

MSc. Thesis: Trust repair strategies in public-private partnerships and their potential for success

A qualitative research project informed by a
case study of the Kromhoutkazerne in Utrecht



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Date of completion: 7th August 2022

Word count: 19,887

Summary

Trust is acknowledged to have a positive impact on cooperation and performance in public-private partnerships (PPPs). Research has provided recommendations on how to build trust in inter-organisational contexts and PPPs specifically, but less attention has been paid to ways of effectively repairing trust when it breaks down. This study was designed to address that gap. An overview of the interpersonal and inter-organisational trust literature was conducted to provide a clear conceptual framework detailing which trust repair strategies successfully result in trust repair and under which conditions. Armed with this framework, this research took a two-step qualitative approach: first, an initial in-depth case study informed by both stakeholder interviews and document analysis was conducted. This was followed by a secondary analysis of interviews from a wider range of PPP stakeholders which served as triangulation for the case study findings. 15 in-depth interviews were conducted in total. The results revealed that verbal accounts, structural solutions and structured events can successfully result in trust repair in PPPs, but that success is contingent on facilitating conditions such as the use of a complementary strategy which caters to the personal side of relationships. These conditions differ according to the strategy; general guidelines were therefore elucidated to promote the success of each strategy. The research findings were integrated to an updated theoretical framework for the purposes of informing future research. Actionable recommendations for PPP practitioners were outlined on the basis of findings, forming a toolkit for successful trust repair. Finally, specific pathways for future research were proposed.

Key words: public-private partnerships; trust repair; trust; trust repair strategies

Preface

Back in January 2022, my coursemates and I were asked to come up with a topic idea for our Master thesis. I had a difficult time settling on one, as I found many of the topics we had covered in the course so far interesting. However, I was particularly drawn to public-private partnerships as they felt like a microcosm of our entire course's content: different actors working towards a shared goal in a complex and changing world.

As a student of the social sciences it is perhaps natural that I was drawn to what I later discovered is referred to as the 'soft side of the contract' by PPP practitioners, where the emphasis is on the personal relationships between partners. I considered that this side might be neglected in practice and that this would have negative consequences down the line regarding the creation of public value. The notion of a 'soft side' can be intuitively linked to the notion of trust, which I became aware had been extensively researched even in the context of PPPs. I owe the idea to focus on trust *repair* to my supervisor Dr. Jasper Eshuis. This focus would enable me to uncover new knowledge as this area is less researched but also to generate actionable recommendations for PPP practitioners. The latter is ultimately what drove my motivation from start to finish on this project.

I would like to thank Jasper for this but also for connecting me with Mr Chiel Runsink who acted as my link to the Kromhoutkazerne PPP in Utrecht. Mr Runsink's support in showing me around the complex, sharing his personal insights, connecting me with the PPP professionals in his network and providing me with helpful documents was invaluable. Thanks to this I was able to explore the Kromhoutkazerne case in depth and make it the centrepiece of my thesis. I would therefore like to say a huge thank you to Mr Runsink. Furthermore, I am grateful for the information made available by PPS Netwerk Nederland on their website regarding PPP projects across the Netherlands. This helped me find experienced PPP professionals to interview. I recognise and appreciate the network's information-sharing spirit and the emphasis on mutual learning.

Finally, I would like to thank all of my interviewees for taking the time to speak with me and share their experiences – needless to say this research couldn't have been completed without them.

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Rotterdam,
August 2022

Table of Contents

Summary	2
Preface	3
Table of Contents	4
List of tables and figures	5
Chapter 1: Introduction	6
1.1. Background and research goal	6
1.2. Research question and sub-questions	7
1.3. Study relevance	8
1.3.1. Scientific relevance	8
1.3.2. Societal relevance	9
1.4. Roadmap	10
Chapter 2: Theory	10
2.1. Theoretical framework	10
2.1.1. Definition of key concepts	10
2.1.2. Strategies and conditions for successful trust repair	12
2.2. Conceptual framework	21
Chapter 3: Methods	22
3.1. Research strategy and methodology	22
3.1.1 Research strategy	22
3.1.2 Case selection	23
3.1.3 Interviewee selection	24
3.1.4 Data collection	25
3.1.5 Data analysis	26
3.1.6 Validity and reliability	28
Chapter 4: Analysis and Discussion	29
4.1 The Kromhoutkazerne case	30
4.1.1 Background	30
4.1.2 Type of trust and trust violations	30
4.1.3 Successful trust repair strategies and why they worked	32
4.1.4 Unsuccessful strategies and why they didn't work	36
4.1.5 Conditions for successful trust repair and underlying mechanisms	37
4.2 Findings from additional PPP stakeholders	40
4.2.1 Background	40
4.2.2 Added value of the secondary analysis	41
4.2.3 Type of trust and trust violation	41
4.2.4 Successful trust repair strategies and why they worked	42

4.2.5	Unsuccessful strategies and why they didn't work	47
4.2.6	Conditions for successful trust repair	48
4.2.7	PPP stakeholder recommendations for trustful relationships	49
Chapter 5: Conclusions		51
5.1	Answering the central research question	51
5.1.1	Successful trust repair strategies in PPPs	51
5.1.2	Conditions for successful trust repair in PPPs	55
5.1.3	Central research question	57
5.1.4	Final insights	59
5.2	Recommendations for PPP practitioners	60
5.3	Limitations of the study	61
5.4	Recommendations for future research	62
References		63
Appendix A – Types of PPPs		71
Appendix B – Overview of interviewees		71
Appendix C – Documents analysed		72
Appendix D – Coding scheme		73
Appendix E – Interview manual		74

List of tables and figures

Table 1: Conditions promoting the success of trust repair strategies.....	19
Table 2: Effectiveness of trust repair strategies on trust violation types.....	20
Table 3: Operationalisation of key concepts.....	26
Table 4: Kromhoutkazerne: Conditions associated with successful trust repair.....	37
Table 5: Additional interviews of PPP stakeholders: New themes for trust repair.....	41
Table 6: Successful trust repair strategies in PPPs and associated conditions.....	57
Figure 1: Conceptual framework	21
Figure 2: Kromhoutkazerne: Types of trust repair strategies mentioned	32
Figure 3: Additional PPP stakeholder interviews: Types of trust repair strategies mentioned.....	43
Figure 4: Adjusted conceptual framework.....	58

Chapter 1: Introduction

This chapter will introduce the topic of trust repair in public-private partnerships (henceforth referred to as “PPPs”) and highlight its relevance from both a knowledge and societal value standpoint. A roadmap will then be provided detailing the flow of the paper.

1.1. Background and research goal

In 1998, a borough council in London was struggling to administer housing benefits efficiently despite investment in new technologies (Hebson et al., 2003). The council made the decision to outsource its housing benefits administration to a private company referred to as “TCS” in order to reinvigorate outdated work practices and culture and promote public value. The arrangement mandated that TCS shared the risks and rewards accruing to the council with regards to housing benefits. This is an example of a PPP. TCS managers emphasised the importance of high-trust relationships rather than formal requirements in maintaining accountability between partners and preventing opportunistic, gaming behaviour. In practice though, there was a “process of mutual monitoring” between partners because both parties believed the other to have ulterior motives (p. 489). Ultimately, monitoring did not have the desired effect of preventing gaming behaviour but instead led to increased shirking, reflecting the erosion of trust between partners and adversely impacting the services provided to the borough. Furthermore, employees expressed frustration with both their employer and the contractual arrangement as they perceived their ability to contribute to the public good to be weakened. The case of the borough council is introduced to illustrate the negative impact that breakdowns in trust between partners in PPPs can have on both performance and the production of public value, and highlight the value of trust repair strategies.

Organisational science has established the importance of trust between actors in inter-organisational contexts or complex networks, particularly in managing risk and promoting performance (Edelenbos & Klijn, 2007). Indeed, trust is particularly useful in environments characterised by high risk and uncertainty because it can supplement formal mechanisms like contracts (Deakin & Wilkinson, 1998). As McEvily et al. (2003) put it, trust acts as an “organising principle” in the management of relationships both within and between organisations. However, trust is known to be fragile and can easily decline (Gillespie & Dietz, 2009; Kramer & Lewicki, 2010; Nooteboom, 1996), and few researchers have explored the dynamics of trust repair, including in network or partnership contexts. This is

particularly surprising given that the absence of trust repair strategies can lead to a partnership breaking down permanently. Jamali's (2004) examination of a telecommunications PPP in Lebanon illustrates this well. In this instance the State Audit Department accused the contractors of systematically violating their contracts. The partners' interactions were characterised by conflict and a lack of successful trust repair strategies, eventually culminating in the State Department cancelling the contracts three years before the planned date. This example underlines the practical importance of effective trust repair strategies in inter-organisational contexts.

PPPs can be considered to involve inter-organisational relationships that are especially prone to perceived trust violations (Kramer & Lewicki, 2010). Indeed, Noble and Jones (2006) identify three distances which may metaphorically separate the private partner from the public partner in PPPs: "autonomy", "cultural" and "cautionary" distance (p. 898). The idea of distance conflicts with familiarity which has been well-established as valuable for building trust (Bachmann & Inkpen, 2011; Gulati, 1995; Luhmann, 1988). In line with this notion of distance, Marvel (2016) found that individuals unconsciously associate public sector organisations with inefficiency and inflexibility, colouring their perception of public organisation performance. This implies there is a particularly strong bias against public sector organisations that may need to be overcome in PPPs. The presence of cultural distance and bias makes trust harder to build and, perhaps more interestingly given the long-term nature of PPP contracts, harder to repair in case of perceived trust violations. Trust in PPPs is therefore hard to build and particularly fragile. Nonetheless, Broadbent et al. (2004) posit that trust in PPPs helps temper uncertainty embedded in long-term contracts, in the (constantly evolving) transaction environment and in the differences between the private and public parties involved. This suggests that fragile as it is, trust between parties is worth building and preserving. This makes an understanding of which strategies lead to trust repair, and under which conditions they can be successful, particularly relevant in a PPP context.

1.2. Research question and sub-questions

This research therefore aims to shed light on trust repair between public and private partners in PPPs and how it can be achieved. In line with this goal, the following central research question is posed:

RQ: Which trust repair strategies result in trust repair in public-private partnerships, and under which conditions?

To answer this question, the following theoretical and empirical questions are posed:

TQ1: What is trust?

TQ2: What is trust repair?

TQ3: Through which strategies can trust repair be achieved in interpersonal or inter-organisational relationships?

TQ4: Which conditions need to be in place in order for trust repair strategies to be successful in repairing interpersonal or inter-organisational trust?

EQ1: Which trust repair strategies were employed to repair trust in the PPPs discussed, and were they successful?

EQ2: Under which conditions were trust repair strategies successful in the PPPs discussed, and under which conditions were they unsuccessful?

1.3. Study relevance

1.3.1. Scientific relevance

Neglect of organisational and inter-organisational trust repair

While trust-building strategies have been investigated through both an interpersonal and (inter)organisational lens, trust repair strategies have primarily been explored from an interpersonal standpoint in an experimental setting. Where trust repair is concerned, findings from interpersonal experiments have been extended to apply to the organisational level (Kramer & Lewicki, 2010). This is problematic for a number of reasons: Gillespie and Dietz (2009) provide an insightful summary. For instance, in organisational contexts perceptions of trust violations can rely on multiple sources of evidence and come from actors at multiple levels within the organisation. This reduces the likelihood that strategies that work in interpersonal settings will work equally well in organisational or inter-organisational contexts. Moreover, reduced complexity in experimental one-on-one settings (for example reducing the trust violator's response to a simple apology or denial) limits the applicability of research findings to these contexts. There is therefore a need to supplement existing research by conducting studies on the (inter)organisational dynamics of trust repair.

There is a further distinction to consider. A small number of studies have been conducted on trust repair at the organisational level, for instance paying attention to the trust dynamics between organisations and their stakeholders (such as customers or shareholders). The inter-organisational aspect, relevant to PPPs, is comparatively side-lined. This reflects an inadequate reaction to the complexification of the public and business worlds in recent

decades, wherein inter-organisational dynamics are of great relevance in modern society. In an attempt to address this gap, this study will examine trust repair specifically in the context of PPPs, building on seminal work from Edelenbos and Klijn (2007), and thereby contribute to the emerging literature on trust repair in organisational science and public administration.

Trust repair in the context of PPPs

Research has been conducted on the benefits of high levels of trust in PPPs, as well as on ways in which key stakeholders can develop mutual trust in this context (for examples see Noble and Jones [2006], Schulze [2013], Teicher et al. [2006] and Warsen et al. [2018]). However, there is little research on how trust can be rebuilt following a perceived trust violation between partners in a PPP. This constitutes a gap because research shows that while trust builds steadily during the planning phase of a PPP project as interactions multiply and new relationships are formed, it tends to break down during the implementation phase as external conditions change (Edelenbos & Klijn, 2007). Indeed, there is typically a “honeymoon period” at the beginning of partnerships (Abdullah & Khadaroo, 2020, p. 8). In the implementation phase, actors are more focussed on receiving their share of revenue while avoiding unnecessary risks. With this in mind, knowledge is needed on how to manage and repair trust in PPPs (particularly during the implementation phase of a project), especially in light of rent-seeking behaviour and of the unexpected issues and delays that can affect implementation.

1.3.2. Societal relevance

PPPs have been criticised for a number of things in recent years including perceived inflexibility, a boom-bust pace, the generation of excessive surplus profits for private investors that are not reinvested into the project, and more generally not delivering the intended public value to the taxpayer (Wilson & De Ponte, 2019). Indeed, if PPPs stagnate or fail it is the taxpayers who ultimately pay the price, both through the inefficient use of their tax contributions and through receiving public services of lower quality. For example, in the case of the borough council mentioned earlier, the private partner reportedly compromised the quality of certain services due to a disproportionate focus on services for which good performance resulted in bonus payments (Hebson et al., 2003). To be sure, dysfunctional PPPs can prevent both the public and private partners from achieving their goals. In the aforementioned case of the telecommunications PPP in Lebanon, the contract being cut short meant that the private partner lost several years of revenue and the public partner had to

pursue less integrated options for service delivery, costing time and money (Jamali, 2004). Identifying ways to make PPPs function more effectively is therefore warranted. This includes understanding ways in which trust between PPP partners can be repaired in light of a complex, unpredictable environment and the public-private cultural divide.

1.4. Roadmap

This research approaches the topic first theoretically then empirically. In Chapter 2, the key concepts from the research question are defined and an overview of the literature on trust and trust repair strategies is provided, both at an interpersonal level (where the bulk of existing research lies) and at an (inter)organisational level, including in the specific context of PPPs. In Chapter 3, the research design is presented and the choices made are explained with reference to the research goal. In Chapter 4, the empirical findings are analysed and discussed. Finally, in Chapter 5 the research question is answered, several recommendations for PPP practitioners are put forward, the limitations of the study are discussed and pathways for future research are proposed.

