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The Role of Managers' Cultural Intelligence and Demographic Variables in Building Trust in Business Relations

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ABSTRACT

This article examines the role of such factors as gender, age, nationality, and cultural intelligence in building trust between business partners coming from different countries. The research involved 560 employees, of which 115 were Croatians (20.5%), 114—Russians (20.4%), and 331—Slovenians (59.1%). In addition to socio-demographic questions (gender, age, nationality), we employed the Organizational Trust Inventory and the Cultural Intelligence Scale. The research was made available to the participants online and in three language versions—Croatian, Russian, and Slovenian. We discovered that gender played the greatest role in building trust between business partners, since women rated all trust components higher than men. Cultural intelligence, nationality, and age are not predictors of trust among business partners. Our data contributes to a clearer understanding of the ambiguity of predictors of trust. While previous studies have focused on cultural intelligence as a factor in successful international interaction, our results show that cultural identity retains its importance even in the context of globalization and international cooperation.

KEYWORDS

trust, cultural intelligence, nation culture, managers, Croatia, Russia, Slovenia

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Introduction

Business partnerships have their own specifics, distinguishing them from other types of relationships (hierarchical, romantic, etc.). The peculiarity of business partnerships is expressed in the fact that each of the partners has their own goals, which are achieved only as a result of their joint work. However, these goals can have different significance for each partner, and even contradict each other. Such business cooperation is successful and long-term only if each party is ready to avoid taking excessive advantage of the others. Studying the differences between national cultures, organizational cultures, forms of leadership, and their consequences can help not only in understanding business partners with another cultural identity, but also in establishing and developing productive cooperation (Javidan et al., 2006) and a global mindset (Javidan & Walker, 2013) that can help businesses to grow around the world. Our society is changing, migrations are an everyday occurrence, and more and more people are now working for international companies, with society moving away from the traditional and approaching the modern pattern (López-Narbona, 2018). Thus, there has been a rise in creative collaboration across countries and continents, for which certain levels of cultural intelligence are needed to build trust to reach the desired levels of creativity (Chua et al., 2012).

Although trust is a trait of an individual, used to describe how they cope with uncertainty, it is also about the interactions that occur between the individual and another person, group or environment (Liu et al., 2018; Olk & Elvira, 2001). The personality and behavioral factors of trust, which researchers pay attention to in business relationships, can be put into two groups: (a) indicators of trust are signs which indicate that business partners can trust each other; (b) the preconditions for trust are the actions of participants in business relations that lead to the emergence of confidence between partners. The first group contains a number of universal indicators of trust (e.g., they are in compliance with the personal arrangements with the partner, along with formal and informal rules of interaction, and help in maintaining open communication between partners, providing honest feedback, and taking into account the needs and interests of all partners, and making a demonstration of unity of opinion on ways to achieve mutually favorable results; Balakshin, 2011). The second group involves several factors that affect the building of trust, including social norms, values, and underlying behavioral assumptions (Doney et al., 1998), the length of the prior alliance relationship (Liu et al., 2018), the level of strategic alliance risk, and the strength of interpersonal attachment (Cropanzano et al., 2017; Liu et al., 2018), perceived organizational support, procedural justice and transformational leadership (Connell et al., 2003).

Trust in the international collaborations of organizations, and their evolving in support of processes that enhance trust, is also impacted by culture, through the socialization of an individual that differs from one country to another (Bstieler & Hemmert, 2008; Dyer & Chu, 2003; Huff & Kelley, 2003). An individual's gender is believed to have no particular impact on trust, since as much as a third of studies found no correlation between gender and the level of trust (e.g., Croson & Buchan, 1999;

Kaasa & Parts, 2008; Stolle & Hooghe, 2004). In cases where differences were found, they tended to favor men, who were reported to be more trusting than women (e.g., Buchan et al., 2008; van Oorschot & Arts, 2005).

