

## Ecology and trust in management and business research 1995 – 2010.

### Tentative findig.

*I. Rittenhofer/ BSS, AU April 2012*

### **The framework**

This working paper takes status of a research review in progress. The review is completed as element of MULTI-TRUST. Task 2.4 is defined as “Review of research on the possibilities for creating and maintaining credibility and trust in relation to the increasing complexity in the assessment of sustainable and organic agriculture.” The research review is to contribute to MULTI-TRUST the basis for identifying promising practices in the creation and maintenance of trust in and credibility of organic agro-products and in addressing communicative challenges.

In more detail, the review of international research on credibility and trust (EKOM) 31. Nov. 2012 intends to: *“In a first step, criteria for the assessment and creation of trust and credibility in organic food systems are to be developed with outset in existing international research on credibility and trust in value systems. The overall task is to review articles on the creation, maintenance and importance of trust and credibility in value systems generally and food systems specifically. The focus is on articles in selected international journals on Management (for instance *Management Decision; Management Communication Quarterly; Management Review; Management Today*) and Business (for instance *Training and Management Development Methods; Journal of Farm Management*) over a fifteen years period of time (1995 – 2010). A key question will be how to define trust and credibility in value and/ or food systems.”*

*In a second step, the knowledge gained from the review of international research on Management and Business, then is to be transferred to and assessed in relation to the challenges for organic foods systems in Denmark. One of the current challenges is to bridge the gap between complexities in Danish organic food systems and the state ecology represented by the “ø- mærke” brand, and at the same time to maintain and increase credibility and trust as a foundation of growth. A key question relevant for the assessment of the knowledge on trust and credibility gained from the review will be: How to avoid the complexity gap to develop into a credibility gap?” (The project description is quoted from the MULTI-TRUST application).*

### **Milestone: Tentative findings and related conclusions**

The review understands ecology as embedded in society and culture (Scholte 2000). Furthermore, it conceives of organic agriculture as agribusiness and as one link in the value or supply chain of an internationalizing business with organics. The overall purpose of the review is to analyze how the concept of ‘trust’ is approached and defined in selected management and business research 1995 – 2010. Research from non-business and management fields such as agro-ecology (Alrøe 2008), sustainability (Parodi 2010), political economy (Scholte 2000) or intercultural communication (Plum 2008; Guirdham 2011) are integrated as ‘interpretative possibilities’ (Alvesson et al. 2010) to advance the discussion of the findings on trust. A further purpose is to consider how the insights gained from the review may contribute to condense a working definition and promising practices for creating and maintaining trust in the globalizing management of and business with organics.

### **Potential contribution of the review**

The United Nations “Global Compact” study 2010 reveals that trust, brand and reputation are the major driving factors behind businesses’ choice to take a step towards sustainability (Aschemann 2011:2). Research in ‘trust’ in business and management therefore is a valid contribution to the ‘green growth’ strategy and the related Green Development- and Demonstration Program (GUDP) of the Danish government in general and to the development of organic production and the sale of organic products more specifically.

### **Criteria applied in the search for scientific material**

The completed research review will neither claim to be complete nor definitive. There is “a plethora of material on trust, but spread across several thousand sources” (Arnott 2007a:1203). Moreover, the trust literature is “fragmented” (Li 2007: 421). In addition, “[t]rust is a vast field of study for researchers in many disciplines; it is therefore not possible to give a comprehensive overview of all research on the subject” (Hofstede et al. 2010:672). Management researcher’s interest in the topic of trust began in the mid- 1980s. From the mid-1990s and on, work with a specified interest in trust “defined as the concept being either the primary construct or a major component of the research model investigated” exploded (Arnott 2007:982).

Given the enormous research interest in trust issues as related to business and management (b& m), the review had to define criteria to limit its scope. Initial search results revealed that trust is an issue which is widely applied in scholarly work on b & m. However, often the concept is applied in a self-explanatory manner. It is neither explained, nor is the creation or maintenance of trust addressed in b& m research (e.g. Hatanaka et al. 2005, 2008; Johansen and Vahle 2009; Prashant et a. 2009; Zorn et al. 2012; ... ) or in b & m research concerned with sustainability issues (e.g. Thøgersen 2005; Bonsi et al. 2008; Ballet et al. 2010; Gielissen 2011).

