CHAPTER II: LITERATURE REVIEW

Many scholars agree that trust is an essential aspect of business life. Research in areas such as communication (Giffin, 1967), leadership (Atwater, 1988), management by objectives (Scott, 1980), negotiation (Bazerman, 1994), game theory (Milgrom and Roberts, 1992), performance appraisal (Cummings, 1983), labor–management relations (Taylor, 1989), and implementation of self-managed work teams (Lawler, 1992) have helped organizations gain insight into the organizational phenomenon. Most scholars believe that trust enables cooperative behavior (Gambetta, 1998); promotes adaptive organizational forms, such as network relations (Miles and Snow, 1992); reduces harmful conflict; decreases transaction costs; facilitates rapid formation of ad hoc work groups (Meyerson, Weick, and Kramer, 1996); and promotes effective responses to crisis (Rousseau, Sitkin, and Camerer, 1998). Despite the emphasis on trust in the literature, scholars have been unable to agree on the meaning of trust (and distrust). The lack of consensus among scholars, Bigley and Pearce (1998) argued, has been a "major obstacle" in understanding trust in the organization.

While the exact terminology for trust continues to be debated, most scholars are in agreement that communication helps build trust and strengthen member identification or feelings of community. For instance, organizations with high levels of trust are said to foster a sense of community. The notion of community serves to satisfy the basic human need to develop human connections and relationships with others. The underlying themes of community are the feeling of being valued, of feeling accepted, and of being cared for. These feelings are created in environments that promote trust among its members is present. The literature suggests that information conversations and communication in the workplace provides an important social outlet for members to build community and trusting relationships. The feeling of community and connection with others in the work environment, according to Gibb (1991), is an underdeveloped area of organizational theory.

Clearly, previous research in the areas of trust and community demonstrate their significance in all human relationships. This is also true in the work environment where new technologies have been introduced, like e-mail, and intended to provide more efficient means of communicating with a dispersed workforce. E-mail and other technologies eliminate the need for persons to share the same physical space when communicating and sharing information with one another. While this presents many advantages, several scholars have suggested that the

absence of human presence in the communication experience may impede the development of trusting relationships and feelings of community among organizational members. Despite their proposed theories, limited research has been conducted linking the use of e-mail to feelings about trust and community in the workplace.

This research was conducted to explore the social implications of e-mail on trust and community in a networked environment. The literature reviewed in this chapter provides an overview of the scholarly work, and the historical and empirical evidence related to trust and community. A key theme threaded throughout this chapter is the importance of socialization and communication for fostering trust and building community within personal and professional relationships. The last section of this chapter covers the literature related to communication technologies, with an emphasis on e-mail. While some of the authors referenced have offered theories related to e-mail and the social impact on working relations, few empirical studies have been performed that specifically address the potential relationship between e-mail, trust, and community.

II.1   Chapter Overview

This chapter unfolds in eight sections. The following paragraphs briefly describe the literature covered in each section. While this chapter certainly does not encompass all the available literature, it does highlight the core scholarly work related to the topics explored in this research study.

In an effort to develop an inclusive framework and understanding of trust, several scholars have conducted exhaustive reviews of the trust literature. As a result, these scholars have used the various definitions of trust to condense the literature and propose an organized structure for the topic. Although it is certain that the scholars will continue to debate the concrete definition of trust, the literature highlighted in Section II.2 has enabled trust researchers to gain a deeper understanding of the similarities and differences among the various definitions, meanings, and perspectives of trust.

Section II.3 of this chapter contains a review of literature related to developing and maintaining trust, particularly in the work environment. Two key aspects of organizational life, socialization and communication, are found throughout the trust literature as elements that

support the development and maintenance of trust. Mishra's (1996) model of organizational trust and Shockley-Zalabak, Ellis, and Winograd's (2000) proposed expansion of the Mishra model are highlighted in this section.

The literature reviewed in Sections II.4 focuses on Jack Gibb's (1991) Trust-Level Theory and its implications for the work environment. Gibb's work emphasized the importance of trust in building "community" within an organization. Healthy organizations, Gibb believed, created communities that were safe places for personal and organizational growth. Section II.5 highlights additional literature related to the balance of self and the basic human need for community and connection with others.

Section II.6 focuses on the important contributions to the literature derived from the Human Relations Movement. The research conducted during that movement provided evidence of the connection between the social and psychological needs of humans and organizational effectiveness. As a result of the Human Relations Movement, researchers in the field of organizational theory acknowledged the importance of the human thoughts, feelings, and emotions in organizational life. Human beings, the research findings showed, had an underlying desire to make connections with others in life and in the work environment, and these connections were primarily developed through dialogue and interaction.

The basic human need for connection, highlighted in the literature reviewed in Section II.6, is further expanded in Section II.7. New research in the areas of the human spirit and community provide more evidence of the importance of communication and interaction in organizational life. The research described in this section suggests that organizations that do not create space for human interaction and communication, and develop activities that foster a sense of community, may pay a significant price.

Section II.8 highlights the concepts of social capital and psychological safety. Social and psychological needs of humans, originally brought to light by the Human Relations Movement, have played an important role in the vitality and effectiveness of an organization. Trust is essential in developing social capital and psychological safety. These aspects of organizational life have been linked to higher job satisfaction ratings, increased organizational effectiveness, and increased team learning.

Section II.9 focuses on the modern work environment and the introduction of new technologies. The literature suggests that these technologies, while providing numerous benefits,

may prevent organizational members from building a sense of community and feeling connecting them to others. This section pays specific attention to literature related to electronic mail (e-mail) technology. This communication tool provides the means to communicate with others without being present in the experience. The research in this section addresses some of the issues that may arise from limiting the "human moment" at work.

II.2   Creating a Shared Understanding of Trust

Bigley and Pearce (1998) conducted an extensive analysis of the trust literature to develop a problem-centered framework of trust. The authors proposed a framework that organized the trust literature into three general areas: interactions among unfamiliar actors, interactions among familiar actors within ongoing relationships, and organization of economic transactions. They developed these three categories based on the vast array of trust literature and the logical distinctions of problems addressed by trust researchers (see Table II-1).

