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# Why developing trusting as well as trust is a leadership priority

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#### Abstract

The paper considers the relationship between leadership, trust and trusting. The examples given look at their role in developing and supporting the learning processes needed for knowledge development. Two qualitative research projects are analysed considering how leadership, trust, learning and knowledge are affecting each other. The importance of trust was clarified but, more importantly, the notion of trusting as a differentiated set of behaviours was identified. The paper concludes that developing trust is not enough, leaders need to ensure that the theories-in-use and the espoused theories of trust are in line and that, in order to engender trust, leaders must initiate trusting behaviours.

#### **Keywords**

developing, trust, leadership, priority, why, well, trusting

## **Disciplines**

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## Why Developing Trusting as well as Trust is a Leadership Priority

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#### **ABSTRACT**

The paper considers the relationship between leadership, trust and trusting. The examples given look at their role in developing and supporting the learning processes needed for knowledge development. Two qualitative research projects are analysed considering how leadership, trust, learning and knowledge are affecting each other. The importance of trust was clarified but, more importantly, the notion of trusting as a differentiated set of behaviours was identified. The paper concludes that developing trust is not enough, leaders need to ensure that the theories-in-use and the espoused theories of trust are in line and that, in order to engender trust, leaders must initiate trusting behaviours.

## **KEYWORDS**

Trust, Trusting, Leadership, Learning, Change

#### INTRODUCTION

There is much written about the role of leadership in the success, or otherwise, of organisational learning (Altman and Iles, 1998; Avolio and Bass 2002; Buckler, 1998; Coad and Berry, 1998; Farrell, 2000; Ill et al., 2000; Kouzes and Posner 2002; O'Keeffe 2006; Oliver and Kandadi, 2006; Montuori, 2000; Poole, 2000; Yeo, 2006) and it is generally agreed that there needs to be top level support of learning processes within companies if there is to be successful knowledge sharing. There is also much written on learning and trust (Kalies, 2004; Mason and Lefrere, 2003; Chakravarthy and Cho, 2004; Baltrusch, 2001) with authors arguing that, unless there is belief by the employees they will be supported by their organisation, there is likely to be less innovation, experimentation and knowledge

creation than the organisation would like. Different levels of trust are recognised within the learning relationships (Mason and Lefrere, 2003; Chakravarthy and Cho, 2004). If new knowledge is to be successfully created, shared and utilised within companies, trust needs to be developed at the level of individuals (especially between peers), between employees and their managers and between different parts of the organisation. It is argued that trust is a key part of learning and knowledge creation because the role of trust is to create an environment in which employees feel safe to take risks, are sure of no blame, being encouraged to develop the commitment to the organisation that will support learning and knowledge sharing (Crookes and Froggatt, 2004). It is, therefore, logical that there must be a relationship between the behaviour of leaders and the development of trust. This in turn will impact upon the success or otherwise of knowledge development within an organisation. It can be argued that if leaders behave in a way that engenders and supports trust relationships, then the learning processes, especially as they pertain to the transfer of knowledge, are more likely to be effective. This notion of engendering trust is, however, largely implicit in the literature with the focus upon the outcome 'trust' rather than how such trust has arisen. We will argue that 'trusting' is a series of processes and trust enablers which will lead to trust. Moreover, we will argue that for leaders to develop the trust needed for aspects such as learning and effective change it may be that they should start by considering how to develop trusting behaviours.

#### **METHODOLOGY**

The paper is based upon two projects undertaken in Australia, both of which were concerned with developing further understandings of the state and nature of learning. There are two reasons for using both data sets. Firstly, in both cases the role and importance of leadership was considered and the data sets proved to be complementary, with the themes emerging from the analysis stressing the central role of leadership and trust. Secondly, one of the companies in Project One was the same as the company in Project Two. This enabled an interesting comparison for verifiability.