Chapter 2: Theory

This chapter contains the theoretical backing for this research. It begins by answering the first two sub-questions and thereby defines the key concepts in the research question: trust and trust repair strategies. The next two sub-questions which focus on trust repair strategies and facilitating conditions to trust repair will then be answered, aided by the existing literature on trust repair both in interpersonal relationships and in (inter)organisational relationships like those characterising PPPs. Particular emphasis will be placed on Kramer and Lewicki's work (2010) as it heavily influences the conceptual framework guiding this research. The latter will then be presented, and finally an operationalisation of the key concepts will be detailed.

2.1. Theoretical framework

2.1.1. Definition of key concepts

Trust

Trust is a complex, multi-layered concept that has been approached by different disciplines in different ways. There is nonetheless a convergence among scholars on the idea that trust involves some kind of positive expectation regarding others' behaviour (Kramer & Lewicki, 2010). In its broadest sense, trust refers to confidence in one's expectations

(Luhmann, 2018). Trust therefore includes a component on the consistency of expected behaviour (necessary to generate confidence) and on the positiveness of expected behaviour. Digging deeper, Lewis and Weigert (1985) propose a useful definition that connects trust to a disposition to act in a certain way. They view trust as the willingness to embark on “a risky course of action on the confident expectation that all persons involved in the action will act competently and dutifully” (p. 971). This definition also contains the aforementioned consistency and positiveness components. Lewicki and Wiethoff (2000) explore trust further and identify two main types: calculus-based trust (CBT) and identification-based trust (IBT). Under CBT, consistency of behaviour is ensured and expected due to the threat of punishment from untrustworthy behaviour (in the form of a damaged reputation) and the reward for trustworthy behaviour (in the form of a reputation for honesty). Under IBT, individuals trust one another because they can understand and empathise with the other’s needs and wants, even to the point of acting on their behalf. This is a powerful classification; varying forms of it appear throughout the trust literature.

It is worth noting that trust has mostly been treated as a cognitive phenomenon in research, but some studies also include affective and behavioural components (Kramer & Lewicki, 2010). This has implications regarding how to approach processes of building, maintaining and repairing trust. For instance, a trust repair strategy that focuses on updating (inter)organisational rules might not be successful at repairing affective trust which is characterised by the dominance of emotions.

Trust repair strategies

As alluded to earlier in the text, significantly less scholarly attention has been paid to the concept of trust *repair*. In line with Luhmann’s definition of trust (2018), trust repair should relate in some way to the repair of damaged expectations. Kramer and Lewicki (2010) adapt Dirks et al.’s definition of relationship repair (2009) by substituting the word “trust” for “relationship”:

[Trust] repair occurs when a transgression causes the positive state(s) that constitute(s) the relationship to disappear and/or negative states to arise, as perceived by one or both parties, and activities by one or both parties substantively return the relationship to a positive state (p. 69)

Accordingly, the following definition for trust repair strategy is posited: “an action taken with the intention of returning a damaged relationship to a positive state”. It is not assumed that a trust repair strategy is necessarily successful in achieving trust repair.

Delving further into how trust repair strategies work to repair trust, Dirks et al. (2009) identify three mechanisms. First, they can create or modify an actor’s “attributions” regarding the trust violator, convincing them that the violation committed is not reflective of the trust violator’s true nature (p. 71). Second, they can target affective feelings such as hurt and anger by restoring the “social equilibrium” (p. 71). Third, they can create institutional structures to enable positive future exchanges. This hints at the multiple forms trust repair strategies can take in accordance with the type of trust they are intended to repair.

Finally, there is substantial literature on the topic of relationship repair. Relationship repair is considered by the researcher as broader than trust repair but a relevant point of entry to the topic. As McCarter and Caza (2010) put it, the process of repairing a relationship is conducted in order to increase trust, promote positive emotions and restore positive interactions between parties. Trust repair can therefore be considered an important element of relationship repair without covering all of its aspects.

2.1.2. Strategies and conditions for successful trust repair

Now that the key concepts of trust and trust repair strategies have been defined, the focus is shifted towards specific strategies and conditions that successfully result in trust repair. The remaining theoretical sub-questions are thereby answered.

2.1.2.1 Strategies for successful trust repair

TQ3: Through which strategies can trust repair be achieved in interpersonal or inter-organisational relationships?

In a seminal sociological analysis, Goffman (1967) emphasises that in order to repair a relationship previously characterised by trust, it is key to re-cement the norms that governed the parties previous to the trust violation by way of various social “rituals¹”. These strategies include apologies, penance and punishment. Since then, a number of further strategies have

¹ “Ritual” is henceforth substituted by “strategy” to better describe a sequence of actions designed to accomplish an objective (Klijn & Koppenjan, 2015).

been identified in the literature as will be made clear throughout this section. Trust repair strategies are typically discussed alongside the type of trust they are intended to repair (Lewicki & Wiethoff, 2000), as well as the way in which trust was broken (Kramer & Lewicki, 2010).

Using the concepts of calculus- and identification-based trust (CBT and IBT), Lewicki and Wiethoff (2000) consider trust violations and how they can best be addressed in both cases. According to their conceptualisation of trust, trust violations happen when individuals receive information about the trust violator that does not conform to their expectations of his or her behaviour (p. 107). In the case of CBT, sincere and timely apologies (particularly when the trust violator takes responsibility for the violation and when subsequent evidence shows that he or she was indeed guilty) have proved effective, with some caveats regarding the type of trust violation. In the case of IBT, two steps are considered necessary to repair trust: first, information must be exchanged on the perceived trust violation to clear up any misunderstandings; second, both parties must explicitly reaffirm their commitment to their relationship.

Ten years later, Lewicki and Kremer (2010) conduct an overview of the literature on the topic of trust repair. While this overview is built upon studies which primarily assess interpersonal trust rather than (inter)organisational trust, it remains relevant to inform the theoretical background of this research. Indeed, there are indications that trust in an organisation and in its individual representatives is closely aligned (Harris & Zaheer, 2006; Laan et al., 2011). Laan et al. (2011) posit that interpersonal trust constitutes inter-organisational trust, since their respondents placed a clear emphasis on the former when asked about the latter. That said, Zaheer et al. (1998) argue that at the interorganisational level trust comes from a combination of reliability, predictability and fairness perceptions, which differs from the established understanding of trust at the interpersonal level as constituted by ability, benevolence and integrity (Mayer et al., 1995). This implies findings from interpersonal contexts need to be verified, supplemented and complemented in order to produce reliable findings on what applies in inter-organisational contexts. In this vein, empirical examples of successful trust repair strategies in interorganisational and PPP contexts are examined.

a) Verbal accounts

Lewicki and Kremer (2010) identify several effective trust repair strategies that can be sorted into three categories: verbal accounts, reparations and structural solutions. Firstly, they discern two main types of verbal accounts: explanations and apologies. Explanations involve clearly laying out the causes of a trust violation, essentially providing an answer to the question “How did it happen?” (Gillespie et al., 2014). A sufficient explanation of what led to the violation can be key in repairing trust between two parties (Shapiro, 1991). Explanations work through the following mechanism: the open discussion of problems and daring to “tackle” the project partner on issues (Laan et al., 2011, p. 105) allow for a mutual understanding of how partners operate. This can reduce the perceived severity of a trust violation. In addition, the familiarity created by the partners “coaching each other” (this can be conceptualised as regular explanations) is conducive to trust repair (p. 105). The impact of explanations is reportedly further heightened when other measures such as reparations are taken (Lewicki & Wiethoff, 2000). One caveat is that in order to be effective, explanations need to be considered adequate and credible by those whose trust has been violated. Gillespie et al. (2014) acknowledge that an explanation is a required step in restoring trust, but find that it should also include a recognition of wrongdoing, an admission of responsibility and some measure of remorse. Without these elements an explanation can alienate the intended audience and even prompt actors to circulate counter-narratives of what happened, undermining the trust violator further. This reinforces Shapiro’s finding (1991) that actors should not rely on explanations to durably shield them from negative reactions. According to this view, explanations have utility for trust repair but it is limited to the short term mitigation of negative emotions, “blunting” initial negative perceptions (Bottom et al., 2002).

Turning now towards apologies, an apology can be defined as a statement acknowledging responsibility for a trust violation and expressing regret (Kim et al., 2004). Apologies signal repentance to victims in that they imply the trust violator is remorseful enough to change his or her behaviour in the future (Dirks et al., 2011). They are thereby expected to positively influence trust repair through promoting positive expectations of behaviour. That said, there is some contention in the literature around the “double-edged” nature of apologies (Ferrin et al., 2007a). In some cases the benefits of an apology can be outweighed by the harm incurred by acknowledging culpability. For instance, in corporate and banking circles senior leadership is encouraged to “say nothing” to avoid legal exposure (Lewicki & Kremer, 2010). Kim et al. (2004) find that apologies are more effective in repairing trust than denial when a competence-based violation has occurred (the trust violator

has not displayed the expected skills required for a job), but that this does not hold for integrity-based violations (the trust violator has not displayed adherence to the expected principles). Evidence concerning the guilt or innocence of the trust violator further complicates the effectiveness of apologies. However, empirical evidence indicates that apologies can play a big part in restoring trust (Tomlinson et al., 2004), especially if they are viewed as sincere, timely, if they are accompanied by an acknowledgement of responsibility and if the trust violation was perceived as an unusual occurrence. These contingencies are summarised in Table 1 alongside those applying to other trust repair strategies.

b) Reparations

The second category of trust repair strategies identified by Lewicki and Kremer (2010) is reparations. These strategies differ from explanations and apologies because they are more tangible and defy any accusations of “cheap talk” (Farrell & Rabin, 1996) by involving a direct cost to the trust violator. Interpersonal trust research suggests such “substantive” actions play a complementary role with regards to verbal accounts in promoting trust repair (Bachmann et al., 2015). Reparations and penance can consist in (often financial) compensation for damage caused by the trust violation, the action of punishing the party responsible (for example through terminating their employment or pressuring them to resign) (Bachmann et al., 2015) or the reinstatement of previously removed privileges (Lewicki & Kremer, 2010). Such responses to a trust violation are demonstrably effective in increasing trust levels in experimental contexts (Dirks et al., 2011). They are deemed successful because penance for example (offering to pay a price to the victim of a perceived violation) creates the perception that the trust violator is repentant, and this subsequently improves the level of trust towards the violator. Furthermore, even when punishment and penance are not voluntary, the fact that the violator has materially suffered from the violation helps re-establish the “equilibrium” in the relationship that was disrupted by the trust violation (Bachmann et al., 2015, p. 1129). Similarly, reinstatement has been theorised to play an important role in repairing trust as it contributes to the correction of a perceived infraction and a rebalancing of power between parties (McCarter & Caza, 2010). From a practical perspective, Bottom et al. (2002) find that actions (referring to substantive offers of penance) are more effective at restoring cooperation than verbal accounts alone. Looking beyond the interpersonal level, offering penance, handing out adequate compensation and accepting appropriate punishment have been shown to rebuild the legitimacy and trustworthiness of

organisations in the eyes of their stakeholders following a trust violation (Gillespie et al. 2014; Guo et al. 2018; Nakayachi & Watabe, 2005; Xie & Peng, 2009).

c) Structural solutions

Finally, a third category of trust repair strategies is identified by Lewicki and Kremer (2010): structural solutions. These solutions involve changing the structural arrangements that are perceived to have contributed to the trust violation in order to minimise future trust violations through deterrence. A first group of structural solutions is “legalistic remedies”: this includes new or modified rules, processes of applying those rules (including monitoring systems) and contracts (Sitkin & Roth, 1993). These measures deter future trust violations through sanctions which can take various forms. For instance, the implementation of a “hostage-posting” process would involve the trust violator surrendering an item of value to be figuratively held hostage (an everyday example of this is security deposits) in order to disincentivise the violator from committing further violations (Nakayachi & Watabe, 2005). Research into how HIV/AIDS information is managed in organisations found that legalistic measures are effective when it comes to task-specific “reliability-related” issues (which is synonymous with the earlier notion of competence-based violations), though not “value-related” issues (integrity-based violations) (Sitkin & Roth, 1993) (see Table 2 for a summary of which strategies are effective for which trust violations according to the literature). Beyond deterrence, legalistic remedies can also help create an atmosphere of transparency and confidence within an organisation and minimise the negative consequences of uncertainty. In the case of corruption at Siemens AG, Eberl et al. (2015) found that the modification of organisational rules was perceived by external stakeholders as demonstrating the readiness to change behaviour and prevent future violations (further support for the effectiveness of such measures is provided by Dirks et al., 2009). That said, in some situations such remedies have actually limited trust repair, particularly internally, through the creation of boundaries that lessen direct one-on-one interactions which have the capacity to promote the (re)development of trust (Malhotra & Murnighan, 2002). Excessive monitoring in the introductory case of the London borough council was harmful to the development of trust (Hebson et al., 2003), suggesting this strategy needs to be subject to certain conditions in order to be successful.

Still on the topic of legalistic remedies, in the context of PPPs Edelenbos and Klijn (2007) argue that the presence of “conflict rules” and a set of mutually shared criteria by which to judge the performance of individual actors can help limit opportunistic behaviour

and future trust violations (p. 43). Abdullah et al. (2020) suggest that trust can be nurtured in PPPs through offering open access to records and improving monitoring (see also Moye & Langred [2004] for support regarding the positive impact of information-sharing). However, this strategy increases the agency cost for PPPs so it may not be realistic in some cases. Laan et al. (2011) recommend the implementation of a shared administrative system to increase transparency in partnership contexts and promote project success. Furthermore, accounting controls are a form of such information-sharing which have been shown to settle expectations in actor networks through the existence of a common framework, playing a constitutive role for trust (Tomkins, 2001).

Beyond legalistic measures, a potentially more far-reaching group of structural solutions is organisational restructuring and adapting institutional arrangements. Bozic (2017) broadly defines this as “modifications, removal or introduction of new elements to an organisation’s structure, policies and functioning” (p. 543). Organisational restructuring can be further subdivided into staffing and culture categories. In general, organisational restructuring can refer to a reshuffling of roles within the organisation (replacing senior executives for instance), reforms in board governance, taking steps to modify organisational culture and reworking informal incentive structures to reflect the alignment of the organisation’s interests to its stakeholders’ (Bozic, 2017). For example, an examination of a UK utility firm’s response to a major scandal led Gillespie et al. (2014) to theorise that a “changing of the guard”, whereby the senior management team is radically altered, improves stakeholder perceptions of an organisation’s trustworthiness and legitimacy. Another case involving a project-alliance contract (similar in spirit to a PPP contract) demonstrates the potential of staffing changes for repairing trust. An employee who was not able to “make the switch” from traditional contractual arrangements to the risk-sharing, more horizontal arrangement of the project alliance was ultimately replaced to make this transition happen smoothly (Laan et al., 2011, p. 105). The underpinning reasoning was that interorganisational trust could not be maintained if the “chemistry” between the acting persons didn’t “fit” (p. 106). On a related note, the implementation of “co-location” (p. 105) whereby organisational partners work in the same office space and develop collective team spirit through informal interactions is another promising structural solution.

