The process of trust creation between SMEs and their consulting accountants

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Abstract

Trust in business relationships is a subject which is not widely discussed. Research explaining the process of how to create trust between SME’s and their consulting accountant is hard to find, as articles discussing the trust creation. The purpose of this dissertation is to explain the process of trust creation in this specific business relationship, by indentifying the affecting factors and their significance. Trust and coagency between agent and principal should optimize working conditions.

A model was developed based on trust related research. The empirical studies are based on the factors and variables, which should in theory, impinge on the process of trust creation. These factors and variables are then empirically studied through interviews, and analysed to generate a simply view of the trust creation process, to indentify the affecting factors, from the SME’s perspective.

The dissertation has a deductive approach, and is carried out with a qualitative method. The interviews conducted for this dissertation are qualitative and semi-structured, and the empirical study is limited to entrepreneurial firms in the information technology industry.

The method of approach was deductive, and the empirical studies are qualitatively carried out. The interviews were conducted in a semi-structured manner to indentify the affecting factors in the trust creation process. The research was limited to SMEs in the south region of Sweden.

The results show that several theoretical factors only have minor implication or none at all. Furthermore factors which SMEs perceived as most important could be added to the model. The three factors, competence, availability and contact are crucial to create and maintain trust. Also, without trust, there is no propensity to collaborate.

Keywords: Procurement of consulting accountant, Trust, Consultants, Professional Service Provider.
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Chapter 1
Introduction

In this chapter the background will give an introduction to the topic. The problem and research questions, addressed in this dissertation will be presented. This will lead to the purpose and finally a disposition of the dissertation.

1.1 Background

The procurement of services plays an important role in today’s labour market. Companies nationally and internationally cut costs in order to widen the gap between expenses and revenues. Today the world is in a recession. Despite this fact, the providers of professional services are positive to the employment market. They also confidently state that while the Swedish market is experiencing a general upswing of 10 % in the employment trend, the USA and the United Kingdom are experiencing a dip (Makander, 2008). This dissertation will focus on the trust creation process between SMEs and their consulting accountants, looking at the relationship and mutual trust between them. This subject has been slightly discussed as a part of professional service providing (Edvardsson, 1989).

Olimpia, Chawit and Amonrat (2006) and Arnott (2007) reflect their thoughts of trust in business to business (B2B) relationships as an issue not to be taken lightly. Olimpia et al. (2006) discusses the importance of the import-export industry’s relationship with suppliers, and show how good relations and trust can lead to higher export performance. Authors Laan and Eriksson (2007) give another angle of the issue and discuss how trust affects the client-contractor relationships in the construction industry. The results illustrated that the industry showed a lack of interest for trust and relationship, but a high emphasis on price.

Fukuyama (1995), a professor in sociology, argues that although trust could have a positive impact on large firms, it seems to be having a differing effect on Small Medium Enterprises (SMEs) in B2B relationships. The absence of trust appears to encourage small businesses due to the fact that they are not as reliant on trust and relationship with surrounding parties, neither horizontally nor laterally. The
reason for this behaviour is explained by the fact that SMEs adjust faster to market changes than large companies do.

From a general point of view, the essential part of a consultant’s assignment consists of analyzing and organizing information, which means a certain degree of trust is considered necessary as the managers need to rely on the information given to them (De Jong & van Eeekelen, 1999). According to De Jong and van Eeleken (1999), the main task for a consultant is and will be building as well as maintaining a relation with the client. The interactive relationship between client and consultant is stated to be the consulting business’ key function, in order to uphold and create a long-lasting connection with value added service sales (Grönroos, 1996).

1.2 Problem Discussion

Procurement of consulting accountants is a long-term investment and considered a straightforward approach which serves its purpose well (Pelham, 2006). When choosing a collaboration partner for complex financial services such as accounting, the firm has to do so rigorously, since the consultant will be handling a vital part of the enterprise.

Consultants are procured into a firm, a new environment to them, and how is it then possible for the new employers and new colleagues to trust them? Trust could exist prior to the actual buy, and then in form of brand recognition and brand trust, as the buyer trusts a special brand beforehand. This trust is gained by reputation and sometimes the brand is viewed as the most important factor (Corcoran & McLean, 1998). Martinez and Ramos (2004) claim that an increasing interaction between parties, leads to stronger social bonds, which could actually improve performance results as well as facilitate optimization and coordination of activities. However, this statement is contradicted by Fukuyama (1995), who says that it does not apply to SMEs. Edvardsson (1989) states, there is a need for deeper understanding of the interaction, relationship, and dialogue between the consultant and client during different phases. According to Tyler and Stanley (2007) there are few studies in the area of trust in , and no studies have been found
that illuminate the process and its significance of trust between consulting accountants and his/her client in SMEs.

According to Fukuyama (1995) trust is important, since communities depend on trust. A lack of trust leads to more hierarchy in firms since otherwise employees might exploit their situation (Fukuyama, 1995, Langfield-Smith & Smith 2003). To conclude, trust is not researched enough, and especially not the procurement business (Tyler & Stanley, 2007). There is a gap in the literature explaining the trust creation process in SMEs.

Fukuyama (1995) concludes the discussion by claiming that trust is important and communities depend on trust. Although, how trust emerges is vaguely described. Summarizing, the illuminated problem in this dissertation is the process of creating trust between SMEs and their consulting accountant.

1.3 Purpose

The aim of this research is to explain the process of creating trust in a financial outsourcing relationship in a believable manner.

The scope of the aim is trust creation within relationships between SMEs and the financial outsourcing provider during the procuring phase. The intention is to develop a model to facilitate the understanding of the trust process creation and test its applicability. This in turn leads to the research question.

1.4 Research questions & Objectives

- Question: How does the process of trust creation influence the relationship between SMEs and their consulting accountant?

- Objective: To identify the trust factors and the process of creating trust in the relationship between SMEs and their consulting accountant, as well as to explain whether or not trust is significant for the coagency between consultants and the SME.
1.5 Limitations

All research is restricted due to factors such as resources, time and availability. Limitations are of great significance to ensure the lucidity of the information which is to be presented. The following are the limitations in this dissertation:

- Limit the research to SMEs in order to be able to generalize.
- Examine the scientific problem from the client’s (SMEs) point of view.
- Concentrate the interviews on companies in the south region of Sweden.

1.6 Disposition

To get an overview of how this dissertation is constructed, and to facilitate for the reader, the outline is described, as well as illustrated in figure 1.1 below.

Chapter one describes the background and gives the reader an introduction to the subject. The subject is clarified by the research question and objective.

Chapter two starts by explaining the scientific approach of this paper, and continues by presenting the research strategy.

Chapter three discusses the theory on trust in business relations. The literature review consists of building blocks to the process of trust creation. These building blocks create the process of trust, which in its turn will be illustrated in a model based upon the factors described throughout the chapter.

Chapter four describes the empirical data collection and an analysis.

Chapter five presents the data collection and an analysis.

Chapter six answers the research question and a summary of the findings concludes the dissertation. This chapter brings the paper to an end with suggestions for further research.
Figure 1.1 Dissertation structure
Chapter 2
Methodology of research

The Methodology chapter discusses the type of research philosophy this dissertation has been shaped by, along with a short explanation of the philosophical approach and the choice of theory.

2.1 Choice of methodology

The ambition of this dissertation is to explain the process of trust creation between the SME and the consulting accountant and its significance on the business relationship. By having this direction in mind, the focus throughout the thesis will be in the field of trust and to identify the affecting factors. There is information within the field which this dissertation tries to illuminate, however it is tenuous. Therefore, the logical choice was to develop a theoretical model using existing research within the area of trust in business relations. One model reoccurred in the search for scientific data, Key Mediating Variable model (KMV) and it has been used as a source of inspiration to explain the complexity in the trust creation process and to find the causality of factors which are involved in the process. The next section will explain the mindset and reasoning of this dissertation.

2.2 Research Philosophy

Research philosophy consists of many assumptions about different perspectives of the world which in turn will influence the research strategy and the procedure of the research. It is important to study the research philosophy to increase the understanding in this field, and to attain the goal of the research (Saunders & Thornhill, 2007). The research philosophy will look differently depending on how the knowledge and process is developed and there are three key philosophies; Realism, Positivism and Interpretivism (Saunders et al., 2007).

Realism has scientific connections, and explains the truth of what the senses tries to describe in reality. The central idea of realism is that the reality is independent from human minds. Realism consists of assumptions which will support the data
collection and data interpretation. There are two divergent realisms, direct realism and critical realism. Direct realism states that realism is what you see and perceive. Critical realism says that there is more than one way to see the world (Saunders et al. 2007).

Positivism indicates that the truth is the observed environment, and the outcome of the research will be law-like generalizations. Using this philosophy, existing theories with believable data from its observations will build a proposition with an appropriate research strategy. The data will later on be analyzed and confirmed or disproved. Another significant characteristic of positivism is that the research is required to stand in a value-free way, which means that the researcher does not have the power to affect or be affected by the research subject (Saunders et al., 2007).

Saunders et al. (2007) states that positivism is single-minded, but could still have different interpretations. Researchers are supposed to focus on people’s interpretation of their roles instead of the objects. Some of these mention that this perspective is useful in business and management research, especially in human resource management and organizational behaviour which are constantly updated. In this case the generalization is not important (Saunders et al., 2007). Figure 2.1 illustrates how the research design is divided into layers. From these layers one peels the edges of this onion. A scientific research is planned stepwise, and done until the data is collected and analyzed, which is represented by the core.

![Figure 2.1](image)

**Figure 2.1** “The research onion”. The picture above clarifies the research philosophy’s structure (Saunders et al., 2007, p 102).
This thesis intends to explain the research topic by following the purpose and research question. This direction means a positivistic and interpretivistic approach is applied. This because the research of this dissertation intends to make propositions from theories, and indentify the affecting factors and generalize these by standing in the value-free way, which means that the researcher is not able to influence the subject, and the subject in its lead cannot effect the researcher. Another issue of this research is to understand the complexity of trust interactions between the consultant and the client, by identifying how the affecting factors interconnect with each other. The following section will describe the scientific approach of this thesis.

2.3 Philosophical approach

It is important to clarify what type of scientific path is chosen in the beginning when conducting a scientific research. The path will facilitate the progress of designing questions and to follow the red thread (Saunders et al., 2007).

According to Saunders et al. (2007) there are two applicable ways of writing a dissertation. The first approach is a deductive approach, and the second is an inductive approach. The deductive approach initiates by classifying theories and models which will be support to testing the propositions. This is especially useful for topics with an abundance of existing theories and literatures. The inductive approach starts by collecting data, thereafter developing theories of the data evaluation. This is helpful when discovering a new area where the information availability is scarce and limited (Saunders et al., 2007).

Since this dissertation is based on positivistic and interpretivistic approach, it is preferable to have a deductive approach as philosophical approach. There is a scarce quantity of literatures and articles dealing with the trust issues with SMEs or consulting accountants. However, by having the general understanding of this field, established presumptions needed to develop the propositions are gathered. Next, the choice of theory will be described.
2.4 Choice of theory

Initially the definition of SMEs, consulting accountants, and trust will be explained, and then the model which has inspired us and explained different factors which influence the trust relationship in business. This model by Morgan and Hunt (1994) is called the Key Mediating Variable model and will serve as a template in this dissertation. This model is important for this dissertation because, it also deals with trust as the subject, and takes up some of the trust-factors which could be applied and referred to.

To adapt this template to this dissertation, investigations in the area of trust is made to smooth the progress of fitting various factors and models like the agency theory (Bakka, Fivelsdal & Lindkvist, 2001) and TCE model (Eriksson, 2007, Williamson, 1996) to create a model with the aim of explaining the process of trust creation between SME and consulting accountants. The choice of these theories is that the agency theory takes up the problem of principal and agent, in this case, from SMEs and consulting accountant’s point of view and how they collaborate. The Transaction Cost Economics Framework since it is preferable to see how opportunistic behavior, uncertainty and control influence the trust creation process.

2.5 Summary

The aim of this dissertation is to identify the affecting factors in the trust creation process, which leads to the use of qualitative methods in order to explain the subject completely. A mix of positivistic and interpretivistic philosophies, together with a deductive approach is highly suitable for this purpose.
Chapter 3
Theoretical framework

This chapter discusses the theoretical issues of trust based on scientific literature. To be able to explain the process of trust, a discussion about the factors within every step of the trust creation process will be presented. A model is developed from the information in this chapter, named 3T. The 3T model will illuminate the trust creating process between SMEs and their consulting accountant.

3.1 Introduction

The service sector consists of a broad spectrum of services. It stretches all the way from simple services, such as using the public pool facilities, all the way to complex financial services exercised by academics. During the last decades the service sector has grown, and along the way the organization’s view on their clients has changed. Today firms have to cherish the relationship with their clients as well as their suppliers (Arnerup-Cooper & Edvardsson, 1998).

Some industries claim that having a relationship and building trust is not important for the job (Laan & Eriksson, 2007), while others claim the opposite (Håkansson, 1998). A consultant’s job is to provide a competence that does not exist within the company (Furusten, 2003). This resource, like all assets, needs to be fostered to develop. As follows this paper will now give definitions applicable to this dissertation of the important variables, such as SMEs, consultants and trust.

This chapter will explain the trust creation process, and highlight the stages in the trust creation process; trust creation, trust development and trust maturity in the relationship between SME and their consulting accountant. To start with, general definitions will be explained, followed by the significant factors in each stage.
3.2 General Definitions

Here a short explanation will be given to consultants, SME and trust as an introduction for the reader to the topic.

3.2.1 Definition of consulting accountants

Consultants are often vaguely defined. The expectations of their work is not always known in advance. They are often hired to analyze and solve complex issues (Kakabadse, Kakabadse & Louchart, 2006). The definition of consultants varies, but one that describes it quite well was found in an article by Kakabadse et al. (2006). Consulting can be defined as:

an advisory service contracted for and provided to organisations by specially trained and qualified persons who assist, in an objective and independent manner, the client organisation to identify management problems, analyse such problems, recommend solutions to these problems and help when requested in the implementation of solutions.

(Kakabadse et al., 2006)

This quotation identifies the important tasks and expectations of a consultant and how they are viewed. The focus in this paper will be on accountants, which is defined as follows:

Qualified person who is trained in bookkeeping and in preparation, auditing and analysis of accounts. Accountants prepare annual reports and financial statements for planning and decision making, and advise on tax laws and investment opportunities.

(Business Dictionary, 2008)

These two quotes describe the way in which the trust creation process will be examined, using consultants in financial services as research area. Having defined one of the subjects of this thesis, a definition of an SME will follow.

3.2.2 Definition of an SME

The definition of a SME according to the European Union is a company with up to 250 employees, turnover of up to 50 million Euros, or a balance sheet of up to 43 million Euros (European Commission, 2008). 99 % of the companies in Sweden have less than 50 employees making them SMEs (Nutek, 2008).
3.2.3  Definition of trust

Trust can be associated with dependence and risk. A person is dependent on another, and is therefore exposed to a risk (Nooteboom & Six, 2003). Lane and Bachmann (2001) gives another suitable explanation to trust, as she claims that trust is the mutual confidence that no one will exploit the others vulnerabilities. This statement is the best description of trust that is discussed in this dissertation, because in firms, the reliability of a consultant’s work and performance is transformed into trust (Nooteboom & Six, 2003).

Lane and Bachmann (2001) further discusses that when there is trust there will be no need for the trustor to monitor or control the trustee, this will lead to lower transaction costs (Williamson, 1996, van der Meer-Koistra & Vosselman, 2006 and Eriksson, 2007), and the fact that the trustee (in this case the consultant) does not take advantage of the trustor. Zand (1972) was one of the first who showed that high-trust groups performed better than groups with lower trust. When trust is established, the trustor should be able to predict the actions of the trustee. The predictability will have the trustee not to embark an opportunistic behaviour (Nooteboom & Six, 2003).

As follows, three acknowledged perspectives on trust; cognitive, normative and calculative trust will be described.

