

**Exploring Trust vis-à-vis Reliance in Business Relationships:
A Qualitative Analysis in the UK Construction Industry**

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All at the
mIMP Research Group
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25th Annual IMP Conference
Marseille
Sept. 2009

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Abstract

Developing an understanding of trust as a concept, and the role that it plays in business-to-business relationships, has been a key focus of research in business marketing. However, while prior research commonly defines trust as a construct with the two dimensions of credibility and benevolence, reliance as representing rational standards has typically been excluded. Reliance can be considered to be positive expectations held by organization members that the focal organization's specific needs will be fulfilled by its exchange partner given the proven capability and exchange standards in place. Trust and reliance are therefore operating on two different levels of a business relationship. Given its affective nature, trust is manifested at the interpersonal level, whereas the cognitive nature of reliance implies that it is more pertinent at the interorganizational level. Despite its importance to understanding the interaction between buyer and supplier, reliance as a concept has not been empirically clarified. This paper proposes and initially validates the significance of reliance in business-to-business relationships, as developed in Mouzas et al. (2007). To understand reliance in buyer-supplier relationships, we conducted 20 interviews with buyers in the UK construction industry. The analysis of the interview data reveals that reliance can exist in business relationships despite the lack of interpersonal trust. Based on the qualitative data, we refine the definition of reliance vis-à-vis trust, and propose a multi-item measurement model by identifying factors of reliance with results in four items of a reflective model which we propose for future quantitative studies.

1. Introduction

The importance of building successful and long-term relationships with exchange partners has been increasingly recognized by most industrial firms. The interest of two parties to continue engaging in exchanges entails the basis for interaction (Ford 1980; Håkansson 1982; Turnbull et al. 1996), cooperation (Hill 1990), and collaboration (Jap 1999). One of the critical constructs in facilitating exchange relationships between partners, and therefore pivotal for an understanding of business relationships, is trust (Morgan and Hunt, 1994). Much of the business marketing literature uses the construct of trust to explain or characterise business relationships. As Ganesan (1994) suggested, high levels of trust can reduce the perception of risk, increase confidence, and reduce transaction costs in an exchange relationship. Parties trusting each other are able to share confidential information and dedicate people and resources to serve each other better (Kumar 1996). Furthermore, buy-seller exchange relationship characterised by trust can survive greater stress and display greater adaptability (Williamson 1985).

Notwithstanding the obvious advantages of trust, academic research on this construct has two main deficiencies. First, there has been a tendency to apply trust to interorganizational relationships. For instance, based on the consideration that trust is an expectation between individuals, Bradach and Eccles (1989) argue that trust can be extended to exchanges between organizations since interorganizational relationships are managed by individuals in each organization. A number of studies followed this proposition and used trust at the organizational level resulting in the construct of 'inter-organizational trust' (Adler 2001; Dyer and Chu 2000; Ganesan and Hess 1997; Gulati 1995; Hagen and Choe 1998; Larson 1992; Yilmaz et al. 2005; Zaheer et al. 1998). However, most studies on trust agree that it is a "*psychological state*"

(Rousseau et al. 1998, p.197) associated with beliefs, attitudes, or sentiments. Given the emotional nature of trust, research has questioned the appropriateness of applying this affective construct to interorganizational relationships (Blois 1999; Mouzas et al. 2007), since “*organizations are deprived of emotions*” (Mouzas et al. 2007, p.1019), and “*trust can only be granted by individuals*” (Blois 1999, p203). Second, long-term and successful business relationships can exist regardless of the level of trust within these relationships (Lambe et al. 2000). Thus, trust is not a necessary condition for business relationships. However, recently some complementary construct have been developed which try to explain successful business relationships which are not characterised by interpersonal trust, for example Mouzas et al. (2007) suggest that interorganizational reliance represents a sufficient condition for the development of sustainable business relationships.