## **Project One**

This project sought to determine the nature and possible success of organisations in terms of becoming Learning Organisations. The objectives were: to understand how organisations prepare for and meet the challenges of an increasingly complex, competitive and globalised world; to understand how organisations prepare their members for these challenges and to compile an inventory of the key enablers, as well as the barriers, to learning organisation development. Because it was determined that there was a need to understand the nature of the problem being researched and the cognitive structures within the organisations, a qualitative approach was adopted (Cresswell, 1994). Data was collected from nine case companies ranging in size from 5 to 4000 employees (although this large company is split into divisions and only one product and area has been researched), of which some were owner run and managed, whilst others were major corporations. It was the location of the companies that was of initial interest in order to consider how learning and knowledge were being developed in Western Sydney, Australia. Accordingly, the sample was mixed, as it was thought that different patterns might emerge in different sizes and types of company and that such differences could then be explored. Interestingly, however, the patterns were very similar across all the organisations. In order to get as broad an understanding as possible of a range of voices, the method was designed to get a picture of the views held throughout the organisations. 27 semi-structured interviews were undertaken, each lasting approximately an hour, with employees from all levels of the companies. 4 focus groups were completed in order to consider whether discourse changed when employees were in groups rather than being interviewed independently. The data was then entered into NVIVO and coded for themes.

## Project Two

The purpose of this study was to determine whether the individual elements of a learning organisation as defined by Slater and Narver (1995) and Senge (1990) were present in a specific organisation (Company 2 from Project 1) and, if they did exist, how did the managers and staff who were interviewed operationalise them? The organisation is a not-for-profit Christian welfare organisation, which employs in excess of 3000 people, has an annual turnover of approximately 120 million

Australian dollars and provides a diverse range of community, health and counselling services across NSW. A qualitative case study was undertaken using data from three sources: 30 in-depth interviews with ten professional managers and twenty staff from two of the business areas; direct participant observations from meetings and documentary evidence drawn from official minutes, plans and communications. The criteria to be included in the study were that the staff must have frontline positions, being in frequent contact with clients/patients/customers, be fulltime, have completed the company induction and orientation programme and have worked for a minimum of twelve months. Case study methodology was considered the most appropriate because the research was exploratory in nature seeking to discover ideas not to confirm theory and, therefore, the richness of qualitative data was needed (Locke, 2001, p.15). Moreover, cases are concerned with providing a description of individual or multiple incidents, which enable the comparison of data (Bartlett et al., 2000), especially when the number of variables is large (Burns and Groves 1997; Yin 1994), as in this case, where there are at least 10 elements said to reflect a learning organisation. The interviews were entered in NVIVO and then coded for themes thus enabling the two projects to be compared and analysed for this paper.

### **ANALYSIS AND FINDINGS**

In all cases, the interviewees were asked how their leadership, processes and structures supported their new learning and knowledge creation. A series of themes were identified as affecting the propensity of the leaders to enable learning which were affecting, or being affected by, trust. These were: the type of leadership undertaken; the level of risk and entrepreneurial activity encouraged; the role of the leader as a communicator and the impact of the organisational leadership upon the credibility and perceived expertise of the organisation itself. These are all explored in turn for the two projects.

#### Type of Leadership Undertaken

The leaders in both projects were analysed in terms of whether they were transactional or transformational (Charbonneau, 2004). A transactional leader focuses upon linking job performance to rewards, ensuring that employees have the necessary resources to succeed in their work whilst

applying contingency leadership theories in a way that focuses upon achieving the task in hand. Transformational leaders work to change the organisation to fit the environment. Their focus is upon developing employees to be able to undertake their work in an autonomous way. Their tools include open and enabling communication and the ability to enact and share a vision (Charbonneau, 2004).

