

Proposal of Trustworthy Behavior Model in Corporate Integration

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— *Review of* —
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ABSTRACT

In recent years, many Japanese companies have been integrated to improve their competitiveness, and their organization has been reviewed. As the result of interviewing companies in corporate integration case, there were many conflicts among the integrated companies. It is necessary to clarify what kind of organizational conflict has and how to handle it in corporate integration. Also, in previous research, there was research on the asymmetry of trust in acquisitions, and conflict and trust were important factors in corporate integration. The purpose of this research is that the trustworthy behavior model is to organize and integrate conflict, trust and trustworthiness of previous research and design trustworthy behavior that shows the relationship between trustor and trustee. First, author organizes the previous researches on organizational conflict and trust and trustworthiness to clarify the subjects of the previous research, and describe the approach of this research. Next, author shows the relationship between previous research and corporate integration, and the relationship between conflict and trust that occurs in an organization. Finally, author proposes the Trustworthy Behavior Model that solves the issue of corporate integration by organizing and integrating previous research.

Keywords: Conflict, Trust, Trustworthy Behavior, Corporate Integration

1. INTRODUCTION

In recent years, many Japanese companies are doing corporate integration. There

were 198 cases from April 1 to December 31, 2017 with those items that the Japan Fair Trade Commission examined. (Japan Fair Trade Commission, 2018)

In the past eight years, Fujitsu has integrated its mobile phone business with Toshiba (Fujitsu, Toshiba, 2010), NEC has integrated three production subsidiaries of telecommunications equipment (NEC, 2011), and Mitsubishi Heavy Industries and Hitachi have corporate integration has been carried out to enhance competitiveness, including company integration in the field of power generation systems (Mitsubishi Heavy Industries, Hitachi, 2012). The organization has been reviewed by corporate integration.

Simons (Simons, 2005) states that in order to design an organization, it is necessary to understand business strategy, marketing, IT, accounting, and leadership. Also realizing today's strategies and to help grow the flow of new ideas in order to stimulate tomorrow's strategies. Each company has its own business strategy, and has to design an organization to execute its organization properly and reliably.

Zain and Setiawati (Zain and Setiawati, 2019) describe their study utilizing work family conflict as the sample. Work family conflict had significant and negative influence toward medical employee performance, and job satisfaction had significant and positive influence toward medical employee performance.

In order to clarify how to design an organization in corporate integration, author interviewed five people who have experienced corporate integration. The findings from the interviews revealed a number of conflicts among integrated companies. Therefore, author considered that it is necessary to clarify what kind of organization conflict has and how to handle it in corporate integration.

The corporate integration is considered mostly by mergers and acquisitions (M & A). Graebner (Graebner, 2009) presents an asymmetric pattern of trust in the case of fraud in the acquiring and selling companies in a venture company M & A. From the above, author believes that trust is as important as conflict when carrying out corporate integration. Conflict is used in the sense of discord, opposition or dispute that occurs between two or more persons. Trust has been cultivated by trustor's risk taking by trustee's trustworthy behavior for the trustor. (Mayer *et al.*, 1995)

Regarding trust, it shows that society could not be cultivated without trust among people. Furthermore, trust is a social lubricant that enables relationships among people or between organizations, and without trust, the efficiency of all human relationships, including social and economic relationships will be severely hampered. (Yamagishi, 1998) Therefore, when conducting corporate integration, it is important that people can trust each other in the organization.

Author considers that this research can maintain a good relationship between an organization and a person, and contribute to the development of a company, if

conflicts and trusts caused by the relationship between an organization and a person can be recognized and aligned at the time of corporate integration. The purpose of this research is, therefore, even if a conflict occurs in corporate integration, it is possible to reduce the conflict, recognize the trustworthy behavior that can be overcome and be able to trust the other party, and propose a trustworthy behavior model to be able to trust each other.

The trustworthy behavior model is to organize and integrate the conflict, trust and trustworthiness of previous research shows the relationship between trustor and trustee.

This research consists of four chapters. Chapter 2 organizes previous research on organizational conflict, trust, and trustworthiness. Then identifies the issue of previous research, and describes the approach of this research. Chapter 3 proposes a trustworthy behavior model that solves the issues of corporate integration by organizing and integrating previous research. Chapter 4 presents the conclusions and future prospects.

2. PREVIOUS RESEARCH

In this Chapter, firstly organize the previous research on organizational conflict, trust, and trustworthiness. Then, identifies the issues in previous research and describe the approach of this research to tackle those issues.

2.1 Relationship between Conflict and Trust

In organizations, many conflicts occur, but after the occurrence of conflicts, author considers that it will be clear by understanding how the trustworthiness cultivates trust and the relationship between the conflict and the trust and trustworthiness. Author would like to show the approach of this research by understanding of issue of previous research.

Ayoko *et al.* (Ayoko *et al.*, 2008) show the relationship between conflict types (task, relationship and process), conflict features (intensity and duration), communication openness and workplace trust as the model of the relationship. The research is shown in Figure 2.1 as an Ayoko's Conflict and Trust Model. The research provides new insights into the influence that conflict types (task, relationship and process) may have on Trust and the moderating role of Communication openness in the link between Conflict features and Trust. And Conflict features (intensity and duration) fully mediated the link between Conflict types (task, relationship and process) and Trust, while Communication openness moderated the relationship between Conflict features and Trust. (Ayoko *et al.*, 2008) Whitener *et al.* (Whitener *et al.*, 1998) theorize that managerial behaviors such as openness in communication affect employees' trust in

their managers. In the face of conflict, Communication openness does not only reduce uncertainty and ambiguities in parties' interactions, but assists in minimizing the effect of a negative episode (e.g. conflict features) on employees' perception of trust. Communication openness moderates the impact of conflict on the trust. (Ayoko *et al.*, 2008)

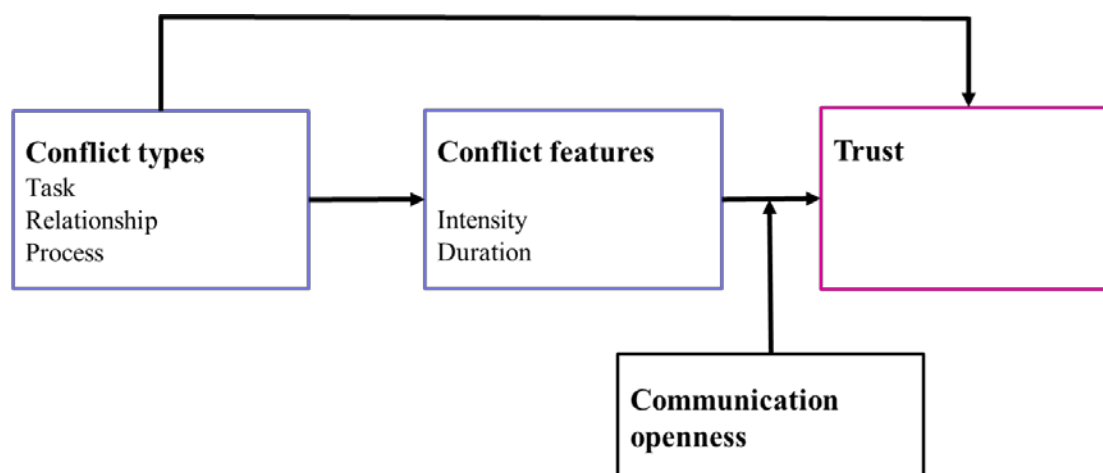


Figure 2.1 Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008, p.300)

