

Building and Protecting Organizational Trust with External Publics: Canadian Senior Executives' Perspectives

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ABSTRACT

Background *Building and protecting trust has always been challenging, yet critical for organizational success.*

Analysis *This article examines how Canadian organizations recognized as being successful generate trust with their external publics. Using a grounded theory approach, the authors interviewed 10 senior executives from publicly recognized successful Canadian companies.*

Conclusion and implications *Based on their findings, the authors propose eight principles for organizations to follow to build and protect organizational trust with their external publics.*

Keywords *Organizational trust; In-depth interviews; Grounded theory; External publics*

RÉSUMÉ

Contexte *La construction et la protection de la confiance ont toujours été difficiles, mais essentielles pour le succès de l'organisation.*

Analyse *Cet article examine comment les organisations canadiennes qui sont reconnues comme réussies instaurent la confiance avec leurs publics externes. En utilisant une approche de la théorie ancrée, dix cadres supérieurs d'entreprises réussies publiquement reconnues ont été interviewés au Canada.*

Conclusions et implications *S'inspirant de leurs découvertes, les auteurs proposent huit principes pour les organisations à suivre afin de construire et de protéger la confiance organisationnelle avec leurs publics externes.*

Mots clés *Confiance organisationnelle; Entretiens approfondis; Théorie ancrée; Public externe*

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In our complex and interconnected mediated society, trust is more critical for organizations than ever before. Worldwide, lack of trust in organizations is at an all-time high. According to the 2017 Edelman Trust Barometer, “[T]rust is in crisis around the world. The general population’s trust in all four key institutions—business, government, NGOs, and media—has declined broadly” (Edelman, 2017). Building and protecting trust for an organization with multiple external publics is challenging, yet critical for success. Publics are continually judging organizations and assessing whether or not to trust them. The term *public* is used here to refer to “the group of people with a stake in an issue, organization or idea” (Seitel, 2011, p. 11). External publics are those publics that are not directly connected with the organization. They may include customers, industry associations, suppliers, the media, interest groups, competitors, and the community. All organizations have specific external publics to address.

The question of how an organization builds and protects trust with its external publics is paramount to an organization’s success, for trust impacts an organization’s viability, credibility, and reputation. The purpose of this qualitative study is to explore how Canadian organizations recognized as being successful generate trust with their external publics. To address this question, 10 in-depth interviews were conducted with 10 executives at internationally recognized organizations in Canada. Based on this findings, this article posits eight principles for organizations to follow in order to build and protect trust.

Literature review

Defining trust

Trust is a complex, multifaceted concept with many dimensions and characteristics. It is at the core of all successful social relationships and is essential for interpersonal relationships to develop and for organizations to operate. Without trust in an organization’s products or services, consumers may cease to purchase those products or services: as a result, revenues decrease, shareholders lose confidence, share prices decline, inspection agencies question the operation of facilities, and communities may reconsider their relationship with the organization. Trust is defined as

an expectation (or a belief, a reliance, a confidence) that a subject distinguished by specific characteristics (honesty, benevolence, competencies) will perform future actions aimed at producing positive results for the trustor in situations of consistent perceived risk and vulnerability. (Castaldo, Premazzi, & Zerbini, 2010, p. 666)

Trust has three dimensions—cognitive, emotional, and behavioural—which merge into a social experience (Barber, 1983; Lewis & Weigert, 1985a; Luhmann, 1979). These dimensions mutually support each other and are needed for trust to develop and occur (Lewis & Weigert, 1985a). Depending on the situation, one dimension may become more dominant than the others when generating trust. Components of trust include familiarity, motivation, relationship with time, commitment, mutual awareness, benevolence, reciprocity, confidence, risk, honesty, competence, openness, sincerity, and integrity (Adler, 2001; Kramer, 1999; Lewis & Weigert, 1985a, 1985b; Mishra, 1996; Zand, 1997).

Commitment is a dimension that envelops the phenomenon of trust. Sztompka (1999) outlines three types of commitment as it relates to trust: anticipatory, responsive, and evocative. All types of commitment involve doing the right thing—depending on the situation you are in. *Anticipatory trust* means that an individual trusts and anticipates that the other individual will do a good job; the individual believes the action they carry out will be favourable to the other's interests, needs, and expectations. This involves little commitment by both parties. This trust is often anticipated based on the individual's role. For example, we trust that a teacher will fulfill the role of teaching students, that the employee will do their job, and that the grocery store clerk will be at the cash register at the appropriate time.

Responsive trust involves commitment of an expected response. This involves allowing someone to take care of something the trustor cares about. This implies obligation. Examples would include trusting an office colleague to complete a project over a particular time frame, or trusting that an organization will publish its financial results on time. This type of commitment is important to building and protecting client trust. The third type of commitment is acting on a belief that the other person will reciprocate the trust. This is what Sztompka (1999) refers to as *evocative trust*. The individual does what they say they are going to do in anticipation that the other actor will as well.