A strong example of the importance of institutional arrangements for trust repair in a PPP context is provided by Edelenbos and Klijn (2007). They examine the “Sijtwende” PPP that was established to build the Northern Ring Road in the Netherlands. Trust was

vulnerable to breakdowns or “critical incidents” (p. 42) when partners stopped thinking about their joint interests and opted for “go-alone strategies” (p. 44). Ultimately, the multilateral character of the partnership evolved into a series of bilateral agreements due to one of the partners essentially stepping down from the role of process manager (a “highly active and directive role in getting the partners together”, p. 39). Accordingly, re-establishing the presence of an active process manager or facilitator to stabilise relations between actors and set expectations is implied as a promising trust repair strategy (see also Klijn & Teisman, 2000). This is supported by empirical evidence: a comparative study between two similar PPPs also found that the presence of a facilities manager on site promoted the development of trust thanks to smoother interactions and the development of personal attachments (Abdullah & Khadaroo, 2020). In the same vein, English and Baxter (2010) found that in post-2000 contracts relative to pre-2000 contracts for Victorian PPP prisons, “goodwill trust” (referring to positive expectations of emergent behaviour) was considerably supported through the inclusion of a project management team tasked with encouraging trust and relational contracting within PPP policies. Since this trust repair strategy relates to a job role, the researcher includes it within ‘Staffing’ as part of ‘Organisational restructuring’ in the theoretical framework.

The range of effective trust repair strategies highlighted in the literature is condensed in Figure 1 in section 2.2. The empirical analysis will evaluate the effectiveness of these strategies in a PPP context.

2.1.2.2 Conditions for successful trust repair

TQ4: Which conditions need to be in place in order for trust repair strategies to be successful in repairing interpersonal or inter-organisational trust?

Research has found that the success of trust repair strategies can be contingent upon various contextual conditions, as well as the internal characteristics of the strategies themselves. For instance, when the future benefits of cooperation are perceived to be high, trust is more likely to grow (or in the case of trust repair, more likely to recover from a violation) (Edelenbos & Klijn, 2007). Additionally, the belief in a partner’s competence has been shown to be a source of trust, whether it relates to functional or interpersonal competence (Gabarro, 1978). This suggests this belief has an influence over the success potential of a trust repair strategy. Finally, Laan et al.’s findings (2011) support the idea that trust repair strategies are more effective when they are perceived as sincere, reflecting a dedicated and benevolent attitude, since they find this is conducive to “virtuous cycles of

trust” (p. 106). These characteristics and conditions are not approached by the researcher as necessary and sufficient for trust repair strategies to succeed – indeed there is no empirical evidence for this. Rather, these elements recur in the trust repair literature (see Gillespie et al., 2014; Lewicki & Brinsfield, 2017; Lewicki & Wiethoff, 2000; Tomlinson et al., 2004) as factors which promote the success of trust repair strategies. A summary of these conditions and their support in the literature is provided in Table 1 below.

Table 1

Conditions promoting the success of trust repair strategies

	Conditions	Support in the literature
Type of trust	Strategy fits the type of trust (e.g. reaffirmation of commitment for identification-based trust)	Lewicki & Wiethoff (2000)
Type of trust violation	Strategy fits the type of trust violation (e.g. legalistic remedies for competence-based violation) (see Table 2)	Kim et al. (2004) Lewicki & Brinsfield (2017) Gillespie & Dietz (2009) Sitkin & Roth (1993)
Characteristics of strategy	Strategy is accompanied by an admission of guilt / acceptance of responsibility	Lewicki & Wiethoff (2000) Gillespie et al. (2014) Polin et al. (2012) Tomlinson et al. (2004)
	Strategy involves an engagement to correct the problem in the long term / a declaration of repentance / promises / a reaffirmation of commitment	Lewicki & Kremer (2010) Tomlinson (2012) Polin et al. (2012) Lewicki & Wiethoff (2000)
	Strategy is implemented in a timely manner / soon after the trust violation	Lewicki & Wiethoff (2000) Tomlinson et al. (2004)
	Strategy is accompanied by some form of reparations	Lewicki & Wiethoff (2000) Haesevoets et al. (2013) Lewicki & Brinsfield (2017) Polin et al. (2012)
	Strategy involves balanced informal dialogue of partners on an equal footing	Laan et al. (2011)
	Victim interpretation of strategy	Strategy is perceived as voluntary by the victim
Strategy is perceived as sincere / credible / as a sign of repentance or remorse or regret by the victim		Lewicki & Wiethoff (2000) Lewicki & Kremer (2010) Gillespie et al. (2014) Tomlinson et al. (2004)

		Dirks et al. (2011)
	Strategy is perceived as complete / adequate / appropriate (delivered in a way that maintains the victim's goodwill) by the victim	Lewicki & Wiethoff (2000) Lewicki & Kremer (2010) Gillespie et al. (2014)
Contextual conditions	Expectations of future benefits of partnership are high	Edelenbos & Klijn (2007)
	High degree of interdependence between parties / few alternatives to current relationship	Rusbult & Martz (1995) Tomlinson (2011)
	Belief in partner's competence (functional and/or interpersonal)	Edelenbos & Klijn (2007) Gabarro (1978) Lewick & Bunker (1996)
	History of institutionalised trust between the two parties (trust is socially embedded) / Parties have had a past relationship that has been violation-free / Trust violation perceived as a one-off/an unusual occurrence	Edelenbos & Klijn (2007) Tomlinson et al. (2004)
	Subsequent evidence justifies the strategy implemented (e.g. acknowledging responsibility is justified by evidence of guilt)	Kim et al. (2004)

Finally, Table 2 indicates which trust repair strategies are effective for competence-based violations and which are effective for integrity-based violations based on the literature, alongside explanatory quotes.

Table 2

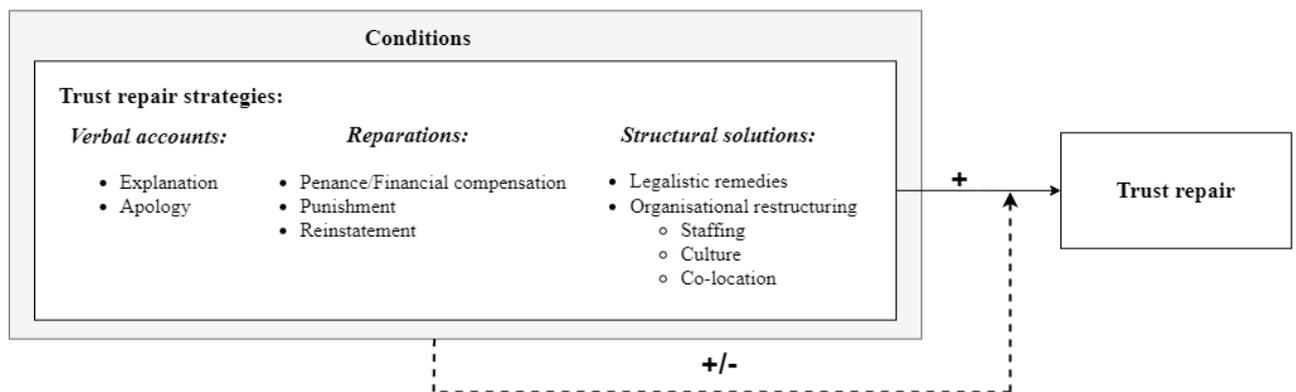
Effectiveness of trust repair strategies on trust violation types

Strategy	Effective for...	Ineffective for...	Explanation	Support in literature
Apology	Competence-based violation	Integrity-based violation	“an error of competence can be construed as a correctable “mistake”; “admitting to and apologizing for a violation of integrity imply defective character in the perpetrator”	Ferrin et al. (2007a, 2007b) Kim et al. (2004, 2006) Bansal & Zahedi (2015)

			(Lewicki & Brinsfield, 2017, p. 297)	
Penance/ Financial compensation	Competence- based violation	Integrity- based violation	“led to greater trust repair as long as the offense was not regarded as being due to the trustee’s malevolent intentions (e.g., deception). “penance did not repair trust after intentional deception.” (Lewicki & Wiethoff, 2000, p. 123)	Desmet et al. (2011) Xie & Peng (2009)
Legalistic remedies	Competence- based violation	Integrity- based violation (especially for internal employees, see Eberl et al., 2015)	“difficult to discern when structural remedies constrain behavior because it is hard to know if the new behavior is due to actual repentance, or simply due to the new constraints” (Lewicki & Brinsfield, 2017, p. 302)	Sitkin & Roth (1993) Eberl et al. (2015) Gillespie et al. (2014)

2.2. Conceptual framework

The guiding conceptual framework for this research can be found in Figure 1 below, constructed with input from the literature discussed in this chapter.

Figure 1*Conceptual framework*

Note. Figure 1 shows the range of trust repair strategies which can successfully result in trust repair. It shows how conditions can either help or hinder trust repair strategies in successfully achieving trust repair.

This chapter has specified the theoretical underpinnings of this research and summarised them through the construction of a conceptual framework. This will serve as the structure for the analysis in Chapter 4.

Chapter 3: Methods

3.1. Research strategy and methodology

In this chapter, the research strategy and methodology will be explained and justified with reference to the research goal. The impact of these choices on the validity and reliability of the results will be discussed.

3.1.1 Research strategy

First of all, the choice to collect qualitative data was made. The researcher decided to conduct one in-depth case study of a PPP and a second broader analysis of PPP stakeholder experiences across multiple projects. This decision can be explained by the nature of the research problem, centred around an exploration of which trust repair strategies are effective in PPP contexts and which conditions influence their success. This exploratory focus makes the case study a fitting research strategy (Van Thiel, 2014). Conducting a secondary broader analysis had a dual purpose: firstly to verify whether the findings of the case study held in other instances (triangulation purpose) and secondly to enrich the findings of the case study through providing other examples of trust repair strategies (exploratory purpose). The

decision to conduct a central case study also took into account the small amount of knowledge currently available on this topic. The relatively few units of study available dismissed the viability of conducting a survey or experiment.

The chosen methods consisted of semi-structured interviews and document analysis. These methods are compatible with the case study strategy which is typically holistic and combines different data sources (Van Thiel, 2014). Interviews enabled the researcher to elicit narratives surrounding issues of trust in PPPs, culminating in a rich qualitative dataset suitable for the exploratory nature of the research goal. From a practical point of view, interviews are flexible and allow the researcher to ask follow-up questions to gain a better understanding of interviewees' perspectives. The addition of document analysis was designed to benefit this research in three key ways. First, the documents analysed could confirm that certain trust repair strategies discussed in the interviews for the case study were indeed carried out and thereby play a triangulation role with regards to the interview data. Secondly, they could provide further details and context to the issues, allowing the researcher to understand the underlying mechanisms behind the trust repair strategies identified. Thirdly, they could supplement the knowledge gained from the interviews by providing evidence of additional trust repair strategies carried out around the time of the incidents mentioned.

Finally, when it came to analysis the researcher chose to adopt inductive reasoning in line with the qualitative focus of the research, but also include a small deductive component through a first round of coding to verify the presence of trust repair strategies and conditions from the theoretical framework. This approach fits the exploratory quality of the research question, allowing both the confirmation of expected strategies and the emergence of new ones.

3.1.2 Case selection

The following criteria were used to select the central case study:

a) Nature of the partnership:

The partnership must be consistent with a PPP's defining characteristics. These can be summarised as:

- i. A private sector actor is employed in delivering public infrastructure or services
- ii. The partnership is formalised in the form of a contract
- iii. Risk is strategically shared among parties for optimal mitigation

iv. The partnership is long-term (Osei-Kyei & Chan, 2015)

Existing forms of PPPs include DBFM(O)s, D&Cs, E&Cs, Alliances, BOTs, DEFOs, BTOs, DBOMs, BOOTs, O&Ms, DBs, BLTs and DCMFs (see Appendix A)

b) *Presence of trust violation(s) and attempts to repair trust:*

Since the topic under analysis is trust repair strategies, the PPP of the central case study must have experienced at least one perceived trust violation between partners. In addition, stakeholders need to have taken subsequent measures with the aim of repairing trust.

The researcher learned about a suitable PPP for the central case study from a personal communication: the Kromhoutkazerne DBFMO project in Utrecht, The Netherlands. A stakeholder at this partnership had an interest in understanding how trust repair could be achieved in a PPP context stemming from their own experiences at the Kromhoutkazerne, and the researcher agreed to share her findings.

3.1.3 Interviewee selection

For the case study, four possible interviewees were identified in line with the signatories of the Kromhoutkazerne PPP contract: representatives from the tenant, the public contract partner, the Special Purpose Company (SPC) and the private partner. The positions and responsibilities of these individuals suggested they would be involved in key interactions between the public and private side on the project. Regarding the secondary broader analysis of PPP stakeholders, non-probability sampling was adopted for interviewee selection due to the comparatively small number of possible candidates (Van Thiel, 2014). The following criteria were used to select interviewees:

- a) Interviewees must to be currently employed or have previously been employed in a public or a private organisation involved in PPP
- b) They must have knowledge of key interactions between public and private counterparts in order to be aware of any perceived trust violations that occurred
- c) The theme of trust and trust repair must resonate with them with regards to their own experiences in PPP projects

A roughly even number of interviewees from the private and public sectors were selected to limit cultural bias and enable a balanced answer to the research question. The

researcher used the PPS Netwerk Nederland website and Dutch governmental department websites to identify PPP projects, and subsequently used the names of these projects as search terms on LinkedIn to find suitable profiles. Some snowball sampling was employed but it was limited since the aforementioned search strategy yielded enough interviewees for analysis. An anonymised overview of the interviewees can be found in Appendix B.

3.1.4 Data collection

15 in-depth interviews were conducted from May to July 2022. This enabled a valid qualitative analysis that served the explorative goal by providing a rich dataset, covering a variety of trust repair strategies in detail. There were indications of data saturation in the later interviews, suggesting the key relevant themes had been captured. The interviews lasted between 50 and 75 minutes and were conducted in English. The interviews occurred in-person or online using Microsoft Teams or Zoom. Interviews were conducted in a semi-structured way to ensure that they provided relevant data while allowing some flexibility in terms of the themes that could emerge. For example, if an interviewee mentioned a trust repair strategy that is not discussed in the literature they were asked to elaborate. In line with semi-structured interview methodology, an interview manual was created with a small number of pre-prepared questions derived from the operationalisation. The researcher began by conducting a pilot interview with a key stakeholder at PPP from the central case study in order to test the interview manual. This allowed the rewording of confusing phrasing, the optimisation of the order of questioning and the removal of questions to cut down on length. Finally, most interviews were recorded to optimise data collection, with the exception of one interview where the interviewee indicated they did not wish for the discussion to be recorded (the researcher took detailed notes instead). Where a recording was available, the researcher transcribed the interviews.

Data collection for the case study

Three key stakeholders from the Kromhoutkazerne PPP were interviewed, one from the private side and two from the public side. The fourth stakeholder did not get back to the researcher's request for an interview. The impact of this on the analysis was limited given that there was strong coherence in the content of the three interviews conducted (i.e. a good level of data saturation) and given that the supporting documents made available to the researcher confirmed many interview findings and provided new findings.