2.2 Organizational Conflict Types

In corporate organizations, various conflicts usually exist. Even within one company, there is a conflict, and it is the current situation that it is chased by the treatment every day. Thomas (Thomas, 1976) defined conflict as a process, which begins when one party perceives that the other has frustrated, or is about to frustrate, some concern of his. (Thomas, 1976, p. 891) The main researches of organizational conflicts are shown below.

2.2.1 Thomas' Conflict Model

Thomas (Thomas, 1976) describes Structural model of dyadic conflict. The research is shown in Figure 2.2 as a Thomas' Conflict Model.

Briefly, the two circles represent the two interacting parties in the dyad. The conflict behavior of the two parties is seen as shaped by four types of structural variables. First, both parties are seen as having behavioral predispositions which stem partially from their motives and abilities. Second, both parties are subject to pressures from their surrounding social environments. Third, the parties respond to the conflict incentives in the situation-the conflict of interest between them, and their stakes in the relationship. Last, the interaction of the two parties is seen as occurring within a framework of rules and procedures which constrain their behavior-decision rules, negotiating procedures, and procedures for third-party involvement.

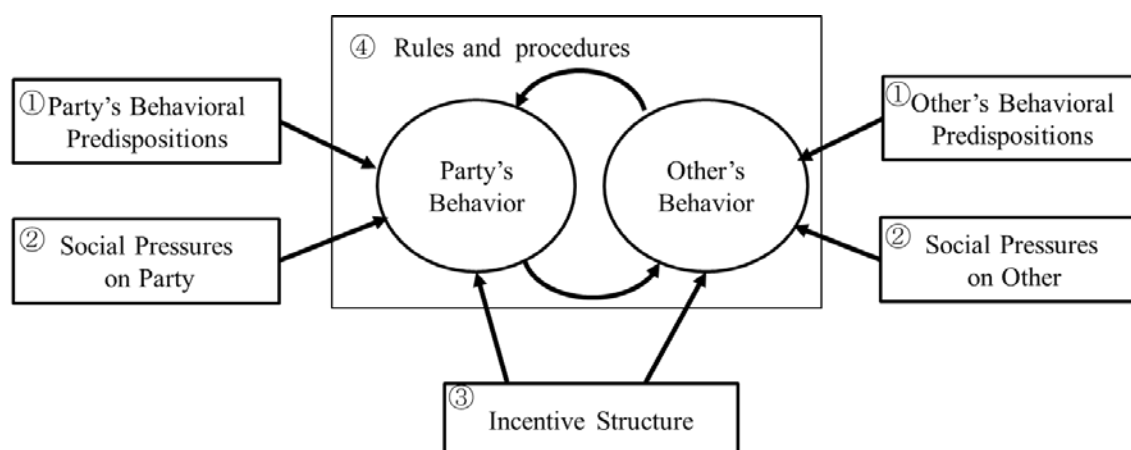


Figure 2.2 Thomas' Conflict Model (Thomas, 1976, p.912)

2.2.2 Pondy's Conflict Episode

Pondy (Pondy, 1967) describes the dynamics of a conflict episode. The research is shown in Figure 2.3 as a Pondy's Conflict Episode.

Each conflict relationship is made up of a sequence of interlocking conflict episodes; each episode exhibits a sequence or pattern of development, and the conflict relationship can be characterized by stable patterns that appear across the sequence of episodes. This orientation forms the basis for a working definition of conflict.

Conflict may be functional as well as dysfunctional for the individual and the organization; it may have its roots either within the individual or in the organizational context; therefore, the desirability of conflict resolution needs to be approached with caution.

Conflict is intimately tied up with the stability of the organization, not merely in the usual sense that conflict is a threat to stability, but in a much more complex fashion; that is, conflict is a key variable in the feedback loops that characterize organizational behavior. (Pondy, 1967, p.298)

The term "conflict" has been used at one time or another in the literature to describe: (1) Antecedent conditions (for example, scarcity of resources, policy differences) of conflictful behavior. (2) Affective states (e.g., stress, tension, hostility, anxiety, etc.) of the individuals involved. (3) Cognitive states of individuals, i.e., their perception or awareness of conflictful situations. (4) Conflictful behavior, ranging from passive resistance to overt aggression. Attempts to decide which of these classes-conditions, attitude, cognition, or behavior- is really conflict is likely to result in an empty controversy. The problem is not to choose among these alternative conceptual definitions, since each may be a relevant stage in the development of a conflict episode, but to try to clarify their relationships.

The main ideas of this view of the dynamics of conflict are summarized in Figure 2.3. Five stages of a conflict episode are identified: (1) latent conflict (conditions), (2) perceived conflict (cognition), (3) felt conflict (affect), (4) manifest conflict (behavior), and (5) conflict aftermath (conditions). The elaboration of each of these stages of a conflict episode will provide the substance for a working definition. Which specific reactions take place at each stage of a conflict episode, and why, are the central questions to be answered in a theory of conflict.

Latent Conflict

These are condensed into three basic types of latent conflict: (1) competition for scarce resources, (2) drives for autonomy, and (3) divergence of subunit goals. Briefly, competition forms the basis for conflict when the aggregated demands of participants for resources exceed the resources available to the organization; autonomy needs form the basis of conflict when one party either seeks to exercise control over some activity that another party regards as his own province or seeks to insulate itself from such control; goal divergence is the source of conflict when two parties who must cooperate on some joint activity are unable to reach a consensus on concerted action. Two or more types of latent conflict may, of course, be present simultaneously.

Perceived Conflict

Conflict may sometimes be perceived when no conditions of latent conflict exist, and latent conflict conditions may be present in a relationship without any of the participants perceiving the conflict. The case in which conflict is perceived when no latent conflict exists can be handled by the so-called "semantic model" of conflict. According to this explanation, conflict is said to result from the parties misunderstanding of each other's true position. It is argued that such conflict can be resolved by improving communications between the parties.

Two important mechanisms that limit perception of conflict are the suppression mechanism and the attention-focus mechanism. Individuals tend to block conflicts that are only mildly threatening out of awareness. Conflicts become strong threats, and therefore must be acknowledged, when the conflicts relate to values central to the individual's personality. The suppression mechanism is applicable more to conflicts related to personal than to organizational values. The attention-focus mechanism, however, is related more to organizational behavior than to personal values.

