Thematic Level	Code	Theme One	Code	Theme Two	Code	Theme Three	Code	Theme Four
Master Theme	1.	Ability	2.	Benevolence	3.	Integrity	4.	Other
Subcategories	1.1	Competent	2.1	Puts others first	3.1	Assumes responsibility	4.1	Interpersonal skills
	1.2	Leadership abilities	2.2	Shows paternal care	3.2	Ethical		
					3.3	Fair		
					3.4	Honest		
					3.5	Keeps promises		
					3.6	Willing to make an effort		

Table 6. Compositional structure of themes - Canadian responses for trustworthy supervisor

Thematic Level	Code	Theme One	Code	Theme Two	Code	Theme Three	Code	Theme Four
Master Theme	1.	Ability	2.	Benevolence	3.	Integrity	4.	Other
Subcategories	1.1	Qualified for job	2.1	Acts as a confidant	3.1	Fair	4.1	Interpersonal skills
			2.2	Caring	3.2	Honest		
			2.3	Provides a safe work environment	3.3	Keeps promises		
			2.4	Supportive	3.4	Loyal		
			2.5	Understanding	3.5	Punctual		
					3.6	Reliable		
					3.7	Upstanding/admirable		

APPENDIX B

STUDY MEASURES

Respondent Demographics

1. My nationality is…(drop-down list)
2. My ethnicity is…(drop-down list of White/Caucasian, Spanish/Hispanic/Latino, Black/African American, Asian, Pacific Islander, Native American, Other as response options)
3. My native language is…(text box)
4. I also speak the following languages…(text box)
5. Gender (drop-down list)
    a. Male
    b. Female
    c. Other
    d. Prefer not to answer
6. My current age in years is…(drop-down list)
7. Education level (please check the highest level completed)
    a. No formal education
    b. Elementary school
    c. Secondary school
    d. 2-year college
    e. College/University (4 years)
    f. Masters
    g. Doctorate
8. My current occupation or field of work is (text box)

9. My current company or organization (drop-down list)
    a. Business
    b. Government
    c. Development
    d. International Organization
    e. Health
    f. Public Service
    g. Education
    h. Non-governmental Organization (NGO)
    i. Manufacturing
    j. Other (specify)

The following survey questions will ask you about your experiences with business partners or clients who come from **different social cultural backgrounds**. When answering the following survey questions, please think about your most recent interactions with **a newly established** culturally different business partner/client or potential business partner/client. All survey questions that ask about "my partner" or "my client" should refer to the SAME person, in other words, please answer the following survey questions based on your experiences with A SINGLE culturally different business partner or client.

10. Thinking about your most recent interactions with a business individual from a different social cultural background, is this person…
    a. A newly established business partner/client

i. If yes, how many months have passed since your partnership/agreement has been formally established?

b. Someone who you are still in the process of negotiating a partnership with.

11. What is the ethnicity of the business partner/client that you will be referring to in the following survey questions?
12. What is the gender of the business partner/client that you will be referring to in the following survey questions?
13. In what age group does the business partner/client that you will be referring to in the following survey questions fall in?
14. What is the organizational position/occupational title of the business partner/client that you will be referring to in the following survey questions?
15. Prior to the specific intercultural business interaction that you just described in questions XX-XX, did you develop any significant intercultural relationships?
    a. Yes
    b. No
16. If yes, what type of intercultural relationships did you have?
    c. Friends
    d. Work colleagues
    e. Spouse
    f. Other (specify)

Intercultural Abilities – Skills Section (of the Assessing Intercultural Competence Survey)

Fantini, A. & Tirmizi, A. (2006). Exploring and assessing intercultural competence. World Learning Publications. Paper 1. Retrieved from http://digitalcollections.sit.edu/worldlearning_publications/1

Now please think about the types of behaviors that **your business partner/client** engaged in while interacting with you and using a scale from 0 (not at all) to 5 (extremely high), please respond to the questions below.

1. My business partner/client demonstrated flexibility when interacting with me.
2. My business partner/client adjusted his/her behaviour, dress, etc., as appropriate, to avoid offending me.
3. My business partner/client was able to contrast his/her culture with my own.
4. My business partner/client used strategies for learning my language and about my culture.
5. My business partner/client demonstrated a capacity to interact appropriately in a variety of different social situations in my culture.
6. My business partner/client used appropriate strategies for adapting to my culture and reducing stress.
7. My business partner/client used models, strategies, and techniques that aided his/her learning of my language and culture.
8. My business partner/client monitored his/her behaviour and its impact on his/her learning, his/her growth, and especially on me.