Trust can be in an individual person, in a system, or in an institution (Lewis & Weigert, 1985a; Luhmann, 1979; Sztompka, 1999). While Sztompka (1999) argues that people put trust in people, the author posits that trust in individuals can extend to trust in organizations, systems, and institutions. Therefore, if an individual trusts the people in the organization, by extension, they will trust the organization.

For the past 20 years, communication and business scholars have been building on the ideology that trust is important to organizations and their relationships with their publics (Bruning & Ledingham, 2000; Covey, 2006; Kramer, 1999, 2009; Kramer & Tyler, 1996). Grunig, Grunig, and Ehling (1992) proposed the following attributes to measure the quality of strategic relationships of organizations: trust, reciprocity, credibility, mutual legitimacy, openness, mutual satisfaction, and mutual understanding.

In 2000, Bruning and Ledingham tested the influence of relationship dimensions in a business-to-business context. They reported that the relationship dimensions of “trust, openness, involvement, investment and commitment impact the ways public relationships are initiated, developed and maintained, and ultimately can engender loyalty toward an organization” (p. 162). Bruning and Ledingham's research demonstrated that trust was the strongest predictor of consumer satisfaction. As they wrote, “This finding is particularly important as it suggests that the cornerstone on which business relationships are built is trust” (p. 169).

Ten years earlier, Giddens (1990) described the experiences people have with an organization's experts, leaders, or front-line customer service people who represent the organization as “access points” of trust. For example, customers would develop trust in a bank or the banking system through their interaction and experiences with a banker. The banker would be referred to as the “access point” of the organization. Giddens argued that these individuals both represent the system and bring it to life.

The importance of trust to organizations

According to Hurley (2012), organizational trust exists when stakeholders—the people who have a stake in (are affected by) the actions of the firm—feel they can confidently rely on the organization to do the right thing. Trust is at the core of all social relationships and is essential for organizations to operate successfully. For example, for a food company, without trust in the safety of food products, consumers may cease to purchase products, therefore revenues would decrease, shareholders could lose confidence, share prices could decline, inspection agencies could question the cleanliness of a facility, and distributors could reconsider selling the product.

In 1982, Peters and Waterman reported that trust was an essential and critical part of the culture and atmosphere of successful companies. Fairholm (1994) asserted that trust is a central element in culture formation and leadership, and that it is the responsibility of the leader to create an organizational culture of trust. Zand (1997) stated, “The quality and the implementation of decisions ultimately depends on how much leaders and those they work with trust each other” (p. 89). More recently, Shockley-Zalabak, Morreale, and Hackman (2010) argued that trust is a “leadership imperative,” it is the “main thing,” the foundation and necessity for organizational success (p. 215).

Several studies illustrate how trust benefits organizations (Bruning & Ledingham, 1999, 2000; Hurley, 2012; Kramer, 2009; Kramer & Tyler, 1996; Zand, 1997); in addition, a number of research studies demonstrate that high trust positively affects organizational performance (Covey, 2006; Davis, Schoolmen, Mayer, & Tan, 2000; Dirks, 2000; Hurley, 2012; Zand, 1972). Benefits of organizational trust include higher revenues, community support, repeat business, reduction in time to make decisions, client referrals and client retention, attracting industry influencers, increased partnership opportunities, and attraction of high-quality employee talent.

In a study of 33 college basketball team members, Dirks (2000) found that members’ trust in leadership positively affects the team’s performance. Teams that trusted their coach won more games than the teams that did not trust their coach. The study suggests that one of the reasons inertia in performance can be sustained is “because performance affects the team’s trust in its leader, which in turn affects team performance” (Dirks, 2000, p. 1010). Dirks (2000) argued that this research applies to many other settings. Davis and colleagues’ (2000) study of restaurant staff and managers also demonstrates that trust in leadership is a significant determinant of a firm’s financial performance, specifically sales, profit, and employee turnover rates.

In a survey of 4,200 supervisors, Zand (1972) concluded that high-trust relationships stimulate higher performance. An environment high in trust positively impacts managerial problem-solving effectiveness and allows employees to have an influence on decisions, resulting in more satisfied, more motivated, and more committed workers (Zand, 1972). Since Zand’s study, several scholars have written about strong employee commitment in organizations with cultures high in trust (Davis et. al, 2000; Fairholm, 1994; Hurley, 2012; Posner, Kouzes, & Schmidt, 1985; Zand, 1997). According to Edelman (2014), organizations with higher trust have longer-lasting relationships with their stakeholders. Other benefits of high-trust organizations are increased information sharing, including creative alternatives (Hurley, 2012), and improved collaboration (Hurley, 2012).

A substantial body of multidisciplinary literature exists on trust; however, there has been limited research on how organizations generate trust with external publics, specifically those organizations that are internationally recognized as being trusted. This gap represents a research opportunity and the purpose of this qualitative research study.