Bigley and Pearce suggested that within the first category, interactions among unfamiliar actors, three major perspectives comprised the work. These three perspectives were dispositional theories of trust, behavioral decision theory, and institutional frameworks. The authors used the work of theorists within each area to develop a deeper understanding of trust and interactions with unfamiliar actors.

The first perspective on the category "Interactions Among Unfamiliar Actors," was based on dispositional theories of trust. Dispositional theories of trust questioned individual propensities to trust. These propensities to trust or distrust others were believed to develop early and to evolve through life experiences (Bigley and Pearce, 1998). Rotter (1967, 1971, 1980),

Table II-1

Problem Foci for Trust and Distrust Research

Problem Focus	Authors		
Interactions among unfamiliar actors	Axelrod (1984)	Koller (1988)	Pruitt & Kimmel (1996)
	Deutsch (1958, 1960)	Lahno (1995a,b)	Rotter (1971, 1980)
	Deutsch & Krauss (1962)	Loomis (1959)	Sharpiro (1987)
	Gurtman (1992)	Matthews, Kordonski, & Shimoff (1983)	Shell (1991)
	Guth, Ockenfels, & Wendel (1997)	Meyerson, Weick, & Kramer (1995)	Wichman (1970)
	Hardin (1993)	Orbel, Dawes, & Schwartz-Shea (1994)	Zucker (1986)
	Hollon & Gemmill (1977)	Parks, Henager, & Scamahorn (1996)	Zucker, Darby, Brewer, & Peng (1996)
	Johnson & Noonan (1972)		
	Kirchler, Fehr, & Evans (1996)		
Interactions among familiar actors	Abell (1996)	Hart & Saunders (1997)	Podsakoff, MacKenzie, & Bommer (1996)
	Axelrod (1984)	Holmes (1991)	Powell (1996)
	Bies & Tripp (1996)	Husted (1989)	Pruitt & Kimmel (1976)
	Bower, Garber, & Watson (1996)	Hwang & Burgers (1997)	Rempel, Holmes, & Zanna (1985)
	Brockner & Siegel (1996)	Kegan & Rubenstein (1973)	Roberts & O'Reilly (1976)
	Brockner, Siegel, Tyler, & Martin (1997)	Kipnis (1996)	Robinson (1996)
	Burt & Knez (1995, 1996)	Kirchler, Fehr, & Evans (1996)	Ross & La Croix (1996)
	Butler (1983, 1991, 1995)	Klimoski & Karol (1976)	Ross & Wieland (1996)
	Butler & Cantrell (1984)	Kramer (1994, 1996)	Sabel (1993)
	Calton & Lad (1995)	Kramer, Brewer, & Hanna (1996)	Schindler & Thomas (1993)
	Coleman (1990)	Kramer & Isen (1994)	Sitkin (1995)
	Creed & Miles (1996)	Krecker (1995)	Sitkin & Roth (1993)
	Deutsch (1958, 1960)	Lane & Bachmann (1996)	Sitkin & Sitkin (1996)
	Deutsch & Krauss (1962)	Lewicki & Bunker (1995a,b)	Smith & Barclay (1997)
	Dodgson (1993)	Lorenz (1992, 1993)	Sorrentino, Hanna, Holmes, & Sharp (1995)
	Driscoll (1978)	Madhok (1995)	Strickland (1958)
	Earley (1986)	Mayer, Davis, & Schoorman (1995)	Strutton, Toma, & Pelton (1993)
	Evans, Fraser, & Walklate (1996)	McAllister (1995)	Tyler & Degoey (1996)
	Fein & Hilton (1994)	Mishra (1996)	Wall (1975)
	Fine & Holyfield (1996)	Mishra & Mishra (1994)	Webb (1996)
	Fox (1974)	Mishra & Morrissey (1990)	Whitley, Henderson, Czaban, & Lengyel (1996)
	Frey (1993)	Morris & Moberg (1994)	Williams & Coughlin (1993)
	Gambetta (1988)	Munns (1995)	Xin & Pearce (1996)
	Good (1988)	Neu (1991)	Yamagishi & Yamagishi (1994)
	Govier (1994)	O'Brien (1995)	Zand (1972)
	Gulati (1995)	Orbell, Dawes, & Scwartz-Shea (1994)	Zucker, Darby, Brewer, & Peng (1996)
	Hass & Deseran (1981)	Pearce, Bigley, & Branyiczki (in press)	
	Hardwig (1991)		

Table II-1

Problem Foci for Trust and Distrust Research

Problem Focus	Authors		
Organization of economic transactions	Barney & Hansen (1994) Bradach & Eccles (1989) Bromiley & Cummings (1995) Chiles & McMacklin (1996) Cummings & Bromiley (1996)	Granovetter (1985) Jarillo (1988) Nooteboom (1966) Nooteboom, Berger, & Noorderhaven (1997)	Ring (1996) Ring & Van de Ven (1992) Zaheer & Venkatraman (1995)

From "Straining for Shared Meaning in Organization Science: Problems of Trust and Distrust," by G.A. Bigley and J.L. Pearce, 1998, Academy of Management Review, 23, p. 409. Reprinted with permission.

one of the influential trust researchers in this area, suggested that the "strength of trust's impact on behavior is a function of the situational novelty with which people are confronted" (Bigley and Pearce, 1998, p. 410). As situations arose that were increasingly unfamiliar to individuals, Rotter (1967, 1971, 1980) believed, the influence of one's "trusting dispositions" regarding unfamiliar individuals' behavior grew (Bigley and Pearce, 1998, p. 411). Therefore, as individuals increased their personal knowledge of others, these propensities to trust or distrust became the "primary drive of their thoughts and actions" (Bigley and Pearce, 1998, p. 411).