These findings seem to reflect an understanding of trust as self-evident, a given, universal and all-encompassing which may be traced back to early influences on trust research. Economists such as Arrow (1973:24) state that “there is an element of trust in every transaction” (as quoted in Zaheer et al. 1995:374). Psychologists claim that that any successful relationship – personal or business – “is dependent to a greater or lesser extent upon the degree of trust between parties” (Arnott 2007:981). Organization researchers suggests that trust issues are neither of concern to specific stakeholder relations or distinct culture(s): “[P]eople engaged in all areas of business and industry, and in every country, say they value trust and trustworthiness. At the same time, they recognize that it is not an easy thing to obtain” (Child 2001:274). Moreover, ‘trust’ is assigned an important role by practitioners and researchers (Blomqvist 1997) in all kinds of industries, management situations and business relationships. For those reasons, early in the review process, broad database searches on ‘trust’ as a “subject term” and as related to b& m research proved to be pointless for the purpose of this review.

‘Trust’ is a complex concept. Initial database searches taught me that the term “trust” has many diverse meanings which not all are relevant to this review. For instance, I do not refer to

the financial connotations of the term ‘trust’, such as a corporate group or enterprise. Few researchers deal explicitly with the conceptual complexity of trust (e.g. Blomqvist 1997; Li 2007). In order to capture the encompassing meanings and diverse facets in the search terms, I initially worked with a language triangulation of the Danish concepts of ‘tillid’ and “troværdighed”: from German (Vertrauen, Selbstvertrauen, Zutrauen, Glaubhaftigkeit, Glaubwürdigkeit, Verlässlichkeit, Rechenschaft) and English (trust, confidence, believe, faith, reliance, credibility, reliability, accountability, trustworthiness). In a conceptual and semantic analysis of trust in b& m research, Blomqvist (1997:279) finds that competence, credibility, confidence, faith, hope, loyalty and reliance are some of the constructs commonly related to trust. So is trustworthiness (Kanagaretnam et al. 2010). Credibility is sometimes defined in terms of “the goodwill aspect of trust” that signifies the reliability of a company’s action and is closely related to competence (Blomqvist 1997:277). The relation between trust and credibility is widely assumed to be linear, credibility is perceived as a self-evident consequence of ‘trust’ (e.g. Ward et al. 2004). In b & m research related to organics, some of these terms are applied synonymously (e.g. the synonymous use of trust and confidence in Moore 2006; Sønderskov et al. 2011). As ‘trust’ is the concept of central importance to their understanding, the concepts mentioned above are conceptualized as terminologies of ‘trust’. Consequently, in the review, a primary focus is on research with a direct bearing on trust.

Only articles on “trust” in international peer reviewed academic business and management journals (1995 – 2010) are included. The review focuses on articles with a direct reference to trust in the title or abstract or the use of trust as a key construct. The database search focused on articles that are concerned with conceptualizations and / or definitions of trust, and on articles that were concerned with the creation and maintenance of trust in the b& m research in general, and with a special interest in the business with and management of organics and the management of supply chains and in customer relations. The English language papers for the review are gathered from database research combined with snowball procedure. The databases searched are *ELIN* (ceased to exist in 2011), *Business Source Complete*, *Business Source Premier*, *Science Direct*, *ABI/Inform global*, *Scopus* and *Web of Science*.

In order to make the material processable within the limits of this review, the following delimitation were made: Country specific or regional studies (e.g. Japanese buyer-supplier relationships (Sako 1991), Japanese-American joint ventures (Parry et al 1993) or country-specific studies of factors that influence organic food purchase e.g. in India ( Chakrabarti 2010) –

except those which include Denmark -, virtual issues of e-commerce and online business; specific industries (e.g. “car repair services”, dos Santos et al. 2007) or markets – except those related to organic agriculture and/ or organic products; issues of trust within organizations and/ or teams; trust in disciplines other than business and management, e.g. in political science (for a review, please see Nannestad (2008)).

### **Positioning the review**

The review apprehends organic agriculture as agribusiness. The FAO/ WHO Codex Alimentarius guidelines define organic farming as “management system” and emphasize the use of “management practices” (Commission of the European Union 2004:3). Especially as to industrialized agriculture, ecology is operated at the cutting point of nature, business, society and culture (Hartard 2010:176). Ecology has a global dimension (Scholte 2000). “Globalization, structural developments and the increase in international trade create new opportunities and threats for ecology, and new demands related to consumer’s trust and the credibility of organic products” (Alrøe et al. 2008:20, author’s translation). The agro-food system is global (Hatanaka 2008). The management of organic agribusiness is seen in relation to food systems which are “integrated, broad, complex and thus globalized” (Moore 2006:416), the increase in international organic business (e.g. Alrøe et al. 2008) and the increase in the number of private and public organic standards (e.g. Hampton et al. 2007). These developments indicate a major shift in the social space of agribusiness. This shift poses challenges to related trust issues emerging in the backwash of internationalization and globalizing processes. They are discussed on the grounds of tentative reviewed b& m research on trust.

