



Interorganizational cooperation: the structural aspect of nurturing trust

Dorit Tubin and Miri Levin-Rozalis

*Department of Education, Ben Gurion University of the Negev,
Beer Sheva, Israel*

Abstract

Purpose – Interorganizational cooperation (IOC) is like harnessing a swan, a crab, and a pike to a single wagon and still expecting it to go. One issue that appears significant under such conditions is building trust and inscribing it into the structure of IOC. The purpose of this study is to explore the relationships between trust and IOC structure.

Design/methodology/approach – Trust-structure relationships are studied by drawing upon a case study of complex and effective IOC in The Early Childhood Center in Israel.

Findings – The analysis reveals several structural factors that support the building and maintenance of trust: choice of contribution, involvement in decision making, committee configuration, IOC culture, the director's role, and the representatives' high-ranking positions and professional background.

Research limitations/implications – Three conditions help to inscribe trust into IOC structure: Low risk and minor expectations from the IOC, a leader willing to share information throughout the IOC structure, and high positions and professional representatives.

Originality/value – The study contributes to IOC literature by highlighting the fact that trust between organizations cannot depend on the goodwill of particular people, but must have an organizational structure to enable and support it.

Keywords Trust, Leadership, Professional services, Organizational structures, Child welfare, Israel

Paper type Case study

Introduction

Nowadays, it is difficult to think of an organization, especially one that provides services, that does not function in cooperation with other organizations. Nonetheless, interorganizational cooperation (IOC) is like harnessing a swan, a crab, and a pike to a single wagon and still expecting it to go [1]. This complex structure offers great potential advantages, but it is also characterized by inherent difficulties and dangers that can threaten or disturb the function of one or several of the partners (Cousins, 2002; Pitsis *et al.*, 2004). To overcome these threats, relations of trust among the partners are required (Huxham and Vangen, 2005).

This paper examines the structural aspect of building and nurturing trust in IOC. We know that trust is an important factor in the establishment of IOC, but while there is a body of research on the interpersonal aspect of this issue (Adobor, 2006a, b; Nysten, 2007), the structural aspect of IOC trust is relatively unexplored. As a result, although some important directions regarding the principles underlying the building of trust have been extensively discussed (Harriss, 2002; Adobor, 2006a, b; Nysten, 2007; Vangen and Huxham, 2003; Cousins, 2002; Pitsis *et al.*, 2004), the structural aspects of these principles are still vague. The structural aspect of nurturing trust is the subject of this study.



We draw upon a case study of IOC of The Early Childhood Center (ECC) whose aim is to enhance the welfare of children and parents in Israeli towns. Connecting numerous participants, the majority of whom have no personal relationship, this IOC became a practical arena in which to explore the structural aspects of trust for a better understanding how a successful and sustainable IOC forms trust and is in turn formed by it. This study makes a number of contributions:

- it shows how a newborn IOC forms its initial relations of trust, the basis for the later interorganizational structure;
- it provides an understanding of the ways in which structural arrangements support relations of trust and vice versa; and
- by exploring the complex relations of IOC it responds to calls for a qualitative study that focuses on developing trust in interorganizational relationships (Vangen and Huxham, 2003).

The paper is organized as follows: we begin by reviewing the literature on IOC and exploring how trust has been discussed in relation to IOC success. This enables us to formulate the two research questions that guide our analysis. Second, we discuss the methods and the case study, and third, we present our findings and conclude with a discussion of the implications.

Interorganizational cooperation and trust

Interorganizational cooperation/coordination

Modern and post-modern society is characterized by an abundance of organizations. This phenomenon stems from both the complexity of society and its demands for specialization and improving specific skills. IOC comes about when existing organizations are unable to provide a specific service or a response to a specific need (Huxham and Vangen, 2005; Payan, 2007). IOC, however, is a multifaceted phenomenon that depends on culture, industry and organizational characteristics (Harriss, 2002). It could be an organizational arrangement that reflect power disparities between larger and smaller firms (Harriss, 2003), it can indicate organizations in their development stage (Thatcher, 2004), and even indicate the emergence of a new institution (Lawrence *et al.*, 2002).

The definitions of inter-organizational alliances have changed accordingly, using terms like “relationship,” “partnership,” “alliance,” “cooperation,” “collaboration” and “coordination”. Some of the definitions are rich, holding more than one meaning, as in Mulford and Rogers’ (1982, p. 12) definition: “A process in which two or more organizations use existing rules for decision making, or create new rules in order to together cope with a common task.” Others are more concise, like “joint activity toward a shared goal” (Kay, 1995), or “technology-based strategic alliance” (Rothaermel, 2001). Payan (2007), who conducted an extensive review of the literature, found that although the terms of cooperation and coordination are frequently viewed as synonymous, they carry different meanings. She suggested that while cooperation refers to an orientation of one organization to work with another, coordination refers to joint activities that take place between them (2007, p. 228).

When we use the IOC acronym in the present study, the “C” stands for both meanings, not because we believe that they are synonymous, but because where trust is concerned, both are relevant: common understanding and joint activities. Thus, in this study we refer to IOC as a partnership which enables different organizations to

contribute different skills and know-how in a common framework, to provide answers and solutions that none of the participating organizations can provide separately.

Creating IOC carries with it an embedded dilemma: while IOC is valued as a source of important resources, it is also perceived as one of suspicious and conflicting interests. As vividly described by Cousins (2002, p. 81):

If that self-interest is best served by working closely with another firm then they will do so. However, when that interest is no longer served, rest assured, they will bite you!

Interorganizational scholars consider this dilemma in several ways. Some emphasize the power of shared beliefs, collaborative cognition, and the emergent culture of the partnership to overcome such a contradiction (Baird *et al.*, 1990; Parker and Selsky, 2004; Pitsis *et al.*, 2004). Others underscore the IOCs structural aspects, such as formalization of rules and procedures, members' participation and diversity, group cohesion and the degree of embeddings in the field to enhance certainty and reduce contrariety (Hoang and Antoncic, 2003; Lawrence *et al.*, 2002; Zakocs and Edwards, 2006). Although their explanations differ widely, all IOC researchers agree that trust is a crucial element in creating and maintaining good interorganizational relationships.