Researchers have concluded that an individual's propensity to trust or distrust influences his or her thoughts and behaviors in the work environment. For instance, individuals that developed a distrusting predisposition, Harden (1993) argued, tended to "avoid cooperative activities" and were likely to have "fewer positive interactional experiences" (Bigley and Pearce, 1998, p. 411). As a result of their tendencies to perpetuate their distrusting dispositions, these individuals might have to "seek roles that have limited dependencies" on others (Bigley and Pearce, 1998, p. 411). These individuals might also "resist job changes that caused them to be more reliant on coworkers" (Bigley and Pearce, 1998, p. 411).

The second perspective on interactions among unfamiliar actors, which covers the majority of behavioral decision theory, focuses on "immediate situational factors in the context of game settings" (Bigley and Pearce, 1998, p. 411). Rather than suggesting that trust was a personality characteristic as in the dispositional theories, the behavioral decision perspective viewed trust as a "function of rational decision-making processes" (Bigley and Pearce, 1998, p. 411). Cooperation and competition were major aspects of this theory as researchers examined behaviors within the context of a game setting. Bigley and Pearce concluded that research in this area suggested that trusting behaviors among unfamiliar actors were linked in situations in which

long-term interests were stressed initially (Good, 1988), only small initial awards were at stake (Deutsch and Krauss, 1962), no potential for threat existed (Deutsch and Krauss, 1962), and a great potential for successful communications was present (Wichman, 1970).

The third perspective on interactions among unfamiliar actors examined trust and its effects in the context of organizational and institutional structures and processes (Bigley and Pearce, 1998). Economic exchange, for instance, was one of the most significant situational factors that influenced organizations to invest "resources, authority, or responsibility in another…for some uncertain future return" (Shapiro, 1987, p. 626). Socialization practices, institutional arrangements, structural constraints, and networking strategies were all devices used by organizations to foster social relationships among other organizations (Bigley and Pearce, 1998). Similarly, Zucker (1986) wrote, "…organizations generate common expectations (i.e., trust) through written rules and formal hierarchy in order to support transactions within and between organizations" (Bigley and Pearce, 1998, p. 411). Even in organizations without the "stable modernist institutions," the organization members exhibited an "aggressive use of personal trust relationships" to sustain their organizations (Bigley and Pearce, 1998, p. 412).

"Interaction Among Familiar Actors," the second category in Bigley and Pearce's "Problem Foci for Trust and Distrust Research," contained the majority of organization and organization-related studies on trust (see Table II-1). Research in this category focused on the "accumulated meaningful knowledge about, or established affective bonds" of individuals with one another (Bigley and Pearce, 1998, p. 412). Interpersonal relationships (Mayer, Davis, and Schoorman, 1995), relations among different groups, organizations, or classes (Dodgson, 1993; Fox, 1974; Lorenz, 1992, 1993; Sabel, 1993), and distrust conceptualizations are examples of the literature that examines trust among known actors.

In a review of the research in this category, Bigley and Pearce found that the formulation of trust was the most debated issue in examining trust among familiar actors. According to Bigley and Pearce, two sides of the trust formulation issue emerged. First, some researchers argued that trust was "exclusively the product of individuals' calculative decision making processes" (Bigley and Pearce, 1998, p. 413). That is, trust formulation was based on the calculation of probability that one individual would perform an action that was "beneficial, or at least not detrimental" to another individual (Bigley and Pearce, 1998, p. 413). On the other hand, some researchers argued that trust was "a product of peoples' emotion" (Bigley and

Pearce, 1998, p. 413). In emotional-based trust, personal relationships were expected to play a more central role than situational factors.

Bigley and Pearce's remaining category, "Organization of Economic Transactions," contained trust literature that focused on the relationship between transactions and organizational structures (Bigley and Pearce, 1998, p. 414). Intra- and interorganizational relationships, within the context of transaction costs and economics, drove the trust research in this category. As with the research on interaction with familiar actors, the primary debate among scholars in this category revolved around the formulation of the trust relationship. For instance, Bradach and Eccles (1989) viewed trust as a "calculated decision," while Ring and Van de Ven (1992) argued that trust was grounded in "affect-based or relational factors" (Bigley and Pearce, 1998, p. 414).

These three categories provide a solid framework for understanding the differences among various conceptualizations of trust and distrust in organizational science and social science research. However, Bigley and Pearce also theorized that a common theme existed across all three categories of trust research. In their review of the trust literature, Bigley and Pearce (1998) found that the "idea of actor vulnerability" appeared consistently in the trust research (p. 415). Bigley and Pearce (1998) observed that, "…considered as a whole, the research on the topic of trust appears to be premised on the general idea that actors (e.g., individuals, groups, organizations) become…vulnerable to one another as they interact in social situations, relationships, or systems" (p. 415).

Mayer, Davis, and Schoorman (1995) used the works of scholars in various disciplines to develop a proposed model of organizational trust. Although a large portion of the trust literature has examined trust in personal relationships, Mayer et al. designed a model focused on trust in an organizational setting involving two specific parties—a trusting party (trustor) and a party to be trusted (trustee). The model, approached in a "relationship-specific boundary condition," attempted to clarify the relationship between two specific individuals and the reasons why a trustor would trust a trustee (Mayer et al, 1995, p. 709).

Trust, as proposed by Mayer et al. (1995), was the "willingness of a party to be vulnerable to the actions of another party based on the expectation that the other would perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party" (p. 712). In this dyadic relationship, the trustor was influenced by his or her propensity or predisposition to trust (Mayer et al., 1995). Like Rotter (1967) and Hofstede

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(1980), Mayer et al. (1995) proposed that propensity to trust varied based on an individual's developmental experiences, personality type, and cultural background (see Table II-2). This trust variance among individuals contributed to differences in behaviors and decision making in relationships.