3.2.3.1  Calculative trust

Calculative trust refers to the expectations on another person, weighing the cost and the benefits of the courses of action to the trustor and trustee. Calculative trust looks at people as realistic, and that one acts in order to have maximum utility. The “rational actor” only gives trust when his/her calculations propose that trust is given in return, and that the gain is higher than the loss (Lane & Bachmann, 2003). According to Johnson (2005) calculative trust is the easiest to gain since one can reduce the uncertainty and the opportunistic behaviour, using control and contractual safeguards. The calculations are suited to reduce the risk of being betrayed. However, it cannot be calculated by using a few variables, since it cannot contain fate (Lane & Bachmann, 2003).
3.2.3.2 Normative trust

Normative trust is believed to only exist if there is a shared point of view on values. Values give incentives to social community, loyalty and solidarity, as well as relations, familiarity, common background and interest. Normative trust is narrow, and not common in business relationships. This trust exists since the trustor and trustee understand and appreciate each other’s wants and needs (Lane & Bachmann, 2001).

3.2.3.3 Cognitive trust

Cognitive trust is the confidence or eagerness to rely on someone/something (Johnson, 2005), in this case the procurers’ competence and reliability. Cognitive trust is developed over time (Lane & Bachmann, 2001), and will therefore be the trust this paper will refer to. This sort of trust is knowledge-driven and derives from information about the other party, such as knowledge and reputation. Nevertheless, cognitive trust could be gained in only a few interactions (Johnsson, 2005).

The previous definitions of the three forms of trust have been explained. The trust forms that will be referred to in this dissertation are calculative and cognitive trust, this is because trust in business relationships is built up by time, but also because people tend to calculate actions and behaviour before trust is created. Following a description of the trust process will come to clarify the structure of this paper.

3.2.4 Trust Creation Process

Greenberg, Greenberg & Antonucci (2008) discusses the outsourcing relationship as a part of the Transaction Cost Economies model (explained later in this chapter). Greenberg et al. (2008) discusses how the outsourcing starts with contact, which is continued by a contract if a consensus is reached. Changes and violations of this would show who could to be trusted. In this stage, communication is important.

Trust is said to be performance enhancing and a competitive advantage in companies (Lane & Bachmann, 2001). But to achieve this, reliability is formed, which could be done by contracts, supervision and rewards to create the trust one
needs to build upon norms, values and habits in order to gain it (Nooeboom & Six, 2003). According to Luhmann (1979) trust is both built and maintained in the present and can, therefore, be lost quickly. One can say that you trust a person today, but you cannot say that you will trust someone in a year or even in a week (Luhmann, 1979). Babar, Verner & Nguyen (2007) studied how to establish trust, and according to their research the most important factor is cultural understanding (norms, beliefs etc.) in the preface of the relationship. Culture was followed by credibility; references of how trust was formed, as well as capabilities (Babar et al., 2007). This is related to the value-based trust mentioned in the previous section.

To gain trust, people need to be trustworthy, which is a developing process consisting of different affecting factors (Lane & Bachmann, 2001). Morgan and Hunt (1994) stress the importance of trust as they explain the factors that affect trust in a trust developing model they refer to as the Key Mediating Variable model. This model was created to explain the trust relationship between tire automobile industries, but according to Morgan and Hunt (1994) it could also be applicable to understand other research, together with a suggestion for extensions and alterations for further research.

3.3 Key Mediating Variable Model

The Key Mediating Variable Model (KMV) illustrates the process development of trust in an illustrative way and the result of commitment and trust in a business relationship. The model focuses on the trust and commitment of one actor in the business relationship. According to Morgan and Hunt (1994) there are five foremost affecting factors in the business relationship which are:

- *Relationship Termination Cost*: Cost that occurs when terminating the relationship.
- *Relationship Benefit*: Value created with the coagency
- *Shared Values*: The degree of value sharing
- *Communication*: Formal and informal information sharing.
- *Opportunistic Behaviour*: Occurs when differing interests of the parties arise, this is often followed by a decrease of trust.
According to the KMV model, trust is a necessity for relationship commitment in business. Bengtsson et al. (2004) describe the business relationship as an outcome from cooperation between partners. Cooperation comes from acceptance and tendency to commit to a common cause. Conflicts are unavoidable and necessary to grow in a business relationship, and if the conflict is solved in a friendly manner it shows that they can both take each other’s interest into consideration. It is from the above mentioned factors a company’s trust will grow (figure 3.3), and the uncertainty factor is its equivalent. Uncertainty shows whether or not one can trust the given information in the decision making (Morgan & Hunt, 1994). The KMV model facilities the understanding of trust achievement, and could presumably work as a template for SME and consulting accountant.

3.3.1 Critique of the KMV model
The KMV model can answer and clarify the connections between certain effecting factors and trust. The KMV model stresses the affecting factors of trust and commitment, and illustrates factors that have an impact on trust both negative and
positive. Some of the affecting factors may also affect each other which could make it difficult to draw explicit correlating lines towards trust and commitment; although it is possible (Morgan & Hunt, 1994).

However, this model does not fit properly to the context of this dissertation because it is built on data from automobile tire retailers, which indicates a need for alterations or extension to work for this dissertation (Morgan & Hunt, 1994). The KMV model also does not place the different affecting factors in order of occurrence, which could be questionable since according to Lane and Bachmann (2001) it is a developing process, where factors affect each other in succession.

Morgan and Hunt (1994) suggest that alternative approaches to construct measurements of trust could contribute in further research as well as extending the KMV model. In the next section the suggestion will be taken into action and an alternative approach will be described to fit this dissertation with KMV as inspiration. Nooteboom and Six (2003) and Lane and Bachmann (2001) discuss the trust process as divided into stages, which will be referred to in this dissertation as Trust Creation, Trust Development and Trust Maturity and shapes the process between SME and consulting accountant from the literature review. The next section will begin by discussing the Trust creation stage of the trust creation process.

3.4 Trust Creation

The process of trust creation is the first part of the trust creation process through consultant and procuring SME (Nooteboom & Six, 2003). Figure 3.4 on the following page illustrates the Client/consultant Procurement Cycle. The initial phase is about creating a need in the market, and if it is successful the client will continue to phase two. The buying process is when customer and company come to an agreement after discussion and promise. The third phase is when the client is consuming the purchased service. A good client/consultant relationship will add value to the procured service. If the experience was satisfying and agreement withheld, the client will repurchase until the cycle is cut. However if the client is not satisfied during one of the phases they will drop (exit) this relationship, and go to another service provider (Grönroos, 2002). This dissertation aims to take a
closer look at phase three. During phase three the service is being provided, and a relationship between the procurer and service provider is under the process of creation. From this starting point the KMV model starts and the trust process will be created. During the process of a relationship creation, trust is born through stages (Nooteboom & Six, 2003) which will be further elaborated in the trust creation process, as there is no shortcut to develop a solid mutual trust between two parties, but rather a series of variables affecting trust in a business relationship (Morgan & Hunt, 1994).

**Figure 3.2** The procurement cycle (Source: Grönroos (2002) p.21)

In the trust creation between consulting accountant and SMEs, reliability is the key factor which is based on the dependency between two parties (Koniordos, 2004, Wincent, 2005). In this case it occurs when SMEs find the need to buy financial services. During the procurement, communication is needed between the parties and personal chemistry adds positive effect on the trust creation together with organizational culture and shared-values (Lane & Bachmann, 2004). These mentioned factors and their role in trust creation will be explained later in this chapter.
3.4.1 Reliability

Nooteboom and Six (2003) claims reliability comes from same values and norms, moral obligation, sense of duty and ethics. Koniordos (2004) states, that dependency and trust should be considered as a matter of reliance. That one entrusts another person with something is a frequently occurring situation and then in the outcome one can see if the other person is worth trusting. In the first stage, there is basically just reputation and reliance, reputation on the capabilities and reliance on the competence, as well as to the hired person, which has to perform and uphold the agreement (Nooteboom and Six, 2003).

Reliability comes naturally as SMEs trust their business partners (Wincent, 2005). Kuenzel and Krolikowska (2008) state that people have trust in their accountants because of their profession. However, the consulting accountants need to communicate reliability through reputation and brand. This leads to proposition one:

**Proposition 1:** Strong reliability in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

3.4.2 Communication

To maintain trust, it is very important to communicate reliance and create future trust. This is needed in SMEs (Wincent, 2005) as well as in audit and accounting firms (Kuenzel & Krolikowska, 2008). In stage one trust should be strengthened and it is basically done by communication between the SME and the consulting accountant.

Communication is consequently fundamental in this stage to build a long-lasting relationship, but also to prevent misunderstandings (Babar et al., 2007). A shared meaning can be created by mutual communication and participation in the beginning of the trust process. Through communication, the opportunistic behaviour will decrease and it helps to bring different people together and form trustworthiness where it would not have been without it (Nooteboom and Six, 2003). Trustworthiness in communication is an important instrument to develop.
trust between the parties (Nooteboom and Six, 2003). As SMEs are procuring a financial service, they need to trust the information communicated to them.

Accordingly, communication is added to the trust creation. It makes it easier to communicate critique, problems or changes. This leads to the second proposition:

Proposition 2: More frequent communication in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

3.4.3 Personal Chemistry

Elofsson and Salén (2005) discuss personal chemistry as a higher level of service and underpin its importance when it comes to representatives. Furthermore they argue that it is the representatives who meet and communicate the information from both business partners. They also claim that personal chemistry is understated (Elofsson & Salén, 2005). Day and Barcsdale (2003) also draw direct connections between personal chemistry to basic manners, body language and tone of speaking which are the characteristics of a social manner.

If there is a good personal chemistry between the client and company, there will automatically be an increase of trust, and the good effect will be extra important in cultures such as SMEs where personal chemistry is highly valued (Elofsson & Salén, 2005, Wincent, 2005). This leads to proposition three:

Proposition 3: Strong personal chemistry in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

3.4.4 Organizational Culture

A manager’s role in a company is to develop rules for the workplace and to uphold these, and maintain the functions. For these rules, culture works as a filter for information that reduces uncertainty in the workplace. Rules also stabilize the
organization from information level to co-worker relationship level where a certain level of trust is achieved. The goal here is to create a shared vision that inspires the employee to go the extra mile and make them develop their own ideas and wishes (Bakka et al., 2006).

Accounting is one of the biggest financial services in the society and shall therefore be closer studied (Hofstede, 1997). Accountants play a considerable role in the efficiency of organizations, but are less likely to become heroes despite their important role, since they work behind the scenes. They decide the fate of other employees by pointing at results as an optimization factor to show the heroes and the villains in the corporation (Hofstede, 1997).

There is a lack of consensus when it comes to common rules to define norms and culture in accounting (Hofstede, 1997). One example is that the accountant who provides the service is an external party, though he/she often obtains and withholding more information than the managers they report to. This puts him/her in an opportunistic situation which could result in an asymmetric information flow from the accountant's side (Bakka et al., 2001). This leads to the following proposition:

**Proposition 4:** Stronger consensus of organizational culture in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.
3.4.5 Shared Values

Morgan and Hunt (1994) think that shared values are precursor of trust, and contribute to commitment in business relations. They also define shared values as common beliefs, behaviours, goals and polices. Elofsson and Salén (2005) concur with Morgan and Hunt (1994) and further state that when the client shares values with the vendor of services an increasing development of trust will occur (Elofsson & Salén, 2005). This is an essential part of trust from the accountant’s perspective, as they are keen on having their brand reflecting and sharing the company’s values. This consideration will avoid failures such as the Enron scandal in 2001 (Vinten, 2002). SMEs are willing to share their values with the accountants to strengthen cooperation (Wincent, 2005).

The trust creation stage in this section of the trust development process paints a picture of the precursors to achieve trust between SME and their consulting accountant, which is affected by several factor which is mentioned throughout this stage. The discussions and previous mentioned explanations lead to proposition number five:

Proposition 5: More shared values in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

The following stage, trust development, is founded on the commitment as well as cooperation, and will be explained further in the next section.

3.5 Trust Development

Trust development is the second stage of the trust process and enhances the steps to further explain the importance of commitment and cooperation between SME and consulting accountant. This stage takes the relationship to a higher level of trust and a more advanced reliance of the two parties. However, at any point as a cause of unenthusiastic happenings the level of trust could decrease to a lower level (Wincent, 2005).
In this section the next stage in the relationship between accounting and SME will be explained. In the trust development stage of the process, a certain level of trust is formed. Trust is later developed by commitment to ensure responsibility and engagement between the parties (Nordstedts, 1995). When there is commitment between SME and consulting accountant, cooperation will take shape, which optimizes their business relationship.

3.5.1 Commitment

Commitment refers to undertaking, responsibility and engagement. It can also stand for loyalty and relationship between consultant and client (Nordstedts, 1995). The process of trust requires mutual commitment and needs both the trustor and trustee to be involved (Luhmann, 1979).

Providing a service is a social task which demands commitment from the client. The client often commits to the service by contributing information, performing certain service processes, but also marketing himself before providing a service. Ethics, moral and high-quality service amongst the stakeholders are essential factors that contribute immensely to the quality of the relationship. The perception of Arnerup-Cooper and Edvardsson (1998) brings knowledge of how a consulting accountant’s service could be. Having an expert in a company could be positive if the client/service-provider relationship is good. However, if the commitment between the parties is poor, or non-existing, there can be no trust building (Arnerup-Cooper & Edvardsson, 1998).

It is important to show commitment to each other and in turn gain competitiveness, growth and benefit. The reason is that the employees’ performance, behaviour and attitude will be affected by the expectation of how they will be treated by the company. When the employees experience that the company is supportive and engaged, the commitment from the employees to the company will be stronger (Whitener, 2001). Consulting accountants are people with special know-how. It is preferable to achieve a coagency by promoting commitment to reach cooperation, and optimize usage of their skills as the effect of commitment will increase motivation (Elofsson & Salén, 2005, Bengtsson et al., 2004). This emphasizes the importance of cooperation as a natural step in the
trust development between SMEs and their consulting accountant. This discussion leads to the sixth proposition:

**Proposition 6:** Stronger commitment from either of the parties will lead to a forward movement towards trust maturity between SMEs and their consulting accountant, in their business relation.

### 3.5.2 Cooperation

A business relation is defined as the coagency to create a value for the company and client (Grönroos, 1996). The willingness to share information is a prerequisite for an effective relationship. This will facilitate cooperation and lead to an open-book policy, and give the advantage of enhancing the trust building to help create a harmonious relationship between businesses (Ramos, 2004).

Both commitment and trust affect the willingness to cooperate. A committed actor will cooperate with other actors to reach their goal. This may come in forms of feedback and willingness to compromise (Elofsson & Salén, 2005, Bengtsson et al., 2004)

Consequently both the SME and the consulting accountant have a central role in the relationship to create cooperation between the actors. The result of cooperation between SME and consulting accountant leads to loyalty and a solid long-term relationship (Gummeson, 2002, Kuenzel & Krolikowska, 2008). This discussion leads to the seventh proposition:

**Proposition 7:** Stronger cooperation between SMEs and their consulting accountant will lead to a forward movement towards trust maturity, in their business relation.

To summarize, in the trust development stage further important factors have been explained. The importance of commitment and cooperation has been underpinned, as well as trust, which is an important factor in business relationships when it comes to corporate strategy (Bakka et al., 2001). These are the company’s representatives that provide the service according to the organizations culture. According to Gummeson (2002) and Grönroos (1996) a business relationship is
all about creating trust through cooperation, however there is a need for shared consideration in each other’s cultures, goals and values.

The outcome of this will be discussed more in the next section. As mentioned previously, if there is not a mutual perception of the stages and forms of creating trust, there will be a drop to a lower level of trust. However, if the relationship continues to follow the process of trust, it will lead to a higher level of trust and to the next stage, trust maturity.

3.6 **Trust Maturity**

Trust has now reached the trust maturity stage in the trust process. The accomplishment of being at this stage equals high trust. High trust and low trust will be discussed, as two variables. Since the trust level can be high, it can also be low, if the stages have been followed without succeeding the steps and developing trust.

