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**Trust trap? Self-reinforcing processes in the constitution of inter-organizational trust**

**Introduction: Problems of trust development**

This chapter points to the peculiar nature of trust as a property of inter-organizational relations that may be desirable though not easily established, but also sometimes undesirable though hard to abandon. We argue that this is due to self-reinforcing processes that may be slow to get started but that tend to spiral up to levels that essentially lock organizations into their trust-based relationships, even when the trust has been jeopardized.

The perspective we offer is needed in order to understand better how trust works and how inter-organizational relations are not only initiated, but also maintained or, if necessary, terminated successfully. This is a practically relevant issue, because organizations are biased towards favoring continuity over change, especially when relationships have been working well for a while and trust between the partners has become institutionalized. They may thus find themselves in a position where change is no longer possible when problems arise. An extreme example is the Apple vs. Qualcomm battle that emerged from what used to be a very lucrative relationship for both sides for a long time. An even more interesting example is the relationship between Microsoft and Intel: their close collaboration has been pointed out,
alternately, to explain both their huge successes and their trailing behind the competition over
the last few decades. How many currently trustful and successful alliances may be headed for
a lock-in scenario and to what extent can this be explained by the trust they developed?

Stevens et al. (2015) studied the issue outlined above in the context of the automobile sector.
Their research focused on the possibility of reorienting and recalibrating inter-organizational
relationships towards an optimal level of trust and away from excessively high (or low) trust
levels. However, while their study illustrates the remedies very well, it does not explain the
origins of the problem and, therefore, overestimates the malleability of inter-organizational
trust, especially in the kind of situation of locked-in trust, mentioned already by Nooteboom
(1996), that we refer to as trust trap (a metaphor that also appears in Skinner et al., 2014). We
deliberately invoke this extreme lock-in scenario, although even Apple and Microsoft seem to
find ways of finding new partners, not to mention Qualcomm and Intel. How difficult this is
for them gives an idea of the strength of the self-reinforcing forces that we will discuss and
that still need to be better understood with a view to the social dynamics of interorganizational relations.

In the following parts of this chapter we first revisit the ‘old’ problem of how trust may be
conceptualized and developed at the inter-organizational level. This leads to the ‘new’
problem that, still somewhat counterintuitively, trust may not always be desirable between
organizations. It follows that we then need to look at the ‘real’ problem of possible trust lockins, which is to be seen as part of the ‘larger’ problem of self-reinforcement leading to
persistence and even path dependence in inter-organizational relations. The chapter ends with
a discussion of preliminary ideas on how the trust trap problems may be solved and, more
importantly, how future research might shed further light on these issues in order to advance
theory on trust and inter-organizational relations.
The ‘old’ problem: Trust between organizations

In research on inter-organizational relationships, trust became a prominent construct in the 1980s and 1990s when it was mobilized in order to explain hybrid organizational forms (Powell, 1990; Williamson, 1991) and especially the growing prevalence of strategic alliances and joint ventures (e.g. Borys & Jemison, 1989). Authors such as Bradach and Eccles (1989) even talked about trust as a third governance mechanism besides price and authority. Powell (1996) also discussed “trust-based forms of governance” and how different inter-organizational forms are enabled by trust to a greater or lesser extent. Many other authors demonstrated conceptually (e.g. Ring and Ven de Ven, 1994) and empirically (e.g. Sako, 1992) the importance of trust in inter-organizational collaboration.

However, the underlying conception of trust was—and it often still is—rooted in psychology and thus it has mostly been framed at the individual and interpersonal level. Trust is defined as people’s positive expectations in the face of vulnerability and uncertainty towards other people (e.g. Rousseau et al., 1998). One of us (Sydow, 1998) pointed out early on that while individuals and interpersonal trust should be taken into account, more sophisticated concepts are needed to explain the constitution of trust at the inter-organizational level, that is, beyond the interpersonal trust between boundary spanners: “How can systems trust systems?” (Sydow, 2006). Zaheer et al. (1998) take credit for including both trust in a partner organization’s representatives and trust in the partner organization at-large, arguing that individuals cannot only have trust in other individuals, but also in collectives. Still, if organizations can be trusted, does it also make sense to say they are trusting as organizations in individuals or in other organizations?