Although they viewed the propensity to trust as an influencing characteristic of the trustor, Mayer et al. found that the trustworthiness of another was developed through knowledge and observations of that individual's characteristics and actions. They used three current models of trust to examine characteristics of trustworthiness. The three models, developed by Butler (1991), Mishra (1996), and Sitkin and Roth (1993), presented varied characteristics contributing to the perceived trustworthiness of another. However, through their own research, Mayer et al. found that three characteristics emerged most often and appeared as the common link to much of the previous work on trust. These three characteristics were ability, benevolence, and integrity (see Table II-3).

Table II-2

Trust Antecedents

Authors	Antecedent Factors
Boyle & Boncich (1970)	Past interactions, index of caution based on prisoners' dilemma outcomes
Butler (1991)	Availability, competence, consistency, discreetness, fairness, integrity, loyalty, openness, promise fulfillment, receptivity
Cook & Wall (1980)	Trustworthy intentions, ability
Dasgupta (1988)	Credible threat of punishment, credibility of promises
Deutsch (1960)	Ability, intention to produce
Farris, Senner, & Butterfield (1973)	Openness, ownership of feelings, experimentation with new behavior, group norms
Frost, Stimpson, & Maughan (1978)	Dependence on trustee, altruism
Gabarro (1978)	Openness, previous outcomes
Giffin (1967)	Expertness, reliability as information source, intentions, dynamism, personal attraction, reputation
Good (1988)	Ability, intention, trustees' claims about how (they) will behave
Hart, Capps, Cangemi, & Caillouet (1986)	Openness/congruity, shared values, autonomy/feedback
Hovland, Janis, & Kelley (1953)	Expertise, motivation to lie
Johnson-George & Swap (1982)	Reliability
Jones, James, & Bruni (1975)	Ability, behavior is relevant to the individual's needs and desires
Kee & Knox (1970)	Competence, motives

Table II-2

Trust Antecedents

Authors	Antecedent Factors
Larzelere & Huston (1980)	Benevolence, honesty
Lieberman (1981)	Competence, integrity
Mishra (in press)	Competence, openness, caring, reliability
Ring & Van de Ven (1992)	Moral integrity, goodwill
Rosen & Jerdee (1977)	Judgment or competence, group goals
Sitkin & Roth (1993)	Ability, value congruence
Solomon (1960)	Benevolence
Strickland (1958)	Benevolence

From, "An Integrative Model of Organizational Trust," by R.C. Mayer, J.H. Davis, F.D. Schoorman, 1995, *Academy of Management Review*, 20(3), p. 718. Reprinted with permission.

Ability was defined as the "group of skills, competencies, and characteristics that enable a party to have influence within some specific domain" (Mayer et al., 1995, p. 717). Trustors assessed another's ability through previous positively viewed actions. Second, benevolence was the "extent to which a trustee is believed to want to do good to the trustor, aside from an egocentric motive" (Mayer et al., 1995, p. 719). Benevolence, according to Mayer et al., connoted a personal orientation that was integral to the proposed model. This characteristic, the authors suggested, was important in the early formation of the trust relationship because little information about the trustee was known. Third, integrity involved the "trustor's perception that the trustee adheres to a set of principles that the trustor finds acceptable" (Mayer et al., 1995, p. 719). Consistency of past actions, credible communications, and perceived value congruence were used by the trustor to determine the integrity of a trustee. Integrity, according to Mayer et al., grew over a relationship as the trustor gained insights about the trustee.

In addition to examining the characteristics of the trustor and trustee, Mayer et al. considered the role of risk-taking in relationships. In their model, the perception of risk involved the "trustor's belief about the likelihood of gains or losses outside of considerations that involve the relationship with the particular trustee" (Mayer et al., 1995, p. 724). Trust required risk and one's willingness to assume risk. Similarly, higher levels of trust would lead to a stronger willingness to take risk in a relationship. The context of a situation, weighing the likelihood of positive and negative outcomes, played a role in an individual's willingness to take a risk. Mayer et al. identified two categories of factors that influenced an individual's assessment of

risk. The first factor was the relationship with the trustee (i.e., trust), and the second involved factors outside the relationship that would make the decision significant and uncertain. These factors, along with their outcomes, shaped the future trust relationship (Mayer et al., 1995).

In an effort to develop a synthesized and shared understanding of trust across the disciplines, Rousseau et al. (1998) employed a three-tiered examination of the trust literature. Rousseau et al. explored the common themes present in the trust literature, examined the varied views of the dynamics of trust (i.e., whether it was static or had phases), and compared the multiple models of trust. As the primary goal of their research, Rousseau et al. aimed at creating a more "cumulative body of knowledge on trust in and between organizations" (p. 393).

Table II-3

Overlap of Recent Models

Authors	Number of Factors	Similar Factors Included			
		Propensity	**Ability**	**Benevolence**	**Integrity**
Butler (1991)	10	No	Competence	Loyalty, openness, receptivity, availability	Consistency, discreetness, fairness, integrity, promise of fulfillment
Mishra (1996)	4	No	Competence	Caring, openness	Reliability, openness
Sitkin & Roth (1993)	2	No	Ability	No	Value, congruence

From, "An Integrative Model of Organizational Trust," by R.C. Mayer, J.H. Davis, F.D. Schoorman, 1995, Academy of Management Review, 20(3), p. 723. Reprinted with permission.

Rousseau et al. found that across the disciplines there was agreement on the conditions that must exist for trust. According to their extensive review of the trust literature, Rousseau et al. noted that risk and interdependence were consistent themes. Risk, the first condition, was "considered essential in psychological, sociological, and economic conceptualizations of trust" (Rousseau et al., 1998, p. 395). The authors described a "path-dependent connection" and a "reciprocal relationship" between trust and risk (Rousseau et al., 1998, p. 395). For instance, risk created an opportunity for trust, which led to risk taking. The second condition required for trust to emerge was interdependence. Reliance on others to accomplish tasks in the workplace made interdependence a necessary component of the trust relationship.

