

How to Build Up Trust in Business Relationships

- Deterrence-based trust
 - Measures to prevent untrustworthy behavior*
 - Increase interdependency
 - Develop a longer term relationship
 - Develop a broader relationship
 - Take the partner's reputation as hostage

- Knowledge-based trust
 - Measures to increase behavioral predictability*
 - Communicate regularly
 - Scrutinize potential partners carefully

- Identification-based trust
 - Measures to internalize the other's preferences*
 - Put partners geographically close together
 - Let partners develop joint products or goals
 - Introduce a shared name or identity
 - Develop and promote shared values

According to: Debra L. Shapito, Blair H. Sheppard and Lisa Cheraskin, *Business on a Handshake*,
Negotiation Journal, Vol. 8, Number 4 (October 1992)