In this study, we follow the research agenda delineated by Mouzas et al. (2007) to develop an understanding of the underlying facets of trust driving an exchange relationship. In doing so, we address the two outlined shortcoming in the extant literature. We investigate the extent to which companies trust their partners, or can rely on their partners in an ongoing relationship. For this purpose, we conducted 20 interviews with company buyers in the UK construction industry. Using qualitative content analysis, we identified the major components in the construct of reliance, and developed an operationalisation model with four items which can be adapted by researchers in future study. Therefore, we contribute to the existing literature on business relationships by testing and deconstructing a recently suggested construct, namely reliance, and provide an initial measurement model for it.

This paper is organized as follows. We first give a short review of the literature on trust, and introduce the concept of reliance as a complementary facet covering the interorganizational level. Following this, we describe our research method, our analysis, and our results. The paper is concluded with discussions and future research.

2. Trust in business relationships

Trust has covered by in-depth research ever since its explicit recognition as an important factor in dyadic business relationships two decades ago (Young and Wilkinson 1989). A substantial number of studies accept the value of trust for understanding long-term exchange relationships between firms, and consider it as either as a feature (Anderson et al. 1987; Crosby et al. 1990; Dwyer et al. 1987) or antecedent of relationship quality (Doney and Cannon 1997; Ganesan 1994; Morgan and Hunt 1994). Handfield and Bechtel (2002) argue that trust can improve supply chain responsiveness which is primary performance indicator for the purchasing organization. As suggested by Carney (1998), a trust-enhanced business network improves information availability, reduces transaction costs, and contributes to collaboration. In general, a firm's exchange partners are more motivated to reciprocate and support the growth of ongoing relationships if they perceive that a firm's levels of trust and its value contributions are high (Singh et al. 2005).

Embedded in the social aspect of exchange relationships, trust represents a complex social phenomenon and has been defined in many different ways. One of the most widely accepted conceptualization of trust is *“the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to*

monitor or control that party” (Mayer et al. 1995, p.712). Linked with its manifold definitions, the domain of trust is used with ambiguity. Trust is conceptualized in most studies as a multidimensional construct with diverse content. Seppänen et al. (2007) summarize 21 different facets of trust used in empirical research which comprise, for example, benevolence, credibility, reliability, and integrity. A review of the marketing literature reveals that trust is generally viewed as a belief, an expression of confidence, or an expectation about an exchange partner’s trustworthiness that results from the partner’s expertise, reliability, or intentionality (Anderson and Narus 1990; Aulakh et al. 1996; Crosby et al. 1990; Ganesan 1994; Garbarino and Johnson 1999; Moorman et al. 1992; Morgan and Hunt 1994).

Past studies tend to stretch the concept of trust from interpersonal to interorganizational relationships (Das and Teng 2001; Gulati and Nickerson 2008; Zaheer et al. 1998). However, this represents a conceptual problem and research has questioned the feasibility of applying trust to interorganizational relationships (Mouzas et al. 2007), given its intrinsic affective nature (Blois 1999). This confusion about essence of the construct of trust may be attributed to its seemingly obvious but complex characteristic. As Porter et al. (1975) comment on trust, *“it is widely talked about, and it is widely assumed to be good for organizations. When it comes to specifying just what it means in an organizational context, however, vagueness creeps in”* (p.497). Nevertheless, we follow the argument by Mouzas et al. (2007) and posit that trust is multi-faceted, and that the use of an interpersonal concept for the study of interorganizational relationships is problematic and should be avoided, otherwise a cross-level fallacy would result (Rousseau et al. 1998).

Consequently, besides the interpersonal aspect of trust, another facet exists which relates to interorganizational traits of a business relationship. Evidence for this is based on research which shows that long-term and successful business relationships can exist which are not based on interpersonal trust (Lambe et al. 2000), but have as a foundation the need to engage with others to achieve benefits they would otherwise not be able to gain on their own (Weitz and Jap 1995). As suggested by Madhok (2006), *“the social component of trust is necessary but not sufficient for the sustained continuation of interfirm relationships”* (p.33). Dabholkar et al. (1994) argue that the dynamic nature of long-term business exchange relationships comprises repeated transactions between parties either by coordinative behaviour or by command behaviours due to market conditions. It is just the reliance on the other organization which can survive even a breakdown of interpersonal relationships (Sako and Helper 1998). While interpersonal trust is usually the focal research target of psychologists, *“business firms are concerned just as much with interorganizational trust”* (Sako and Helper 1998, p.389) which is exemplified for example as ‘contractual trust’ (based on oral and written agreements) and ‘competence trust’ (trust on a partner’s ability) (Sako 1992). While incentives to cooperate and trust undoubtedly exist, reasons to distrust relationship partners are widespread (Lewicki et al. 1998). For example, considering the low-trust nature of interfirm relationships in the UK construction industry, Korczynski (1996) proposes the low-trust route (i.e. relationships not based on interpersonal trust) to develop the economy and reduce the scope for opportunism.