According to Rousseau et al., the common themes of risk and interdependence throughout the trust literature reflected a fundamental agreement on the meaning of trust. Scholars in various disciplines have viewed trust as a "psychological" state. These common themes led Rousseau et al. to suggest that trust was "not a behavior (e.g., cooperation) or a choice (e.g., taking a risk), but an underlying psychological condition that can cause or result from such actions" (p. 395). Rousseau et al. used these common themes derived from the cross-disciplinary collection of scholarly literature to propose a widely held definition of trust. They defined trust as, "a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another" (Rousseau et al., 1998, p. 395). The assumption that trust was a psychological condition, Rousseau et al. (1998) suggested, made trust and trusting relationships "important to organizational life" (p. 395).

In a review of the dynamics of trust, Rousseau et al. found that the trust literature had evolved. Early trust research conducted in laboratories focused on the controlled, situational aspects of trust. Recent literature suggested that trust existed on an "intra- or interpersonal continuum" (Rousseau, 1998, p. 395). They found that comparative and historical research on trust in organizations and in the broader society revealed that trust changed over time. This evolution was evident in the trust literature. According to Rousseau et al. (1998), the majority of trust research addressed one of three phases of trust: (1) building (where trust was formed or reformed), (2) stability (where trust already existed), and (3) dissolution (where trust declined) (p. 396).
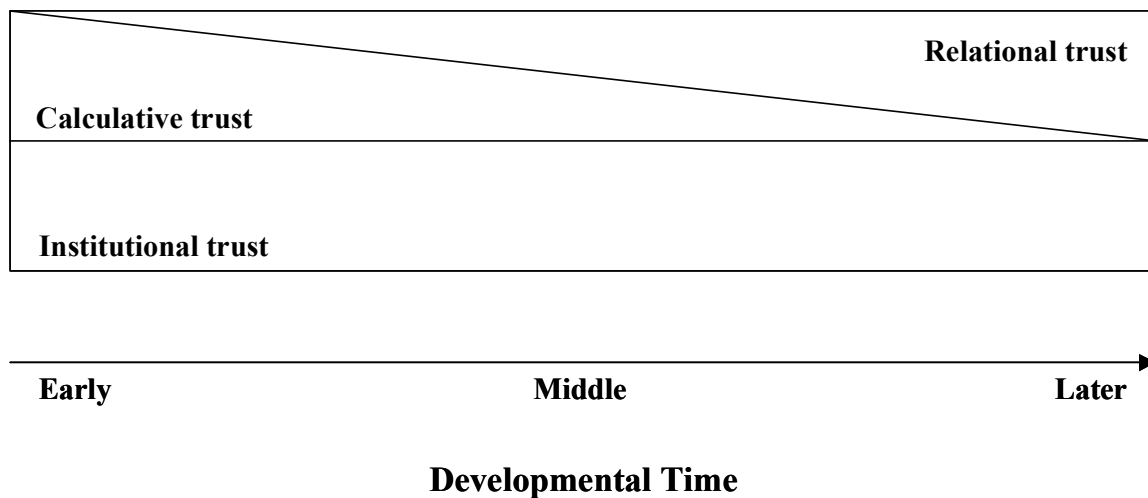
While Rousseau et al. concluded that most research has focused on one phase at a time, they also concluded that the fact that the trust literature unfolded into three phases demonstrated the developmental and dynamic nature of trust and trusting relationships. For instance, they found that trust took on different forms in different relationships—from a calculated weighing of perceived gains and losses to an emotional response based on interpersonal attachment and identification (Rousseau et al., 1998). The scope of trust might vary depending on the context. The history of a relationship, the stage of development, and cues in the immediate setting were factors influencing the level of trust. Rousseau et al. (1998) suggested that these factors created a "bandwidth of trust," where trust developed over time and where levels of trust changed as a result of the context of a situation (p. 398).

Rousseau et al. considered the four common types of trust in developing the bandwidth of trust—deterrence-based trust, calculus-based trust, relational trust, and institution-based trust (see Figure II-1). The first form of trust, deterrence-based trust, determined the trustworthiness of another individual through the weighing of positive benefits and negative consequences of their behavior. Many trust researchers have argued that the underlying assumption of control in deterrence-based trust made this type of trust more about distrust than trust. As a result of this incompatibility between strict controls and positive expectations of another, Rousseau et al. elected not to include it in their bandwidth of trust.

Like deterrence-based trust, calculus-based trust used perceived positive intentions to determine the trustworthiness of another. However, in contrast to deterrence-based trust, calculus-based trust considered "credible information" from others, like reputation and certification (e.g., diploma), before assigning trustworthiness to an individual (Rousseau et al., 1998, p.399). In calculus-based trust, opportunities were pursued and risks were continually monitored. This type of trust occurred as new relationships developed; knowledge of the other person's intention was limited, requiring individuals to seek information outside the relationship and to make a rational-choice about the trustworthiness of another. Rousseau et al. found that information available to an individual from within the relationship formed the basis of relational trust. Frequent, long-term interactions led to the formation of attachments based on reciprocated interpersonal care and concern (Rousseau et al., 1998). Successful fulfillment of expectations, repeated cycles of exchange, and risk taking strengthened the willingness of an individual to rely on another. Interdependence between individuals was likely to increase over time as new opportunities and initiatives are pursued (Rousseau et al., 1998). Whereas the termination of a calculus-based trust relationship was likely once a violation occurred, relational trust relationships were often more resilient because individuals created a shared identity (Rousseau et al., 1998).

The fourth type of trust, institution-based trust, referred to the organizational-level supports, such as organizational culture, within-firm procedures, and standardized human resource practices, that fostered and sustained trust (Rousseau et al., 1998). These shared understandings and practices between individuals or between organizations reinforced the sense of community. As a result, trust was strengthened as individuals behaved in response to of the interests of a broader collective. Trust researchers have argued about the degree to which

institutional mechanisms created interpersonal trust relations. While some researchers have viewed institutional mechanisms as "reducing the opportunity for creating interpersonal trust (Zucker, 1986, p. 400)," others have found that institutional factors had minimal impact on the emergence of interpersonal trust (Rousseau et al., 1998). Despite these divergent opinions, Rousseau et al. included institutional trust in their model. Through their review of the trust literature, Rousseau et al. (1998) suggested that institutional mechanisms "can play a critical role in shaping the mix of trust and distrust" in an organization (p. 401).