One of us (Sydow, 1998, 2006) applied structuration theory to show that trust at the inter-organizational level can be constituted as a set of practices that (re)produce trust as a meaningful pattern of interaction which, as such, is not separated from the actors involved but
not dependent on specific individuals either. Thus, acting on trust and trustfully becomes an “organizing principle” governing the interactions between organizations in general and in various forms of strategic alliances in particular (McEvily et al., 2003). The other one of us (Möllering, 2006) referred to neo-institutional organization theory and ethnomethodology in order to explain why trusting is often a matter of routine and taken-for-grantedness. When people interact across organizational boundaries, they are guided by rules, roles and routines which apply generally and contain expectations as to the level of trust that is appropriate to display within an organization or across an organizational boundary. This makes trust not only a “social decision” (Kramer et al., 1996) but an (inter-) organizationally constituted practice (Lane & Bachmann, 1996), which implies that, when people leave, trust stays and newcomers will be socialized into the same practices. To the extent that this is the case, one can speak of trust as constituted and institutionalized not only within but also between organizations.

More recent research has taken up this question again, asking in particular how trust emerges and becomes institutionalized (e.g. Kroeger 2012; Schilke & Cook, 2013; Vanneste, 2016). Many models rely on a bottom-up process whereby individual trustful interactions are tried, repeated, observed, imitated and, thus, diffused up to the point where they are seen as the normal and habitual way of interacting with the other organization. Although authors use different theoretical foundations, this process resembles Berger and Luckmann’s (1966) theory of institutionalization. We would like to emphasize that Berger and Luckmann point to second-order objectivation as a process that stabilizes institutionalized practices and ensures their continuity (see also Möllering, 2006). Thus we may expect that inter-organizational trust can be observed in how representatives of the organizations involved interact routinely and also in how they make sense of their relationship and perceive it as being based on trust (e.g. Adobor, 2005).
The considerations above give rise to several additional issues that we can only refer to selectively in this chapter. We will not discuss in more detail the fact that there are of course a number of different organizational and societal levels and layers beyond the individual which could be the medium and object of trust institutionalization (e.g. Fulmer & Gelfand, 2012). All the more, we may ask if inter-organizational trust is only a matter of emergence—behind the actors’ backs as a by-product of their interaction (e.g. Sabel, 1993)—or a matter of active development and intentional management (Gausdal et al., 2016). This is important, given that we will later talk about the threat of a trust lock-in which, as such, assumes little agency in inter-organizational processes: the idea of a trust trap connotes rather helpless trustors and trustees. Hence we also acknowledge the potential of active trust development (e.g. Child & Möllering, 2003) as well as recent research on multi-level trust that points to various forms of action in order to account for inter-organizational trust development (e.g. Swärd, 2016a).

Moreover, as we consider in detail below, we need to emphasize our assumption that, from a practice perspective informed by structuration theory (Giddens, 1984) and new institutionalism (Scott, 2014), inter-organizational trust is not static, even when properly constituted, but dynamic (e.g. Möllering, 2013). With this in mind, we need a better understanding of when and how trust can (still) be influenced by the actors involved. This question is crucial especially if we acknowledge that trust may not always be desirable and there may be situations where the partners might want reorient or recalibrate their trust (Stevens et al., 2015) if not abandon the relationship completely. Interestingly, in an early process model of inter-organizational relationship development, Ring and Van de Ven (1994) not only postulated the possibility of renegotiation over time, but also suggested that successful collaboration will lead to ever stronger bonds between the organizations involved.
The ‘new’ problem: Downsides of trust

It is well established by now that trust is not always desirable and may have its downsides such as carelessness, complacency or inefficiency (see also Zaheer et al., 1998; McEvily et al., 2003). In this view, positive effects from trust are not denied but there is a notion that one should not trust too much, because a “surfeit” of trust (Kern, 1998) or “excessive trust” (Gargiulo & Ertug, 2006) can make it “too much of a good thing” (Langfred, 2004) in interpersonal as well as inter-organizational relationships (see also McAllister, 1997). This has usually led researchers to conceptualize “optimal” trust as the level of trust that would be appropriate for a given relationship at a given point in time (e.g. Wicks et al., 1999; Gargiulo & Ertug, 2006; Bidault & Castello, 2009; Molina-Morales et al., 2011; Stevens et al., 2015).

We argue that it is important to acknowledge the dark sides but that there are several problems with the notion of optimal trust, too, which are necessary to keep in mind when considering if and how organizations may get trapped in undesirable trust relationships.