Trust and IOC

Located in the space between total knowledge and total ignorance (Harriss, 2002), trust reflects confidence or predictability in one's expectations and faith in the goodwill of others not to harm your interests when you are vulnerable to them (van de Ven and Ring, 2006; Adobor, 2006a, b). Trust is a psychological feeling which applies to organizations through repeated engagement between the organizational representatives in a virtuous circle (or vicious circles of decline when the processes fail) that are supported by the IOC structure. These are the reasons for the various kinds of trust, depending on the partners, field, and context.

Adbor (2006b), who focuses on inter-firm alliance, mentions deterrence-based trust that depends on the fear of the consequences of violating trust, identification-based trust, which is based on group and kinship, and cognitive-based trust that emerges from ongoing relationships. Sako (1992), who studied buyer-supplier relationships, distinguishes between a contractual trust, which refers to fulfilling expectations to the point of the contract as agreed (explicitly and implicitly); goodwill trust, which refers to the willingness of the partners to perform tasks in excess of the agreed terms and conditions; and competence trust, which refers to the parties' ability to produce what the contract requires.

Numerous obstacles are faced when creating and nurturing all kinds of relations of trust between organizations. First, as suggested by Cousins (2002), the need of organizations is to protect their interests. Although collaboration should be a win-win situation, life in an organization teaches workers – for both themselves and as organizational representatives – to watch their back, assuming that the others' gain could be their loss (Argyris and Schon, 1996; O'Neill, 2002). Second, building trust is a cyclic process: creating trust implies taking a risk, whereas the existence of trust is a risk reduction mechanism. Thus, where there is no history of trust, the more modest the outcomes expected and the lower the level of risk, the greater the chance that expectations will be met (Vangen and Huxham, 2003).

Third, personal relationships between the organizational representative can be most valuable and enhance trust (Adobor, 2006a, b), as they can enfeeble

the formal structure of the partnership and harm its effectiveness (Nylen, 2007). Finally, the network structure of interorganizational relationships implies different points of view which undermine common understanding. This tension creates a paradox whereby the more unconnected the partners are, the greater the chance of bridging structural gaps and establishing effective collaboration (Burt, 1992), but these different positions in the social structure are precisely the reasons for different points of view, low trust, and low chances of a successful partnership (Vangen and Huxham, 2003).

Despite the difficulties, the IOC literature offers several suggestions for trust creation and maintenance. Perks and Halliday (2003), for example, found three critical dimensions in the trust creation process: knowledge of the partner's resources and capabilities, signals of positive intentions, and behaviors that enhance transparency and future commitment. They also found that for maintaining relations of trust, firms seek signs of adaptation and investment such as shared technology, visualization of processes, transparency, investment in routines, and enhancing social networking. The amount of uncertainty is also found to affect trust creation (Alexander, 1998; Adobor, 2006b), as well as communication, power imbalance, credit recognition, joint ownership, and conflicting views (Vangen and Huxham, 2003). To unpack these concepts and reveal the structural arrangements that support the newly created trust in real situations (van de Ven and Ring, 2006), we pose two research questions:

RQ1. How was the IOC network established and what was the leader's role in laying the foundations for relations of trust between the partners?

The question deals with the establishment of relations of trust between the partners of the IOC, in this case of the ECC. We have already mentioned the importance of a certain amount of uncertainty (Adobor, 2006b), modest expectations and low risk (Vangen and Huxham, 2003), transparency and signals of positive intentions (Perks and Halliday, 2003), for building trust. Another two factors affecting trust creation are the IOC leader and the network between the IOC partners.

In the context of the present study, where there was only one legitimate leader of the IOC, leadership is the activity that enables the partnership. Although numerous factors such as the kind of leader (entrepreneur and manager) and leadership style (Avolio and Bass, 1991) affect a leader's functions and operations, we focused on the actions taken for trust creation. These include two categories of activities: first, to identify the contacts that will provide critical resources for the venture, and second, to maintain and support the exchange relationship when it becomes imbued with a social or affective component (Hoang and Antoncic, 2003).

To accomplish these missions, the leader has to establish an appropriate network that will maintain direct and indirect ties between the actors. Additionally, the leader must be able to perceive the nature and structure of these ties, not just the ties surrounding him or her, but the ties connecting others in the organization both near and far (Balkundi and Kilduff, 2005). But the leader's role is not the whole picture, which brings us to the next research question:

RQ2. What are the structural arrangements that support and form trust relations between the IOCs partners?

Years ago, Mintzberg (1979, p. 2) stated that:

The structure of an organization can be defined simply as the sum total of the ways in which it divides its labor into distinct tasks and then achieves coordination among them.

This is also true of the IOC structure, and we must consider the interplay between the leadership perceptions, the quantity of the various relations among the participants, the division of labor and the mechanisms of coordination, to gain a better understanding of trust maintenance.

Methodology

Our study focuses on the case of IOC which was run by a municipality, non-profit organizations and community organizations, and resulted in the establishment of the ECC. In this section, we explain our research design, data collection and analysis, and present the case.

Research design

The “what” types of research questions, and the IOC arena which contains too many uncontrolled complicating factors, suggest an exploratory case study (Yin, 1989), and the importance of the perspectives of those being studied suggests qualitative methods (Merriam, 1990). Thus, we have applied the guidelines for an instrumental case study aimed at analyzing underlying issues, relationships and causes suggested by Stake (1995). By employing this method, we were able to conduct an in-depth study of successful IOC, while examining the structural aspects involved in establishing and nurturing trust.

We selected this case study because the question of trust was evident in several ways. First, this collaboration comprised more than 15 organizations (Appendix 1), each having the potential to violate the trust relations at any given time. Yet, this did not happen and the IOC has survived for over ten years. Second, most of the individual participants as their organizations’ representative were professional, bringing with them very different points of view which made shared views difficult to attain. Finally, the ECC was chosen as an extreme case for demonstrating best practice (Merriam, 1990).

Data collection

In order to explore the structural aspects of trust, we drew on evaluation data collected by one of the authors of this paper during a five-year study (1994-1999) of the ECC. The evaluation study lasted from the ECCs planning stage through all the phases of its construction and development. The researcher attended some 100 meetings of the various committees, interviewed and talked with all the participants (about 30 persons, most of whom are presented in Appendices 1-3), and monitored and documented the processes involved (Levin-Rozalis, 1997).

