

Developing University/SME Collaboration: The Role of Trust



Fariba Darabi
and
Murray Clark

Sheffield Business School
Sheffield Hallam University

Research Issue

- **Weak link between Universities and Industry**
(Marzo-Navarro *et. al.*, 2009; Doney *et. al.*, 2007)

Universities ←————→ Businesses

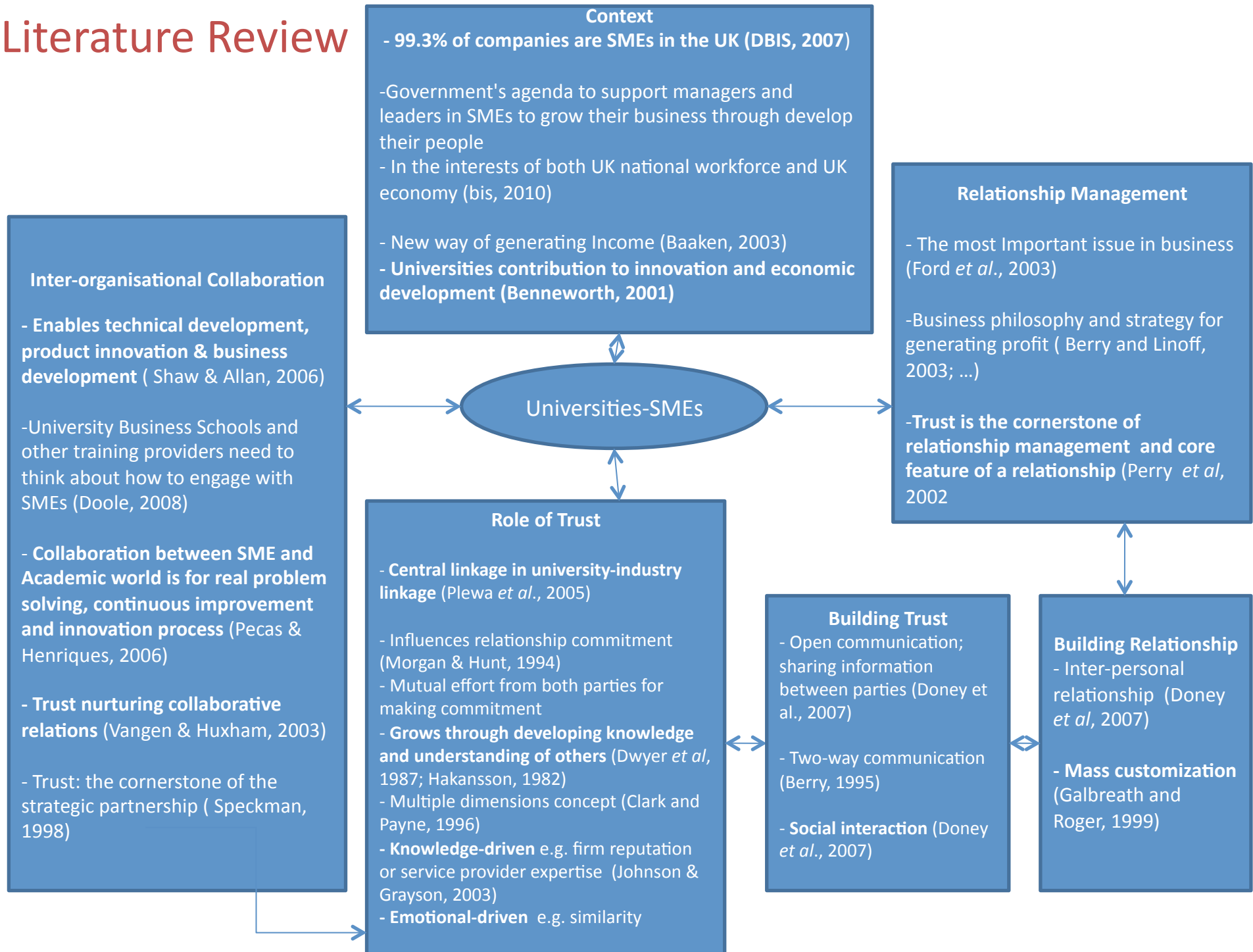
↑
Explore the relationship

Aims and Objectives



- To explore 'what is going on' and 'how things take shape' in the relationship between universities and SMEs
- A deep understanding from the perspective of the key stakeholders in SMEs and universities about their relationship (or lack of relationship) through consideration of the role of trust as a key factor in the collaborative process,
- In order to make suggestions for building strong link between SMEs and Universities and also suggest the best practical model of collaboration/partnership between local universities and SMEs in South Yorkshire and Humber regions.

