



weLEAD Online Magazine

leadingtoday.org
©2007 weLEAD Incorporated

December 2007 Editorial

Trust and Organizational Learning

By Shannon Flumerfelt, PhD.

Editor of the E-Journal of Organizational Learning and Leadership



The issues of trust in organizations are complex but are certainly worth examining. The Oxford Management Reader (2007) states, Over the past two decades, the topic of trust moved from bit player to center stage in organizational theory and research. Whereas previously it often had been treated as a mediating variable in empirical studies - a variable of secondary interest, at best - trust emerged in the 1990's as a subject deemed important and worthy of study in its own right. (electronic communication)

Trust is now understood to be a key element of corporate culture that fosters the capacity of its employees. This is because a culture of trust encumbers several desirable activities, learning, risk taking and innovation.

The traditionally-held view of the structure and purpose of organizations as defined by scientific management theory leads to limited conceptualizations of how trust is developed. When designed for efficiency, organizations have great difficulty bridging organizational change patterns in areas including the use of time, space and the definition of relationships because of structural impediments,

public accountability, expectations and traditions. The view of organizational dynamics as defined by scientific management theory leads to limited conceptualizations of how trust is developed. Scientific management theory focuses on efficiency of operation, and therefore promotes the notion of safety, a necessary but rather limited approach on a continuum of trust.

The manner in which time, space and relationships are operationalized in organizations has great impact on the state of safety vs. trust in cultures. Organizations that operate under self-sustaining structural impediments, such as hierarchical power distributions, command-control dynamics and internally competitive and isolated functions, are focused on efficiency, and therefore tend to promote safety. While safety is a base element of the process of developing a culture of trust, it can also inhibit the development of a culture of trust if it is the final destination of the organization. In addition to a focus on efficiency and safety, external impediments stemming from the accountability movement, compliance regulations and societal standards create dynamics that hamper the development of higher levels of trust in organizations.

Frederick Taylor (1911) promoted efficiency in organizational structures as a way to obtain desirable production levels (Bohman, Deal, 2003, p. 45). Many organizations have been structurally organized based on these same management principles. Weber (1974) promoted organizational structures that included clearly defined hierarchical formats with fixed divisions of labor (Bohman, Deal, *ibid*, p. 45). Under the tenets of Weber and Taylor, where efficiency is the focus, extensive labor agreements fully enforce pyramidal organizational structures as well.

The efficiency model introduced by Taylor and the hierarchical model fashioned by Weber are imbedded in organizational culture today because they did prove to be viable approaches in times past. These theories were a part of the formula of success experienced during the development of our country's economic capacity. They promoted efficiency by providing authority to the managers and leaving the workers with the task of following orders; this led to profitability.

These approaches, born out of the Industrial Revolution, fueled the economic development in America. The premise of the “great man theory” is represented by MacGregor’s (1960) Theory X approach to management as described by Bohlman and Deal (ibid, p. 118). The “hard” version of Theory X believes that managers manage and workers work, and the two worlds are distinctly separate. It utilizes the assumption that workers are lazy, need direction and have no capacity for positive change, and must be treated likewise. Under Theory X, employees are asked to contribute ideas for improvement as this blurs the locus of control between managers and subordinates. Furthermore, with the hard version of Theory X, managers do not believe employees have any good ideas anyway.

There are shortcomings of scientific management approaches and Theory X applications as demonstrated by emerging organizational development theory and research. New research is supportive of distributive approaches to leadership, stakeholder involvement and collaborative strategies. These long-term, people-intensive, approaches have been found to promote organizational success rather than individual success. They are not particularly efficient, but they are effective ways of running organizations.