This review perceives of ecology, organic agribusiness and related food systems both as international and globalizing. As explicated below, this also applies to organic agribusiness in Denmark. Consequently, this review confines of organic agribusiness not as ‘Danish’, but as located in Denmark. This distinction is relevant, as it refers to the transformation of social space. It reveals that nation states are not containers, that the globalizing management of and business with organics may not be dismissed as characteristics of a turbulent environment outside of fixed units such as nation states, turbulences which in this perspective only are relevant to be dealt with in relation to export or import issues. Rather, those developments may as well be located in and are happening

from within Denmark. With reference to the globalizing organic agribusiness located in Denmark, I refer to ‘organic complexities’.

### **Located in Denmark: Organic complexities**

‘Organic complexities’ refer to the characteristics of the transforming social space of organic agribusiness located in Denmark. Organic complexities pose challenges to trust issues in the business with and management of organics. In the following, selected characteristics will be cited to illuminate organic complexities located to Denmark. We find a coexistence of international and national labels, of federal (e.g. US, EU) and state (e.g. Oregon, California, Utah, Denmark, Norway,... ) labels, of private (e.g. Änglemark) and public (e.g. EU flower, Danish Ø-mærke) labels. Moreover, diverse standards for organic production co-exist. In Denmark, non-certified organic produce and products coexist with the state label ‘Ø-mærke’ and with private labels such as Superbrugsens’s *Natura Økologi* (Danish), Grønna Konsum (KF) *Änglemark* (Swedish), Swedish *KRAV*, British *Soil Association*, French *Ecocert*, German *Demeter* and *Bioland*, as well as the international labels such as private *IFOAM* and the public *EU* label (<http://www.okologi.dk/baeredygtigt-forbrug/hvorfor-oekologi/oe-maerket/maerkning-af-oeko-varer.aspx>, accessed 13.03.2012). So far, no information is found on whether ‘Ø-mærke’ is the strongest label in Denmark in terms of organic product share, or whether it is perceived as such. In addition, we find the complexity of different standards and labels for different organic product types, such as food (produce and convenient food), clothes, cosmetics, tourism. This impacts trust: as some scholars argue, the multitude of labels affects confidence. Hamm et al. (1996) state for example that “Several labels create confusion and uncertainty, which erodes credibility” (as quoted in Sønderskov 2011:510).

In Denmark (as well as Sweden, the UK, Austria and Switzerland), “over 80% of organic food sales are from the supermarkets”, while in countries such as Germany, Italy, Spain, Portugal and Greece specialist retailers still account for most sales (Sahota 2004’, 51). Different sale challenges lead to diverse challenges with regard to trust issues (Moore 2006). GLOBALGAP may serve as an example. GLOBALGAP is a global consortium of supermarket chains that establish their own standards (Hatanaka 2008:74) which then are required by large retailers from their suppliers, e.g. organic farmers. GLOBALGAP certification is available to farmers in

Denmark.<sup>1</sup> That points to complex high- trust relationships between diverse stakeholders in the organic supply chain (respectively producers, manufacturers, suppliers, buyers, customers and retailers of organic produce and products etc.) established and managed from within, yet in a way that is “at least partly, and often quite substantially - detached from a territorial logic” (Scholte 2000:47) and related national ideas. The GLOBALGAP 2012 conference theme is illustrative of an understanding of trust that is at least partly detached from territorial logic: “Building confidence together”.<sup>2</sup> The coexistence of a variety of national and of different international labels and of private and public standards within one country<sup>3</sup> may be expected to impact trust in organic value and food systems. Equally important for the assessment of trust issues and the development of promising practices is that this multitude may be interpreted as one indicator of the fragmented meaning and content of ecology. The fragmentation of the meaning and content of ecology poses a further challenge related to trust issues.