Developmental Time

From, "Not So Different After All: A Cross-Discipline View of Trust," by D.M. Rousseau, S.B. Sitkin, and C. Camerer, 1998, Academy of Management Review, 23(3), p. 401. Reprinted with permission.

Figure II-1: Model of Trust Development

In 1994, Stanford University and the University of California at Berkeley sponsored a conference on the theory and research associated with trust in organizations. In a review of the theory and research presented at the conference, Darley (1998) summarized by stating that two components of trust existed—calculational and non-calculational. The calculational component assumed that individuals were motivated to trust in situations that were "self-serving" and "opportunistic" (Darley, 1998, p. 321). In other words, individuals trusted others only if there was a negative consequence for not complying with expectations. According to Darley, the calculational component reflected the views that most social scientists associated with economics, like the theory of rational choice and transaction cost economics. External

reinforcements and control systems, key elements described in the classic scientific theory of management, were believed to motivate employees to trust an organization and its superiors.

On the other hand, the non-calculational component of trust focused more on the "honorable behavior among individuals and organizations" (Darley, 1998, p. 321). The non-calculational component of trust assumed that individuals had the "best interests of others at heart" and actions were taken for the "good of the collective" (Darley, 1998, p. 322). Darley said that social scientists believed this aspect of trust played an important role in relationships within the workplace because individuals felt more connected to organizational goals. This aspect of trust developed over time and, according to Dawes, van de Kragt, and Orbell (1990), the "identification with the common group increases cooperation and decreases commons-stripping behavior in the absence of future reciprocity, current rewards or punishments, or even reputational consequences" (p. 199). Therefore, it was this facet of trust that could evoke feelings of betrayal because one might act in a manner that did not reciprocate the concern for the well being of others.

At the same conference, Sheppard and Tuchinsky (1996) presented a three-phased sequence in which trust developed between organizational members, or between an individual and an organization. The three-phased sequence consisted of deterrence-based trust, knowledge-based trust, and identification-based trust. Similar to the calculational component of trust, deterrence-based trust implied that the negative consequences of untrustworthy behavior were higher than the personal benefits. The second phase, knowledge-based trust, developed through "repeated and multifaceted interactions" (Darley, 1998, p. 324). Interactions allowed individuals to predict the behaviors of others. In the third phase, identification-based trust, individuals began to identify with the goals of others. Thus, individuals in this phase behaved in a more non-calculational fashion. That is, individuals trusted others to make decisions on their behalf, trusting that the decision-maker was acting in the best interest of the individual.

As with the non-calculational component of trust, Darley noted that a violation that occurred in identification-based trust had the potential to be more damaging to relationships than violations occurring in the previous two stages. This "moral violation" undermined the individual's reliance on others, resulting in a re-evaluation of an individual's identification with organizational goals (Darley, 1998, p. 325).

In an essay on creating trust, Flores and Solomon (1998) described trust as "…a dynamic aspect of human relationships. It is an ongoing process that must be initiated, maintained, sometimes restored and continuously authenticated…trust is a social practice, defined by choices" (Flores and Solomon, 1998, p. 206). Unlike many scholars of trust who have deemed trust as calculative and an economic resource, Flores and Solomon (1998) argued that trust was an emotional entity that should be "understood as strategies, as choices, as explicitly willful" (p. 209). In other words, individuals were responsible for creating and destroying trust through actions and communication. According to Flores and Solomon, cultivation and commitment of trust went together. For instance, one could act to alter circumstances and one's frame of mind. Trusting, therefore, was an emotional skill that was learned and practiced by individuals. Individuals, in Flores and Solomon's opinion, chose to trust others or refused to do so through a continuous sequence of commitments, gestures, and decisions.

The primary problem with the trust literature, Flores and Solomon (1998) argued, was that trust varied in form and degrees of "sophistication and articulation" (p. 210). In an effort to distinguish between the different forms of trust, Flores and Solomon presented four forms of trust: simple trust, blind trust, basic trust, and authentic trust. Simple trust, the most naïve form of trust, was the unchallenged and unquestioned form of trust. Like the "faith of a well brought up child," simple trust was a "primitive emotional attitude that is devoid of distrust" (Flores and Solomon, 1998, p. 213). The second form, blind trust, was "stubborn, obstinate…self-deluding" (Flores and Solomon, 1998, p. 213). Blind trust denied the "very possibility of distrust, despite all of the evidence that this or that person is not to be trusted" (Flores and Solomon, 1998, p. 213). Similar to simple trust, basic trust reflected the general sense of security—both physical and emotional—that was often "taken for granted" (Flores and Solomon, 1998, p. 213). Unlike simple trust, however, basic trust accounted for the domain and context of trust. For instance, it was assumed that the workplace, the home, and the general community would be free from physical harm, with "only rare and mercifully brief exceptions" (Flores and Solomon, 1998, p. 215). The fourth form, authentic trust, acknowledged the risks and vulnerabilities associated with relationships. Because distrust was a foreseen possibility, authentic trust "accepts, embraces, transcends, absorbs, and overcomes" acts of distrust (Flores and Solomon, 1998, 217). According to Flores and Solomon (1998), authentic trust "…is a willful emotional attitude…that

survives and transcends" distrust (p. 217). And, it was authentic trust that Flores and Solomon argued was "necessary in business and business ethics" (p. 217).

Trust—both trusting and being trustworthy—was related to the character of individuals and relationships. As a dynamic emotion, Flores and Solomon concluded that trust found its significance in the bonds it created. Trust was not something that simply happened, it was created through interaction and in the making of relationships (Flores and Solomon, 1998). Flores and Solomon (1998) wrote that trust "defines our relationships and our relationships—our 'being tuned'—to the world" (p. 217). According to the authors, trust and trusting was primarily about relationships and thus, trust was a valuable tool in business because relationships were imperative to success.

