The Critical Role of the Leader or Supervisor in Building the Employee Trust

P.Kaliappan, Fabiyola Kavitha

Abstract: Authentic leadership, transparent organizational communication, and employee arrangements are linked to employee trust. Each and every employee has different strengths, and knowing you can count on your team members to fill in your missing gaps helps reduce stress and improve productivity. Trust forms the basis for effective communication, employee retention, and employee motivation and contribution of flexible energy, the extra effort that people voluntarily invest in work. When trust exists in an organization or in a relationship, nearly everything else is easier and more comfortable to achieve. Modern-day employees have a lot of expectations when it comes to their companies. Highly skilled top performers can afford to be selective about the type of company they work for and it has been increasingly shown that employees want to be part of honest, authentic and transparent organizations. Transparency in business is something that has been discussed a lot recently, with a recent Forbes poll revealing that majority of employees think their organizations were held back by a lack of transparency. But it is one thing to be aware of the value of work place transparency and quite another to conscientiously build it into your corporate culture.

Keywords: Trust, Transparency, Building Trust, Benefits of Transparency, Workplace.

I. INTRODUCTION:
Organizations need to take time to cherish their employees and cultivate trust. Employees make implications of trust in organizations based on their assessment of their supervisors’ or leaders’ trustworthiness through their interactions. Perception of trust relies significantly on the consistency between beliefs and actions. Authentic leaders need to understand their own merits and weaknesses, exhibit strong moral values and behaviour integrity, and demonstrate genuine concerns for others, which promotes a sense of pride among their followers and importantly trust in the leaders’ proficiency, goodwill, dependability, and integrity (i.e., essential dimension of trust). Such trust in leaders then prolongs to trust in organizations.

II. OBJECTIVES:
- To explain the how to uphold and construct upon the trust in the workplace.
- To define and discuss the steps to be taken as managers, HR executives and business leaders, to make the workplaces more connected and transparent.
- To define the role of performance management to refine levels of transparency in a business.

III. TRUST MATTERS AND TO BUILD TRUST:
Trust systems the basis for effective communication, employee retention, and employee motivation and contribution of flexible energy, the extra effort that people voluntarily capitalize in work. When trust exists in an organization or in a relationship, almost everything also is easier and happier to achieve.

1. HOW TO BUILD TRUST AT WORK:
Establish a corporate culture in which team member is viewed as a valued asset. Repeatedly hold team building activities, encourage group work projects and provide recommendation for effort. Stop talk and backbiting before it gets out of control by developing peer mediation groups and having an open door policy for managers. Model trustful behaviours from the top down by openly communicating, sharing news and information, and making employees feel like they’re valued and appreciated.
2. TRUST AND TRANSPARENT COMMUNICATION

Communication is another broadly recognized determinant. Be transparent. Transparent communication is characterized by concerning stakeholders (e.g., employees) into decision-making, holding organizational accountable for their actions and words, and providing substantial, accurate, and useful information. When leaders engage in such transparent communication, their followers are likely to perceive the consistency between the leaders’ views and actions. This insight helps followers develop and assess expectations about the leaders’ and the organization’s ability, reliability, and integrity that are core dimensions of trust. Therefore, transparent communication ultimately fosters trust between employees toward their organizations. When organizations do not communicate in a straightforward way, trust suffers. Organizations can never follow through on their business goals when they cannot clearly communicate with employees about the goals or be upcoming about the challenges they predict in the pursuit of the goals. Share as much as you can about the present health of your organizations. Regularly dispense information employees really care about, such as financial reports, performance metrics, and board meeting minutes. The more transparent you are, the more employees trust you develop.

IV. ORGANIZATIONAL TRANSPARENCY:
Transparent leaders allow their direct reports to give them feedback and respond as often as possible by making changes where needed according to the feedback. Transparent leaders will adjust as soon as they know they need to change and not hide the change. In fact, they’ll make certain the team knows and thank them for their response. But mostly, transparent leaders do not use whatever shade of truth that works best at the time, rather they follow always to only one shade of the truth: the most accurate and complete truth to the best of their knowledge. Transparency in an organization can come in varying degrees. It can also have a slightly different meaning for each business, but in essence it means not holding back valuable information from your employees. Whether the information is positive, negative or neutral, organizational transparency means sharing and keeping employees in the loop, because they care about the state success of your organization as much as you do. The more your employees know, the more they feel a part of what you are doing.