Felt Conflict

There is an important distinction between perceiving conflict and feeling conflict.

The personalization of conflict is the mechanism which causes most students of organization to be concerned with the dysfunctions of conflict. There are two common explanations for the personalization of conflict. One explanation is that the inconsistent demands of efficient organization and individual growth create anxieties within the individual. Anxieties may also result from identity crises or from extra-organizational pressures. Individuals need to vent these anxieties in order to maintain internal equilibrium.

Manifest Conflict

Manifest conflict is meant any of several varieties of conflictful behavior. The most obvious of these is open aggression, but such physical and verbal violence is usually strongly proscribed by organizational norms. The motivations toward violence may remain, but they tend to be expressed in less violent form.

The covert attempts to sabotage or block an opponent's plans through aggressive and defensive coalitions. The interface between perceived conflict and manifest conflict and the interface between felt conflict and manifest conflict are the pressure points where most conflict resolution programs are applied.

Conflict Aftermath

Each conflict episode is but one of a sequence of such episodes that constitute the relationships among organization participants. If the conflict is genuinely resolved to the satisfaction of all participants, the basis for a more cooperative relationship may be laid; or the participants, in their drive for a more ordered relationship may focus on latent conflicts not previously perceived and dealt with. On the other hand, if the conflict is merely suppressed but not resolved, the latent conditions of conflict may be aggravated and explode in more serious form until they are rectified or until the relationship dissolves. This legacy of a conflict episode is here called "conflict aftermath."

The development of each conflict episode is determined by a complex combination of the effects of preceding episodes and the environmental milieu.

2.2.3 Jehn's Conflict Types

Jehn (Jehn, 1997) describes Conflict Types and Dimensions in Organizational Groups as Task Conflict, Relationship Conflict, Process Conflict. (Jehn, 1997, pp.530-542) The research is shown in Figure 2.3 as a Jehn's Conflict Types.

Task Conflict

Task conflict can improve decision-making outcomes and group productivity by

increasing decision quality through incorporating constructive criticism. Groups use members' capabilities and prior knowledge better when the conflict is task-focused, rather than when conflict is absent or relationship-focused. Moderate levels of task conflict are constructive, since they stimulate discussion of ideas that help groups perform better. Groups with an absence of task conflict may miss new ways to enhance their performance, while very high levels of task conflict may interfere with task completion.

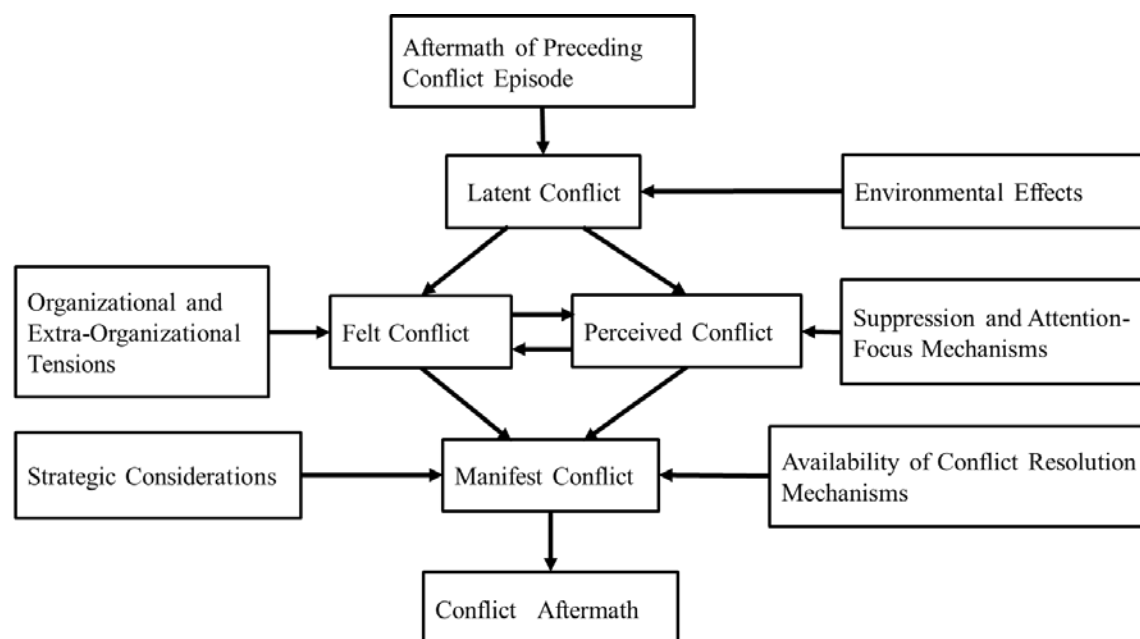


Figure 2.3 Pondy's Conflict Episode (Pondy, 1967, p.306)

Relationship Conflict

Relationship conflicts interfere with task-related effort because members focus on reducing threats, increasing power, and attempting to build cohesion rather than working on the task. Relationship conflicts decrease goodwill and mutual understanding, which hinders the completion of organizational tasks. Time is often spent on interpersonal aspects of the group rather than on technical and decision-making tasks. The conflict causes members to be negative, irritable, suspicious, and resentful. Chronic relationship conflicts can have serious detrimental effects on group functioning.

Process conflict

This conflict was further described as "responsibility disagreements" and "disagreeing about utilizing people". Define process conflict as conflict about how

task accomplishment should proceed in the work unit, who's responsible for what, and how things should be delegated. Process conflict includes disagreements about assignments of duties or resources.

2.2.4 Walton & Dutton's Conflict Types

Walton & Dutton (Walton & Dutton, 1969) describes nine major types of interdepartmental conflicts: mutual dependence, asymmetries, rewards, organizational differentiation, role dissatisfaction, ambiguities, common resources, communication obstacles and personal skills and traits.

Mutual Task Dependence

Task interdependence not only provides an incentive for collaboration, but also presents an occasion for conflict and the means for bargaining over interdepartmental issues. High task interdependence and overload tend to heighten the intensity of either interunit antagonisms or friendliness, increase the magnitude of the consequences of unit conflict for organizational performance, and contribute to the difficulty of changing an ongoing pattern.

Task-related Asymmetries

Conflict is also produced by differences in the way units are ranked along various dimensions of organizational status, namely direction of initiation of action, prestige, power, and knowledge. A lower-status industrial engineering group needed to direct the higher-status research group to carry out routine tests, the result was a breakdown in relationships between the departments.

Performance Criteria and Rewards

The reward system designed by management can serve either to sharpen or to blunt their divisive effective. The more the evaluations and rewards of higher management emphasize the separate performance of each department rather than their combined performance, the more conflict.