9. My business partner/client used culture-specific information to improve his/her style and professional interaction with me.
10. My business partner/client helped to resolve cross-cultural conflicts and misunderstandings when they arose.

Please indicate the extent to which you agree with the statements below using a scale from 0 (not at all) to 5 (extremely high).

11. I demonstrated flexibility when interacting with my business partner/client from another culture.
12. I adjusted my behaviour, dress, etc., as appropriate, to avoid offending my business partner/client.
13. I was able to contrast my business partner/client's culture with my own.
14. I used strategies for learning my business partner/client's language and about his/her culture.
15. I demonstrated a capacity to interact appropriately in a variety of different social situations in my business partner/client's culture.
16. I used appropriate strategies for adapting to my business partner/client's culture and reducing stress.
17. I used models, strategies, and techniques that aided my learning of the language and culture of my business partner/client.
18. I monitored my behaviour and its impact on my learning, my growth, and especially on my business partner/client.

19. I used culture-specific information to improve my style and professional interaction with my business partner/client.
20. I helped to resolve cross-cultural conflicts and misunderstandings when they arose.

Trustworthiness Items

Spreitzer, G. M. & Mishra, A. K. (1999). Giving up without losing control: Trust and its substitutes' effects on managers involving employees in decision-making. Group & Organization Management, 24(2), 155-187.

Perceptions of Partner Trustworthiness

1. I trust that my business partner or client is completely honest with me.
2. I trust that my business partner or client places my organization's interest above his or her own.
3. I trust that my business partner or client will keep the promises that he or she makes.
4. I trust that my business partner or client is competent in performing his or her job.
5. I trust that my business partner or client will express his or her true feelings about important issues.
6. I trust that my business partner or client cares about my well-being.
7. I trust that my business partner or client can contribute to my organization's success.
8. I trust that my business partner or client will take actions that are consistent with his or her words.
9. I trust that my business partner or client will share important information with me.
10. I trust that my business partner or client cares about the future of my organization.
11. I trust that my business partner or client can help to solve important problems in my organization.

12. I trust that my business partner or client will have consistent expectations of me.
13. I trust that my business partner or client will make personal sacrifices for my organization
14. I trust that my business partner or client will acknowledge his or her own mistakes.
15. I trust that my business partner or client can help my organization survive through this decade.
16. I trust that my business partner or client can be relied on.

New trustworthiness items developed from Part One qualitative findings

1. I trust that my business partner/client will show up for work or meetings on time.
2. I trust that my business partner/client will finish tasks on time.
3. I trust that my business partner/client is friendly and approachable.
4. I trust that my business partner/client will not do something that will negatively influence our relationship (i.e., sabotage or steal from me or my company).
5. I trust that my business partner/client is respectful towards the people he/she works with.
6. I trust that I can confide in my business partner/client.
7. I trust that my business partner/client will not take advantage of our relationship.
8. I trust that my business partner/client will keep things that are confidential to himself/herself.

Perceptions of Service Provider (Respondent) Trustworthiness

1. My business partner/client trusts that I am completely honest with him/her.
2. My business partner/client trusts that I place his/her organization's interest above my own.
3. My business partner/client trusts that I will keep the promises that I made.
4. My business partner/client trusts that I am competent in performing my job.
5. My business partner/client trusts that I will express my true feelings about important issues.
6. My business partner/client trusts that I care about his/her well-being.
7. My business partner/client trusts that I can contribute to his/her organization's success.
8. My business partner/client trusts that I will take actions that are consistent with my words.
9. My business partner/client trusts that I will share important information with him/her.
10. My business partner/client trusts that I care about the future of his/her organization.
11. My business partner/client trusts that I can help to solve important problems in his/her organization.
12. My business partner/client trusts that I will have consistent expectations of him/her.
13. My business partner/client trusts that I will make personal sacrifices for his/her organization.

14. My business partner/client trusts that I will acknowledge my own mistakes.
15. My business partner/client trusts that I can help his/her organization survive through this decade.
16. My business partner/client trusts that I can be relied on.