Data analysis

All the observations, interviews and meeting minutes were analyzed according to the research questions (how trust was established and maintained) and narrowed down to more precise questions as the data unfolded. For this, we used the constant comparative method suggested by Glaser and Strauss (1967) and the “open coding” suggested by Strauss and Corbin (1990), which is based on the analytic procedures of making comparisons and asking questions regarding the phenomenon’s dimensions and levels, and its relationship with other phenomena. Incompatibility and contradiction were

solved by going back to the original interviews and the raw data, and by consulting with the second author of this paper (who was not otherwise involved).

IOC: nurturing
trust

The Early Childhood Center

Prologue

The “D” neighborhood in the southern city of Israel is very poor and neglected, but hidden behind a large parking lot is a place that does not seem to belong to its surroundings. Anyone coming through its gate from very early morning to late in the evening will discover a beautiful square yard surrounded by buildings and bustling with activity – The ECC. The ECC changes its face all day long. In the early morning, children from the age of three months to four years arrive and are distributed to their rooms and colorful yards. The voices of these young children playing can be heard until the afternoon, when they change places with children and parents coming to various afternoon activities. In the early evening, the population changes yet again and young parents as well as educators come to learn, to be guided or to listen to a lecture.

This picture is as true today, in 2007, as it was in the ECCs first years. Looking for the origin of the successful partnership, we decided to go back to the early years, 1994-1999, seeking the trust creation and nurturing among the complex coalition of organizations that run the ECC – the IOC under study. A longitudinal study is called for to study the effects of the formative years on the latter, but this is beyond the scope of the present paper.

History

The ECC was established in 1993 in a city in the south of Israel with a population of some 150,000, as a small daycare center, with only a handful of children attending. A very large donation from the Jewish Agency initiated a joint venture with the municipality that aimed to build a new “ECC model” to promote services related to early childhood and young parents. Looking for partners, the two founder organizations managed to enlist almost every organization that had anything to do with early childhood to take part in the IOC that runs the ECC.

Since then, the Center has flourished, offering a variety of services to families, young children, and early-childhood educators. It maintains a day-care center, a long-day special kindergarten, and an entire range of activities for mothers and children, including a library, a toy center, a kindergarten preparation group, activity groups for toddlers, study groups for parents, and in-service courses for early-childhood educators. There are also special programs, such as one for integrating children with borderline developmental problems into ordinary pre-school classes, or a multi-dimensional treatment nursery group (Levin-Rozalis and Bar-On, 1993; Levin-Rozalis, 1997).

The beginning

The first stage of setting up the IOC involved recruiting participants. This process began at the inauguration ceremony of the ECC’s beautiful new building. All the organizations in the city that might have an interest in any aspect of early childhood (Appendix 1) were invited to this ceremony and to a meeting of the “Public Council for the Early Childhood Center,” the IOC that had not yet come into being.

At the end of the inauguration ceremony, which did not involve any commitment, the representative of the municipality invited everyone present to contribute what they could

to the ECC, each according to their resources. A questionnaire was distributed in which those present were asked to suggest what should be the functions of the body assembled at this session of the “Public Council for the Early Childhood Center” (thus confirming the existence of such a body) and in what area, if at all, they were willing to contribute to the Center, either as representatives of their organizations or as individuals.

In the high spirits of the successful celebration, nearly all the participants agreed to contribute to the success of the ECC, which they all perceived as being a very important institution in the city, and especially in the poor neighborhood in which it is located. An alternative explanation could be what one of the participants mentioned sarcastically to the researcher, to the effect that “None of these organizations dare stay out of any initiative that the others are part of.” As we will see, both explanations are accurate.

Everybody was very happy, except the ECC manager. In an informal comment to the researcher she noted that, “Five thousand new bosses that I’ll have to nourish have just been born.” The ECC manager was also the IOC director, and as such her role was to manage the IOC members in helping to recruit a variety of resources, and help convert them into efficient high-quality programs.

Partnerships between the municipality, “Project Renewal,” the Jewish Agency and the Montreal Jewish Community existed before the center was set up. Nevertheless, the establishment of the center involved creating a system of IOC that was far more complex, which included 15 separate departments and organizations (Appendix 1), all involved in different areas, projects and decision-making levels of the ECC. To handle this variety, and in light of the participants’ responses, the complex structure for the IOC was established.

The IOC structure

At the top of the hierarchy is the *ECC Advisory Council* (Figure 1), which includes the people who wanted to take part in supporting the Center (either personally or as

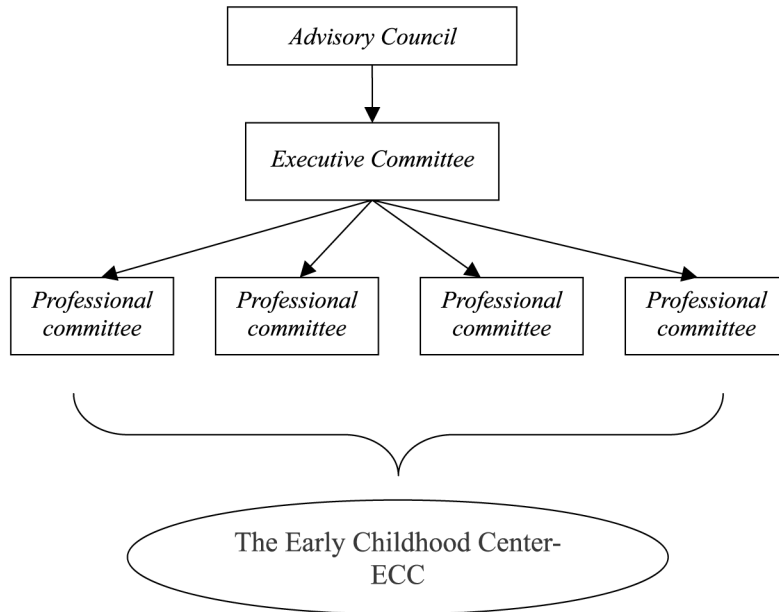


Figure 1.
The IOC organizational structure

representatives of their organizations of origin). The Advisory Council's role is to make decisions on the Center's overall policy and budget. It meets three times a year.