Organizational Differentiation

Uniform tasks require a bureaucratic type of organization, characterized by impersonality of relations, prior specification of job authority, emphasis on hierarchical authority, separation of policy and administration, and emphasis on general rules and specialization. In addition, nonuniform tasks require a human-relations organization with the contrasting characteristics. In contemporary society, most large-scale organizations have to deal with both uniform and

nonuniform tasks, and must combine these contradictory forms of social relations into a professional model. The inclusions of these contradictory forms are source of organizational conflict.

Role Dissatisfaction

Role dissatisfaction and ambiguity are related to more basic organizational variables, including growth rate, organizational level, and hierarchical differences.

Ambiguities

Ambiguity contributes to interunit conflict in several other ways. Difficulty in assigning credit or blame between two departments increases the likelihood of conflict between units. Low routinization and uncertainty of means to goals increase the potential for interunit conflict.

Dependence on Common Resources

Conflict potential exists when two units depend upon a common pool of scarce organizational resources, such as, physical space, equipment, manpower, operating funds, capital funds, central staff resources, and centralized services (e.g., typing and drafting).

Communication Obstacles

Semantic difficulties can impede communications essential for cooperation. Common experience reduces communication barriers and provides common referents. The less units know about each other's job, the less collaboration and that lack of knowledge can lead to unreasonable interunit demands through ignorance.

Personal Skills and Traits

Personal status incongruities between departmental representatives, that is, the degree to which they differed in rank orderings in various status dimensions such as length' of service, age, education, ethnicity, esteem in eyes of superiors, pay and so on increase the tendency for conflict.

2.2.5 Five conflict-handling modes

Thomas (Thomas, 1992) describes Two-dimensional taxonomy of conflict handling modes. The research is shown in Figure2.4 as a Thomas' Conflict Handling Modes. In this taxonomy, five conflict-handling modes (competing, collaborating, compromising, avoiding and accommodating) are classified by the two underlying dimensions of assertiveness and cooperativeness. (Thomas, 1992)

Thomas (Thomas, 1976) describes assertiveness has the meaning of the degree to which one assertively pursues one's own concerns and cooperativeness has the meaning of the degree to which one attempts to satisfy the other's concern.

Competition

Competition seems to stem from confusing these two dimensions or reducing them to single dimension. When cooperation is assumed to be in opposition to pursuing one's own concerns, cooperation comes to mean sacrifice, and asserting one's needs; ("standing up for one's right") comes to mean putting up a fight.

Accommodation

An accommodative orientation focuses upon appeasement-satisfying the other's concerns without attending to one's own. Under such an orientation, a party may be generous or self-sacrificing for the sake of relationship. This orientation is common as accommodation.

Compromise

The sharing orientation is intermediate between domination and appeasement. It is a preference for moderate but incomplete satisfaction for both parties- for compromise. Thomas (Thomas, 1976) describes compromise as sharing.

Collaboration

The collaborative orientation represents a desire to fully satisfy the concerns of both parties-to integrate their concerns.

Avoiding

Avoidance reflects indifference to the concerns of either party. Like an instance of withdrawal, isolation, indifference, ignorance, or reliance upon fate. Thomas (Thomas, 1976) describes avoiding as avoidant or avoidance.

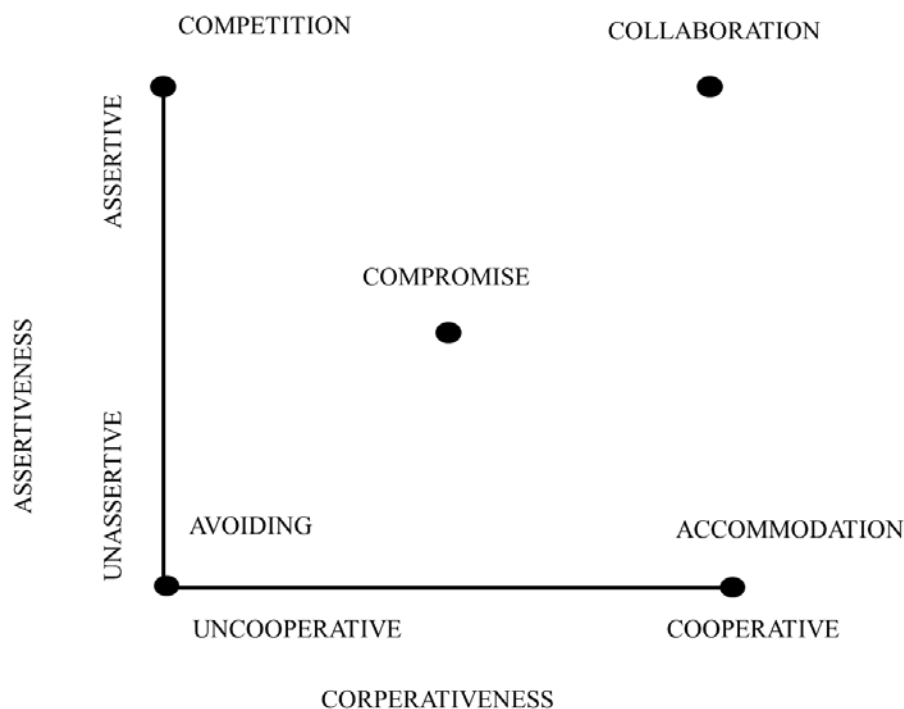


Figure 2.4 Thomas' Conflict Handling Modes
(Thomas, 1992, p.266)

2.3 Mayer's Trust Model

Mayer *et al.* (Mayer *et al.*, 1995) describes Trust Model. The research is shown in Figure 2.5 as a Mayer's Trust Model.

The definition of trust is the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party. This definition of trust is applicable to a relationship with another identifiable party who is perceived to act and react with volition toward the trustor. Being vulnerable implies that there is something of importance to be lost. Making oneself vulnerable is taking risk. Trust is not taking risk per se, but rather it is a willingness to take risk. (Mayer *et al.*, 1995)

Trustworthiness means whether or not the trustee actually acts in enough trustworthiness behavior, that is, whether or not the other party is actually a person who deserves to be trusted. Trustworthiness is the characteristic of the trustee. (Yamagishi, 1998, pp. 48-49)

Mayer *et al.* (Mayer *et al.*, 1995) describe three characteristics of a trustee: ability, benevolence, and integrity. As a set, these three appear to explain a major portion of trustworthiness.

Ability

Ability is that group of skills, competencies, and characteristics that enable a party to have influence within some specific domain. The domain of the ability is specific because the trustee may be highly competent in some technical area, affording that person trust on tasks related to that area. Ability is identified nine bases of trust, including functional/specific competence, interpersonal competence, business sense, and judgment.

Benevolence

Benevolence is the extent to which a trustee is believed to want to do good to the trustor, aside from an egocentric profit motive. Benevolence suggests that the trustee has some specific attachment to the trustor. The trustee wants to help the trustor, even though the trustee is not required to be helpful and there is no extrinsic reward for the trustee. Benevolence is the perception of a positive orientation of the trustee toward the trustor.