New trustworthiness items developed from Part One qualitative findings

1. My business partner/client trusts that I will show up for work or meetings on time.
2. My business partner/client trusts that I will finish tasks on time.
3. My business partner/client trusts that I am friendly and approachable.
4. My business partner/client trusts that I will not do something that will negatively influence our relationship (i.e., sabotage or steal from him/her or his/her company).
5. My business partner/client trusts that I am respectful towards the people I work with.
6. My business partner/client trusts that he/she can confide in me.
7. My business partner/client trusts that I will not take advantage of our relationship.
8. My business partner/client trusts that I will keep things that are confidential to myself.

Bases of Power

Hinkin, T. R., & Schriesheim, C. A. (1989). Development and application of new scales to measure the French and Raven (1959) bases of social power. Journal of Applied Psychology, 74(4), 561-567.

Next I am interested in your *opinion* about your business partner/client and your relationship with him or her. Please indicate, by choosing a number on the scale provided the extent to which each of the following statements describes your opinion. Your responses will be held in strict confidence.

1=Strongly disagree 2=Disagree 3=Neutral 4=Agree 5=Strongly agree

1. My business partner/client can increase my pay level.
2. My business partner/client can make me feel valued.
3. My business partner/client can give me undesirable job assignments.
4. My business partner/client can make me feel like he/she approves of me.
5. My business partner/client can make me feel that I have commitments to meet.
6. My business partner/client can make me feel personally accepted.
7. My business partner/client can make me feel important.
8. My business partner/client can give me good technical suggestions.
9. My business partner/client can make my work difficult for me.
10. My business partner/client can share with me his/her considerable experience and/or training.

11. My business partner/client can make things unpleasant here.
12. My business partner/client can make being at work distasteful.
13. My business partner/client can influence my getting a pay raise.
14. My business partner/client can make me feel like I should satisfy my job requirements.
15. My business partner/client can provide me with sound job-related advice.
16. My business partner/client can provide me with special benefits.
17. My business partner/client can influence my getting a promotion.
18. My business partner/client can give me the feeling that I have responsibilities to fulfill.
19. My business partner/client can provide me with needed technical knowledge.
20. My business partner/client can make me recognize that I have tasks to accomplish.

Independent and Interdependent Self-Construal Scale (Shortened)

Fernández, I., Paez, D., & González, J. L. (2005). Independent and interdependent self-construals and socio-cultural factors in 29 nations. Revue Internationale de Psychologie Sociale, 18(1), 35-63.

Interdependent items

1. It is important for me to maintain harmony within my group.
2. My happiness depends on the happiness of those around me.
3. I respect people who are modest about themselves.
4. I will sacrifice my self-interest for the benefit of the group I am in.
5. I often have the feeling that my relationships with others are more important than my own accomplishments.
6. It is important to me to respect decisions made by the group.
7. I will stay in a group if they need me, even when I'm not happy with the group.

Independent items

8. I'd rather say "No" directly, than risk being misunderstood.
9. I am comfortable with being singled out for praise or rewards.
10. I act the same way no matter who I am with.
11. I prefer to be direct and forthright when dealing with people I've just met.
12. I enjoy being unique and different from others in many respects.
13. My personal identity independent of others, is very important to me.

Willingness to Negotiate

Christen, C. T. (2004). Predicting willingness to negotiate: The effects of perceived power and trustworthiness in a model of strategic public relations. Journal of Public Relations Research, 16(3), 243-267.

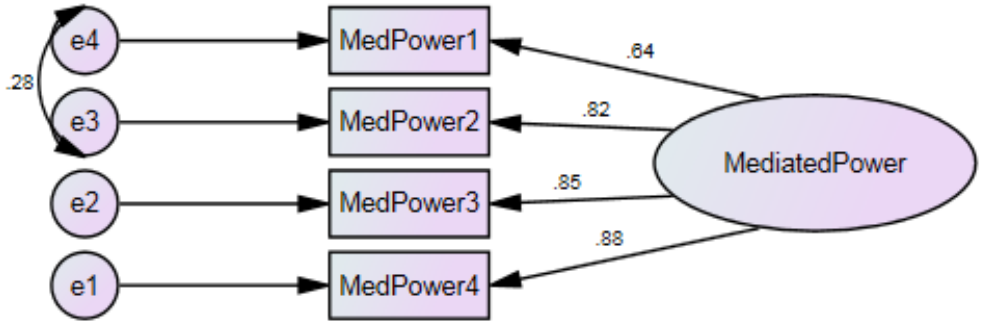
Using a scale from 1 (*strongly disagree*) to 7 (*strongly agree*), please choose the rating that most appropriately describes your willingness to engage in these behaviors in the future with regards to your cross-cultural business partner/client:

1. Under current conditions, exchanging ideas with this cross-cultural business partner/client for resolving conflicts is worth considering.
2. I should pursue alternatives other than negotiating with this cross-cultural business partner/client.
3. Based on my relations with this cross-cultural business partner/client, I have added negotiation to the options I am considering."