Given the limitation and shortcoming of the use of the concept of trust at the interfirm level, Mouzas et al. (2007) theoretically described and proposed another key relational construct, i.e. reliance for the study of interorganizational relationships. In the next section we present a short discussion of reliance as a new and pivotal construct.

3. Reliance in business relationships

As the counterpart of interpersonal trust, reliance covers another facet of the overall construct of trust in business relationships. Reliance can be defined as *positive expectations held by organization members that the focal organization's specific needs will be fulfilled by its exchange partner given the proven capability and exchange standards in place*. Such rational standards could be, for example, contracts, integrated systems (e.g. JIT or coupled logistics systems), or monitoring and controlling mechanisms. In contrast to dependency, reliance does not indicate a degree of passiveness but results from one party's confidence and willingness to rely on one of its exchange partners. The rationality of reliance does not depend on a stated commitment but is linked to the notions of reasonable expectations (Steyn 1997), positive outcomes (Anderson and Narus 1990), or proven capability (Blois 1999).

The concept of reliance has its roots in the constructs described as interorganizational trust (Gulati and Nickerson 2008; Zaheer et al. 1998), company trust (Chow and Holden 1997), cognition-based trust (Lewis and Weigert 1985; McAllister 1995), and competence trust (Das and Teng 2001; Sako 1992). While misplaced at the organizational level, trust in interfirm is conceived to be "*an assumption or reliance on the part of A that if either A or B encounters a problem in the fulfilment of his implicit or explicit transactional obligations, B may be counted on to do what A would do if B's resources were at A's disposal*" (Thorelli 1986, p.38). This definition indirectly indicates that reliance in interorganizational relationships includes the expectations about each partner's fulfilment of the perceived obligations.

Organizational exchange occurs simultaneously at two levels which involves the interorganizational relationship of the dyadic firms and interpersonal relationship between the two parties' representatives (Tellefsen 2002). Positioned on different levels of business interactions, trust and reliance can consequently be applied to the two areas of interpersonal or interorganizational relationships, respectively. In an integrated framework where both trust and control exist (Das and Teng 2001), the affect-based trust (i.e. interpersonal trust) maintains its role in relational contracting (Jeffries and Reed 2000), whereas the rational standard of reliance is usually represented by written contracts in long-lasting business relationships (Roxenhall and Ghauri 2004). In the context of trust and reliance, reliance is in itself a sufficient condition for the development and sustaining of business relationships (Mouzas et al. 2007).

4. Research design and analysis

To develop and test the construct of reliance vis-à-vis interpersonal trust, we conducted 20 interviews with company buyers in the UK construction industry. This industry is fragmented into relationships based on either collaborating, partnering, or different forms of formal contracting (Crespin-Mazet and Ghauri 2007) as such provides an appropriate testing ground for both aspect of interpersonal trust and interorganizational reliance. Table 1 presents the positions of the interviewees as well as key company information. Most of the respondents have a senior position in their company and are involved in the decision marketing for supply management; thus, our exploratory and qualitative study focuses on supplier relationships. We framed the interviews in such a way that the respondents were asked to think especially about their key supply relationships. All the respondent firms are medium-sized or large

with turnover ranging from £5million to over £100million, and an employee size between 50 and 2164 in the year 2007.

