

ORGANISATIONAL TRUST: A CASE APPLICATION IN THE AIR TRANSPORT SECTOR

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Abstract

From a management perspective, it is important to know what the likely feedback effects of efficiency drives might be on levels of employee trust. This paper looks to apply this important question to a case application in the air transport sector by testing the use of recent efficiency measures in a case sample of air transport companies using a modified aggregate trust model. The findings of this study suggest efficiency creating tactics do not lead to resentment and conditions of mistrust in themselves. Rather, occupational group (flight crew/non-flight crew), airline type (FSA,LCC, Charter), and level of seniority (management/non-management level) all have a more important bearing on the employee-employer relationship. Pre-existing labour agreements and legacy arrangements with senior and certain occupational groups were found to have a more damaging effect on the trust relationship than anything else. An underlying level of resentment and defensiveness has developed due to historical agreements being changed and have been observed most notably among FSAs, flight-crew and middle-management staff. The mediating role of the unions in the employee-employer trust relationship was found to be insignificant among the sampled air transport organisations.

Key words: trust, employee-employer relationship, air transport, occupational identity

1. Introduction

Trust within and between organisations, and with their customers has never been a more important issue. There are countless examples of trust or a lack of trust being a critical issue for the future sustainability of business. The 2009 banking crisis, the automotive industry's emissions scandal, and the horsemeat scandal in the UK are just a few of the well-publicised examples of a breakdown of trust and the long lasting effects this has on business-consumer relationships. Trust is equally important among employees within an organisation and in its policies, with recent examples being the UK's NHS junior doctor strikes and unrest at Sports Direct over pay and working conditions.

Trust has been a hot topic in the air transport industry too. Airlines worldwide have witnessed a sustained period of structural change and are constantly exposed to high external change and volatility, which has inevitably led to increased pressures on organisational trust relationships. Recent examples involving trust in the airline sector include Air France's 2015 labour dispute over proposed job cuts, leading to physical attacks on Senior Managers at the airline (Willsher, 2015), and the various rounds of pilot strikes at Lufthansa over bold proposals to remove early retirement plus 60% pay rights of pilots and the transfer of domestic and European services to low-cost subsidiary Eurowings (Thomasson, 2016). This makes the airline and wider air transport sector an appropriate industry for testing intra-organisational trust.

In response to socio-economic and structural change, airlines have taken a variety of approaches towards employee relations in order to create efficiencies. Qantas and Jetstar (Sarina and Lansbury, 2009) had distinct labour policies with Qantas having a higher

proportion of full-time core workers and Jetstar relying more on outsourced and casual contracts, but having converged over time; Southwest Airlines and Ryanair, whom despite both being low-cost carriers, have pursued commitment (what can we do together?) versus controlling labour policies (more of a Machiavellian approach - this is what we will do) respectively (Bamer, Gittell, Kochan, and Von Nordenflycht, 2009) and Aer Lingus, who aimed to preserve what is termed a sophisticated modern approach to employee relations despite moves towards privatisation and becoming a low-cost carrier (Wallace, 2009). It is of interest here to explore how such approaches towards employee relations have affected trust relationships.

This paper will specifically investigate air transport companies that have and have not recently been subject to efficiency measures in order to test the possible effects of these measures on employee trust. Some of the airlines observed in this study have recently gone through changes in human resource policies, which have imposed pressures on legacy labour agreements through the introduction of measures such as more flexible contracts and conditions, horizontal loading via job enlargement instead of vertical loading via job enrichment, reductions in salaries, the marginalisation of trade unions and the removal/reduction of staff travel and retirement benefits. Some of these efficiency measures (those present across the observed carriers – see section 4) are used to test a conceptual trust model originally posited by Mayer, Davis and Schoorman (1995).

The paper reviews the employee-employer trust relationship and details the trust spectrum from conjectures of high trusting beliefs and behaviours to attitudes of mistrust (e.g. a lack of confidence) or distrust (e.g. have no confidence). It also discusses the appropriateness of the integrated ‘trust’ model proposed by Mayer et al., (1995), which has

been adapted to place more emphasis on the role of the economic environment as well as employee-employer based variations in 'trustor propensity'. We expand on the methodology used for this study and the chosen methods and analytical techniques. Here, the context of trust based on a modified trust model, and the questionnaire constructs using the support of empirical data, including open-ended questions are explained. The managerial implications of the employee trust results are finally discussed and conclusions drawn.

