



# HUMANIZING THE CONTRACT-BASED RELATIONSHIP: THE ROLE OF TRUST IN OUTSOURCING

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#### Introduction

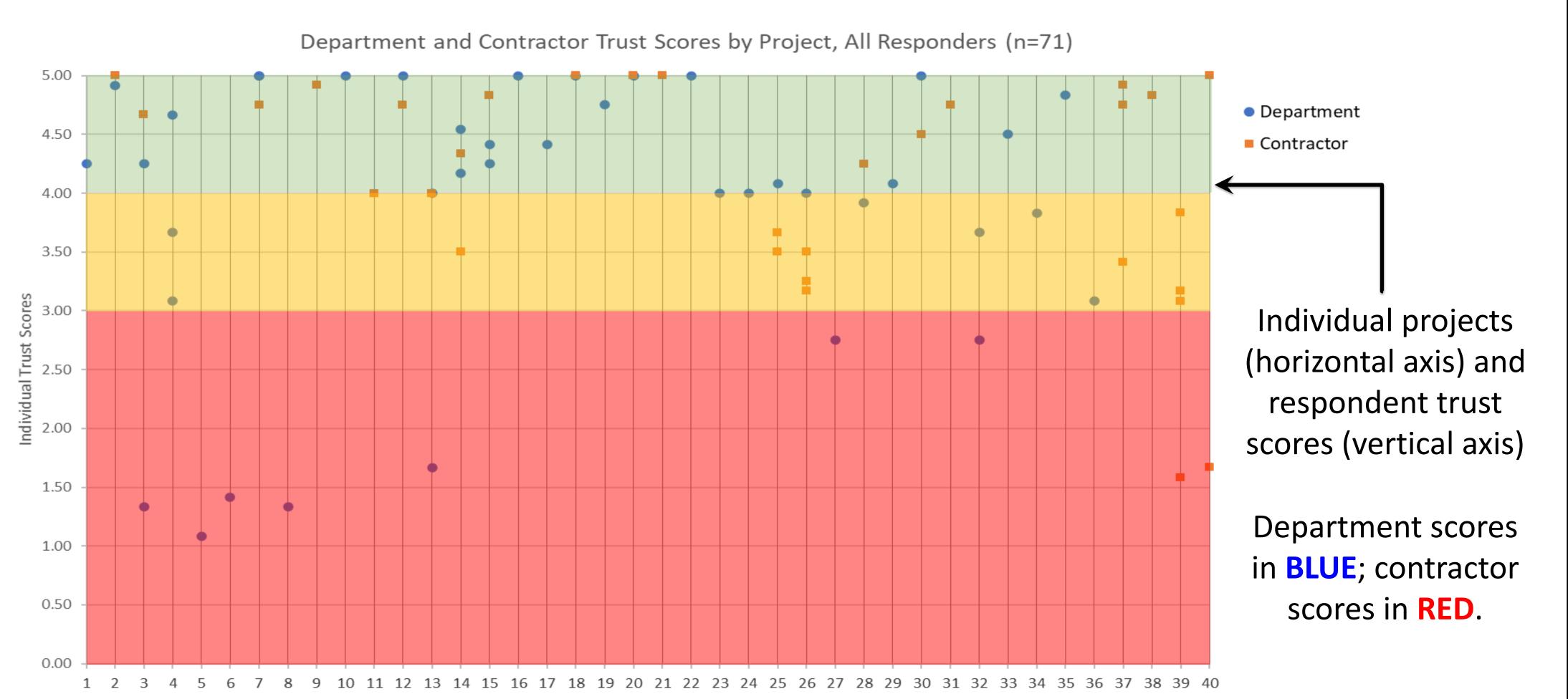
Trust is a critical component of successful relationships. This paper explores the case for maximizing trust in outsourced service delivery, to improve project outcomes. It uses the Florida Department of Transportation's (FDOT) maintenance program as a data source, looking at trust on projects from both the client and contractor perspective.

#### Methods

- Industry knowledge & academic research.
- Analysis of FDOT maintenance program and related data sets.
- Release of a trust survey.
- Analysis of trust survey results independently vs. project performance ("AMPER") scores.

#### Results

- Contractors generally trust the Department more than the Department trusts contractors.
- Unlike the Department, contractor trust scores correlate with performance.
- Trust and performance is not always correlated; above-average trust can exist even when project performance is below-average.
- Perspectives on trust can vary widely, even when respondents work on the same project and within the same organization:



#### Conclusions

- One person's strongly negative or positive view significantly impacts trust scores for the whole project.
- The relationship between trust and performance is different for Department and contractor representatives; identity and positionality influence the propensity to trust.
- Measures of trust could be leading indicators to identify individual stakeholder concerns, before they affect interorganizational relationships.
- Qualitative research would help to understand the meaning behind the trust scores.

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## **Examples of Literature Cited**

- Babin et al. "The Role of Trust in Outsourcing: More Important Than the Contract?" Journal of Strategic Contracting and Negotiation 3.1 (2017): 38–46.
- Twyman et al. "Trust in Motives, Trust in Competence: Separate Factors Determining the Effectiveness of Risk Communication." Judgment and Decision Making 3.1 (2008): 111–120.

Projects by Item Number (randomly assigned, from 1 to 40)

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