

The importance of trust

The main findings of the 2009 Index of Leadership Trust by the Institute of Leadership and Management and Management Today

Trust is a fragile thing – hard to create and easy to destroy. Creating high-trust organisations is the challenge faced by all leaders, because trust doesn't just happen. It requires an inter-related set of policies, such as promoting a culture that values relationships between people, creating opportunities to meet informally, and ensuring that people are able to perform effectively. Conversely, inconsistent messages and standards, misplaced benevolence, and a failure to trust others or face up to tricky issues all serve to reduce trust.

To find out more, the Institute of Leadership and Management (ILM)

and Management Today surveyed over 5,000 UK employees and asked them to rate the importance of six dimensions of trust – ability, understanding, fairness, openness, integrity and consistency – and then assess their leaders and managers against these. The results were broken down by level of seniority, enabling the levels of trust between CEOs, managers and non-managers to be accurately measured. They were also analysed by age group, gender, organisation size, length of service and length of relationship between managers and managed. This is what their findings reveal.

1. Negative growth

The overall Index of Leadership Trust for CEOs is 59 on a scale of 0 (absolutely no trust) to 100 (complete trust). However, there is substantial variation in this index, reflecting organisational size. The larger the organisation, the less trust employees are likely to show in its leadership. The most trusted CEOs are those at the helm of organisations employing up to 10 people. This trust in CEOs falls off consistently as the organisation grows and reaches its lowest in organisations that employ more than 1,000 people.

Overall trust in line managers is 10 points higher, at 69. This too is highest in the smallest companies but falls to its lowest point in medium-sized enterprises. It then recovers marginally in the bigger organisations, which possibly indicates better line manager training provision in larger concerns.

2. Turnover troubles

The longer CEOs and line managers have been in post the more trust employees have in them. Conversely, the longer an employee has been with the organisation the less they

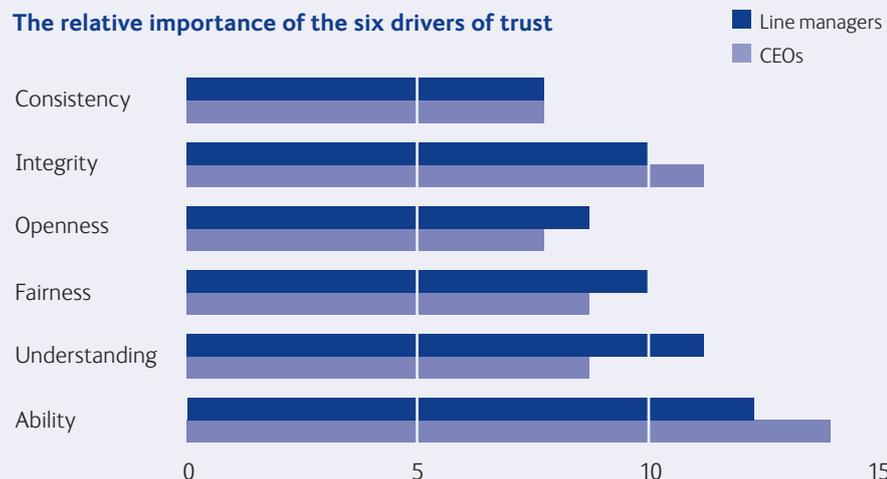
CEOs' scores against the six dimensions

Dimension	Score
Consistency	55
Integrity	66
Openness	53
Fairness	57
Understanding	47
Ability	65
Overall	59

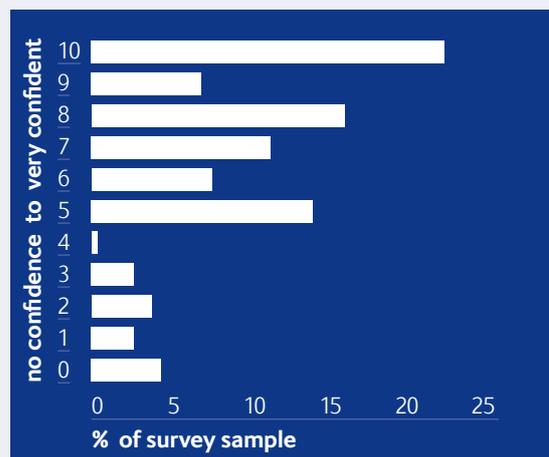
Line Managers' scores against the six dimensions

Dimension	Score
Consistency	65
Integrity	70
Openness	66
Fairness	62
Understanding	72
Ability	70
Overall	69