2. Intra-organisational trust

The willingness to serve an organisation provides an interesting scenario. Innate in any organisation will be 'potential contributors' who would intensely serve an organisation through to a spectrum of 'zero willingness, opposition or hatred' (Bernard, 1938). The degree of willingness to serve an organisation could have an impact on the employee-manager 'psychological contract' and in turn on job performance. Literature suggests a negative correlation between a 'breach' of the psychological contract and several important forms of employee contributions amongst others, being 'job performance' (Kramer, 1999, p.593). This sentiment is also reflected in Adler (2001, p.215) who contends that in today's knowledge-based labour market, '*reflective trust*' (inherently built in to a modern psychological contract) is a more effective way to nurture employee performance than a more traditional hierarchical structure or '*blind trust*' (denying the possibility that anything could shake or betray trust (Starnes, Truhon and McCarthy, 2010), in which management aims to control everything including knowledge. In the latter type of structure labour performance is manifested through 'remuneration' and 'authority' mechanisms. In the airline sector, a clear example of reflective trust is Southwest Airlines with an example of blind trust being aggressively followed by Ryanair. Although Ryanair tried to emulate the Southwest no frills

model in many respects, it did not follow suit with regards their organisational culture (Gittell, Von Nordenflycht and Kochan, 2004).

Literature on trust and distrust provides essential features to the ‘psychological state’ of workers (see Kramer, 1999 for a review of relevant studies) in their contractual relationship with their employer. For instance, in a longitudinal study conducted by Robinson (1996), recently hired managers were less likely to have high levels of trust 1, 18 and 30 months after initial employment if they felt that their psychological contract had been breached. In the case of Fraher and Gabriel’s study (2014) on US airline pilots in the decade after 9/11, the frequent lay-offs that occurred led to high levels of distrust among affected pilots with one group giving up all hope of continuing as pilots and retraining into other careers. The other group hung on to the hope of being reinstated as pilots with their previous employer despite the distrust in order to avoid giving up their childhood dream of flying. In the same way levels of trust can have a varied impact on the employee’s psychological state and resultant behaviour across a range of on-going organisational dilemmas facing the air transport industry.

Due to economic downturns and structural pressures, airlines have frequently employed cost cutting measures, which invariably have a labour focus and have had implications on job security. This could bring into play issues of trusting beliefs within the psychological contract between the employer and employee (Anderson and Schalk, 1998). Arguably, where the labour supply exceeds demand, employees are able to move less freely within the labour market. This may potentially create an organisational climate of distrust whereby job performance remains efficient to the employer based only on negative ‘sunk costs’, e.g. restricted movement within the labour market (McGee and Ford, 1987). By way

of caution, in the long-term this could manifest a work environment of *subjective* distrust in, which the employee may hold a degree of resentment. This could surface into negative discourses and actions that are indicative of behavioural mistrust that is associated with perceived expectancies and subsequently, to unrealised outcomes. Should expectancies become unrealised for a sustained period then theoretically this could increase the intensity towards *behavioural* distrust. Airlines have tried to address these problems through intensifying communications during times of restructuring. This was found to be the case with SAS, where a series of consultations with internal stakeholders (i.e. employees) and external consultants were designed to reduce levels of risk and distrust by using integrated storytelling in the process of implementing change (Langer and Thorup, 2006). In contrast, Fraher (2013) found that US pilots were suspicious and mistrusting of their employers' downsizing strategies despite the financial troubles many US carriers were experiencing at the time.

The display of trusting behaviours is likely to materialise in upturn periods where demand for quality labour exceeds supply. In such cases, previously negative employee-employer experiences can lead to lower levels of commitment. In such an organisational climate, worker resentment, (i.e. an employee recall of mistrust), may effect an organisation's desired level of attitudinal commitment. Conversely, commitment to an organisation, which is distinctively non-attitudinal, would fail to achieve commitment 'for the sake of the organisation' (Buchanan 1974, p.533). Thus, during periods when employers are keen to fill vacancies, employee memories of how they were treated in the past may well create a revenge psychology¹.

¹ Herzberg (1974), makes reference to 'a remembered pain for which employees will get back at you (the organisation) when you need them most'.

A proposition called out-group, a concept of identity theory, has been observed (e.g. by Tajfel, 1978, Cameron, 2001 Cameron et al., 1999) in various sectors (e.g. Chefs), which can be applied to various professional groups in the aviation industry such as pilots and aircraft engineers. This professional alignment can create competing values between the occupational group and the employer. Here organisations can find difficulty in sustaining a shared vision when faced with strong/dominant out-groups. Such occupational groups are likely to have contrasting work-based expectancies, which can be related to ‘disruptive trust’ (Zucker, 1986, p91). This could transcend culturally to an ‘ideational’ mind-set (Allaire and Firsirotu, 1984), determining what *is* ‘valuable’ to occupational groups (Becker, 1960), like pilots. Added to this, when occupational out-groups such as pilots are represented collectively by dedicated trade unions, then there is an even greater tendency to align and show solidarity with the profession rather than to any one organisation, potentially further compounding perceptions of *subjective* distrust and sometimes actions of *behavioural* distrust, particularly in times of industrial dispute.

From the mutual perspective, valence (e.g. what is perceived ‘valuable’ to the worker and organisation – see Section 3 Conceptual Model) is measured as a perceived outcome, based on the probability of the expectancy being realised and ultimately, the experience by way of outcomes expelled by shared objectives. A violation of this mutual expectancy between employee(s) and an organisation may lead to emotional reactions and feelings of betrayal, which can be converted into actions of behavioural distrust. In times of economic upturn, the absence of negative ‘sunk costs’ may no longer suppress the conversion of subjective distrust into a negative action from the organisation’s perspective.

