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Building Trust in the Workplace

A Key to Retaining Women

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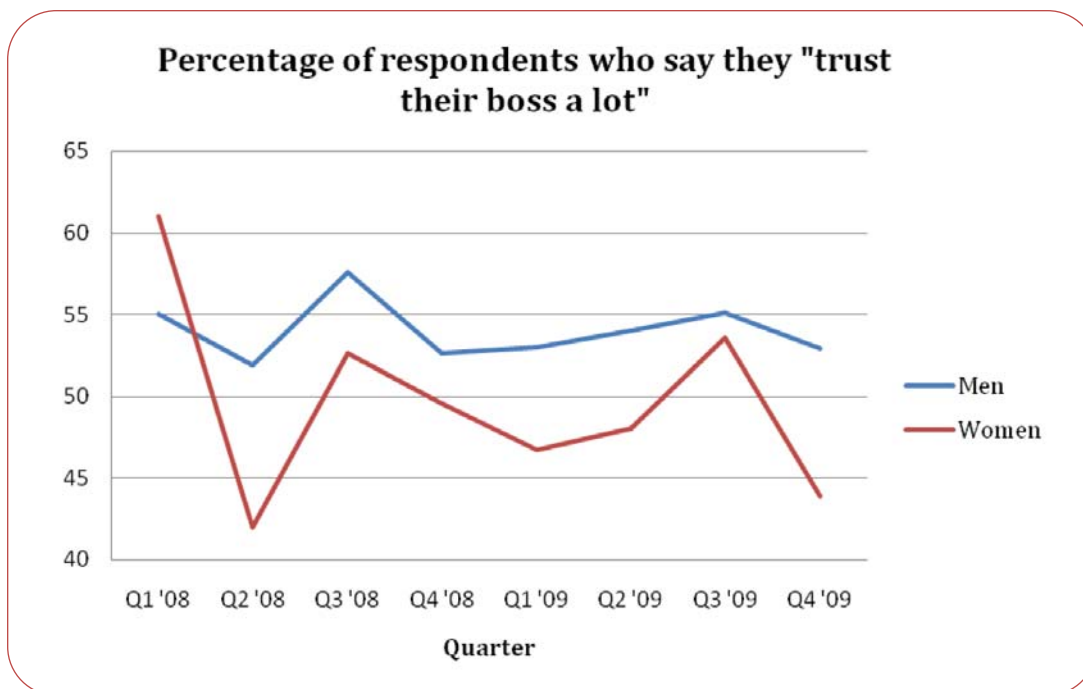


For the first time in US history, women now make up a larger percentage of the working population than men. Just as significantly, research has consistently demonstrated that having women in top management positions correlates with financial success for organizations¹. As recently highlighted in *Womenomics*², the need to keep women in those top positions is not only relevant during an economic downturn, but *essential* to continued organizational success.

Given these facts, **organizations now need to pay even more attention to what women at work are thinking**, and how they have been affected by the recession, downsizings, furloughs, and general malaise.

Data from CCL's World Leadership Study (WLS) suggest that, overall, women are less trusting of their bosses than men. Indeed, **the effect of the recent recession on trust seems to have been more profound for women than for men**. Data were collected from the beginning of 2008, just as the recession was taking effect, to the present, just as the US economy is showing some signs of recovery³.

Figure 1



As figure 1 demonstrates, for men, the percentage of respondents who indicate that they “trust their boss a lot⁴” has fluctuated from 58% at the highest point (Q3 '08), to 52% at the lowest points (Q2 '08) a difference of 6 points. For women, the percentage has fluctuated more dramatically – from 61% at the highest point (Q1'08), to 42% at the low point (Q2 '08). That's a difference of 19 points⁵.

While men and women started out with similar levels of trust of their boss (see Figure 1, Q1 '08⁶), by Q2 of 2008, there was a **noticeable⁷ difference between men and women**. Women were more likely to indicate that they trust their boss “not at all” (9.5%) than men (2.7%). Further, women were less likely to indicate that they trust their boss “a lot” (42%) than men (51.9%). Looking at the quarters since Q2 '08, women have remained consistently less trusting than men of their bosses.

And **it's not just the bosses that women became less trusting of – it is their co-workers as well**. Overall, when asked “How much do you trust the people you work with?” we see higher levels of trust for men than for women⁸. However, when asked “how much do you trust your organization?” responses were similar for men and women.