It can be argued that trust is easier to develop with transactional leadership as it is negotiated and more direct; however, it is also much easier to break as the parameters are very clear, so that critical incidents affecting the psychological contract are easily observed (Crossman, 2002). Leaders are often seen as being synonymous with the organisation, so if either a leader or the organisation is perceived to break their word, trust is broken. Moreover, if there is a mismatch between the espoused theory and the theory-in-use, trust will be also lost. Transformational leaders would also be seen as synonymous with the organisation but the psychological contract will be quite different, because the trust will not be about actual tasks but about their role as a leader and supporter.

What was argued in both projects was that where there was transformational leadership relationships were less formal, being more likely to support change, whereas where the leaders and/or managers were focused on the day to day business there was less likely to be a culture of innovation and risk. It was also mooted that whilst managers and leaders said they wanted innovation, when risks were perceived as being taken, their behaviour made it clear that this was not what they really wanted since they did not trust their employees to be sensible. The theories-in-use prevented learning processes of acquisition which might lead to radical change because actual behaviours belied a trust outcome.

## Leaders encouraging risk and entrepreneurial activity

The data from Project One made clear links between the culture of the organisation, the leadership and the propensity for risk "No not really, we're not encouraged to take risks; basically the organisation is owned by [CEO] as I said if any risks that needs to be taken that's probably him that needs to take it. Generally speaking most of us employed here are fairly conservative, in cultural terms, low on

consensus high on intensity, whereby basically try not to put ourselves in positions where we're going to make mistakes [Company 8]; "I have been encouraged [to take risks] since day one to be innovative, creative to push the barriers, shove the envelope, challenge processes, all of those things, without consequences. Without negative consequence I should say" [Company 2]; "If problems arise, we can't let them sleep. Our staff are encouraged to deal with problems, not to hide them, or put them away, but equally important to consult on those problems, this goes to risk; but it's not a culture where there's a great deal of tolerance towards people, in a maverick way, going off and doing what they think best" [Company 4]. In the case of Company 2, which is one of a set of companies, the interviewees made it very clear that risk taking and innovation were encouraged for their company, but that the other parts of the company did not show such tolerance and support of risk.

There was a clear link expressed in the data between risk taking and problem solving "Not necessarily take risks; certainly solve problems based on experience and willingness to get a project over the line for budget and to fill the requirements that are listed down by the specification" [Company 8]; "Yes, indeed we are encouraged to resolve any problems ourselves and it's only when we can't resolve it, whether it's through risk or whatever, that we ... resort back to New Zealand so that we can get help with this particular problem, whatever it might be." [Company 9]; "I have to say at the lower end of the scale, yes, but we're very restricted as regards taking risks. We don't have the free reign as I think a lot of us would like. We're encouraged to solve problems within our own areas. Yes, often you'll have a situation, sort of say we'll think of a best way and fix it, because we are not changing, so there is usually if we've been given some initiative to solve problems within our own areas." [Company 9]; "think they're encouraging the risk taking, [areas manager] particularly sort of says, 'if you think it will work, give it a go and comeback to me'. Problem solving and critical thinking, I think it's encouraged at the two tier level which I'm involved in which is the management level, and the actual site level" [Company 2]. This is an important mental model, as problem-solving and risk-taking are not the same thing and, if confused, may lead to leaders believing they are supporting innovation when, in fact, they are merely encouraging incremental improvement.

The role of the leader in setting the culture of risk taking was also identified: "I [Managing Director] try to encourage risk taking, but I don't know that the other managers always encourage risk taking with their staff, because they may feel what's going to be the consequence of this, and what risk and how do you evaluate that risk. We are looking at the moment at risk management strategies, of identifying what is risk and high risk, low risk, a catastrophic risk, and all that. I don't know what we do in that strategically methodology, logical way to reassure people, but they need that if they are going to do it" [Company 2]; "taking risk is part of life, taking risk is what you do, they keep [the organisation] in touch with reality" [Company 6].

