

# MISSION POSSIBLE: REBUILDING TRUST AT WORKPLACE

Ali Nawaz Khan\*

Muhammad Farrukh Moin\*

<u>Ahsan Ali\*</u>

## ABSTRACT

The aim of this study was to find out the major causes that lead to distrust, moreover, the role of leader in [re]building trust level at workplace and how the trust can be rebuild. At last, some solutions, as well as, recommendations were given, how to overcome this issue.

Key words: Trust, Leader, Workplace Problems.

International Journal of Management, IT and Engineering http://www.ijmra.us

<sup>\*</sup> M.S. (Business Administration) Scholars, Department of Business Administration, Federal Urdu University of Arts, Science, and Technology, Islamabad Campus, Pakistan

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

# INTRODUCTION

A famous logician Confucius writes one needs three things to efficiently and effectively run/manage a country; these are weapons, food and trust. For him the most critical factor is trust among all and, if, there is a need of sacrifice then to sacrifice weapons and food, but do not lose the trust of people. Thus, it is of vital strength for any nation (Cambié, 2010).

Trust has been defined as the self-assured positive eagerness of one to remain vulnerable on the act of another in circumstances of interdependence and danger (mesquita, 2007). An article in Harvard Business Review (2009) writes that in recent years, the business setups cannot work properly if people are not having trust upon them.

Peter Drucker (1992) eagerly examines, trust is a vital commodity at all stages of business actions and involvements (as cited by bandsuch, pate & thies, 2008).

Alternate terms that may be used for trust is social capital (Trust and collaboration that leads an activity to be well assisted for shared advantage). Moreover, it is not only depends on individual factors but also on institutional and systematic factors in which individuals act (Christoforou, 2011).

Rebuilding trust means returning somewhat in improved form than it was formerly, bracing associations, and making the culture attractive.

When trust is damaged, associations and output are compromised. Moreover it leads to soreness, suspicion, and puzzlement. A general mistake people do that they perceive trust which has been damaged, would be re-build itself with the passage of time. This outlook is impractical, careless, and ultimately demands to give up trustworthiness (Reina, D. and Reina M., 2007).

Johnston (2011) believes that a broken trust is supposed to be an illness that gets poorer with ignorance. Thus, Rebuilding trust can be slower than broken trust.

http://www.ijmra.us

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A. International Journal of Management, IT and Engineering

Let us take an overview of some of the critical factors which effects the [re] building trust.

## FACTORS AFFECTING TRUST

Before 10 years, on visit of customers to the sales personnel although the choice to choose the product or services was restricted but because of <u>timely, reliable and accurate</u> <u>information</u> they were able to take a better decision (Jarvis, 2009).

Chase (2007) thinks that **believability and trustworthiness** are the pillars for building trust as well as for fruitful correspondence, and, this statement looks practical for every setup in all industries.

Seymour believes organizational setups having great eye on improving and getting transparency and communication, by means of customers, have a great prospect to be sure. Thus, <u>effectual</u> <u>customers focusing</u> can be vital tool to rebuild trust (as cited in Money Management Executive, 2009).

Johnston (2009) feels that Rebuilding trust starts with <u>dedication to educate, guide and market</u> <u>safety</u> for all stakeholders. Thus, maintaining healthy relationship would be great importance and <u>time spent in educating and guiding</u> plays a vital role in (re) building trust. Never allow any stakeholders to breach the rules because it will allow other people to breach and, thus, will reduce the trust level and may create conflicts.

Atchinson suggests three elements are salient for keep holding the trust that are <u>Transparency</u>, <u>transparency</u>, and <u>transparency</u>. But the transparency should be reliable and realistic .Thus <u>visible, understandable and clear communication</u> can be used to reduce mis-understanding on both the sides (as cited by Kleyman, 2005).

The Investor and Member Sentiment and Communications Report (2010) indicated that forty six percentage of active investors are not trusted fund managers and intended to spend themselves

383

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A. International Journal of Management, IT and Engineering http://www.ijmra.us

# <u>ISSN: 2249-0558</u>

directly without their involvement and the main reason for this are **poor level of communication** and hidden charges (as cited in Pokrajac, 2010).

