

# Inter-organisational trust in the context of micro-data exchange in the ESS

Session 5

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# Genesis of the paper

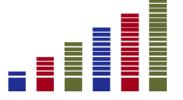


#### 1. Inspiration:

- strategic discussions among the Directors-General of national statistical institutes (NSIs) – ESS Vision 2020 context
- trust as a necessary condition for exchanging micro-data for statistical purposes (intra-EU trade in goods statistics) within the European Statistical System (ESS).

#### 2. To ensure trust:

- need to understand it by drawing from research;
- look at the ESS as a transnational inter-organisational network engaging in an innovative joint initiative





psychology

sociology

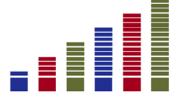
economics

**TRUST** 

political science

management

computer science





# Learning from the literature

#### Focus on:

- components of trust (definitions, dimensions, levels)
- functions of trust (consequences, benefits, outcomes)
- factors of trust (determinants, antecedents)

#### **Particularly relevant topics:**

- strategic alliances
- information sharing between cooperating enterprises
- public sector knowledge networks





#### Benefits of trust

LESS CONTROL NEEDED

FACILITATED COOPERATION

CONFLICT MANAGEMENT

**INNOVATION** 

KNOWLEDGE TRANSFER

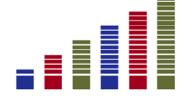
**LEARNING** 

HIGHER PERFORMANCE

LOWER COSTS of collaboration

MULTI-LEVEL NETWORKING

MORE OPEN COMMUNICATION





### Dimensions of trust

control

reliability

vulnerability

dependability

goodwill

interpersonal

integrity



expectations

faith

confidence

calculus-based

competence

uncertainty

institutional

relational

trustworthiness

INTER-ORGANISATIONAL

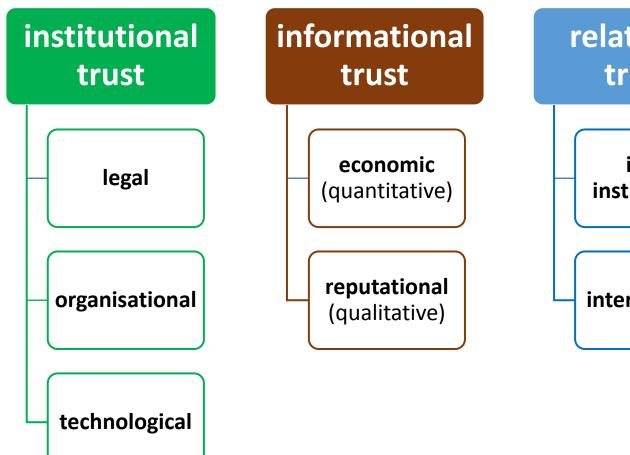
**TRUST** 

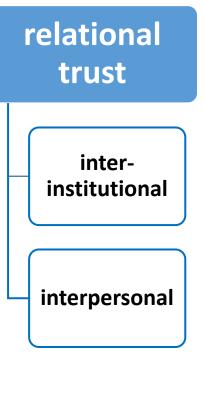
predictability

cost-benefit



# Model of inter-organisational trust in the ESS (components)









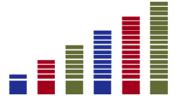
### Factors of institutional trust

INSTITUTIONAL TRUST:	
• legal	✓ institutional set-up, legislation
	✓ formal control mechanisms (legal, contractual)
• organisational	✓ clarity of roles and responsibilities
	✓ central coordinating body
	✓ balance of power between partners
	✓ delegation of authority
	✓ respect of autonomy
	✓ shared corporate values / identity
	✓ common strategies
	✓ high quality standards
• technological	✓ IT security
	✓ respect of data confidentiality
	✓ neutral third-party data holder



# Factors of informational trust

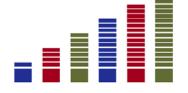
INFORMATIONAL TRUST:	
• economic (quantitative)	✓ assessment of costs and benefits
	<ul> <li>✓ comparison of gains and sanctions related to a breach of trust</li> </ul>
	✓ balanced shares in the investments
<ul> <li>reputational (qualitative)</li> </ul>	✓ general (public) reputation
	✓ ex-ante similarity between partners
	✓ mutual knowledge about partners
	✓ previous collaboration experience





## Factors of relational trust

RELATIONAL TRUST:	
• inter-institutional (institutions as a whole)	✓ communication
	✓ openness to change
	✓ shared relational norms (e.g. equal, honest, open treatment of partners)
	✓ social control
	✓ participatory decision-making
	✓ commitment to common goals
• interpersonal ("boundary spanners")	✓ predispositions and attitudes
	<ul><li>trustworthiness (competence, reliability, integrity)</li></ul>
	✓ similarity of mind-sets
	✓ relational distance (networking)



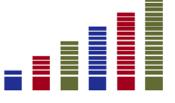


# Evaluation of trust factors in the ESS

#### **Institutional trust:**



- the general legal framework and governance are well established;
- the roles and responsibilities are clear;
- shared values (CoP), common strategy (ESS Vision 2020);
- a legal framework for the exchange of micro-data on intra-EU trade of goods to be agreed, adopted and implemented;
- technological aspects of trust to be ensured: implementation of the ESS IT Security Framework.





# Evaluation of trust factors in the ESS



#### Informational trust:

- quantitative and qualitative evidence on costs and benefits from SIMSTAT and REDESIGN projects;
- good mutual knowledge of partners and prior cooperation experience

#### **Relational trust:**

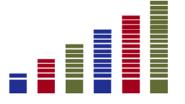
- very constructive attitudes and relations between the "boundary spanners" (ESSC members, international relations, domain experts);
- participatory decision-making;
- improved communication.



## **Conclusions**

#### The paper:

- ✓ Summarises and transfers inspirational insights from diverse disciplines to trust in the ESS;
- ✓ Provides analytical framework (model) on trust in the ESS;
- ✓ Opens avenues for further research;
- ✓ Supports and inspires the ESS professionals in defining concrete actions for building trust and solidifying cooperation in the ESS.





# Thank you very much for your attention!

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