Cultural intelligence (CQ), as the capability to function effectively in intercultural contexts (Afsar et al., 2021; Earley & Ang, 2003), plays an important role in business relationships, i.e., in the formation of trust, which is the subject of this research analysis. The role of cultural intelligence as a valid predictor of behavior in international situations has, thus far, been confirmed in numerous research studies—for example, it predicts global leadership effectiveness (Rockstuhl et al., 2011) as well as the leaders' performance in culturally diverse teams (Groves & Feyerherm, 2011). However, it has predictive validity only in culturally diverse contexts, and not in homogeneous ones (e.g., Adair et al. 2013; Afsar et al., 2021; Chua et al. 2012; Groves & Feyerherm 2011; Rockstuhl et al., 2011). As the role of cultural intelligence in establishing trust in business relationships has not been researched thus far, our research aimed to analyze the demographic and personality factors that can build trust in international business relations. To this end, our research included leaders and managers of three nationalities (Croatsians, Slovenians, and Russians) that do business with each other. Our aim was to highlight the role of cultural intelligence in particular as a personality trait and capability that can be measured during the staff selection procedure, that can be developed at the time of employment, and that might help us predict how an individual will cope with and behave in an international business environment, and how they will create an adequate level of trust in order to ensure successful business collaboration.

On Trust in Business Relationships

Blomqvist and Ståhle (2000) emphasize that when it comes to analyzing trust in business relationships, two levels should be included: interpersonal and interorganizational. Despite significant differences, trust on those levels is interrelated, as the relation between companies ultimately comes down to relations between individuals or groups of people. It is a company, however, that works on a reputation, appearance, and organizational culture which leads to the unification of employees' behavior and their approach to business relationships. The two dimensions of trust thus ultimately interact with each other (Blomqvist & Ståhle, 2000).

In business relationships, the level of trust between business partners also depends on the level of control and conflict. The presence of trust has the greatest positive impact in high stakes conflicts (Balliet & Van Lange, 2013), while Edelenbos and Eshuis (2012) argued that trust and control can coevolve symbiotically, reinforcing one another. These findings indicate how complex the understanding of building trust is.

The complexity intensifies further if we add cultural context, which is based on organizational culture and the culture of the nation of the individual in question. Cultural norms and values greatly affect how trust between business partners can be established (Bstieler & Hemmert, 2008; Doney et al., 1998). The cultural

dimension that differentiates between Eastern and Western countries was already pointed out by Hofstede (2001) two decades ago, and it is precisely this dimension that is said to have a major influence on trust between organizations. The level of trust is based on the prevalence of social ties between different parties or individuals within a particular culture. We can thus distinguish “low-trust” societies, where trust is hard to come by because it is believed within that culture that trust can only be found within channels that are already well-known, such as family. Low-trust societies need more time to establish the same level of trust with outsiders. In “high-trust” societies, however, the situation is quite the reverse. In view of the above, Slovenia and Croatia can be classified as high-trust societies, like Germany, for example, while Russia can be classified as a low-trust society, like Italy (Bstieler & Hemmert, 2008). It should be noted, however, that both high- and low-trust societies are changing through globalization (López-Narbona, 2018). In this process, the expansion of the system of media communications and the mobility of symbols is key, and this affects the way individuals think through the “globalisation of the world socio-cultural space” (Kirillova, 2020).

Trust and distrust are (contrary to what one might expect) not completely mutually exclusive, opposing categories. Although traditionally understood as a continuum, the latest research suggests that they are separate but connected constructs—a lack of trust does not necessarily mean distrust (Hardin, 2004; Lewicki et al., 1998; Lumineau, 2017). The elements that contribute to trust differ from those that contribute to distrust (Lumineau, 2017). More specifically, trust is connected with confidence, decreased uncertainty, greater psychological security, and problem-solving through knowledge sharing (Cook & Schilke, 2010; Lumineau, 2017), while distrust mainly relates to monitoring potential vulnerabilities and increases constructive skepticism (Lumineau, 2017; Priem & Nystrom, 2014).