IOC: nurturing
trust

Next, and subordinate to the Advisory Council, is the Executive Committee, which is the IOC's executive body. Its role is to convert the Advisory Council's policy decisions into operational actions and to monitor the ongoing processes of actualizing these decisions. The Executive Committee, as stipulated in the contract between the participating organizations, has the prerogative of making binding decisions on matters of distributing funds, developing programs, hiring and firing staff, and many other aspects of operating the center – within the policy guidelines and budget set by the Advisory Council.

711

At the bottom of this structure are the professional committees (Appendix 2), which are responsible for specific areas of the Center's activities and which report to the Executive Committee. There are also *ad hoc* committees, which are formed to oversee special programs. The Executive Committee and its sub-committees are all made up of members of the Advisory Council, and all members of the Advisory Council participate in these committees, in some cases in more than one (Levin-Rozalis and Tubin, 2005). The various types of participating organizations can be classified into three categories: first, organizations that have direct responsibility for the center's day-to-day management and financing, such as the municipality, the Jewish Agency, and the Montreal Jewish Community. These organizations have entered into a contract that defines their relationship, responsibilities, and obligations.

Second, organizations that voluntarily take responsibility for the EEC's educational content, including all the organizations represented on the Advisory Council. Their role is to provide focused professional support for the Center's activities in various areas and to different extents. They are involved in committees such as the Marketing, Evaluation, Health, Program Committees, and so on. Part of the cooperation is about specific projects, such as the program for integrating children with borderline developmental problems into regular classes. In this case, a connection was formed with the Institute for Child Development, the Diagnostic Clinic, and the Municipality Department for Rehabilitation. Third, organizations that are mainly concerned with determining the Center's policies, and which are represented on the Advisory Council, such as the Ministry of Labor and Welfare, or the Health Maintenance Organization.

A successful IOC

- As measured by a range of criteria, the IOC's product, the ECC, has been found to be a success story: it continues growing, expanding its activities and the variety of services offered, reaching more populations, and maintaining its high level of operation.
- The IOC has a high rate of long-term participation as well as a high percentage of attendance (over 80 per cent) in the Advisory Council, the Executive Committee, and all the other committees.
- Efficient working norms have been developed and there is a win-win approach to problem solving (Levin-Rozalis, 1997).

Findings and analysis

Trust building

Our *RQI* focuses on trust building among the participants. As mentioned earlier, factors that enhance trust are low levels of risk, modest expectations, quick and

achievable outcome, power balance, clear communication and transparency, credit recognition and joint ownership, and a certain amount of uncertainty (Vangen and Huxham, 2003; Cummings and Worley, 2005; Adobor, 2006b; Perks and Halliday, 2003). The IOC establishment process supports many of these factors.

First, the four main partners, which came together to establish the new building, drew up a legal contract and began recruiting other partners only after the beautiful new building was ready. At this time, they did not have much to lose. The default option was to run the center in a conventional and modest way. But, they had much to gain: the more partners they could engage in IOC, the greater the public legitimacy and the better the center would operate. Low risk and modest expectations were also the share of the new partners. At worst, they would be “in” and relevant, and at best they would actually influence the center. This might be termed a self-reinforcing process (Jarillo and Stevenson, 1991) or trust-building loop (Vangen and Huxham, 2003), but the idea is the same: willingness to take risks and have modest expectations are encouraging when joining a partnership which, if it succeeds, reinforces trust and leads to more ambitious collaboration.

Second, a basis for clear communication was set using the inauguration ceremony questionnaire. When asking the potential partners what they would wish to contribute, all possibilities were open on the one hand (including offering nothing), but the written response obliged the participants to shoulder their declared willingness on the other. This created the balance between uncertainty that encouraged the partners to try and leave their mark on the one hand, and certainty regarding the rules of the game which regularized the partners’ relations, on the other (Adobor, 2006a, b; Levin-Rozalis and Tubin, 2005).

And finally, the recognition and joint ownership were executed through the different types of participations: the main partners (who financed the center) had a contract, and the other partners who volunteered to contribute were represented on the Advisory Council and the committees, positions that accorded all partners a broad view and helped to avoid imbalance and enhance trust (Vangen and Huxham, 2003).

To sum up, from the various factors that supported trust creation, we have identified two structural arrangements that supported it from the very beginning: first is enlistment of partners in a way that allowed them to chose their contribution, and second, partner integration in the decision-making process, either in the Advisory Council or the committees. A choice of contribution and involvement in decision-making procedures are structural because they deal with definition of roles, authority relations and responsibility domains. Institutionalizing the nascent IOCs relations in structural routines reduced uncertainty and enhanced partners’ control over the situation, reinforced involvement and commitment, and clarified communication, which are all prerequisites for building trust. Structural arrangements are also needed for nurturing these trust relationships from now on.

Structural aspects of trust

Our *RQ2* focuses on how the structural arrangements nurtured trust relationships in the IOC. We found five such aspects that were primarily responsible for regulating the IOC’s activities and resulted in maintaining trust relations between the partners: the high-ranking official position of the representatives, the committees’ configuration, the IOC culture, the director’s role, and the representatives’ professional background.

High-ranking officials

The contractual agreement between the founder organizations stated that their representatives would make up the Executive Committee and would be responsible for financial obligations, establishing common aims and working norms, and organizing combined activities. The restrictive potential of the contract was balanced by the fact that the founder organizations' representatives were high-ranking officials. This created a balanced decision-making mechanism that not only put these officials in the position of serving as watchdogs over each other, but it also meant that they had the power to negotiate with their home organizations. They have the power to block external forces in the participating organizations that might want to dismantle the ECC and prevent "budget flight," which may occur when a representative of a certain organization tries to have the ECC deliver services or operate programs that the organization itself is supposed to provide.

Additionally, their high status improves the chances for a positive response to an application for assistance or support presented by the ECC to one of the participating organizations. On more than one occasion, representatives have initiated fundraising activities by connecting prospective donors with the Center, for example, or if they think a program is important, by raising the money themselves.

Although the general role of the partner organizations was defined contractually, this covers only the financial relationships and then only between some of the participants (not all of the partners contribute money). This says nothing about the IOC's structure and operations. These were actually decided by the representatives of the organizations themselves, and demonstrate the idea suggested by Pitsis *et al.* (2004, p. 64) of a simple contract that is based "on mutual understanding, trust and a commitment to the vision." This trust and commitment was supported by the committee's configuration.