Regarding document selection, there were certain considerations to be taken into account including access and translation (O’Leary, 2014). Firstly, the researcher assured the document provider that no sensitive data would be published in line with GDPR guidelines and emphasised the academic nature of the research. Secondly, online translation was used for all Dutch documents while avoiding uploads to ensure data privacy. The documents analysed were provided by a key stakeholder at the Kromhoutkazerne for the purposes of informing this research. An overview of the selected documents can be found in Appendix C. The researcher selected documents which were related to the variables in the operationalisation and/or which were related to issues discussed with the interviewees. This was done to narrow analysis to relevant documents (promoting efficiency) and to ensure that no potentially relevant information was disregarded (promoting comprehensiveness). Additionally, this triangulation increased the reliability and validity of the interview findings.

Limitations

Time restrictions meant that some variables in the operationalisation could not be measured to the same extent as other variables in each interview. For instance, less time could be spent on the conditions for the success of trust repair strategies because the strategies themselves were prioritised. In some cases, imperfect recall also limited the amount of detail interviewees were able to provide on certain trust repair strategies that were carried out in response to a violation. Nonetheless, cumulatively there was a rich amount of data to analyse.

3.1.5 Data analysis

The data collected was analysed with reference to the theoretical framework. An operationalisation of the key concepts in the research question can be found in Table 3 below.

Table 3

Operationalisation of key concepts

	Definition	Indicators	Values
Trust	“confidence in one’s expectations, especially in one’s positive expectations of others’ behaviour” (see Kramer & Lewicki, 2010; Luhmann, 2018); calculus-	Belief in consistent behaviour + CBT	Weak / Medium / Strong
		Belief in consistent behaviour + IBT	Weak / Medium / Strong

	based trust (CBT) where good behaviour is expected due to threat of punishment or identification-based trust (IBT) where good behaviour expected due to understanding and empathy with other's needs (Lewicki & Wiethoff, 2000)	Belief in positive behaviour + CBT	Weak / Medium / Strong
		Belief in positive behaviour + IBT	Weak / Medium / Strong
Trust repair	“[trust] repair occurs when a transgression causes the positive state(s) that constitute(s) the relationship to disappear and/or negative states to arise, as perceived by one or both parties, and activities by one or both parties substantively return the relationship to a positive state” (Dirks et al., 2009, p. 69).	Return of relationship to original state	No / Somewhat / Yes
		Return of relationship to positive state	No / Somewhat / Yes
		Return of original interaction level	No / Somewhat / Yes
		Restoration of positive expectation of partner's future behaviour	No / Somewhat / Yes
Trust repair strategy	“an action taken with the intention of returning a relationship to a positive state”	<ul style="list-style-type: none"> • Verbal accounts: Explanation; Apology • Reparations: Penance/financial compensation; Punishment; Reinstatement • Structural solutions: Legalistic remedies; Organisational restructuring (Staffing, Culture, Co-location) 	N/A open answer, strategies to be identified during analysis
Conditions for effectiveness of trust repair strategies	Factors that influence the strategies' effectiveness	<p>Strategy fits type of trust violation</p> <p>Characteristics of strategy</p> <p>Victim interpretation of strategy</p>	<p>For each condition: Not important /</p> <p>Quite important /</p> <p>Very important</p>

Context (see Table 1 for
full list)

Indicators were aligned to the definitions explored in Chapter 2, however the researcher was aware of the possibility that interviewees would have different understandings of these concepts so the indicators were left purposefully abstract to cover the various manifestations that could occur in fieldwork. By giving due weight to interviewees' individual perceptions and not confining their responses to a rigid structure, this approach promotes a more accurate reflection of empirical reality. The same reasoning applies to the values which were left purposefully broad.

The researcher used ATLAS.ti throughout analysis. The use of a qualitative data analysis (QDA) program allows the systematic storing of data and sharpens the analysis (Van Thiel, 2014). Two rounds of coding of the interview data were conducted. The first round was deductive and employed fixed codes taken from the indicators in the operationalisation. The second round was inductive and examined emergent themes within the data. These themes were then qualitatively assessed and categorised in line with the conceptual framework where relevant. For example, 'Victim expressions of frustration' emerged as a new code and was categorised under verbal accounts as it consisted in direct communication between partners. The final coding scheme (see Appendix D) was therefore hybrid, promoting the creation of new knowledge.

For the case study, an additional document analysis was conducted. The selected documents were analysed in parallel with the interviews, using ATLAS ti., to identify common and additional themes. Where a trust repair strategy mentioned in interviews could be linked to documents, the supplemental information provided by the documents was highlighted. Where the documents revealed the use of trust repair strategies not mentioned in the interviews, this was similarly noted.

3.1.6 Validity and reliability

Internal validity

The triangulation of the case study findings provided by the secondary analysis enhances both the reliability and validity of the results (Van Thiel, 2014). As further triangulation, the inclusion of document analysis findings supports the credibility of interview findings and constructs a "compelling whole" with regards to perceived trust violations in the

Kromhoutkazerne case (Eisner, 1991). The decision to interview experienced stakeholders with knowledge of the key interactions in the partnerships in question promotes strong internal validity. One caveat is that despite questioning based on definitions, trust and trust repair may have been interpreted differently by interviewees, so the phenomenon being studied may have differed slightly across interviews based on subjective bias. This risk is lessened by the inclusion of multiple questions to cover all aspects of these concepts. Social desirability (answers biased by what is perceived to be socially acceptable) presented a risk, however this was limited by the promise of anonymity and the carefully neutral wording of interview questions.

External validity

It should be noted that specificities of the interviewees (including the PPPs they are connected with and the nature of the trust violation) and the small sample size limit the external validity of the study. This is also limited by geography (the PPPs examined are mostly based in the Netherlands) and sector (the PPPs examined primarily cover infrastructure and real estate). Some snowball sampling was used which entails an inherent bias from the interconnectedness of interviewees. Further research will help determine to what extent this study's findings travel across contexts.

Reliability

The use of an interview manual informed by the available literature promotes the reliability of the findings. This manual is available in Appendix E, facilitating the replication of the study. Reliability is strengthened by consistent transparency: the theoretical underpinnings of the study are clearly laid out in Chapter 2 and the methodological approach along with its justifications is detailed in this chapter. This also aids replication of the study. Replication is nonetheless limited by factors such as the time-sensitive quality of trust perceptions, a flexible interview structure based on individual interviewees and the flow of conversation, and differentiating factors such as the type of sector, type of contract or the existence of pre-existing personal relationships between partners.

Chapter 4: Analysis and Discussion

This chapter outlines the empirical findings relating to the following sub-questions and discusses their implications for the central research question:

EQ1: Which trust repair strategies were employed to repair trust in the PPPs discussed, and were they successful?

EQ2: Under which conditions were trust repair strategies successful in the PPPs discussed, and under which conditions were they unsuccessful?

RQ: Which trust repair strategies result in trust repair in public-private partnerships, and under which conditions?

Attention is paid to whether the strategies and conditions which emerge from the data correspond to elements in the theoretical framework. If not, they are expanded upon in more detail in anticipation of integrating these elements to an updated framework. The mechanisms behind both successful and unsuccessful strategies are outlined to inform a richer understanding of why some strategies work and some don't in PPP contexts.

4.1 The Kromhoutkazerne case

This section lays out the findings concerning the central case study. It covers data gathered from three key stakeholder interviews and relevant documents.

4.1.1 Background

The Kromhoutkazerne is a military barrack and office complex in Utrecht, The Netherlands. The redesign of the site was commissioned by the Ministry of Defence and takes the form of a DBMFO contract (the Ministry's first PPP project [Beveiligingnieuws, 2008]). This integrated contract reportedly saved the Ministry about 15% on costs (Komfort, 2009). The tender procedure began in July 2006 and concluded in April 2008. The final agreement had a value of over 450 million euros. It was the largest real estate PPP in The Netherlands at the time. The contract covers the construction of the complex but also the maintenance of the facility and the provision of services for 25 years from availability (until 2035). The contractor is the Komfort consortium (Komfort Exploitatie Maatschappij), which includes the construction companies Ballast Nedam, Strukton and John Laing, as well as ISS Nederland facility services and Meyer & Van Schooten and Karres & Brands Landscape architects. The complex contains military headquarters, offices, barracks, a health centre and sports facilities.

4.1.2 Type of trust and trust violations

a) Type of trust

The trust characterising partner relationships in the Kromhoutkazerne contained elements of both calculus-based and identification-based trust, with no clear dominance of one type. For example, one interviewee observed: “It’s a long term relationship, it’s for 25 years [...] everybody is aware of this, everybody makes sure that the decisions are according to that [...] if the relations are bad, it’s not going to work” (Interview 1). This seems to emphasise the calculus-based side of trust whereby the long duration of the partnership magnifies the impact of bad behaviour (and the likelihood of punishment). More conclusively, the same interviewee noted “There is no way to predict how they will react, apart from the contract” (Interview 1). That said, there were many comments (including from the same interviewee) that align with identification-based trust. For example: “they’re not there for their personal benefit, I am convinced of that” (Interview 1). One interviewee with strong trust in the partner (“They’re doing it also for our interest, it’s not only for themselves”) derives this trust from a deep understanding of their partner’s needs, gained from professional experience “on the other side of the table” (Interview 2). Practical experience of working in the counterpart’s environment therefore contributed towards greater identification-based trust for this interviewee.

b) Type of trust violation

Interviewees were reluctant to place blame for trust violations and therefore gave little detail concerning whether they were competence- or integrity-based. The key issue arose from a different interpretation of the contract, which cannot be so neatly categorised. For the insurance to be renewed, the private party had to incur large additional costs due to new regulations imposed by the insurance provider. From the private party’s perspective, there was a “safety net” in the contract to protect it from such changes but it was not upheld in this instance, meaning that the costs were borne by the private party alone. From the public party’s perspective, the eventuality of a change in the insurance policy should have been taken into account and priced at the beginning of the contract but wasn’t, and according to the contract the financial burden should fall on the private party. To some extent, the perceived violation was integrity-based for the private partner and competence-based for the public partner, but the reactions to this issue blurred the lines between the two, suggesting both concepts are useful in approaching this issue. In general, perceived violations that cause breakdowns in trust often contain elements of both competence-based and integrity-based violations, especially when reactions to issues create new tensions. Like in the insurance case,

issues are often attributed to a lack of foresight (competence-based), a lack of proactive information-sharing (integrity-based) and a refusal to take responsibility (integrity-based).

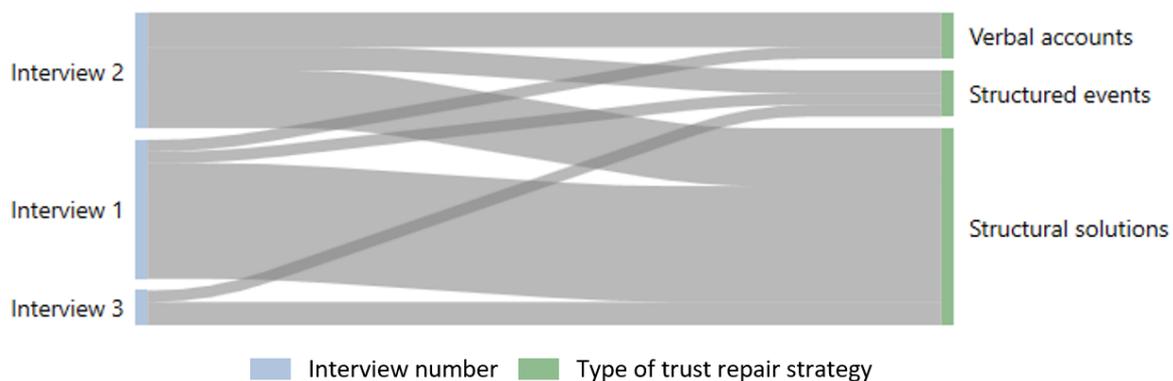
4.1.3 Successful trust repair strategies and why they worked

a) *Structural solutions*

A first finding is that the most prominent group of successful trust repair strategies mentioned by the Kromhoutkazerne interviewees is structural solutions (see Figure 2). This is not too surprising as structural solutions focus on making changes at the organisational level to prevent future trust violations. Given the long-term nature of PPPs and the interdependence characterising the relationship between partners, the use of this sort of strategy is appropriate.

Figure 2

Kromhoutkazerne: Types of trust repair strategies mentioned



Note: this diagram shows that structural solutions is the biggest group of strategies mentioned (size on the right-hand side) and that it is mentioned by all three interviewees (it is connected to all interviewees on the left-hand side)

The structural solutions presented in the interviews will now be outlined. The bulk of mentions were for staffing solutions and the implementation of a new (informal) process.

Firstly, staffing changes were mentioned in the context of trust repair. One interviewee noted that since trust is very personal, having a “match” between people is very important and staffing changes can be a useful organisational solution (Interview 1). Staff competence is not the issue but rather the cultural fit of people within the partnership. For instance, one interviewee observed that a PPP needs a different type of person as contract manager in the procurement phase and in the maintenance phase. The latter requires someone who is able to see beyond the “output of the contract” and keep an eye on the relationship between partners (Interview 2). Staffing changes were also mentioned in company documents

(Document 8). If an individual is opposed to the ways of working required in a PPP or is unable to adopt them, trust repair can be seriously impeded, in which case a change in staff can help rebuild the relationship. To mitigate the risk of having a bad fit among the key stakeholders in the future (with the natural expectation of staff turnover in a long-term contract), this issue was flagged and the importance of the probation period was emphasised to the public party. This further underlines the relevance of staffing solutions for trust maintenance and repair.

The second set of structural solutions mentioned involves the implementation of a new, informal process. As shown in the coding scheme (Appendix D), these strategies are not clearly encompassed within the conceptual framework, mostly due to their informal nature. Coming to an agreement on these new processes was effective at repairing trust, and the processes themselves were expected to prevent future trust violations. The various new processes implemented in the aftermath of a trust violation in the Kromhoutkazerne are summarised below:

- The partners agreed to update the process for implementing additional requests from the public partner. The partners would thoroughly discuss and align on the *reason* for the additional request and the *consequences* of actioning it before the private partner would take any action. This would ensure 1) that the private partner can justify the decision both internally and externally and 2) that the full ramifications of a decision are acknowledged by both parties upfront, ensuring blame for potentially negative consequences isn't unfairly placed on the private party
 - This process has since been formalised as the Change Process whereby the private partner must include the consequences for the service in the proposal for the required work (Document 3)
- Adding certain items to the agenda of monthly strategic meetings (namely future deadlines that affect both parties and for which both parties are responsible) and consistently following up on these items
 - The addition of “points of concern, experience” to the agenda was noted in the contractor’s progress report for H2 2021 (Document 4)
- Scaling up communications and transparency on developments regarding the insurance policy
- When one of the four key stakeholders leaves their position and is replaced, or once every two years, an independent mediator will carry out a coaching session where the

stakeholders discuss how the partner relationship works and what they expect from one another. The aim is to preserve partnership values and the “soft side” of the contract (Interview 3)

- This objective is now echoed in the annual plan for 2022 (Document 9)

Agreements regarding new processes imply a commitment to behave in a certain way in the future, which links to the key consistency component of trust. Furthermore, arriving at these agreements in an informal way promotes the development of personal relationships and mutual understanding. Creating and implementing new informal processes is therefore effective at repairing trust through both its method (informal communication) and content (commitment).