Eisler (1995) addresses the need for such a fundamental shift from domination to partnership models and states, “. . . at our level of technological development, a dominator model of organization is not sustainable.” (p. 32) Vicere describes the changes that have redefined how organizations and leaders operate successfully (2002). The great man theory of old, while still popular today, does not translate well into settings seeking the benefits of readjusting organizational structures, cultures and procedures. Vicere states,

“We are surrounded by change, continuously challenged to rethink our values, our careers, our lifestyles. It is no different for organizations. Today’s volatile economic environment demands that organizations rethink their strategies, processes and cultures.” (ibid, p. 26)

Fullan and Hargreaves (1996) examined stories of schools and concluded that organizational capacity, sustainability and coherence depend on a plan for leadership succession, the promotion of diversity in leadership and organizational activism.

The benefit in developing a culture of trust is that it fundamentally establishes the dynamics of learning, both individually and corporately. Ferrero (2005) explains how learning occurs,

“We know, for example, that the mind constructs knowledge—that people learn by connecting new information to existing understandings and conceptual frameworks.”

(p. 6)

In addition, learning is supported when just the basic state of safety is attained. Research affirms that reliability is imperative for learning to take place. For instance, Healy (1990) writes about the positive effects of appropriate learning environments on the development of children in early intervention programs as she states, “Children are disadvantaged to the degree they do not receive adequate physical, social-emotional or intellectual nurturing.” (p. 237). Her definition of “disadvantaged” does not relate to privilege, but to physical and emotional deprivation. In the most overt way, such negative exposures can hinder brain development. She advocates for homes and schools to be free from these disadvantages in order to properly facilitate learning. Reliability in providing physical, emotional and social support must be provided for in order for learning to take place.

The establishment of this “comfort zone” in organizational culture is critical for learning to occur. If the brain is engaged in a “fight or flight” conflict that is triggered when danger is sensed or present, when safety is not a part of the environment, then learning is hampered. A consistent environment of safety is the minimum that organizations should provide to develop a culture of trust. When this environment of safety is “contracted” or standardized, predetermined items guarantee certain conditions, minimizing risks to the employee.

When the culture of an organization includes long standing traditions, such as symbols, ceremonies and rituals, reinforced through storytelling, these protocols lend stability to the emotional safety of the employees. Tradition also determines much of the organizational design, use of time, the nature of assessment and evaluation, and the types of socially-based activities that take place.

Both safety and traditions are base level methods for developing a culture of trust when the organization is rooted in scientific management theory. But there is more that organizations can do to develop the precepts of trust by fostering risk taking and empowered choice.

Trust is an elusive concept, a topic of analysis by philosophers and theorists. Some of the contemporary writings on the subject do not bring forth a clear consensus of the definition, but rather present multiple perspectives and dimensions of trust. Three definitions are explored below. These definitions are placed on a continuum model that ranges from safety to morally sound trust. In this model, a scope of trust is presented as increasing based on increased risk and positive effects on learning. Safety represents the most basic levels of trust and minimum degrees of risk. On the continuum of trust, morally sound trust is presented as most effective for an organizational learning environment.

The first definition of trust is from Russell Hardin (1996), who describes trust as a highly cognitive, self-actualized, deliberate act. Trust comes through induction and requires a conscious approach. On the other hand, Annette Baier (1986) factors into the trust equation the element of risk. She diverts from Hardin's perspective by stating that too much cognition and calculation leads to the minimization of risk, and, hence, the minimization of trust. Too much cognition eliminates the impact of trust. Mark Warren (1999) also opposes Hardin's position as he describes a more intuitive, affective perspective. He pushes beyond Baier's parameters which allow for some calculation. He encourages faith in the power of trust and believes that such an act has the capacity to add to civility if left alone to work in relationships and situations. He does not perceive trust as a choice, but rather as process or system that has its own capacities.