Committee configuration

The IOC is directed by the Advisory Council (Figure 1). Despite the rather fuzzy wording of the Advisory Council's mandate, the Council has considerable power. It chooses its own agenda and sets the assignments and structure of the committees as well. The budget is brought to the Council for ratification, and every new program or change in existing programs is also brought before it. The council is empowered to abolish unnecessary committees (like the Marketing Committee) or form new ones (such as the Finance and Resource Committee), as well as co-opting new members to its ranks. Its decisions are binding on all the other committees, including the Executive Committee.

However, the power of the Advisory Council is balanced by the Executive and professional committees, in which most of the members of the Advisory Council participate (Figure 2). The unique aspect of this structure is that unlike Simon's (1957) means-end chain, in which different people make strategic decisions at one level and others implement them at a lower level, in IOC the same people serve in several positions (Levin-Rozalis and Tubin, 2005). It has been formally set up in such a way that every person has at least two roles, in many cases three and even more, and always at different hierarchical levels. This has two immediate consequences:

- (1) The IOC members have a broad view of the ECC, the different types of decisions that have to be made, and the reason behind every decision. In that sense, all of them are full and equal members of the decision-making procedures at all levels. We believe that this unique division of labor also helps to inhibit

IOC partners

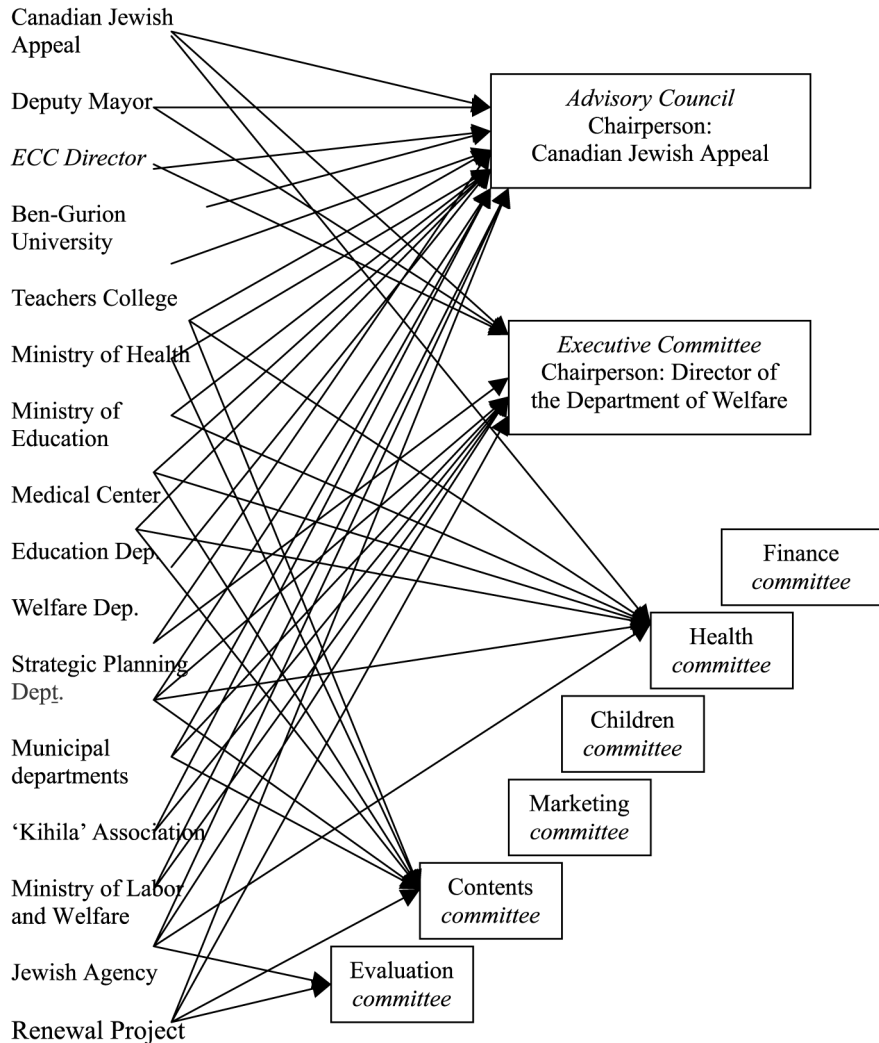


Figure 2.
A schematic description
of the committees'
multi-position structure

power struggles and enhance trust by creating a holographic organization in which individuals share a common identity across subunits (Ashforth and Mael, 1989). On the other hand, this structure can intensify blindness and shared ignorance as part of group thinking. The fact that the people come from so many organizations and different professions helps to reduce this danger.

- (2) The participants have to juggle roles and navigate between the variety of hats they wear: their role in their organization of origin and their multiple

roles in the IOC. In addition to enriching the decision-making process, this navigation between roles increases sensitivity to other partners' multiple roles, and deepens shared understanding and trust.

IOC: nurturing
trust

715

The committee meetings, the issues to be discussed and a consensus to be reached can be burdensome, but they ensure the ECCs operation as well as the delicate trust relations. For example, at one point one of the organizations demanded the power of veto. This demand would have made the work of the committee impossible and might have completely paralyzed it. The subject was brought up for discussion in the Executive Committee. The issues were clarified formally, as well as informally outside the committee with the representative of the organization (who was also a senior partner in the organization), and the organization withdrew its demands. The committee's structural form is supported by the IOC culture and shared beliefs.

Shared beliefs

The shared beliefs and norms of the IOC partners compose a new culture, or reculturation, that is grounded in a new reality that emerges from interaction (Parker and Selsky, 2004), and affects the actor's perceptions and trust relations (Alexander, 1998). In our case, three main ideas were common to all the participants:

- (1) The importance of the IOC, which refers to the agreement among the participating organizations to the effect that the IOC is the best way to work together toward their common goals. In all the interviews and conversations with participants, no one felt that the ECC would operate better or more efficiently without the IOC. This finding is extremely important, because although anchored by contractual constraints, the interorganizational structure that has been created has no power of enforcement, so the goodwill of the participants is imperative.
- (2) A client-centered philosophy is the second characteristic shared by the participants. It involves seeing the client, rather than the interests of the specific institution, as the crux of the activity. In all the meetings observed (which was most of them), the interests of the clients were an important issue (Levin-Rozalis, 1997).
- (3) A problem-solving orientation is the basis for a positive attitude toward problem solving. The frequent meetings (held once a month) create the opportunity for including problems on the agenda, thus providing procedures for problem solving. The members' awareness of the differences between their organizations and their willingness to find solutions, while respecting each other's organizational limitations, facilitate the process, as does their previous experience in IOC (by the nature of their functions most of the participating organizations are cooperative bodies).