Helmes believes the major share of distrust is because of poor level of communication rather poor performance. Some members may forgive the poor performance as long as they can provide reliable and accurate information or communication.

It was also observed that, <u>regular and open communication</u> is vital for rebuilding trust while organizations that shine in communication have high achievements on keeping their customers (employees) satisfied (as cited in Pokrajac, 2010).

Cambié (2010) states that in recent years, communication at corporate level barely works. Employees want to have better information and <u>respect</u>. Their trust level at organization is flimsy. And their probability of sharing rumor mill is increased. In order to do a trust one needs to experience it. Moreover, Bierck (2003) feels that "Your word was your bond. You would go broke before you broke your word.

Nelson (2010) states that when <u>basic values are not honored</u> the trust is damaged moreover, if it is not repaired or rebuild, it would become part of culture. Thus, if this factor [trust] will lack, the basic values of organization will flourish the concept of cynicism.

Reina, D. and Reina, M. (2011) think that <u>Small unfaithfulness, like 'gossips', 'finger-</u> pointing' or taking revenge on others efforts, are more persistently damaging the trust over time. Thus, leads to adverse effect on self believe, loyalty, and liveliness.

## **OVERVIEW OF SOME PROBLEMS FACED BECAUSE OF MIS-TRUST.**

Mortimer (2009) feels that organizational setups always have a reputation of good or bad, and there is a need to convince their present customers/stakeholders in building or rebuilding trust that they are trustworthy.

Let us discuss some of the findings that suggest that not holding a trust can lead to big problems.

According to the Ethics & Workplace (2010) survey by consulting firm Deloitte LLP, it was observed that1/3 of functioning American workers are planned to go for a new job when economy will be prosper. Moreover, 48% of this part are those who want to go because of losing the trust on employer. Thus, trust and transparency were considered as salient for the repute at larger level than quality of manufactured goods and services in US (as cited by Reina, D. and Reina M., 2011).

Reina D. and Reina M. further observed in their findings that about 90% of the staff reported that they experience the consequences of trust damaged on routine basis. Thus, it would greatly affect the yield, performance and gains or lead to change in attitude level.

### LEADERS ROLE IN [RE] BUILDING TRUST

Frost believes that Actions in the organization [mistrust] are not poisonous. It is how the soreness is managed, decides that the lasting impacts are beneficial or non-beneficial. He also thinks that the most critical Impact at workplace poisonous is organization's leader. Higher the poisonous personality is, extensively extend the soreness may be and number of people will behave like a poisonous chief. Thus, work place would suffer badly (Stephenson, 2004).

Duxbury and Higgins believe Leaders must grow today the environment of trust via truthful and unlock communication. They believe in general, the approach of mistrust in organization is linger. Customers and investors won't take chance to invest, thus, gains becomes down, stock prices resultantly becomes decreasing and cost of capital goes up, moreover, it will discourage new investments and self-belief level of both customers and investors will be shrink. Significantly, employees also have to pay the penalty. Benefits of jobs have gone. Now Employees have to manage the work load of their colleagues who have quit by any way, also, more and more time is being spending in office than friends and family, in order to discover new paths for business and to battle for high profile jobs. Thus, employees got stressed, depressed, and fed up.

http://www.ijmra.us

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A. International Journal of Management, IT and Engineering

January 2013

Prosperous organization needs trust, honesty and decorum, thus a good mix produces a good relationship and trustworthiness (Stephenson, 2004).

# HOW CAN A LEADER PUT STRONG RELATIONSHIP IN AN ORGANIZATIONAL SETUP TO FLOURISH?

1) Don't only speak about ethical standards, try to implement it in daily routine or in every day decision making.

2) Build an environment via unlock communication to build trust and care.

3) Must hold a powerful mission/vision for the organization and link this with the economical and societal impact of business.

Sometimes, Good people might act badly or irresponsibly, because, of the circumstances in which their activity takes place. And this negligent behavior may further lead to irresponsible activities.

Generally, it was observed that employees pay no attention towards the speeches. But, the words, proceedings, and judgments of CEO/Head are having strong impact.