Methodology

Participants

In this study, a grounded theory approach was used to examine how successful Canadian organizations generate trust with external publics. Strauss and Corbin (1998) argue that as grounded theorists collect and analyze data, they “identify, develop, and relate the concepts that are the building blocks of theory” (p. 13). Purposeful sampling was used to identify participants whose insights would best fulfill the aims of this research study, and the participants chosen were 10 Canadian business leaders of organizations that have been internationally recognized as successful. This recognition was substantiated through the organizations’ appearance on one of the following lists: a) North America’s top 100 companies to work for; b) Canada’s 50 best managed companies, c) the world’s most trusted brands list, or d) the Value Institute’s most trusted brands. The participants were from organizations that varied in size, industry, product, and environment or organizational structure. Hence, organizational context was not comparable.

Criteria for selection were that the participants should be in a senior executive position, be with their organization for at least one year, and be a member of the executive team within their organization. The sample size was determined by the point of theoretical saturation of our data, defined as the point at which each additional in-depth interview no longer added unique information to the collection of data (Glaser & Strauss, 1967). Researchers have suggested saturation can occur with as few as five participants or as many as 20, depending on the qualitative inquiry (Lincoln & Guba, 1985). Ten individuals were interviewed in this study (see Table 1), even though theoretical saturation was reached at the seventh interview, when we stopped obtaining new theoretical insights relating to our core phenomenon and concepts.

Table 1. Research participants

No.	Name	Position
1.	DC	President, Chief Executive Officer, Founder
2.	IC	Chief Executive Officer
3.	PC	Chief Economist, Vice President Research
4.	SH	Senior Vice President Marketing
5.	JL	Publisher, Owner, President
6.	SM	President and Chief Operating Officer
7.	DP	Vice President
8.	DR	President and Chief Executive Officer
9.	MS	Chairman and former Chief Executive Officer
10.	HT	Senior Vice President Marketing

Data collection and coding process

The study received research ethics clearance from the Ethics Review Board. Data was collected within a three-month period, during which study participants took part in qualitative interviews. Specifically, they were asked to talk about their views of trust. Participants of this study agreed, by signing the informed consent, that their responses were not anonymous, but they had the opportunity to request that certain responses remain non-attributable. Each of the 10 interviews lasted on average about one hour and was digitally recorded, generating 12 hours of taped interview material. All but two participants were interviewed in-person, in their offices. The other two participants were interviewed over the telephone.

All interviews were transcribed and then coded in three stages: open, axial, and selective (Corbin & Strauss, 2008). First, all transcripts were line-by-line open coded. The process of open coding involved aggregating the text into small “categories of information” and then assigning a label to a code. The data was examined code by code and analyzed for similarities and differences, using consistent codes, and as a result, 187 codes were recorded. Strauss and Corbin (1998) wrote that this open coding procedure is the “analytic process through which concepts are identified and their properties and dimensions are discovered in data” (p. 101).

During the second coding stage, axial coding was conducted, during which the codes were collapsed and related to broad categories or themes (Corbin & Strauss, 2008). These categories are the “cornerstones” of developing grounded theory, for they represent concepts in a broad or abstract manner (Corbin & Strauss, 2008). They are broad units of information that consist of several codes aggregated to form a common idea (Creswell, 2013).

At the completion of axial coding, the following major categories, grounded in the data, were identified: 1) importance of trust, 2) organizational values, 3) responsibility for generating trust, 4) behaviours that generate trust, 5) characteristics and competencies, 6) activities and interactions, 7) communication, and 8) benefits of trust with external publics. These categories represent concepts in a broad or abstract manner. Consensus was reached regarding emerging categories through a process of independent coding and ongoing discussions to mutually resolve any inconsistencies or discrepancies with analysis.

During the final coding stage, the eight coding categories were linked around one core category. The core category has been defined as “the main theme or phenomenon of the study, while the basic social process or whatever the process is can be found embedded in that main theme” (Corbin & Strauss, 2008, p. 266). Following several revisions and discussions, the following core category, or phenomenon, for this study was identified as “Everyone in an organization has a role to play in building and protecting trust with external publics.” This phenomenon has the highest potential for tying the study’s eight categories together and theoretically explaining what this study is about.

The Findings section of this article is organized as a presentation of the data used to establish these eight categories and the core category. In addition to these categories derived through techniques of grounded theory, findings from the interviews and the

literature review guided the development of the Eight Principles of Building and Protecting Trust that are presented in the Discussion section.

Findings

Importance of trust

The participants reported trust to be critically important to the sustainability, viability, and success of the organization:

Trust is the sustainability of the company. (DP)

I can't image anything that is more important than trust. Really, if you don't have trust everything collapses ... I don't operate without it. (MS)

One participant referred to "public trust" and described its importance in this way:

Our business is entirely founded on trust. Our business [the newspaper business] is about public trust, we would be out of business without it ...