The Role of Cultural Intelligence in Building Trust in Business Relationships

At a time of rapidly progressing globalization and the emergence of multicultural environments, cultural intelligence is one of the vital predictors of workplace performance and, as such, is the subject of research interest. According to Earley and Ang (2003), cultural intelligence represents an individual's capability for successfully adjusting and performing effectively in culturally diverse situations. Other authors define cultural intelligence as the capability to adapt, and a set of skills that enables one to lead in various inter-cultural situations (Afsar et al., 2021).

Cultural intelligence (CQ) contains several components, i.e., the cognitive, motivational, behavioral, and metacognitive ones. The cognitive component of CQ relates to the knowledge about different cultures which we gain either through personal experience or formal education (Ang et al., 2007). The motivational component relates to the degree of interest a person has in learning about new cultures, people, and situations. The behavioral component relates to an individual's capability to behave in line with the rules of a certain culture when a situation requires them to do so (Ott & Michailova, 2018). The metacognitive component is the most

important when it comes to building trust in business relationships, and it relates to an individual's conscious cultural awareness and knowledge about different cultures (Afsar et al., 2021). The metacognitive component of CQ is essential in adjusting to unfamiliar cultural norms, values, and beliefs. Individuals with a higher metacognitive component of CQ find it easier to learn about new cultures without being hindered by their prior knowledge about these cultures (Afsar et al., 2021; Malek & Budhwar, 2013). Chua et al. (2012) reported that individuals with high metacognitive CQ share more ideas and have greater affect-based trust toward their intercultural ties, and this leads to more successful creative collaborations.

In a workplace context, a high level of cultural intelligence enables the forging of positive and productive business and personal partnerships based on attributing importance to cultural differences (White, 2016). Effective communication in different cultural environments and the creation of a common background are not possible without a certain degree of cultural intelligence, which could play an important role in the process of establishing trust between business partners coming from different countries. Thus far, research pertaining to this area and conducted in various cultural environments shows that cultural intelligence is connected to the efficient functioning of inter-cultural teams, namely through their tendency to share information and level of cooperativeness. Groves et al. (2015) demonstrates that those with high CQ display more interest-based negotiation behaviors, which, in turn, result in better negotiation performance. Higher CQ is also connected with more innovative ideas, in terms of idea generation, promotion, and realization (Afsar et al., 2021).

What is more, cultural intelligence facilitates the functioning of multi-cultural teams through the encouraging of information sharing, which is also directly connected with trust (Bogilović et al., 2017). The functioning of multi-cultural teams and business collaboration between different cultures is frequently difficult because the process of aligning interests is often hindered by different objectives, religious, national, and cultural backgrounds, as well as values and social norms. We can therefore expect individuals with higher CQ to adapt to situations more quickly, to be more inclined to understand individuals coming from another culture, and, consequently, to exhibit higher levels of cooperation and trust (Elianto & Wulansari, 2016; Rockstuhl & Ng, 2008; Tuan, 2016).

In the research, we compared the role of cultural intelligence among three Slavic nations (Croatia, Russia, Slovenia) in the process of building trust in business relationships. Even though the cultural backgrounds of these nations are relatively similar, and despite the research being conducted over the same time period, we expected certain differences to emerge. To this end, we posed the following research questions:

- (a) Does the participants' gender affect the level of trust in business relationships?
- (b) Do statistically significant differences emerge in the level of trust in business relationships among the participants coming from three different countries, i.e., Croatia, Russia, and Slovenia?
- (c) Is it possible to predict the level of trust in business relationships based on the participants' gender, age, country, and level of cultural intelligence?

Method

Participants

The research involved a total of 560 employees. A total of 115 Croatians (20.5%) and 114 Russians (20.4%) completed a questionnaire to assess Slovenians. Of the 331 participating Slovenians (59.1%), 228 of them do business with Croatian partners, and 103 of them with Russian ones.

