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# The Importance of Employee Trust in Management

Announce what will be, and then do it. Then employees may trust management.

Surveys show that employees have serious doubts about company leaders. Only 40% trust top management to always communicate honestly. The same level of confidence applies to confronting issues to prevent major problems, honesty, vision of the future, and establishing clear objectives. While employees may feel pride in the company, they do not have trust in the management running the company. The scandals of the immediate past have fed the cynicism and lack of trust of management.

The communications tools now available have made it easier to transmit top-down information and directives. However, employees still have an unclear image of where the ship is sailing. The result will be a less committed and less engaged workforce. The military learned a long time ago that the troops need to be informed by the man on top regarding objectives and rationale of future actions. Then they will be motivated to face the future regardless of how serious it may be. The principle generally applies to life in the factories and offices.

Most of the people running corporate America have the right intentions. They are working to boost profits, maintain jobs, and deliver quality products under trying circumstances. In senior management there may be so many projects in place that they forget about the promises made. They are not intentionally devious; they are trying to do the right thing, but they get busy, forget to communicate, neglect follow through, and trust declines as a result. Left unattended, low trust in management can cost financially; companies with high management trust levels earn proportionately three times more than companies with low management trust levels.

The CEO and other senior leaders are the true stewards of organizational and management trust and integrity. Companies with high levels of management trust communicate both good and bad news to employees and they do it often. Trust is also supported by how well companies manage changes such as mergers, downsizing, and restructuring. Regardless of the change, what matters is how it is handled. High trust companies generally do a better job of it.

Degeneration of trust in management is a problem for both employees and management. How can management motivate the workforce when they simply don't believe the information management tells them?

## Characteristics of Distrust

- It is self perpetuating; employees don't trust management, and management becomes less trusting of employees;
- Distrust is like a virus; it gains strength as it spreads. New employees learn from more seasoned employees that management cannot be trusted.
- Distrust is resistant to change. Some managers conclude that to stop distrust they must move the operations to another part of the country and hire a new work force.

### Building Trust in Management

- Start trusting employees. Management needs to show trust of employees. Eventually employees will learn to reciprocate. This can take time and patience. It's like approaching a truce on the battlefield while the snipers are still hard at work.
- Don't withhold information. Some managers operate on a need to know basis, but employees need to have good information in a timely manner, or they will feel that their information has been sanitized or delayed.
- Be honest at all times. If employees feel that they are being misled, trust will be lost, perhaps permanently.
- Conduct more face to face communications. Sometimes employees need to hear straight from the boss in forum. Management by walking around is important, too.
- Listen to employees and let them know you've heard them. Employees become distrustful when they sense that their views are not being heard. Management needs to acknowledge employee suggestions by acting on them and letting all know that they did so.
- Communicate what you are sure of and then do it. This will develop the proper pattern of communications and trust of management in future actions.