You might wonder whether women are less trusting in all parts of their life than men, whether this distrust is not specific to work. It's a good question. The answer, according to results from the WLS: over the course of the recession, women remained more trusting of people in general (e.g., their neighbors, people with the same religious beliefs, and people they meet in stores) than did men. That means that **women's lower trust at work is not a result of general feelings of discontent because of the recession**. Rather, it is specific to the workplace and what women have experienced there.



Why are women now less trusting at work?

Job loss has been more prevalent for men in the workforce than for women, largely because those sectors dominated by men (e.g., construction and manufacturing) have been hit harder than those dominated by women (e.g., health care and education). So if fewer women are losing jobs, why are they less trusting of their bosses and the people they work with than men are?

For one, women might believe they don't get a fair shake in the workplace even in a good year, and that the down-sizings and furloughs are having a disproportionately negative effect on their lives. There is a popular saying, "Ginger Rogers did everything Fred Astaire did, except backwards and in high heels." Women may feel (and it may at times be true) that they have to do more than men do to achieve as much, and that rewards for work are seldom distributed equitably. This combination of factors could result in women feeling more threatened, and hence less trusting, during times of uncertainty.

Further, while there has been considerable progress in the introduction of flexible work schedules into organizations, most of the programs introduced to promote flexibility are new and are not permanently part of organizational fabric. The recession may be creating a feeling of vulnerability for those who are not interested in working 80+ hours a week and want a better balance between work and personal life. In the current economy, people may be feeling pressure to work harder and longer in order to keep their job. Through both formal and informal policies, bosses influence wages and promotions, and women may believe that trying to keep a balance between work and family is less likely to result in raises and promotions than is spending as much time as possible at work. This may be particularly problematic for women who generally have greater family responsibilities, thus resulting in them feeling additional stress because they feel squeezed between the metaphorical immovable object and unstoppable force.

Finally, there is evidence from the literature on "stress reactivity" to suggest that women tend to be more sensitive and responsive to social cues, including threat signals. For example, women tend to be better able to detect and label others' negative emotions such as anger or hostility based on facial expressions⁹. Therefore, women employees may be more aware of incipient threats to themselves, their team, or their organization that have not been discussed openly. This awareness may result in them trusting their boss less if the boss hasn't shared the information.

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Why trust matters

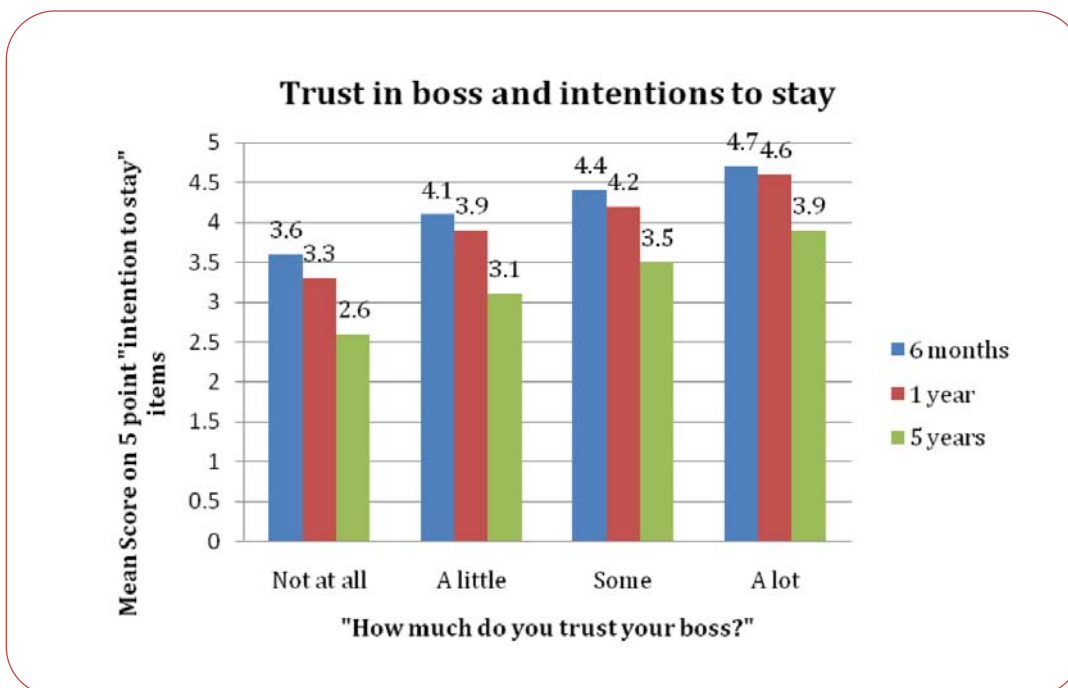
Trust is imperative in organizations today. Aside from just wanting all employees to trust the people they work with because that makes for a more efficient and pleasant workplace, there are other compelling reasons to care about trust at work – reasons that are likely to affect the bottom line.