The view presented here for the need for more organizational trust is depicted as a continuum of options ranging from reliability and safety to morally sound trust. This presentation parallels Baier's thinking on the topic in terms of definition, except that she opposes using a continuum approach when describing trust. She believes trust is a more exact state. Baier's rationale is noteworthy on the point of rank ordering trust on a continuum because the evolution of trust is not a sequential, linear process, ". . . but trusting is rarely begun by making up one's mind to trust, and often it has no definite initiation of any sort, but grows slowly and imperceptibly." (ibid, p. 240). And further she describes this occurrence, "Trust can come with no beginnings, with gradual as well as sudden beginnings, and with various degrees of self-consciousness, voluntariness and expressness." (ibid, p. 240). In this sense, the continuum of differences from safety to morally sound trust provides an incorrect mental picture of a definite beginning and ending point. In agreeing with Baier, trust is not necessarily conceptualized as a measurable element on a continuum. In differing slightly with Baier's conceptualization, however, two concepts of trust are presented as possibilities for cultures, varying in terms of relative degree and scale. They are safety and morally sound trust.

These states can be understood by the following example contrasting "excellence" and "quality." *Excellence* is a measure of some outstanding characteristic or peak experience at a point in time, such as "the texture of the soup is excellent." This means that a talented chef or special ingredients made the soup positively distinctive, one of the best textures available to the connoisseur. On the other hand, *quality* is more encompassing than excellence. It is a state of being, the total sum of several characteristics over a period of time. If one said, "the texture of the soup reminds me of quality," one thinks beyond a good chef using good ingredients to a total environment including a good chef, good ingredients, carefully researched recipe and state of the art kitchen facilities and equipment. *Quality* is a description of a systemic condition or process. It involves several interacting components of an operation or organization involved in striving for continual improvement.

Excellence infers the recognition of an outstanding trait or set of traits as an event that demonstrated attainment of high standards. Both *quality* and *excellence* are positive, but the more broadly focused, systemic, and process-oriented nature of quality exceeds the scope of the more specifically focused, characteristic, and event-oriented nature of excellence. The differences between excellence and quality parallel the relationship between safety and morally sound trust in traditional public high school settings. Both are desirable and important, but they differ in terms of scope, and therefore in effect. Morally sound trust is described as more impactful in terms of positive effects on learning.

In Figure 1, two distinct, but related, forms of trust are shown, safety and morally sound trust. It can be seen that these forms are separate, but still related to each other in a hierarchical manner, based on positive effects on learning and increasing risk. There is a point of interdependency where safety transforms into morally sound trust. Safety is not disparaged as a sound choice for an organizational environment, but it can serve as a starting point for development toward one that has morally sound trust. Morally sound trust can become the focus in learning cultures, and is presented as more desirable in terms of positive effects on organizational learning. The further into morally sound trust a culture delves, the more opportunity is present for stakeholders to understand and appreciate trust.