Firstly, most work on the dark side of trust makes a rather quantitative point (‘too much’) and does not differentiate according to the qualitative content of trust (‘wrong kind’), which seems equally relevant to us. Irrespective of its strength, trust may involve expectations that are not favorable to either or both sides of the relationship. For one, trust may be “spurious” (Fox, 1974), i.e. not genuine, but still referred to and superficially relied upon. In this case, the positive outcomes of trust may not be forthcoming and one may rather observe the “politics of trust” (Culbert & McDonough, 1986) where, for example, empowerment is introduced cynically. Skinner et al. (2014), in a review of the dark-side trust literature, describe five exemplary scenarios where trust represents a “poisoned chalice” and has negative consequences for at least one of the parties involved. Even when the context is less political, trust may not always be welcome, but hard to avoid, and feeling trusted can lead to outcomes such as exhaustion (Baer et al., 2015). Skinner et al. (2014) speak of “lock-in” (see also
Nooteboom, 1996) and it remains to be explained, especially at the inter-organizational level, why it may be so hard to avoid not only too much trust, but also the wrong kind of trust. Therefore, we take a closer look at the dynamics of trust below.

Secondly, the optimal trust literature assumes that excessive trust can be balanced by (re)introducing elements of control (e.g. Wicks et al., 1999; Gargiulo & Ertug, 2006). However, this idea relies on an outdated conceptualization of trust and control as being separate and substitutional mechanisms while it is very well established by now that trust and control are inseparable and complementary in how they work in relationships (e.g. Bijlsma-Frankema & Costa, 2005; Jagd, 2010). While both views allow for a general notion of balancing trust and control, the duality of trust and control (see Möllering, 2005) adds that actors have limited control over control, because it is entangled with trust and also with knowledge (Sydow & Windeler, 2003). This is important to remember especially when asking why relationships continue even though trust may have been broken and outcomes are seen as undesirable. It hinges very much on the trustors’ ability to assess and, potentially, adjust the relationship, which is neither trivial between individuals nor between organizations.

This leads to uncertainty as the third issue related to the dark sides of trust, the notion of optimal trust and the threat of inter-organizational lock-in. Interestingly, known in various specific meanings as the trust paradox (e.g. James, 2002; Zaheer & Zaheer, 2006), trust is presented as a solution to uncertainty that works when markets and hierarchies fail; but in as much as trust deals with a lack of knowledge, it cannot be fully justified by knowledge. Trustors accept vulnerability as if it were unproblematic, but in this they take a leap of faith (Möllering, 2006) also in inter-organizational relationships (Latusek & Vlaar, 2018). They may regret in hindsight that they trusted a partner in the past, but this does not mean that they can reliably assess if their trust in current partners is justified in the present, nor if they should continue trusting in the future. To be sure, and to cut a long story short (see Möllering, 2006),
there may be quite obvious signals that a partner should not be trusted and that a relationship should not rely mainly on trust, but the point is that even when partners are carefully selected and to some extent still monitored, it remains impossible to maintain an optimal level of trust, simply because it cannot be known. Hence, optimal trust is a contradiction in terms. More importantly, downsides of trust are not easily detectable. Where exactly are the thresholds between openness and carelessness, loyalty and complacency, flexibility and inefficiency? When do strong ties turn into a weakness (e.g. Grabher, 1993)? And how can organizations realize that they have passed such thresholds? What if, when they do, it is too late?

The ‘real’ problem: Self-reinforcing dynamics of trust

So far, we have highlighted that inter-organizational trust requires the institutionalization of certain practices. Now we take a closer look at the dynamics of trust development. We have also argued above that trust may have positive or negative outcomes which are impossible to fully predict. Now we add the point that positive outcomes, understood as goals, are moving targets and change along with the relationship (Huxham & Vangen, 2005). Both extensions are in line with, and called for, from a structuration theoretical understanding of trust practices (Sydow, 2006) as well as various process views of trusting (Möllering, 2013). In order to further develop the idea that relationships could get locked into trust, we will also review insights on the robustness of trust that contradict the common assumption of trust’s fragility.