It has been found in the airline sector that the consequences of operating in either a strong (i.e. strong HR/personnel functions) or a weak (i.e. weak HR/personnel functions) internal labour market also places a premise on the level of employee-management trust. Weak personnel functions have a tendency, within the workers mindset, to have a higher incidence of job insecurity and therefore there can be less emphasis placed on employee compliance through management tools of motivation. Conversely, in a strong internal labour market coupled with corporate, strategic human resources and strong personnel functions, trust can be enhanced through employee motivation and can arguably be a requisite of positive 'institutionalised intra-organisational relations' (Gittel et al., 2004, p.171).

3. Conceptual model

Mayer et al., (1995) contend that the level of trust between the trustor and the trustee in a typical organisation is based on the level of ability, benevolence and integrity demonstrated by the trustee (or management in general). In turn, trust has an influence firstly on the amount of perceived risk that an employee associates with expectancy in an employer/employee relationship and secondly, the amount of risk taken in order to achieve a successful outcome both for the trustee and the trustor. This can be transcribed as what Kee and Knox (1970) refer to as subjective and behavioural trust respectively.

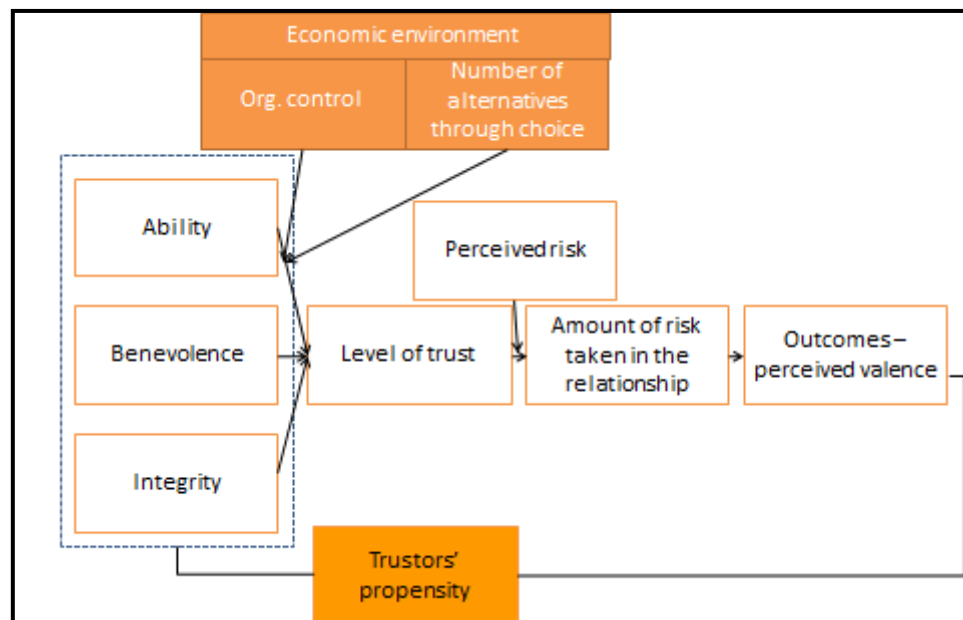
Perceived risk may be thought of as a cognitive extension of subjective trust to take into account the effect current economic and social/occupational circumstances might have on the management/employee relationship. As Mayer et al., (1995) points out, there is a difference between trust as in subjective trust and trusting behaviours (as in behavioural trust), where the amount of risk actually taken might not reflect subjective trust or even

perceived risk given the potential transition of attitude from the individual to the collective in the organisation. Risk in Mayer et al's 1995 model arguably fails to take into consideration the concepts of choice and control, which can both have a disturbing effect on this theoretical relationship. In adversarial times, when job insecurity for the employee is high, risks may be taken even if trust is low due to the lack of alternatives, thus constituting a negative sunk cost. Lewicki, McAllister and Bies (1998) picks up this weakness by describing the process of movement brought about by job insecurity, or as they put it pre-emption while masking underlying emotional developments towards long-term distrust characterised by fear, scepticism, cynicism, wariness, watchfulness and vigilance.

A well-known case where this was borne out in reality was when British Airways threatened (and subsequently carried out) the suspension of travel perks for cabin crew staff who were balloting to go on strike in 2010 (Milmo, 2010). This led some staff, who would otherwise have supported strike action, to change their minds due to the impending threat on their employment benefits. In the longer-term affected employees may have been likely to develop aspects of revenge psychology in the absence of motivation and in the presence of control that is sustained beyond a level that is conducive to staff engagement and personal development.