Integrity

The relationship between integrity and trust involves the trustor's perception that the trustee adheres to a set of principles that the trustor finds acceptable. The consistency of the party's past actions, credible communications about the trustee from other parties, belief that the trustee has a strong sense of justice, and the extent to which the party's actions are congruent with his or her words all affect the degree to which the party is judged to have integrity.

To understand the extent to which a person is willing to trust another person, both the trustor's propensity to trust and the trustor's perceptions of the trustee's ability, benevolence, and integrity must be discerned. Trust is a willingness to be vulnerable to another party, but there is no risk involved with holding such an attitude. Whether or not a specific risk will be taken by the trustor is influenced both by the amount of trust for the trustee and by the perception of risk inherent in the behavior.

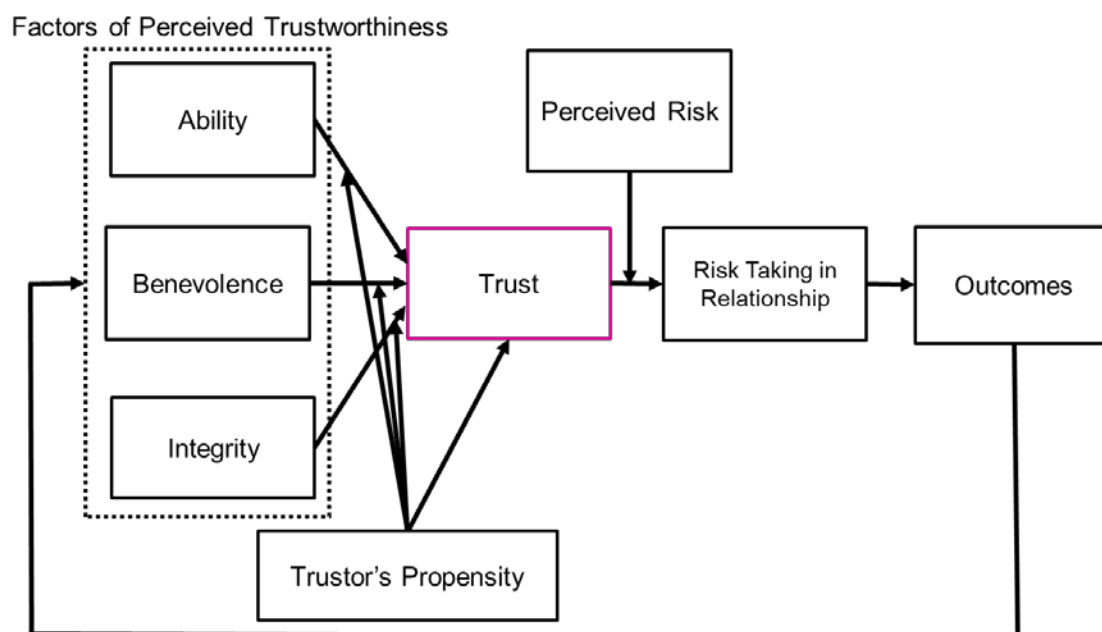


Figure 2.5 Mayer's Trust Model (Mayer *et al.* 1995, p.715)

2.4 Whitener's Trustworthy Behavior Model

Whitener (Whitener *et al.*, 1998) describes Exchange Framework of Initiating Managerial Trustworthy Behavior. The research is shown in Figure 2.5 as a Whitener's Trustworthy Behavior Model.

Author describes that the trustworthiness means whether or not the trustee actually acts in enough trustworthy behavior, that is, whether or not the other party is actually a person who deserves to be trusted. Trustworthiness is the characteristic of the trustee. In this research, author defines this trustee's behavior as "trustworthy behavior".

Managerial behavior is an important influence on the development of trust in relationships between managers and employees. Whitener (Whitener *et al.*, 1998) defines managerial trustworthy behavior as volitional actions and interactions performed by managers that are necessary though not sufficient to engender employees' trust in them. Five categories of behavior capture the variety of factors that influence employees' perceptions of managerial trustworthiness listed below. (Whitener *et al.*, 1998)

1. Behavioral consistency
2. Behavioral integrity
3. Sharing and delegation of control
4. Communication (e.g., accuracy, explanations, and openness)
5. Demonstration of concern.

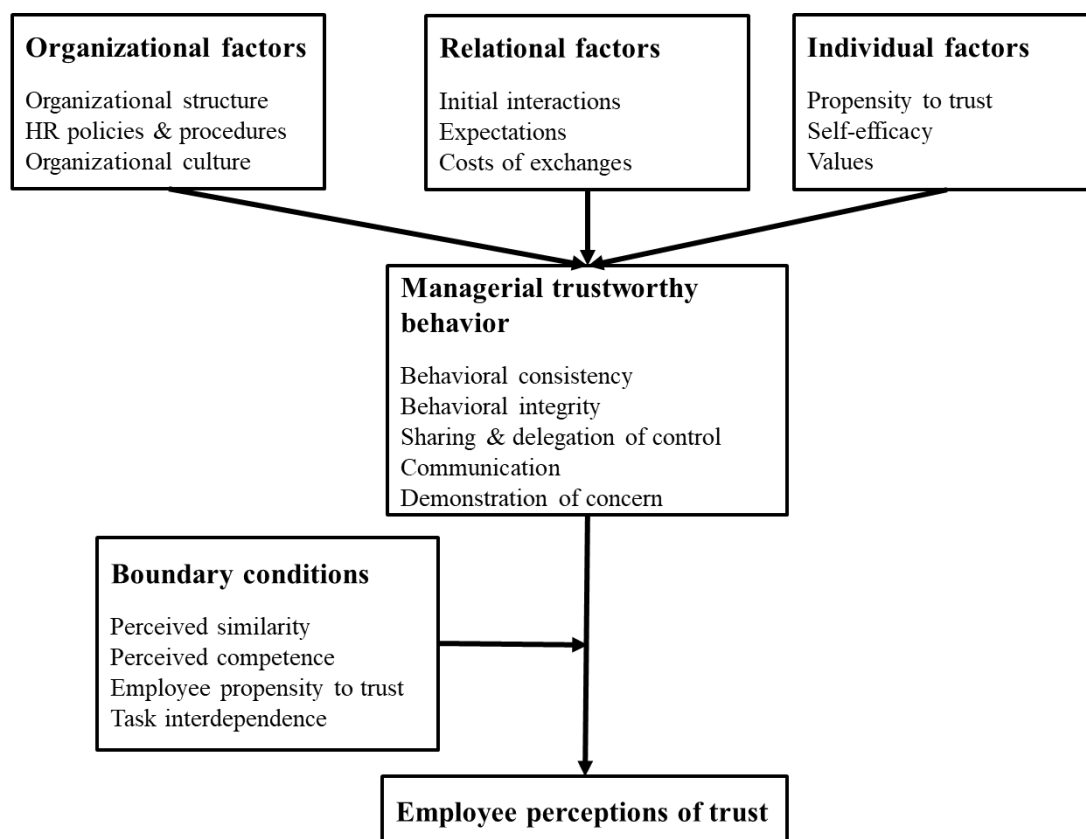


Figure 2.6 Whitener's Trustworthy Behavior Model (Whitener *et al.* 1998, p519)

Behavioral Consistency

Behavioral consistency (i.e., reliability or predictability) is an important aspect of trust. As we noted previously, trust reflects the willingness to be vulnerable to the actions of another party and the willingness to take risks. If managers behave consistently over time and across situations, employees can better predict managers' future behavior, and their confidence in their ability to make such predictions should increase. More important, employees become willing to take risks in their work or in their relationship with their manager. Predictable, positive behavior reinforces the level of trust in the relationship.