The sample included 55.2% men and 44.8% women; the average age of participants was 42 years ($SD = 10.2$ years). The youngest participant was 20, and the oldest 70 years old. Most participants (57.1%) completed post-secondary, higher or university education, 28.9% had a master's or a doctorate of science, while 13.9% of the participants had only completed primary school, a secondary technical school, or the general upper secondary school (*gimnazija*). Respondents were able to choose multiple answers to describe their position at an organization. While 46.6% of them hold a management position at their place of work, 42.5% stated that their company has only non-management employees. 28.0% of the participants own the company they work in.

Measures

In the research, we employed the *Organizational Trust Inventory* (OTI) and the *Cultural Intelligence Scale* (CQS) and added socio-demographic questions (gender, age, nationality).

The *Organizational Trust Inventory* (Cummings & Bromiley, 1996) is based on a multi-dimensional theory of organizational trust. In the research, we used a shorter version of the questionnaire (OTI/R), translated into Slovene, Croatian, and Russian, where the participants used a seven-point Likert Scale (ranging from 1—"strongly disagree" to 7—"strongly agree") to rate 12 items that measure the three dimensions of organizational trust: keep commitments (e.g., "We think that our business partner meets its negotiated obligations to our department"), negotiate honestly (e.g., "We feel that our business partner negotiates with us honestly"), and avoid taking excessive advantage (e.g., "We feel that our business partner takes advantage of people who are vulnerable."). The questionnaire is structured in such a way that enables entering the name of the person/group the participant is rating for each item. In our case, Slovenian participants rated their trust in business partners from Croatia and Russia, while Croatian and Russian participants rated their trust in business partners from Slovenia. The questionnaire's authors confirmed the instrument's reliability in several studies (Cummings and Bromiley, 1996); the "negotiate honestly" dimension has the highest reliability ($\alpha = .94$; in our study $\alpha = .72$), followed by the "keep commitments" dimension ($\alpha = .94$; in our study $\alpha = .71$) and the "avoid taking excessive advantage" dimension ($\alpha = .90$; in our study $\alpha = .74$). The reliability analysis revealed that the internal consistencies of all dimensions were acceptable, and the OTI is appropriate for further scientific use.

The *Cultural Intelligence Scale* (Van Dyne et al., 2008) comprises 20 items that measure four dimensions: the metacognitive (e.g., "I am conscious of the cultural knowledge I use when interacting with people with different cultural backgrounds"), the cognitive (e.g., "I know the cultural values and religious beliefs of other cultures"), the

motivational (e.g., “I am sure I can deal with the stresses of adjusting to a culture that is new to me”), and the behavioral (e.g., “I change my non-verbal behavior when a cross-cultural situation requires it”) dimensions. The participants rate each of the 20 items on a seven-point Likert Scale (1—“strongly disagree”, 7—“strongly agree”). Several studies show the very good psychometric properties of the Cultural Intelligence Scale, i.e., CQS (Van Dyne et al., 2008). The results of the 2008 study support the stable four-factor structure, while the internal consistency of individual dimensions exceeds .70 in all dimensions (Boštjančič et al., 2018b). The highest reliability is attributed to the cognitive dimension ($\alpha = .95$), followed by the motivational ($\alpha = .92$), behavioral ($\alpha = .85$), and metacognitive dimensions of cultural intelligence ($\alpha = .79$). For research purposes we translated the scale into Croatian, while for the Slovene version we used the translation produced by the researcher U. Belak (Boštjančič et al., 2018a), and an earlier Russian translation was used with the Russian participants (Belovol et al., 2012).