3.6.1 **High Trust**

When reaching the trust maturity stage, trust is established and well functioning. Having a high level of trust means having lower transaction costs and a lower level of insecurity, uncertainty and opportunistic behaviour. It has come to this level in the relationship where both the trustor and the trustee have an in-depth knowledge about each other, and then the reliability and predictability will also be high (Lane & Bachmann, 2001). A high trust in the business relationship between the SMEs and consulting accountants means they have reached a point of coagency, which implicates they have a foundation for a long-lasting business relationship (Kuenzel & Krolikowska, 2008).

3.6.2 **Low Trust**

In many firms, there are people trusting people who are deceiving instead of making the trust pay off. They fool, are disloyal and create enemies when they should be paying back the trust given to them. Trusting the wrong person in a business perspective can have dreadful consequences (Lane & Bachmann, 2001). Distrust is not only the opposite of trust, but also a “functional equivalent for trust”, meaning that trust diminishes complexity and the risk of trusting (Luhmann, 1979).
Having low trust in employees indicates more control from the management instead of cooperation, and showing distrust in employees makes them act in the same way in return. In the same way distrust leads to misunderstandings because of lack of cooperation (Lane & Bachmann, 2001).

As trust is established between SMEs and consulting accountant, the effect causing trust to drop to a lower level is diminishing, this because the threshold for tolerance grows as the level of trust increases (Wincent, 2005). A discussion of all the factors in trust creation has now been made, save for the anti-thesis to the trust creation factors. These are in the form of uncertainty and opportunism, and will therefore be discussed further as follows.

3.7 Anti-thesis factors

Anti-thesis factors are the variables which are directly affected by trust as trust develops. There are two factors following the stages of the trust process, which are uncertainty and opportunistic behaviour. These factors have not yet been described, because they are variables which change in connection to trust throughout the process. The levels of uncertainty and opportunism are high in the beginning of the trust process, but decrease as the business relationship advances and trust takes shape. The variables along with their characteristics will be explained below (Luhmann, 1979, Lane & Bachmann, 2001, Bakka et al., 2001, Morgan & Hunt, 1994)

3.7.1 Uncertainty

There is a lot of uncertainty in the consultancy business, referring to the risk of not getting pleased by the performance of the consultant. Uncertainty lies in the firm buying a service that can go well or not. The uncertainty exists since one cannot predict the future. However what can be done is to be as prepared as possible (Luhmann, 1979).

Morgan and Hunt (1994) state that uncertainty in business relations is the counterpart to trust, which indicate that in the beginning of trust creation between SME and consulting accountant where trust is low/weak, uncertainty per se, is high/strong. Following this statement, it also shows that a decreasing degree of
uncertainty follows the trust development process. Also this leads to the eighth proposition below:

**Proposition 8:** Strong trust will lead to diminished uncertainty in the maturity stage between SMEs and their consulting accountant, in their business relation.

### 3.7.2 Opportunism

The consulting accountant is paid and employed by the service providing company. The employers have their corporate visions, mission, and value assessments from which their employees work. The procuring company might have a differing view on the subjects in comparison to the providing company. This could lead to clashes between the two as the consultant goes into the office with a mindset differing from the buyer. Therefore, it is important to stress the significance of proactive coagency between the parties (DI, 2008).

The agent, here referred to as the consultant, often possesses diverse information sources, which can displace the hierarchy between the agent and principal, and can be unevenly allocated. The literature refers to this as asymmetric information. This dislocation could generate an opportunistic behaviour, which is difficult to notice (Bakka *et al*., 2001).

Low trust marks their relationship in the beginning of the trust creation process between SME and accountant. This indicates existence of opportunism, which is an existing risk factor in all business relations (Kuenzel & Krolikowska, 2008). This discussion leads to following proposition:

**Proposition 9:** Strong trust will lead to diminishing opportunism in the maturity stage between SMEs and their consulting accountant, in their business relation.

### 3.8 Applicable Models

This section goes deeper into the topic by correlating to the Agency Theory and the Transaction Cost Economics Model.
3.8.1  

Agency Theory

The Agency Theory deals with the relationship between two parties. In this relationship, the principal hires an agent to do a job. In this case the principal is the SME and the agent is the consulting accountant. The Agency Theory illuminates the relationship between the principal and agent. In the relationship the agent has a short-term perspective and the principal has a long-term perspective. Both agent and principal seek to utility maximize. The problem is that the goals of the principal and the agent are contradictive. Having the mind set on the same ambition would strengthen the bond between them tremendously (Bakka et al., 2001).

According to Dyer and Ross (2002) small business owners tend to value their independence greatly, and accepting advice may be seen as a symbol of dependence or failure. By creating a relationship bond between the accountant and their client, accountants are able to change the client’s perception of them (Kuenzel & Krolikowska, 2008). Kuenzel and Krolikowska (2008) claim that the bond of the financial manager of the company, and the accountant holds great significance in preventing relationship dissolution between the parties, which confirms that there is a need to build a psychological bond between the client and the accounting firm in order to retain the client (ibid.). This discussion leads to the following proposition:

**Proposition 10:** Stronger coagency between SMEs and their consulting accountant will increase trust, and as a result decrease the SMEs’ willingness to dissolve the business relationship in the maturity stage.

3.8.2  

Transaction Cost Economics model

The Transaction Cost Economics model (TCE) is a model used when analyzing procurement issues and various organizational relationships (Eriksson, 2007). According to Eriksson (2007) and Williamson (1996) the TCE model helps to explain how firms gain their competitive advantages through governance of transactions. van der Meer-Kooistra and Vosselman (2006) state that in order to establish competitive advantages, the procurement procedures need to be put into
transactional characteristics. Transaction costs are claimed to increase when there is a smaller amount of trust, and decrease when there is a higher amount of trust (Eriksson, 2007).

Transaction costs occur more often when there is a higher level of uncertainty and opportunism (ibid). To handle this problem, governance is suggested as a solution. The governance mechanisms referred to in the TCE model are *price, authority* and *trust*, which are linked to three kinds of control; *output control, process control* and *social control*. Authority is linked to process control since this is the way to control inputs, and for the executives to control the agents. Trust is connected to social control, which represents the thought of trust as “risky business”, yet important in order to gain advantage and synergies (Eriksson, 2007).

Morill (2003) puts the TCE in an accountant’s perspective where he uses uncertainty and asset specificity as important variables. Morill (2003) further discusses how uncertainty is decreased by contracts, in order to prevent opportunistic behaviour.

Eriksson’s (2007) research model was created to make the TCE-model more applicable for procurement. This model connects the procurement of consultants who are being examined in this dissertation. The model explains that the more trust the client perceives to have for the consulting accountant, the more the client leaves him with free reigns (Greenberg *et al.*, 2008). The goal is to have as low transaction costs as possible. This discussion leads to the eleventh and last proposition:

\[
\text{Proposition 11: Strong control of the consulting accountant will lead to diminished trust in the maturity stage in form of high transaction costs between SMEs and their consulting accountant.}
\]

The applicable models help to explain the connection between factors discussed in the literature review. Until now the trust process creation has been discussed through the three stages, Trust Creation, Trust Development and Trust Maturity.
In the next section the process will be explained and illustrated in a simple way by a model, deriving from the discussions in this chapter to facilitate understanding of the trust creation process.

3.9 The 3T model

In this part the 3T model (own created model) will be presented. The model derives from the factors previously mentioned and discussed in the literature review, which have been proven to be important in the trust creation process. Most of the factors are parts of the Key Mediating Variable Model by Morgan and Hunt (1994). Alterations and extensions of the model have been made to fit the purpose of this dissertation. In this section the summary of the imperative parts will help to create a better understanding of the trust creation process. An illustration that combines the factors into a coherent model will be tested in the next chapter. The name 3T derives from the three stages of trust, Trust creation, Trust development and Trust Maturity.

3.9.1 Trust Process

Trust is a process which has been explained in the literature review. Before the trust process there is a low-trust expectation, based upon the consultant profession. This is the starting point in the selection of business partners and where the trust process begins (Lane & Bachmann, 2001, Morgan & Hunt, 1994, Nooteboom and Six, 2003, Bengtsson, Persson, Welin 2004).

3.9.2 Time

Time (red line in figure 3.3, p. 33) is an underlying factor to create trust in this model and the time process takes time (Turnball et al., 1996). To clarify the concept of time, one could describe the time concept in trust which will be described as a normal boy-meets-girl concept. In order for the boy to get the girl to meet with him, initially he might need references from her friends or a reputation as a good boy (this refers to the initial profession trust). To attract the girl, he needs to communicate his curiosity in her, and for them both to want to see each other again, shared interest is essential (Trust Creation). If they share interests, connect and get involved in each other, they go on new dates (Trust
Development). After a couple of dates the boy and girl become a couple and a relationship is established (Trust Maturity).

This story shows the process of a relationship. Trust is a process which is done stepwise. One cannot go on 50 dates in one day, and one cannot trust a stranger to help a company with financial problems. The timeline is without predetermined intervals since the process differs from case to case, which could take five weeks or five years depending on specific situation (Turnball et al., 1996).

3.9.3  Opportunism

The principal agent problem appears in the model as opportunism (purple dotted line in figure 3.3, p. 36). Initially opportunism shows itself as disparity in ambition and mindset. As the trust creation process forms a connection between the parties, opportunism decreases. When trust matures and both parties feel confident in the business relationship, the opportunism will decrease due to reliance in their ability to perform and trust each other. If anyone would act out on the opportunism it would result in an immediate drop of trust (Rigg et al., 2008, Bakka et al., 2001, Morgan & Hunt, 1994).

3.9.4  Low trust

The trust process initially begins with low trust (Luhmann, 1979, Lane & Bachmann, 2001). The low trust comes from trust SMEs have in the consultant profession.

3.9.5  Trust Creation

When the trust process begins, factors such as culture similarity and shared values are important factors to the development of trust. People with the same background, language and values will relatively easier create trust than people with different background, language and values. Should different values go to disparity and conflicts arise, a reduction of trust will occur. In the creation of trust one begin to rely on the other person to keep his word, not cheat and do what is expected of him. If opportunistic behaviour occurs during the entire trust process, trust will decrease back to low trust. For a long-term relationship the trust creation phase is important to create a solid ground for the next phase of trust creation.
3.9.6 Trust Development

After the early trust creation process is established, trust development will take place in form of either commitment or cooperation. Cooperation refers to a business relation where the parties make their necessary efforts. Commitment in business is about enthusiasm and passion related to daily work. Once both partners have the ambition to commit or cooperate, mutual beneficial understanding is achieved. Conflicts in the collaboration will lead to low trust in the second phase (Morgan & Hunt, 1996, Elofsson & Salén, 2005, Bengtsson, Persson, Welin 2004, Gummeson, 2002, Nooteboom and Six, 2003).

3.9.7 Trust Maturity

Trust maturity is reached when the performance outcome of the collaboration between consultant and procurer has met the predetermined expectations. This in turn will lead to high trust as well as low transaction cost. If the performance outcome is lower than expected, the level of trust will be low and transaction costs high (Morgan & Hunt, 1996, Elofsson & Salén, 2005, Bengtsson, Persson, Welin 2004, Nooteboom and Six, 2003).

3.9.8 High trust

The closing stages of the trust building process consisting of the previous mentioned factors becoming high trust between the principal and agent. Even though high trust is achieved this may decrease because of a lack of engagement or opportunistic behaviour. At this stage a foundation for a long-term business relationship is set which makes a sudden drop less likely to occur (Bakka et al., 2001, Morgan & Hunt, 1996, Elofsson & Salén, 2005, Bengtsson, Persson, Welin 2004, Williamson, 1996).

3.9.9 The 3T model takes shape

The factors discussed in this chapter bring forth ideas that the trust process needs to be put in relevance to a timeline. Researchers Turnbull et al. (1996) created a trust model and realized that a timeline was needed since trust cannot be built swiftly. Based upon the assumptions that the theories and factors discussed are
Applicable on financial services and SMEs, a model has been developed which will depict the coagency and affecting factors connected to financial service provider and the procurer. The illustration below shows the imperative factors in this chapter and how they are connected. Together with the propositions this model will test the trust process creation in SMEs when buying financial services.

Figure 3.3 The 3T Model, Based on: Gerreiro (2006, p. 199) and the KMV model (Source: Morgan & Hunt, 1994, p. 22)
3.10 Theoretical critique

In the theoretical review an acknowledged relationship model was found to illuminate trust, and possible affecting factors. This KMV model has its roots in the tire retail industry, and is, therefore, not directly applicable. Factors in the model which are only mentioned, but not elaborated on in the literature review were: Relationship Termination Cost, Relationship Benefit, Acquiescence, Propensity to leave and Functional Conflict. These mentioned factors were not found in any literature concerning SMEs and/or consulting accountants, which lead to the exclusion of them as affecting factors in this study.

3.11 Summary

General definitions of trust and the important variables in this chapter have been explained. The definitions are followed by the KMV model which together with the literature review constitute the trust factors in business relationships between consulting accountant and SMEs. According to Lane & Bachmann (2001), establishing trust is a developing process, where factors affect each other in succession with varying time aspects. The discussions and explanations in this chapter gave inspiration to create the 3T model. Theories and previous research led to the creation of the prepositions, which will be tested through interviews.
Chapter 4

Empirical method

This chapter will begin by a presentation of how to conduct empirical studies, and data collection. This is followed by how data is collected for this thesis and the problems correlating to this process. This chapter concludes by discussing the validity, reliability and generalisability of this paper.

4.1 Research strategy

An explanatory study tries to connect the influences. This type is preferable when the research aim is to look at the causality between variables (Yin, 2003). A descriptive study is often used to point up occurrences, and their specific substance. Conclusions are therefore not important in this study (ibid.).

An exploratory study is practical when discovering new perspectives, and reviewing a phenomena in new ways. The research is conducted by searching literature and interviewing professionals or focus groups. The most important issue of this type of study is that the focus from the beginning is wide, and becomes narrower as the research advances (Saunders et al., 2007).

Having an explanatory study came natural as this tries to attain a deeper understanding of the topic trust in business relations, and explain the causality between factors in the trust creation process of SMEs and their consultant. This was done by reviewing literatures, and interviewing involved key managers.

4.2 Data collection and method

4.2.1 Primary data

Sometimes the research may require more information than currently available. In this case, there is limited information concerning the topic, which means that a new collection of information is desirable. It will bring this dissertation the essential knowledge to accomplish a deeper understanding of the selected field of research (Christensen et al., 2001).
4.2.2 Secondary data

Secondary data is the data that has been collected and accumulated by others in other context or purpose. In this dissertation, secondary data does not add to the specific research question since this data comes mainly from companies themselves and different institutions (costumer information, annual reports, internet and databases) which are biased and deficient. This dissertation will not utilize the secondary data to analyze the research. However, limited secondary data will be used to prepare interviews with the companies. This is done by logging on to the companies’ homepages, which are good sources of information about who they are, what they do, where they are, and most importantly how they can be contacted (ibid.).

4.2.3 Data collection methods

It is preferable to collect primary data for this dissertation. Primary data is required because there is no information found about the trust process creation between the accounting consultants and SMEs. It is necessary to collect primary data to find the appropriate information to answer the research question. The method which will be used is interviews with different SMEs. This is important since the current business industry changes quickly, and to assure that this information is up-to-date, primary data is essential. It also gives trustworthiness, since it is first hand information.

4.3 Sample Selection

The samples which are studied consist of SMEs in different branches. This selection is an attempt to create a broader source of information, and enable generalisability.

To find the companies where the collection of primary data will begin, our personal network was first searched, where the willingness to participate is higher. It was later necessary to expand the sample of companies in order to get saturated answers, which was done by contacting SMEs at Krinova in Kristianstad and Ideon in Lund, where the companies already had established a relationship to universities. This relationship contributes to increase the chances of willingness to
participate and contribute to this dissertation. Below an interview table will present information about the samples that have been studied.