While no legalistic remedies were mentioned in the interviews, document analysis revealed that a set of behavioural guidelines was created by Komfort to mitigate the risk from the change in insurance conditions (Document 8). These guidelines were accepted by the Ministry who would monitor employees on this basis moving forwards. They will also be integrated to employment contracts. The influence of this measure on trust repair is unclear since it was not mentioned during interviews, however it potentially facilitated the process of closing the incident and looking to the future.

A final, indirect strategy from the structural solutions group was mentioned. Rather than being something that was carried out by the perceived trust violator, it was used by the victim. The counterpart’s organisation had a very different way of working to what the other was accustomed to, and the victim needed to understand the organisational and cultural background of the counterpart’s behaviour in order to overcome the perception of a trust violation. In other words, to take into account that this is simply how they operate. This deeper understanding of the counterpart’s culture was reached thanks to a conscious effort and increasing interactions. Ultimately, this promoted trust repair in the relationship.

b) Verbal accounts

Furthermore, there were a few instances of verbal accounts mentioned as successful trust repair strategies in the Kromhoutkazerne, however these were exclusively focused on explanations with no mention of apologies. In one case this strategy overlapped with another strategy, the hiring of an external mediator, since the session with the mediator involved in-depth explanations of what went wrong and what both parties did or neglected to do. This can be viewed as a way of fully aligning on how the issue came about and being transparent

about each other's contribution to it, thereby embracing reciprocity and laying the groundwork for trust repair. Explanations through mediation were perceived as effective for trust repair: "this was our way out" (Interview 1). In addition, an interviewee noted that explanations are particularly useful for alignment on financial matters: "it is not always about money but more can you explain where the money is coming from" (Interview 2). This can be interpreted as a request for greater transparency which is beneficial to trust. The usefulness of verbal accounts is supported in a document published after the insurance incident where a "focus on knowledge transfer" and "reflecting on actual issues" are emphasised (Document 8).

c) *Structured events*

Finally, a new type of trust repair strategies emerged which the researcher is calling 'Structured events'. This refers to organised events or issue-specific discussions with outside experts². In the Kromhoutkazerne, an external mediator was hired to help the parties overcome the aforementioned incident involving the insurance and rebuild trust. This type of event is coded as 'Mediator/Coaching sessions'. The decision was made to manage negative emotions and help move the relationship past the incident. The mediator helped the parties answer questions like "What's happened to you, why has it happened? [...] how do you want to work together again?" (Interview 1). The parties spoke about how the incident felt to them and listened to what it felt like for their counterparts. They were also given assignments by the mediator designed to illustrate why they tend to react differently in the same situation and build mutual understanding. This had the effect of making them truly "believe" each other (Interview 2) and strengthened the "soft side of the contract" (Interview 3). The decision to bring in the mediator was perceived as somewhat effective at repairing trust, with one caveat. Interviewees recognised that consistent efforts were needed to maintain a good, trustful relationship in the future: "It's a continued process" (Interview 1), "the big challenge is to keep the relationship good at the moment and for the future" (Interview 3). Nonetheless, the

²This is distinct from hiring a mediator for a long period of time and integrating them to the team (a process manager for instance), which the researcher is considering under the 'Staffing' category.

session “was evaluated as very valuable: informally knowing and understanding each other” (Document 8).

d) Explaining the absence of reparations

It is noteworthy that no reparations (financial compensation, punishment or reinstatement) were mentioned as a trust repair strategy. This suggests reparations are not expected to effectively repair trust in public-private relationships, or are expected to be less effective than other strategies. One potential explanation is the desire to avoid creating ill-feeling or resentment through the use of such a costly strategy, especially given the long duration of PPP contracts. Alternatively, it may be difficult to trace responsibility for a trust incident to one clear violator given the complex and dynamic environment PPPs operate in. If there is no clear actor responsible, reparations would not be offered and could not be justifiably demanded. A final explanation is that high interdependence between parties makes reparations undesirable since both parties could ultimately suffer. Further research is needed to uncover the mechanisms at play here.

4.1.4 Unsuccessful strategies and why they didn’t work

While interviewees were asked about successful trust repair strategies first and foremost, strategies that were tried but were unsuccessful at repairing trust were also examined. The interviews also touched on strategies that the interviewees predicted would be ineffective. In some cases, the unsuccessful strategies mentioned have been shown to be effective for repairing interpersonal trust according to the literature. This implies there are significant differences between simple interpersonal trust and trust in the context of PPP stakeholders. The unsuccessful strategies mentioned are detailed below.

a) Strategies confirmed to be unsuccessful

Firstly, a number of legalistic remedies were tried to no avail. Documents like guides for a good partnership, KPIs, contracts, memos, norms and definitions were elaborated, however they were not effective when it came to rebuilding trust. Such measures were not considered “personal enough” (Interview 1) since what was considered necessary to rebuild trust were measures to increase mutual understanding, including understanding the needs of the counterpart. These measures also needed to include the possibility to discuss these needs with the other stakeholders and the possibility to create the rules together. While they may work under ideal conditions, legalistic remedies were therefore often too far removed from

day-to-day contact and not conducive to the more personal interactions that are perceived to lead to a deeper, more authentic understanding of the counterpart.

Secondly, an initial response to an operational issue was escalation to the stakeholders' superiors, and this proved damaging to trust. From that point the issue was "out of [their] hands" and they were unable to engage in further negotiations (Interview 2). According to this, escalation removes the possibility of repairing the relationship between partners through further interactions and of building mutual understanding.

b) Strategies predicted to be unsuccessful

Legal action was considered unlikely to help repair trust. Regardless of whether the perceived victim won or lost in court, "it wouldn't be better, it wouldn't be good for [their] relationship" (Interview 1). Interviewees expressed the desire to avoid legal action in the future to protect the partnership. Like legalistic remedies, legal action would imply the use of external rules or influence to structure the partnership, and this method is not considered effective for rebuilding trust. On a related note, one interviewee suggested that "blaming and shaming" would be harmful and was the wrong way to approach a dispute (Interview 1). Indeed, this differs strongly to the notion of mutual understanding where mistakes in particular may be given organisational or cultural context.

4.1.5 Conditions for successful trust repair and underlying mechanisms

The interview data reveal that a number of conditions were important for the success of trust repair strategies in the Kromhoutkazerne case. These conditions emerged naturally in the discussion of the partnership and trust repair strategies rather than in response to direct questioning. The conditions associated with successful trust repair in this case are displayed in Table 4.

Table 4

Kromhoutkazerne: Conditions associated with successful trust repair

Subgroup	Conditions	Mentioned by interviewees*
Type of trust	Fits type of trust	
Type of trust violation	Fits type of trust violation	
Characteristics of the strategy	Accompanied by admission of guilt	
	Involves renewed commitment	

	Implemented in a timely way	
	Accompanied by reparations	
	Involves informal dialogue	
	<i>Involves formal dialogue</i>	
Victim interpretation	Perceived as voluntary	
	Perceived as sincere/credible	
	Perceived as appropriate	
Contextual conditions	High expected future benefits	
	High interdependence	
	Belief in partner's competence	
	Historical trust	
	Subsequent evidence justifies strategy	
	<i>Strategy involves a mutual decision</i>	

Note. Emerging codes in italics; *In reference to strategies where trust repair was fully or somewhat achieved (at least one mention)

<i>Key</i>
Yes
No

First of all, two conditions emerged which were not in accounted for in the theoretical framework: the strategy involves a formal dialogue and the strategy is implemented due to a mutual decision between both partners. Their influence on the success of the trust repair strategy is discussed below alongside the other conditions.

a) Type of trust

One interviewee whose trust towards their partner was more identification-based described explanations and the expression of renewed commitment that occurred in the aftermath of a trust violation. According to the literature this combination is conducive to trust repair and this is supported in this instance. Explanations prevent partners from jumping to conclusions and help re-establish understanding. Expressions of renewed commitment help partners move past the incident and look ahead: “what could be better” (Interview 2). In this case, the combined strategy was successful and coherent with the type of trust characterising the relationship.

b) Characteristics of the strategy

The presence of an expression of renewed commitment to the partnership was mentioned by all three interviewees in the context of successful strategies. There is either an explicit commitment to more cooperative behaviour (“in the next situation, we try not to escalate it too early, we try to solve this problem [ourselves]”) or an implicit understanding that the counterpart has a solidified commitment to the partnership (“I know they will do their best for Kromhout, I’m sure” [Interview 1]). This ties into the importance of consistency in behaviour for trust: communicating that one is committed to the partnership going forwards amounts to promising consistent (and positive) behaviour in the future. This is particularly important in a long-term partnership like a PPP. Another condition that emerged for successful strategies is the presence of a formal dialogue. Indeed, the sessions with the external mediator involved a structured, formal discussion between partners with a basis in reciprocity. The partners were also given assignments to complete with the goal of understanding one another’s reactions better. So, in this case formal dialogue encouraged the partners to be transparent with each other with the reassurance that the counterpart would be equally transparent. It also helped build mutual understanding in a practical way (e.g. through simulated work situations).

c) Victim interpretation

The decision to bring in the mediator was made after the insurance issue had been addressed: in other words at that point the operational issue was fixed but the relationship was not. So, the decision was perceived as fully voluntary by all interviewees. This is important as it implies that the partners went into the process with an open mind and a desire to repair trust in the relationship, promoting the strategy’s potential for success. On a related note, the strategy was considered appropriate by both the public and private partners: one emphasised for example that both parties were too emotional to make decisions so bringing in an objective outsider would be beneficial. This gave the partners an open-minded mindset from the beginning of the process.

d) Contextual conditions

Firstly, historical trust between partners and high interdependence were mentioned frequently in the context of successful strategies. Historical trust is well captured by the following quote: “What I like is that the contractor is always transparent and that gives me a very good feeling, that’s the basis of our relationship” (Interview 3). Strong historical trust makes it more likely that a trust violation will be perceived as a one-off occurrence (given

knowledge of past positive behaviour), and therefore more easily forgiven. In addition, it influences the perceived severity of a violation and provides a willingness to acknowledge mitigating circumstances. High interdependence on the other hand is focused on the future, as partners acknowledge their reliance on each other to attain their goals: “He can’t do without me, I can’t do without him” (Interview 1). This promotes the success of trust repair strategies because partners know it is in both of their interests to rebuild trust. Not doing so would result in “everybody [losing] in the end” (Interview 1). It also implies that it is impracticable or time-consuming to find a new partner, and since both partners know this they are predisposed to fixing the relationship. High interdependence is acknowledged in an overview of the Kromhoutkazerne stakeholders, e.g. “any bottlenecks in the service can affect the image of the Defence” (Document 1).

Another contextual condition mentioned is the expectation of future benefits from the partnership. One interviewee describes a vision document elaborated by both partners in which mutually beneficial goals are detailed. The anticipation of “win-win situations” promotes the success of trust repair strategies because trust repair as an outcome is more desirable and offers promising possibilities. Another condition that emerged for successful trust repair is the belief in the partner’s competence. Indeed, this is a source of trust in itself, and if the partner is perceived as competent, their counterpart may be more willing to forgive minor transgressions. From a calculus-based trust perspective it is beneficial to have a trustful relationship with a competent partner as this can pay dividends in the future. This is particularly relevant in PPPs where the contract partners do not change and the duration of the partnership is known upfront. A final condition emerged which was not accounted for in the theoretical framework: that the strategy involves a mutual decision. The decision to bring in the external mediator was made by both counterparts: “we decided that together [...] We said we have to evaluate this process” (Interview 2). This has clear positive implications for the success of a strategy since both partners are predisposed to be receptive and cooperate fully with the process.

4.2 Findings from additional PPP stakeholders

4.2.1 Background

The same base coding scheme was used for the analysis of 12 other interviews of experienced professionals either currently involved or with past involvement in PPP projects. Most of these projects were based in the Netherlands and were either infrastructure or real estate projects. Several codes were added to the coding scheme to reflect the additional

strategies and conditions that emerged in this secondary analysis. The final integrated coding scheme can be found in Appendix D.

4.2.2 Added value of the secondary analysis

An overview of the themes that emerged which were not encountered in the case study is presented in Table 5. This reinforces the added value of conducting a second, broader investigation of PPP stakeholders' experiences. These themes will be explained in the rest of this chapter.

Table 5

Additional interviews of PPP stakeholders: New themes for trust repair

Type	Subtype	Themes
Verbal accounts		Expression of frustration
Structured events		Team-building days
Conditions	Contextual conditions	Strategy is mutually elaborated
Recommendations		Adopt give and take attitude Embrace honesty Legalistic remedies / Legal action Take steps to manage expectations Give the mandate to negotiate independently Mediator/Coaching sessions Elaborate the trust repair strategy together Take preventive measures Implement priority system for additional requests Promote a mix of public-private staff
Unsuccessful strategies		Mediator/Coaching sessions Rely on personal relationships

4.2.3 Type of trust and trust violation

a) Type of trust

Unlike in the Kromhoutkazerne case where no one type of trust was dominant, in this second analysis a majority of the trust characterising relationships appears calculus-based. The threat of punishment as a guarantee of consistent behaviour is explicitly mentioned: "They want the project to be successful because they don't want to be blamed for failure by their superiors" (Interview 5). Concomitantly, the reward for good behaviour in the form of a reputation for honesty is also alluded to: "living up to the expectations of stakeholders in the surroundings of the project" (Interview 11). This suggests that this second analysis has

complementary value in offering insight on a range of relationships that differ considerably from those in the case study.

b) Type of trust violation

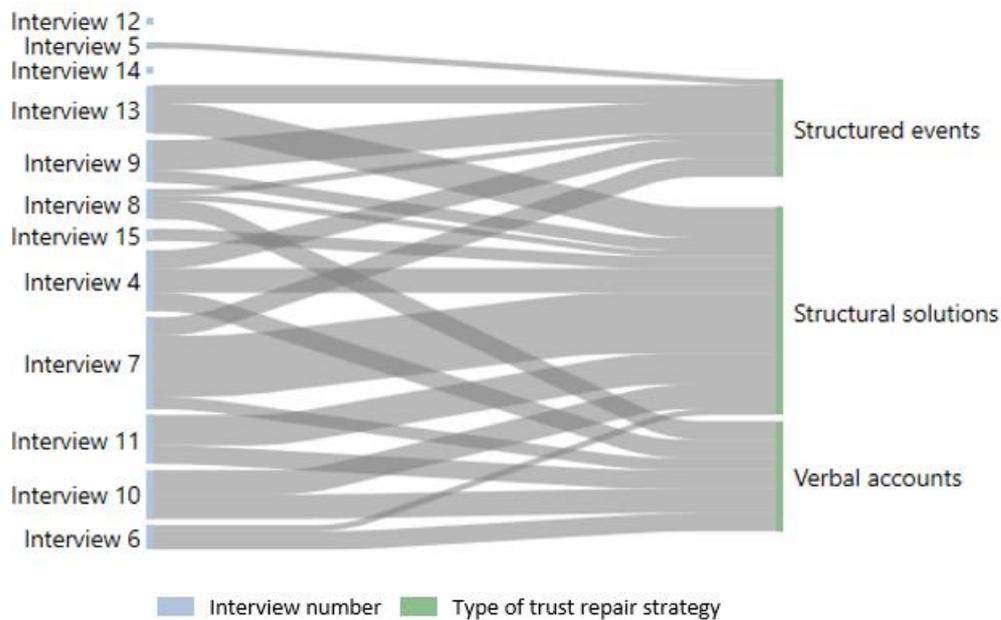
There is a roughly even split between mentions of competence- and integrity-based trust violations. In some cases, a single event led to perceptions of both types of violations between parties, like in the Kromhoutkazerne case. For example in one case, the public partner made a mistake on the contractual requirements which had a far-reaching and severe impact across the project (a competence-based violation). However, given that the private party needed to conduct a lot of additional work which went beyond the direct impact of the mistake and needed to declare associated costs, the public party got suspicious and felt taken advantage of (a perceived integrity-based violation). The interactions and overlap between these two types of trust violations introduce further complexity when it comes to trust repair and justify the use of a combination of strategies to address different aspects.