There is nothing to the newspaper businesses except ink and paper and trust. These organizations and this institution are all about relationships.

There is nothing to them other than relationships. (JI)

The importance of trust varies depending on the type of relationship the organizations have with their publics. Participants discussed relationships with a multitude of publics, including customers, distributors, retailers, consumers, industry analysts, educational institutions, partners, potential acquisitions, mentors, communities, and regulatory and government agencies. In relationships, people evaluate the trust they have and determine how much trust is needed for a situation. For example, the more a decision is driven by price and transaction, the less trust is required. A few participants described this type of relationship as commercial. For example, for organizations purchasing boxes or ink, the decision is more price driven and more commercial. Similarly, the decision to purchase one brand of hot dog over another, or one internet service provider over another, is also largely price driven; however, trust in the brand can affect the decision to purchase. As described by one participant: "Trust in the organization and in the brand builds loyalty; they [consumers] are not constantly shopping around" (HT).

Several participants explained that the more strategic the decision, the more trust is required. For example, choosing a company to outsource the management of a fleet of hundreds of trucks to deliver products and services requires more trust than choosing a company from which to purchase a vehicle. Similarly, choosing a partner to represent your company to deliver professional services on your behalf requires more trust than choosing a company to stock shelves on your behalf. The more important and more strategic the relationship, the more trust can stand in the way of moving forward. On more strategic decisions for businesses, trust is a huge factor. Overall, all participants stated that trust was important to their organizations and is foundational, implicit, and strategic.

Organizational values

Generating trust was perceived to be derived from organizational values, demonstrative behaviours, characteristics, and competencies. According to the participants, the

creation of trust with external publics starts with the organization having a foundation of values and/or code of conduct. Every single executive interviewed mentioned that their organization had organizational values, principles, or codes of conduct. Values and codes of conduct were referred to in many different ways: guiding principles, values credo, leadership values, code of conduct, and how to serve clients. A few organizations required employees to sign code of conduct documents annually.

According to participants, building external trust starts within the organization.

Our chief operating officer has the biggest impact on creating trust with external publics because she rolls out our values, our operating principles, and our guidelines to the front-line staff. (DC)

At Bell Canada, we are constantly investing in our people, in our processes, and in our technology so that our customers have a better experience with us. We spend a lot of time measuring, developing, and improving internal relationships and our employees so that our employees feel like they are operating within a system of trust, which will then put them in a position to create trust externally. This wasn't set out as a strategy to generate trust, however it contributes to creating trust. (HT)

Many organizations publish their beliefs, guiding principles, behaviours, values, and how they succeed on their website. Several participants acknowledged that they discuss values and codes of conduct with new employees and with their senior management teams. "I carry our values statement in my briefcase and I bring it out in meetings" (SM). Participants further mentioned that trust was "implicit" to their organization, part of their organizational culture, and foundational. "Trust is so implicit; it doesn't need to be said. It is foundational to our culture of following the golden rule of treating others as we would like to be treated" (SH).

The results of the study indicate that successful organizations operate with organizational values or a code of conduct that embrace trust. Cascading from organizational values is a combination of behaviours, characteristics, and competencies, along with activities, interactions, and communication practices that engender trust with external publics.

Responsibility for generating trust

The findings revealed that the responsibility for creating trust is dichotomous. It is the senior staff's and, ultimately, the CEO's responsibility to set the tone, the strategy, and the operational parameters that create trust, while trust's execution lies with the front-line people. Many participants stated that it was everyone's responsibility to create trust with external publics.

The trust one has with an organization is the sum total of the experiences an individual has with everyone in the company. Examples given included seeing the CEO on TV, having a technician at your house, visiting a retail store, interacting with a call centre, and receiving a bill from the company. The sum total of all of this determines how much you trust the organization. One participant described it this way:

Whether you are the CEO, the installer who pulls wire in a home to bring you broadband, the customer service representative on the other end of

the telephone, the sales clerk at The Source, a sales clerk at a Bell kiosk in a shopping mall, the manager of the largest fleet of vehicles in Canada, or a receptionist or a truck driver, everyone affects trust. (HT)

Participants spoke of the experience people have with the front-line staff as having a significant impact on creating trust with the organization; these front-line staff include people in sales, marketing, communications, customer service, and account management.

The biggest way we can improve trust with our customers is to consistently improve our customer experience. (HT)

All guest-facing employees are key to earning the customer's trust. (SH)

The front-line staff, the bus drivers in many cases, are the face of the company. (DC)

The marketing team on the sell side and buying on the purchasing side is responsible for creating trust with external publics. (SM)

Behaviours that generate trust

All participants identified *reliability* as a key behaviour, when asked to define trust. "Delivering" was a component of reliability that was mentioned by nine of the 10 participants, specifically as it related to delivering on your promises, keeping commitments, doing what you say you are going to do, honouring your word, and being fanatical about delivering on a promise. Delivering, they said, is about serving, anticipating, meeting, and exceeding expectations. A few participants mentioned the importance of never overpromising. "Only promise what you can deliver and honour your word" (DC).