Professionalism

The shared beliefs described above could create communication patterns that interrupt learning (Argyris and Schon, 1996). An external source of independent power is needed to face such unanimity, which in this case is the professionalism of the representatives. In most cases, the representatives are professionals in areas that are important to the ECC (community workers, pediatricians, educators, public-health workers, social workers,

and so on) and who are experienced in running intricate systems. In the interviews, all of them claimed that they felt free to express their opinions and contribute their professional input.

The professionals also provide the Center with a much broader outlook. They know of the availability of financial, organizational, and of human resources, and they interact with large sectors of the municipal and national framework. This knowledge, along with commitment to professional ethics and to the client, helps block the tendency to shunt responsibility from one body to another, makes decisions and considerations more transparent, and enhances the partners' tendency to rely on trust (van de Ven and Ring, 2006).

The Director's role

As part of her job as the ECC manager, the IOC director simultaneously wears three different hats: she sits on all the committees (Advisory, Executive, and Professional) as a member with input equal to that of all other members; she must follow the decisions of these same committees; and she is the one who convenes and coordinates the committees, synchronizes their activities, and is in ongoing communication with the committee chairpersons.

Such involvement constructs a cognitive network in the mind of the director (Balkundi and Kilduff, 2005) which affects her ability to establish trust relations among the partners. She becomes the catalyst for an interaction that creates agreed-upon work norms among the participants that compensate for any lack of previous acquaintance. Additionally, with her background as a kindergarten teacher, she has developed emotional intelligence (Pitsis *et al.*, 2004) that facilitates keeping in touch with all participants, and knowing that there is nothing as important to goodwill and trust relations as personal attention (Oplatka, 2006).

To sum up, when we state that these five elements (high-ranking officials, committees' configuration, IOC culture, director's role, and professional representatives) are structural, our intent is to the regulations that support the specific personas involved. The high-ranking status and the professional background, for example, are structural because they provide the representatives with a certain professional network (Burt, 1992) or role-set (Merton, 1957), a characteristic attached to the role, not to the person fulfilling it. Or in the case of the director's role, we acknowledged her personal qualities which helped in nurturing trust relations. But as we found, we also suggest that these qualities helped her to establish a "three hats" role that could be of assistance to her successor continuing to nurture trust, based on this operation and not only on personality. The beauty of the agent-structure relation in this case is their mutual relations: the first people involved created the norms and regulations that in turn can help new people to continue and maintain trust relations in this successful IOC.

Discussion

Our research explored the structural aspects of trust among partners in IOC. The case study showed how each structural aspect (high-ranking officials, committees' configuration, IOC culture, director's role, and professional representatives) contributed to trust nurturing. It is not the contribution of each aspect alone, but the interaction between them that worked so well. For example, the professional background of the representatives alone would not have been so effective without their

high positions in their home organizations and the committees' structure. This is also true of the director's behavior, the IOC culture, and so on.

Our study highlights the point that although building trust is called for when establishing a stable IOC (Vangen and Huxham, 2003), trust is not the target of IOC, but a necessary trait and desired quality for an IOC to accomplish its goals (van de Ven and Ring, 2006). Moreover, a successful start must be followed by a suitable structure for nurturing the initial trust. Such a structure should have a certain hierarchy and routines for enhancing clarity and stability for IOC activities (Thatcher, 2004; Williams, 2005); it should allow an equalitarian structure for the representatives in which they can develop shared beliefs and contribute their best knowledge and goodwill (Levin-Rozalis and Tubin, 2005); and employ a leader who will play the crucial role of mediator between all parties, tasks, and interests.

Additionally, when the representatives themselves are high-ranking officials and professionals, they contribute to the atmosphere of trust by focusing on the subject at stake, drawing attention to immediate interests and enlisting their organizations to help the IOC whenever necessary. By so doing they turn the conventional expectations of organizations from solely gaining from IOC to a different game in which the contribution goes in both directions (Jarillo and Stevenson, 1991). This, in our opinion, is the highest level of trust that organizations can have in one another.

Why did all these high-ranking officials and the director agree to invest so much of their already limited time in the ECC? This is a crucial question. The answer is embedded in the process that has also served as a reinforcing cycle. Being recruited to the Advisory Committee and to the Executive and Professional committees gave these professional people an opportunity to deal with issues connected to their profession – at a level that involved more than the administrative decisions that occupied them in their home organizations. Thus, when the ECC became a success, they received important feedback – personally, professionally, and as representatives of their own organizations. Being part of a successful project gave them the feeling of having made a real contribution to something, and that catalyzed their willingness to continue and contribute. In a way, this is a personal trust-building loop (Vangen and Huxham, 2003), which reinforces the overall trust climate in the IOC.

While our study provides important insights into the structural aspects of IOC trust relations, it has limitations. First, a single case study is a useful way to explore the complex process of IOC, but its generalizability is inevitably limited. Thus, further research is necessary on the relevance of these processes to other situations. Nevertheless, the principal conclusion that structural dimensions can help in originating, maintaining and reinforcing trust that is allegedly in the sphere of human relationships and not of the organizational characteristics, stands. Second, and in spite of the above conclusion, we did not track the past relationships of the participants, but we know that at least some of them experienced former job relations and/or social relations. This fact could have affected the trust relations among the individuals, and further study of the personal relations of the representatives is thus called for.

Finally, the systematic data allocations were completed eight years ago. It could be that our conclusions are applicable to the formative years of an IOC, and further study is required to find what happened to the trust relations and their structural arrangements over time. Despite these caveats, our work has number of theoretical and practical implications.

Theoretical implications

Our study contributes to the IOC literature by highlighting the fact that trust exists along the line between people and organizations. It is a human trait that is translated into an organizational act. Possessing this special quality cannot be a characteristic of human relations alone, nor can it be an organizational attribute. In order to materialize, it needs both. Depending on the goodwill of particular people, trust will disappear at the first problem or under pressure. It must have an organizational structure to enable it, support it and maintain it in a way that is separated from the actual people functioning in the organizational relationships. The IOC structure presented here does both. It created an operational environment in which people feel comfortable and rewarded, and it supported their satisfaction with a well-designed structure that is not dependent on their goodwill or good relations to maintain their trust.