It is argued here that the control concept can only offer short term gains should staff morale be persistently low. In situations of managed (or controlled) interdependence (Lewicki et al., 1998), it should be the priority of management to assist in a transition which moves, at best from, a high distrust to low distrust where limited interdependence is obtained in the employee-employer relationship. This can open the door to greater choice and higher orders of motivation amongst employees. A modified version of the Mayer et al., (1995)

model to incorporate variables of control and choice inherently present in the Lewicki et al., (1998) model is therefore proposed below in Figure 1:



Source: Adapted from Mayer, Davis and Schoorman et al. (1995)

Figure 1. Adapted trust model

It should be noted that the extraneous variable propensity to trust has been internalised into the original feedback loop of the organisation unlike in the original model. This is based on the hypothesis that propensity to trust can be influenced significantly by previous experiences within the organisation itself (refer to Mayer's et al's own feedback loop, 1995) and that differences among individuals' propensity to trust based on cultural background and personality can be addressed internally through sophisticated management-employee communication and consultation systems - that is institution-based trust (McKnight, Choudhury and Kacmar, 2002) or managed trust. Part of an individuals' identity relates to the organisation he/or she works for. Thus the individual at some point will merge into the collective with collective experiences having a resulting impact on the individuals'

propensity to trust (Wong, Then and Skitmore, 2000, p. 800) achieving results as individuals, teams and organisations.

The collective concept can be linked to the strength of an organisation's culture and is highly relevant to the airline industry. A case in point was a dispute between British Airways and a separate company Gate Gourmet, which was contracted to provide in-flight catering services for British Airways. Prior to this contract, British Airways performed this function in-house. When the function was outsourced, many BA staff became Gate Gourmet staff (Fitzgerald, 2005). As a result, when pressure to cut costs and increase casual work at Gate Gourmet ensued, staff opposition extended to full-time BA staff - employees that were not even employed by Gate Gourmet. It can be argued that this reaction is part of a collective culture that had built up among staff at BA before the outsourcing took place and consequently had a profound effect on staff's individual propensity to trust both at Gate Gourmet itself and within British Airways (Moules, 2005).

A final distinction should be made between different types of airline staff. Airline pilots as discovered by Harvey (2009) are powerful actors in management-employee relationships. Because of their low substitutability, they have developed a heavily collective and unionised culture that prevents airline management from pushing too many short-term efficiency drives on them without suffering adverse consequences in terms of operational disruption and strike action. It is much easier, however, for management to erode some of the work related benefits traditionally enjoyed by ground staff and to a lesser extent cabin crew. In the case of the latter, a collective approach has also developed due to the specialised nature of the role yet the services of individuals are not quite as indispensable as that of highly skilled pilots with thousands of flight hours to their name. For pilots, accumulated side-bets

are positive within an evidently strong internal labour market. In contrast, ground staff and cabin crew are more exposed to a weak internal labour market and therefore vulnerable to negative sunk costs. In theory, the presence of employee propensity to trust may also vary depending on the occupation of pilots in comparison to cabin crew and ground staff.

4. Methodology: Method and Techniques

To further develop the conceptual model (Figure 1), the following methodological process was devised: Institutional based trust relative to each company's intra-organisational procedures was measured using three main constructs; those of benevolence, integrity and ability (e.g. McKnight et al., 2002 and Schoorman, Mayer and Davis, 2007). Each construct was measured using a self-completion survey with Likert scales capturing responses to positively stated trust questions as was the case in McKnight et al., 2002 and Schoorman et al., 2007, for instance, and were directed at air transport staff (ground and air). It was important to compare levels of trust between organisations in order to test whether a company's focus on efficiency has a relationship with trust outcomes drawn out of the survey. A set of ordinal level values for benevolence, ability and integrity were converted into an average entitled 'trusting belief' using the arithmetic mean of all staff responses within each respective air transport company.

The next step in the empirical process was to facilitate the transition from a set of trusting beliefs to trusting behaviours and the amount of risk associated with those behaviours. If reactions to company efficiency measures and related management of personnel are largely positive and demonstrate dedication then a high level of trusting behaviour can be assumed. The reverse is true in cases where negative responses are made to each company's efficiency pushes. The level of trusting behaviour can then be related back to

the level of trusting beliefs to determine the level of perceived risk associated with each employee decision/reaction. Higher amounts of risk might be taken by staff with a higher propensity to trust based on previous experiences. Elements of risk taking can be found in employees' displaying attitudinal (e.g. based on faith in the organisation) and behavioural commitment (e.g. positive sunk cost or continuance commitment associated with accumulated side-bets). The reverse is true for employees not willing to take a high level of risk (measured in this study as the difference between trusting belief and behaviour).

The differential between trusting behaviours and trusting beliefs was tested through the use of two sets of questions in the survey. Respondents from the sample of air transport employees were asked to determine the extent to which they agreed with a set of positively stated trust constructs using six points on the *Likert* scale. It was possible to measure the strength and consistency of the 'trust differential' over time (i.e. examining whether there was a psychological impact from efficiency drives) by adding an open-ended, longitudinal question asking respondents to state if their trusting beliefs and behaviours had changed in the recent past and if so which ones. It was also possible to examine trust differentials between occupational out-groups by ensuring a range of employee types responded to the survey. The survey responses could then form the basis of assessing whether, for certain groups or individuals there was a higher or lower propensity to trust and a generally positive or negative reaction to their air transport company's efficiency measures.