Research suggests that personal trust is linked to cooperation, performance, and communication in organizations¹⁰. When employees trust the people around them, they are able to focus on their work rather than spending time protecting themselves or their job.

There are two key findings from the WLS that highlight why building trust should be a top priority for managers:

- 1 Regardless of gender, the more employees trust their boss, the greater their intention to remain with the organization for six months, one year and five years (see Figure 2). That means that **when trust is high, retention is likely to be high** – saving your organization both time and money.

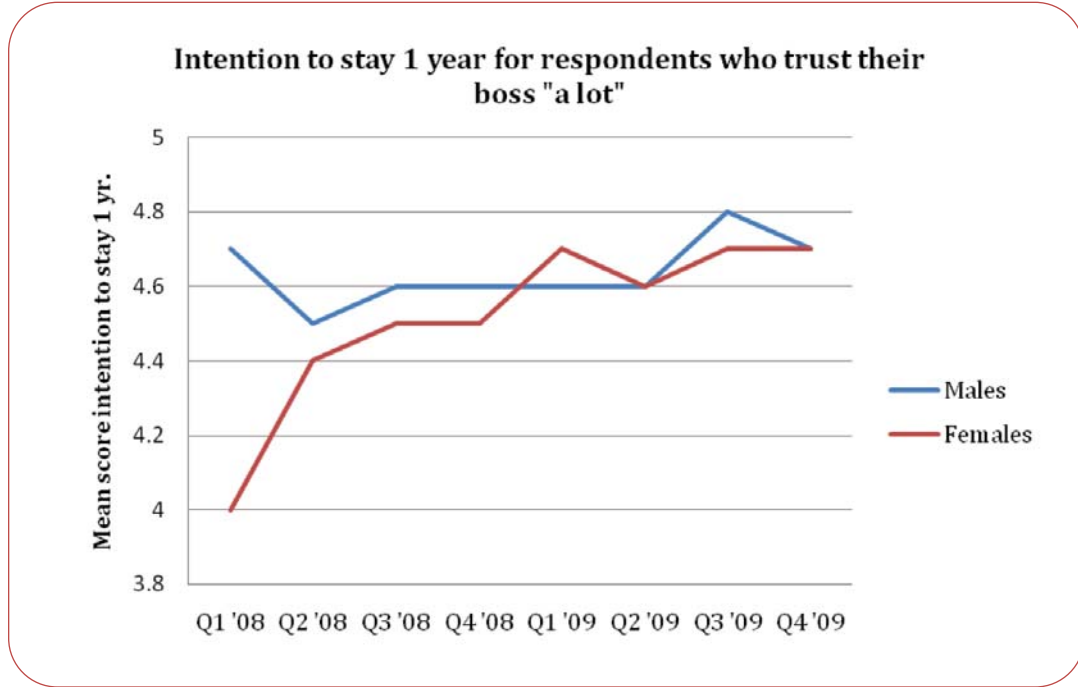
Figure 2



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Over the course of the recession, **the relationship between trust and intentions to stay has been different for men and women.** For women who have the highest level of trust in their boss, their intentions to stay one year have actually *increased* over the course of the recession¹¹, whereas for men with the highest level of trust, there was no significant change (see Figure 3). The pattern of results is similar for intentions to stay five years¹². These findings indicate that building trust may be one of the key strategies that organizations can use to keep their women employees.

Figure 3



How to build trust

As data from the WLS suggest, **building trust between employees and their bosses may be crucial to retention, especially for women.** Trust is earned slowly and destroyed quickly, particularly during challenging economic times. Managers can destroy trust easily by reducing resources in response to the recession in a way that does not seem fair, either because the process wasn't equitable or because the resulting distribution of resources (or loss of resources) wasn't equitable.

So, how do you go about building trust?



If you are reluctant to do “trust falls” in the office every week to gain their trust, do not fear; there are other options – specifically, leadership behaviors that have been shown by both research and practice to improve trust. They can be summed up as:

- Competence
- Caring
- Consistency

Competence is self-explanatory. If you are good at what you do, it will show. **Employees like to work for (and with) people who are skilled and knowledgeable**, and demonstrating competence builds trust.

