

Enhancing Employees' Collaboration Through Trust in Organizations: (An Emerging Challenge in Human Resource Management)

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Abstract Trust has been recognized as a multi-dimensional concept with its various components. However, the missing link of trust and collaboration is still being observed in human resource management literature. This study deliberates upon exploring the linkage between trust and collaboration among employees in an organization. The current research highlights the positive contribution of trust in building and sustaining collaboration in the organizations. Researchers have elaborated a detailed meta-analysis of literature on trust and collaboration in order to achieve its effectual link with organizational performance. The findings reveal that trust and collaboration are interdependent processes. Trust is an essential element in building collaboration and high level of trust is required to build effective collaborative relationships.

Keywords: Human Resources, Trust, Organizations

1. Introduction

Trust for building collaboration within the organizations is an essential element as collaboration requires working together with shared resources of the collaborative parties. The first definition of trust proposed by dictionary.com is the "reliance on the strength, ability and integrity of a person or a thing; confidence" (Serrat 2009). Rousseau, *et al* (1998) defined trust as "a psychological state comprising the intention to accept vulnerability [to another] based upon positive expectations of the intentions or behavior of another".

Organizations that impart trust as their vital component are able to achieve five important objectives that are, growth in profits, growth in market share, strengthened leadership, highly retained talent and increased social consciousness (Anon 2011). High trust organizations are efficient in problem solving, retain employees with more focused energy, have more efficient communication system, more retained customers, reduced cost, more growth and development opportunities and positive reinforcement and motivated environment (Whipple 2011).

Trust has extensively contributed in the literature of management and organizations with several major contributions of studies (i.e. Robinson, 1996; Whitener, 1997; Kramer, 1999) Interest in the subject of trust has been increasing with significant growth rate. Literature suggests that within interpersonal interactions of people and within the organizations, trust is a very important factor that builds cooperation (Brower, *et al.*, 2000; 1995; Rousseau, *et al.*, 1998; Shockley-Zalabak, *et al.*, 2000). Trust is a multi defined concept and varies accordingly to the organizations because of its different conceptualizations (Atkinson & Butcher, 2003).

Trust is a desirable quality for organizations as they seek immense collaboration among its working teams. As Aryee, Budhwar & Chen (2002) stressed that trust is related to job satisfaction and work attitude. They emphasized that increased trust of individuals upon other individuals and team members would allow them to perform in an effectual manner. Moreover, trust between employees and organization is of equal importance as it creates positive psychological contract among collaborating parties. Similarly, Konovsky and Pugh (1994) established that in a social exchange process trust in managers is positively connected with organization citizenship behavior. This paper aims to elaborate the linkage between trust and collaboration and the vital role trust plays in building a climate of effective collaboration in the organizations.

2. Literature Review

Trust is seen as a vital factor which contributes towards teamwork's success; inter and intra-organizational cooperation and coordination; and partnership alliances (Young-Ybarra & Wiersema 1999; Blomqvist, 2002). Organizations that impart high levels of trust in the participants enable them to invest high energies to the accomplishment of organizational goals than their own protection (Moran 2001). Trust is the core factor in building effective collaboration. Hattori (2009) states that trust building is the first step towards effective collaboration. Organizations must not only focus on building trust but also on maintaining it. Building trust requires ensuring open communication, sharing good and bad information to all the levels of management, encouraging creativity, fostering talent, maintaining integrity and making consistent and fair decisions. In order to maintain trust, organizations need to reward value added activities, keep up with their words and promises, encourage trustworthy behaviors and punish violation of trust (Levit 2007).

2.1 Trust

There are several definitions of Trust due to its disciplinary diverse nature, social construction and different conceptualizations. Literature puts forth various definitions of trust as according to Zand (1972) trust is the "*The conscious regulation of one's dependence on another*". Similarly, Cook & Wall (1980) further elaborated the definition as "*the degree to which one is ready to attribute good intentions to and have confidence in the words and actions of other people*". Morgan and Hunt (1994) defined trust as "*a mediator of commitment and both as key variables for collaboration*". Morgan and Hunt (1994) further explained that trust has a strong interconnection with communication. Moreover, Weitz and Jap (1995) enhanced the concept by emphasizing that collaborative communication is of more importance as it facilitates the idea sharing of both sides rather than one way communication.

Mcknight (1996) and Chervany (2001) identified two types of trust:

Personal trust-dispositional & behavioral and, Impersonal trust- structural/institutional

Personal Trust: The *dispositional* aspect of the personal trust is based on trait psychology- that the actions a person displays are shaped by the attributes derived from the child-hood that become less or more stable overtime. It means that across the broad spectrum of people and situations, the degree to which a person shows a steady and constant propensity to depend on others whenever they are required (Mcknight & Chervany 1996). According to Blomqvist (2002) the *behavioral* aspect assumes that "by observing other's behaviors intentionally/deliberately or unintentionally, individuals make conclusions about others' trustworthiness". He further elaborated that behavior consists of 1) sociability, open communication; 2) keeping of promises, integrity; and 3) learning, adaptation and commitment.