Subjective trust and trusting behaviour constructs were developed from McKnight et al., (2002) and Jarvenpaa, Knoll and Leidner, (1998) in the case of the former, and Mowday, Steers and Porter (1979) and McKnight et al., (2002) in the case of the latter. There has been a wider range of studies incorporating subjective trust than trusting behaviour thus a few of the

trusting behaviour constructs have been proposed for the first time in this study whilst ensuring they retained the same premise and direction as the others that were adapted from Mowday et al., (1979) and McKnight et al., (2002).

Over the period March 2013 to November 2014, the survey could be accessed via *Google Forms* and respondents were asked to complete the survey on-line after clicking on a link in an introductory e-mail. A quota sampling approach was taken when targeting respondents to ensure there was a usable range of companies, occupational groups and level of seniority that could be captured and analysed. A total of 98 responses were obtained with 90 being usable after removing incomplete responses. 75 responses were from airlines, 5 from airline consultants, 5 from leasing/private charter companies, 2 from aircraft manufacturers, 1 from an airport respondent, 1 other supplier and 1 anonymous response. As part of the quota sampling process, two control groups were created; a legacy, full-service airline control group (TAP Air Portugal), and an occupational control out-group (Pilots). A larger number of responses were collected from these control groups in order to compare and contrast results from an almost equal number of responses from all other airline/air transport companies and occupational out-groups.

At the end of the survey there were three questions related to Unions. Previous research on trust in the airline sector highlighted the way in which airlines such as Southwest Airlines, for instance, have used employee unions as a way to create what is termed a 'high trust workplace culture' (Harvey, 2009). It is equally important in this study to identify from the responses, if union membership and staff attitudes towards union activity had a relationship with their trusting beliefs and trusting behaviour responses. It is possible that collective trust in unions and/or senior management may have an overriding effect on the individual

respondent's trusting beliefs and behaviours in the absence of collective representation as would perhaps the value systems that are likely to be present within occupational groups.

To test if the survey results were generalizable a standard z-test for a finite sample (n_2) was used in the form of the following equation:

$$n_1 = \frac{z^2(p)(1-p)}{c^2} \quad (1)$$

which is adjusted for a known population size (N) as follows:

$$n_2 = \frac{n_1}{1 + \left(\frac{n_1 - 1}{N}\right)} \quad (2)$$

At the 95% confidence level ($z = 1.96$) and a 10% confidence interval ($c = 0.10$), a suggested minimum sample with a global population of airline staff of over two million (ATAG, 2014), would be 96. The large statistical population does not force the minimum sample size to increase; rather it means the sample size should be the same as the minimum size for an unknown or infinite population, which again is 96 at the specified confidence level and interval. Given the controversial subject matter and the instinctive privacy concerns air transport staff had when being asked to openly express opinions about their superiors, it was an achievement to secure the stated number of responses. Making broad generalisations, is also beyond the scope of this research which can be seen as a case-based exploratory attempt to observe whether there is likely to be an impact on trusting relationships from common air transport efficiency measures and indeed whether there is a different propensity to trust among

a number of different air transport staff groupings (pilots, non-pilots, FSA staff and non-FSNC staff etc.) as represented in the quota sample.

5. Employee Survey Results

5.1 Descriptive/Aggregate Results on Trust

When the survey responses are taken together the average length of service with the current employer is 10.6 years. This has two important implications for the analysis. First, the average employee respondent has had enough time to experience various efficiency efforts and go through various stages of relationship with their current employers and second there is a range of seniority levels across the responses, not just entry level, which would have returned a lower average length of service and possibly a different set of trusting responses.

Overall, levels of trusting beliefs and behaviours were shown to be satisfactory for the sampled companies. On the 1 to 6 Likert scale (with 1 being strongly agree with positive trust statements and 6 being strongly disagree with positive trust statements), 36.5% of trusting belief responses were valued between 4 and 6, while it was 34.3% for trusting behaviour responses. Question 23 was an outlier as only 2% of respondents disagreed to any extent that they were currently carrying out all the duties and responsibilities expected of them by senior management. While a proportion of these responses should be deemed genuine, it is possible that for those employees who were not carrying out their assigned duties, they did not want or feel confident enough to admit it in a survey. When Question 23 results are removed the trusting behaviour average changes to 38.3% with a significantly lower standard deviation. The difference in trusting belief and behaviour mean averages is quite small (1.8%), which is to be expected as belief in employer integrity; benevolence and ability have an undisputable

impact on the way employees respond (behaviour). With Question 23 removed positive statements in relation to beliefs were slightly higher than the resulting behaviours, which may be due to collective pressure for individual employees to act differently or it may be due to the underlying external environment in the labour or consumer market, which causes staff to act at odds with their own beliefs. The difference was too small, however, to be statistically significant.