Table 1 Positions of interviewees and company size

Interviewee	Position	Company turnover	Number of employees
C1	Director	£25million - £50million	335
C2	Commercial director	£10million - £25million	129
C3	Commercial director	£25million - £50million	123
C4	Purchasing manager	£50million - £100million	759
C5	Purchasing manager	£25million - £50million	236
C6	Purchasing manager	£10million - £25million	213
C7	Purchasing manager	£10million - £25million	100
C8	Purchasing manager	£10million - £25million	66
C9	Purchasing manager	£10million - £25million	82
C10	Purchasing manager	£5million - £10million	51
C11	Operations manager	Over £100million	214
C12	Group buyer	£50million - £100million	531
C13	Senior buyer	Over £100million	421
C14	Buyer	Over £100million	2164
C15	Buyer	£25million - £50million	186
C16	Buyer	£50million - £100million	182
C17	Buyer	£10million - £25million	90
C18	Buyer	£25million - £50million	85
C19	Buyer	£10million - £25million	67
C20	Office manager	£10million - £25million	53

Interview transcripts were analysed via content analysis using NVivo 8.0 to aid coding, examining and relating codes to themes, and counting the frequency of codes and themes (Kolbe and Burnett 1991). Our analysis indicated that for the fifteen interviewees who mentioned trust, the majority (nine) of them showed high levels of trust in their main suppliers, in contrast to six respondents who exhibit low trust (see Table 2). Therefore trust is not a universal and exclusive factor, in line with findings by Korczynski (1996). As respondent C11 stated:

When you got long-term contract, it's very easy to fall into complacency, and the supply chain quality and cost aren't as scrutinised as they should. There are always alternatives, which may be better for your business plans. So we continually monitor what others are doing and continually talk to other suppliers.

It becomes clear that while the buying company may engage in a long-term relationship with key suppliers, it may nevertheless continually monitor the process and seek possible alternatives for the sake of better benefits. Therefore, trust may become a relevant but not a determining factor which drives ongoing relationships. Evidence in table 3 shows that some buyers choose to deal with a particular supplier not based on established personal relationship, but purely with the incentive to achieve good economic benefits for their company. As many respondents commented, the welfare of their company is invariably the most important consideration which should precede any interpersonal relationships:

You cannot let personality dictate what you do. So do I pay more money than I should? It's got to be about the ability to deliver the goods to you, and if you can trust them to do that. There is no harm in making a personal relationship but [...]: Business is business, friendship is friendship. They both got to be on their side. (Respondent C9)

I think first and foremost you've got to put the product first, and obviously if you have a good relationship with your supplier then that's a bonus. But they've got to be able to supply the product we want at the price we want. (Respondent C15)

On the other hand, driven by the rational standard to fulfil the requirements for the buying firm, the buyer may have to act against his/her will to conduct business with a particular supplier despite low or negative levels of trust in the interpersonal relationship with the supplier employees:

I do business with one company. I don't really know them. But they give me a good service, a good price. There is nobody within the company that tries to build relationships with me, and I've not built relationships with them. (Respondent C9)

Sometimes I suppose you have to go against your best instinct and maybe use somebody that you don't feel comfortable using, because of whatever reason. Maybe they have a specialist product that you can't get anywhere else, or they can get it there quicker for you, whatever reason. But sometimes we do have to deal with companies that we rather wouldn't for various reasons. It's just part of the procurement side. (Respondent 12)