Impersonal Trust: The institutional dimension of trust is a derivation of sociology which implies that the behaviors are constructed situationally. The institutional trust is the combination of structural normality and structural assurance. The former implies that the impression of trust is such that the things in a situation are normal, favorable, conducive and proper but when faced with abnormal situations, people distrust others. The latter explains that the protective structures (processes, guarantees, contracts etc) are favorable to the success of situations (Mcknight and Chervany 1996, 2001).

Personal trust entails one person to trust another person. In organizational context, personal trust reflects trust among employees who consistently display trust worthy behaviors. Here components as benevolence (kindness, generosity), honesty (trustfulness, integrity), predictability (reliance) and competence (efficacy) exist. Impersonal/institutional trust does not depend on personal attributes of the parties being trusted rather it is established on institutional structures. It means that impersonal trust arises when employees and customers feel secured from the policies, laws, regulations, practices and rules of the organization (Anon 2011).

Collaboration is to work jointly with other person, party or institution. For a successful collaboration to take place organizations should focus on both personal and impersonal trust. Organizations are composed of diverse workforce where people from different locations and backgrounds work together. Trust among the people is highly required by the organizations to meet their goals and objectives successfully. Profile of creative ideas is enhanced if people display trust while working together. Similarly if trust exists among the relationships, synergy is created due to the separation of responsibilities. Workplace collaboration helps in rooting out biased decision making because of the presence of trust among all round the table (Scheid 2010).

Trust within collaborative relationships is beneficial for both the employees and the organization. It helps to (1) reduce friction among the employees, (2) to facilitate effective organizational change as restructuring, reclassification of a job etc, and (3) provides stability to the organization in addition to the well being of the employees.

Trust and Collaboration Model

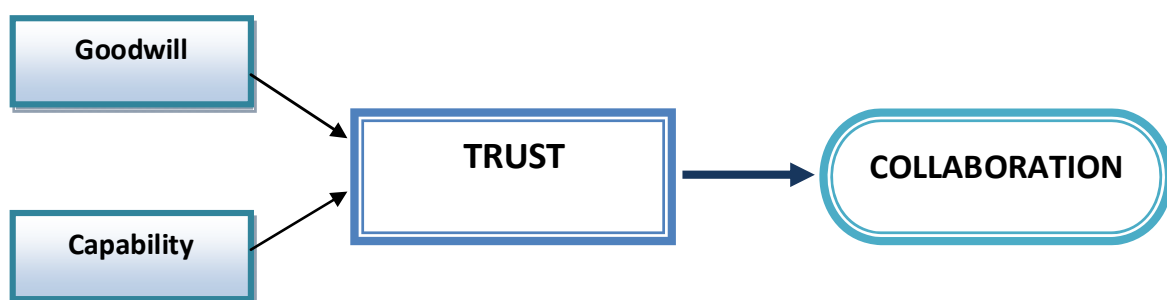


Figure 1. Components of Trust, Adapted from (Blomqvist, 2002)

2.2 Trust and Collaboration

Collaboration (co-labor) is to work closely and jointly with others for shared outcomes "*Collaboration generally refers to individuals or organizations 'working together' to address problems and deliver outcomes that are not easily or effectively achieved by working alone*" (Keast & Mandell 2009).

Blomqvist (2002) developed a conceptual model of trust comprising of four components as capability, goodwill, behavior and self-reference. Here trust is defined as "*actors expectations on the capability, goodwill and self-reference visible in mutually beneficial behavior enabling cooperation under risk*" (Blomqvist, 2002). With respect to collaboration, this study takes into consideration only two components of trust from the Blomqvist model, namely goodwill and capability (see Fig 1).

Goodwill is the "*moral responsibility of the partner and his positive consciousness towards the other*". Goodwill is further sub-divided into *interest, care and concern; moral responsibility; understanding and respect and positive intentions* (Blomqvist, 2002 and Sako 1992, 1998). Blomqvist (2002) emphasized that capability dimension of trust involves capability with respect to the technology, business and most important of all cooperation. Organization's *capability to cooperate* signals its partner's for the relationship capital. He further elaborated that trust and its components have a positive impact on collaboration. He established that for a collaborative relationship to take place, trust between the parties is required. In order to have a good start of the collaborative relationship between the parties, each party's goodwill in the form of responsibility, equity and positive intentions should be shown with the help of open, ethical, moral and honest communicative behavior. Hence, for the excellence in collaborative relationship, parties should be influenced and convinced for each other's technological, business and cooperative capabilities.