<table>
<thead>
<tr>
<th>Company</th>
<th>Flädie Mat &amp; Vingård AB</th>
<th>Ferrmek AB</th>
<th>Sol &amp; Värmeenergi AB</th>
<th>Ardere</th>
<th>Karakai Kommunikation AB</th>
<th>Innovations-bron AB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status</td>
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<td>CEO</td>
<td>CEO</td>
<td>CEO</td>
<td>CEO</td>
<td>Chief Financial Manager</td>
</tr>
<tr>
<td>Name</td>
<td>Martin Hansson</td>
<td>Rolf Hansson</td>
<td>Thomas Dahl</td>
<td>Jeanette Johansson</td>
<td>Lena Holmberg</td>
<td>Ola Skanung</td>
</tr>
<tr>
<td>Place</td>
<td>Flädie</td>
<td>Järrestad</td>
<td>Simrishamn</td>
<td>Kristianstad</td>
<td>Malmö</td>
<td>Lund</td>
</tr>
<tr>
<td>Business</td>
<td>Catering</td>
<td>Mecanical Workshop</td>
<td>Solar energy</td>
<td>Web/graphical design</td>
<td>Communications adviser</td>
<td>Idea incubator</td>
</tr>
<tr>
<td>Length of performed interview</td>
<td>41min</td>
<td>41min</td>
<td>1h 32min</td>
<td>1h 6min</td>
<td>55 min</td>
<td>1h 21min</td>
</tr>
</tbody>
</table>

Table 4.1 Sample selection details

4.3.1 Response rate

The empirical findings are based on six semi-structured interviews with companies in different types of businesses. All companies were first contacted by email with a letter of interest. Three days later, the previously mentioned companies were contacted by phone, and they all agreed upon having a face-to-face interview, which resulted in a 100% response rate.

All the interviews were conducted on the companies’ place of operation to increase willingness to participate in the interview.

4.4 Interviews

An interview is more or less a structured and formalized conversation with one or more respondents. One interview may vary from other interviews. There are mainly three types which are structured interview, semi-structured interview and unstructured interview (Saunders et al., 2007).

Structured interview uses a questionnaire with questions which are predetermined. The interviewer gives the respondent the possibility to answer the questions on a standardized form and the answer is often pre-coded. The interviewer has to use
an invariable voice to not disturb the answers. It is very helpful to collect quantitative data (Saunders et al., 2007).

In a semi-structured interview, the interviewer will use a so-called “interview guideline” consisting of questions which have to be mentioned during the interview. The design of the “interview guideline” may differ from interview to interview. This is nevertheless a suitable method for qualitative research (Christensen et al., 2001).

An unstructured interview, also called in-depth interview, has the advantage that it offers the respondent an informal environment to talk freely. It requires qualified skills of the interviewer, so he/she does not lose focus, since then risk to neglect important questions is high. This sort of interview is a practical tool for qualitative research (Christensen et al., 2001).

A semi-structured interview was chosen as method, because the aim of this dissertation is to explain and achieve a deeper understanding for the research topic. Based on the scientific information and theoretical models it was possible to make propositions which will be tested by using a semi-structured interview. A guideline consisting of questions, based on the propositions in chapter 3 will be the instrument of data collection.

4.5 Data analysis

To analyse qualitative data instead of quantitative data several rules have to be followed. Before the analysis, unification on the collected data from the interviews has to be done. It means making sure that the perception and view of the recorded data cannot be misinterpreted. Furthermore the data analysis also needs to be agreed with the respondent’s perception of the content (Saunders et al., 2007).

Later in this chapter a guideline will be presented, explaining how the interviews were shaped and how the questions will answer the propositions in this dissertation. The questions are mainly categorized based on the different stages in the trust creation process. The categorization will help in the analysing of the answers in a systematic way (Saunders et al., 2007).
4.6 Modus Operandi

Modus operandi is a way of trying to define a vague concept, or relation variables, and to make them measurable. This measurement will be used to analyze or explain the connection between the variables (Saunders et al., 2007). In this dissertation, the aim is to explain how the variables/factors will influence the trust creation process. The traditional way of operationalization is measuring by numbers. In this dissertation, the answers have been substituted by the letters to facilitate an overview of the answers (Saunders et al., 2007).

The operationalization is formed in order to gain primary data about the trust process creation between SMEs and the consulting accountant. This was done by interviewing CEOs or financial managers of each company depending on who is mostly involved in the procurement of these services. A semi-structured interview has been conducted, leaving the interviewees to talk freely about this subject, guided by the questions. The interviews were conducted in Swedish since the respondents are Swedish. To ensure the accuracy of the translation into English, two objective persons were asked, one with a Ph.C. in English and one with an M.Phil. in linguistics to look at the questions. They both revised and approved of the translation, and interpreted both the Swedish and English version to having the same meaning.

Below the questions are presented together with the expected outcome of the questions in the different stages; trust creation, trust development and trust maturity. We will attempt to connect the answers to the previously discussed timeline in the theoretical stages presented in the 3T model. Turnbull et al. (1996) suggest from their evolutionary perspective that, a business relationship process should be analyzed to the extent of each factor and stage in the process.

The connection is done by formulating the questions in a time perspective. Starting with questions concerning the beginning of the relationship and what the interviewee found to be of greater importance in the trust creation stage, leading to a discussion about the collaboration between the SMEs and their consulting accountants. This will continue with questions about their present collaboration
and engagement to gain knowledge about their ongoing work which represent the trust development stage. Furthermore, the questions connected to the anti-thesis factors will be explained. Finally, questions identifying the factors in the trust maturity stage are formulated and will be asked about the performance of the consultant and what is expected by the SME. There are three stages in the process of creating trust. In order to reach the following stage the factors in each stage need to be fulfilled.

The questions are connected to the proposition mentioned below in the text. Yet, the questions tend to transcend, to answer more than just the connected proposition. This is a deliberate action in the semi-structured interview to attempt to receive saturated answers.

4.6.1 Opening questions:

1. **When was your company established?**
   With the answer to this question, a time perspective will be gained which will be weighted when the answer about relationship and the length of procure of current consulting accountant is revealed.

2. **Please elaborate on your position at the company.**
   The response to this question will answer the weight of the information given by the interviewed person.

4.6.2 Questions and propositions related to the trust creation stage:

The literature review gave insights on the process of trust creation. In this section the propositions connected to the first stage, trust creation, will be examined by the related questions. The questions are formed in a time perspective to capture the factors stimulating the trust process in the creation stage to the development stage by propositions 1 to 6.

| Proposition 1: Strong reliability in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation. |

Reliability in accounting (Kuenzel & Krolikowska, 2008) is defined by Nooteboom and Six (2003) as the trait of trusting in people’s professionalism, and trustworthiness through reputation and brand of their competence. This
proposition intends to look at the connection between stronger reliability, and a forward movement in the trust creation process primarily by the following questions.

3. **Which firm do you use when procuring financial services such as accounting?**
   The answer to this question will give an understanding of whether or not the selection of a consulting accountant was brand oriented or based upon shared values, reliability and organizational culture.

4. **What do you consider important in the selection of your consulting accountant?**
   This answer to this question will explain who has been selected to perform this task, and why. The answer will be compared with other firms and help us understand the choice of consulting accountant. The important factors may vary depending on the interviewee.

5. **Describe your need for an accounting consultant?**
   The answer to this question will explain SMEs’ reliance on their consultants. This answer may give incentives to a discussion about the demand and how it affects the business relationship.

6. **Explain why you chose your current consulting accountant?**
   The intention with this question is to identify factors that may or may not be present in the 3T model. This question should answer what is important in the beginning of trust creation.

7. **Describe the relationship you have with your consulting accountant – what you like/dislike, what you have liked/disliked.**
   This question may give vital information about SMEs’ perception of the consulting accountant’s significance and answer what underpins the importance of the trust and relationship that SMEs emphasizes in order to have a better relation with the consultant.
8. **For how long have you employed your current consulting accountant?**
   a. **Have you employed other consulting accountants over the course of the years? In that case, why?**
   b. **Have you employed the same consulting accountant over the course of the years? In that case, why?**

   The aim of this question is how easy or difficult it could be to establish a good business relationship with a consulting accountant. The answer will give data on their experience with consulting accountants.

9. **What would you do if your consulting accountant made an unfavourable decision on your part?**
   a) **How would this affect your relationship?**
   b) **What would be needed in order to rebuild the relationship?**
   c) **If it would be impossible to rebuild the relation and why?**

   The purpose of this question is how a drop in the level of trust connects to the causing effect and if this is pushed by opportunism or uncertainty. How a drop in trust affects the relationship, and whether or not this could be repaired in the early phase of trust creation. Also if there are factors that can help strengthen the relation to build trust once again and become even stronger could come up to the surface.

10. **What would make you change your consulting accountant?**

    Question 10 is an extension of question 9 which goes further and explores the possibility of what causing factor could terminate the trust as well as the relationship. It also examines if the increasing uncertainty could be a terminating factor.

    **Proposition 2:** More frequent communication in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.
Communication refers to the ability to communicate information and knowledge and in its turn building trust by words and action (Wincent, 2005). This proposition intends to look at the connection between more communication, and a forward movement in the trust creation process, primarily by following questions.

11. Explain the role of your consulting accountant in your company, and how do you look at his/her role?
   a) If positive/negative, please elaborate?

Question 11 is important to this research to find out how SMEs perceive their consulting accountant and to find out if the relation between the parties is strong or weak, how the information is shared and what factors SMEs recognize as positive/negative in their business relationship.

12. Describe the initial degree of contact with your current consulting accountant?
   How often/seldom were you in touch? The need to be in contact etc.

Question 12 reflects on factors in the trust creation phase such as communication between the parties, personal chemistry, shared values and organizational culture. Also, it may answer on the intensity of the interaction between the parties and how it affects trust.

13. Please describe the current contact you have with your consulting accountant.

Question 13 is a follow-up to question 12 which seeks to complete the previous question, give some answers on the factors in the trust development phase and give an explanation to the current business relation.

14. If you experienced good contact – Describe how your relation changed through this interaction.

Question 14 is a sequel to question 13 which seeks to answer how communication and interaction affects trust and the business relationship.
Proposition 3: Strong personal chemistry in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

Elofsson and Salén (2005) discuss the significance of the representatives, who meet and communicate the information from both business partners. They also claim that personal chemistry is understated (Elofsson & Salén, 2005). This proposition intends to look at the connection between stronger personal chemistry, and a forward movement in the trust creation process primarily by the following questions.

15. Elaborate on your first meeting with your consulting accountant and how this has affected your current cooperation.
   The answer to question 15 desires to draw out essential factors which could have affected the trust process and what could be the building stones for a solid business relationship.

16. Elaborate briefly on the company you buy the consulting service from. For example: helpfulness, reputation etc.
   The purpose of question 16 is to understand the choice of consulting accountant and to answer what factors could be related to the trust creation phase.

17. Describe briefly the personal characteristics of your consulting accountant. For example: Social ability, results-orientedness, professionalism etc.
   Question 17 is directly connected to the significance of personal chemistry which arises when the representative from the financial consulting company and the SME interact.

Proposition 4: Stronger consensus of organizational culture in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

The organizational culture refers to rules consisting of how to manage and functionalize the organization (Hofstede, 1997).
18. Elaborate on your overall impression of the company from which you buy your financial service.

Question 18 elaborates on the factors related to the trustworthiness of the company, for example brand reputation and the expectations. The intention of this question will be to discuss if the SME has insight into the consulting company.

19. Elaborate on your general impression of your consulting accountant.

Question 19 is an extension to question 18 which discusses the social factors which creates the bond between SME and consulting accountant and gives incentives to trust, along with the organizational culture the consultants brings with her/him to the client.

20. What did you, initially, know about the ethics and morality in the company from which you buy your accounting service?

   a) If you had knowledge about it, what did you know?

   b) Do you know if the ethics and morality has changed over the years?

The aim of question 20 is to explicitly explore the possibility of shared values, and organizational culture, and how to communicate this between the parties. This because ethics and moral are fundamentally correlating with communicated organizational culture and the mindset of the company.

21. Describe the rules your consulting accountant is supposed to follow.

   a) Are these rules well presented in your company, for example by the management?

The answer to question 21 adds information about the perception SMEs have about given rules in form of national/international law, organizational culture, shared values and how well these aspects are communicated, and how they adds completing information to the previous question.
Proposition 5: More shared values in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

Shared values refer to the characteristics of sharing beliefs about behaviour, goals and policies in what is considered to be important and/or not important. This proposition intends to look at the connection between more shared values, and a forward movement in the trust creation process primarily by the following questions.

22. What would you say are the values, mission, and vision in the service providing company?

Question 22 is asked to receive an understanding of the future and direction the company has, and to understand the organisational culture and where it has derived from. This question will be weighted together with next question.

23. What are your values, mission and vision?

The purpose with question 23 is to understand the future and direction the company has, and to understand the organisational culture and where it has derived from.

24. Do you share any of these with the outsourcing company?

   a) If yes, elaborate?
   b) If no, elaborate?
   c) Have these changed over the years?

Question 24 is an extension of question 23 which will answer the perspective of a comparison between the two parties, and the gaining of information about the significance of shared values between the SME and the outsourcing company.

4.6.3 Questions and propositions related to the trust development stage

The second stage, trust development, will be examined by the related questions. The questions are formed in an ongoing time perspective to capture the factors stimulating the trust process in the development stage to the maturity stage by propositions 6 and 7.
Proposition 6: Stronger commitment from either of the parties will lead to a forward movement towards trust maturity between SMEs and their consulting accountant, in their business relation.

Commitment refers to characteristics of the engagement and loyalty between consultant and client (Nordstedts, 1995). This proposition intends to look at the connection between strong commitment, and a forward movement in the trust creation process primarily by the following questions:

25. *How would you describe the interest of your consulting accountant in your company?*

The aim of this question is to receive answers connected to commitment and to what extent the interviewee and consulting accountant interact. The relationship requires both parties to interact and build up the trust and to take the relation to the next step. To what extent the client appreciates the enthusiasm from the consulting accountant.

Proposition 7: Stronger cooperation between SMEs and their consulting accountant will lead to a forward movement towards trust maturity, in their business relation.

Grönroos (1996) defines cooperation as the coagency to create a value for the company and client. This proposition intends to look at the connection between strong cooperation, and a forward movement in the trust creation process primarily by following questions:

26. *Elaborate on the information shared between you and your consulting accountant, and how it affects your relationship. For example: contingent reorganizations, contingent businesses deals bound to take place.*

The purpose of question 26 is to gain information about how communication works, if it is frequent or rare and how in-depth it is.

27. *Elaborate on the cooperation between your consulting accountant and yourself.*

The purpose of question 27 is to gain access to data about the cooperation
between the consulting accountant and the interviewee, if they are working to meet each other’s needs and if there could be opportunistic behaviour involved in the relationship.

4.6.4 Questions and propositions related to the anti-thesis factors

In this section the propositions connected to the factors opposing trust, anti-thesis factors, opportunism and uncertainty will be examined by the questions explained below. The uncertainty and the opportunism are the sloping lines in the 3T model. The questions below are asked in order to see how the factors interact with trust creation process in all the stages, and if the consulting accountant will act in self-interest or with the company’s best interests in mind. The business relation is formed in an evolutionary process (Turnball et al., 1996) which implies that in order to have a diminished insecurity in the maturity stage, it will decrease gradually. The questions are formed to elaborate a discussion where the three stages in the trust creation could be differentiated, by asking about the beginning of the relationship, the present and the future. The anti-thesis factors are discussed prior to the maturity stage with the intention of confirming the diminishing effects of insecurity, in form of uncertainty and opportunism, which Morgan and Hunt (1994) claim diminishes during the process of developing trust.

Proposition 8: Strong trust will lead to diminished uncertainty in the maturity stage between SMEs and their consulting accountant, in their business relation.