Table 2 Views on interpersonal trust

Trust	Interviewee	Description
High	C1	<i>I think I trust them. I trust you (the supplier) to say that you are doing your best, and I trust you to say that you know we are endeavouring.</i>
	C2	<i>I would say the majority of the time they are truthful. If they are not and we find out that they are not, they will no longer work for us. I think generally a lot of them do care, because otherwise if they don't look after us their business will not succeed.</i>
	C4	<i>I think it's somebody that if you do have an issue, if you pass on those issues to the supplier, you know that they are going to go away and dig deep to resolve any issues that you might have. In environment where you have companies that you are dealing with on a repeat basis, if you got wind of the fact that he may not be telling you the whole truth or be trying to hide something from you, it would count against them in the long run.</i>
	C6	<i>They do look after us, they, if I get a problem or whatever they will drop and do it for us. They are upfront with me. They will tell me the truth.</i>
	C7	<i>My suppliers are open when dealing with me. About a product and deliveries reason and whether they can or can't do things for us.</i>
	C10	<i>You build up the relationship up with the various suppliers. If we need favours, they will do us favours whatever like.</i>
	C12	<i>If they didn't, we wouldn't go back to them. So we have to trust them that they're giving us the best service they can. If we're not happy with it, obviously we speak to their representatives out on the road or in the office, and voice our opinion and hopefully things will improve, but it's not often we have to do that.</i>
	C15	<i>I'd like to think they always tell us the truth. I think the major suppliers who we use, because of the amount of money we're spending with them I'd like to think they care about us as well.</i>
	C16	<i>There's been a lot of trust there. That's been with the last ten years of the company growing and expanding. A lot of our suppliers and subcontractors have actually grown with us.</i>
Low	C3	<i>There's not much trust in the way of dealing with my key suppliers. Most of the things that we buy could be bought from anyone of a number of suppliers.</i>
	C8	<i>Obviously we keep buying from them, but not as much as I'd say (taking care of my business). They look after their own business.</i>
	C9	<i>They are not concerned with my welfare. He's not bothered. Only wants the sale. He'll be the nicest pal with you on the phone. Now for I know he might hate me.</i>
	C11	<i>When you got long-term contract, it's very easy to fall into complacency, and the supply chain quality and cost aren't as scrutinised as it should. As there are always alternatives there, but which may be better for your business plans. So we continually monitor what others are doing and continually talk to other suppliers.</i>
	C14	<i>We trust the quality of the products, but behind the scenes if you like there's much to be improved on.</i>
	C19	<i>We may say that we require something first thing tomorrow morning when in fact Monday will do, just to keep them on their toes. We may also say no I can get it cheaper somewhere else, see if you can improve your price.</i>

Table 3 Views on rational standards of business relationships (reliance)

Interviewee	Description
C1	<i>You basically want to choose them because you want them to sort of work in your way of working, understand your requirements, get in to the detail you know, look beyond the price, get into how we work, little things that we want that make the difference.</i>
C2	<i>Relationships are two-way, and we have to look after our business and our customers. If our supply chain is not doing that, ultimately they are hurting this business and ultimately they could be hurting the client. So the relationship will not exist.</i>
C4	<i>A little bit both (trust and reliance). We do rely on our suppliers to provide a good service and quality products. And if we are not getting that from them, our business would suffer inevitably. There is occasion when you don't necessarily have that particularly a close relationship with the individual who works at that company. We still do business if there is good economic performance.</i>
C5	<i>If we had a better relationship with a company that didn't give us as good a product as our main one does, we wouldn't get as good a job done, even though we had a good relationship with them. So I think the main key is getting the product as best as we can, rather than the personal relationships between the companies. I mean you want the good relationship, but I'd rather have the product first, and foremost I think.</i>
C6	<i>The product is more important than the relationship. I've built up a relationship with them, but you've always got to have a back up. That's why I've got a supplier list of two hundred. There are back ups there if I ever need them.</i>
C7	<i>If something (product) doesn't meet our expectation that it should do, then it affects the relationship. If this kind of things happens frequently, we just stop using them (supplier).</i>
C8	<i>Interpersonal relationship to some extent is important, but the company's benefits are more important.</i>
C9	<i>You cannot let personality dictate what you do. So do I pay more money than I should? It's got to be the ability to deliver the goods to you, and if you can trust them to do that. There is no harm in making a personal relationship, but it has to be to that side of the table if you like. Business is business, friendship is friendship. They both got to be on their side. I do business with one company. I don't really know them. But they give me a good service, a good price. There is nobody within the company as they try to build relationship with me, and I've not built relationship with them.</i>
C10	<i>The economic comes first and foremost in any relationship whether it's been new suppliers or sub-contractors or whatever, it has to be the right price. And then after that, the relationship obviously better with the amount of times you have dealt with them.</i>
C12	<i>Sometimes I suppose you have to go against your best instinct and maybe use somebody that you don't feel comfortable using, because of whatever reason. Maybe they have a specialist product that you can't get anywhere else, or they can get it there quicker for you, whatever reason. But sometimes we do have to deal with companies that we rather wouldn't for various reasons. It's just part of the procurement side.</i>
C15	<i>I think first and foremost you've got to put the product first, and obviously if you have a good relationship with your supplier then that's a bonus. But they've got to be able to supply the product we want at the price we want definitely.</i>
C16	<i>We just continue to use companies that provide us with a good service. If a company doesn't, then we don't use them and we let everybody else know that we've not had a good service from them.</i>