In the same way as the differences between parts of the company were seen to matter for Company 2 in terms of culture, the role of leader in that culture was clearly identified as well. It was posited that there were problems at higher levels but that "we are well supported by [regional manager] who always cares and defends his staff. It is safer for us to take risks and encouraged to explore new opportunities as he makes this a key function of who we are and what we do" [Company 2]. Interestingly, the lack of the discretion to take risks was sometimes seen as a disincentive "we have to have the approval from New Zealand … Personally I find it's quite frustrating" [Company 9].

The importance of leadership acting in a way that encourages novelty was also recognised in Project Two. Moreover, the feeling that the culture permits experimentation was also shown clearly in the level of risk that was permissible: "Our leader is an entrepreneur and is always out there way in front of the rest of the pack as entrepreneurs often are. He's usually 4 or 5 years ahead of the rest of us I think in his thinking and in his action."; "I mean pretty much I'm left to be an entrepreneur to develop my staff, to do whatever I want to do with those programs, and I feel trusted and if I make a mistake I feel very open that I can admit to that mistake and say "Oh well I made this mistake for these reasons, and, and in future I'll do it this way or whatever," but there's never any persecution or punishment or anything like that"; "My General Manager does encourage me to provide innovative ideas for, for strategic management in learning and development".

What is seen here is that if innovation and experimentation are encouraged then effective learning processes will be supported and new knowledge created. The key appears to be whether the organisation is prepared to trust its employees to take real risks and have the interests of the company at heart. If this is so, then the organisation will encourage knowledge utilisation and, potentially, sharing because the employees will feel safe to continue. However, where all risk is seen in terms of problem-solving this will not encourage new knowledge as the focused nature of the responses will prevent radical solutions (Blackman and Henderson, 2004).

## Role of the leader as a communicator

Responses from both projects stressed the importance of communication in developing and sharing new ideas and enabling change: "I think good communication and team work is our culture" [Company 5]; There was considerable emphasis on the role of communication as a way of sharing organisational goals and visions, as well as being a key element of enabling all employees to feel involved, thereby facilitating participation in decision-making: "Dialogue and discussion is common, in the group, and they often, they run a lot of their meetings by themselves without me being there and I, I come half way and I come in the middle of a discussion and they don't even look at me they just continue on with their discussion and I'm thinking Oh, I don't get any recognition, but then I think well that's good, because I shouldn't be the focus of attention the minute I walk into that meeting, that it should just continue on as business as usual" [Project 2]. Overall it was argued that open communication leads to open discussions and greater possibilities of the learning processes remaining effective: "Communication is key to share the information so it can be learnt and become knowledge. Withholding information enables power bases to develop and reduces knowledge development" [Company 2]. Thus, a key role of leadership must be to ensure that communication acts as a conduit for learning (Smith et al., 2003). This matters, as communication will only travel successfully where trust enables the sending and the receiving of messages unchanged by misperceptions and misapprehension.

#### Leader as a source of expertise (seen as a face of the organisation)

There were elements of this seen in Project One in that many of the managers in particular felt that their role was to develop strategic plans and directions; preparing for the future was a key element of their role. Their need to be experts in their given field was seen as an important part of their identity.

In Project Two, however, the senior managers' roles are so broad that they cannot be expected to have the full range of knowledge required to develop strategies: "if I try to tell them how to do their job they will be extremely offended so I think it's about having a very flexible approach where you can assess what each manager needs". The skill of appointing experts, then enabling them to do their job, was deemed as the critical role. Trust and credibility was seen to be developed by enabling the experts to work autonomously. This supports Clutterbuck's view (1999 in Crookes and Froggatt, 2004) that effective change needs leaders whose expertise comes, not from day to day management, but from enabling others to act in the organisation's best interests. The latter notion, which implies deep seated trust for the experts and their ability to develop long term strategies for the organisation, would seem to be more likely to engender innovative knowledge acquisition, if only because the encouragement of new ideas from a range of minds cannot but help to increase the knowledge present. The trust, however, is vital or the new ideas may be acquired by the experts but not shared with the organisation. This logically means that what is meant by leadership expertise may need to be reconsidered.