Subsections of delivery included responsive and proactive action. Examples of this action, related to communication, included "be[ing] upfront" (DR) and "communicat[ing] often" (SM).

Empathy was another behaviour identified by participants when defining trust. Explanations included taking customers into consideration when making a decision, listening, walking a mile in customers' shoes, understanding the world from their point of view, deeply understanding their needs, and understanding what is important to them. A few participants also discussed mutual understanding and collaboration, for example, "trust is two-way" and "trust begets trust" (DP, DR, and HT).

Benevolent behaviour was identified by a few participants (DC, IC, DR, MS) as important to generating trust, such as "Doing what is right is part of our core values"; "delighting our customers by going above and beyond"; "doing the right thing for our customers, our partners, and our people"; and "We may pay in advance, for example, because we think it is the right thing to do." *Ethical behaviour* was also mentioned to describe trust (PC).

Many participants mentioned *transparency* as a key behaviour. A few participating organizations described inviting distributors and clients to offices, plants, and manufacturing facilities as an activity to generate trust. According to their organization, the company invited journalists from the *Wall Street Journal* to its corporate headquarters

after the newspaper published negative news about the organization. Journalists were encouraged to meet and interview employees to learn more about the company.

The word *consistency* was also used to describe trusting behaviour. Participants mentioned consistency in the product, in the experience, in the quality of the service, and in the interactions. JI described the importance of consistency this way:

The news industry is a lot like a restaurant. In a restaurant every day it is a brand new product. You can do it right one hundred times, and if you miss it once, you've lost the customer's trust. No surprises, consistency every day.

Characteristics and competencies

As mentioned above, demonstrative characteristics and competencies are components of trust identified by the participants. Participants referenced the following characteristics of trust: confidence, respect, and integrity. Competencies were referred to as tangible elements of trust. Explanations included trust in capabilities, trust in quality of product or service, trust in service levels, and adhering to quality or technical standards. According to SM, innovating products creates trust. The research findings illustrate that the demonstration of these behaviours, characteristics, and competencies exhibit trust.

Activities and interactions

Activities, interactions, and communication were deemed to create trust, specifically meeting with publics face to face, listening, conducting regular business reviews with customers and suppliers, and obtaining client feedback: formally, through customer surveys, and informally. A few organizations tie incentives and compensation to high customer satisfaction scores to demonstrate the importance placed on high client satisfaction. "Regular business reviews have helped with the customers' confidence in us; there are ways in which we were successful in increasing trust with this task" (MS).

According to participants (PC, SM, DR, MS, HT), meeting with clients, suppliers, and distributors; formally updating boards and bankers, industry analysts, and journalists; reviewing progress; and asking for and sharing direct feedback and interaction on social media, all help to increase trust. Providing valuable information to journalists improves trust with the media for some participants, while providing balanced news-worthy content to readers earns the public's trust in a newspaper. Organizations with more technical and scientifically based products hold user conferences and scientific round tables with stakeholders to create trust.

Another example of a trust building activity is recommending other organizations. For example, one participant recounted a story of fixing a problem for a customer and then recommending a competitor. The goal was to do the right thing for the client. This activity engendered trust with the client. Another participant recounted a situation when his organization informed a potential client that the organization did not have the skill set to do the work and recommended that the client hire another company. Such actions also engender trust, since the organization is acting in the best interest of the client.

Communication

Participants highlighted consistent, clear, honest, proactive, deliberate communication

as an important component of generating and maintaining trust. Many participants stated that face-to-face communication was most effective. As explained by a couple of participants, once an organization prioritizes which of the publics is most important to have trust with, it should be constantly communicating with these publics. Proactive communication includes publishing and making available to clients scientific papers, white papers, magazines, state-of-the-economy newsletters, organizational newsletters, industry information, briefing and personalized notes from the chief executive officer. It also involves encouraging customers to call if they ever have an issue.

During times of crisis, when issues need to be resolved or mistakes need to be fixed, it is especially important to communicate with publics. Strategies include scheduling regular meetings, face to face or over the phone, weekly or daily if necessary during a critical situation; holding press conferences if required; and using specific online communication tools, including Facebook, email updates, and websites.

Executives recounted the importance of trust in examples of events that tested and challenged the public's trust. Many recounted situations when the organization made a mistake, fixed the mistake, and gained trust as a result.