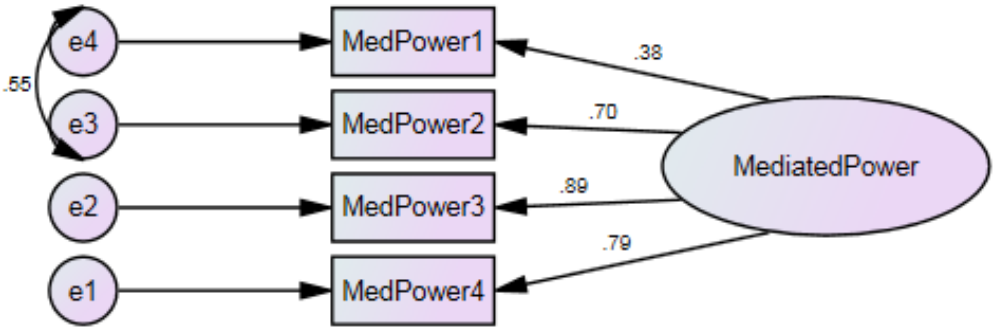
APPENDIX C

UNIVARIATE CFA MODELS

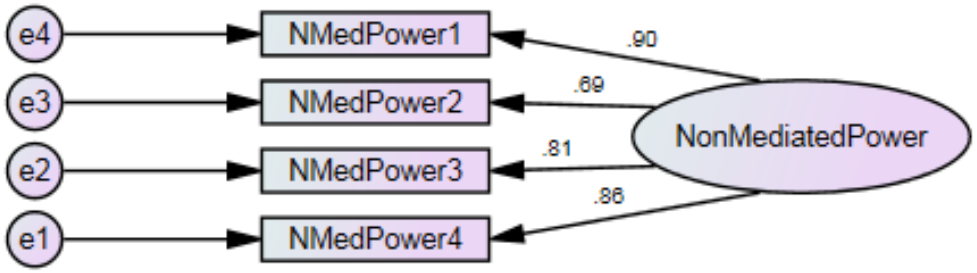
Mediated Power: Canadian Sample



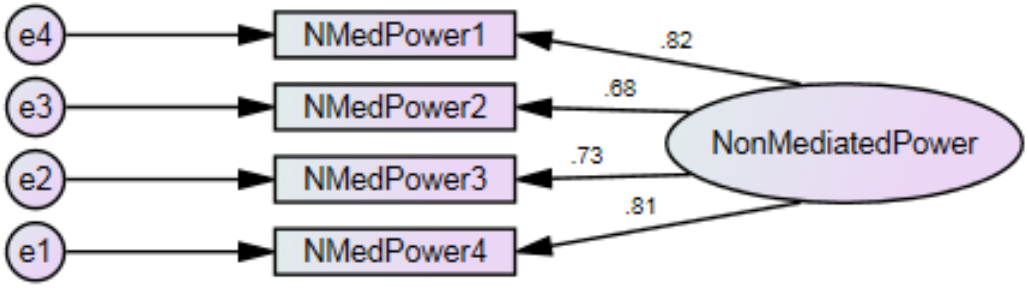
Mediated Power: Taiwanese Sample



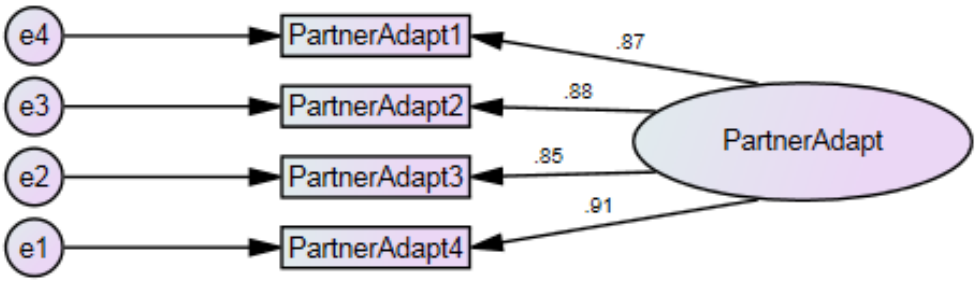
Non-Mediated Power: Canadian Sample