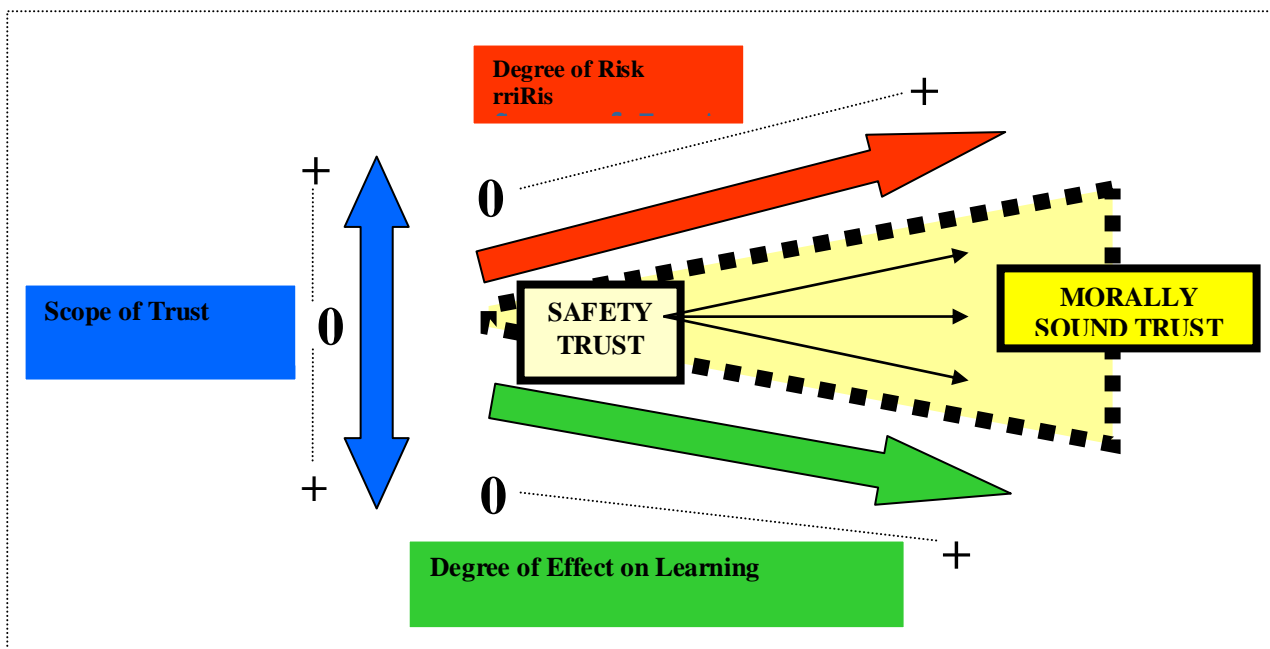


Figure 1. Morally Sound Trust Diagram

This diagram is related to the arguments presented by Baier in that degrees of trust are relational to risk, the less risk, the less trust, and the more risk, the more trust is required (ibid, 1986). In Figure 1, safety minimizes the amount of organizational risk taken, morally sound trust increase the amount of risk taken.

Safety involves the guarantee that the school will actively pursue the creation and maintenance of an environment free from emotional, social and physical harm. This faith in the provision of a working environment constitutes a type of trust in the institution itself.

A definition of morally sound trust is more difficult to establish as the concept does not have the pragmatic elements of safety, but tends to match Warren's definition in the affective realm (ibid). Morally sound trust in organizations is based on a common understanding between the institution and its stakeholders of the implicit value of learning. The principle-driven arrangement focuses on both the actions and attitudes of individuals that are ethical, and finds a consistent match between what is said and what is done. The alignment of "walk" and "talk" is often recognized as the attribute of authenticity (King, 2002). With a shared conceptualization in the importance of learning, the effective relationship between all stakeholders relies on the presence of morally sound trust in the learning environment.

Morally sound trust develops, then, corporately as the result of several individual contributions of authenticity. As an act of faith, as Warren suggests, which develops out of intuitive processes, morally sound trust relies heavily on the emotional intelligence of its stakeholders (Goleman, 1998). This certainly involves more risk, as acts of faith, emotional intelligence, individual authenticity and shared conceptualizations are difficult to achieve and maintain. In an organizational setting, morally sound trust can exist if mutual agreement is attained that acknowledges the power of the act of learning.

In a culture of safety, monitoring of activities is required. A safety culture permeates all activities and requires accountability data as evidence of success. Maintaining routines for simple acts are critical for a culture of safety. Most importantly, the structural issues that impact the delivery of products and services, the allocation of time and resources, the roles of employees and performance requirements are essential to the framework of safety. The safety frame guarantees orderly, clean places for employees to work in. Ideally, this concept of safety trust provides an interface between the employee and the organization that reinforces that notion that reliability exists in the culture. What trust safety lacks, however, is significant. Since efficiency is used as a tenet for safety, and therefore relies on traditional hierarchical structures, for instance, quality of work and organizational capacity may be sacrificed. In addition, because opportunities for employee ownership of learning are minimized in a safety culture, relevancy of learning is minimized. Bruner (1996) explains this dynamic from a learning theorist's perspective, "I have long argued that explaining what children do is not enough, the new agenda is to determine what they think they are doing and what their reasons are for doing it." (p. 49)