4.2.4 Successful trust repair strategies and why they worked

The same three groups of strategies were mentioned by interviewees as in the case study (see Figure 3). All but two interviewees mention trust repair strategies from multiple groups, suggesting strategies are tailored to the trust violation and the circumstances, and that PPP stakeholders reject a ‘one-size-fits-all’ approach.

Figure 3

Additional PPP stakeholder interviews: Types of trust repair strategies mentioned



Note. This diagram shows that structural solutions is the biggest group of strategies mentioned (size on the right-hand side). Interview 12 contained no mention of successful trust repair strategies (left-hand side)

a) Structural solutions

Staffing solutions and the implementation of new processes (both highlighted in the case study) are confirmed to be useful for trust repair in this second analysis. Some mechanisms are briefly described below:

i. Staffing solutions

- An individual in one of the partner organisations proactively took on the role of “boundary-spanner” to facilitate cooperation and rebuild trust (Interview 7). Like an external mediator, a boundary spanner encourages partners to build mutual understanding and thereby promotes trust
- An employee was temporarily placed into the counterpart’s organisation to make sure that there was someone available to respond to requests for information. While this has operational value it also promotes increased contact between organisations and learning with regards to the functioning and culture of the partner’s organisation

- In response to a complaint from the partner, the counterpart moved an employee to a more “back office function” to reduce their visibility to the partner (Interview 9). This was a way of addressing the complaint and displaying flexibility, thereby promoting trust repair

ii. New (informal) processes

- After a bill was mistakenly sent to the contractor, the stakeholder asked their controller to check bills more thoroughly in the future (Interview 6). Such changes in internal processes can give stakeholders peace of mind and allow them to focus on the “soft side” of the contract, promoting trust repair
- Stakeholders agreed to have an informal chat every couple of weeks. Besides helping individuals get to know each other personally and build identification-based trust, this increases the likelihood that any issues will be caught early and dealt with in an informed and concerted manner
- In an international PPP the Dutch partner began to receive information from local partners through their local colleagues, and this was considered a more efficient way of gauging the local partners’ needs (Interview 10). While this process evolved naturally it was acknowledged as a better way to operate “on the ground” with better responsiveness promoting trust

iii. Legalistic remedies

In addition to staffing and new processes, legalistic remedies emerge as useful in promoting successful trust repair (unlike the Kromhoutkazerne case). This is perhaps linked to the dominance of calculus-based trust. One strategy commonly mentioned was aligning on the “rules of the game” (Interview 7), for instance regarding information-sharing (what needs to be disclosed and what doesn’t), regarding roles and responsibilities within the partnership, or regarding process steps in a given situation. These rules are then written down in a formal agreement. This promotes trust repair through setting expectations of future behaviour and offering a tangible mechanism to expose and sometimes punish poor behaviour. Indeed, a related strategy is to adopt a monitoring system. In one case the private partner adopted the “Plan-Do-Check-Act” system in order to improve the quality of work but also to “to show the government that the improvement is there” (Interview 4). Documents like situation reports or

improvement plans work in a similar way to redress the expectations of the victim of a trust violation.

b) Verbal accounts

There were much more mentions of the use of explanations for trust repair than apologies, in line with the Kromhoutkazerne findings. One explanation went beyond simply communicating how an issue happened and also assured the partner that it wouldn't happen again: "I respected their explanation saying that it was a one time mistake and that it won't happen again" (Interview 6). In this way consistency in future behaviour is promised, giving additional convincing power to the explanation. Another explanation was used to correct a mistaken perception that the private party had not delivered according to their obligations, since the latter's delivery was conditional on an action from the public party (Interview 7). This gave context to the perceived violation and insight into the partner's mindset, thereby promoting trust repair. Finally, an explanation can both fix a specific trust issue and prevent future trust violations by shedding light on the partner's way of working: "we were more transparent in the steps we take to get a good result and the trust is back" (Interview 8).

All apologies mentioned were combined with explanations, for example explaining that the violator wasn't aware of the negative impact of their actions, suggesting this is key in making an apology effective in PPP stakeholder relationships. In general, trust violations are not always acknowledged as such by the trust violator, however in delivering an apology this acknowledgement must be made. This contributes to its effectiveness for trust repair by making the victim of a perceived trust violation feel justified in their complaint.

Lastly, one additional type of verbal account emerged as an indirect way to repair trust: the expression of frustration by the victim. In this case the private party was overwhelmed by repeated requests for additional work from the public party. This came to a breaking point when the private party was unable to fulfil the base contract activities. They then wrote a letter expressing their frustration and asking that the public party send fewer additional requests, or at least help set up a viable system for processing them. Despite having an initial negative impact on the relationship, this action ultimately prompted the public party to take actions which were effective at repairing the relationship.

c) Structured events

Like in the case study, Mediator/Coaching sessions were mentioned as successful trust repair strategies. An aspect that stood out is that participants were encouraged to reveal their agendas during these sessions. They engaged in storytelling where they described the difficulties they faced, for example when the private party needed a quick decision from the public party but the public party needed to safeguard taxpayer interests by going through the proper channels first (Interview 7). Often this resulted in a better understanding of counterparts' decisions and reactions which was beneficial to trust levels. Moreover, a common use of mediators was to align on the meaning of the contract. This helped resolve immediate disputes but also reduced the likelihood of future disagreements, promoting expectations of positive and consistent behaviour.

In sum, several elements combine to make Mediator/Coaching sessions effective at repairing trust:

- The expertise of the mediator/coach suggests partners will abide by their advice
- Sessions are typically accompanied by a change of setting which encourages participants to get to know one another personally beyond the confines of work
- The time willingly committed by both partners towards improving their relationship is a source of goodwill
- Participants are encouraged to “put their cards on the table” (Interview 11) and are likely to do so (at minimum out of a desire to be perceived as a team player), laying the groundwork for reciprocal information-sharing

In addition, a new type of structured event emerged from this second round of interviews: ‘Teambuilding days’. This refers to organised day-long or multi-day events where employees attend talks from experts, participate in team-building exercises and are encouraged to get to know their counterparts on a personal level. In one case, some time after a trust violation both teams spent a day with a coach specialised in behavioural insights. They performed exercises to identify their own working style (characterised through colours), then learned about how to work effectively with people with different working styles. In another case the coaching session focussed on general do’s and don’ts in communication, advising for example to have a call rather than send an email if there is a serious issue. There was some contention around the success of such events for trust repair. In one case an employee returned to traditional email communication the evening after the coaching session despite guidelines to discuss matters over the phone. Effectiveness seems to depend on the extent to

which participants are open to getting to know one another personally at the outset of the event, and also likely how conducive the activities are to this. As one interviewee put it, “They had to be willing to be open, to form their own trust” (Interview 5). A talk by an expert might be useful but not particularly conducive to partners getting to know each other on a personal level, which is the main benefit of this strategy according to interviewees.

4.2.5 Unsuccessful strategies and why they didn’t work

Like in the case study, a number of unsuccessful strategies emerged from the discussion. These are detailed below alongside the reason why they failed to repair trust.

a) Strategies confirmed to be unsuccessful

i. Arbitration and escalation

One interviewee argued that arbitration is ultimately ineffective at repairing trust because it typically leads to parties choosing “the middle way” which is not necessarily the optimal option for projects (Interview 13). The implication is that this leaves the partnership vulnerable to further issues and associated trust violations. Furthermore, this second analysis confirms that escalation conflicts with trust repair. The suggested reason is that individuals in upper management tend to simplify situations, discarding aspects that are potentially relevant to counterparts and making them feel unheard or misunderstood. A further related reason is that superiors have more interests to protect than project managers and are more likely to have a history with the parties involved, affecting their judgement.

ii. Legal action and legalistic remedies

One interviewee argued that based on their experience, when judicial steps are taken “people or organisations tend to become very defensive” and are reluctant to share any information that may weaken their legal position. This lack of transparency harms trust further and counteracts any benefits an objectively attained resolution may have. Furthermore, while this second analysis found mentions of legalistic remedies as successful trust repair strategies, some interviewees found that they were ineffective. In one case the public party consistently tried to “get everything done in contracts and very detailed reporting” (Interview 10), however this did not have the intended effect on cooperation because the PPP was based in a country where legal threats could not conceivably be carried out. So a condition for the success of legalistic remedies is enforceability. In the aftermath of a trust violation in another case, communications got more structured and formalised but this

wasn't perceived to have helped the relationship stabilise. The focus was on finding a solution rather than repairing the relationship, doing little in way of rebuilding trust.

b) Strategies predicted to be unsuccessful

While most interviewees have had good experiences with mediation and strategies designed to develop personal relationships, some highlighted ways in which these strategies could be ineffective in the long run. One interviewee argued that given the length of PPP contracts, high staff turnover is expected and the time invested in building relationships is frequently wasted. There is the added risk of starting over “on the wrong foot” with a new individual who needs to prove themselves to their superior (Interview 13). According to this view, trying to “fix it on a personal level” doesn't durably work. This suggests that several conditions may apply for success by ensuring the durability and transferability of the benefits gained concerning trust:

- Staff turnover is low enough for a high level of trust to have a strong impact on the PPP project
- A process is in place for transferring the “soft side of the contract” to new professionals joining the partnership
- After the mediation session, both parties commit to maintaining relationships independently and consistently

4.2.6 Conditions for successful trust repair

Among the few differences to the Kromhoutkazerne, ‘Fits the type of trust violation’ was found as a condition because in some cases the trust violation was competence-based and the trust repair strategy involved apologies and legalistic remedies (a winning combination according to the literature). This set the conditions for a better functioning partnership in the future, and the apology gave the victim confidence that the new rules would be respected. The competence-based nature of the violation could have made the victim more receptive to an apology – if it were integrity-based there would be a mismatch between demonstrated and professed values, through the violation and the apology respectively.

Moreover, the use of informal dialogue was mentioned in the context of successful trust repair strategies, suggesting it has merit for promoting trust repair after all. Stakeholders feel safer in sharing information, particularly on things that are not going well, in an informal setting. This transparency helps build the positive expectation component of trust. Keeping

things informal also prevents issues from being blown out of proportion. So, the addition of informal dialogue to a strategy promotes its success.

Finally, a new condition emerged alongside discussions of trust repair: the mutual elaboration of the strategy between both partners. This is even more influential than a strategy being adopted on a mutual decision, as partners both have ownership of the solution. They have a stake in its successful implementation in the partnership, but beyond that the process of elaborating the solution in itself can improve trust. As one interview noted, “when we talked about how we can manage it together, it was going better and better” (Interview 4).

4.2.7 PPP stakeholder recommendations for trustful relationships

Interviewees provided their personal recommendations on ways to rebuild and foster trust in a PPP context. This section highlights the most common recommendations across both the central case study and the secondary interviews.

a) Attitude and communication

A recurring recommendation is to nurture the personal side of public-private relationships. This is argued to build understanding and allow the partners to anticipate each other’s reactions. In line with this, making time for face-to-face meetings is considered important to promote a personal affinity. In general, constant communication is a strong recommendation to maintain a good working relationship: “you just have to keep an eye on the relationship with each other” (Interview 2). Besides the frequency of communications, their content is also important. A key recommendation is to always be transparent and open with the partner (especially in difficult situations), for example disclosing losses and explaining why they happened. This is captured in the recurring phrase “Put your cards on the table” (Interview 11). Open conversations help build mutual understanding, prevent miscommunications and provide insight into the counterpart’s concerns (e.g. the stakeholders they answer to). While difficult to quantify, such communications can be hugely beneficial towards building and repairing trust. Furthermore, interviewees note adopting a give and take attitude helps maintain trust. This aligns with the day-to-day reality of PPPs where win-win options are not always possible. This attitude allows both partners to achieve small incremental wins which add up over time. It creates goodwill and makes the partners each other’s the first port of call when new needs arise.

b) Prevention

Some interviewees acknowledge that trust repair is difficult if the initial conditions characterising the partnership are inadequate. They recommend that stakeholders “do their homework” upfront (Interview 12) to ensure that the requirements, including the contract, fit this unique project. This increases the likelihood that when trust violations occur, they are not insurmountable. Other preventive measures include flagging issues as soon as they arise: “identify (changing) wishes and requirements at an early stage and to act on them” (Document 2). This aligns with the theoretical value of timeliness in promoting the success of trust repair strategies. Finally, some interviewees argued that displaying vulnerability rather than hostility can help prevent actions that would only harm trust levels further like taking legal action. Ultimately, to prevent perceived trust violations from occurring it is considered key to follow through on promises and demonstrate consistent behaviour.

c) Practical recommendations

Firstly, the mutual elaboration of solutions is a recommendation that stands out from this second analysis. One interviewee wanted to “make [the counterpart] a partner in [their] problems” (Interview 6) and thereby create a solution together. This improves the ‘stickiness’ of the solution and promotes its effectiveness as discussed earlier. Secondly, interviewees recommend that key stakeholders involved in day-to-day operations should be given the mandate to negotiate independently because they are aware of the intricacies of the project whereas their superiors aren’t. For example if a promise needs to be made to repair trust, they should feel empowered to make it. A third recommendation pertains to the wider industry. Interviewees find value in individuals who have worked on both the private and public side of a PPP contract. Enhanced understanding of the partner’s organisational culture should be sought after as it plays both a preventive and remedial role when it comes to trust violations. A final simple recommendation offered by interviewees is to celebrate successes with the counterpart to foster positivity in the relationship.

In order to answer this research’s empirical sub-questions, this chapter has explored trust repair strategies used in PPP contexts as well as the conditions under which they are used. The success or failure of these strategies was covered alongside the various mechanisms at play. This empirical and analytical foundation supports the conclusions drawn in the final chapter.

Chapter 5: Conclusions

In this chapter the empirical sub-questions and central research question will be answered, and the similarities and divergences to the existing literature will be discussed. Next, several recommendations for PPP practitioners faced with a perceived trust violation will be put forward. Finally, the limitations of the study will be noted and avenues for future research will be presented.