Uncertainty is related to risk. One puts oneself to a risk of maybe employing a person of little knowledge and shares a lot of information. This is the case when procuring a consulting accountant, in some cases it takes a long time to establish the trust, in some it is already there in the beginning (Luhmann, 1979, Morgan and Hunt 1994). This proposition intends to look at the connection between diminished uncertainty, and a forward movement in the trust creation process primarily by the following questions:
28. What risks do you find exist in the relationship between your company and the outsourcing company?
   
a) Do you find risks like these in your relationship with your consulting accountant? Elaborate!
   
The aim of question 28 is to be able to draw connections to the Agency theory, opportunism and uncertainty. The perception of the risks will add interesting facts to this dissertation as it is directly connected to uncertainty in the business relationship.

Proposition 9: Strong trust will lead to rising opportunism in the maturity stage between SMEs and their consulting accountant, in their business relation.

Opportunism is connected to diversity of goals, actions and information (Asymmetry information) between the agent and principal (Bakka et al., 2001). This proposition intends to look at the connection between stronger personal chemistry, and a forward movement in the trust creation process primarily by the following questions.

29. Do you feel worried about sharing information with your consulting accountant? If so, please elaborate!

The purpose of this question is to gain information on how much the relationship is built on trust.

4.6.5 Questions and propositions related to the trust maturity stage

The third and final stage, trust maturity, will be examined by questions formed in an ongoing time perspective. The questions will try to capture the factors affecting the maturity stage in the trust creation process by propositions 10 and 11. The questions related to the maturity stage will be answered after the anti-thesis factors, but prior to the timeline related questions since the propositions are following a logic order, shaped by the interview guide.

Proposition 10: Stronger coagency between the SMEs and their consulting accountant will increase trust, and as a result decrease the SMEs’ willingness to dissolve the business relationship in the maturity stage.
Kuenzel and Krolikowska (2008) discuss coagency between business parties as a bond, which holds great significance in preventing relationship dissolution between the parties. This proposition intends to look at the connection between stronger coagency, and a decrease of willingness to dissolve the business relationship. Empirical studies will primarily be done by the following question, but also by questions in the next proposition as they transcend each other.

30. How is your relationship affected by your consultant’s performance?
With question 30 the intention is to understand if trust is affected by coagency performance and its significance for the business relationship.

van der Meer-Kooistra and Vosselman (2006) discusses the occurrence of transaction costs as the result of a high level of uncertainty and opportunism. According to Van der Meer-Kooistra and Vosselman (2006), the solution to this problem is governance. This proposition intends to look at the connection between strong trust, and more ability to act as a part of the TCE model. Research will primarily be done by the following questions.

31. How much free rein does your consulting accountant currently have?
The purpose of question 31 is to explain if the consultant has free rein which is directly connected to the ability to act and control, leading to lower transaction costs.

32. Describe your negative and positive views on your consulting accountant.
Question 32 is a follow-up question that opens a discussion to gain more insight of the SME’s view on the consulting accountant.

33. How much confidential information do you share with your consulting accountant?
The answer to question 33 enables access to the SME’s view on sharing vital information, and answers how much control and insight the SMEs are willing to
give the consulting accountant. The more confidential information in shared the more trust there is in the relation. If there is not a lot of information sharing then this would be a sign of a relation with a lot of uncertainty. With uncertainty, risks are involved.

34. Do you turn to your consulting accountant for advice concerning for instance purchases of new cars, budget planning and organizational change? If so, please elaborate?
The purpose of question 34 is to give understanding on how much the interviewee relies on the consulting accountant services. This will give more insight if there is a lot of trust in the relationship and how good the communication is between them.

4.6.6 Questions related to the timeline in the trust creation process
The timeline will be further examined by the questions below. The answers to the questions will give additional details to facilitate differentiating factors and allocating them to affiliated stages in the trust creation process. Further on, the following questions are asked in order to saturate the responds from the questions asked previously, as well as give information concerning the absence of additional factors of essential importance and discovering the time it took to create trust.

35. How long did it take for you to trust your consulting accountant, and for you to consider your business relationship with him/her as stable? (Own appreciation of how fast/slow in relation to the time-perspective months/years)
   a) Describe how you experienced the establishment of the relationship.

The answer to question 35 adds data on the time perspective to get an idea of how long time it took/takes to build up trust in order to differentiate the stages presented in the 3T model, by considering the extent of each factor to analyse the relationship process from an evolutionary perspective as suggested by Turnbull et al. (1996). The interviewees’ time estimation will be taken into consideration when analysing the variables in the trust creation process. The theoretical connection of the factors will be indentified to the different stages.
36. Is there anything that you would like to change about your consulting accountant, in that case what and why?

The aim of question 36 is to gain information about additional affecting factors and variables which could affect trust in the business relation in both a negative and positive way.

37. What did you think of your consulting accountant in the beginning of your cooperation and has this changed over the years?

   a) How would you describe your consulting accountant’s social skills?
   
   b) How would you describe your consulting accountant’s professionalism?

The purpose of question 37 is to gain a perspective on SME’s perception of the development of trust in the relation. Also it will depict changes to the better or worse within perception of the consulting accountant. Furthermore, the factors connection to the different stages will be further discussed.

38. What do you feel would strengthen your trust to your consulting accountant?

The answer to question 38 will give incentives to a free discussion which will receive factors that affect trust in each specific relation. The interviewee might suggest factors that yet have not been considered in the literature review.

39. What does trust mean to you?

   a) Do you trust your consulting accountant?

The aim of question 39 is to try to capture the SMEs own definition of trust in order to determine the significant factors and what stage in the trust process establishment their relationship is in.

These questions will make up the red thread which will in its lead be the guide through the semi-structured interviews. The questions transcend each other, and some of them may not be asked at all times since there is a possibility of answering several related questions at one occasion if the interviewee elaborates on one question deeply. Because of the overlapping answers, the results from the interview will not be presented from each question, but rather by each proposition.
Following the validity, reliability and generalisability of the results from this dissertation will be explained and discussed to secure the quality of the content.

4.7 Validation

Validity refers to if the outcomes are what they were intended to be, and if there is a causal relationship between two variables (Saunders et al., 2007). Validity is another word for trustworthiness which means how the outcome reflects the reality. In a qualitative research the validity tries to find the factors and processes that generate and cause the final outcomes (Christensen et al., 2001).

There are four concepts of validity: construct validity, internal validity, external validity and reliability for qualitative research. Construct validity functions to build accurate operational measures for the perspectives that are studied. Internal validity tries to find the causality between the variables, if one variable is influencing another. Explanatory design is very helpful when studying qualitative research. External validity develops conditions to generalize outcomes (Yin, 2003).

In this dissertation the internal validity has a tendency to be fulfilled, because factors, variables and their outcomes have been tested. The outcomes showed that many factors are influencing the trust creation process, not only A influencing B (Yin 2003). For instance, there is factor as “communication” influencing the trust creation process but also factor as “personal chemistry” influencing this process.

4.8 Reliability

Reliability is to what extent the outcomes or results of a research will be consistent and constant (Yin, 2003). There are several suggestions to think about when evaluating reliability. The time for the research interview has to be chosen carefully, since there might be a differing response depending on at what time the interview is held. An appropriate time may be in middle of the week. It is quite frequent that the interviewee is more or less influenced by hierarchy and this issue should be taken into consideration when designing the interview. The interview
questions need to be structured and well-planned to later on be evaluated (Saunders et al., 2007).

These suggestions had been closely followed, and the companies were contacted in an early stage so they could be prepared. The questions were designed of understandable and comprehensive thoughts. One issue which has been discussed intensively was that the subject in this area such as other areas is changing drastically very day. It is hard to guaranty that the result will be the same after a long time because of the previous poor documentation on this subject. The reliability has a tendency to be confirmed for the presence, since the essential factors and variables in the trust creation process are likely to be the same in a short future if the same research would be redone (Yin, 2003).

4.9 Generalisability

In order to have high-quality generalisability there has to be external validity. Meaning that the outcome in one area has to be able to be applied to other areas or other organizations and still have the same outcome (Yin, 2003; Saunders et al., 2007). It is possible to have generalisability in a qualitative research but one can never have the traditional statistic generalization which is achievable in a quantitative research. The generalisability in a qualitative research is a full perspective of one or more phenomenon for “now” (Christensen et al., 2001).

Six companies in different industries located in Skåne of Sweden have been interviewed, to ensure that the result can be generalized. The outcomes have some similarities but also small differences between the companies. To generalize the outcomes in a global or national perspective is impossible because people in Skåne of Sweden in general may have a relatively higher trust. Instead it is believable that a generalization of the outcomes in other financial industries in Skåne of Sweden is possible, but some adaptations are essentially necessary.
4.10 Summary

This chapter has explained the general scientific strategies in performing empirical studies and discusses the natural choices of this dissertation. The qualitative method of collecting primary data is explained together with the modus operandi, which consists of the questions making up the interview, as well as a short presentation of expected answers.

Concluding chapter four, the empirical studies based on the literature review in chapter three will be performed according to the explanation in this chapter.
Chapter 5

Analysis

In this part of the thesis a summary will be presented of the collected data as well as an analysis of the empirics.

In the beginning of chapter four, a description of the method of approach was presented, when collecting the qualitative data for this dissertation. In the operationalization part, an in-depth description of how the interview was performed was presented. This chapter presents findings, and analyse the data collected.

5.1 Empirical findings

The perception of the relationship between SMEs and their consulting accountant was found not to be as explicit as the literature review proposed it would be. During the interviews a factor that arose was that the auditors reviewing the SME’s bookkeeping also work as consulting accountant due to the fact that he/she are the ones that are most up-to-date concerning the rules and regulations in accounting. In some companies the entire accounting service is procured along with the auditing from one company providing these services.

These empirical findings did not affect the answers given by the respondents; however, it gave knowledge of an existing spectrum of need when it comes to financial consultancy in accounting. The companies procuring the full accounting service all stated that when the company had grown enough, a consulting accountant will be employed and the auditor will continue as reviewer and financial consultant.

An indication of Guanxi was also found among the Swedish SMEs. Guanxi is a social way to developing moralistic potential, and maintaining relationship with each other (Buttery & Wong, 1999). Guanxi is a Chinese term for an attained social status, and relationship which influence the business and personal relationship. Having Guanxi, makes it easier to be an “insider” and in turn to strengthen the business relationship (Lou, 1997).
One of the respondents gave a great example of Guanxi. The respondent said that, it sometimes feels strenuous to go the bank because it takes a lot of time to spend with the bank clerk just to uphold the relationship.

5.2 Results

The interviews were conducted on SMEs in different branches with CEOs and economically responsible managers in the companies to obtain a high grade of accuracy in the business relationship between the SME and the consulting accountant. The answers below are an interpretation of the answers in relevance to the specific propositions. The answers are compressed to illuminate the important facts in the replies. The analysis on the propositions based on SMEs’ shared answers will present the verity of the propositions. The outcome of the analysis in the interview will be further discussed in the analysis of the 3T model, and a model more applied to reality will be displayed.

Below a table is presented with a summary of the responses from the interviews in connection to the propositions. A proposition has either a tendency to be rejected (R) or supported (S) or has a neutral tendency (N). The companies, which were interviewed will, henceforth, be anonymous and named with the letters A to F.

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Table 5.1 Summary of responses
5.3 Analysis

Proposition 1: Strong reliability in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

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Quotes:

A  “Ernst & Young won the procurement since they had the best ideas about how the company was to be revised onward”

B  “had Deloitte as a good educator and started a business of her own”
    “As an small enterprise, entrepreneurship is valued”
    “Reliability is built on words and actions”

C  “If I could I would hire her in a second”

D  “He’s an authorized accountant”

E  “He is everything”
    “Complete reliability”

F  “In the beginning I checked the accountant’s tasks.”
    “Found out about him trough business colleagues, knew he would do a good job”

Table 5.2 Quotations in questions connected to proposition 1

Analysis: Respondent A and B use consulting accountants from well-known firms, though these consulting accountants were hired before the interviewees were hired. This proved that their trust and reliance to their consulting accountant was very high in the beginning of the relationship. Since neither respondent A nor B were present in the selection of the consulting accountants, they relied on their predecessors to have procured competent consulting accountants, which in both cases was true. In B’s case there was a procurement of the consulting accountant service, which was won by the company they still use today. The consulting accountant service was won by the specific firm because they proved to have the
best ideas of how the company was to be revised onward. Respondent C and D chose their consulting accountant firm because it was local and had a good reputation in the neighborhood. Respondent C has confidence in his firm and has stayed with that firm for more than a decade and changed consulting accountant only because the first one retired. Respondent D has a strong reliance to an accountant being authorized and the authorization is what his source of reliance is. Respondent E had reliance to the consulting accountant right from the start, basically because the consulting accountant spent a lot of time with the respondent and felt the need to educate and help the respondent. The reliance in this case showed to be more to the person and the professionalism the consulting accountant shared. Respondent F also spent a lot of time with the consulting accountant in the beginning of their relationship, to help the consulting accountant to learn about the company. Respondent F trusted the consulting accountant after 6 months. We believe that having frequent contact in the beginning leads to a better relationship, and that the trust process will be shorter.

Koniordos (2004) and Nooteboom and Six (2003) state that reliance is a matter of dependency and trust. This is primarily created by reputation, brand or other reliance of status. The respondents’ spoke of initiating the relationship by first checking up on the consulting company, or consultant’s attained social status and relationship with other companies, by talking to nearby companies for references. This gave indications of Guanxi among the Swedish SMEs which is a social way to develop, and maintain relationship with each other (Buttery & Wong, 1999). Guanxi facilitates creation of relationship, as well as strengthens a current business relationship (Lou, 1997).

A general tendency seen in all cases is that the respondents tend to neither feel a close connection, nor have frequent contact with their consulting accountants. Nevertheless, the reliance lies more in the consultant’s previous performance and current outcome of the work, than in the daily accounting. Once the respondents feel they have created a bond with one consulting accountant, they wish to keep that person for a long time, especially if he/she shows extra interest in the company. This leads to the importance of having reliance in the beginning, and motivates the respondents’ tendency to increase trust rate as reliance coincides.
Proposition 2: More frequent communication in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

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Quotes

A

“Having a close colleague relationship is preferable, but not more. Having openness to discuss around our strong sides.”

“The consulting accountant is the person to whom we turn to when you do not quite know where to go”

“Getting to know each other facilitates the communication”

“Communicative abilities, be able to give and take, is very important”

“The contact person in the company is the individual who one tends to call first, that’s the one who you have gotten to know. It will go the fastest. It’s like a normal customer-client relationship”

B

“The financial manager is in frequent contact with the consulting accountant”

“When you do not know, you contact her”

“Easy to reach, fast and straight answers, and she always gets back to me”

C

“We have discussions when things happen in the company”

“It’s important they are informed about what is happening in the company”

D

“He checks on us to see that we are in vigour”

“One wish would be if he could come every week, look at the economy, get the information. He cannot do great deeds but comment”

E

“We had a lot of contact in the beginning”

“We take coffee and make small talks”

F

“It takes time before one knows how to communicate with each other”

“Had a lot of contact in the beginning”

Table 5.3 Quotations in questions connected to proposition 2

Analysis: The chart above shows a tendency of consistency when it comes to the perception of the significance of communication between SMEs and their consulting accountant. The respondents showed a slightly different degree of
communication with their consulting accountant. Nevertheless, all the respondents had opinions about it, and the effects it has on their business relationship.

Respondent A tends to look at communication as an important tool that is necessary to use in this line of service. Respondent A also discusses communication as a big part of consultation, and explains that having a good social behavior is related to having client attendance. Respondent B was not as enthused, but rather sedately agreed that communication is necessary to maintain and develop a business relationship. Respondent C acted in an opposite manner and talked vividly about the meetings between the respondent and the consultant as he described the important information shared by the consultant. Respondent D does not have frequent contact with their consultant, yet wished for more interaction and communication. Respondent E colorfully discussed their close communication, and Respondent F discussed an initial process of learning the language of the consulting accountant for better understanding, and communication.