Leaders are not out of this world, Constructive learning can only be possible when leaders do trust on employees, resultantly, employees will do with leaders and with subordinates. More over unlock and sincere communication reduces the stress level at the work place, also, linked with leadership. Gardner believes that genuine leader can lead to development of relationship and trust through unlock and sincere communication with the employees. As Paine discovered, people-employees, clients, sponsors and society etc. observe regularly that organization is accountable, trustworthy and fair or not (as cited in Stephenson, 2004).

Johnston (2011) believes that Despite of strong point Boss and subordinates association, the best practices which are being implementing in organizational setups , how much disappointment they feel and show, it is very difficult to avoid subordinates intention of will I be the subsequent?

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A. International Journal of Management, IT and Engineering http://www.ijmra.us

# <u>ISSN: 2249-0558</u>

Thus layoffs can lead to broken trust and resultantly subordinates will show in-competency, errors, missed target and other such issues.

He believes rebuilding trust starts with considering how other observe individual conduct and how can this conduct affect organizational setup.

It does not look possible to develop trust worthy relationship in the absence of definite relationship. Thus, bosses also need to interact and spent some time in one to one communication with subordinates to understand them individually and let him/her self be well-known. Different sort of appreciations like public acknowledgement on excellent work helps to accelerate the trust.

### **SOLUTIONS**

A broken trust is supposed to be an illness that gets poorer with ignorance. Rebuilding trust can be slower than broken trust (Johnston, 2011).

Reina, D. and Reina M. (2007) believes that a general mistake people do that they perceive, trust which has been damaged, would be re-build itself with the passage of time. This outlook is impractical, careless, and ultimately demands to give up trustworthiness.

In (2011) On Wall Street states that Display your human face. A person who is mentor, is supposed to be a part therapist. Don't be too hurry or make a stress in dishing out an answer. Let your customer [stake holder] speak, speak and speak.

(Galford, 2007) believes the following steps are good for rebuilding trust at workforce level.

- Broken trust can be managed and deported but depends upon the situation where it was damaged.
- Try to be familiar with the loss caused by Broken trust, be remained familiar whether it has damaged individual trust or collective trust (organizational trust).
- Try to admit the loss occurred and by acknowledging its awareness to yourself, you will be transmitting a message that it is fully in your mind set.

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A. International Journal of Management, IT and Engineering http://www.ijmra.us



### January 2013

- By putting this issue into fruitful conversation you will allow them to discuss it in meetings or even in one to one dialogue.
- Try to remain open minded and do not try to guard yourself as it may be costly.
- Try to perform extra and more, as people in broken trust perceive whatever you are delivering, is not enough. It can be helpful to reduce the damage caused.
- Try to close look, is there any sort of improvement done in an attempt to rebuild trust and what can further need to be done. As in an attempt to rebuild trust hardly each and everything goes straight.
- Whole effort can be repeated even if you still feel that it may take long time to normal function the trust. Regular and focused commitment can produce better results.
- Many organizational leaders believe that they must give serious intentions towards employees trust. Thus, Organization should find grounds which keep the people working on safe and sound track. Moreover, leader should try to:
- i. Empower its employees and make sure that any disturbance may not reduce speed of productivity.
- ii. Carefully look at the peers and reports and communicate with them
- iii. Recognize and reduce the means of resistance in organizational setup.

Moreover, Reina, D. and Reina M. (2007) believe that leader should

Pay key attention towards factors which leads to growing and damaging the trust.

- Try to listen and acknowledge what has happened and its effect on people, system and resultantly the losses.
- Apology which is recognized to be well-timed and heartfelt can be used as a tool for settlement/ rebuilding a [trust] relationship, provided that relationship before repair was good and possibility of future infringement is minimal (barling, turner, dezan & carroll, 2008).

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

## RECOMMENDATIONS

Following are the key recommendations which can be used as guide, as cited by (Reina, D. and Reina M., 2011; Nelson and Cohen, 2010) to [re]build trust.