5.1 Answering the central research question

5.1.1 Successful trust repair strategies in PPPs

The first empirical sub-question is briefly answered below:

EQ1: Which trust repair strategies were employed to repair trust in the PPPs discussed, and were they successful?

A large variety of strategies were employed to repair trust. The use of structural solutions (staffing, new informal processes, cultural learning), verbal accounts (primarily explanations) and structured events (mediation/coaching sessions and team-building days) was typically successful at repairing trust between stakeholders, while legal action and escalation were typically unsuccessful.

Two of Lewicki and Kremer's three categories of trust repair strategies (2010) are supported by this research: verbal accounts and structural solutions. Firstly, explanations were useful in repairing trust in PPPs, operating through the underlying mechanism of building mutual understanding in the same way as in a purely interpersonal relationship. In short, when trust violators and victims share their experience of what led to the perceived trust violation, they are more likely to understand each other's perspective. This can have the effect of lessening the perceived severity of the violation, laying the groundwork for trust repair. Furthermore, the added value of reparations (this can include financial compensation, punishment of the responsible party or the reinstatement of revoked privileges) to the effectiveness of explanations could not be verified due to the absence of such strategies from the data. Explanations also did not need to contain an admission of responsibility to be effective, as posited by Gillespie et al. (2014). A reason for this could be that as discussed in the Kromhoutkazerne case, the responsible party is not always clear-cut and external circumstances can play a mitigating role when it comes to attributing blame.

Apologies are a key trust repair strategy in the interpersonal trust literature, however they were found to be marginal in this research and their effectiveness in isolation could not be verified as they were always combined with explanations. One reason why apologies are little used in PPPs is that the harm caused by acknowledging culpability is considered greater than the benefits – this is an eventuality suggested in the literature. In a contract-based partnership, this harm could translate to legal liability and significant financial losses, making this strategy unappealing to the trust violator. Finally, a new type of verbal account emerged in this research: victim expressions of frustration. While the literature primarily discusses strategies that the trust violator can adopt, this strategy is carried out by the victim to prompt the violator to take remedial action. It can be conceptualised as a pre-strategy for trust repair. By expressing their frustration, the victim gives the violator visibility of their problems and helps them understand *why* they perceive a trust violation has occurred. Besides promoting a speedy resolution, this strategy helps build mutual understanding and may prevent future violations. Another strategy employed by the victim of a perceived trust violation is escalation, however this is employed internally rather than between organisations. Its absence from the literature is justified because it conflicts with trust repair according to this research, however it is notable that it is often employed in PPPs as a first action before a successful trust repair strategy is implemented.

The second category identified by Lewicki and Kremer (2010), reparations, is not supported in this research. This is unexpected – the notion that a more substantive strategy can complement verbal accounts in repairing trust is compelling (Bachmann et al., 2015). However, according to the literature reparations and especially penance are effective because the trust violator suffers materially from the violation, and in a PPP context partners are interdependent. This suggests that beyond harming the trust violator, imposing reparations could also indirectly harm the victim. Reparations can be considered inappropriate for a partnership where risks and rewards are shared. Regardless of the trust violation, it benefits the victim to operate in a partnership with a financially healthy partner. In other words, “I have to make you successful because if you are successful we all are successful” (Interview 1).

Another strategy that is absent in this research is punishment. Its impact on trust levels in a PPP context remains unknown. Punishment may be expected to create resentment between partners and cause cooperation problems in the future. This impact would be magnified in the long-duration contracts characteristic of PPPs. In experimental contexts, the

punishment of the responsible party promotes trust repair because the trust violator materially suffers from the trust violation in proportion to the victim, re-establishing the equilibrium in the relationship (Bachmann et al., 2015, p. 1129). This mechanism may be less effective in PPPs where external circumstances and high complexity ‘muddy the waters’ when it comes to assigning responsibility for a perceived violation. So, punishment could backfire and constitute an additional trust violation. Reinstatement is another strategy not mentioned by interviewees. The nature of PPP relationships make the removal of privileges as a trust violation unlikely, so reinstatement as a repair strategy is equally unlikely in this context. This implies reinstatement is not relevant for PPP trust repair and deserves comparatively little attention in future work. As a concluding point, the simple and almost transactional nature of reparations (as a group of strategies) appears unfit for the complex nature of PPP relationships and perceived violations in PPPs. This could explain the absence of reparations from discussions of successful trust repair strategies in PPPs.

The third category of trust repair strategies, structural solutions, is supported by this research. The literature posits that structural solutions deter future trust violations through changing the arrangements that led to their occurring in the first place (Lewicki & Kremer, 2010), and this mechanism is shown to work in PPP contexts. Some caveats should nonetheless be noted. Legalistic remedies were successful in some cases and unsuccessful in others. When the following conditions applied, legalistic remedies were *not* successful: when used to address an integrity-based violation, when not elaborated by the trust violator and/or both partners (e.g. using PPP norms published in the UK in a Dutch PPP), and most importantly when not combined with another more “personal” strategy. In the latter case even high interdependence and historical trust between partners is not sufficient in making this strategy successful. Conversely, in one case new rules were created for the processing of additional requests (legalistic remedies) but they were mutually elaborated by both partners and involved the implementation of a new informal process. This combination proved successful for trust repair. According to the literature, one of the benefits of legalistic remedies is that they help create an atmosphere of transparency and confidence when implemented inside an organisation (Eberl et al., 2015; Dirks et al., 2009). Between organisations however, it stands to reason that something additional is needed to create such an atmosphere and unlock the benefits of legalistic remedies, given the distances between organisations (particularly organisations with differing professional cultures like in PPPs). This is where more ‘personal’ strategies come in.

On the other hand, legal action and its associated sanctions is inadequate as a response to trust violations in PPPs, regardless of which strategies it is combined with. While it removes uncertainty through an incontestable judgement, it displaces the task of fixing the source issue to a third party. While other strategies are able to solve the source issue and concomitantly improve personal relationships between partners, this strategy focuses exclusively on the former. It also signals that the relationship is not worth paying attention to which is not conducive to trust-building. This is consistent with a weakness of legalistic remedies mentioned in the literature: they tend to lessen personal interactions and thereby undermine the (re)building of trust (Malhotra & Murnighan, 2002). Finally, one partner may put pressure on the other to go to court, undermining the voluntary condition of successful trust repair strategies (Lewicki & Wiethoff, 2000; Bottom et al., 2002).

Staffing solutions are confirmed to be effective in repairing trust in PPPs, and have particular potential for addressing integrity-based violations. The practice of dismissing employees who are unable or unwilling to “make the switch” to new ways of working with the aim of restoring trustful relationships is echoed in this research (Laan et al., 2011, p. 105). More directly, dismissing the person responsible for a trust violation is shown to be an effective, albeit last resort way of repairing trust in PPPs. A related strategy within ‘Staffing’ was confirmed by this research: having an existing stakeholder take on a process manager role. In line with the literature, this promoted both more frequent and smoother interactions between individuals from the partner organisations. A key success factor was that the process manager was viewed as objective by both partners. Besides healing the initial trust violation, the effectiveness of this strategy came through setting the expectation that such trust violations could no longer occur thanks to the proactive mediation of the process manager.

Moreover, the implementation of new informal processes (often mutually elaborated) emerged in this research as a key trust repair strategy. This merits its own category according to this research. One explanation as to why it is comparatively marginal in the literature is that looking at interpersonal relationships in experimental settings doesn’t take into account the operational issues that can be tied up in a perceived trust violation in a PPP. Indeed, in PPPs it is often the partner’s reaction to a technical issue or external event that is considered inappropriate, constituting the perceived violation. This is then compounded by the issue as long as it remains unsolved. With this in mind, new (informal) processes are a way of preventing future issues from occurring or going unnoticed and are a way of dealing with

external events more effectively. This is particularly useful for PPPs who operate over a long period on the basis of a contract in a complex and changing environment.

Furthermore, this research did not find that changing organisational culture repairs trust in PPPs. However, it did find that cultural learning between organisations is an effective way of promoting trust repair. Whether initiated by the victim or the violator, making an effort to understand the professional and cultural background of the counterpart's behaviour alleviates the perceived severity of the violation and builds mutual understanding. Finally, co-location did not appear as a trust repair strategy in this research, though the theoretical foundation for its effectiveness is sound. More research is needed to understand why it is not considered a viable or desirable trust repair strategy in a PPP context.

Finally, this research revealed the use of several additional strategies which the researcher is categorising as 'Structured events'. These can be split into 'Mediator/coaching sessions' and 'Team-building days'. There are a few possible reasons why these are not mentioned in the existing literature. Firstly, these are strategies designed for an (inter)organisational context and so do not appear in interpersonal experimental research which makes up the bulk of the reviewed literature. Secondly, they can be considered a facilitating mechanism for other strategies, particularly verbal accounts. Mediators encourage participants to open up about how they experienced something, an issue can be fully explained with input from both sides and conditions conducive to an apology can be created. Thirdly, in practice structured events are often not employed in the immediate aftermath of a trust violation but in the following months in order to rebuild the relationship between partners (team-building days require significant planning). This time lapse make their conceptualisation as trust repair strategies less intuitive.

5.1.2 Conditions for successful trust repair in PPPs

The second empirical sub-question is answered below:

EQ2: Under which conditions were trust repair strategies successful in the PPPs discussed, and under which conditions were they unsuccessful?

Most conditions expected on the basis of the literature review conducted in Chapter 2 were indeed associated with successful trust repair in at least one of the PPPs discussed. Whether or not trust repair strategies fit well with the nature of trust violations, the characteristics of trust repair strategies themselves, victim interpretations and contextual conditions are indeed relevant for their success according to this research. That said, the

presence of an admission of guilt, the timeliness of the strategy, the presence of reparations, the perception of the strategy as a sincere/credible and having the strategy later justified by evidence were not identified as conditions. This does not imply that these conditions do not apply – this research simply did not find evidence that they were associated with successful trust repair. For instance, the value of timeliness in carrying out a trust repair strategy appears particularly high in a PPP context where partners operate in a fast-moving environment. Further research is needed to shed light on the contribution of these conditions. Lastly, the absence of an admission of guilt as a condition is coherent with the relatively few instances of apologies in the data.

Next, in order to distinguish under which conditions trust repair in PPPs is *unsuccessful* some additional analysis of cases where trust repair failed was needed. The conditions found are summarised below:

- The contract does not fit the lived requirements of the project
 - Trust repair strategies may fail if the underlying mechanism, the contract, is faulty
- Insufficient goodwill between partners and gaming behaviour
 - The trust repair strategy can be subverted in practice when partners engage in gaming behaviour, e.g. partners appoint their own representative to a dispute board which then loses its impartiality
- Past behaviour indicates untrustworthiness³
 - The effectiveness of trust repair strategies is limited when embedded negative perceptions characterise the relationship, e.g. from a systematic lack of transparency or from contractors regularly submitting proposals for additional work that should have been included in the contract
 - E.g. explanations are less likely to be believed “from a point of view of distrust” (Interview 11)
- History of relying on mediators to cooperate
 - The use of (other) trust repair strategies appears less effective if organisations have a habit of relying on external mediation

³ The inverse of the high historical trust condition for successful trust repair.

- Because this presents a kind of safety net, limiting the need to fully commit to new trust repair efforts
- Because individuals do not develop the skills for maintaining trustful relationships without outside assistance
- The issue is blown out of proportion
 - If the trust violation to be addressed has been magnified to include a large number of stakeholders at all levels from the victim's side, this inflates its (perceived) severity

While keeping in mind the facilitating and adverse conditions to the success of trust repair strategies, the researcher elaborated best practice guidelines for PPP practitioners. These are detailed in Section 5.2.

5.1.3 Central research question

This section provides a succinct answer to the central research question:

RQ: Which trust repair strategies result in trust repair in public-private partnerships, and under which conditions?

Strategies which successfully result in trust repair in PPPs are presented in Table 6 alongside the underlying mechanisms at play and the conditions associated with their success.

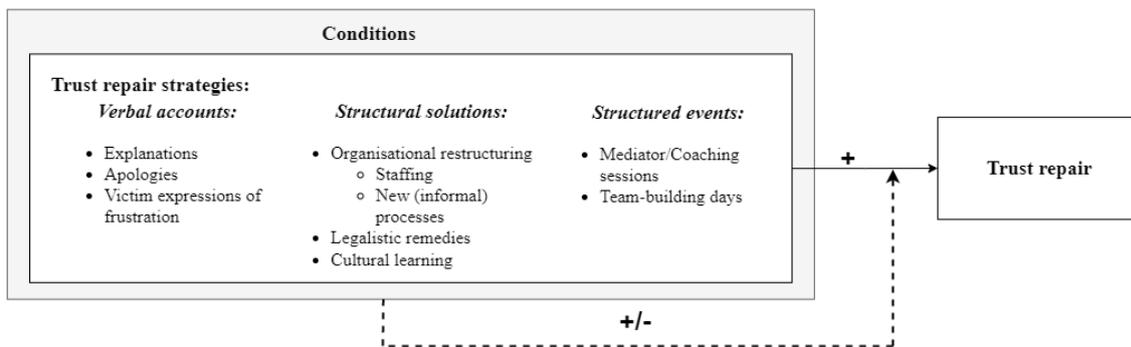
Table 6:

Successful trust repair strategies in PPPs and associated conditions

Strategy	Underlying mechanisms	Conditions associated with success
Apologies	Acknowledges the trust violation; Re-establishes the balance between partners	Accompanied by an explanation; Accompanied by legalistic remedies
Explanations	Partners align on what went wrong and build mutual understanding; Clears up misunderstandings and lessens perceived severity of violation; Can be a signal of transparency	Fits type of trust (identification-based); Fits type of trust violation (competence-based); Accompanied by expression of renewed commitment (promoting expectations of consistent behaviour)
Expressions of frustration by victim	Flags the need for trust repair to the violator; Promotes mutual understanding through	Willingness of trust violator to 'rise above' any offense caused and acknowledge the complaint

of perceived trust violation	outlining reactions and reasoning	
Staffing solutions	Promoting a cultural “match” between people; Removing the source of conflict; Promoting cultural learning	Involvement of counterpart in recruitment to ensure smooth transition and preserve the “soft side of the contract”
New informal processes	Promotes expectations of positive and consistent behaviour; leads to smoother operations/fewer points of conflict; empowers partners to better deal with external events; makes space for focus on “soft side of the contract”	Mutually elaborated solution
Cultural learning	Promotes understanding of counterpart’s behaviour; Reduces perceived severity of trust violation	N/a
Legalistic remedies	Promotes expectations of consistent behaviour through threat of punishment; Clarifies roles/responsibilities and prevents future violations; Makes the response visible to the victim of a trust violation	Fits type of trust violation (competence-based); Mutually elaborated solution; Combined with another more “personal” strategy; Rules are enforceable
Mediator/Coaching sessions	Partners align on what went wrong and build mutual understanding	Mutual decision; Perceived as voluntary/appropriate; Low staff turnover; Accompanied by process for preserving trust in the event of staff turnover; Relationships are independently maintained after the session
Team-building days	Partners build mutual understanding (especially in working styles) which lends context to trust violations and builds empathy	Willingness of participants to build personal relationships; Presence of activities conducive to building personal relationships

The researcher presents an adjusted conceptual framework on the basis of these findings (see Figure 4 below).