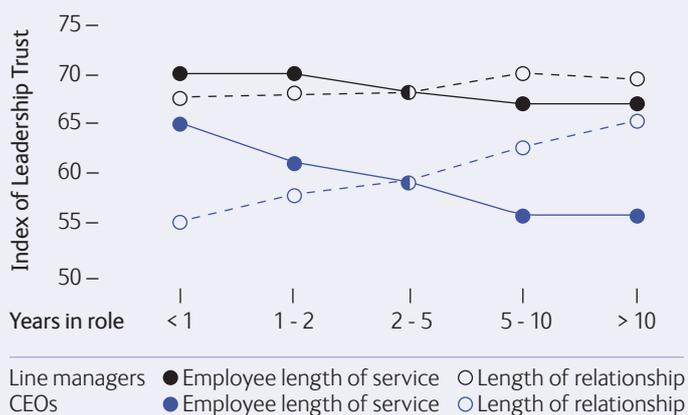
The relative importance of the six drivers of trust



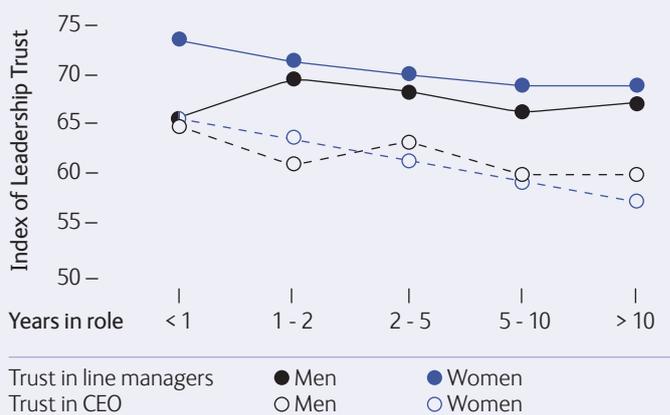
NB: Respondents were asked to allocate 60 points across the six drivers, to indicate their importance



The effect of time on levels of trust



Women's trust declines faster than men's



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trust their management team.

This apparent contradiction can be explained by the effect of the length of relationship between manager and managed. Trust is at its highest between a new employee and long-serving managers, and at its lowest when a long-serving employee is working under a new leader.

This effect is amplified by the distance between manager and employee. New CEOs of large organisations that feature long-serving workforces have the most to do to establish trust in their leadership. The research indicates that this is unlikely to be achieved in less than five years, and that the low trust index scores of large-organisation CEOs is partly a reflection of higher CEO turnover.

3. Trust in their own image

Age and gender have less effect on trust than might be expected. The research reveals a small dip in trust for middle-aged leaders and managers and a general trend for employees to show

greater trust in CEOs who are of the same sex and similar age as themselves.

Women are generally more trusted and trusting than men. But the research found that, although women tend to start employment with more trust in their managers than new male recruits, their trust decreases more sharply, ultimately falling below the levels of men.

If we take into account the evidence that trust tends to fall over time as a result of changes in management, it seems to be the case that female employees are affected more acutely by these types of change. This may indicate that women tend to place more emphasis on the nature and consistency of the management relationship than men do. It also raises important questions about the quality of women's experience of the workplace.

4. Private and public

Based on the above findings, it's easy to understand the high trust levels in the charity sector, where

most respondents (61%) work for organisations with fewer than 250 employees and a relatively high level (37%) of CEOs have been in post for more than five years. Charity CEOs have a trust index score of 63 when assessed by the general population of employees, which rises to an impressive 72 when assessed by managers. Line managers in this sector also enjoy high trust levels.

Public sector CEOs, on average, are trusted slightly less than private sector CEOs. The reverse is true for line managers, where there is a very slightly higher level of trust in those in the public sector, compared to those in the private sector. One challenge for CEOs in the public sector, which could prevent their achieving higher trust ratings, may be a perception among employees of 'politicisation' at this level, that the CEO is reporting upwards to a government department and fulfilling target-driven criteria rather than effectively leading the organisation. ●

SURVEY RESULTS

How much do you trust your boss?

We asked AMA members to rate their trust in their managers across the six dimensions identified by the Institute of Leadership and Management.

183 people replied to our survey, making up about 10% of our current membership. Their responses show a very positive picture of the state of leadership in the arts sector, with very high ratings overall for ability, fairness, openness and integrity, and slight dips in just two dimensions (understanding and consistency).

On a scale of 1 (I have no confidence in my line manager) to 10 (I have complete confidence), only 14.1% of AMA members said they have little to no confidence in their managers. Another 14.2% declared they have some confidence in their manager's ability (5 out of 10 on the scale), while a staggering 71.6% rated their managers in the top end of the scale, with 22.4% of people giving them 10/10.

The full findings of the survey, including all open-ended responses and breakdown of respondents by organisation type and job level, are available on the member-only section of the AMA website. Go to www.a-m-a.co.uk.