

## ARTICLES

### Nurturing High Performance in the Workplace by Increasing Organizational Trust

Survey reports indicate that fully 43% (Gilbert & Tang, 1998) of the US work force as being cynical and mistrustful of others. Due to constant organizational changes in recent times, employees trust in organizations has suffered. Research (Carnevale & Wechsler, 1992; Becker et al., 1996; Daley and Vasu 1998) however supports the critical role that management plays in increasing trust levels within the organization. In His *Management Review* article Oren Harari is of the opinion that trust is the missing link why institutions are not able to capitalize the intellectual assets to the optimal extent in achieving competitive advantage. Accordingly, it appears that continued success in today's business world is inadvertently enfolded within the level of trust that organizations' leadership are able to create. As such it is incumbent that institutions determine how to increase the level of trust in the workplace. However to completely address the issue of trust it is important to first understand what constitutes trust and consequently what creates mistrust.

#### Defining Trust in the Workplace

Ryan and Oestreich (1998) provide some insight into one of the critical factors contributing to the latter in their statement that, "Mistrust emerges at the point where supervisors and employees connect their differences in organizational authority with their potential to negatively affect one another's life. This negative power-oriented focus often

causes both managers and employees to feel threatened” (p.40). However, there is still confusion surrounding the definition of trust as noted by Bigley (1996), “...despite its apparent importance as an explanatory construct and its increasingly wide spread usage in the social sciences, there is relatively little consensus regarding its meaning” (p.1).

Organizational researchers (Carnevale & Wechsler, 1992) have found trust elusive and difficult to comprehend—a conceptual morass. Yet there seems to be a pattern of meaning as one reviews its contemporary usage. Gilbert and Tang (1998) define organizational trust “as a feeling of confidence and support in an employer, based on belief that an employer will be straightforward and will follow through on commitments” (p.2). Others define trust as the faith or confidence in the intentions or actions of a person or group, the expectation of ethical, fair, and non-threatening behavior, and concern for the rights of others in exchange relationships (Cook & Wall, 1980; Hrebiniak, 1971). This definition almost mirrors the definition that trust is one’s expectations, assumptions, or beliefs, about the likelihood that another’s further actions will be beneficial, favorable, or least not detrimental to one’s interests (Barber, 1983; Gambetta, 1988).

Still others view trust as an integrative mechanism that creates and sustains solidarity in social systems (Barber, 1983) and provides the “lubrication” that makes it possible for organizations to work (Bennis & Nanus, 1985). Johnson & Johnson (1997) notes that groups possessing high levels of trust are more effective in problem-solving situations and that an essential aspect of group effectiveness is developing and maintaining a high level of trust among group members. Trust also involves a willingness to place oneself in some jeopardy, to risk vulnerability, to take the chance that one’s dependency will not be exploited (Eddy, 1981).

Accordingly, because organizational trust refers to employee faith in corporate goal attainment and organizational leaders, and to the belief that ultimately, organizational action will prove beneficial for employees (Kim, 1993), mistrust or the lack of trust can have a negative impact in the workplace. This reality is supported by research that indicates that a lack of predictability and safety in organizational relationships results in low organizational commitment, including: decreased human relations and organizational performance, low employee morale and product quality; and increased absenteeism and turnover (Cangemi & Kowalski, 1989; Cox, 1993). Further, if employees feel betrayed by management, they may even engage in destructive organizational behaviors such as neglect or in extreme cases sabotage (Cangemi et al., 1989; Mishra & Morrisey, 1990).

#### Determination of Trust

The question that arises then is how can trust be increased to mitigate the negative results associated with its lack within the organization. Research shows that while trust is based on individual demographics, psychological and individual predispositions, attitudes and beliefs, and affective responses to organizational factors, the most important determinants of trust are found in the organizational climate established by supervisory relations (Carnevale & Wechsler, 1992). These researchers state in their results:

Supervisory relations had a very strong positive effect on reported levels of organizational trust. Captured in this scale were the effects of feedback, supervisor confidence and support, fairness of reward and punishment, approachability, openness of communications, and opportunity for participation.

Surprisingly, job characteristics proved to be non-significant. Taken together, these results suggest that organization-level determinants of trust derive from interpersonal relationships and organization climate and that enriched jobs, which may be desirable on other grounds, do not serve as precursors to organizational trust. (p.10)

It has also been further determined (Becker, Billings, Eveleth, & Gilbert, 1996) that the expression of trust in an organization's supervisory and managerial leadership is positively associated with job performance.