In research on inter-organizational governance, Nooteboom (1996) confirmed the crucial role of trust and presented a process model whereby trust is part of a cycle of relationship development. Quite a number of other contributions contain the same basic idea so that it is actually surprising that most trust research continued with rather static research designs. Process perspectives looking at the dynamics of trust have only recently started to receive more attention again (Möllering, 2013; Jagd & Fuglsang, 2016; Korsgaard, 2018; Latusek &
Vlaar, 2018), although a well-known spiral reinforcement model of trust at the interpersonal and group level was already proposed by Zand (1972, see also Golembiewski & McConkie, 1975). And, two decades later, Ring and Van de Ven (1994) included trust in a general model of inter-organizational relationship development. In line with an earlier paper (Ring & Van de Ven, 1992) they assume that trust emerges from positive interaction outcomes over time, subsequently serving as a basis for less formalized interactions in the future (Ring & Van de Ven, 1994; McAllister, 1995).

This approach is in line with a social exchange theory notion of reciprocal trust (e.g. Blau, 1964; Skinner et al., 2014; Korsgaard, 2018) and the widely accepted idea of gradual trust development that Blau (1968: 454) summarized early on as follows: “Social exchange relations evolve in a slow process, starting with minor transactions in which little trust is required because little risk is involved and in which both partners can prove their trustworthiness, enabling them to expand their relation and engage in major transactions. Thus, the process of social exchange leads to the trust required for it in a self-governing fashion” (see also Möllering, 2006: 85) that is essentially driven by norms of reciprocity (e.g. Serva et al., 2005; Vanneste, 2016).

These and many other conceptions of relationship development as well as general models of trust development (e.g. Mayer et al., 1995) postulate somewhat casually that positive outcomes of trust will lead actors to continue acting on the basis of trust, so that trust, but inversely also distrust, becomes “self-amplifying” (Sitkin & Stickel, 1996; see also Bhattacharya et al., 1998; Korsgaard, 2018). Crucially, they also predict that trust will grow stronger, become more resilient (Ring, 1997) while the level of vulnerability increases and necessitates further trust (Misztal, 2011). And trust will also change qualitatively from deterrence-based trust to knowledge-based or even identification-based trust (Lewicki &
If successful trust-based interactions lead to stronger and profounder trust as a basis for further interactions, where does the relationship end up?

In a functionalist or mechanistic feedback model, we would assume that trust levels out when more trust does not result in better outcomes anymore. We would also assume that negative outcomes will disrupt trust, set it back to a lower level, from which it can hopefully be repaired (e.g. Kramer & Lewicki, 2010; Tsui-Auch & Möllering, 2010; Bachmann et al., 2015), or the relationship will be terminated. However, while this may happen in many cases, trust is actually more robust than it is often assumed.

A psychological explanation was offered by Good (1988) who reviewed evidence of the confirmation bias in the context of trust. Once a certain level of trust has been reached, trustors look for evidence that the partner is trustworthy and they ignore or discount evidence to the contrary. The robustness of trust may also be explained by fundamental attribution errors (e.g. Ross & Nisbett, 1991) that confirm one’s own choice of partner, especially as long as outcomes are positive. More interesting is what happens when things do not go well. Interestingly, when trust is already strong, one can also witness a kind of collective self-serving bias in combination with the confirmatory bias, so that disappointments in the relationship are initially explained by external circumstances and not by problems within the relationship or by the partners’ lack of trustworthiness.

External attribution also takes the blame away from trustors who could otherwise be challenged for misplacing their trust. Moreover, research has demonstrated in many ways how reluctant people are in detecting and voicing undesirable behaviors in others, especially unethical ones such as deceiving or defecting (see O’Sullivan, 2009). Even stronger, trustors and trustees build and maintain a positive image of each other and interact in what deception research would call a “shared delusional system” (Mitchell, 1996: 841; see Möllering, 2009) that perpetuates trusting relationships.
Hence, breaches have to be fairly drastic before the trustor reconsiders, possibly too late. Inter-organizational practices of trusting may equally be sluggish in their readjustment and it is probably desirable that trust does not break down too easily, but the inherent danger is obvious, too. Alternative, though not competing, explanations point to the emotional attachment, identification and sense of a moral duty that develops between trusting parties (e.g. Simmel, 1950; Jones, 1996; Lewicki & Bunker, 1996; Ring, 1997; Kramer, 2001). Can these explanations also be applied at the inter-organizational level? Although Gulati et al. (2000) talk about network lock-in caused by fidelity and loyalty, we support Zaheer et al.’s (1998: 142) warning not to “anthropomorphize the organization”. Instead, a multi-level analysis of organizational and, in particular, inter-organizational trust is needed (Sydow, 2006; Fulmer & Gelfand, 2012). Nevertheless, trust practices may imply that a sense of attachment, identification and obligation toward another organization is routinely passed on to new members and thus institutionalized beyond specific individuals, for example, in a long-term buyer relationship with a company like Toyota. Even if this idea is generally acceptable, we suggest that trust research needs to take a closer look at other, less psychological explanations for the robustness of inter-organizational trust in the face of negative interaction experiences.