#### **DISCUSSION**

What can be seen from the above are two recurring themes emerging from the data; these were the need for innovative leadership and the need for trust, which enables leaders to support learning and knowledge creation processes. In some cases there was a great deal more innovation, which was directly attributed to a feeling of trust in the organisation that emerged from trust in the manager. In one case, the responses were the same at all levels of the organisation, with all interviewees citing the role of one manager as fundamental to the success of learning and innovation in the organisation. It was stated that he "will always take care of you and would never let anyone else in the organisation punish you for a mistake" and the "of course the real thing is he trusts us and we trust him". In other

cases there were differences between the responses of interviewees at different levels of the organisation. Whilst senior management maintained that there was trust and leadership support, the employees were less convinced and indicated that management would punish mistakes and did not really support learning as they had indicated. There was a feeling that the rhetoric and the reality were not the same. It seems, therefore, that in terms of trust all voices need to work together, all having the same message and believing that trust is truly possible throughout the organisation. Where there is dissent within the organisation on the subject of trust, it will inhibit learning and knowledge creation. What became apparent was that there was a clearly recognised difference between trust as a notion and the way that trust develops via trusting behaviours. This difference between trust and trusting warrants further discussion and may explain some of the differences between the responses.

### Trust and trusting

The notion of trusting as being derived from different sources and behaviours than trust itself emerged as a critical element within this research. The elements identified that, related to the central theme of Trust in terms of encouraging, supporting or threatening it, were: 'Culture'; 'Climate'; 'Honesty'; 'Information and Knowledge Sharing'; 'Right Moral Position'; 'Doing what is Right'; 'Opposing what is not right' and 'Integrity'. However, the elements identified as being related to the theme of trusting were: 'Demonstrated loyalty or commitment'; 'Passion for what you do'; 'Competence and a willingness to learn'; 'Preparedness to take risks' and 'Taking personal responsibility for your actions'. The difference appears to transpire for two reasons. Firstly, from a disparity between leaders' perceptions of how trust develops and is engendered, versus the observations and judgements made by employees considering espoused theory, the organisational ideal and the theories-in-action, which demonstrated what was actually permitted and encouraged. Where there were differences between these notions, trusting was unlikely to develop, no matter how many elements of trust appeared to be in place. Secondly, many discussions on trust focus upon the employees trust for the leaders. This research indicated that there must, initially, be demonstrated trust in the employees by the leaders, for the reciprocated trust to develop.

#### Matching espoused theory and theory-in-action

In both projects concerns were raised that the gap between rhetoric and the reality present reduced the effectiveness of the organisation in general and the trust relationships in particular. This was seen to affect the trusting behaviours 'demonstrated loyalty and commitment', 'preparedness to take risks', 'passion for what you do' and 'taking personal responsibility for your actions'.

Loyalty and commitment: Leaders within the studies indicated that they demonstrated loyalty and commitment in trusting their staff to do their work well and without constant supervision, which reflected the espoused culture: "It's more that I trust they know what they're doing, I don't know their job and I don't understand it enough. I don't think I'd be skilled enough to say, as far as tendering that, that's what those guys do. That's their job. [Company 2, Project 1]. "When you come in, it's like you walk into this big family and they say, "come in, we'll take care of you. You do what you have got to do, we trust you know what you are doing" [Company 2, Project 2]. "That has to be fostered in sort of team environment if you like, so I think there is varying degrees of mistrust, and suspicion, of ego, of competition and all of those things, I think they all exist. Probably existed everything in line you know to some degree. I wouldn't like to sort of say, "oh, no, we all get together, everybody opens up, discloses and all of that. I tend to think that to varying degrees they do" [Company 2, Project 1]; "Culture wise there is a great loyalty to the company. Many of our staff have been here, like, I've been here for 13 years, many been here long term, and I thing that's because generally speaking within our job roles to kind of balance what I said earlier, within the job roles there is a fair amount of freedom to do so once we set up a job role in a job profile, then individuals have fair amount of freedom to work within that. Within the company norms that actually work" [Company 8, Project 1]; "My staff are all very loyal because I look after them" [Company 1, Project 1]. It is clear that trusting is seen to need to be reciprocal. We should clarify that loyalty extends to: having the courage to challenge the leader and the organizations policies and procedures provided that the motive for doing so is to improve relationships, organizational functioning and effectiveness.