Flores and Solomon suggested that trust was the basic ingredient of social interactions. Working together often involved interdependence, and people must therefore depend on others in various ways to accomplish their personal and organizational goals (Mayer et al., 1995). As a "central concept of ethics" (Flores and Solomon, 1998), trust "depends on the role and the relationships as well as the particularities of the context" (p. 217). According to Flores and Solomon (1998), proponents of traditional ethics would agree that "promises (implicit or explicit) lie at the heart of ethics" (p. 218). Therefore, "the specificity of trust and the asymmetry of trust and trustworthiness are more obvious than it is in many less well-defined relationships" (Flores and Solomon, 1998, p. 218).

"Trusting takes the form of a kind of knowledge," Flores and Solomon (1998) believed, and the "recognition that someone is trustworthy" helped individuals to feel more psychologically safe in the workplace (p. 219). Trust, according to the authors, was created and damaged through dialogue. Through interaction and in forming relationships, one learned to trust by trusting. Flores and Solomon (1998) wrote, "Trust(ing) is a social skill in much the same sense that communication, charm and salesmanship are social skills" (p. 219). Dialogue and talking through trust helped to create trust and mitigate distrust. Conversely, not talking about trust could result in continuing distrust.

Trust, according to the authors, was the result of the verbal and nonverbal interactions within relationships. Besides dialogue, Flores and Solomon suggested the importance of nonverbal behaviors in determining the trustworthiness of another. Flores and Solomon (1998) wrote that, "There is a good deal of trust embodied in our mere physical presence to one another,

in our gestures, looks smiles, handshakes and touches" (p. 219). Body language and nonverbal behavior, including the "small but indicative acts of commitment," were just as important in creating trust (Flores and Solomon, 1998, p. 219). These routine acts of promises, commitments, gestures, and postures indicating respect of one another's space were essential to fostering trust between people who worked together (Flores and Solomon, 1998).

Trust and trusting relationships were not only important aspects of business, but essential to the well being of individuals (Flores and Solomon, 1998). Individuals in the workplace assumed "physical safety on the job, at home, even on the streets, with only rare and mercifully brief exceptions" (Flores and Solomon, 1998, p. 221). Flores and Solomon argued that trust scholars who viewed trust as solely an economic resource, whether as capital or as a commodity, dehumanized trust. Likewise, individuals incapable of trust, according to Flores and Solomon (1998), were "less than fully human, less than fully socialized, less than fully a member of society" (p. 225). Distrust bred disharmony, alienation, and paranoia.

Many trust scholars have found that distrust in the work environment negatively impacted organizational performance. As a result, several theories have suggested mechanisms for minimizing risk inherent in working relationships. However, Flores and Solomon (1998) argued that trust "is the very opposite of control" (p. 225). Rather, trust "…entails a lack of control, in that some power is transferred or given up to the person who is trusted…Trust, not fear, cooperation, not control are the path to a more prosperous and harmonious society" (p. 226). According to Flores and Solomon, it was viewing trust as a social and emotional ethical phenomenon that made trust so vital in the work environment.

II.3   Development and Maintenance of Trust in Work Relationships

Using Sharpiro, Sheppard, and Cheraskin's (1992) work on relationship development in the business context as a foundation, Lewicki and Bunker (1996) developed a model of trust development in work relationships among individuals with no history between them. While Sharpiro et al. suggested that three types of trust existed in relationship development (e.g., deterrence-based trust, knowledge-based trust, and identification-based trust), Lewicki and Bunker elected to use two of the three types of trust proposed by Sharpiro et al. in their model. Lewicki and Bunker replaced Sharpiro's et al. first stage of trust development, called deterrence-

based trust, with calculus-based trust. Calculus-based trust reflected the "on-going, market-oriented, economic-calculation" of relationships where trust was determined through outcomes rather than fear of punishment (as suggested in deterrence-based trust) (Lewicki and Bunker, 1996, p. 119). The second form of trust, knowledge-based trust, was based in the predictability of another's behavior. This form developed over time as individuals interacted and a generalized expectancy of behavior was established. Identification-based trust, the third form, was based on common identification among individuals and a mutual understanding that one would act in another's best interest. This type of trust developed as "one both knows and predicts the other's needs, choices, and preferences and also shares some of those same needs, choices, and preferences as one's own" (Lewicki and Bunker, 1996, p. 122). The degree of trust developed as individuals gradually moved from one stage to another.

Although all three forms of trust are relevant in relationship development, knowledge-based trust and identification-based trust are significantly important in maintaining work relationships. These forms of trust are more established and stable and lead to greater cooperation. Thus, trust scholars have suggested ways to increase these forms of trust in the work environment. For instance, Shapiro et al. identified regular communication and courtship as key processes in enhancing the trust relationship. Specifically, in knowledge-based trust, regular communication provided individuals with the opportunity to share information about wants, preferences, and approaches to problems. According to Lewicki and Bunker (1996), without regular communication, one could "lose touch" with the other emotionally and lose the ability to "think alike and predict the reactions of the other" (p. 123). They found that an extension of regular communication was learning about one another through interviewing others, observing others in social situations, and experiencing the emotional variety of others. This courtship, Lewicki and Bunker believed, provided a forum for individuals to gather information and determine the trustworthiness of others.

Identification-based trust further enhances the trust relationship as individuals identify with the goals espoused by the group and organization. Lewicki and Bunker found that group identification contributed to cooperative behavior in work relationships. Sharpiro et al. identified four activities that built and strengthened identification-based trust. These activities were developing a collective identity (i.e., joint name, title, logo, etc.), collocating in the same building or neighborhood, creating joint products or goals, and committing to commonly shared

values. Through shared activities and beliefs, individuals developed a collective identity, fostering cooperation and trust because individual actions were aimed toward the group goals.