Another complexity and outcome of the liberalization of services and trade is the regulation of food and agriculture and the transfer of responsibility for developing standards for food quality and safety to third party certification bodies. The emergence of TCPs as “a prominent and influential regulatory [product safety and quality verification] mechanism... becoming an integral component of the global agrifood system” is embedded in a larger shift from government to governance (Hatanaka et al. 2008:73- 75). Under eco-labeling schemes “producers are licensed by third party that also audits whether producers comply with the standards laid down by the labeling scheme”. Third party can be a private organization or a state agency. “State engagement in eco-labeling is most intensive when the state sets the standards, certifies products and producers, and very marginal when these functions are left to private organizations” (Søderskov et al. 2001, 508-509). The superiority of a state labeling system is far from clear cut, as institutional trust affects state labels as well as private bodies (Søderskov et al. 2011:516). Considering related trust issues identified in this paper, the question arises whether state eco-labeling in its existing form is the right way forward for policy makers to sustain trust in organics and develop green growth.

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<sup>1</sup> <http://www.landbrugsinfo.dk/planteavl/globalgap/sider/startside.aspx> (accessed 30.03.2012)

<sup>2</sup> [http://www.globalgap.org/cms/front\\_content.php?idcat=9&idart=2544](http://www.globalgap.org/cms/front_content.php?idcat=9&idart=2544) (accessed 12.04.2012)

<sup>3</sup> <http://www.okologi.dk/baeredygtigt-forbrug/hvorfor-oekologi/oe-maerket/maerkning-af-oeko-varer.aspx> (accessed 21-02-2012) The page displays a selection of international and foreign public and private labels that co-exist in Denmark.

In addition, many certification and accreditation bodies use ISO/ IEC Guides, international consensus documents that outline non-area specific minimum requirements for CBS and ABS, and become accredited (Hatanaka et al. 2008:80). However, and based on empirical findings, Hatanaka (2008) questions the independence and objectivity of accreditation and certifications practices, as they rest on relationship of trust between the different social actors both within the accrediting and certifying organizations and within the intertwined social, political and economic networks. A tentative finding is a research gap with regard to the mapping of interdependences in the Danish accreditation and certification processes and related trust relationships. A better knowledge of these interdependences would be useful for the development of promising practices that meet the challenges related to trust issues in the complex social space of organic agribusiness.

On top of the increase in the number of eco-labels and standards that may be located in Denmark, we find the integration of standards. The standards for organic state labels neither are distinct, national nor 'pure'. State-run eco-labels are integrated with international criteria for organic production and certification such as IFOAM basic standards and CODEX ALIMENTARIUS which both are integrated in official eco-labeling e.g. in Brazil (Claro et al. 2004:408) and in Denmark (<http://www.okologi.dk/baeredygtigt-forbrug/hvorfor-oekologi/oe-market/maerkning-af-oeko-varer.aspx> , accessed 13.03.2012). As Denmark is a member of the European Union (EU), state-controlled label 'ø-mærke' has to meet EU standards as well. In Denmark, the integration of foreign and/ or international organic standards goes to such lengths that the state-run eco-label 'ø-mærke' is applied to imported produce and products which are repacked on arrival in the country (Økologisk Landsforening 2011, p. 18). In export relations, 'Ø-mærke' may also be removed from the product. During a stay in New South Wales, Australia, I encountered Arla's organic 'Harmonie' butter without any label, with a simple written package inscription saying 'organic'. All this may be expected to pose a further challenge to trust issues in general, and more specifically in relation to state controlled certification.

The extent to which b& m research related to organics does consider the possibility that there is a disjuncture between organic labels and the products they are attached to, is rather limited. Results of recent research in the European regulation system for organic certification seems to indicate that the above identified gap of research into the interdependences in the Danish accreditation and certification processes reflect an international need for more complex organic



control systems. It identifies an urgent need for “sophisticated monitoring of organic control systems at the national and European levels” which is “essential for building consumer trust in the growing organic market” (Zorn et al. 2012: 532). A tentative finding is that the establishment of an independent system monitoring accreditation, certification and labeling processes within Denmark could be a practice promising to improve trust in organic products.

Organics are integrated into international management and liberalized business. Organic value chains cross national boundaries. It adds to the fragmentation of the meaning and content of ecology and related complexities that within e.g. Denmark exist at least four organic strategies and even more conceptions of ecology (Alrøe 2008:78 – 80). Moreover, we may locate and an international move from organic food towards locally grown food (Bernsen & Turner 2012). and the growing of individual food supplies in cities in Denmark. City ecologies and food communities (‘Fødevarefællesskaber’) are examples for organizing access to locally grown, fresh, organic and food at affordable prices that are also known from a Danish context. Consequently, the cultivation of (organic) food is neither confined to nor exclusively controlled by (controlled) organic agribusiness located in Denmark.