Before we look at such explanations below, note that all of the above explanations contain the idea that trust will be robust, and no longer “fragile” (Ring, 1997), once it has grown to a certain level and when, figuratively speaking, trustors really lower their guard. (Before this level, cautious trust may not even be regarded as proper trust.) Most spiral reinforcement models referred to above would suggest that trust gradually becomes more robust (see also Korsgaard, 2018). However, it might also be the case that the mode of trusting switches at a specific “tipping point” (Perlow & Repenning, 2009) from cautious testing to complete commitment. For example, Lewicki and Bunker’s (1996) model envisages that trust does not
simply grow stronger but changes in quality as deterrence-based trust is supplemented by knowledge-based and identification-based trust. Similarly, trust may differ before and after partner selection, whereby once enough trust has been established to commit to a partner, this partner is no longer treated with suspicious reservation but fully supported (e.g. Johansen et al., 2016).

Altogether, trust is self-reinforcing, it changes its character as it grows, and the transition between weaker and stronger modes of trusting may not be gradual but step-wise, which might explain why individual and organizational actors can be ‘stuck’ at relatively high (or low) levels of trust that do not correspond precisely with their recent experiences in the relationship. Along with Korsgaard (2018), but emphasizing the inter-organizational rather than the inter-personal level, we think it is important to understand if there are such thresholds that, once crossed, cannot easily be reverted, because they imply a degree of commitment and involvement that is hard to drop. This would explain why trust is fairly robust.

**The ‘larger’ problem: Inter-organizational path dependence**

We will now turn to self-reinforcing processes within and between organizations in general with two aims in mind. First, the mechanisms identified can serve as insightful analogies for inter-organizational trust development. Second, we need to be able to distinguish between relational lock-ins in general and those that are specifically, or predominantly, caused by falling into the trust trap rather than by other factors, such as resource dependence (Pfeffer & Salancik, 1978; Grabher, 1993).

The spiral reinforcement models of trust development mentioned above and others (e.g. Shapiro, 1987) which, by the way, can also be applied to explain the escalation of distrust (Bijlsma-Frankema et al., 2015), resonate with a rich organizational literature that has pointed out self-reinforcing processes within and between organizations (see Sydow & Schreyögg,
13. On the whole, organization theory has been disappointingly silent on this topic and empirical research in particular has been stuck in static, cross-sectional research paradigms for too long. Still, there are various organizational studies and concepts from other disciplines that provide a solid basis for conceptualizing self-reinforcing processes in general and inter-organizational path dependence in particular. Interestingly, even the more recent process and practice turns in organization research, especially if adopting a strong rather than moderate process perspective (e.g. Tsoukas & Chia, 2002; Langley et al., 2013), tend to overlook the importance of self-reinforcement. We will review and discuss some of the core ideas in the following paragraphs.

Some classic studies on self-reinforcing processes at the individual and group level may also inform inter-organizational trust research. For example, the phenomenon of escalating commitments (Staw, 1981) may explain dysfunctional inter-personal trust (McAllister, 1997) but also a general reluctance of boundary spanners to abandon relationships that they have already invested in personally. Janis’ (1982) notion of group think, which includes the idea that the overemphasis on cohesion within the group is self-reinforcing, can be applied to excessive in-group trust and overconfidence of an inter-organizational team that manages an alliance. As our perspective on inter-organizational relations focuses very much on practices of interaction between organizations, we acknowledge that self-reinforcing mechanisms at the individual and interpersonal level have to be taken into account in order to fully understand how practices are enacted. At the same time, we are mostly interested in how the practices themselves can become self-reinforcing, which requires looking beyond the actors involved. In other words, we doubt that inter-organizational path dependence, including a possible trust lock-in, can be explained by individual- or interpersonal-level phenomena only.