Figure 4*Adjusted conceptual framework***5.1.4 Final insights**

Firstly, the sheer variety of strategies is an interesting finding in itself. The researcher needed to significantly expand the coding scheme to do justice to the various strategies and conditions mentioned. This suggests PPP stakeholders draw from a large trust repair toolkit, though it remains unclear which factors influence the choice of strategy. This variety can perhaps be explained by the complex and varied environment PPPs operate in, as well as the distinct challenges posed by different types of PPPs, e.g. infrastructural and real estate PPPs. Indeed, more frequent interactions between partners are required during the maintain and operate phase in real estate projects, whereas in infrastructural projects this applies during the design and build phases. This implies a range of potentially relevant differentiating conditions such as the level of familiarity with the partner, different time pressures and the nature of interaction needed at these phases.

Secondly, in most cases there seems to be no link between the type of trust between partners (calculus- or identification-based trust) and the success of trust repair strategies. Type of trust can therefore not be considered an important condition, and strategies can be successfully used without reference to the prevailing type of trust. Additionally, looking at the combination of type of trust and various levels of belief in consistent and positive behaviour yields little insight on the success potential of trust repair strategies. For instance, calculus-based trust and a weak belief in consistent and positive behaviour (the most common combination) can be a condition for both successful and unsuccessful trust repair strategies. This suggests these are not useful concepts in searching for viable trust repair strategies.

Thirdly, given that most trust incidents involve a mix of perceived integrity- and competence-based violations it is difficult to draw conclusions on the impact that the type of

violation has on the success potential of strategies. That said, the data in this study do contain some indications that purely integrity-based violations are linked to unsuccessful attempts at trust repair. For instance, teambuilding days, explanations and legalistic remedies were only partially effective or ineffective in such cases. This aligns with the literature which provides several examples of strategies that are effective in addressing competence-based violations but has little to offer regarding integrity-based violations (Lewicki & Kremer, 2010). This suggests more time and effort should be spent addressing such violations in order to achieve trust repair. One avenue with potential is staffing changes, which in response to integrity-based violations does seem to restore trust to some extent, although they are often combined with other strategies so the individual contribution of staffing changes to trust repair remains uncertain. The finding that integrity-based violations are harder to repair suggests a particular need to prevent them from occurring in the first place.

Finally, a standout recommendation from PPP stakeholders for maintaining good working relationships between partners is to consistently be transparent. This implies that if a trust repair strategy is able to boost transparency between parties, it will have some measure of success.

5.2 Recommendations for PPP practitioners

PPP practitioners should consider how to respond to a trust violation, either as a violator or a victim, by paying attention to both broadly applicable guidelines and the idiosyncratic elements of the partnership. This research has uncovered a number of general guidelines including:

- As the trust violator
 - Combine explanations with expressions of renewed commitment to the partnership
 - When a mistake is made, explain why it happened and take steps with the partner to prevent it from happening again (e.g. the shared elaboration of new processes which can optionally be formalised in written documents)
 - Include the partner in the elaboration of solutions wherever possible
 - Embrace hybrid strategies with a formal and informal component (legalistic remedies in particular should be combined with a more “personal” strategy)

- Follow up independently on external strategies like hiring a mediator to preserve their benefits (e.g. be proactively and continuously transparent with the counterpart, not just in the aftermath of the intervention)
- As the victim of a perceived trust violation
 - Express frustrations to the partner openly before taking legal action
 - Attempt to learn about the partner's way of working and organisational culture before assigning absolute blame for a perceived violation
 - Ensure any formal rules emerging from a trust incident are enforceable

In general, practitioners ought to stay away from escalation and legal action, as these measures have been shown to be ineffective and even harmful to the base level of trust. They should only employ legalistic remedies under certain conditions and infuse trust repair strategies with a commitment to openness and transparency. They should be wary of the ways in which trust repair strategies can be subverted (a previously objective committee can become a proxy for disputes, legalistic remedies can be written up and subsequently ignored, the benefits of mediation can be lost as employees leave...) and take precautionary measures.

5.3 Limitations of the study

The small sample size means that PPPs and associated PPP stakeholder relationships are only partially represented, limiting the external validity of the study. For example, there may be niche sectors and different kinds of PPPs to which these findings do not apply. All of the PPPs discussed but one were based in the Netherlands, restricting the applicability of the findings to international partnerships. Furthermore, the choice to conduct interviews involves risks such as imperfect recall of trust violations and strategies as well as unconscious bias, impacting reliability. In addition, it was impracticable to source documents for the PPPs discussed in the second round of interviews, so there could be no perfect comparison between the detailed case study and the cases mentioned by the other interviewees.

Finally, a potential limitation in verifying the importance of the type of trust for the success potential of trust repair strategies is that trust in PPPs is primarily calculus-based according to this research. This may obscure some interesting dynamics where identification-based trust is concerned, but recommendations for this type of trust would be applicable to fewer PPPs and less useful from a practical point of view. As mentioned earlier, because the conditions for success emerged from analysis rather than direct questioning, some conditions that may have applied in these cases could have been overlooked if they didn't particularly

stand out to the interviewee. While this suggests an imperfect assessment of conditions, it does imply that the most striking conditions should be accounted for.

5.4 Recommendations for future research

This research has provided both a theoretical and practical contribution regarding the concept of trust repair and how it can be successfully achieved in the context of PPPs. To build upon the knowledge gained through this work, future research could draw upon the adjusted conceptual framework (Figure 4) as a starting point. In line with the limitations mentioned, a more extensive study could ensure better representation of PPPs in terms of sector and type of project, as well as expand the sample geographically for greater external validity. A bigger sample size would also shed light on how trust violations that are purely integrity-based may be addressed and test the effectiveness of staffing changes. Additional in-depth case studies would reveal the amount of variation between individual PPPs and inform future meta-analyses. Furthermore, a quantitative analysis of the relationships between trust repair outcomes and specific conditions (controlled for other variables) would help answer this study's empirical sub-questions more reliably. Finally, future research could explore why reparations are not used for trust repair in PPPs and flesh out the underlying mechanisms identified in this work. Such investigations would promote a better understanding of PPPs themselves, as well as help build a toolkit for practitioners committed to long-term cooperation.

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Appendix A – Types of PPPs

Acronym	Meaning
DBFM(O)	Design, Build, Finance, Maintain (and Operate)
D&C	Design & Construct
E&C	Engineer & Construct
BOT	Build–Operate–Transfer
DDBFO	Design Build Finance Operate
BTO	Build Transfer Operate
DBOM	Design Build Operate Maintain
BOOT	Build Own Operate Transfer
O&M	Operate and Maintain
DB	Design and Build
BLT	Build Lease and Transfer
DCMF	Design Construct, Manage and Finance

Appendix B – Overview of interviewees

Interview number	Key project discussed	Employed in Public/Private sector
1	Kromhoutkazerne (Utrecht, The Netherlands)	Private
2	Kromhoutkazerne (Utrecht, The Netherlands)	Public
3	Kromhoutkazerne (Utrecht, The Netherlands)	Public
4	Upgrading Twente Canals (Twente, The Netherlands)	Private
5	Sea lock Ijmuiden (Ijmuiden, The Netherlands)	Private
6	National Military Museum (Soest, The Netherlands)	Public
7	Bogusława Street Partnership (Szczecin, Poland)	N/a - Academic observer
8	Government office de Knoop (Utrecht, The Netherlands)	Private
9	Haga Hospital (The Hague, The Netherlands)	Public
10	Powering Aquaculture Progress (Myanmar)	Private

11	Project Afsluitdijk (North Holland, The Netherlands)	Private
12	A12/A15 motorway project: ViA15 (Arnhem, The Netherlands)	Public
13	Bezuidenhoutseweg 30 (The Hague, The Netherlands)	Public
14	A12/A15 motorway project: ViA15 (Arnhem, The Netherlands)	Public
15	Michiel Adriaanszoon de Ruyter Naval Barracks (Vlissingen, The Netherlands)	Public

Appendix C – Documents analysed

Document number	Name	Date	Main focus	Topic addressed in the document
1	B. Stakeholders v6.0	27/09/21	Stakeholders	Stakeholder analysis
2	E Beleid Komfort v9.0	30/09/21	Policy of Komfort	Organisational culture of the Ministry of Defence; transparency; strategic direction; updates to regulations
3	F Levering en Nazorg v3.0	20/10/21	Delivery and Aftercare	Process for additional requests ('Change consultation')
4	F. Communicatie Overlegstructuur v10.0	28/10/21	Communication Consultation structure	Adding points of concern to agenda; Change consultation; regular informal meetings
5	A. Taakverdeling EBV v7.0	27/09/21	Division of tasks EBV	Risk of losing "soft" side of the contract with staff renewal
6	Agenda Strategic Overleg_English	10/03/22	Agenda Strategic Consultation	Strategic vision document; telephone issue
7	2021-01 Memo alternatieven ISDN30 v1.1	7/03/22	Memo alternatives	Telephone issue; transparency
8	220304 TA report Komfort HJ2 2021 opm BJJ en ChRu	4/03/22	Progress report Komfort Utrecht Semi-annual operations report 2nd six months of 2021	Staff turnover; insurance issue and mediator; strategic vision document
9	Jaarplan 2022 versie 1.0 Definitief	24/12/21	Annual plan 2022	Staff turnover; strategic vision document

Appendix D – Coding scheme

Code group	Subgroup	Code	
Conditions	Type of trust	Fits type of trust	
	Type of trust violation	Fits type of trust violation	
	Characteristics of strategy		Accompanied by admission of guilt
			Involves renewed commitment
			Implemented in a timely way
			Accompanied by reparations
			Involves informal dialogue
		<i>Involves formal dialogue</i>	
	Victim interpretation		Perceived as voluntary
			Perceived as sincere/credible
			Perceived as appropriate
	Contextual conditions		High expected future benefits
			High interdependence
			Belief in partner's competence
			Historical trust
		Subsequent evidence justifies strategy	
		<i>Strategy involves a mutual decision</i>	
		<i>Strategy is mutually elaborated</i>	
Reparations		Penance or financial compensation	
		Punishment	
		Reinstatement	
Structural solutions		<i>New (informal) process</i>	
		Co-location	
		Culture	
		Legalistic remedies	
		Staffing	
Verbal accounts		Apology	
		Explanation	
		<i>Expression of frustration</i>	
Structured events		<i>Mediator/Coaching sessions</i>	
		<i>Team-building days</i>	
Type of trust		Calculus-based trust	
		Identification-based trust	
		Strong belief in consistent behaviour	
		Medium belief in consistent behaviour	
		Weak belief consistent behaviour	
		Strong belief in positive behaviour	
		Medium belief in positive behaviour	
	Weak belief in positive behaviour		
Trust repair		Trust repair - Somewhat	
		Trust repair - Yes	
		Trust repair - No	
Trust violation		Competence-based violation	
		Integrity-based violation	
Recommendations		<i>Constant communication</i>	

	<i>Personal side of relationships</i> <i>Celebrate success</i> <i>High transparency</i> <i>Face-to-face/informal meetings</i> <i>Adopt give and take attitude</i> <i>Embrace honesty</i> <i>Legalistic remedies / Legal action</i> <i>Take steps to manage expectations</i> <i>Give the mandate to negotiate independently</i> <i>Mediator/Coaching sessions</i> <i>Elaborate the trust repair strategy together</i> <i>Take preventive measures</i> <i>Implement priority system for additional requests</i> <i>Promote a mix of public-private staff</i>
Unsuccessful strategies	<i>Blaming and shaming</i> Legalistic remedies <i>Legal action</i> <i>Escalation</i> <i>Mediator/Coaching sessions</i> <i>Rely on personal relationships</i>
Evidence	Backed up by documents

Note. Emerging codes in italics

Appendix E – Interview manual

Concept measured	Interview question
-	Please tell me about your role within the [PPP project]. What are your main tasks and responsibilities?
Existing trust	I'd like to understand a bit about your relationship with [insert partner] and the people that you work with from that organisation. How would you characterise your current relationship?
Belief in consistent behaviour	How certain are you that your partner's future behaviour will be in line with their present behaviour? Can you please explain why / why not?
Belief in positive behaviour	What do you expect regarding your partner on this project, not in terms of tasks but rather general attitude and behaviour? (e.g. do you expect them to live up to their promises or break them when it suits them?) Can you please explain why / why not?
Belief in positive behaviour	Do you expect them to act according to the partnership's vision/goals or only according to their own organisation's interests? Can you please explain why / why not?
Type of trust (CBT or IBT)	Why do you think the partner organisation behaves well on the project? What drives them to display good behaviour, in your opinion?

Type of trust (CBT or IBT)	Now thinking about your own behaviour with regards to <i>[insert partner]</i> , what drives you to act according to the interests of the partnership, rather than just your own organisation's interests?
-	Next we're going to move on from the existing trust between your organisation and your partner, and think about critical points at which your relationship has been tested. This can refer to times when either you or your partner (or both) have lost some trust in the other. If there is a clear example that comes to mind, please think about this incident for the next few questions. <i>[repeat this section for further trust violations]</i>
Type of trust violation (competence- or integrity-based)	What caused the incident to occur?
-	To what extent did the incident affect the trust between partners?
-	How did this manifest itself in your interactions?
Trust repair strategy	Was anything done to attempt to repair the relationship and rebuild trust? Please provide more details.
Trust repair – Return of relationship to original state	After <i>[insert trust repair strategy]</i> occurred, do you feel the relationship with <i>[insert partner]</i> went back to how it previously was before the incident, or rather that it had reached a 'new normal'?
Trust repair – Return of relationship to positive state	Would you say that the relationship with <i>[insert partner]</i> improved after <i>[insert trust repair strategy]</i> occurred or would you say it didn't improve?
Trust repair – Return of relationship to positive state	Did the relationship improve enough to be positive again or did it not improve enough?
Trust repair – Return of original interaction level	After <i>[insert trust repair strategy]</i> was attempted, what happened to communications with <i>[insert partner]</i> ?
Trust repair – Restoration of positive expectation of partner's future behaviour	<i>[Victim of trust violation]</i> – Did <i>[insert trust repair strategy]</i> convince you that <i>[insert partner]</i> is now fully committed to the partnership and will behave well in the future, or was it not enough to convince you of this?
Trust repair – Restoration of positive expectation of partner's future behaviour	<i>[Trust violator]</i> – Did <i>[insert trust repair strategy]</i> convince <i>[insert partner]</i> that your organisation is now fully committed to the partnership and will behave well in the future, or was it not enough to convince your partner of this?

-
- How can working relationships between partners best be maintained in PPPs in your opinion? What is the most important thing to do?
-
- Do you have anything to add on the topic of trust and trust repair in public-private partnerships that we haven't covered yet?
-