Procedure

The research was thus conducted by means of an online survey in three language versions—Slovene, Croatian, and Russian. We invited people to take part through a publicly available database of Slovenian exporters to Croatia and Russia, and a database of Croatian and Russian importers to Slovenia. The condition to participate in the research was the minimum of a six-month business collaboration with a business partner from one of the focal countries. An e-invite with information about the purpose of the research, how the gathered data would be used, and information about guaranteeing anonymity was sent to approximately 4,700 companies that do business between Slovenia and Croatia (4% response rate), and to some 500 companies doing business between Slovenia and Russia (20% response rate). Data collection took two months, and in the second part of the project we attempted to achieve greater responsiveness by requesting help from international business associations that cover business in the three countries examined in this research.

The survey battery was administered in line with Slovenian law (Zakon o varstvu osebnih podatkov, 1999) and the ethical standards for research approved by the Ethics Committee at the Faculty of Arts, University of Ljubljana (Slovenia). The consent of the participants was obtained by virtue of survey completion. The participants were also told that they could withdraw from the study at any time, and that they would not be paid for participating.

Results

Our first analysis was focused on gender differences with regard to trust inside our sample as a whole (Table 1). We found statistically significant results in all three dimensions of trust, namely keeping commitments commitments ($F = 4.461$; $p = .035$), negotiating honestly ($F = 4.012$; $p = .046$), and avoiding taking excessive advantage ($F = 4.315$; $p = .038$). In all three dimensions, women were the ones with statistically significant higher values of trust. On the other hand, age was not a statistically significant component of the degree of trust in establishing and maintaining business relationships.

Table 2 shows that nationality had a statistically significant impact on the difference in trust in our sample as a whole ($F = 6.369$; $p < .01$)—with the Croatians getting statistically higher results than the Slovenians and Russians. There are also statistically significant differences in two other dimensions of trust, namely commitments ($F = 10.02$; $p < .001$) and negotiating honestly ($F = 10.02$; $p < .001$). The differences between the nationalities for the dimension avoiding taking excessive advantage were not statistically significant ($F = 1.164$; $p = .313$).

Table 1

Building Trust in Business Relationships—Mean and Standard Deviation of Variables for the Whole Sample and for Men and Women Separately, Including Differences Between Groups and Their Significance

	Whole	Men	Women	Differences between groups
	Mean and standard deviation	Mean and standard deviation	Mean and standard deviation	
OTI—general	59.30 (12.25)	58.18 (12.22)	60.75 (12.17)	$F = 5.616$; $p = .010$
Keep commitments	20.48 (4.50)	20.11 (4.52)	20.96 (4.44)	$F = 4.461$; $p = .035$
Negotiate honestly	20.26 (4.42)	19.91 (4.45)	20.70 (4.35)	$F = 4.012$; $p = .046$
Avoid taking excessive advantage	18.56 (5.12)	18.15 (5.26)	19.09 (4.89)	$F = 4.315$; $p = .038$

Table 2

Cultural intelligence and Building Trust in Business Relationships—Mean and standard Deviation for the Whole Sample and Separated by Country of Origin, With Differences Between Groups and Their Statistical Significance.

	Whole	Slovenia	Croatia	Russia	Differences between group
	Mean and standard deviation				
OTI—General	59.30 (12.25)	58.66 (12.39)	64.09 (11.31)	58.21 (11.81)	$F = 6.369$; $p = .01$
OTI—Keep commitments	20.48 (4.50)	20.19 (4.47)	22.67 (4.17)	19.98 (4.45)	$F = 10.02$; $p < .001$
OTI—Negotiate honestly	20.26 (4.42)	19.87 (4.45)	22.20 (3.78)	20.18 (4.41)	$F = 10.02$; $p < .001$
OTI—Avoid taking excessive advantage	18.56 (5.12)	18.60 (5.19)	19.21 (5.53)	18.04 (4.62)	$F = 1.164$; $p = .313$
CQS—Metacognitive	5.64 (0.89)	5.68 (0.89)	5.56 (0.88)	5.90 (0.88)	$F = 13.07$; $p < .001$
CQS—Cognitive	4.62 (1.04)	4.66 (0.99)	4.53 (1.19)	4.58 (1.09)	$F = 9.88$; $p < .001$
CQS—Motivational	5.56 (0.93)	5.93 (0.94)	5.88 (0.78)	5.56 (0.94)	$F = 2.88$; $p = .090$
CQS—Behavioral	5.12 (1.10)	5.04 (1.07)	4.86 (1.21)	5.51 (1.03)	$F = 0.004$; $p = .949$
CQS—General	20.94 (3.04)	20.86 (3.10)	20.83 (3.06)	21.24 (2.86)	$F = 2.78$; $p = .096$