Nooteboom and Six’s (2003) statement about communication diminishing opportunistic behaviour, and form trust through communication, as well as Wincent’s (2005) claim of the importance in communication for SMEs was agreed upon by the respondents, based on the discussions. The discussions gave information about the dialogues between the SME and the consultant, which could differ in interaction proximity. This shows tendencies for communication to increase the business relationship.

Proposition two is in line with the respondents’ answers because of their description of need for communication, and its positive effect on the business relationship. The respondents that have more communication tends to entrust the consultants with more information, depend in him/her more, but also compliment the consultant to a larger extent. Hence, the claim that there is an inclination of a forward movement in the trust creation process, when communication is more frequently occurring.
Proposition 3: Strong personal chemistry in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

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Quotes

A  
“The contact is individually dependent, it depends on the person how the personal chemistry coincides”
“It gets easier when it works on a personal level”

B  
“The consulting accountant is not very socially skilled, though does her job excellently”
“With some people the personal chemistry is right at the start, and with some people it never clicks”

C  
“I think one should have a discussion before choosing the person, to see if the personal chemistry is matched.”
“I perceive him as serious, does what he does.”

D  
“It is important that the personal chemistry coincides”

E  
“It has to feel good”
“We had personal chemistry”

F  
“It feels good in the relation, and in my guts”
“I felt it immediately and knew if we connected”

Table 5.4 Quotations in questions connected to proposition 4

Analysis: Personal chemistry is connected to the characteristics of basic manner, body language, personal contact and way of speaking (Day & Barcsdale, 2003). This is vividly discussed with the respondents as they had different ways of describing it. For example Respondent A spoke of having contact on a more personal level with the consulting accountant, while Respondent F talked about gut feeling and intuition.

The chart above indicates the tendency of how personal chemistry influences the trust creation process, between the SME and their consulting accountant.
In the interviews, all of the respondents initially evaluated personal chemistry as a very important factor when building trust. Respondent A and B think that personal chemistry is different from person to person, and share the opinion that it is always good to have. Respondent C says that personal chemistry is essential and has to coincide. Respondent D perceives the consulting accountant in a strictly professional way. In respondent E’s job, the respondent often gets in close touch with the contacts. Hence, respondent E looks at personal chemistry as an intuitively security.

Some respondents feel strongly glad that they have a good personal chemistry with their consulting accountant, and some respondents have a satisfactory personal chemistry with their consulting accountant. All of them agree that it is a positive factor to their relationship. The reason may be that creating trust is an abstract and personal process.

It is important that different people from different places coincide in their mindset to make a god job. It is believable that people want to have that feeling in order to make them feel comfortable with each other, and to seek the right partnership where they can see a potential future and possibilities.

To conclude, this analysis can establish that there is a tendency of a forward movement in the trust creation process, as good personal chemistry increases trust between the parties. However, it is considered to be a necessity, since it was elaborated on as a factor to create trust during the interviews. Personal chemistry will therefore be reallocated in the trust creation model, from being a vital part to develop trust, to being a prerequisite.
Proposition 4: Stronger consensus of organizational culture in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

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**Quotes**

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<tr>
<td>A</td>
<td>“A consultant that knows our organization, and understands us can answer even a vague question. However a consultant that does not understand us may answer a question we have not asked.” “The person responsible for the account-coding has to be involved in the organization”</td>
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<td>B</td>
<td>“We are all humans and make mistakes constantly, but if it is a matter of ignorance or intentionally, it matters”</td>
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<tr>
<td>C</td>
<td>“It is important that the personal chemistry coincides”</td>
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<td>“He has to be on my side of the football field, in the mindset that is, which I think applies for the main body”</td>
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<td>E</td>
<td>“We have discussed moral, values and ethics”</td>
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<td>F</td>
<td>“He has to understand the organization, and the size of it” “He has to know how we work, we have open culture and no secrets”</td>
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**Table 5.5** Quotations in questions connected to proposition 4

Analysis: The table above shows a tendency of how organizational culture affects the trust creation process between the SME and their consulting accountant. Almost all the respondents have a high opinion of the organizational culture and its effects on the trust creation process. Respondent A and F require their consulting accountants to have an insight in how the company is managed and operated, but also a general perspective of the branch. With this insight, respondent A also believe that it will be easier for the consulting accountant to do his job, and Respondent F thinks that it will help and facilitate for the consulting accountant to perform his/her job. Respondent B allows the consulting accountant to make mistakes, and has the understanding for the consulting accountant as a human being. Respondent C wishes that the consulting accountant makes things
correct and simple. Respondent D wants the consulting accountant to think from the company’s perspective, this in order to be able to act in the company’s best interests, as long as it does not break the national law.

Respondents B and E were interpreted to be rather neutral in this proposition. However, we believe that there is a tacit consensus between the SME and the consulting accountant even though these two respondents only vaguely discussed organizational culture. The interpretation of this is that the degree of awareness is differing between the supporting and neutral respondents. We believe that the neutral ones are not aware of the organizational culture between the SME and the consulting accountant, since it seems to be unspoken of. Even though their answers were interpreted based on the interviews as neutral, we believe that they are supporting the proposition though it is unexpressed.

From the analysis, the explanation of this proposition is that companies´ appreciate that the consulting accountants has understanding of their companies´. It will be cost-effective and productive because otherwise it will take longer time before they get into the system, if they ever do. It is also very expensive for the companies if the consulting accountants do not understand their companies or take their organization into consideration.

To conclude, this analysis shows that there is a tendency of a forward movement in the trust creation process, as consensus of organizational culture coincides between the parties. However it is only considered to be a supporting factor, since it was not discussed as a factor to create trust during the interviews and since not all of the respondents supported this proposition. Organizational culture will therefore be reallocated in the trust creation model, from being an essential part to develop trust, to being one of the supporting factors.
Proposition 5: More shared values in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

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<table>
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| **A** “If something unethical should occur, the relationship would terminate. Good ethics is a prerequisite.”
“A mutual respect must exist”
“Cannot place values against each other, values/responsibilities, which is most important”
“The consulting accountant must be ethical! The need of order and discipline, it comes with the job”

| **B** “We have no pronounced mission and visions shared. But we have cooperation”

| **C** “They have to follow the rules for registered companies and tax laws”
“They should not have any values, if they do not share the values of the client, there can be no cooperation.”
“They should share the values of their client”

| **D** “He has to have a humane behavior in the job”
“The ethics and moral is ok”
“This is a procurement, and his visions and thoughts are not of my concern”

| **E** “Enhances trust”

| **F** “I have not asked”

Table 5.6 Quotations in questions connected to proposition 5

Analysis: The quotes above demonstrate mixed feelings about the significance of shared values. The respondents showed different interests in the shared values, as some insisted it had to be present, others did not see the point of it as long as they performed well in their job, and did not break the boundaries of the law.

Respondent A looked at value-sharing as a presumption to be able to entrust the consultant with the working task, and continued by discussing how basic values
are really about giving each other respect. Respondent B did not give value sharing much thought, and discarded the subject as irrelevant as they had good cooperation and basic ethics. Respondent C thoughtfully stated that sharing values is a requirement to have a business relationship. Respondent D discussed the ethics and moral of the consulting accountant as more significant, and continued by discussing other factors of importance. Respondent E claimed firmly that trust was enhanced by shared values, however did not mention it as a vital part for creating trust. Respondent F did not ask about the consultant’s values, and showed little interest, as F explained that normal ethics had to be followed.

The proposition has not been measured quantitatively; therefore a degree of shared values cannot be presented. However, we believe that the results reflect different degrees of shared value, since all the respondents claim that a certain degree of ethics comes with the profession. It is also believed that the responses reflect their personal opinions, as they shifted a lot individually. Nevertheless, during this discussion other important factors surfaced, which we believe implies that, even though some find consensus in shared values significant, it is on a personal level, and is generally not essential to create trust. SMEs with less social interaction tend to know less about the consultant’s values. SMEs with less knowledge about the consultant’s values tended to reject the need of sharing it and have therefore not attained it. The statements by Morgan and Hunt (1994) were rejected in this thesis, as there is no explicit tendency of a forward movement in the trust creation process, since shared values tended to only be of interest to SMEs that desire a large amount of social interaction.

To conclude, shared values are believed to have a limited value in the trust creation process, as SMEs seem to perceive the importance of shared value with differing significance. It could probably support the trust creation for some of the parties; however, some SMEs tend to see value sharing as an infraction of professionalism. The analysis shows that shared values are connected to individual opinions, and that the proposition is partially in line with the empirics. Nonetheless, the factor has to be reallocated in the model, from one of vital importance, to supporting factors.
Proposition 6: Stronger commitment from either of the parties will lead to a forward movement towards trust maturity between SMEs and their consulting accountant, in their business relation.

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Quotes

A
“If they have not understood the problems, they have not committed to the business”

“Seek understanding that they will commit to the business”

B
“I would like a greater commitment for the company”

“After having lived long together in a business relation, one is able to rebuild trust if something unfavorable should occur”

C
“I have always perceived her commitment to be high in the organization”

“Both the auditor and the consulting accountant have engaged themselves in this company”

“Commitment is positive and deepens our relation”

D
“The commitment is ok, but could be better” “If he would appear here on his spare time, I would be very glad”

E
“He is very engaged and well-informed”

“He is interested and checks up on me and my ambition”

F
“He is very committed”

Table 5.7 Quotations in questions connected to proposition 6

Analysis: The quotes mentioned above show a unanimous sense of desire for commitment from the consultants. Some of the respondents express a lack of engagement from the consultants, while others speak of great engagement and loyalty. These are variables which are perceived as important by the SMEs and directly connected to the consultants as individuals. The consultant’s degree of commitment affects the SME’s perception of the established trust, and can be observed as a catalyst to develop trust.
Respondents A, B, C, D, E and F, all look at commitment as an important factor in the business relationship. The SMEs which felt a lack of commitment still felt satisfaction with the consultant’s engagement in the company, but merely wanted to strengthen the business relationship even more. The perception of Arnerup-Cooper, Edvardsson (1998), and Whitner (2001) of commitment as an essential factor seems accurate, as the respondents’ answers showed that commitment was important already in the beginning of the trust creation process.

The respondent described how it is important to show commitment to each other. All the SMEs tended to experience more or less commitment from the consultants, in form of curiosity and recollection of previous conversations. Commitment was a vital factor in the theory chapter, pushing trust forward in the process of trust creation. Nonetheless, statements and discussions lead to the thought of reallocating commitment in the theoretical model, from one of vital importance in the development stage, to one of importance in the creation stage. This observation was made when commitment was spoken of, in connection to the initial meetings, in the majority of the interviews. From this, the following interpretation has been made; Strong commitment tends to be most needed in the beginning of trust creation, as the capabilities of the parties are unknown to each other. This leads to the necessity of having commitment in the beginning, when a bond between the SME and the consultant is being created. If the commitment is strong in the beginning it will facilitate the ongoing relationship and the trust will be established easier.

To conclude, we believe that there is a tendency of a forward movement in the trust creation process, as the commitment increases by the consulting accountants. Commitment will therefore be reallocated in the trust creation model, from a vital part to develop trust, to being a vital part of the trust creation instead. This proposition is therefore supported, but earlier in the model, since being able to reach the maturity stage, both the trust creation and trust development stages need to be fulfilled. Commitment by the consulting accountant will help the trust creation in the relationship and work as a foundation for the ongoing relation.
Proposition 7: Stronger cooperation between SMEs and their consulting accountant will lead to a positive movement towards trust, in their business relation

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Quotes

A
“The more cooperation we have had, and the better knowledge we have about each other the faster we can ask the question and get the answer”
“Cooperation is about tying the knot”

B
“We have cooperation”
“I trusted her immediately, she had been with us from the start”

C
“It is important that the consultant is up-to-date concerning the current rules and regulations to the company, so she can inform us what we can and cannot do”
“It has to be 100% trust, and it goes both ways. One cannot work with a client if you do not trust the information he provides”
“It is important that they are involved in the company to understand what is happening”

D
“I can discuss things with him, and he can look at the possibilities objectively where everyone else is involved”

E
“He informs and reminds me”
“He tries to help me to the best position”

F
“He is involved and participates”

Table 5.8 Quotations in questions connected to proposition 7

Analysis: The above illustrated quotations appear to show a common sense of having cooperation from the consultants. These are statements which can be interpreted to be perceived as important by the SMEs. However, the discussion transcended to commitment, communication and reliability as the answers were further analyzed.

All of the respondents tended to look at cooperation between the SMEs and the consulting accountant as an important factor in the business relationship, although
it was never considered a requirement to create trust. It is not a requirement since cooperation is more of a personal character and not showing the consulting accountants ability to perform the task. As long as the consultant does what is expected of him/her, the respondents were satisfied.

Our interpretation implies that cooperation seems to stimulate a forward movement in the trust creation process. However, since the consultants provide a procured service, cooperation could not be referred to as a vital factor affecting the trust creation process. Cooperation seems necessary, and appears as a vital factor when discussing employees. Cooperation is connected to close collaboration and business relationship, which is not a desirable characteristic in consultants with all SMEs. Nevertheless, cooperation was stated to be desirable by some to be wanted in the start-up of a company.

The consultant’s degree of cooperation affects the SMEs perception of the established trust. However, they tend to speak of it as trust enhancers, and can therefore be perceived as a supporting instrument for the trust creation process, and not as requirements to move the trust forward to a higher form of trust.

Ramos (2004) speaks of the willingness to share information, and how an open-book policy could facilitate cooperation, and lead to the advantage of enhancing the trust building. This statement was confirmed in the trust creation process between the SME and the consulting accountant, as they all positively discussed the current collaboration and claimed to all have cooperation in different degrees.

To conclude, we assume that there is a tendency of a forward movement in the trust creation process, as cooperation increases between the parties. However, it is only considered a supporting factor, since it was only neutrally spoken of as a factor to develop trust during the interviews. Cooperation will therefore be reallocated in the trust creation model, from a fundamental part in the trust development, to being one of the supporting factors.
Proposition 8: Strong trust will lead to diminished uncertainty in the maturity stage between the SMEs and their consulting accountant, in their business relation.

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Quotes

A: “The first year is rocky, the second year there is a relation and the third year you know each other”

B: “There are always risks. She could quit at any time. Never make anyone indispensable, not even myself”

C: “There are a lot of risks starting a business”

D: “I can discuss things with him, and he can look at the possibilities objectively where everyone else is involved”

E: “Do not have to write contract for every small thing”

F: “I have faith in him”

Table 5.9 Quotations in questions connected to proposition 8

**Analysis:** When there is trust in the beginning of a business relationship, this is related to professional or brand trust. Respondent D agrees and states that, “He’s an authorized accountant”. With that statement, respondent D means that all the trust was derived from the authorization. When discussing risks, the respondents had mutual thoughts of how the possibility of sharing too much information could be dangerous. The respondents felt that, the uncertainty derive from the thought of having a consulting accountant sharing confidential information with another client, hence leaking out future plans or investments. One thing that convinced SMEs that the consulting accountant did not share confidential information with others, was that he/she did not do share information about other clients with the respondents.

Respondent E’s first experience of the consulting accountant was when he approached the respondent, as he overheard her problem discussion in a public place; he claimed to have the solution to her problems. Respondent E knew little
about him in the beginning, though through contacting people in the respondent’s network found out that the consulting accountant was reliable and competent. It only took respondent E three weeks to trust the approaching consulting accountant. A lot of uncertainty often leads to stronger control and more writing of contracts. Respondent E feels there is no need, and is glad not to be required to write contracts. Respondent F experienced some uncertainty in the trust creation phase, though getting to know the consulting accountant diminished the uncertainty, and reaching the trust maturity phase took approximately six months.

Differing from the others, respondent B was the only one to have a neutral answer. During the interview, Respondent B claims that everything is associated with risk. From the respondents’ answers, we therefore assume that even though trust diminishes uncertainty, the respondent’s personal opinion seems to be that risks never disappear.