When individual questions are looked at more closely, there are some causes for concern for the sampled air transport employers, which need to be highlighted. In terms of trusting beliefs Questions 8, 10, 11 and 12 all returned above 40% of total responses in the 4 to 6 range. The Question with the highest percentage of negative sentiment was Question 10 with 49% of respondents disagreeing at least to some extent that senior management is taking an active interest in their well-being and not just their own. All of these lower scoring questions are related to benevolence and integrity, which is shown to be lower in the minds of employees than impressions of senior management ability. The ability related Questions (13, 14 and 15) all received more positive responses among staff (29%, 28% and 29% respectively). In terms of behavioural responses it appears that staff are more likely to complete their duties and responsibilities effectively (Question 23 – 2%) or engage in the employer's stated corporate vision and mission (Question 17 – 22%) than to actually engage and communicate with senior management directly. More negative trusting sentiment was evident in Questions 18 and 19, where a higher percentage of staff disagreed that they were actively consulting with senior management in the process of completing complex work tasks (Question 18 – 44%) or currently sharing information with senior management and vice versa (Question 19 – 50%). It follows that if staff are less confident in senior management's benevolence and integrity (Questions 8, 10, 11, 12) but more confident in their experience

and ability (Questions 13, 14, 15), then staff are more likely to want to complete tasks for them (Questions 17 and 23) without actually wanting to interact with them directly (Questions 18 and 19).

The final concerning Question from the employer's perspective is Question 20. 44% of staff disagreed at least to some extent that they were not actively seeking employment as they were loyal to their current employer. 33% of respondents disagreed or disagreed strongly (values 5 or 6) and a further 11% only tended to agree with the statement (value 3) suggesting that they are involved in at least some form of alternative employment searching. When taken together current employers might be surprised to know that 55% of respondents are seeking alternatives to varying degrees of seriousness and urgency. It is necessary to conduct some bivariate analysis to find the possible underlying causes of this. Attitudes towards senior management integrity and benevolence might be causing some job insecurity, but it may also be due to overriding company efficiency drives (whether senior management are benevolent or not), demand and supply in the labour market for different air transport occupations or a combination of all as contributory factors.

5.2 Disaggregate Trust Results

The above aggregate results have been split into various sub-groups to test if profession, level of seniority, air transport company type and whether the presence of recent efficiency measures had an impact on respondents' trusting belief and behaviour values. Results are presented below in Table 1.

Table 1
Sub-sample trusting beliefs and behaviours mean averages

Sub-sample		Overall average	Average trusting beliefs	Average trusting behaviours	Average trusting behaviour (excl. Q23)
Occupation	Pilots n=48	3.49	3.58	3.41	3.62
	Non-pilots n=42	2.68	2.67	2.67	2.65
<i>Value Differential</i>		<i>0.81</i>	<i>0.91</i>	<i>0.73</i>	<i>0.97</i>
Seniority level	Senior n=58	3.29	3.41	3.18	3.36
	Non-Senior n=32	2.80	2.79	2.78	2.75
<i>Value Differential</i>		<i>0.48</i>	<i>0.62</i>	<i>0.40</i>	<i>0.61</i>
Company type	FSC n=55	3.31	3.44	3.20	3.39
	LCC/Charter n=17	2.58	2.49	2.66	2.74
	Non-airline n=17	3.01	3.04	2.99	3.19
<i>Value Differential FSC v LCC</i>		<i>0.73</i>	<i>0.94</i>	<i>0.54</i>	<i>0.65</i>
Recent high efficiency pressure?	Yes n=54	3.09	3.14	3.05	3.23
	No n=35	3.19	3.30	3.08	3.26
<i>Value Differential</i>		<i>-0.09</i>	<i>-0.16</i>	<i>-0.04</i>	<i>-0.03</i>
Overall average		3.11	3.18	3.05	3.22

Notes: Sampled airlines with recent high efficiency pressures include BA, easyJet, TAP, Aer Lingus, Monarch, Air France and Aeromexico. Non-airline air transport staff includes Consultants, Airport Operator Staff, Aircraft Manufacturer, Lessor and Broker Staff.

Some important results emerge when the overall figures are split into sub-groups.

First pilots' trusting beliefs and behaviours towards their employers was significantly lower than non-pilots. In fact it can be observed that having pilots in the overall sample swung the overall average towards a more negative outlook. Non-pilots had a tendency to be more positive both in their belief and behaviour responses. There can be said to be a strong occupational effect on attitudes and levels of trust towards the air transport employer (stronger than the collective representation effect – see below section 5.4). Secondly, sampled full-service airline executives are notably less trustworthy than their LCC, Charter and non-airline counterparts. For trusting beliefs the differential was nearly one full value, showing that LCC staff, despite receiving lower salaries on average, had a more positive attitude towards the competence, integrity and benevolence of their LCC executives. Included in the list of LCCs was easyJet, AirBaltic, Monarch, Fastjet, and Thomson Airways among others. Thirdly, level of seniority differences had a moderate impact on trust results, with a higher

number of trusting statements coming from entry level to junior level managers. The concepts of earning trust based on performance and lower levels of expectation among newer staff members is likely to have something to do with this differential and is backed up by some of the open ended responses among more junior members of staff (see Respondent 67 statement below Section 5.3).