Caring means showing your employees that they matter to you. Asking for input and taking suggestions seriously are powerful ways of involving employees and building trust. Get to know your employees and their goals and interests. Show them that you will look out for their interests when you can.

Finally, be consistent. **Do what you say you are going to do.** People trust those they can rely on, and there is no faster way to break trust than by breaking promises. This is especially important advice with regard to the women in your organization. Be vigilant about making sure that you are meeting the needs of, communicating with, and respecting the women on your teams – as much as you do the men.

The Final Word

Talented women are increasingly vital to the success of organizations. As we have shown in this report, it is not a “given” that women will stick around long-term and continue to make a contribution to your organization. However, building trust is one strategy you can use for increasing their retention.

Trust is crucial to an organization’s health, and not just for increasing retention. Without it, communication, accountability, and innovation suffer. The good news is that leaders can learn to build high quality relationships that promote trust with and among their coworkers.

Endnotes

¹ For example, see: Catalyst (2004). *The Bottom Line: Connecting corporate performance to gender diversity*. Catalyst, New York.

² Shipman, C. and Kay, K. 2009. *Womenomics*. New York: HarperCollins Publishers.

³ The sample consisted of 2,215 U.S. employees. **100% reported gender**, of those: 49.1% are *men*; 50.9 % are *women*. **93% reported race**, of those: 85% are *White/Caucasian* 6.6% are *Black/African American*; 1.8% are *Asian*; 1.8% are *Hispanic*; 4.8% are *Multiracial/Other*. **86 % reported level in the organization**, of those: 7.5% are "*Top*" (e.g. CEO); 26.1% are "*Executive*" (e.g. Vice President, Directors); 32.1% are "*Upper Middle*" (e.g. Department Managers); 29.6% are "*Middle*" (e.g. Office Manager, Professionals); 4.7% are "*First Level*" (e.g. Section Supervisors, Clerical).

⁴ Response options were "a lot," "some," "only a little," "not at all."

⁵ Sample sizes are roughly equal and therefore does not account for the greater fluctuation for females.

⁶ Women employees had slightly higher percentage of "trust boss a lot" responses but the overall chi-square was not statistically significant at Q1 '08 whereas it was by Q2 '08.

⁷ And statistically significant, based on a chi-square test.

⁸ Marginally significant with chi-square.

⁹ See Hall, J.A. (1978). Gender effects in Decoding Nonverbal Cues. *Psychological Bulletin*, 85,845-857.

¹⁰ Whitener, E.M., Brodt, S.E., Korsgaard, M.K., & Werner, J.M. (1998). Managers as initiators of trust: An exchange relationship framework for understanding managerial trustworthy behavior. *Academy of Management*, 23, 513-530.

¹¹ Initial ANOVA showed a significant three way interaction between sex, quarter and trust. Simple effects revealed that the only significant effect of quarter was for females in the high trust group.

¹² While the pattern was the same for 5 yrs, the finding was not statistically significant.

About the Authors

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Sarah is a Postdoctoral Research Fellow at the Center for Creative Leadership (CCL) in Greensboro, NC. Sarah's work focuses on how small group processes and organizational culture influence decisions, behaviors and attitudes within organizations. Before coming to CCL, Sarah worked for Press Ganey Associates, a healthcare quality improvement firm. She holds a B.A. in Psychology from the University of California, San Diego, and a M.A. and Ph.D. in Applied Social Psychology from Loyola University Chicago.



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Marian Ruderman is a Senior Fellow and Director, Americas and EMEA (Europe, Middle East, and Africa) Research at the Center for Creative Leadership. Her work is focused on leadership development, diversity, and work-life integration. A noted expert on women's leadership, Marian has co-authored over 50 articles and book chapters on leadership. Her books include *Standing at the Crossroads: Next Steps for High-Achieving Women* (co-authored with Patricia Ohlott), *Diversity in Work Teams: Research Paradigms for a Changing Workplace* (co-edited with Susan Jackson), and The 3rd edition of the *Center for Creative Leadership Handbook of Leadership Development* (co-edited with Ellen Van Velsor and Cynthia McCauley). Marian holds a Ph.D. in Organizational Psychology from the University of Michigan.



This report is a result of the combined efforts of the World Leadership Survey Team members: Jennifer J. Deal, Ph.D., Marian Ruderman, Ph.D., Sarah Stawiski, Ph.D., William Gentry, Ph.D., Laura Graves, Ph.D., and Todd Weber Ph.D.

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