Table 3

Means and standard deviations of variables with Pearson correlation coefficients

	Mean	SD	Country	Gender	Age	OTI—General	OTI—Keep commitments	OTI—Negotiate honestly	OTI—Avoid taking excessive advantage	CQS—Metacognitive	CQS—Cognitive	CQS—Motivational	CQS—Behavioral
Country	-	-											
Gender	-	-	.17**										
Age	41.99	10.21	-.16**	-.18**									
OTI—General	59.30	12.25	.02	.11*	.00								
OTI—Keep commitments	20.48	4.50	.02	.10*	-.01	.91**							
OTI—Negotiate honestly	20.26	4.42	.06	.09*	.01	.89**	.83**						
OTI—Avoid taking excessive advantage	18.56	5.12	-.03	.09*	.00	.82**	.58**	.53**					
CQS—Metacognitive	14.33	5.25	-.07	.05	.12**	.07	.12*	.16**	-.07				
CQS—Cognitive	19.02	8.10	-.05	.01	.08	.03	.07	.11*	-0.08	.57**			
CQS—Motivational	15.44	6.23	.04	.03	-.04	.09*	.12*	.16**	-.02	.57**	0.47**		
CQS—Behavioral	18.89	7.62	.14**	.12**	-.02	-.01	.03	.06	-.10*	.48**	0.38**	0.50**	
CQS—General	157.58	99.56	.00	.04	.00	.03	.04	.07	-.03	.67**	0.68**	0.70**	0.67**

Note: * $p < 0.05$; ** $p < 0.01$.

Table 3 presents the correlations and their reliability for major variables in this study. The participants assessed dimensions of trust as follows: the highest was keeping a commitment, followed by negotiating honestly and avoiding taking excessive advantage. With regard to the research questions examined in this study, statistically significant correlations emerged between gender and all trust dimensions. The general score of OTI and the general score of CQS do not correlate ($p = 0.03$). There are, however, significant correlations between the sub-scales of the cultural intelligence questionnaire and the questionnaire about trust, which is in line with expectations regarding the measurement properties of the scales used (Boštjančič et al., 2018b; Cummings & Bromiley, 1996). The participants with more distinct metacognitive, cognitive, and motivational dimensions of cultural intelligence reported more frequently on the presence of trust (the “negotiating honestly” dimension). The latter correlations are positive, yet low.

Predicting trust based on gender, age, nationality, and cultural intelligence is not statistically significant in any of the four cases (Table 4)—for all three dimensions of trust and for the overall measure of trust. The share of explained variance in all cases is less than 2% (in predicting overall score $r^2 = 1.2\%$, in keeping commitments $r^2 = 1\%$, in honest negotiation $r^2 = 1.6\%$ and in avoiding exploitation $r^2 = 1.2\%$). The best predictor of trust was gender, which predicted the dimension of keeping commitments, and the overall result on the dimension of trust was statistically significant. The remaining three predictors (age, nationality, and cultural intelligence) did not prove to be statistically significant predictors for any of the trust dimensions or for the overall score.

Discussion

Our international research focused on the problem of identifying the prerequisites of trust among entrepreneurs and employees from three different Slavic countries. The purpose of our study was to answer the research questions about the relationships between trust in international business relations and those factors that can potentially enhance or weaken different forms of trust. In the study we included entrepreneurs and employees from similar cultural backgrounds, from Central and Eastern European Slavic countries, namely Slovenia, Croatia, and Russia. The main results of our study are presented as follows.