Behavioral Integrity

Employees observe the consistency between managers' words and deeds and make attributions about their integrity, honesty, and moral character. Two behaviors-(1) telling the truth and (2) keeping promises-as key behavioral antecedents to attributions of integrity: attributions that affect employees' trust in their managers.

Sharing and Delegation of Control

Sharing control, including participation in decision-making and delegating control are key components of trustworthy behavior. The extent to which managers involve employees influences the development of trust. Sharing and delegation of control are social rewards, in the form of approval or respect that the manager grants to the subordinate. To the extent that this reward represents an initiation or escalation of exchange of social benefits between a manager and employee, the employee's trust in the manager is likely to increase, especially when coupled with enhanced outcomes for the employee.

Communication

Three factors of Communication that affect perceptions of trustworthiness: (1) accurate information, (2) explanations for decisions, and (3) openness. In many studies accuracy in information flow has had the strongest relationship with trust-in-supervisor when compared with other variables. Employees see managers as trustworthy when their communication is accurate and forthcoming. In addition, adequate explanations and timely feedback on decisions lead to higher levels of trust. Evidently, managers who take the time to explain their decisions thoroughly are likely to be perceived as trustworthy. Finally, open communication, in which managers exchange thoughts and ideas freely with employees, enhances perceptions of trust.

Demonstration of Concern

Benevolence demonstrating concern for the welfare of others is part of trustworthy behavior and consists of three actions: (1) showing consideration and sensitivity for employees' needs and interests, (2) acting in a way that protects employees' interests, and (3) refraining from exploiting others for the benefit of one's own interests. These actions on the part of managers may lead employees to perceive them as loyal and benevolent.

2. 5 Issues of Previous Research

The important elements of the previous research presented are summarized in Table 2.1. Author shows the issues referring the contents of the previous research.

Previous researches on conflict in organization can be described in the Thomas' Conflict Model (Thomas, 1976), the Pondy's Conflict Episode (Pondy, 1967), and the Thomas' Conflict handling Modes. (Thomas, 1992) Three of the upper models in Figure 2.7 show those three previous researches.

The organization conflict is clarified about the behavior, episode, and the conflict handling modes. The issue in the previous research is that no previous research can be found that recognizes mutual conflicts between self and other party or organization

and shows a solution method for conflicts that have occurred in an organization.

Table 2.1 Important Elements of the Previous Research

Previous Research	Important Elements
Thomas' Conflict Model (Thomas, 1976)	The conflict behavior of the two parties is seen as shaped by four types of structural variables.
Pondy's Conflict Episode (Pondy, 1967)	Five stages of a conflict episode are identified: (1) latent conflict, (2) perceived conflict, (3) felt conflict (affect), (4) manifest conflict, and (5) conflict aftermath.
Jehn's Conflict Types (Jehn, 1997)	Conflict Types and Dimensions in Organizational Groups are presented as Task conflict, Relationship conflict and Process conflict.
Walton & Dutton's Conflict Types (Walton & Dutton, 1969)	Mutual dependence, asymmetries, rewards, organizational differentiation, role dissatisfaction, ambiguities, common resources, communication obstacles, and personal skills and traits.
Thomas's Conflict Handling Modes (Thomas, 1992)	Competing, Collaborating, Compromising, Avoiding and Accommodating are classified the two underlying dimensions of assertiveness and cooperativeness.
Mayer's Trust Model (Mayer <i>et al.</i>, 1995)	Three characteristics of a trustee: ability, benevolence, and integrity.
Whitener's Trustworthy Behavior Model (Whitener <i>et al.</i>, 1998)	Five categories of behavior capture the variety of factors that influence employees' perceptions of managerial trustworthiness. <ol style="list-style-type: none"> 1. Behavioral consistency 2. Behavioral integrity 3. Sharing and delegation of control 4. Communication 5. Demonstration of concern
Ayoko's Conflict and Trust Model (Ayoko <i>et al.</i>, 2008)	The relationship between conflict types (task, relationship and process), conflict features (intensity and duration), communication openness and workplace trust.

With regard to trust and trustworthiness, the Mayer's Trust Model (Mayer *et al.*, 1995) shows that trust is a willingness to be vulnerable to another party, but there is no risk involved with holding such an attitude. Whether or not a specific risk will be taken by the trustor is influenced both by the amount of trust for the trustee and by the perception of risk inherent in the behavior.

In addition, Managerial behavior is an important influence on the development of trust in relationships between managers and employees. The Whitener's Trustworthy Behavior Model defines managerial trustworthy behavior as volitional actions and interactions performed by managers that are necessary though not sufficient to engender employees' trust in them. Five categories of behavior capture the variety of factors that influence employees' perceptions of managerial trustworthiness. (Whitener *et al.*, 1998)

Two of the lower models in Figure 2.7 show these two previous researches. However, the relationship between conflict and trust and taking trustworthy behavior in order to cultivate trust has not been studied in the previous research.

The Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008) shows the relationship

between conflict types (task, relationship and process), conflict features (intensity and duration), communication openness and workplace trust. The research provides new insights into the influence that conflict (task, relationship and process) may have on trust and the moderating role of Communication Openness in the link between conflict and trust. And conflict features (intensity and duration) fully mediated the link between conflict types (task, relationship and process) and trust, while Communication Openness moderated the relationship between conflict features and trust. (Ayoko *et al.*, 2008)

Although the features of conflict are said to be moderated by communication openness, this research does not discuss factors other than communication openness as a moderated factor. In addition, it is an issue that how to cultivate trust from moderated conflicts and how to handle trust are not described. The relationship of the above-mentioned previous research is shown with the center model in Figure 2.7 focusing on the case of the Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008) and the relationship between each model are shown by arrows.

The conflict types of the Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008) corresponds to the Thomas' Conflict Model (Thomas, 1976) and the Pondy's Conflict Episode (Pondy, 1967). The communication openness of the Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008) corresponds to the Whitener's Trustworthy Behavior Model (Whitener *et al.*, 1998). In addition, the Thomas' Conflict Handling Modes (Thomas, 1992) enters between the conflict features and trust of the Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008). Furthermore, the trust of the Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008) corresponds to the Mayer's Trust Model (Mayer *et al.*, 1995). None of the above researches do not mention about the relationship between trustee and trustor who are the parties.