Literature Review



The Role of Trust in Inter-Organisational Collaboration

- Ingredient for successful Long-term relationships (Dwyer, Schurr and, Oh 1987; Morgan and Hunt, 1994)
- Leads to co-operation (Morgan & Hunt, 1994)
- Relationship enhancer(Doney, *et al.*, 2007)
- Reduce decision making uncertainty (Morgan & Hunt, 1994)
- Increase mutual understanding
- A belief about another trustworthiness (Clark and Payne, 1996)



Research Questions

- *Do SMEs and universities see each other as 'partners'? How much universities understand SMEs?*
- *What are the perceived/remarkable benefits for the university and the SMEs to improve their relationship?*
- *What is the role of trust in this relationship? Is it accelerating the relationship between two sectors? Is trust a key ingredient? Is trust the 'glue' that keeps partnership effective?*
- *How can universities overcome the institutional barriers, such as bureaucratic system, that inhibit them from working across the university-SME divide?*

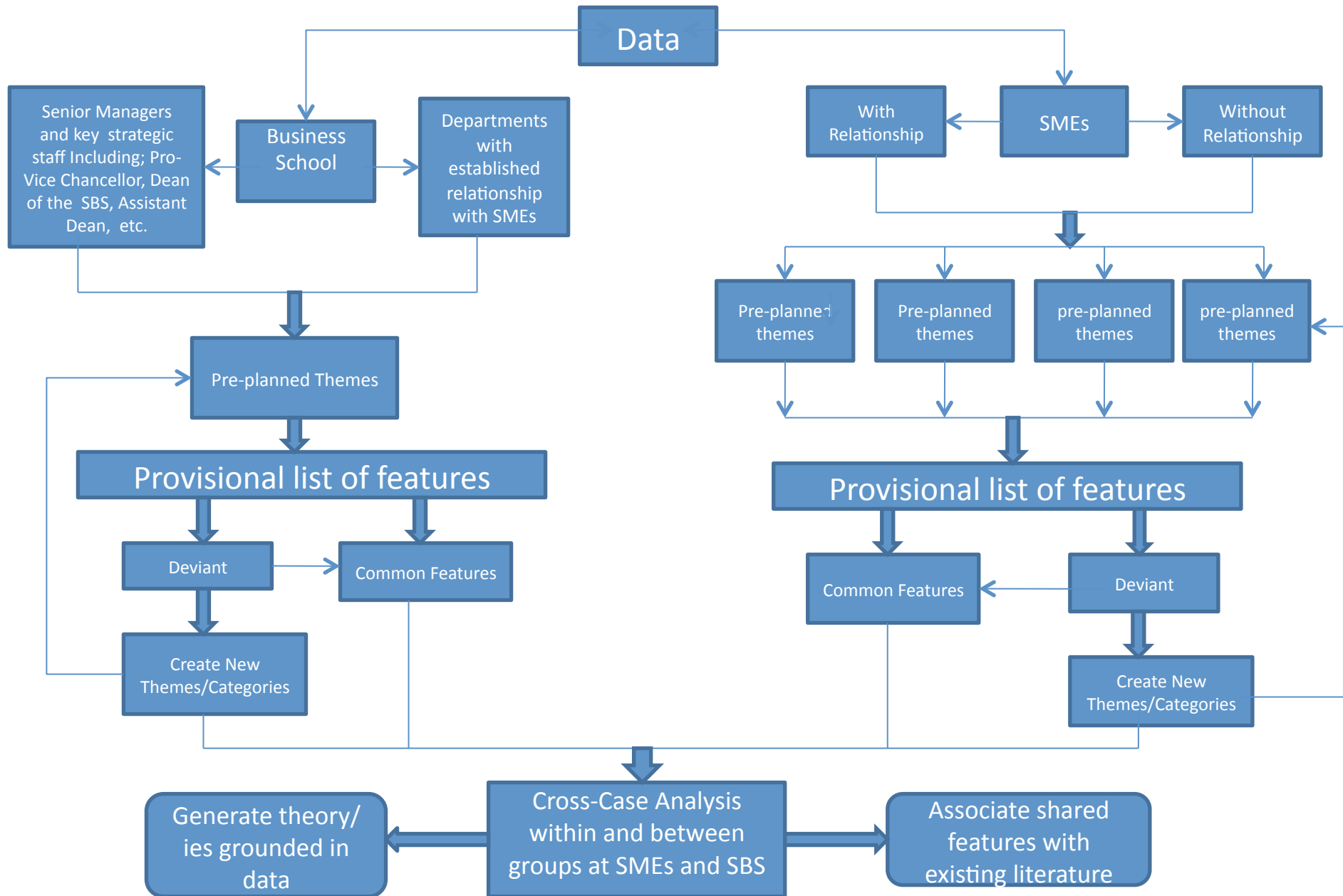
Data Collection

Sectors	Data Collection Method	Population	Sampling Method
SMEs In S.Y and Humber	Semi-Structured Interviews	_ Managing Directors - Key Strategic Staff	Purposive Sampling (Creswell, 2003)
Sheffield Business School	Semi-Structured Interviews	-Senior Managers e.g. Pro-Vice Chancellor, Dean of the Faculty/ies, Assistant Dean/s - Key Strategic Staff	Purposive Sampling (Creswell, 2003)

Data collection and analysis happen simultaneously till 'theoretical saturation'

(Glaser & Strauss, 1967)

Data Analysis Approach: Analytic Induction (Johnson, 1998 adopted from Bloomer, 1997)





Preliminary Findings

- Psychological challenges e.g. inferiority complex and intellectual class system between SMEs and Universities
- High tech innovative businesses are more involved with Universities
- SMEs like to be seen as individuals
- SMEs have Paranoia of outsiders
- Trust is important in financial and information sharing
- SMEs tend to build trustable business relationship through previous connections
- Different Cultures (Speed)
- Communication is major issue ('Language' differences)
- Language gap so Universities need to bridge the theoretical versus practical language gap with SMEs



Contribution to practice and knowledge

- The result of the research should help to build a better understanding of how to build trust based relationships
- Contribute to professional practice through collaboration between universities and SMEs
- Dearth of research that explores the role of trust in higher education sector