Therefore, the buyer is able and willing to rely on their supplier, given its needs are constantly satisfied and promises are delivered by the supplier. Hence reliance is perceived by a sizeable number of respondents in our qualitative sample as a contributing or sufficient characteristic for buyer-supplier business relationships in the

construction industry, backing the theoretical suggestions made in Mouzas et al. (2007).

After understanding the overall rationale behind their main supplier relationships, we asked the buyers how specifically they select their suppliers, and what aspects they can rely on in these relationships, in order to develop a measurement model for reliance, based on multi-item scales. In their study of building trust in the construction industry, Khalfan (2007) identified three important factors from their interviews: 'honest communication' (trust), 'reliance' and 'delivery of outcomes'. Apart from such standard variables as price and cost, interviewees in our study provided several other key factors (see Table 4). We identified and selected those factors which are associated with the definition of our concept of reliance, namely 'general ability', 'delivery speed', 'reliability', 'quality of product' and 'quality of services'. Based on these factors, we propose the following four items for the reflective measure of reliance:

- R1. We are confident in this supplier's ability to fulfill our agreements.
- R2. We are confident that this supplier is competent at what they are doing.
- R3. The performance of this supplier can always meet our expectations.
- R4. We have faith in the supplier's ability to fulfill their promises.

As a reflective measure, each of the four items individually represents overlapping aspects of the main latent construct of reliance. For instance, the first item R1, describing a supplier's ability to fulfill agreements, can be related to the factors of 'general ability', 'delivery speed', 'reliability', 'quality of products', and 'quality of services'. Similarly, the other three items R2, R3, R4, individually describing supplier's competence, performance, and promises, can be generally linked to any of the above five reliance factors identified in the interviews. Note that while

Table 4 Content factors of reliance in the UK construction industry

Contents of reliance	Interviewee	Description
General Ability	C9	<i>(I trust) their ability to deliver the products.</i>
	C11	<i>We've got an integrated supply chain where the first-tier suppliers work very very close with us and deliver on the contract. We don't need to put in an awful lot of management procedures with them, because they have their own quality procedures and processes.</i>
	C13	<i>Ability to do the job, or fulfil the order or provide the service that we require.</i>
	C19	<i>Our key suppliers are competent.</i>
Delivery Speed	C1	<i>They always deliver the products in time to your company.</i>
	C6	<i>I always look mainly number one: it's ..., the speed.</i>
	C11	<i>The time in which they deliver.</i>
	C12	<i>Sometimes you've got to offset one against the other to get it there quicker or...</i>
	C13	<i>Delivery time is in.</i>
	C14	<i>I will order something at 3 o'clock in the afternoon and they'll deliver the same day, which is absolutely great.</i>
Reliability	C1	<i>They are reliable. I mean provided you give them adequate lead time.</i>
	C2	<i>We look towards service, guaranteed service.</i>
	C5	<i>Delivery on time is important.</i>
	C7	<i>There are more important things that arrive on site on time, when they said it's going to get there.</i>
	C8	<i>Everything we sell I try to keep quite a large stock of anyhow. So if they do let me down on deliveries or whatever, then it's not so much of a problem.</i>
	C9	<i>If they don't deliver when they say they are going to deliver, we won't be able to finish the job. We have companies that let us down on delivery. Therefore, then I take them off the supplier list.</i>
	C10	<i>They are going to keep doing what they say they are going to do delivery tomorrow, then it will be there tomorrow.</i>
	C12	<i>We've got to trust them to get the gear there on time, get the materials there on time, which in most instances happens.</i>
	C16	<i>... and reliability. I think they'd be the three main.</i>
	C17	<i>They tend to deliver. They tend to do it in their own time.</i>
Quality of Products	C2	<i>We look towards ... and quality of goods.</i>
	C4	<i>We have very few quality issues.</i>
	C5	<i>Price and the quality of the steel.</i>
	C7	<i>We rely on what they send to us</i>
	C8	<i>Their quality products really.</i>
	C9	<i>As long as it (quality) reaches British standard, then we use it.</i>
	C11	<i>Most time costs and quality will be what determines our choices of supplier.</i>
	C12	<i>Sometimes you've got to offset one against the other to get it there quicker or to get better materials or whatever.</i>
	C13	<i>Good material.</i>
	C14	<i>The product is excellent.</i>
Quality of Services	C2	<i>We look towards service...</i>
	C4	<i>We try to concentrate on companies that we get...and good follow-up service at the end of the day.</i>
	C6	<i>How they resolve problems, which would come into the service I suppose. Follow-up service and support.</i>
	C7	<i>It's quality of service, and then price. The two driving factors. But quality of service is more important than price.</i>
	C10	<i>What we want ...and the quality of the service. After sales if anything goes wrong that we could get hold of them.</i>
	C13	<i>Sales support. So if you have problems on site they can send out a representative quickly to meet us on site, resolve it.</i>
	C18	<i>Generally we do get good after sales service from most of the suppliers that we do have at the moment.</i>
	C19	<i>We continue to use them because they are still there and continue to provide us services we need.</i>