Uncertainty towards the consulting accountant did not seem to be a problem among the SMEs. They all seem to have found trustable and honest consulting accountants. Another thing that the respondents had in common were that, they had procured the consulting accountant’s service from the same consultant for many years. Also, they all seemed to feel the need to establish trust and a solid relationship with mutual understanding and reliance.

Connecting the results with the TCE model, all of the respondents have managed to keep the transaction costs at a low level and not demanding a high degree of control, which lead to the perception of a low uncertainty level among the SMEs.

Interpreting the connection to this proposition, all the respondents felt uncertainty in the beginning of the relationship, but as trust grew and the relationship became more solid, the uncertainty diminished. To conclude, the analysis of this proposition shows that there is a tendency of diminishing uncertainty in the trust creation process, as trust between the parties increase. Uncertainty is considered to be an underlying variable, since the more trust the SME gains, the more information is shared, and less insecurity during the relationship is shown. Since uncertainty has proven tendencies to diminish faster than was theoretically anticipated, the correlating line in the model was redrawn to a steeper line.
Proposition 9: Strong trust will lead to diminishing opportunism in the trust process creation between SMEs and their consulting accountant, in their business relation.

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**Quotes**

A

“An accounting firm cannot replace the security and asset of an employed consulting accountant”

“The demands on the consulting accountants are poor”

“What we ventilate is confidential”

B

“One should not have too many attachments to each other.”

C

“I feel that he is great. The trust in him is always on the top. He handles his job.”

D

“I see no risks. It is based on the trust.”

E

“I feel no risks in sharing information with my consulting accountant. I have full trust in him”

F

“I talk to him before purchasing.”

“We agree on everything.”

**Table 5.10** Quotations in questions connected to proposition 9

*Analysis:* Asymmetric information means possessing diverse information sources, which can displace the hierarchy between the agent and principal, and can be unevenly allocated. This dislocation could generate an opportunistic behaviour, acting in self-interest, which is difficult to notice (Bakka *et al*., 2001).

The table above can be interpreted to show that, strong trust could decrease opportunism in the trust creation process between the SME and their consulting accountant.
Respondent A is not convinced that a consulting accountant will bring the SME the security and trust an employee can. However, it is necessary that one can trust the consulting accountant. Respondent B does not agree with respondent A, and states that everything can happen, and one can never be given guaranties. Respondents C, D, E and F all have a strong trust for their consulting accountants and argue that it is all about the trust and it will lead to a successful relationship in between.

All respondents agree that strong trust is a presumption to have a long-term relationship, and all of them except respondent B signal that their consulting accountants will act truthfully and honestly if their relationship is established and stable. There is no reason to do something bad against their clients.

From the analysis, the explanation to this tendency may be that it is unnecessary to think that the consulting accountant would do something bad (opportunistic behavior), because both partners know that trust is hard to create and easy to lose. It will be expensive to rebuild the trust one once had and it will give bad reputation.

To conclude, the analysis of this proposition showed a tendency of diminishing opportunism in the trust creation process, as trust between the parties increase. Opportunism is considered to be an underlying variable, since the more trust the SME gains, the more accountability is given to the consulting accountant and less insecurity between the parties is shown. Since opportunism seems to diminish faster than was theoretically anticipated, the correlating line in the model was redrawn into a steeper line. However, there is always a certain amount of uncertainty and opportunism in the relationship, which is the reason to why the steep lines of opportunism and uncertainty in the 3T model never reaches zero.
Proposition 10: Stronger coagency between the SMEs and their consulting accountant will increase trust, and as a result decrease the SMEs’ willingness to dissolve the business relationship in the maturity stage.

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<th>Quotes</th>
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<tr>
<td><strong>A</strong></td>
</tr>
<tr>
<td>“It must work at all levels, otherwise there will be a system error”</td>
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<tr>
<td>“Communication, respect, competence and doing a good job, strengthens the relationship”</td>
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<tr>
<td>“Ready to pay more for a competent consultant, if it would be possible, even keep the same one forever”</td>
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<tr>
<td><strong>B</strong></td>
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<tr>
<td>“Competence is a presumption”</td>
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<tr>
<td>“When growing together one can manage a volume increase and a double turnover more efficiently”</td>
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<tr>
<td><strong>C</strong></td>
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<tr>
<td>“I can discuss things with him, and he can look at the possibilities objectively where everyone else is involved”</td>
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<tr>
<td><strong>D</strong></td>
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<tr>
<td>“We only meet a few times year”</td>
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<td><strong>E</strong></td>
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<tr>
<td>“Meet every week”</td>
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<tr>
<td>“He’s good for customers wanting close contact”</td>
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<tr>
<td><strong>F</strong></td>
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<tr>
<td>“When the relation is established, geographical distance has not relevance”</td>
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**Table 5.11** Quotations in questions connected to proposition 10

**Analysis:** The answers from this proposition seem to show that competence is the one of the most important factors, when creating trust between SMEs and their consulting accountants. If the consulting accountant is not competent enough to do the assignment, there is neither a foundation, on which to build a relationship, nor to begin the trust creation with. All of the respondents agree on the fact that if the consulting accountant is not able or is ignorant, the relationship will be terminated. Making mistakes is accepted to a certain degree, but the level of trust can be diminished by mistakes.

To answer this proposition, the interviewees were asked about how the performance of the consulting accountants affects the relationship. The findings indicate that the statement is supported by the respondents and if the consulting
accountant is not acting in the best interest of the company, the relationship is terminated rapidly. Performance is based on the SMEs’ perception of the consulting accountant’s ability to do his/her job.

The respondents do not have that much close contact with the consulting accountants, though the coagency still works. Most of the respondents only have contact with the consulting accountant a few times per year, (depending on how much consultancy services they are requiring), and then a constant reoccurring contact and interaction is made every year before the annual report is done. The respondents stated that the coagency was more frequent in the beginning, where the consulting accountant had to become aware and informed about the company, since companies differ in the way of bookkeeping. This is the most important part, where they get to know each other, and depending on how good things go here, the trust creation may establish faster/slower.

We believe that respondents C and E rejected the proposition because they see the possibility to dissolve the relationship, even in the last stage of trust in the relationship. Our interpretation is that, at the maturity stage, trust is already very well established, and there is an in-depth coagency. Because of these factors, the relationship is at a solid point, and therefore not that easily dissolved. If the consulting accountant is not performing as expected at an early stage in the relationship it would most likely be terminated. What also was discovered was that SMEs seem to desire consulting accountants from smaller firms as well. SMEs tend to desire a close contact with the consulting accountant and to feel special. Respondent F first had a contract with Erreunt & Young, but that enterprise felt too big, and the respondent did not feel a close connection with the assigned consulting accountant. The lack of connection seems to be because the consulting accountant did not remember the last meeting, and they had to go through all issues from the previous year, every year. Noteboom (2003) claims that entrusting another person with something is frequently occurring and that in the outcome one can see if the other person is worth trusting. To conclude, this analysis shows tendencies of unwillingness to dissolve the business relationship when there is a strong coagency and a high level of trust between the parties. The SMEs which described the relationship as solid appeared to have more collaboration in the beginning.
Proposition 11: Strong trust in the consulting accountant will lead to diminished control in the trust creation process which in its turn, leads to lower transaction costs between the SMEs and their consulting accountants.

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Quotes

A  “We are happy when we have the same accountant year after year, saves us 2-4 days of training them in our business”

B  “Street-smart, knows how the system works and contributes well to the company”
   “Free reins, yes she has”

C  “She gets the work done”

D  “I can discuss things with him, and he can look at the possibilities objectively where everyone else is involved”

E  “He has a warrant”
   “He takes action”

F  “He has control over big and little things.”
   “We have discussed what I expect out of him and as long as he gets the job done I feel fine.”

Table 5.12 Quotations in questions connected to proposition 11

Analysis: The attempt of SMEs is to reach a relationship where the level of control of the consulting accountant can be as low as possible, in order to diminish the transaction costs. This proposition was supported by most of the respondents, as they want to keep the costs as low as possible. The more self-action the consulting accountant takes, the better it is for the SME, and all the respondents claimed to give the consultant full control. The respondents only supply the consulting accountant with the requested information, and then the consulting accountant is rather self-driven. The more interest the consulting accountant shows in the business, the more confidence the SME feels for the consulting accountant. Interest in the company is valued by all the respondents, as they all seem to want the consulting accountant to show interest in the company.
The answers were interpreted as the more free rein and the more confidential information was shared with the consulting accountant, the higher amount of trust was developed in the relationship, leading to a lower amount of control. The respondents had mostly positive things to say about their consulting accountants in the matter of information sharing. However, respondent D was neutral in the response, which we interpret as being the reason to the low amount of contact respondent D had with the consulting accountant. They only meet a few times a year, and this has not led to a stronger or more solid relationship, but to a steady amount of control and transaction costs.

One reason to why we believe that the respondents support the proposition is that they are not that aware of the consulting accountant’s task. This means that they cannot interfere in the job, and also that they need to be able to trust the professionalism of the consulting accountant, which is the same as low amount of control and transaction costs. Less control of the consulting accountant leads to lower transaction costs, which is better for both parties. Though there was a tendency of control in the trust creation phase, this control has diminished as the trust grew stronger.

To conclude, this analysis shows that there is a tendency of decreasing transaction costs in the trust creation process, as trust between the SMEs and their consulting accountants increase. The more trust the SMEs gain, the lesser amount of control is required and a lower insecurity in the relationship is shown in the answers.

5.4 Analysis of the 3T model

The 3T model showed to only partially hold. The interviewed respondents discussed all the factors and propositions directly connected to the model with varying enthusiasm. The propositions directly connected to the theoretical model gave insight to how relevant the factors were in the process of creating trust. The analysis showed that the mentioned factors; Shared Values, Cooperation and Organizational Culture are superfluous when it comes to factors creating trust. However, these factors did show strengthening capabilities when it comes to developing trust, and has therefore been put aside and labelled forward supporting factors (figure 5.1). Other factors were reshuffled in the model, and given their
rightful placement in order of necessity. These were; Personal Chemistry, Reliability, Communication and Commitment. These factors proved to be of importance sooner in the business relationship than was theoretically anticipated. In the in-depth interviews, all respondents stated two factors that were not mentioned in the literature review as most important when creating trust. They also stated another factor that was important to maintain/strengthen trust. These factors were mentioned either when defining the trust of the consultant, or when they shared their positive feelings about the consultants and what makes them continue procuring these services from them. The three factors, Competence, Availability and Contact, were mentioned during the interviews without any specific questions being asked, or discussions guiding them to this answer.

Competence was referred to by the respondents as the consults ability to apply their knowledge. Availability referred to the characteristics of always being reachable. Contact refers to consultant’s ability of constantly keeping in touch during the year. All respondent were unanimous when wishing to always being able to contact the consultant for his/her competence, but also have the consultant to visit, call or by other means keep in contact during the year.

Respondent C stated that “There exists two important factors when choosing a consultant and that is competence and competence”, while respondent D said that “Competence is a presumption” and “He checks on us to see that we have good vigour.” These statements show that competence really is one of the most important factors.

The 3T model illustrates factors that appeared in the empirics. This qualitative study intended to identify the factors affecting trust creation. The result showed that an SME tends to require personal chemistry, reliability and communication in order to establish collaboration between parties and obtain a certain degree of trust. For this to develop, competence, availability and commitment are necessary factors. The previous mentioned factors will together with frequent contact during the business relationship, result in an established high trust. This tends to be maintained or dropped/terminated, depending on the performance of the consulting accountant, resulting in an established high trust.
Prerequisites for Collaboration

Factors
• Reliability
• Personal Chemistry
• Communication

Trust Creation

Factors
• Competence
• Availability
• Commitment

Trust Development

Factors
• Commitment
• Cooperation

Trust Maturity

Factors
• Performance
• Transaction Cost

Forward supporting factors
• Shared Values
• Cooperation
• Organizational Culture

Figure 5.13 The 3T Model, Based on the first literature derived 3T Model and empirics.
5.5 Conclusion

The theoretical background and empirical studies gave rise to this simplified model of reality, which seeks to reflect the trust creation process between an SME and their consulting accountant in real life. The 3T model tries to illustrate the stepwise approach of creating trust between SMEs and their consulting accountant. From the beginning there is only a feeling of insecurity. This diminishes in the same rate trust is gained. To create trust between SMEs and their consulting accountant, first the prerequisite factors to the entire business relation have to be met. Secondly as the business relation is built, trust is created as the factors in low trust are achieved. If they are not achieved, the termination of the relation will be the probable outcome. Thirdly, contact has to be upheld, as high trust and long-lasting relationship is created through time. Fourthly, as a last step in the process, the consultant has to do his job. If the SMEs perceive the consulting accountant’s work as inadequate, the SMEs will not hesitate to procure these services from someone that can provide it to them.

5.6 Empirical Critique

The findings in this dissertation are based upon six interviews with different SMEs, which could be considered a low sample rate. However, the answers were interpreted as saturated in this narrow subject, which is why we believe this dissertation has achieved essential cognitions in the subject of trust, and could be able to generalize in this topic. Although a greater amount of interviews would increase the validity of the answers, as well as a quantitative questionnaire would strengthen the findings and enable us to illustrate some of the questions with diagrams, fortifying the findings, it would probably not have substantial importance on the findings.

Due to the in-depth discussions held by the respondents, and the similarity in answers and discussions, the conclusions became quite clear. The propositions were fairly easily confirmed or rejected to having any influence in the trust creation process between SMEs and their consulting accountant. This facilitated the analysis significantly and made the conclusions clearer.
Chapter 6
Conclusion

This chapter will summarize the thesis, present conclusions drawn from the findings, discuss the practical relevance of this dissertation, and also recommendations for further research.

6.1 Summary of this dissertation

Throughout this dissertation several factors affecting trust have been discussed. In the literature review the KMV model was discussed as a template, since the model attempts to shed light on the affecting factors when building a business relationship. Chapter three discusses factors such as reliability, shared values, organizational culture, personal chemistry, communication, commitment, cooperation, uncertainty and opportunism. These factors are all mentioned in articles as important to either SMEs or consulting accountants. The factors affecting trust were tested through the connected propositions. From the literature a theoretical model was developed, which showed to only partially hold in the empirics. The propositions were tested through interviews with companies in the southern parts of Sweden.

The new revised 3T model (figure 5.1, created from the theoretically developed 3T model) was reshaped by the empirics, and attempts to indentify the essential factors to create trust between SMEs and their consulting accountant. The empirics showed that some factors were added and others needed to be reshuffled. The empirical findings showed that new factors of great value, such as availability, competence and contact.

6.2 Dissertation conclusion

The literature review and the empirical studies attempted to deal with the trust creation process by looking at different factors. These factors were gained from the literature review and formed the 3T model which proved to only be partially
applicable. Some factors were not as important as previously stated in chapter three, and some factors proved to be of essential importance although not found in the literature. After conducting the empirical studies, a different perspective of the topic arose, and the first model had to be reshaped to fit the outcome. The final model reflects reality in a more simple and accurate manner, which strengthens the theoretical as well as practical contribution of this thesis.

In order to establish a relationship, personal chemistry, reliability and communication in form of first impressions, brand trust and reputation need to coincide. For trust to be developed in a relationship, the factors competence and availability are of crucial importance. The importance derives from the fact that the consultant and the SME build a bond of mutual coagency to have a progressing collaboration. To achieve high trust, constant contact is needed throughout the collaboration. If the performance coincides with the expectations from both parties, the relationship will continue. However, if the expectations of one party are not met, a termination of the collaboration will be the contingent outcome. In conclusion, creating trust is important in order to sustain a business relationship between SMEs and their consulting accountant.

6.3 Implications

The result of this research, which is drawn from theories and empirical analysis, attempts to make a theoretical contribution by adding a framework that could explain how the process of creating trust between an SME and consulting accountant occur. The 3T model, which was developed in this dissertation, added new factors which appeared in the empirical study. The 3T model could presumably be applied to other field studies within the field of business relations and management.