Collaboration and trust are interdependent processes as they depend and support each other. Collaboration often takes place between independent parties, so it is unlikely that they work together, share responsibilities and resources, and invest time and energy without a measure of trust. Participants get dependent on one another due to this mutual sharing, and this sharing is only possible if they build a relationship of trust between them. Greater collaboration will lead to greater trust because the partners will be able to witness the other partner's reliability, honesty, benevolence, openness and competence (5 facets of trust) (Moran 2001). Because collaborators have to achieve shared outcomes and goals effectively, they require trust in their interdependent relationships. Figure 2 explains collaboration and its requisites. Here trusting each other is required by the partners to fulfill the question "I wonder if we could...?" by sharing resources (energy, proprietary information, time, money etc) (Cisco 2008). By developing certain "reputation" over time through previous interpersonal interactions and restarting the accomplishments, every collaborative party approaches the other collaborative party (Moran 2001).

Figure 2. Collaboration and its requisites

Collaboration involves shared and common goals: "I wonder if we could...?"	
<ul style="list-style-type: none"> • Driven by mutual self-interest, opportunity appetite • Requires high level of commitment on each side • Creates new value • Value accrues to each party 	<ul style="list-style-type: none"> • Often requires specialization on each side • Requires high level of trust, e.g., environment in which • proprietary information can be safely shared

Source: (Economic Intelligence Unit, 2008)

Figure 3.

Excellence in collaboration requires trustworthy people, processes and technology		
People	Processes	Technology
<ul style="list-style-type: none"> • High level of trust in the organization • Trusting relationships between individuals • Belief in shared goals • Eagerness to share information • High trust tempers potentially high risk 	<ul style="list-style-type: none"> • Process buy-in is high • Processes reinforce trust (e.g., by defining objectives, accountability) • Processes enable collaborative education/communication 	<ul style="list-style-type: none"> • Adoption of collaborative tools is high and diverse, driven by specific utilities • Tools reinforce trust, e.g., Telepresence emulates more "personal" interaction • Tools provide transparency

Source: (Economic Intelligence Unit, 2008)

Collaboration is strategically approached by businesses i.e. to line up the processes, technologies and people with the strategic goals. In order to enhance the probability of successful collaboration, a sufficient amount of trust is required (see Fig 3) (Cisco 2008).

According to report of ARACY by (Keast & Mandell, 2009), collaboration is characterized by the relationships that are highly interdependent on each other. Collaboration is all about change in systems, which requires the participants to take high-stakes & high-risks. This requires a significant high level of trust among the participants and is most probably rewarding for those who are high risk takers. The relationship continuum defined by this report includes cooperation at the first, coordination at the second and collaboration at the third highest level. Within this continuum, cooperation requires loose connections, low trust; coordination requires medium connections, work-based trust while *collaboration* is characterized by:

- Deep interdependent connections, high trust
- Frequent communications
- Information sharing that is tactical
- Change in system
- Pooled, collective resources
- Shared goals that are properly negotiated
- Inter-organizational sharing of power
- High risk/high reward

According to Atkins (2009), Trust enhances collaboration and collaboration experience helps reinforcing trust. He found that alignment between strategic thinking and intentions offer a strong foundation for the growth and expansion of trust. In order to build a collaborative attitude with respect to the stakeholder's intentions, trust is the pre-requisite. He also established that "shared responsibility is at the heart of collaboration and itself is the working definition of 'trust'".

In line with Atkins (2009) and Hattori (2009) emphasized that trust is a judgment based on thoughts and involves assessment of the feelings. You would like to feel the sincerity and concern of others for you as well as for your well-being in addition to the judgment of competence and reliability and undoubtedly same is expected from other side. Collaboration breeds upon this sort of trust which leads to important developments and achievements.

3. Conclusion

The dynamic changes in business environment have led to the elimination of organizational boundaries making them more globalized. This globalization compels the organizations to always devise new and more creative ways of knowledge sharing and collaboration. Effectual collaboration among employees and organizational teams is the only key to enhanced performance which ultimately leads to meet the hyper competitive and dynamic business scenarios. The findings of current research revealed that trust and collaboration are highly interdependent processes where excellence in collaboration requires trustworthy people, processes and technology. The study also revealed that collaboration is enhanced by trust and high level of trust is required to build an effective collaborative relationship. The findings corroborated Atkins (2009), Hattori (2009), Bolmqvist (2002) and Cicso (2008) work, where collaborative capability and trust allow the firms to mutually share resources and go for continuous developments and achievements.

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