TRUSTWORTHINESS, FAMILIARITY AND GENDER: AN EMPIRICAL INVESTIGATION OF NEW VENTURE PARTNER CHOICE (INTERACTIVE PAPER)

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Principal Topic
What is the role of trustworthiness in new venture partner choice? Using a human capital framework, this study delves into the relatively underexplored area of new venture team formation and investigates the importance of the factors of trustworthiness – ability, benevolence and integrity – in new venture partner choice. This study also explores the role of familiarity and the moderating influence of gender in new venture partner decision policies.

Method
Data for this study was collected from CPAs in a Mid-Atlantic state in the U.S. A sample with variation in gender was important for this research; therefore, participants were selected using a purposive sampling technique. To examine the choice policies of these individuals, a conjoint experiment was used to determine the significance and nature of the study attributes in choosing a new venture partner. Hierarchical linear modeling was used to analyze over 3700 new venture partner evaluations nested in the sample of 116 individuals.

Results and Implications
This study has important implications for entrepreneurship research. Significant effects were found between the study’s attributes and new venture partner decision policies, suggesting that ability, benevolence, integrity and familiarity are all salient factors in new venture partner choice. The results of this research provide a baseline for later investigating the role of trustworthiness in partner choice at different stages of a venture’s life. In addition, this research can spur explorations into the effect of trustworthiness-based partner choice decisions on the performance and sustainability of entrepreneurial ventures. Finally, this study extends the conceptualization of human capital to include not only ‘what you know’ (knowledge) and ‘what you can do’ (skills), but also ‘what you are’ (trustworthy).

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