Perhaps the most striking result was the insignificant difference between trusting responses based on external efficiency pressures surrounding the respondents' companies. This alone did not have any notable impact on the employee-employer relationship with respect to trust. In fact, employees working for carriers that have been subject to severe efficiency pressures in the recent past were actually slightly more trusting of their employers both in regards to beliefs and behaviour. It is possible that the influence of occupation, seniority and the performance of the underlying airline business model (LCC vs FSC) overwhelm any effect that efficiency drives have had. In other words, employees that are at a lower hierarchical level, are not flight crew and work for LCCs/Charter carriers are aware and perhaps even satisfied that efficiency measures are taking place if it leads to additional job security through improved company competitiveness.

5.3 Evidence of Change in Trusting Beliefs/Behaviours

In relation to pilots (TAP only) the responses provide discourses in trusting behaviour to be construed as an employer-employee relationship based on work-related defensiveness. It infers trusting beliefs to be subjectively mistrustful. This seems to be brought about with pilots being anxious to accept weak motivational personnel/managerial human resource practices. Suspicion is afforded to management intention which ferments into a lack of confidence and leads to attitudes of mistrust and in a few cases, to conditions of cautious

distrust. Notably, risk within the boundary of subjective trust can be interpreted as low. The occupational work culture appears to have overall, sustained a behavioural position of risk-avoidance. Pilots have a defensive attitude that is inclined to replicate negative sunk costs. In contrast, their trusting beliefs look more towards remaining professional to their occupation (pilots) and reputation albeit being locked into negative sunk costs. It is argued that this is the basis of their palpable work-related defensiveness. Contextually and drawing from Mayer et al., (1995, p. 724) 'One does not need to risk anything in order to trust; however, one must take a risk in order to engage in trusting action'. In this sub-sample, there appears to be a behavioural wariness in trust based on scepticism to company and management intentions, which neither support inspired forms of trusting beliefs nor does it seem to 'engage in trusting action' in regard to trusting behaviour. This behaviour is analogous with TAP Portugal's seemingly endless meanderings towards privatisation and the employee uncertainty and anxiety that this appears to have created. Only one of 48 pilots responded in a positive way to Question 25.

Other sampled worker-occupations included administrative, operational or technical roles. Overall, these occupational groups have demonstrated positive forms of trusting beliefs (7-Responses) and for 3-Responses a restored trust in management practices. There were, however, 5 cases where the relationship with management depicted discourses of suspicion. Mistrust has fostered occupational attitudes around a lack of 'faith' in management (Responses 19 and 84) or, a lack of confidence in an organisational climate that was based on '*lower staff levels and pay*' (Response 17), or where management was seen as being '*not always good leaders*' (Response 74). Notably in Responses 8, 88 and 90 'trust' was restored due to a change in management. The remaining cases demonstrated forms of trusting relationships that were consistent with positive trusting beliefs. For example,

Respondent 6 describes ‘...confidence in their boss...’ as was the case with Respondent 10 ‘...my current line manager is very professional, and supportive’ and Respondent 67 ‘...I have gained senior management support as I went along...’ It is evident here that younger employees (Respondent 67 is aged 24 and has only 1 year with current employer) ‘have to earn senior management support by showing hard worker passion and commitment’, which can be rewarded with managerial support.

5.4 Relevance of Union Membership (Open Responses)

Among Pilots especially but across all responses to a greater or lesser extent, the effectiveness and influence of unions are placed into question. Some TAP pilots who answered ‘yes’ as belonging to a trade union portrayed a offensive attitude of mistrust when referring to their professional or occupational status and when addressing the importance of negotiations between management and unions. For example, Respondent 40 comments; ‘...qualified professionals can't work for a misery.’ Respondent 36 comments; ‘...I believe that my union and management board should have a better relationship...’ In contrast, Respondent 58 believes ‘pilots in the union should avoid being tempted to accept positions...’ inferring personal morals and values can be subjected to corruption sometimes in the same company where they work as pilots. For Respondent 62 there is a view that unions should; ‘...Listen more to the complaints of their members and expose that to the Airline...’ Where pilots answered ‘no’ that they did not belong to a trade union there was similar offensive attitude to trade union activities. For example in Response 25 the pilot; ‘...believes people working for unions, they use their positions to promote themselves in the future...’. In other cases mistrusting behaviours amongst pilots seem to question the competence of trade union representatives such as the need for having ‘...a decent team running for office..’ and to make them ‘...realise that their attitude hurts Pilots, but, worst of all, hurts the Airline..’