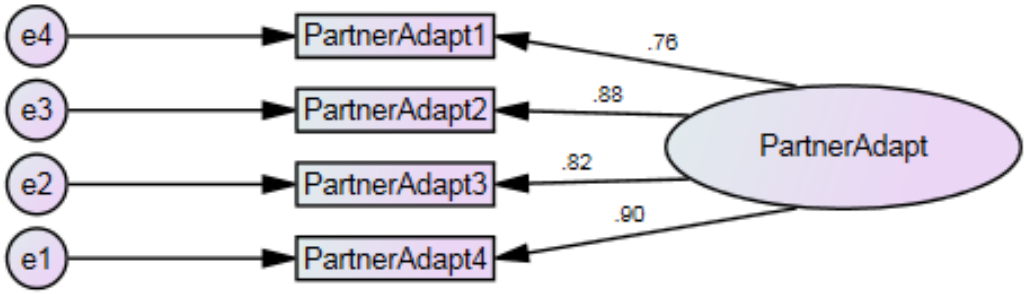
Non-Mediated Power: Taiwanese Sample



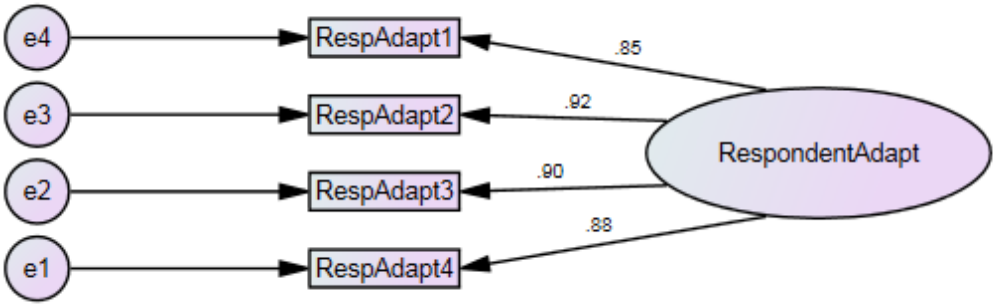
Partner Adaptability: Canadian Sample



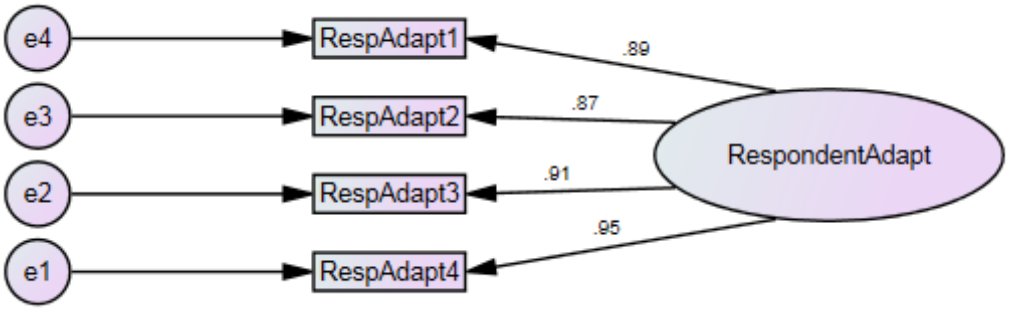
Partner Adaptability: Taiwanese Sample



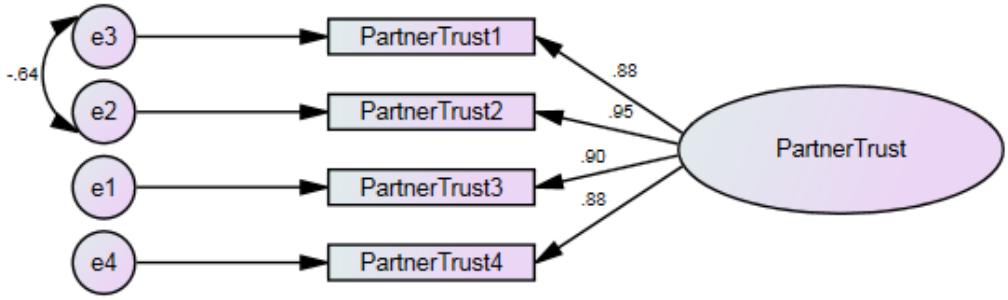
Respondent Adaptability: Canadian Sample