The proportion of explained variance in all cases was less than 2%. The best predictor of trust was gender, which statistically significantly predicted the dimension of keeping commitments and the overall result on the dimension of trust. This result may have been due to the fact that trust can be influenced by quite a few other factors that we did not include in our research—e.g., self-confidence, decreased uncertainty, greater psychological security, and problem-solving through knowledge sharing (Cook & Schilke, 2010; Lumineau, 2017).

Table 4

Results of Multiple Regression for Subscale Prediction and Overall Score Prediction for the OTI Trust Questionnaire

Prediction	Keep commitments				Negotiate honestly				Avoid taking excessive advantage				Trust – overall score			
	coeff.	SE	T	P	coeff.	SE	T	P	coeff.	SE	T	P	coeff.	SE	T	P
Gender	.876	.411	2.133	.033	.789	.402	1.962	.050	1.072	.468	2.291	.022	2.737	1.117	2.450	.014
Age	.006	.020	.279	.766	.016	.020	.822	.412	.006	.023	.242	.809	.028	.055	.507	.613
Nationality	.034	.244	.140	.889	.279	.240	1.163	.245	-.300	.279	-1.076	.283	.013	.666	.019	.984
Cultural intelligence	.002	.002	.820	.413	.003	.002	1.541	.124	-.002	.002	-.723	.470	.003	.006	.553	.581

Trust is also viewed differently by different nationalities. Croatians achieve higher values of trust than Slovenians and Russians. The reason for this can be found in the differences in the relative economic development of the three countries. Croatia is the least economically developed, and therefore Croatian entrepreneurs risk less than entrepreneurs from Russia or Slovenia (Komes, 2017). Additionally, of all the nations of the former Yugoslavia, Slovenians have the least trust in Croatians, which we could explain by the presence of many negative stereotypes about Croatians in Slovenia, such as they are jealous and lazy (Komes, 2017). The lower level of trust among Russians may also be due to the fact that, according to Hofstede, it can be classified as a low-trust society (Bstieler & Hemmert, 2008), as in Russia trust is very important within already known channels, while in Slovenia and Croatia this is not the case. Given the results of our research, the differences in cultural intelligence do not predict trust and do not correlate with it in a statistically significant way.

This result underscores that cultural differences are more important than cultural intelligence in terms of trust. It can be assumed that the cultural affiliation of the subject remains dominant with regard to the issue of trust in a business partner. It should also be noted that trust and mistrust are not exclusive and opposite categories, but only related constructs—the fact that there is no trust does not mean there is mistrust. The elements we have included in our study cannot be considered elements that can contribute to mistrust (Hardin, 2004; Lewicki et al., 1998; Lumineau, 2017).

Theoretical Significance and Practical Implications

The results of this study show that the gender of the participants affects trust, as all components of trust are higher for the female participants than the male ones. This was not the case in the previous literature, as many authors (Croson & Buchanan, 1999; Kaasa & Parts, 2008; Stolle & Hooghe, 2004) found no significant effects of gender on trust, while others (Buchan et al., 2008; van Oorschot & Arts, 2005) found that men are more trusting than women.

At the same time, our data provides new insights into the relationship between trust and cultural intelligence, as it motivates researchers to respect the cultural factors associated with business partners and not be so confident that cultural differences are easily erased by high levels of cultural intelligence. These results should be taken into account when considering how personal and cultural predictors of trust relate to the level of trust in international business relations.

The data also contributes to a clearer understanding of the ambiguity of predictors of trust, even in such objective conditions as business partnerships and cooperation. While previous studies have focused on cultural intelligence as a factor in successful international interaction, our results show that cultural identity retains its strong importance even in the context of globalization and the intensification of international cooperation.

The results obtained in this study are of interest to those who help develop business cooperation between countries, such as state and public organizations supporting entrepreneurship. In addition, the results will be useful to business school educators and organizational consultants.