In a study by Daley and Vasu (1998) to examine employee attitudes in relation to those in top management positions it was determined that organizational trust establishes the framework for productivity. The study also further noted that:

Trust is also enhanced by a supervisor who effectively plans for and manages the work unit. Strategic planning and the direction of operation are the basic functions expected of a supervisor. Supervisors' competence instills trust among employees expected to follow their leadership. (p.18)

The significance of management's participation in building an environment of trust and contributing to the increase of organizational trust is further emphasized by a study by Garmon (1995) of 150 volunteer participants from three different work environments-technical, healthcare and education. The results of the study support the active involvement of management building trust in the eyes of their subordinates:

Managers who contribute to the quality of interaction with their subordinates will garner more trust than will managers who do not. Enhancing mutual trust in the work environment is proposed to lead to greater job satisfaction and productivity.

determined that organization. (p.1)

The trust that employees have for those in charge of their organizations concept is further echoed.

#### Organizational trust discussion

It is evident based on the research that the role of the manager is critical to the promoting and nurturing trust within the workplace. Thus, the research provides support to the proposed intervention of management training as one of the action steps in improving organizational trust at the client organization. Managers will be need to be trained on the four basic factors that breed trust including: (1) open communication, (2) giving workers a greater share in decision making, (3) sharing of critical information and (4) true sharing of perceptions and findings (Mishra & Morrissey, 1990). Guarrero (1998) also views a “leadership base that consistently act with integrity,” as also important in establishing trust in the organization. He states that, “...integrity is listed as the single most important personal characteristic followers’ desire of their leaders. If people are going to follow someone willingly, they want to reassure themselves first that the person is worthy of trust” (p. 3).

To further emphasize the need for managers to play an active role in creating a high-trust organization Woolsey (1997) writes that “the existence of a low trust culture explains why 18 percent of executives’ time is exhausted resolving interpersonal disputes. ...control is maintained through endless rules, regulations, policies and procedures that perpetuate bureaucracy and restrain creativity” (p.2).

In contrast, high trust “brings about an environment with greater autonomy...improved productivity...and a vision-oriented mindset” (p.2). Creed and

Miles (1996) also suggest that “...managers play a strong role in developing trust through their core beliefs, which are taken to set an overall predisposition to trust or distrust” (p.1). Also, with the tight labor market, it is also projected that companies begin focusing on managing people and not simple processes (McCune, 1998).

### Conclusion

One cannot underestimate the significance of trust to the success of today's businesses. Trust is not only essential for improving performance (Buzzotta, 1998) but for sustaining it during turbulent times. It is a win-win process, where the more trust one engenders; the more people will be committed to the mission, goals, and bottom-line results. Conversely, without trust there is no risk-taking, no commitment, no empowerment, and no collaborative teamwork. The research (Carnevale & Wechsler, 1992; Becker et al., 1996; Daley and Vasu 1998) supports the critical role that management plays in increasing trust levels within the organization. Additionally, the research (Mishra & Morrissey, 1990; Garmon, 1995; Guarrero, 1998) is supportive of the training intervention proposed to provide management the skills needed to exhibit those behaviors that contribute to a high-trust environment. The research (Richey, 1994; McClelland, 1992, 1995; McArdle, 1996; Seels, 1997; Noe, 1999) further supports the conducting of a needs assessment strategy prior to the development of the training program, as well as supports the use of the ISD model in conjunction with adult learning theory as an effective training strategy to facilitate the proposed intervention.

Because the organizational studies of trust are recently gaining in popularity, there is much applied research to be done in that area. For example further research on the monetary impact associated with the varying levels of trust would have a significant impact. Such a study will certainly peak an interest with most companies that view this significant issue as still a “soft,” issue, despite the many claims on the impact of trust on productivity and similar other work-related areas. Additional research is also needed in the areas of the ISD model and adult learning theory. Specifically, research needs to address what components of the model need to be modified to satisfy the changing environment within which we exist. Similar as the adult population grows older, research should be conducted to determine if new adult learning models are required.

While the training intervention is supported by the literature review as a strategy in assisting the client increase its level of organizational trust, its success will be incumbent upon management commitment and that of the manager participants. Trust cannot exist in a vacuum. It will not succeed by a simple class attendance and management pronouncements, instead like a good exercise program, building trust will require hard work, commitment, preserving and continuing effort to achieve the payoff (Wyatt, 1996).