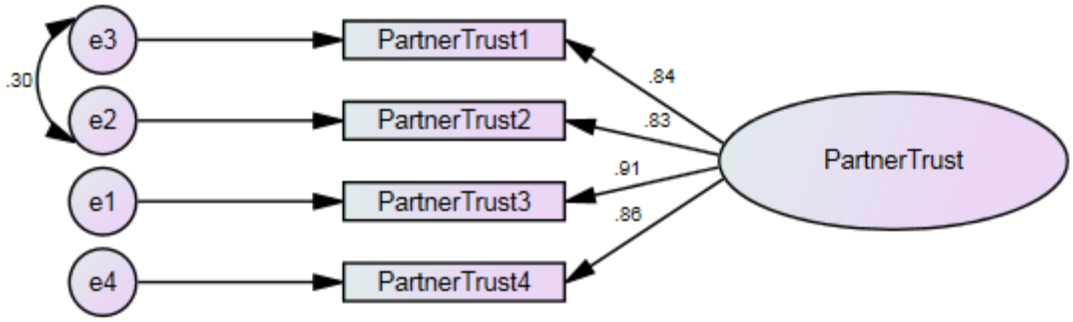
Respondent Adaptability: Taiwanese Sample



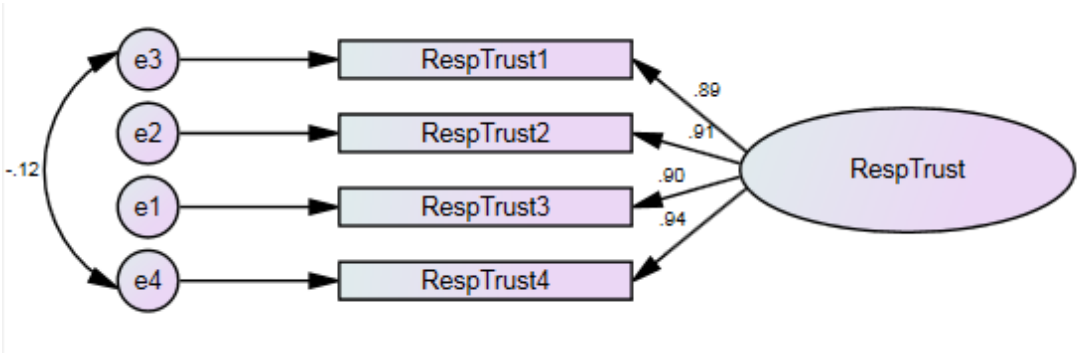
Partner Trustworthiness: Canadian Sample



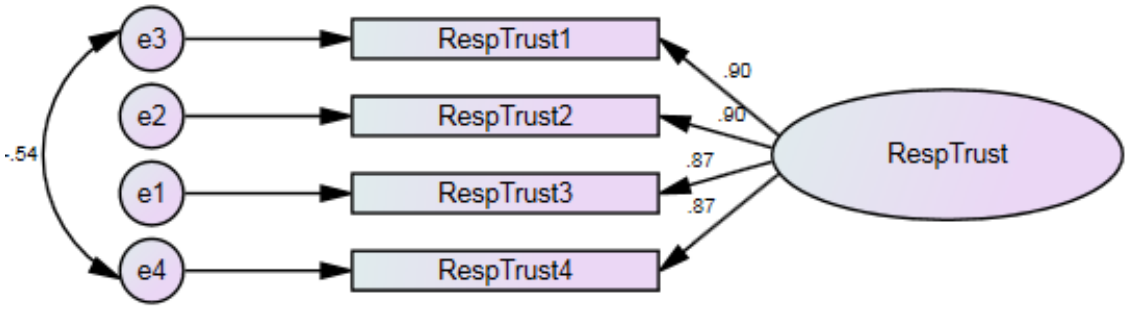
Partner Trustworthiness: Taiwanese Sample



Respondent Trustworthiness: Canadian Sample



Respondent Trustworthiness: Taiwanese Sample



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