If your customers trust you, and have faith in you and in the business, if something goes wrong they know it is not systematic, that you are going to fix it for them. It [trust] helps build loyalty; they are not constantly shopping around. Overall the relationship is working for them; overall there are a lot of benefits to trusting relationships. (HT)

SM recalled the 2008 listeriosis outbreak and crisis. As he explained:

It was clearly a landmark crisis, one that tested and challenged our trust. It was a very serious breach of trust. We understand the importance of trust at [the company]. There are three things: being open and transparent, we took accountability, no one got fired, and we didn't blame it on the CFIA inspectors. In fact ... [the company's president] said, "The buck stops here." And third, we communicated with the public early, on site, and we talked to everyone.

JJ recounted the importance of trust to the news industry during elections.

Elections are big because people are deciding who is going to govern. They are getting their messages from our publications and are deciding which way to cast their ballot based on what the news stories are saying. You are making up your mind; I think that is pretty critical. This is where the trust is; it can have a huge impact.

Benefits of trust with external publics

There are many benefits to having trust with your external publics, including a strong brand and reputation, successful employee recruitment and retention, repeat business, and increased numbers of opportunities and referrals (PC, DR, MS). Trust allows organizations to take risks and be more creative (IC, HT). Participants recounted that with trust, you do not have to be continuously checking facts, proving yourself, and providing references. Trust enables a velocity in the business and allows organizations to take risks. Additionally, it allows difficult and honest conversations to take place.

Trust allows organizations to command a premium and to gain market share. As SH explained, “Trust is the stickiest way to build loyalty with guests, journalists, shareholders, and stakeholders.”

Discussion

Richard Edelman, chairman and CEO of Edelman Public Relations, and founder of the Edelman Trust Barometer, said, “The biggest change since we started the research 13 years ago is who people listen to. It is no longer the CEO. People listen to their colleagues and their peers, and to the experts” (personal communication, October 16, 2013). Nowadays, it is important for organizations to recognize that everyone in the organization has a role to play in building and protecting trust. The majority of participants interviewed in this study stated that everyone in an organization has a role in building and protecting an organization’s trust, and it is important for everyone to learn how to build and protect relationships of trust. In the process of building and protecting trust, leaders and key employees play a critical role.

The creation and protection of trust with external publics begins with the organization having a foundation of values from which it operates. Then, the organization must demonstrate its capabilities and competencies. Subsequently, the organization and its people must possess and demonstrate trustworthy characteristics and the components of a trustworthy organization. Lastly, through actions, behaviours, and communications, the organization must demonstrate trust. When all of these elements are in place, the external public experiences trust. Figure 1 illustrates this process.

Trust is assessed and re-assessed continually over time through cognitive, emotional, and behavioural experiences (Fairholm, 1994). The arrows in Figure 1 are meant to depict the relationship with time and the continual re-assessment of trust based on the cognitive, behavioural, and emotional dimension of the situation. The merging of the dimensions of trust with the organization’s values, capabilities, components and characteristics, actions and behaviours, and the way it communicates creates the trust experience for the external public.

As mentioned earlier, public trust in an organization is often evaluated during events or through access points (Giddens, 1990). Events, interactions, and access points become what the author calls “critical trust points” of an organization; these are vital to an organization’s ability and opportunity to build and protect trust with its publics. As discussed above, leaders and key employees can be critical trust points. Identifying critical trust points is an important step in building and protecting trust.

Figure 1. Trust model



In addition to values, organizations must possess and demonstrate competencies and capabilities to create a culture for trust to be fostered. When these foundational elements are in place, specific activities, interactions, behaviours, and methods of communicating contribute to building and protecting trust. These elements, activities, and interactions align with the cognitive, behavioural, and emotional dimensions of trust. These specific behaviours, actions, and communications are called principles for building and protecting trust.

The following Eight Principles of Building and Protecting Trust outline specific initiatives, communications, behaviours, and actions that an organization should follow to build, strengthen, and protect the trust it has with its external publics. Each principle incorporates specific elements and characteristics of trustworthy behaviour and is aligned with the characteristics, dimensions, and components of trust.

The eight principles of building and protecting trust

Principle 1: Listen carefully, with empathy and compassion; question and involve

According to SM, “Listening is probably the most important thing a person can do to build trust.” A core business activity is to understand the public and what is important to them, the issues, and the landscape. Building and protecting trust begins when an organization or an individual listens with the intention of understanding. When individuals understand, they are more likely to buy into the goals of an organization. Listening is foundational to communication, social bonding, and the understanding of what is important to your public or community. Whether you listen directly, through social media, in public forums, or in private forums, listening is key to understanding.