The structure-trust link, however, still needs some clarification. As found in other studies, formalization and centrality are problematic for IOC, while density and stability positively affect cooperation (Williams, 2005). How, then, can one form trust relations without relinquishing formality? Cousins (2002) indicated the balance between the efforts invested in IOC and the expected outcome. For a better understanding of this question, further studies on trust and actor-structure relations are called for.

Implication for practice

Three implications can be learned from our study. First, it is better to form IOC when it is not a necessity but is nice to have. Desperation is not a good counselor for building trust relations. It increases the risk and expectations, and lowers the chances of success. Second, a good role for an IOC leader is that of a mediator and ambassador who is willing to share information throughout the IOC structure. And the third implication is about the representative.

As we found, representatives' recruitment is as important as the IOC partners' enlistment. It is important that the representatives hold high positions in their organizations, and that they have a professional background. Additionally, it is important to respect the representatives' goodwill in contributing to the IOC, and allow them sufficient opportunities of influence and positions of authority. After all, the representatives invest only very small part of their time and abilities in the IOC, but if this is to be quality time, their contribution to IOC and trust relations will become greatly significant.

Note

1. The swan strives to reach the heavens, the crab crawls backwards, and the pike pulls towards the water (Krylov, 1977).

References

- Adobor, A. (2006a), "The role of personal relationships in inter-firm alliances: benefits, dysfunctions, and some suggestions", *Business Horizons*, Vol. 49, pp. 473-86.
- Adobor, A. (2006b), "Optimal trust? Uncertainty as a determinant and limit to trust in inter-firm alliances", *Leadership & Organization Development Journal*, Vol. 27 No. 7, pp. 537-53.

-
- Alexander, E.R. (1998), "A structuration theory of interorganizational coordination: cases in environmental management", *The International Journal of Organizational Analysis*, Vol. 6 No. 4, pp. 334-54.
- Argyris, A. and Schon, A.D. (1996), *Organizational Learning II: Theory, Methods, and Practice*, Addison-Wesley, New York, NY.
- Ashforth, B.E. and Mael, F. (1989), "Social identity theory and the organization", *Academy of Management Review*, Vol. 14 No. 1, pp. 20-39.
- Avolio, B. and Bass, B.M. (1991), *The Full-range of Leadership Development*, Center for Leadership Studies, Binghamton, NY.
- Baird, I.S., Lyles, M.A., Ji, S. and Wharton, R. (1990), "Joint venture success: a Sino-US perspective", *International Studies of Management & Organization*, Vol. 20 Nos 1/2, pp. 125-34.
- Balkundi, P. and Kilduff, M. (2005), "The ties that lead: a social network approach to leadership", *The Leadership Quarterly*, Vol. 16, pp. 941-61.
- Burt, R.S. (1992), "The social structure of competition", in Nohria, N. and Eccles, R.G., (Eds), *Networks and Organizations*, Harvard University Press, Cambridge, MA, pp. 57-91.
- Cousins, P.D. (2002), "A conceptual model for managing long-term inter-organizational relationships", *European Journal of Purchasing & Supply Management*, Vol. 8, pp. 71-82.
- Cummings, T.G. and Worley, C.G. (2005), *Organization Development and Change*, 8th ed., Thomson Southwestern, Mason, OH.
- Glaser, B.G. and Strauss, A.L. (1967), *The Discovery of Grounded Theory: Strategies for Qualitative Research*, Aldine Publishing Company, Chicago, IL.
- Harriss, J. (2002), *On Trust, and Trust in Indian Business: Ethnographic Explorations*, Development Studies Institutes, London School of Economics and Political Science, London.
- Harriss, J. (2003), "Widening the radius of trust: ethnographic explorations of trust and Indian business", *Journal of the Royal Anthropological Institute*, Vol. 9 No. 4, pp. 755-73.
- Hoang, H. and Antoncic, B. (2003), "Network-based research in entrepreneurship: a critical review", *Journal of Business Venturing*, Vol. 18, pp. 165-87.
- Huxham, C. and Vangen, S. (2005), *Managing To Collaborate: The Theory and Practice of Collaborative Advantage*, Routledge, London.
- Jarillo, C.J. and Stevenson, H.H. (1991), "Co-operative strategies – the payoffs and the pitfalls", *Long Range Planning*, Vol. 24 No. 1, pp. 64-70.
- Kay, J. (1995), *Why Firms Succeed*, Oxford University Press, New York, NY.
- Krylov, I.A. (1977), *Swan, Pike and Crab, Krylov's Fables*, Hyperion Press, Westport, CT.
- Lawrence, T.B., Hardy, C. and Phillips, N. (2002), "Institutional effects of interorganizational collaboration: the emergence of proto-institutions", *Academy of Management Journal*, Vol. 45, pp. 281-90.
- Levin-Rozalis, M. (1997), *The ECC – An Evaluation Report, 1994-1997*, Mishtanim – Evaluation and Organizational Counseling, Beer-Sheva.
- Levin-Rozalis, M. and Bar-On, N. (1993), *The Montreal Community – The First Four Years of Activity in Beer-Sheva*, The Beer-Sheva Municipality, The Jewish Agency, Montreal Community, Project Renewal, Beer-Sheva.
- Levin-Rozalis, M. and Tubin, D. (2005), "Double rule and multiple roles – the interorganizational organization", *M@n@gement*, Vol. 8 No. 4, pp. 105-22.