At the organizational level, there are several well-known phenomena that are explained by self-reinforcing dynamics such as, for example, the competency trap (Levinthal & March,
1993; Becker, 2004), speed trap (Perlow et al., 2002), strategic commitment (Ghemawat, 1991), bureaucratic circle (Gouldner, 1954), silencing conflict (Perlow & Repenning, 2009) or knowledge management circles (Garud & Kumaraswamy, 2005). The basic principles underlying these phenomena entail that a reinforcing feedback loop operates, from a certain point onwards, so that two variables positively influence each other, meaning that an increase in one will lead to an increase in the other one, which in turn increases the first one further and so on. This suggests interesting questions such as how the process got started in the first place, how it became self-reinforcing (rather that self-sustaining), or how the automatic escalation might still be stopped.

We propose to use theoretical insights from organizational path dependence (e.g. Sydow et al., 2009; Koch, 2011; Dobusch & Schüßler, 2013) that we have applied and developed in our previous research also with a view to inter-organizational relations (e.g. Sydow et al., 2012; Burger & Sydow, 2014). In a nutshell, path dependence theory entails a number of premises and explanations that could be particularly relevant for explaining the threat of a trust trap in inter-organizational relations. First, with reference to the model described in Sydow et al. (2009), there is an initial phase where self-reinforcement is not yet noticeable, many potential partners and many different ways of collaborating with those partners are still available, limited only by imprinting effects (Stinchcombe, 1965; see Swärd, 2016b, on imprinting and inter-organizational trust). The next phase, however, starts after a “critical juncture” at which certain choices have been made, e.g. to trust particular partners and to enter into collaboration with them, which subsequently limits the further options that are available, i.e. alternative partners or alternative governance mechanisms for the alliance. This will lead the organizations involved to continue and even intensify their collaboration according to the patterns and practices they have already developed together. This results potentially in a “lock-in” which makes it impossible for the partners to switch to other partners or governance
modes in the future. They are bound to continue with each other and to perpetuate the practices of interaction they have established.

This model holds a number of interesting assumptions with practical implications. First, “critical junctures” are usually not apparent at the time but only in hindsight, if at all. Second, “lock-ins” severely limit the organizations’ flexibility, but this may actually be desirable as long as the outcomes of the relationship are favorable. What makes path dependence theory interesting, is that it tries to explain why processes will continue even though the outcomes are no longer favorable. Third, the model suggests that lock-ins are likely to arise under the condition of positive feedback or self-reinforcement. But it is an interesting and difficult to answer question if and how these lock-ins should be, and could be, avoided before or after they occur. Translating the model to inter-organizational trust, we thus have to try and specify the meaning of “critical junctures” for trust and the notion of “lock-in” as a more or less desirable property of a trust relationship between organizations.

Critical junctures in a trust relationship should be those instances when perceptions of trustworthiness become trusting practices and the willingness to be vulnerable becomes an actual state of vulnerability. As long as organizations are still considering many potential partners or entering only cautious initial interactions with a few of them, they may already be narrowing down their options, but the fragility of their trust also means that they are still likely and able to switch. Only when they enter into a deeper commitment with partners and subsequently experience positive outcomes from the interaction are they likely to develop deeper and more resilient trust that will lead them to reinforce the relationship with the partners rather than investing in other, less familiar partners. One might even suggest that the situation of “lock-in” is the ultimate aim of a trustful relationship, whereby all sides have a primary interest in continuing the relationship and making it as beneficial as possible.
Then again, since inter-organizational relationships are dynamic in themselves and embedded in changing environments, it may happen, for example, that the positive outcomes from the interaction are no longer forthcoming, whilst the partners are still attached to, and dependent upon, each other. In the unfavorable scenario, much depends on whether the parties involved blame each other for their performance issues or whether they see themselves as joint victims of outside circumstances. Accordingly, we can expect that some dysfunctional relations will continue in-spite of a loss of trust, while others might persist on the basis of trust in spite of the lower performance. Finally, contrary to core definitions in path dependence theory, “lock-ins” may not be so definitive and relationships may still be ended, for better or worse, or even shifted to a new trajectory that makes them successful again (e.g. Stevens et al., 2015).

In order to apply path dependence theory more specifically to inter-organizational trust dynamics, we believe that insights from social exchange theory will be useful that are already applied in trust research, as mentioned above (Blau, 1964). Browning et al. (1995) show with the example of the SEMATECH consortium that the notion of “self-amplifying reciprocity” can be applied at the inter-organizational level. We would add to this the idea that there are critical junctures and lock-in points in such a process.