Empathy is also important in trustworthy interactions. The participants identified empathy as a key behaviour when asked to define trust. For example, PC said: “Listening and obtaining feedback while being empathic and compassionate is key to building trust with external stakeholders. We practise this with our clients, with the media, and with our partners.” Empathic listening demonstrates respect, a critical characteristic of trust. The interviewees provided the following comments that demonstrate empathy:

It [empathy] is critical to understanding the world from their point of view, and [to] deeply understand their needs. (IC)

We actively listen to our clients and keep in touch with them to understand their situation and their issues. One way we do this is through quarterly business reviews. (MS)

It is important to be able to walk a mile in our customer’s shoes. (DC)

Questioning, encouraging participation, and involving the public through engagement and dialogue are ways to cultivate a relationship and enhance familiarity. Familiarity and reciprocal sharing of information builds and enhances trust. The sharing and participatory nature of social media can give organizations more insight and a deeper understanding of their publics’ values and issues, as they express themselves on social media. Sharing with, questioning, and involving the public is a trust-building activity in itself. Showing commitment, revealing and disclosing information, accepting

influence, and exhibiting minimal control over the other person's behaviour, through demonstrating dependence on others, also generates trust (Fairholm, 1994; Hurley, 2012; Zand, 1997). Encouraging feedback and discussion to deeply understand the public's issues and concerns is critical to trust building. Demonstrating compassion by showing that you care and taking the public's feedback into consideration when making a decision are acts that build trust.

Dialogue enables familiarity and the opportunity to develop a connection. Individuals trust those they have a history with, and are familiar with, before trusting those with whom they have no history. Familiarity makes people feel more comfortable. Oftentimes, people trust "what they know" and "who they know." In situations where there is no history among individuals, they often make connections to another individual, a city, an event, or an organization that they may have in common. Similarly, organizations may refer to other clients, suppliers, or partners to establish a connection. Establishing a common ground creates familiarity, which creates a sense of connection, a sense of bond, and, ultimately, a sense of trust.

Familiarity makes it possible to entertain reliable expectations and to assess risk. In the words of Luhmann (1979), "Familiarity is the precondition for trust as well as distrust" (p. 19). Experience with the organization or individual decreases the risk of the potential negative issues and unanticipated actions. If an organization has a reliable background, one may expect similar behaviour going forward. For example, if an individual has worked with another organization on a project in the past, that organization knows from repeated interaction how that individual will behave on another project team or in another organization. Familiarity and trust are complementary ways of absorbing complexity and are linked to one another (Luhmann, 1979).

Familiarity is established primarily through listening and dialogue. Establishing connections may lead to likeability. Empirical studies have shown that feelings of trust are related to confidence and likeability, which has been described as a "relatively distinctive" dimension of trust in a buyer-seller relationship (Swan, Trawick, Rink, & Roberts, 1988, p. 6).

Principle 2: Communicate using clear, concrete language

Clarity inspires trust. Put simply, we trust what we believe and what we understand. When the communication is clear, concrete, and concise, we tend to believe. We do not trust when a message is vague, complex, incomprehensible, or filled with jargon. Being wishy-washy inhibits credibility, which inhibits trust. For example, when an organization expresses certainty about where it is going, what its goals are, or what it wants, it produces confidence on the part of others. Articulating a consistent, unwavering point of view inspires trust, as does confidence and clarity. The role of a business professional "is increasingly to make information available in a user-friendly way, rather than transferring information" (Bruning & Ralston, 2000, p. 427). Organizations should strive to communicate in simple everyday language that publics understand. In his interview, participant SM emphasized the need to "communicate using clear plain language and communicate often."

In 2014, the Edelman Trust Barometer examined specific actions CEOs can take to build trust and the level of importance of these actions to the general public. Eighty-

two percent of respondents said communicating clearly and transparently builds trust (Edelman, 2014). This action scored the highest of all of the activities mentioned. In addition, respondents commented that being visible during challenging times and having an active media presence were also important to respondents (Edelman, 2014).

“Trust is increased by the acquisition of more true knowledge” (Fairholm, 1994, p. 116). Fairholm elaborates by saying trust is increased (or diminished) by the incremental development of accurate truthful information. Sharing of information, initiating dialogue, and communicating on a regular and consistent basis contribute to building trust. When organizations consistently provide clear, concrete, and concise messages on a regular basis, trust is likely to be created and strengthened.

Principle 3: Be consistent, predictable, and reliable

Consistency in communication, actions and behaviours, interactions with the organization, products, critical trust points, employees, experiences, capabilities, and service quality all contribute to building trust. Predictability in what is going to happen and what to expect builds trust. We want to know what will happen, as knowing makes individuals and organizations comfortable. Predictability gives individuals confidence, a belief in the behaviour of another. Predictability, consistency, and reliability also reduce risk and vulnerability. All of the participants in our study cited reliability as an important behaviour that inspires trust, for example:

Reliable and predictable, this is a big part of what trust is all about. (MS)

The news industry is a lot like a restaurant. In a restaurant, every day is like a new product. You can do it right a hundred times, and if you miss it once, you have lost the customer’s trust. No surprises. You have to offer consistency every day. (JI)

Examples of reliability, consistency, and predictability include meeting deadlines, being on time, sending documents when you say you will, returning telephone calls or emails when promised, employees providing reliable and predictable service, consistently doing the same thing, and clients receiving the same quality of service each time.