- Try to listen to the experiences and views of employees and acknowledge their loss, face to face interaction can be good at this stage.
- Provide them environment where they can speak and share their feelings and allow them to express without been any threat.
- Help the people to think for solution of the problem rather blaming, This can be initiated by sharing good insights among employees, and by feeling them involved.
- Show them the larger context behind the situation (i.e. Business Decision reasoning) and show them the potential benefits and options of that for individuals.
- Staff might not forget what happened to them rather they may go forward to leave remaining stuck in the worst memories.
- Enhance the awareness not to be involved in faulty activities and end the rumor prior to its expansion.
- Plan to notice and give no room for dishonesty.
- Disinfect or remove any one who has led for the commotion/seriously broken trust (If deliberately).
- Forgive or punish
- Make every individual answerable to clean up the untidiness and go forward.
- Try to bridge the correspondence gap.
- A little exercise can be done to measure the current trust level of employees among themselves and with the bosses by allowing 1 minute in speaking their comments, which can give good results.
- Try to compensate in a better and fair way even when organizations results are coming not good.
- Intranet, social medium, portals can be used for better and accessible communication but company should keep in mind or attentively watch, the nuance of medium being used.
- Apology which is recognized to be well-timed and heartfelt can be used as a tool for settlement/ rebuilding a [trust].

### http://www.ijmra.us

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A. International Journal of Management, IT and Engineering

### REFERENCES

[1] Bandsuch, M., Pate, L., and Thies, J. (2008) Rebuilding Stakeholder Trust in Business: An Examination of Principle-Centered Leadership and Organizational Transparency in Corporate Governance. Business and Society Review, 113(1), 99–127. DOI: 10.1111/j.1467-8594.2008.00315.x

[2]Bierck, R. (2003, May). Rebuilding trust on the bottom line. Harvard Management Communication Letter. 6(5), p3-4.

[3]Barling, J., Turner, N., Dezan, H., and Carroll, A. (2008). The Nature And Consequences Of Apologies From Leaders In Organizations. Academy of Management Annual Meeting Proceedings. DOI: 10.5465/AMBPP.2008.33718429

[4]Cambié, S. (2010, May/June). A solid Direction. Communication World, 27(3), p28-30.

[5]Chase, J. (2007, February). Trust: Mission possible?. Medical Marketing & Media, 42(2), p6.

[6]Christoforou, A. (2011). Social Capital Across European Countries: Individual and Aggregate

Determinants of Group Membership. American Journal of Economics and Sociology, 70 (3).

[7]Galford, R. (2007, March/April). Rebuilding organizational trust. Communication World, 24(2), p37.

[8]Jarvis, C. (2009, October 10). Shared Access. Money Marketing, p28.

[9)]Johnston, J. (2009, August). Rebuilding safety trust. LP/Gas, 69(8), p44.

[10]Johnston, M. (2011, December). Rebuilding trust after layoffs. Chief Learning Officer, 10(12), p29."

[11]Kleyman, D. (2005, June 6). IMSA EXEC: Transparency is key to rebuilding trust in industry. Insurance Advocate, 116(12), p30-32.

[12]Mortimer, R. (2009, Jan 15). Goodwill hunting. Design Week, 24(2), p18.

[13]Mesquita, L. F. (2007).Starting Over When The Bickering Never Ends: Rebuilding Aggregate Trust Among Clustered Firms Through Trust Facilitators. Academy of Management Review, 32(1), 72–91.

[14]Nelson, P. and Cohen, E. (2010, May). Rebuilding trust. Leadership Excellence, 27(5), p18.

[15]Pokrajac, M. (2010, November 25). Communication the key to rebuilding trust. Money Management, 24 (44), p12.

[16]Reina, D. and Reina M. (2011, September/October). Rebuilding trust in the workplace. Baseline, Issue 112, p12.

International Journal of Management, IT and Engineering http://www.ijmra.us

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

[17]Reina, D. S. and Reina, M. L. (2007, February). Rebuilding trust. Leadership Excellence, 24(2), p17-18.

[18]Stephenson, C. (2004, January/February). Rebuilding trust: The integral role of leadership in fostering values, honesty and vision. Ivey Business Journal, 68(3), p1-5.

[19]-----(2009, June). Rebuilding Trust. Harvard Business Review, 87(6), p53.

- [20]----(2011, October). Strategies for rebuilding Client's trust. On Wall Street, 21(10), p A4-A5.
- [21]-----(2009, May 11). Week in review. Money Management Executive, 17(19), p5.



A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

> International Journal of Management, IT and Engineering http://www.ijmra.us