Our data enriches knowledge by offering a new approach to building trust between businesspeople from different cultures. As such, one of the recommendations may be to maintain a balance between the number of men and women in any team focused on the development of international business relations. Another recommendation calls for more respect and the careful study of a business partner's culture. Our findings also further underscore the need to take a fresh look at cultural stereotypes as potential barriers to developing trusting business relationships.

Avenues for Future Research

In our research, we addressed the issue of predicting trust between business partners from different countries and cultures. Further research is needed in this area, in the direction of examining trust in business relations with regard to adjacent and more distant regions—in other words, it should be examined whether the physical distance between countries or regions can have an impact on trust in business relationships. Given the size of the countries involved, it would be appropriate to explore the level of trust by region in the future—trust could be higher in bordering regions, for example, both due to more frequent contacts and more similar cultural environments (Komes, 2017).

It would also be important to check whether membership of the countries of one or both business partners in the European Union has a significant impact on the trust and work of business partners in different countries.

There is a considerable literature on the relationship between Slovenia and Croatia, but that between Slovenia and Russia has not yet been sufficiently researched. Further research could explore this relationship in the case of business partners as well as the general populations in both countries. Similarly, it would be worth examining whether the Yugoslav-era stereotypes of Slovenes about Croatians, and *vice versa*, still exist, what they are and whether they have changed over time, as this could also have a significant impact on trust in business relations.

Future research should aim to be based on larger and more representative samples of entrepreneurs and employees developing international business partnerships. Researchers can focus on the difference in motivation as a driving force for building trust with a partner from a different culture. It may also be worthwhile to find out exactly what gender characteristics (e.g., femininity, masculinity, kindness, responsiveness) are the prerequisites for trust in business partnerships, regardless of the cultures of the partners.

Limitations

While our research has proven to be productive, it still has some limitations. First, the groups of subjects were selected *ad hoc*, depending on the voluntary participation of entrepreneurs and employees, and were not based on a systematic sample. Consequently, our subjects can only partially be regarded as representative of the large social group of employees from Central and Eastern Europe. This limitation is also evident in many other cross-cultural studies.

Second, the study of the data allowed us to firmly control possible occupational, social, and demographic factors. Therefore, these factors make it difficult to formulate

more general hypotheses among a wider range of employees. However, this is beyond the scope of our research.

Third, the use of cross-sectional and self-reporting methodology for data collection could have affected the quality of measurement of the parameters underlying trust. In our research, we used a self-assessment questionnaire that allowed us to collect data from a relatively large sample in three different countries on the topic of trust in interpersonal business relationships and cultural intelligence. In the case of any self-assessment questionnaire we naturally encounter subjective assessment, but only in this way were we able to measure the subjective assessment of the dimensions considered in this study. In our case this is a more important factor than the objective assessment of these dimensions. The problem with self-assessment questionnaires is that participants may assess their characteristics too little or too rigorously—thus producing unrealistic results (Demerouti et al., 2015). Our results, however, are valid for answering our research questions, since the study design was carefully organized, the investigated variables were operationalized, and robust psychological data collection and processing techniques were used.

Conclusion

Building trust is a topic that has remained in the spotlight for many years, despite a changing society. In this context we are talking about the trust that arises in the relationship between two people or, in our case, between two businesspeople with different cultural backgrounds (Croatia, Russia, or Slovenia). Human personality also plays an important role in this process, as noted by previous researchers—in our study all components of trust were higher for the female participants than the male ones. Cultural intelligence advances cross-cultural knowledge sharing, communication and development of shared values whilst managers's trust enhances cultural intelligence. In our study we paid attention to those factors that are believed to influence the formation of productive trusting business relationships between people from different countries and cultures. Our results not only once again emphasized the importance of studying the influence of culture on intercultural business relations (we confirmed the differences in building trust among observed nations), but also revealed the need to further pay close attention to the prerequisites of trust (based on gender), which can occur in both personal and business contacts.

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