Organic complexities as sketched above are not ‘Danish’, but located within Denmark. Given the complexities and related challenges outlined above, the management of organic agribusiness poses trust challenges that may not be interpreted as manifestation of subjective or deeper lying elements of a ‘Danish ecology’. Organic agribusiness and food systems are embedded in and driven from inside international and globalizing networks. Here, the concept of “high-trust” relationships seems to be useful. “[T]rust research suggests that high-trust business relationships are in a constant state of flux from uncertainty, complexity, specialization, information, barriers, growth, alliances and mergers, globalization, multiculturalism, litigation and so on, offering wide scope for trust research set in a global or cross cultural context“ (Arnott 2007:983) and related issues of intercultural or culturally complex (Plum 2008) communication.

Organic complexities contrast the state eco label which is aligned with the national idea. The original ‘ø-mærke label’ resembles the colors of the Danish national flag and not only signals borders of organic agribusiness and food, but also its Danish-ness. Even though there are many actors who contribute to the construction of the meaning of organics (Moore 2006), it is reasonable to expect that this impacts the meaning and content of ecology and related management of organic agribusiness. It suggests that state eco labeling may be considered a policy practice that

manages a certain meaning of organics. A tentative finding is that eco labels which do not differentiate between state and nation, and which do not represent the transforming social space of organic agribusiness, reduce the meaning and content of ecology, as they create the symbolic nation-ness of organics confined to the rules exclusive to a (nation-) state-controlled territory. However, in a transforming social space characterized by organic complexities, national borders are of ‘symbolic and discursive rather than of territorial character’ (Elmoudden 2000). That points towards the need to discuss the information value of (state) eco labels and in relation to the management of high-trust issues.

To summon up: The tentative findings presented so far point towards the need to further investigate the concept of high trust relationships, as it embraces recent transformations of social space and may usefully be applied to organic complexities as located in Denmark. Furthermore, it seems fruitful to develop promising practices creating and maintaining high trust organic business relationships - such as for instance practices for complex communication of the meaning and content of organic. In addition, the tentative findings suggest that in order to sustain green growth, those practices maybe established from within Denmark, yet are not to take outset in the “nation-state container” (Beck 2002).

### **Conceptualizations of 'trust' and 'organic' in b& m research: Tentative findings**

In the following, tentative findings on the concept of 'trust' are presented and related challenges for the management of organic agribusiness identified.

#### ***Importance of trust***

The importance of trust is widely acknowledged in all areas of international b& m literature (e.g. buyer-supplier relationships ((Zaheer et al. 1995); trans-national cooperation ((Child 2001); small or medium sized enterprises (Hampton 2007)). Agro-businesses “all across Europe tend to be small and embedded in the local community” (Hofstede et al. 2010:671). “Fully understanding the relationship of trust, how to build trust and reduce the risks of doing business are fundamental to the survival of SMEs” (Hampton et al. 2007: 117). Trust is not only important for SMEs, but also for internationalization. Trust and commitment are essential elements of internationalization processes (Johansen and Vahle 2009). In the face of expanded global trade and communication, trust cannot be avoided to be implicated, as it is “the fundamental bond in global cooperation“ (Child 2001:274) and helps people to deal with abstract systems and disembedding mechanisms” (Moore 2006:419). However, trust “is “most fragile” (Blomqvist 1997:281) and “has been sentenced to a life full of frustration” (Baumann 2003:91).

Some organic researchers explicitly apply management and business literature on 'trust' (Pivato et al. 2008). In b& m research concerned with organics, emphasis may be found on the importance of trust and credibility and the role they play for different parts of the organic value or supply chain. For instance, “[t]he issue of trustworthiness figures prominently in the literature on eco-labeling” (Sønderskov et al. 2011:507). Even though the importance of trust and credibility are ratified, most of this research does not explain what trust and credibility means, how it is achieved and/ or maintained (e.g. Nilsson et.al. 2004; Ward et al. 2004; Bergström et al. 2005; Hampton 2007; Kottila et al. 2008; Pivato et al. 2008; Hatanaka et al. 2008; Hofstede et al. 2010).