BENEFITS OF TRANSPARENCY:

1. Transparency is a key to building trust in an organization. The more you share with your employees, the more they will have in you and the more they will show themselves to trustworthy. So, Transparency builds trust.
2. The more you build transparency into your values and company culture, the more you build a transparent reputation, which will make you a more desirable employer. Transparency is good for recruitment.
3. If you are wondering how to motivate employees to perform to a higher standard, you might want to consider becoming more transparent, as transparency can motivate and inspire employees to work longer and harder. So, transparency motivates your employees.
4. When employees know more about their company, they generally care much more and become highly engaged with their business. Transparency results in increased employee engagement.
5. Transparent businesses generally benefit from greater profitability, increased innovation and better decision making. Transparent companies are more enduring.

VALUE OF A TRANSPARENT ORGANIZATION:
Below, we outline actionable and proven methods of boosting organizational transparency.
1. Driving cultural change in a company is never easy, but it is necessary to ensure your organization remains relevant and competitive. To integrate transparency into your company culture, begin by questioning how you want other people to behave in certain situations. Be constant with transparency and keep it in mind when it comes to every decision-major and minor- that affects your company. You should also consider transparency when recruiting. You want to hire employees who are authentic, honest and open. The employees you take on will shape your company’s culture, so you should make sure their beliefs and values are in line with your organizations.
2. Make it a priority to respond in a timely manner, when your employees come to you with an issue about a workplace process, or a question about organizational objectives. This will give your employees the opportunity to ask any questions that have been on their minds and it will give, as the manager, the chance to answer them all at once. After all, the answer should matter to everyone, not just the employee asking. This will further illustrate to your employees that you place a premium on transparency, and it will also arm them with the information they need to make tough decisions.
3. Sometimes, you will have difficult waters to tread and tough questions to answer. Transparency is not always
easy. It is at times like this that transparency is all the more important. For example, if you have to cut bonuses for employees during a tight financial year, you should be willing to discuss why you believe the company can afford a given project. You should also be willing to share with your employees whether manager bonuses have also been cut. There is no reason to hide financial realities from anyone.

4. Let your people know, when something changes such as if you have altered a company process or made an adjustment to your performance management system. This helps to keep them connected to the bigger picture. You introducing company news boards or holding employee forums to publish this flow of information. You share wins, losses and pressing challenges. Remember, it is easy and exciting to share wins and it is much harder to admit when things aren’t going to plan, but this form of transparency helps unify a workforce.

5. You first need to improve levels of communication and then you are going to improve levels of transparency. This can start with the introduction of regular coaching conversations. Consider and allow manager and workmen to develop a trusting and authentic workplace relationship. This will facilitate the exchange of feedback and the workmen will feel more able to ask questions.

STATISTICAL ANALYSIS

One sample t-test is used to test the relation between different parameters of the organisation to build the trust in the employees.

A Hypothesis is formed as below.

H01: The parameters like authentic leadership, transparent organizational communication, employee arrangement and motivating the employees are directly related to the trust of employees

Table 1 shows the results of t-test for variables measured to assess the relation between the parameters as mentioned above and developing the trust among the employees. A questionnaire has been circulated among the employees of two organisations and the responses are used to perform the t-test.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>SD</th>
<th>t-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic Leadership</td>
<td>3.49</td>
<td>0.934</td>
<td>11.85**</td>
</tr>
<tr>
<td>Transparent Organizational communication</td>
<td>3.46</td>
<td>0.979</td>
<td>10.55**</td>
</tr>
<tr>
<td>Employee Arrangement</td>
<td>3.59</td>
<td>0.848</td>
<td>15.66**</td>
</tr>
<tr>
<td>Corporate stability</td>
<td>3.62</td>
<td>1.031</td>
<td>13.48**</td>
</tr>
<tr>
<td>Corporate reputation</td>
<td>3.62</td>
<td>0.964</td>
<td>14.43**</td>
</tr>
<tr>
<td>Motivating employees</td>
<td>3.67</td>
<td>0.930</td>
<td>16.21**</td>
</tr>
</tbody>
</table>

** Significant at 1% level

RESULT

From table 1 above, significant relation is observed at 1% level between parameters like authentic leadership, transparent organizational communication, employee arrangement, corporate reputation and motivating employees and the trust of the employees.

CONCLUSION

Authentic leadership, transparent organizational communication, and employee arrangement directly and significantly influenced the level of trust that employees have toward their organizations. Authentic leadership indirectly impacted employee arrangement through transparent organizational communication. Authentic leadership also indirectly affected employee trust via the presence of transparent organizational communication and employee arrangement. Trust and transparency between employees and managements help strengthen an organization overall. It can help decrease turnover, improve morale, reduce workplace anxiety and eventually improve the products and services the company is bright to offer. This translates increased earnings, corporate stability and reputations as an exceptional place to work. The capacity for trusting means that your total life experiences have developed your existing capacity and readiness to risk trusting others. The awareness of competence is made up of your comprehension of your ability and the capability of others with whom you work to perform expertly at whatever is needed in your current situation.

REFERENCE


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