- Merriam, A.B. (1990), *Case Study Research in Education a Qualitative Approach*, Jossey-Bass, San Francisco, CA.
- Merton, R.K. (1957), *Social Theory and Social Structure*, Free Press of Glencoe, New York, NY (revised and enlarged edition).
- Mintzberg, H. (1979), *The Structuring of Organizations*, Prentice-Hall, Englewood Cliffs, NJ.
- Mulford, C.L. and Rogers, D.L. (1982), "Definitions and models", in Rogers, D.L. and Whetten, D.A. (Eds), *Interorganizational Coordination*, Iowa State University Press, Ames, IA, pp. 9-32.
- Nylen, U. (2007), "Interagency collaboration in human services: impact of formalization and intensity effectiveness", *Public Administration*, Vol. 85 No. 1, pp. 143-66.
- O'Neill, O. (2002), *Autonomy and Trust in Bioethics*, Cambridge University Press, Cambridge.
- Oplatka, I. (2006), "Going beyond role expectations: towards an understanding of the determinants and components of teacher organizational citizenship behavior", *Educational Administration Quarterly*, Vol. 42 No. 3, pp. 385-423.
- Parker, B. and Selsky, J.W. (2004), "Interface dynamics in cause-based partnerships: an exploration of emergent culture", *Nonprofit and Voluntary Sector Quarterly*, Vol. 33 No. 3, pp. 458-88.
- Payan, J.M. (2007), "A review and delineation of cooperation and coordination in marketing channels", *European Business Review*, Vol. 19 No. 3, pp. 216-33.
- Perks, H. and Halliday, S.V. (2003), "Sources, signs and signaling for fast trust creation in organizational relationships", *European Management Journal*, Vol. 21 No. 3, pp. 338-50.
- Pitsis, S.T., Kornberger, M. and Clegg, S. (2004), "The art of managing relationships in interorganizational collaboration", *M@n@gement*, Vol. 7 No. 3, pp. 47-67.
- Rothaermel, F.T. (2001), "Incumbent's advantage through exploiting complementary assets via interfirm cooperation", *Strategic Management Journal*, June/July, pp. 687-99 (special issue 22).
- Sako, M. (1992), *Price, Quality and Trust: Inter-firm Relations in Britain and Japan*, Cambridge University Press, Cambridge.
- Simon, H. (1957), *Administrative Behaviour*, 2nd ed., Free Press, New York, NY.
- Stake, R. (1995), *The Art of Case Study Research*, Sage, Thousand Oaks, CA.
- Strauss, A. and Corbin, J. (1990), *Basics of Qualitative Research: Grounded Theory, Procedures and Techniques*, Sage, Newbury Park, CA.
- Thatcher, D. (2004), "Interorganizational partnerships as inchoate hierarchies", *Administration & Society*, Vol. 36 No. 1, pp. 91-127.
- van de Ven, A.H. and Ring, P. (2006), "Relying on trust in cooperative inter-organizational relationships", in Bachmann, R. and Zaheer, A. (Eds), *Handbook of Trust Research*, Edward Elgar, London, pp. 144-64.
- Vangen, S. and Huxham, C. (2003), "Nurturing collaborative relations: building trust in interorganizational collaboration", *Journal of Applied Behavioral Science*, Vol. 39, pp. 5-31.
- Williams, T. (2005), "Cooperation by design: structure and cooperation in interorganizational networks", *Journal of Business Research*, Vol. 58, pp. 223-31.
- Yin, R. (1989), *Case Study Research: Design and Methods*, Sage, Newbury Park, CA.
- Zakocs, R.C. and Edwards, E.M. (2006), "What explains community coalition effectiveness?", *American Journal of Preventive Medicine*, Vol. 30 No. 4, pp. 351-61.

Appendix 1. The Members of the Advisory Council

Chairperson: The Director-General of the Canadian Jewish Appeal, Keren Hayesod

Members of the Advisory Council include the chairpersons of all the committees, the members of the Executive Committee, representatives of the “Shchuna Daled” neighborhood, and representatives of other organizations concerned with early childhood:

- The Deputy Mayor of Be’er Sheva.
- The Director of the Department of Welfare, Municipality of Be’er Sheva.
- The Director of the Department of Education, Municipality of Be’er Sheva.
- The Director of the Department for Strategic Planning, Municipality of Be’er Sheva.
- Additional representatives of all these municipal departments.
- The Director-General of the “Kihila” Education and Culture Center Association.
- The Regional Director, Ministry of Labor and Welfare.
- The Head of the Children’s Division, Soroka Medical Center, Be’er Sheva.
- The Director of the Be’er Sheva Region, The Jewish Agency, Southern Region.
- Lecturer in Psychology, Ben-Gurion University.
- The Regional Inspector of Nursing, Ministry of Health, Southern Region.
- The Director of the Clinic for Diagnosis and Rehabilitation for Children, Ministry of Health.
- The Coordinator for the Early Childhood Education Track, Kaye Academic College of Education, Be’er Sheva.
- A representative of the Ministry of Education.
- The Head of the “Project Renewal” Administration.
- Four representatives of the residents of the “Shchuna Daled” neighborhood.
- An *ex officio* representative of the evaluation team.
- The Director of the ECC attends all the meetings of the Advisory Council in order to report on the Center’s activities and to observe the proceedings (*ex officio*).

Appendix 2. Members of the Executive Committee

Chairperson: The Director of the Department of Welfare, Municipality of Be’er Sheva:

- The Deputy Mayor of Be’er Sheva.
- The Director of the Department of Education, Municipality of Be’er Sheva.
- The Director of the Southern Region, The Jewish Agency.
- The Director-General of the “Kihila” Education and Culture Center Association.
- An additional representative of the “Kihila” Education and Culture Center Association.
- The Director of the Department for Strategic Planning, Municipality of Be’er Sheva.
- The Inspector of the Kindergarten Section, Municipality of Be’er Sheva.
- The Deputy Director of the Department of Welfare, Municipality of Be’er Sheva.
- A representative of the Montreal Jewish Community.
- The Director of the “Project Renewal” Administration.
- Four representatives of the residents of the “Shchuna Daled” neighborhood.
- An *ex officio* representative of the evaluation team.
- The Director of the ECC attends all the meetings of the Executive Committee, *ex officio*.

Appendix 3. The Committees

The Evaluation Committee:

- The Health Committee.
- The Finance Committee.
- The Committee for the Integration of Children with Borderline Developmental Problems Program.
- The Committee for Educational Contents.
- An example of the structure of a committee.

The Committee for Health and Health Education

The Ministry of Health District Nurse of the:

- The Director of the Unit for Social Services in the neighborhood.
- A representative of the Montreal Jewish Community.
- A representative of Kupat Holim (the health maintenance organization).
- The Head of the Children's Department at Soroka Medical Center.
- The Director of the Health Ministry's Clinic for Diagnosis and Rehabilitation of Children.
- A representative of the Neighborhood Association, and so forth.

Corresponding author

Dorit Tubin can be contacted at: dorittu@bgu.ac.il