#### ***Ambiguous conceptualizations of 'trust'***

A tentative finding is that b & m research does neither offer consistent nor conclusive answers to the question: 'What is trust?' In a review of trust in business research up to the early 1990s, Blomqvist (1997: 271) notes that there is a good deal of conceptual confusion, and concludes that there “has

been no real conceptual development regarding trust, although in some studies a definition of trust is given and in others merely implied". In the 2000s, trust "remains an undertheorized, under-researched and therefore poorly understood phenomenon" (Child 2001:275; Li 2007:421). This is due to "a narrow focus based on discipline-bounded perspectives" (Li 2007:421). There still is "little cumulative theory building" and "no integrated framework to interpret... the nature, feature, content, process, antecedent and consequence of trust" (Li 2007:421). As 'trust' is poorly conceptualized, and despite the value placed on it in management research, trust has many faces (Blomqvist 1997). Blomqvist's observation may be accredited to that trust in b& m research emerges in various forms, from various sources, is influenced by major thinkers and emerges from positivist approaches.

Trust emerges in various forms, e.g. as a multi-dimensional (e.g. Zaheer et.al. 1995; Arnott 2007; Blomqvist et al. 2008; Hofstede et al. 2010) or a multi-disciplinary (Blomqvist et al. 2008) concept. Trust is widely perceived as antonym to rationality and logos: "Trust is vital for any relationship, business or otherwise, when there is insufficient knowledge and understanding of the other person or group" (Child 2001:276). This seems to go back to Simmel who is quoted (e.g. in Blomqvist 1997; ...) for stating: "The person who knows completely need no trust; while the person who knows nothing, can on no rational grounds afford even confidence." In contrast, the original quote (Simmel 1906:450) states: "The possession of full knowledge does away with the need of trusting, while complete absence of knowledge makes trust evidently impossible". In a related footnote, Simmel adds that "there is another type of confidence":

"a type that falls outside the bounds either of knowing or not knowing. It is the type which we call faith of one person in another. It belongs in the category of religious faith. Just as no one has ever believed in the existence of God on grounds of proof, but these proofs are rather subsequent justifications or intellectual reflections of a quite immediate attitude of the affections; so we have faith in another person, although this faith may not be able to justify itself by proofs of the worthiness of the person, and it may even exist in spite of proofs of his unworthiness. This confidence, this subjective attitude of unreservedness toward a person, is not brought into existence by experiences or by hypotheses, but it is a primary attitude of the soul with respect to another."

In some examples, political science models on people's trust in the state are directly transferred to trust in state organic food labels (Sønderskov et al. 2011). However, so far, no b& m research could be identified that addresses the coexistence of a variety of labels from diverse national and international organizations within one country and its impact on trust in certifications.

Trust arises from various sources. Due to a long tradition of the term ‘trust’ in various sub-disciplines of the humanities and social sciences, a multitude of ‘trust’- terminologies coexist in b& m research. Prior to the early 1990s, trust in b& m research arises primarily from sources such as social psychology, philosophy, economics, contract law and marketing (Blomqvist 1997). In 2007, trust-related articles in b& m research cover an even wider spectrum of sources such as “psychology, sociology, information systems, e-commerce, operation (supply chain) management, franchising, distribution channel management, sales management, industrial (B2B) marketing, online marketing, and marketing in general“(Arnott 2007:985). Although trust issues have long been a concern of cultural studies and related fields such as intercultural communication (e.g. Guirdham 2011), according to Blomqvist et al. (2008:131), b& m research on the role of national culture on trust is only emerging. Examples for emerging research on the impact of culture on trust are e.g. Zaheer et al. (2006) or Hofstede et al (2010).

Trust is influenced by major thinkers in the social sciences and the humanities. B& m research prior to 1997 seems to be widely influenced by Luhmann (1979) and Simmel (1906) (for review, please see Blomqvist 1997). Reviewed b& m research concerned with organics shows clear traces of Giddens (1990 and 1991) about risk, reflexivity and the self (e.g. Moore 2006; Sønderskov 2011) , and of Bordieu (1986) about the intended or achieved economic and productive value or convertibility of social relations and networks (social capital) (e.g. Prusak and Cohen 2001; Hatanaka et al. 2008) and in relation to interfirm cooperation (‘governance’ and boundaries of firm) (e.g. Zaheer 1995; Blomqvist et al. 2008; .... ).

Trust emerges from positivist approaches. A tentative observation is that many of the b& m readings reviewed so far seem to have a positivist approach to ‘trust’ as something that denotes a physical or material reality. In b& m research up to 1997 (Blomqvist), there is a strong focus on personal relationships, interaction and related temporal aspects of trust at various levels and as a constant process of change. Trust often is perceived as an active concept (Blomqvist 1997; Moore 2006), e.g. constituted in personal facework relations (Giddens 1990). In b& m research on organics, facework and local organic food production and purchase is contrasted against faceless stakeholder relations of abstract and standardized eco certifications (Moore 2006:425).