Given the concepts highlighted above, it will be difficult to disentangle the self-reinforcing effects of trust from any other factors that contribute to relational path dependence and lock-in, such as relation-specific investments or resource dependence, because material decisions taken at critical junctures are shaped by social dynamics of the relationship in any case. Nevertheless, it is valid to ask if excessive trust is mainly a contributing factor or the core explanation of dysfunctional relations that are not abandoned. However, we think it is a moot point whether a relationship has fallen into the trust trap or whether trust makes it difficult to get out of some other trap, for example, an inter-organizational competency trap (see
Levinthal & March, 1993; Becker, 2004). We emphasize the dual insight that trust can become locked-in and also contribute to relational lock-in more generally.

**Discussion: Stay alert, stay alive?**

Inter-organizational relationships in a trust trap may ultimately be abandoned not because the partners recognized the problem early enough, but because they simply fail and are forced to dissolve. From an evolutionary perspective, this may be a good thing, presuming that ‘healthy’ relationships will survive. From a management perspective, less cynical solutions are sought after (see Stevens et al., 2015), which is justified, if the notion of lock-in is relaxed and some level of agency retained. From a structuration perspective, we highlight that structure and action shape each other and that “reflexive monitoring” (Giddens, 1984) is performed by those involved. Hence we also presume that partners in inter-organizational relationships can become aware of the possible downsides of trust and relational lock-in and do something about them. However, borrowing an expression from military and terrorist contexts, is staying alert enough to stay alive?

Our answer to this question has to be semi-optimistic, because actors will never be able to step outside of the process that is partly driven by self-reinforcing mechanisms. That is, they may be alert, but they may still misjudge the threats or not be able to avoid them completely. Still, individual or collective actors may promote mechanisms that work against the escalation of self-reinforcement—hopefully without triggering a spiral movement in the opposite direction. For example, as already mentioned briefly above, the idea of balancing trust and control is not entirely misguided, if trust and control are treated as a duality (Möllering, 2005). Carelessness, complacency and inefficiency in a strong trust relationship (e.g. Gargiulo & Ertug, 2006; Molina-Morales et al., 2011) can be anticipated and the partners can trustfully devise instruments to work against them, such as the role of devil’s advocate, routine internal
checks or regular external evaluations (see Provan & Sydow, 2008). The institutionalization of distrust (by control) in order to build and maintain trust is a familiar notion especially in organizational and institutional contexts (e.g. Zucker, 1986; Tsui-Auch & Möllering, 2010) and so is the idea of institutionalizing doubt—trust, but verify—as a remedy for too much trust (Shapiro, 1997). This seems reasonable, but may not always have the intended effect either, because distrust and doubt may ultimately drive out trust and then become self-reinforcing, too (e.g. Sitkin & Stickel, 1996; Walgenbach, 2001). The optimal balance between trust and control cannot easily be determined, maintained or adjusted from within the relationship, not least due to the uncertainty inherent in trust and the entanglement of the partners in the very practices they may want to alter. Nevertheless, we encourage new thinking on path dependence that recognizes the structure-agency duality in seemingly locked-in path extension as well as seemingly heroic path-breaking path creation (e.g. Sydow et al., 2012). This approach can also inform research and practice on the successful initiation, maintenance and termination of trustful inter-organizational relationships.

We hope that future research can build on the ideas developed in this chapter. There is certainly still much left to be done in order to further substantiate the notion of a trust trap in inter-organizational relationships. We call for empirical work in order to get an idea of the prevalence of relational lock-ins caused by self-reinforcing trust. There are countless inter-organizational relationships that have continued for a very long time, but how can we tell if they are really path dependent or even locked-in; including whether this is problematic, and whether this is caused by (excessive) trust? It will be a challenge to operationalize these questions, but we think it is a challenge worth tackling, especially if the research also investigates self-reinforcing and self-sustaining mechanisms at the level of inter-organizational practices. Overall, the issues we raised confirm the need for research on the dynamics of trust in general and especially across boundaries between groups, organizations,
fields and so on with longitudinal and cross-level research designs. Trust has a bright side and a dark side. Collaborations can be beneficial or harmful for individuals, organizations and even society. We cannot tell in advance which side will dominate, but we know that self-reinforcing mechanisms are involved when inter-organizational relationships lose the ability of adjusting their practices.

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