Preparedness to take risks: It is evident from their commentary that, for managers to relinquish control, they have to have confidence in their employees. This confidence often extends beyond that of professional competence and involves a significant degree of personal trust: "well I try and encourage learning. I think learning leads to growth. Training leads to repetition perhaps - I don't know if you can be that glib about it, but I'm quite happy. I think if a, if a good degree of learning takes place in experiencing failures and mistakes, and whatever I'm quite happy for that to happen. Usually the mistakes are not devastating so there's plenty of room to do it" [Company 2, Project 2]. However, some staff felt that there was a difference between what was said and what was done: "We do bits and pieces of it, we don't follow it right through, that's a bit of a dilemma, that we're having any moment and I'm trying to workout how we can do that. I suppose it's because it's something that, I think leads to a good way both empowering people and getting them involved, which is a little bit foreign to the holding company's view on how we should operate. And that's because they are holding company views such that this knowledge and asking around, I think we've got this fear that we'll be going to go off on a tangent and lose our way. Always feel like, I'm sort of every now and again going to sort of [innovate] slightly someone's going to crack a whip or something, "get back in line", sort of thing" [Company 9, Project 1]. Where such differences were identified they reduced the propensity for innovation and new knowledge development.

Taking personal responsibility for your own actions: It was stated that, despite claims that the organisation welcomed creativity and diversity, in fact the case was very different "that culture, I guess, has been in this organisation for so long that we don't trust anybody to do anything so we centralise all functions and we've got a long way to go in trusting our people enough to decentralise" [Company 2, Project 2]. This links with the point above that although staff were told they could take responsibility, many times this was not actually supported. This automatically violated the trusting relationships.

**Passion for what you do:** This passion extends beyond just a commitment for what is done, it is about an overall passion for the organisation, its culture its traditions and its purpose: "I liked the vision and

values, and I was irritated when people wanted to change it mainly for marketing purposes. South Sydney wouldn't change their colours, and so why should we change something that was made a hundred and fifty or something years ago where I see myself as the CUSTODIAN of the Missions values and beliefs, not as the owner of it. It's presumptuous of those people in that room to try and change it." [Company 2, Project 2]. The passion is not only expressed in terms of enthusiasm and motivation, but has a much deeper feeling that "I would defend my organisation and what it stands for against threats to its values and beliefs" [Company 2, Project 2].

Overall, it was clear that trusting behaviours were less likely to emerge where discrepancies between espoused theories and theories-in-action could be clearly delineated. Managers and leaders will need to consider the source of such trusting behaviours and actively seek to eliminate violations, whilst developing relationships and processes which will support learning via such behaviours.

#### Leaders initiating trusting behaviours

Schein (2002) argues that if there is a lack of trust between employees and their leader there will be ambivalence towards learning and the development of new ideas. However, this is usually interpreted as needing to develop trust on behalf of the employees. In this research we argue that, initially, the leaders need to demonstrate trust in the employees via trusting behaviours which will set the precedent and develop stories which will frame the norms for trust in the future. Employees see this demonstration of trust and, from this, feel safe to push the boundaries further: "Just let's you go, sort of, and puts trust into but if you don't do it right I think he'll call you back in" [Company 2, Project 2]; "mistakes are seen as personal opportunities or growth opportunities. However, if the mistake is repeated I've found that the tolerance then will become less for the same mistake which is fair enough" [Company 2, Project 2]; "but the thing was that I focused on supporting them, not managing them. So I don't tell anyone what to do much, cos what's to do is fairly obvious, and apparent and you, you don't need to tell people what to do, and so all I need to do is get out of the way, give you the tools and the room to move and things to do" [Company 2, Project 2].