Trust is often conceptualized and researched disciplinary, despite the many sources, forms and terminologies of trust. Few attempts have been made to unify the fragmented literature and to develop an interdisciplinary conceptualization of trust (e.g. Li 2007). A major limitation of

trust research prior to the middle of the 1990s is the limitation to individual persons or firms. Some b& m researchers concerned with organics consider how trusting relations are established between stakeholders (e.g. Claro et al. 2004; Moore 2006; Hampton 2007; ...) The insight produced the suggestion that the situation- and context-specific relationships (rather than the individual) should be the unit of analysis in future trust research (Blomqvist 1997:283). Organic complexities as sketched above may offer a potential starting point for the development of promising practices. A ridable move forward is a practice turn (Orlikowski 2010) in the research of trust challenges related to the management of organic agribusiness and food systems.

### *Internationalization and organics*

In the 2000s', a double transformation in b& m research on trust may be observed. Firstly, the question of international and cross-cultural collaboration as well as of internationalization and globalizing processes starts to emerge in the reviewed b& m research on trust in the 2000s and will be given a special focus in the review. In the b& m literature reviewed for the time being (March 2012), e.g. Blomqvist et al (2008) and Hofstede (2010) deal with internationalization and trust. In b& m research concerned with organics, e.g. Claro et al (2004) and Sahota (2004) deal with internationalization, while others deal with both internationalization and global phenomena (e.g. Hampton et al. 2007; Aschemann 2011) or with global issues alone (e.g. Moore 2006; Hatanaka et al. 2008; Franz & Hassler 2010).

Secondly, b& m research concerned with organics emerged in the 2000s. Existing research in organics emphasize the importance of trust and credibility and the role they play for different parts of the organic supply chain (e.g. Nilsson et.al. 2004; Bergström et al. 2005; Kottila et al. 2008; Pivato et al. 2008; Hofstede et al. 2010). European research in organics is primarily concerned with organics in relation to agriculture and food (Daugbjerg et al. 2008). This might explain why a central concern of b& m research in organics is food (Nilsson et.al. 2004; Claro et al. 2004; Bergström et al. 2005; Moore 2006; Kottila et al. 2008; Pivato et al. 2008; Hatanaka et al. 2008; Daubjerg et al. 2008; Hampton 2007; Pivato et al. 2008; Hatanaka et al. 2008; Hofstede et al. 2010; Sønderskov et al. 2011; ...) and often with a strong consumer focus (e.g. Ward et al. 2004; Moore 2006; Hampton et al. 2007; Pivato et al. 2008; Franz et al. 2010; Sønderskov et al. 2011) and

in a marketing perspective. So far, no review on trust in b& m research concerned with organics seems to exist.

### ***Ambiguous conceptualizations of 'organic'***

In the reviewed b& m research, the meaning of 'organic' often is merely implied, and offered conceptualizations of 'organic' are ambiguous. This may be interpreted as a reflection of the highly fragmented meanings of ecology and the transformations of 'organic' discussed above. In 2006, the term 'postorganic' (Moore 2006) emerges. It indicates a first notion of chemical free versus certified produce in b& m research related to organics. The opposition resembles the 'global/ local dichotomy' (Latour 2005). Moore (2006:423) challenges research that takes outset in the "currently dominant model of organic consumption, namely, supermarket purchases", and demonstrates that the word 'organic' currently is restructured. A tentative, though interesting finding in this context is that this is the earliest b& m research article reviewed so far that defines 'organic'.

Only few researchers (e.g. Moore 2006; Pivato et al. 2008) establish and define the concept of 'organic'. Moreover, in b& m research, the meaning of 'organic' is limited and reduced to food. Organic products such as plant- and animal based cosmetics or clothes are hardly taken into account. Consequently, the reviewed b& m research both reveals and establishes a limited and reductive understanding of 'organic'. This research gap also impacts the conception of organic consumers; it is reductive, as it is limited to the consumption of organic food products. As most b& m research concerned with organics and related trust issues is concerned with consumers (e.g. Moore 2006; Sønderskov et al. 2011; ...), this research only gives limited indications for the identification of promising practices for the creation and maintenance of trust. The consumer focus of b& m research concerned with organics may be explained by a widespread perception that businesses of all sizes are seen as fixed units that have to compete in social contexts "frequently portrayed as unstable, ambiguous, and sometimes contradictory" (Alvesson 2010: 194/195). It is widely assumed that an unstable environment fosters a customer-led as opposed to producer-led competitive market" (Abimbola, Temi 2007:341).