The 3T model could also provide guidance to further research about trust and relationship, in business to business segments as it illustrates new factors. The new factors should be taken into consideration when trying to understand realistic, as well as, theoretical problems in the field of business relationship.
This research could be of practical value for consulting accountants. The 3T model in chapter five could be useful as the model describes how SMEs perceive the trust creation process, which is a requirement for a solid business relationship. It may not be useful as a prediction tool, but more likely as an explanatory tool for consulting firms.

As previously mentioned, by using the 3T model we attempt to identify factors affecting the trust creation process from the SMEs perspective. Due to vague research in the area of trust, this model could possibly be considered a template for other studies.

6.4 Critical reflections

There was a scarce amount of literature found about trust in business relations, explicitly focusing on SMEs and consulting accountants. Therefore, it might have been possible to explore this subject by applying an inductive approach. Doing this would have resulted in a higher degree of interpretations and presentation of individual thoughts. This leads to the assumption of merely gaining negligible/no theoretical contributions, less credibility, validity and reliability which is why this method of approach was excluded.

As previously stated, there is a narrow spectrum of theoretical data in this field, which is why finding the factors affecting trust creation was a bit difficult. However, once this was done, the next issue was collecting primary data, which took a lot of time and planning. The questions were carefully selected and analyzed to saturate the input data. Our interpretation of saturating the input data was done by having discussions with the respondents. The companies which provided the collected data are all located in the county Skåne. This limitation enables a generalization of SMEs in Skåne.

There is an obvious doubt about the generalization since the samples is composed by different types of companies. Nevertheless, this has become the strength of this dissertation. If the answers in the interview were to differ significantly, it would either imply that the theoretical model does not hold at all, and/or that the samples were wrongfully chosen, hence new sampling and/or models had to be considered.
Due to the fact that the SME´s were generally unanimous concerning the answers, it means the choice of sample and theory is supported.

The choice of limiting the thesis to SMEs and consulting accountant is the basis to the results presented in this dissertation. In the results, an apparent connection between the results given and the models was found. This connection leads to the conclusion that this model is not applicable to MNE´s and/or other types of consultant services.

The choice of studying SMEs came as a logical choice in this subject, as they seemed to be more available and easier to contact, which facilitates accessibility of information. The choice of consultants came through studies of SME´s outsourcing. It would of course be interesting to do interviews on the consulting accountants´ companies as well. In this way it would be possible to see and compare both perspectives. But as previously mentioned, the time, possibilities and resources were not enough to manage this.

The choice of method within this research leads to a low sample size, since deep knowledge is gained out of qualitative in-depth interviews. Nevertheless, the sample size of SMEs gave satisfactory answers, as well as a 100% response rate.

The empirical findings are based on six semi-structured interviews with companies in different types of businesses. Because of the broad range of business ideas and homogenous answers, this paper was able to make a generalization. Even though only six interviews were conducted, important cognitions were reached. Also, according to our interpretation, data saturation was already reached after four interviews. However, it is hardly possible to generalise these findings because of four samples. Thus, two more interviews were conducted to create credibility and verify the previous collected data.

The 3T model was developed from previous research and empirically tested. However, since trust in relationship is an abstract and complex subject, other affecting factors may also exist.

The interview questions are well-reasoned and implemented. However, the interview was conducted in Swedish to avoid misunderstandings, since both the
interviewers and interviewees are Swedish. The answers were carefully translated to English. Nevertheless, there might be small translation errors.

The reflection on the empirics was made from three different perspectives. This enabled us to have deep discussions in an attempt to achieve more valuable and comprehensive insights. Also, this variety of opinions led to the fact that the conclusions are stronger, as it does not come from a single person, and the thesis is critically reflected from three different angles.

6.5 Future research

This research was done in a qualitative manner, which made sure we received sufficient data to identify the affecting factors of this research. However, it would be interesting to conduct a study in a quantitative manner to strengthen the result, add credibility and to improve the 3T model.

The Trust Creation Model was developed from a literature review, then revised and reshaped to connect with the empirical data on the SMEs and consulting accountant. It would be interesting to see if the model is applicable on other business relationships. A suggestion is also to extend and/or alter the model so it could be used to further explain scientific problems in the area of trust and relationship, concerning MNEs or large companies. Also, since this research was done from the perspective of SMEs, it would be of value to do further research in the trust creation process from the consulting accountants’ perspective, also if researched on a larger scale.

A final suggestion is to conduct this study in different counties of Sweden, as there might be cultural and regional differences affecting the answers, as well as in other countries.
Epilogue

Research in an abstract topic such as trust creation can be compared to a frisky walk into an area of intangible knowledge and constant ignorance of future challenges. In the beginning of this research, we were full of anticipation and desired to learn more. In this dark age of financial recession the world is currently experiencing, the interaction with the business managers gave us strong motivation to develop our capabilities, and to increase our knowledge in all areas concerning business and administration.

This research field is as broad as the Baltic Sea and the “real” knowledge about daily business is out there on deep waters, where real people make real money. This thesis represents a small wooden boat, trying to provide ordinary people, as well as students, with some of that tasty deep sea fish, or real world knowledge. From the boat, the beautiful sight of a silvery shoal of fish can be found reflecting on the water’s surface. As the knowledge is angled up by the eager fisherman, holding a simple fishing rod, he has but one single thought in his head: “I want more”.

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Ola Skanung, Innovationsbron AB, Chief Financial Officer, October 30, 2008. Lund

Martin Hansson, Flädie Mat & Vingård, CEO, October 30, 2008. Flädie
# List of Abbreviations

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<td>B2B</td>
<td>Business to Business</td>
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<td>SME</td>
<td>Small Medium Enterprise</td>
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<td>KMV</td>
<td>Key Mediating Variable Model</td>
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<td>TCE</td>
<td>Transaction Cost Economies Model</td>
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Appendices

Appendix 1: Summary of Propositions

Proposition 1: Strong reliability in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

Proposition 2: More frequent communication in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

Proposition 3: Strong personal chemistry in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

Proposition 4: Stronger consensus of organizational culture in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

Proposition 5: More shared values in the trust creation phase will lead to a forward movement towards the trust development stage between SMEs and their consulting accountant, in their business relation.

Proposition 6: Stronger commitment from either of the parties will lead to a forward movement towards trust maturity between SMEs and their consulting accountant, in their business relation.

Proposition 7: Stronger cooperation between SMEs and their consulting accountant will lead to a forward movement towards trust maturity, in their business relation.

Proposition 8: Strong trust will lead to diminished uncertainty in the maturity stage between SMEs and their consulting accountant, in their business relation.

Proposition 9: Strong trust will lead to rising opportunism in the maturity stage between SMEs and their consulting accountant, in their business relation.

Proposition 10: Stronger coagency between SMEs and their consulting accountant will increase trust, and as a result decrease the SMEs’ willingness to dissolve the business relationship in the maturity stage.

Proposition 11: Strong control of the accountant will lead to diminished trust in the maturity stage in form of high transaction costs between SMEs and their consulting accountant.
Hej!

Vi är tre studenter som går det internationella civilekonom programet i Kristianstad. Just nu är vi i slutskedet i vår utbildning och skriver nu vår C uppsats om tillit mellan små/mellan företag och deras finansiella konsulter som handleds av Timurs Umans på Kristianstad Högskola. Vi önskar att VD eller ansvarig för inköp av externa redovisning konsultation på ert bolag kunde hjälpa oss med denna uppsats genom att ställa upp på en intervju. Denna intervju kommer att ta 30 minuter och kommer att bestå av öppna frågor som skickas innan intervjun påbörjas.

Vi kommer att följa de regler som finns inom forskning som innebär att vi respekterar den personliga integriteten, och således inte kommer att nämna någon vid namn i vår uppsats. Vi kommer även att presentera resultatet på ett sådant sätt så att ingen kan identifieras i texten.

Vi kommer att kontakta er inom ett par dagar för se om detta är ok. Er tid är väldigt uppskattad.

Med vänliga Hälsningar

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Appendix 3:

Interview guideline Swedish/English

1. När grundades ert företag?
   *When was your company established?*

2. Förklara din roll på företaget.
   *Please elaborate on your position at the company.*

3. Från vilket bolag anlitar ni er redovisningskonsult?
   *What firm do you use when procuring financial services such as accounting?*

4. Vad anser ni är viktigt att tänka på när man väljer sin redovisningskonsult?
   *What do you consider important in the selection of financial consulting accountants*

5. Förklara ert behov av en redovisningskonsult.
   *Describe your need for an consulting accountant*

6. Förklara varför ni valde just er redovisningskonsult?
   *Explain why you chose your current consulting accountant?*

7. Beskriv relationen ni har till er redovisningskonsult - vad ni tycker om och inte tycker om/ har tyckt om och inte tyckt om.
   *Describe the relationship between you and your consultant. – What you like- and do not like/ What you have liked/have not liked*

8. Hur länge har ni haft er nuvarande redovisningskonsult?
   a) Andra under årens lopp, i så fall motivera varför?
   b) Om samma redovisningskonsult under årens lopp, i så fall motivera varför?
   *For how long have you employed your current consulting accountant?*
   a) *Have you employed other consulting accountants over the course of the years? In that case, why?*
   b) *Have you employed the same consulting accountant over the course of the years? In that case, why?*

9. Hur skulle ni agera om er redovisningskonsult agerade ogynnsamt för er del?
   a) Vilken påverkan skulle detta ha på er relation?
   b) Vad skulle kunna göras för att eventuellt återuppbryga denna relation sen?
   c) Om det inte går att återuppbryga relationen, varför?
   *What would you do if your consulting accountant made an unfavourable decision on your part?*
   a) *How would this affect your relationship?*
b) What would be needed in order to rebuild the relationship?
c) If the relationship could not be rebuilt, why?

10. Vad skulle få er att byta redovisningskonsult?
    What would make you change your consulting accountant?

11. Förklara er redovisningskonsults roll i företaget och hur ni ser på denna roll.
    a) Om positiv/negativ, varför, utveckla detta?
    Explain the part your consulting accountant plays in your company, and what you make of it.
    a) If positive/negative, why? Please elaborate

12. Beskriv kontakten ni hade i början av samarbetet med er nuvarande redovisningskonsult? Exempelvis: Hur ofta/sällan, behovet av kontakten etc.
    Describe the initial degree of contact with your current consulting accountant? How often/seldom were you in touch? The need to be in contact etc.

13. Beskriv gärna er nuvarande kontakt med redovisningskonsulturn
    Please describe the current contact you have with your consulting accountant.

14. Om ni hade en bra kontakt – Beskriv hur er relation förändrades genom denna kontakt?
    If you experienced good contact – Describe how your relation changed due to this interaction.

15. Berätta lite om ert första möte med er redovisningskonsult och hur detta har påverkat ert nuvarande samarbete?
    Elaborate on your first meeting with your consulting accountant and how this has affected your current cooperation.

16. Berätta lite kortfattat om er konsultbolaget ni köper tjänsten av.
    Exempelvis: hjälpsamhet, rykte, etc.
    Elaborate briefly on the company from which you buy the consulting service. For instance: their helpfulness, reputation etc.

17. Berätta lite kortfattat om er redovisningskonsults personliga egenskaper. Exempelvis: socialt kompetent, målmedveten etc.
    Elaborate briefly on the personal characteristics of your consulting accountant. For examples: Social ability, results-orientedness, etc.

18. Berätta om ert generella intryck av er konsultbolaget ni köper den finansiella tjänsten av.
    Elaborate on your overall impression of the company from which buy your financial service.

    Elaborate on your general impression of your consulting accountant.
20. Vad visste ni i det inledande skedet om moralen och etiken i det konsultföretag varifrån ni köper er redovisningskonsultstjänst av?  
a) Om ni visste, vad var det ni visste?  
b) Vet ni om konsultföretagets etik och moral har förändrats under årens lopp?  

What did you, initially, know about the ethics and morals of the company from which you buy your accounting service?  
a) If you had knowledge about it, what did you know?  
b) Do you know if the ethics and morals of the company have changed over the years?  

a) Är dessa regler väl framförda i ert företag, det vill säga till ledningen i ert företag?  
Describe the rules your consulting accountant is supposed to follow.  
a) Are these rules well presented in your company, that is, by (to) the management?  

22. Vad anser ni är konsultbolagets värderingar, mission och vision.  
What would you say are the values, the mission, and the vision of the service providing Company?  

23. Vad är era värderingar, mission och vision.  
What are the values, mission and vision of your company?  

a) Om ja, i så fall vad?  
b) Om nej, i så fall vad?  
c) Är detta något som har förändrats under året/årens lopp?  
Do you share any of these with the Outsourcing Company?  
a) If yes, elaborate?  
b) If no, elaborate?  
c) Has this changed over the years?  

25. Beskriv hur ni upplever er redovisningskonsults intresse för ert företag?  
How would you describe the interest of your consulting accountant to your company?  

26. Berätta hur ni delar information sinsemellan och hur det påverkar er relation. Exempelvis på information: eventuella omorganisationer i företaget, eventuella affärer som kan komma att ske etc.  
Elaborate on how information is shared between you and your consulting accountant, and how it affects your relationship. For example: contingent re-organizations, contingent businesses deals bound to take place etc.  

27. Berätta om ert samarbete med er redovisningskonsult.  
Elaborate on the cooperation between your consulting accountant and yourself.
28. Vilka risker anser ni finnas mellan ett företag och dess redovisningsbolag?
   a) upplever ni att det finns några sådana risker i er relation med er redovisningskonsult? Utveckla
   What risks do you think exist (in relationships?) between companies and their Outsourcing Companies?
   a) Do you find risks like these in your relationship with your consulting accountant? Elaborate!

29. Känner ni idag någon oro lämna ut information till er redovisningskonsult, utveckla om fallet är sådant. Exempelvis på information: framtid planer.
   Do you feel worried about sharing information with your consulting accountant? If so, please elaborate!

30. Hur påverkas relationen till er redovisningskonsult av hur denna presterar i sin tjänst?
   How is your relationship affected by your consultant’s performance?

31. Hur mycket fria tyglar har er redovisningskonsult idag?
   How much leeway does your consulting accountant currently have?

32. Beskriv er negativa, samt er positiva syn på er redovisningskonsult
   Describe your negative- and positive views on your consulting accountant.

33. Hur mycket konfidentiell information får er redovisningskonsult ta del av?
   How much confidential information do you share with your consulting accountant?

34. Vänder ni er till er redovisningskonsult gällande t.ex. inköp av ny bil, budgetplaner, organisatoriska förändringar, om så är fallet, utveckla.
   Do you turn to your consulting accountant for advice concerning for instance purchases of new cars, budget planning and organizational change? If so, please elaborate.

35. Hur lång tid tog det innan ni litade på er redovisningskonsult och kände att ni hade en stabil affärsrelation? (Egen uppfattning, om hur snabbt/långsamt det tog)
   How long did it take for you to trust your consulting accountant and for you to consider your business relationship with him/her as stable? (Own appreciation of how fast/slow in relation to the time-perspective months/years)
   a) Describe how you experienced the establishment of the relationship.
36. Skulle ni vilja ändra något hos er redovisningskonsult, i så fall vad och varför?
   Is there anything that you would like to change about your consulting accountant, in that case what, and why?

37. Vad tyckte ni om er redovisningskonsult i början av samarbetet och har detta förändrats under året/årens lopp?
   a) Berätta om er uppfattning av redovisningskonsultens sociala förmåga.
   b) Berätta om er uppfattning av redovisningskonsultens professionellitet
   What did you think of you consulting accountant in the beginning of your cooperation and has this changed over the years?
   a) How would you describe your consulting accountant’s social skills?
   b) How would you describe your consulting accountant’s professionalism?

38. Vad anser ni skulle stärka er tillit till redovisningskonsuliten?
   What do you feel would strengthen your trust to your consulting accountant?

39. Vad betyder tillit för dig man pratar angående redovisningskonsulten?
   b) Litar ni på er redovisningskonsult?
   What does trust mean to you?
   b) Do you trust your consulting accountant?

Tack för er tid, den är uppskattad!
Thank you for your time, it is appreciated!