(Respondent 28). In a similar vein Respondent 63 depicts '*...It is imperative that our union changes its behaviour to a proactive one, even if with that posture we cannot "win" all of the disputes...*' Other pilots have overall disagreements with the union (Respondents 17, 48) and others generally not having any real confidence in what trade unions do. In other cases TAP pilots were less offensive in their trusting behaviours indicating in some cases a demarcation of suspicion with compromise where trust could be regained (Respondents 46, 56, 64). In a few cases mistrust coincides with greater suspicion where the unions' function is said to only defend status and class (Respondents 44, 50, 59, 61 and 62).

Overall there is clearly a sense of frustration among respondents that their representative bodies no longer appear to act as an effective mediating force within the employee-employer relationship and as such it is unlikely that, for the sample at least, collective attitudes and actions continue to significantly alter the employee-employer trusting belief and behaviour patterns as presented above.

To confirm statistical significance and internal reliability of the chosen trust variables, a two-sample z-test for trust value means was carried out on the disaggregate data and a Cronbach's Alpha test was performed on the overall results. The diagnostics are reported below in Table 2.

Table 2
Statistical significance tests

Sub-sample	z-value	Critical value	Observations	Significant?
FSC v LCC/Charter	6.07	1.96	16	Yes
Pilots v non-pilots	5.84	1.96	16	Yes
Senior vs. non-senior	3.79	1.96	16	Yes
High efficiency drive v No high efficiency drive	-0.66	1.96	16	No
Trust variables	Cronbach's Alpha (value range 0-1)			
Overall	0.96			
Trusting beliefs only	0.94			
Trusting behaviours only	0.92			

Notes: z-tests were performed at the 5% confidence level

All tests were carried out with the outlier Question 23 removed

The significance results confirm the trusting mean differentials displayed in Table 1 (apart from high vs no high efficiency drives) and the internal consistencies across the closed survey questions².

6. Managerial Implications: The Need for Trust Management?

As most air transport companies in today's competitive environment seek to make efficiency gains – whether severe or light, it does not appear to have had a significant effect on trusting beliefs and behaviours among the sampled respondents. The findings suggests a level of acceptance among staff that today's air transport companies need to take such measures to stay competitive and it does not appear to have as adverse an impact on the employee-employer relationship as occupational group, seniority and business model related issues.

FSC's are advised particularly to further manage the trust relationship they have with staff, which has been shown to be more fragile than the relationship LCC bosses appear to

² A copy of the trust survey is available upon request to the corresponding author.

have with their respective employees. Legacy labour agreements and heightened expectations could help to explain this differential. LCCs are not party to such historical labour agreements that have increased employee expectations on the one hand but are no longer fit for purpose on the other hand in today's competitive airline landscape. Historical labour agreements are also linked with occupational groups and as the results of this survey show, this has served to intensify the trust impact within the employer-employee relationship. Changes to historical legacy agreements on pay, conditions and travel benefits are frequently met with heavy opposition in the industry by well-established occupational groups, particularly among flight crew. The case of TAP Air Portugal is an observed case in point. As a legacy carrier edges closer towards privatisation, the perceived shake up of labour agreements is being met with a higher level of opposition within certain occupational groups.

Seniority alone has a moderate impact on levels of trusting beliefs and behaviours. Airline executives should be aware that the middle-management trust relationship needs to be worked on just as much as it does for the more voluminous junior level and entry level staff members. For some sampled air transport companies this appears not to be the case. Opportunities for continuous professional development, fair remuneration and clear career progression pathways are just some of the ways airline executives could work with middle-managers to improve the trust relationship as well as leading by example in areas of ability, integrity and benevolence.

7. Conclusions – Limitations and Next Steps

This exploratory study found that occupational group, seniority and carrier type (perceived business model performance) were all more significant determinants of trust than

the presence or absence of high efficiency drives. This can be explained by looking into the historical development of labour agreements and workplace cultures, particular within legacy carriers that, if not carefully managed, can lead to heightened levels of mistrust and friction. The role of unions in mediating the employee-employer relationship has diminished and this has clearly led to a degree of frustration among some of the study's respondents.

Data for example, showed significance to work-related defensiveness among pilots and confers, amongst others, a strong cultural-occupational force alongside the professional identity. This was in contrast to non-pilots whereby the lack of occupational identity among respondents led to a more polarised set of trust responses.

An important next step would be to examine the impact of variation in employee trust, as highlighted in this paper, on airline performance. If it is the objective of senior management to improve short and long-term cost and revenue performance, then there could be an important link with trust and positive forms of emotional engagement with employees. Harvey (2009) found that depending on levels of individual (no union representation) and collective trust (with union representation), US airlines engendered four principle approaches to the employee relationship; union avoidance (union substitution or suppression), high trust workplace culture and shared governance (e.g. employee ownership and control). In only one approach, that of high trust workplace culture, did the examined airlines (Southwest and Continental after CEO Lorenzo) achieve a successful outcome in terms of reduced costs and improved service quality. This can be tied in with a detailed assessment of the trust management techniques that can be developed by executives that would create the workplace culture referred to in Harvey (2009) and that would appeal to the occupational and hierarchical groups that have been highlighted in this study to have the highest level of mistrust towards their employers.

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