interorganizational reliance is often embedded within written agreement, our interviews in the UK construction industry found that several firms do not use contractual agreements immediately when they place orders, but agreements are often ensued after the orders are made. Therefore, the first item R1 is intentionally not worded as ‘fulfill our *contractual* agreements’ which would otherwise cause certain measurement bias.

5. Discussions and Conclusion

In this study, we qualitatively examined the concept of interorganizational reliance in business relationships, following the theoretical proposition made by Mouzas et al. (2007). Based on an analysis of twenty interviews with company buyers responsible for key supplier management in the UK construction industry, buying firms typically aim at economic benefits from the relationships with the suppliers. While there exist interpersonal trust in these business relationships in some cases, buyers agree that their company’s welfare is the central performance variable that they will need to optimise. As some buyers suggested, business relationships will still be built and maintained even if there are low levels or indeed lack of interpersonal trust. Undoubtedly, business relationships cannot survive long without the consideration of mutual benefits between the buyer and the supplier. As respondent C9 argued, ‘there is no harm in making a personal relationship’, but the company’s requirements must be satisfied in the first instance. In agreement with the statement made by respondent C15 that ‘a good relationship with the supplier is a bonus’, we contend that reliance is well qualified as an important additional determinant of a successful and continuing business relationship. This is consistent with the observations made that interorganizational reliance is a sufficient condition for the

development of business relationship between two parties (Mouzas et al. 2007). Thus, inter-organizational reliance provides an important facet of business relationships which needs to be delineated from interpersonal trust.

Future research needs to be directed at investigating the antecedents and outcomes of reliance in exchange relationships. This needs to be based on an empirical test of the suggested reflective measurement model for reliance. Based on this, further empirical research can foster a better understanding of business relationships. For instance, while interpersonal trust remains to be important in nomological models of business relationships in representing interpersonal aspects, reliance is considered to have an important further role in understanding interorganizational factors of such relationships. Second, the rational effect of reliance on trust can be examined. That is, if the buying firm's specific needs are consistently fulfilled by the supplier, it can be hypothesised that it places increasing trust in the supplier personnel which can further boost the development of relational norms. Third, whereas in our research the scale for the measure of reliance was developed in the construction industry, it needs to be adapted to the study of interfirm relationships across industry settings. However, further studies should avoid the use of the construct of trust to represent interorganizational relationships, given the affective element attributed to trust and thus the fact that organizations are not able to "*doing the trusting*" (Blois 1999, p.203).

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