Principle 4: Be honest and transparent

Jamie Irving mentioned that “nothing builds trust like the truth,” and as the old saying goes, “Honesty is always the best policy.” HT recommended to “share as much information as you can with clients and partners, and be as open as you can be.”

When organizations tell the truth, even when it is difficult, barriers are broken down; organizations and their employees humanize themselves and earn the respect of their publics. Demonstrating integrity, openness, confidence, and honesty is essential to building trustworthy relationships. When organizations are open, honest, and transparent with respect to issues that are important to their publics, these publics see that the organizations are taking risks, making themselves vulnerable, and being authentic.

Individuals and publics demand open, honest, and transparent communication, even if the truth is uncomfortable or unfavourable to the organization. Honesty and openness with positive and negative information leads to trust building. Revealing

and disclosing information generates trust (Fairholm, 1994; Hurley, 2012; Zand, 1997). This openness leads to stronger relationships.

Principle 5: Act in the public's best interest, not your own

According to our participants, intentions and motives are key to building trust and relationships.

Be upfront in your communications. People do not like surprises. Let customers know well in advance if there are going to be any changes. (DC)

It is important to anticipate customer and our partner needs and issues. When we make decisions that will affect them, we take their situation into consideration and we strive to act in their best interests. (IC)

In our business, it is critical to cover all sides of the story so that the public, our readers, see we are acting in their best interests. (JI)

In Doney and Cannon's study of business relationships, they concluded that in a business context, the "development of trust relies on the formation of a trustor's expectations about motives and behaviours of a trustee" (1997, p. 37). Benevolence can be seen as a key dimension of acting in the public's best interest, as it is the "extent to which one partner is interested in the other partner's welfare" (p. 36). The motives of the organization must be sincere. When organizations act in the clients' and community's best interests, and are concerned about their publics, this builds trust.

Principle 6: Commit to do the right thing. If you make a mistake, fix it.

Showing commitment to do the right thing and fixing a mistake, if you make one, builds trust. Benevolent behaviour was identified by a few in-depth interview participants as important to generating trust, as in the following examples: "Doing what is right is part of our core values" (IC); "delighting our customers by going above and beyond" (DR); "doing the right thing for our customers, our partners, and our people" (SH); "paying in advance "because we think it is the right thing to do" (IC). Commitment is a dimension that envelops the phenomenon of trust and many of the principles outlined in this article.

Principle 7: Deliver on your promise

This principle is about serving, anticipating, meeting, and exceeding expectations. Or, as a familiar saying goes, "walking the talk" or "talking the walk." In the words of PC, "When organizations do not follow through with their promises, they are perceived to lack integrity, commitment, and reliability." One participant mentioned the importance of never overpromising: "Only promise what you can deliver and honour your word" (DC). When organizations do not follow through with their promises, they are perceived to lack integrity, commitment, and reliability. Integrity is a chief behaviour that leads to trust. For example, if you say you will always have the lowest prices in town, then have the lowest prices. If you say that you have the best curriculum in your field, then it better be the best.

According to two participants, SM and DP, when an organization innovates its products, it creates trust. Keeping a product or a service offering up to date, free of defects, demonstrates that an organization is competent, delivers on its promise, and is deliberately committed.

Principle 8: Commit to the long term

Trust is assessed and re-assessed continually over time through cognitive, emotional, and behavioural experiences. Organizations and leaders must continually and deliberately work on creating, earning, and generating trust with their publics. Organizations and their critical trust points build trust, protect it, damage it, or destroy it by cumulative actions, interactions, and the way they communicate. “Leaders build trust, or tear it down, by the cumulative actions they take and the words they speak” (Fairholm, 1994, p. 116).

Participant JI stated, “Organizations must be deliberate in their approach to building trust and committing to the long term.” In order for an organization to be committed to the long term, be deliberate and focused on trust, it must be committed and disciplined about creating a culture of trust. Being deliberate and focused requires assessing and re-assessing critical trust points; training all employees on the importance of building trust; ensuring that the organization has values in place; and providing training and on-boarding for new employees so that they understand the culture, the vision, the objectives, and the competencies of the organization and that they are following the principles. The better an organization’s understanding of trust and the strength of the culture of trust, the more successful the organization will be at protecting and building trust externally. If trust is deemed foundational and implicit, and the importance of trust becomes top of mind, generating trust with external publics will have a higher degree of success.

Trust will continue to be an important concept in communications and management studies, for individuals will continue to evaluate organizations and ask, “What organization should I trust?” The question of how organizations generate, strengthen, and protect trust is critical to an organization’s success. Trust is one of the most critical assets an organization has. Building and protecting an organization’s trust is one of the most important activities an organization can engage in. In this article, we discussed eight principles for organizations to follow to build, strengthen, and protect trust they have with their external publics. All of the principles intersect, and they are meant to work in conjunction with and build on each other.

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