Involving employees in significant ways of learning is a part of the culture of morally sound trust. The reason for this is also found in educational learning theory where the idea of the correlation between learning and morally sound trust is as long-standing as scientific management theory is. Dewey (1859-1952) presented this concept with great concern as he warned against a misinterpretation of this idea by reverting to a totally open-ended, unstructured approach with students. He believed that students could achieve freedom of choice in learning through structured means, by collaborating with the teacher. Gwaltney (1998) reviews Dewey's work by quoting him:

"It is not too much to say that an educational philosophy which professes to be based on the idea of freedom may become as dogmatic as ever was the traditional education which is reacted against. . . . Let us say that the new education emphasizes the freedom of the learner. Very well. A problem is now set. What does freedom mean and what are the conditions under which it is capable of realization? (10)" (p. 268)

Implicit in constructivism, then, as Dewey describes, is the element of risk in understanding how to implement morally sound trust cultures. Restructuring organizations, placing more responsibility on employees as managers of their own learning processes, requiring collaboration between subordinates and supervisors, and reinventing the management of time as it relates to learning are possible outcomes of morally sound trust approaches. Based on the model of trust presented, risk taking does become a part of the culture as Dewey describes, developing morally sound trust. Therefore, using a planned approach and working towards a culture of morally sound trust is a noteworthy consideration for organizational development.

References

- Baier, Annette. (1986). Trust and antitrust. *Ethics*, 96, 231-260.
- Bohman, L. G. & Deal, T. E. (2003) *Reframing organizations: Artistry, choice and leadership*. San Francisco, CA: John Wiley & Sons, Inc.
- Bruner, Jerome. (1996). *The culture of education*. Cambridge, MA: Harvard University Press. p. 49.
- Eccles, J. S. (2002). Motivational beliefs, goals and values. *Annual Review of Psychology*, 53, 109-132.
- Ferrero, D. J. (2005). Pathways to reform: Start with values. *Educational Leadership*, 62, 8-14.
- Fullan, M. & Hargreaves, A. (1996). *What's worth fighting for in your school?* New York: Teachers College Press.
- Goleman, Daniel. (1998). *Working with emotional intelligence*. New York, NY: Bantam Books.
- Gwaltney, Thomas. M. (1998, Fall). Experience and education [Review of the 60th Anniversary Edition]. *Educational Studies*, 29, 3, 266-270.
- Hardin, Russell. (1996). Trustworthiness. *Ethics*, 107, 1, 26-42.
- Hardin, Russell. (1996). *Do we want trust in government?* Cambridge: Cambridge University Press, 1-15.
- Healy, Jane M., (1990). *Endangered minds*. New York: Touchstone, 235-274.

Jenkins, E., Queen, J. A. & Algozzine, B. (2001). What's new on the block? *NASSP Bulletin*, 85, 56-61.

King, D. (2002). The changing shape of leadership. *Educational Leadership*, 59, 31-33.

McGregor, D. (1960). *The human side of enterprise*. New York: McGraw Hill.

Oxford University Press. (2007). Organizational trust: A reader [On-line]. Available:

<http://www.oup.com/us/catalog/general/subject/Business/Management/OrganizationalBehavior/?view=usa&ci=9780199288502>

Taylor, R. W. (1911). *The principles of scientific management*. New York.

Warren, Mark E. (1999). *Democracy and trust*. Cambridge: Cambridge University Press.

Weber, M. (1947). *The theory of social and economic organizations*. New York: Free Press.

White, R. P. Seekers and scalers: The future leaders. *Training and Development*, 51, 20-24.

To see all of Shannon's editorials [click here!](#)

This material is copyright protected. No part of this document may be reproduced, in any form or by any means without permission from weLEAD Incorporated. Copyright waiver may be acquired from the [weLEAD website](#).