Time plays an important role at this stage. Relationships involving trust are often developed through painful experience, the key is that all parties are given the opportunity to test and experiment until trusting emerges. This is why there must be demonstrations of trust in both directions and why, to initiate trust development, the leaders may need to demonstrate trusting behaviours before the employees will reciprocate.

Personal Responsibility for your actions: Leaders that we spoke with indicated that they valued highly demonstrated loyalty and commitment in their employees. It was acknowledged by at least some of the managers that this needed to be fostered and developed and should not be automatically assumed: "Encouraging employee commitment and sense of purpose and feeling of family. I think that's probably - didn't happen overnight I don't think, but I think that across the whole of our organisation with our conferences we've had and the way we talk to people and do things. ...I suppose the bit about that is that we've got a lot of, lot of loyal people that are working really hard for us" [Company 2, Project 2]; "The processes I guess is a culture that we have tried to develop, culture that does not penalise mistakes and error, one that encourages culture that encourages experimentation, how that actually operationalised if you like, enacted is by the behaviour of Senior Management Team. It's about inculcating a culture of people being able to be truthful and not necessarily fear consequences of their truthfulness and honesty. This is enacted through meetings and relationships" [Company 2, Project 1]. In this sense, managers are taking the responsibility for creating a culture where commitment and loyalty are valued; the expectation is then that the employees exhibit behaviours which demonstrate their loyalty and commitment

Competence and a willingness to learn: Leaders recognized the importance of having a skilled and competent workforce. Trusting would rarely be developed unless employees demonstrated at least standard competencies and or a capacity and willingness to learn them: "some of the managers on the other hand are very expert in gathering information they have tertiary studies behind them and they're more mature as in they've been around for longer they're more likely experiences behind them".

**Preparedness to take risks:** The acid test in the trusting relationship centres around the preparedness to allow employees to take risks and tolerate failure: "I think that my current manager has a lot to do with it because he invests so much trust in me that he just lets me do what I want and he knows that if I need help I'll come to him, whereas if I was working under someone that was constantly looking over my shoulder I wouldn't be able to do the job that I'm doing so it sort of comes with the person and I think he gets that, he has the same relationship with his manager" [Company 2, Project 2].

Tolerance, patience and courage are all traits valued by employees in their leaders; the notion of unconditional support is often tacitly expressed by the leaders and their staff. It is this supporting or trusting relationship that is the source of trust, enabling learning and knowledge creation in organisations because openness will be maintained. As a consequence of the potential constraints that may emerge from ideas held by the organisational leadership, employees will need to have real trust demonstrated via the trusting behaviours if they are to feel safe to learn, experiment and utilise their new knowledge in an innovative and new way.

#### **CONCLUSION**

This paper has explored the relationships between leadership, trust and trusting, using learning as a way of tracking the relationships. The theoretical importance of leadership in developing trust in order to support learning and change processes has been supported by this research. More importantly, a difference has been identified between the notions of 'trust' and 'trusting', with the latter being considered to be the core behaviours necessary to support the learning processes of acquisition and transmission that will lead to knowledge creation and utilisation. The paper argues that leaders need to prioritise developing trusting behaviours within the organisations, rather than merely concentrating on the elements of trust. By doing this, they will be exemplifying trust rather than expecting it. It can be argued that such an approach would change organisational processes, as the foci will not be upon certain aspects of trust but upon developing behaviours that will engender trusting. We contend that

this different perspective needs further research in order to clarify the differences between the two ideas and to develop strategies that will enhance organisational effectiveness.

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