The research reviewed so far does not deal with issues of trust and credibility in the entire organic supply chain. It covers the question consumer's can trust organic labels or the organic farmer (Ward 2004). However, who does the farmer/ producer/ supplier trust? What is the

impact of trust when the farmer, distributors or suppliers make a choice of supplies (of e.g. seed, animals, produce etc.) or of accreditation and certification?

### ***Communication and 'organic'***

Eco-Labels may be viewed as communicative tool or a tool to communicate information. However, the reviewed b& m research limits the communicative value of eco labels to consumers and ignores different sale challenges as well as diverse actors in the supply chain of organic agribusiness and food systems. “When a certification label is used on a product, it can function as a communication tool with consumers” (Hatanaka 2008:88). Eco-labeling is recognized as an effective way to provide easily accessible information (Lohr 1998; in Sønderskov et al. 2008:507). It is a “way to provide consumers with credible and easily accessible information on the environmental attributes of a product” and is “based on standardization of principles and prescriptive criteria” (Boström et al. 2008: 28 in Sønderskov 2008:508) for environmentally friendly products and serves the purpose of differentiating the product from other products and of assuring the consumers that the product is produced in accordance with standards. Ward et al (2004:62) point out that even though existing literature suggests that certification resolves information asymmetry, this is only the case “if certification is credible and believed” and consumers “believe the certifying organization”. However, b& m research in trust in certifying organizations and in eco labels does not consider impact factors such as media. According to Kurland & Zell (2010:229), the entertainment industry (which controls TV, film and other media as well as trend makers), “influences supply chains” and is an important force in socio-cultural change towards (more) sustainability. This indicates that promising practices both may be communicative and media practices. Given the organic complexities outlined above, promising communicative practice would acknowledge that trust is relational and would also have to be culturally complex.

### **Tentative conclusion**

This working paper offers tentative findings and preliminary conclusions from an ongoing research review of peer reviewed b& m journal articles with a direct bearing on ‘trust’. The tentative findings point towards a number of shortcomings in existing b& m research that takes issues of trust into consideration. Interdependences, such as the impact of international public and private standards on national or state made ones are under-researched. The literature reviewed so far is



rather positivist as b& m research often builds on the unchallenged assumptions of the existence of trust, or that eco labels actually signify an organically grown product. A social constructionist perspective could e.g. contribute to conceptualize eco-labeling as negotiations in social exchange processes. Furthermore, a social constructionist perspective could contribute to develop the relational and context dependent character of trust into a concept of ‘doing trust’ or context related ‘trusting relationships’. A further limitation of the reviewed b& m research concerned with trust issues is that it takes outset in a conceptual framework of nation –state containers and their inter-relations and lacks the perspective of internationalization from within. Last but not least, and where issues of culture emerge, the reviewed literature comes short of more contemporary approaches to culture, for instance of labeling as culturing processes. Some researchers propose that a cultural dimension is the fourth pillar of sustainability (Parodi et al. 2010). Those gaps pose a challenge for understanding trust in relation to the management of globalizing organic agribusiness and food systems and for the identification of promising practices in the development of green growth strategies.

Given the inconclusive and inconsistent understandings of trust in in the body of reviewed b& m research 1995 – 2010, the final review will aim to identify the terminologies, forms and sources of trust influential in b& m research concerned with organics, and to analyze their impact for our understandings of ecology and related challenges to trust issues. However, “knowing the ingredients of trust does not unlock the recipe for trust” (Park 1993, as quoted in Blomqvist 1997:271). As some b& m researcher stress that trust is relational, situation-specific and that context matters, none of the findings of the review may be generalized into a universalized understanding of how trust may be created and maintained in the management of organic agribusiness. Multidisciplinary conceptualizations of trust seem to be a promising path forward for the outline of promising practices in complex organic high-trust relationships.

Trust’ is an important driving factor for the development of ‘green growth’ strategies. An understanding of how ‘trust’ is created and maintained is crucial for those strategies. However, b& m research does neither offer consistent nor conclusive definitions of ‘trust’. Based on the review, a tentative suggestion is that the development of promising practices for the creation and maintenance of ‘trust’ is to be related to the organic complexities located in Denmark that characterize the transformation of the social space of organic agribusiness. Organic complexities are

amongst others characterized by the highly fragmented meaning and current restructuring of the content of ‘organic’, diverse sale challenges, interdependences in the accreditation and certification processes, and the limited information value of eco labels. In order to meet related trust challenges, the concept of ‘high-trust relationships’ seems to be useful for this pursuit.

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