Is Paranoia Widespread in Your Firm? You're Not Alone

Trust remains a rare commodity in the workplace. Here's what management can do about it.

"He who doesn't trust enough, will not be trusted." -
Lao Tzu

Recently, I spoke to a CEO who had commissioned a survey on his organisation's health. To his great surprise – and that of his executive team – more than 80 percent of the respondents said that they were reluctant to speak their mind. They felt unsafe to express their opinions, doubts or frustrations. Sadly enough, I had to tell this CEO that his firm was not an outlier. In many organisations, paranoia is common and trust is non-existent, contributing to strong disengagement.

Here is a sample of the questions I often ask people working in organisations:

- Is disagreeing with others or giving candid feedback at work quite risky?
- When you make a mistake, can you discuss it openly?
- Is there a lot of blaming and shaming going on?
- Do you have tense working relationships with your colleagues?
- Are you reluctant to express your ignorance about specific matters?

When people respond affirmatively to most of these questions, the organisation is more likely to be low on trust and may even have a high level of paranoia.

Keep in mind that the fundamental glue that holds any relationship together is trust. In its absence, people are afraid to stick their neck out.

The high cost of mistrust

A lack of trust is not necessarily obvious, but lurks under the surface. In fact, the level of trust in an organisation is like a person's blood pressure. It is silent but vital to one's health. And if it is not taken care of, it can be deadly. Unfortunately, when I tell top management that they may have created a toxic work environment, they tend to become quite defensive.

A toxic work environment threatens employees' sense of self and security. At any time, they might be accused of being ignorant, incompetent or disruptive. They may be subject to ridicule, rejection, blame, disrespect, displays of anger and even intimidation.

When this kind of organisational climate prevails, far too often, everyone avoids making decisions or sharing ideas. None of the employees feel comfortable working with each other. This predictably decreases employee motivation and engagement, as well as the organisation's overall effectiveness.

What trust looks like in organisations

In high-trust organisations, people are confident that they can express their ideas. What's more, they feel at ease raising difficult issues, concerns and problems. They may offer dissenting views or even "crazy" ideas – helping the organisation try something new. They also know that they will be treated fairly and respectfully no matter what.

In a safe environment, employees are more prepared to express their vulnerabilities, ask for help when needed, seek feedback and admit to errors or a lack of knowledge. Setbacks are considered part of the learning process.

Furthermore, when employees feel that they are given room to fail, they are much more committed and have a greater sense of ownership. In the absence of fear and retribution, they can be more collaborative, share information and communicate openly – behaviours that make for better team dynamics.

In sum, high-trust organisations have a more productive workforce, better employee morale and higher employee retention. They also perform better from a **financial perspective** than their industry peers.

How to create high-trust organisations?

Despite its many benefits, trust remains a rare commodity in most organisations. Sadly, it is easier to build distrusting environments than trusting ones. And while it can take years to build trust, it takes only seconds to destroy it. However, companies that take trust seriously assess their organisational culture regularly. Trust always remains a major topic of discussion and is built upon the following foundations:

Common goals

Employees need to be aligned with the organisation's purpose; they need be **inspired** by company values that they can understand and internalise. As people are often poorly informed about organisational goals, top management should build a culture of transparency. It is also key to imbue the company's mission with meaning. As the saying goes, people work for money but die for a cause.

Fair process

A high-trust corporate culture is one in which employees are treated fairly, regardless of their role. Senior management avoids the blame and shame game. Performance appraisals, work assignments and promotion prospects remain fair and never used to retaliate against employees who speak their mind.

Credibility and consistency

People at the top need to be credible. If they say leadership development is important but neglect to develop their own people, they are not believable. Thus, it is essential that an organisation's leaders keep their promises and follow through on their commitments. As with many things in life, actions speak louder than words.

Humility

Trust is also built when senior management own up to not always knowing. Leaders should be prepared to show their vulnerabilities, acknowledge their own mistakes and encourage a culture of dialogue and accountability. Generally speaking, a willingness to take ownership for a team's failures is a great way to develop trust.

Openness to feedback

How senior management deals with feedback is another important part of the trust equation. Feedback should be a two-way street, as both giving and asking for feedback requires a lot of trust. To facilitate this exchange, an effort needs to be made to reduce hierarchy. Senior management should be open to receiving feedback from people at all levels. This takes effort as employees often feel **uncomfortable sharing constructive feedback** with one another, let alone with their boss.

Recognition

Furthermore, of great importance in building a high-trust culture is recognition of a job well done. It is essential to give people praise when praise is due. In particular, senior management should show appreciation and acknowledge employees' contributions. Public recognition has an enormous trust-building effect.

A focus on development

Top management should also show that they are interested in the development of their people. They should treat their employees as human beings and invest in their personal growth and career path, instead of looking at them as money-making machines. Executives who walk the talk will have a competitive advantage over those that don't make this effort.

Getting it right from the start

A critical juncture is how people are treated when they enter an organisation. Beyond assessing whether newcomers fit the corporate culture, top management needs to pay attention to the onboarding process. They should make newcomers

feel welcome. If this process is done right, it will have a very positive effect on employee retention.

Trust is no longer optional for organisations that want to attract and retain the best people. If senior management are willing to model the soft skills listed above, they can create engaged workplaces.

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