In an organization, after a conflict occurs, self and other or organization recognize the conflict mutually. Regarding the method of conflict moderation, there is not only communication openness but also behavioral consistency, behavioral integrity, sharing and delegation of control, communication (e.g., accuracy, explanations, and openness) and demonstration of concern are existing. With these trustworthy behaviors, author considers that moderating the conflict and designing a model that leads to trustworthiness and overcomes the risks, and it is possible to cultivate making trust each other. Describing this trustworthy behavior has not been studied in the previous research.

In corporate integration, each company or organization has different culture and different environment in which the company grew up. Besides, merging different business strategies may occur conflicts. Author considers conflicts should be occurred in an organization, it is possible to make a model for setting up an environment for

organizational design by understanding the relationship between moderating factors and cultivating trust with trustworthy behavior in the corporate integration life cycle.

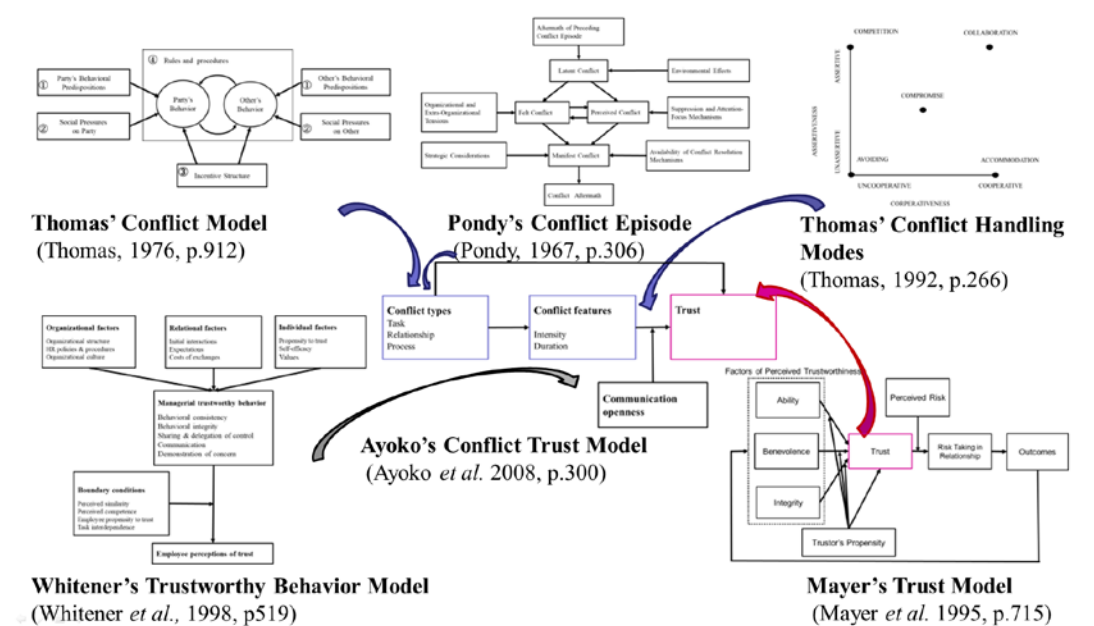


Figure 2.7 Summary of Previous research on Conflicts, Trust, and trustworthiness

3. PREVIOUS RESEARCH AND PROPOSED MODEL

3.1 Trustworthy Behavior Model

At the end of Chapter 2, author described the important elements of the previous research and its issues. Author makes it possible to compare previous research and proposed research easily by arranging the keywords as conflict, trust, relationship between trustee and trustor, the factor of trustworthiness and trustworthy behavior, which are characterized and discussed in previous research on Table 3.1. Author checked the keywords that each research mentions. (Table 3.1 Relationships between prior research and this research)

In the previous research, no research has been done that covered all of conflict, trust, relationship between trustee and trustor, the factor of trustworthiness and trustworthy behavior. However, in this research, author proposes a “Trustworthy Behavior Model” that includes all of these items.

Table 3.1 Relationships between Previous Research and This Research

Previous Research and This Research Model	Conflict	Trust	Relationship between Trustee and Trustor	Factor of Trustworthiness	Trustworthy Behavior
Jehn's Conflict Types (Jehn, 1997)	✓				
Walton & Dutton's Conflict Types (Walton & Dutton, 1969)	✓				
Thomas' Conflict Handling Modes (Thomas, 1992)	✓				
Mayer's Trust Model (Mayer <i>et al.</i> , 1995)		✓	✓	✓	
Whitener's Trustworthy Behavior Model (Whitener <i>et al.</i> , 1998)					✓
Ayoko's Conflict and Trust Model (Ayoko <i>et al.</i> , 2008)	✓	✓	✓		
This Research's Trustworthy Behavior Model (This research)	✓	✓	✓	✓	✓

3.2 Integration for Trustworthy Behavior Model

The relationship of previous research is described in Chapter 2, author showed summary of previous research on conflicts, trust and trustworthiness. Also, by using the Conflict and Trust Model (Ayoko *et al.*, 2008), who studied the relationship between conflict and trust, author presented the relationships among them with arrows in Figure 2.7. In Chapter 3, the proposed model of this research, which solves the problems of the previous research, is integrated with the previous research by the procedure of the integration for trustworthy behavior model to create the Trustworthy Behavior Model.

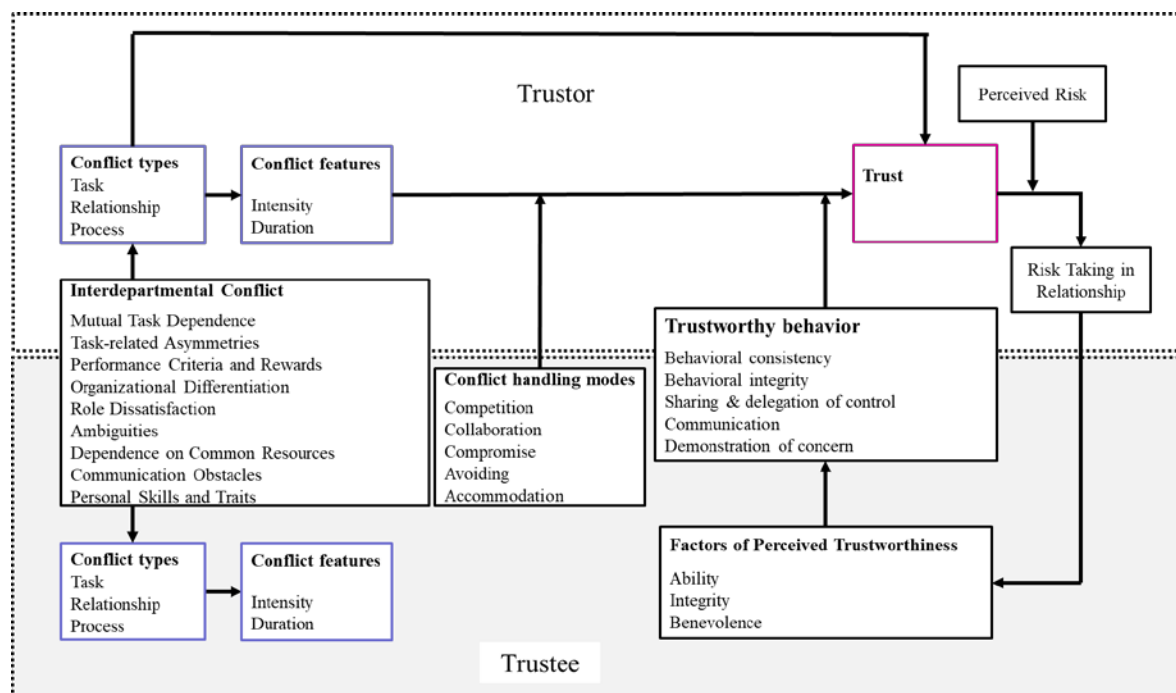


Figure 3.1 Trustworthy Behavior Model

(1) Creating a skeleton model

The Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008) has a relationship of conflict, trust, and two parties. This previous research is used as the skeleton of the Trustworthy behavior model.

(2) Adding the cause of conflict

The nine major types of interdepartmental conflicts (Walton & Dutton, 1969) are added as they relate to the Conflict Types.

(3) Adding the conflict handling modes

Five conflict handling modes of the Thomas' Conflict Handling Modes (Thomas, 1992) are added as factors to moderate the conflict.

(4) Replacing communication openness with trustworthy behavior

The Communication openness of the Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008) cites trustworthy behavior which is one of the five managerial trustworthy behaviors of the Whitener's Trustworthy Behavior Model (Whitener *et al.*, 1998). In this research, author replaces the Communication openness to the five managerial trustworthy behaviors of the Whitener's Trustworthy Behavior Model (Whitener *et al.*, 1998).

(5) Adding the relationship between trustee and trustor

The Mayer's Trust Model (Mayer *et al.*, 1995) shows that the trustee's Factors of Perceived Trustworthiness, and the trustor Perceived risk and the Risk Taking in Relationship. In the Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008), from

Trust to Communication openness are not connected. The Mayer's Trust Model (Mayer *et al.*, 1995), Trust is cultivated by trustee's the Factors of perceived Trustworthiness and the trustor's propensity. Trust is cultivated trustee's factors of perceived trustworthiness and risk taking of trustor's against trustee. Author believes that the Factor of received trustworthiness leads to the trustworthy behavior. Therefore, author adds the Mayer's Trust Model (Mayer *et al.*, 1995) between Trust and Trustworthy behavior of the Ayoko's Conflict and Trust Model (Ayoko *et al.*, 2008).

(6) Setting trustor

A trustor is shown in the upper half of the figure 3.1 as a model for recognizing conflicts and cultivating trust.

(7) Setting trustee

A trustee is shown in the lower half of the figure 3.1. Trustee has factors of perceived trustworthiness, trustworthy behavior and affects conflict-handling modes.

In the previous researches, no research has been done that the relationship between trustor and trustee in corporate integration. However, in this research, author proposes the Trustworthy Behavior Model as a model that includes the relationship. Author believes that based on the conflict handling modes and the factors of perceived trustworthiness make trustee doing trustworthy behavior to trustor, and Trustworthy Behavior Model is possible to indicate as a model that leads to an objective view of each other's position and what to do. The upper part of Fig. 3.1 shows the person who trusts (Trustor) and the lower part shows the person who is trusted (Trustee). Author believes with these trustworthy behaviors, that makes moderate the conflict and design a model that leads to trustworthiness and overcomes the risks, and possible to cultivate trust each other. In Figure 3.1, it is possible to switch the trustor and the trustee vice versa, and become possible to explain the same mechanism as above.

4. CONCLUSIONS

This research aimed to propose the Trustworthy Behavior Model to moderate conflict even if conflicts occur while in the corporate integration, recognize trustworthy behavior that can be transcended and trust the other party, and be able to trust each other.

The Trustworthy Behavior Model organizes and integrates the conflict and trust and trustworthy behavior of previous research using the relationship between trustor and trustee. Author organized the previous research on organizational conflict and trust

and trustworthy behavior, clarified the subject of the previous research, and described the approach of this research. Finally, author proposed the Trustworthy Behavior Model that solves the issue of corporate integration by organizing and integrating previous research.

In the previous research, why they did not show as the Trustworthy Behavior model that solves the issue of corporate integration suggested by Author. The reason was that it was not the subject of their previous research.

First of all, as shown in 2.2 Organizational Conflict Types, previous research on conflict focused on describing the mechanism of conflict structure, the general model of conflict types and identifying five different approaches to manage conflict. The previous research did not include solution for conflicts that have occurred in the organization under the corporate integration.

Second, as shown in 2.3 Mayer's Trust Model, the previous research on trust was describing three characteristics of trustee and risk taking by trustor. Not includes solution for taking trustworthy behavior in order to cultivate trust. Furthermore, the previous research did not show the relationship between trust and conflict.

Third, as shown in 2.4 Whitener's Trustworthy Behavior Model, the previous research, which showed trustworthy behavior, described to take trustworthy behavior by trustee in order to cultivate trust. Not include risk taking by trustor. Also, the previous research did not describe the relationship between conflict and trust.

Finally, as shown in 2.1 Relationship between conflict and trust, in the previous research, which showed the relationship between conflict and trust, described the relationship between conflict types, conflict features, communication openness and trust using 510 employees. The hypotheses links of each relationship were analyzed by using linear regressions, and the mediation effects and moderation effects were analyzed. The previous research was not included solution for conflict and taking trustworthy behavior in order to cultivate trust.

Although author proposed the Trustworthy Behavior Model, this research did not show how occurred conflict can be linked to trust and trustworthy behavior and also did not show person in charge of a corporate integration how to be recognized the conflict and trust. The issue was that it had not been possible to show the trustor could be recognized the behavior of the trustee and could cultivate the trust, through the previous research.

In corporate integration, conventionally, the design of an organization and the strategy of the company had been emphasized, and it had been set as a goal that the organization was simply configured to be divided into functions. What author found through this research was that the organization was made up of people, the society they create was that the existence of trust that arises between people and organizations

were important, and conflicts existed between people and organizations. To understand that there was a relationship between conflict and trust, there was a need for a way to take trustworthy behavior to cultivate trust. Furthermore, it will be necessary to conduct third-party verification of the method presented in some way, and to confirm that it can be used in actual corporate integration. Author considers make it a future research subject.

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