Sheppard and Sherman (1998) used the work of Fiske (1990) to explore the development and maintenance of trust. Fiske asserted that four fundamental grammars or relational forms served as the structural building blocks of all relationships. These four elements of human relationships were (1) communal sharing, (2) authority ranking, (3) equality matching, and (4) market pricing. Communal sharing was a relation of unity and collective identity, authority ranking was the hierarchical ordering of status, equality matching referred to the notion that individuals were distinct but equal, and market pricing, like calculus-based trust, referred to the comparison of different commodities and calculative exchange. According to Fiske (1990), these four building blocks existed in all human relationships, whether between individuals, companies, or nations, and these fundamental elements were the "most basic-level grammars for social relations" (p. 424).

In 1998, Jones and George used a theoretical framework based on values, attitudes, and moods and emotions to analyze how people experienced trust in a psychological sense, as well as the feelings, beliefs, and meaning that underlaid it. In turn, Jones and George proposed an account of the evolution of trust. This account included how trust was spread among people, sustained, and strengthened, and how trust was weakened, broken, and dissolved. Jones and George also distinguished between two forms of trust: conditional and unconditional trust.

Based on their extensive review of the trust literature, Jones and George concluded that trust was a psychological construct based on the outcome of interactions between values, attitudes, and moods and emotions. Each psychological construct played an important role in the experience of trust. First, values guided an individual's behavior and interpretation of experiences. This value system served as the criteria that enabled individuals to evaluate and "make sense of events and actions in the surrounding world" (Jones and George, 1998, p. 532). Second, Jones and George viewed attitudes as (1) the knowledge structures containing the specific thoughts and feelings people had about other people, groups, or organizations and (2) the means through which they defined and structured their interactions with others. Trust played an important part as individual form attitudes toward others in an organizational context. Jones and George believed that the uncertainty of interaction outcomes, the dependence on others in the workplace, and individual expectations of the work environment made trust an essential element

in attitude formation. Third, moods and emotions were the "affective states or feelings that provide people with information about their ongoing experiences and their general state of being" (Jones and George, 1998, p. 533). Jones and George explained that moods and emotions were fundamental aspects of the experience of trust for at least three reasons: (1) the experience of trust embodied affect, whether it were in terms of strong or intense feelings (emotions) or more subtle feelings (moods); (2) one's current affective state might color one's experience of trust and, thus, they way a person formed opinions and made judgments about the trustworthiness of others; and (3) trust was built on experience that were, in part, emotional. Specifically, Jones and George believed the multidimensional experience of trust evolved through the interactions among these four elements. "Value provide standards of trust that people strive to achieve in their relationships with others, attitudes provide knowledge of another person's trustworthiness, and current moods and emotions are signals or indicators of the presence and quality of trust in a relationship" (Jones and George, 1998, p. 534).

Using the psychological constructs as a foundation, Jones and George (1998) employed a "symbolic interactionist perspective" to further examine and develop a model of the evolution of trust (p. 535). According to Jones and George, two main assumptions of symbolic interactionism existed: (1) people acted in social situations based on the meaning that they had learned to associate with them, and (2) these meanings were acquired by interactions with other people so that a definition of the social situation was created over time. In other words, symbolic interactionism assumed that two or more parties were involved in creating a joint definition of the social situation, and new definitions were created as the parties "adjust communication and behavior patterns to fit the unfolding, mutually determined definition of the social situation" (Jones and George, 1998, p. 536).

In their proposed interactionist model, Jones and George identified three distinct states or forms of the trust experience: (1) distrust, (2) conditional trust, and (3) unconditional trust. The interaction of values, attitudes, and moods and emotions was the mechanism by which both trust and distrust were engendered (Jones and George, 1998). These psychological constructs, Jones and George believed, operated simultaneously to produce an overall state of trust of distrust. Trust, according to Jones and George, was a dynamic experience where one could shift among trust states.

At the beginning of the social encounter, individuals suspend beliefs that the other is not trustworthy. Individuals approach these initial interactions based on their own orienting values and perceptions of value congruence. According to Jones and George, the experience of future trust was be determined by the content of behavioral exchanges between people. If, for instance, obvious value difference existed and precluded the ability of each party to take the role of the other, trust would not develop (Jones and George, 1998). According to Jones and George (1998), "If trust is to build over time, both parties must be able to take the role of the other and exchange and share the feelings and thoughts that structure the exchange relationship" (p. 536). Moods and emotions at each exchange affected the ongoing experience and meaning of the relationship (Jones and George, 1998). Positive emotions built trust as individuals recognized shared values and attitudes with others. In this state, individuals "feel secure that they will not be harmed or put at risk by the actions of the other," and their desire to trust would be transformed (Jones and George, 1998, p. 536). Conversely, negative emotions contributed to distrust because individuals felt insecure about the exchange relationship.

Trust evolves and individuals gain confidence in the exchange relationship as positive social interactions increase. According to Jones and George, as trust evolved, two parties engaged in social interactions would (1) have strong confidence in each other's values and trustworthiness, (2) have favorable attitudes toward each other, and (3) experience positive affect in the context of the relationship. Positive and favorable attitudes among parties supported future social and economic exchanges. Jones and George (1998) believed that this "conditional trust," a form based on knowledge and positive expectation of others, was the most common form of trust in organizational settings (p. 536). However, Jones and George (1998) suggested that it was the "unconditional" state of trust that was "something to strive for in important social situations" (p. 537). They proposed that unconditional trust developed because shared values structured the social situation and were reinforced through repeated behavioral interactions. In this form of trust, positive effect increased as positive moods and emotions strengthened the affective bonds between parties and enhanced the experience of trust (Jones and George, 1998). In the presence of unconditional trust, "relationships become significant and often involve a sense of mutual identification" (Lewicki and Bunker, 1996, p. 537).

Unlike previous research that focused on the "unidimensionality and balance" of trust, Lewicki et al. (1998) grounded their assumptions of trust in the multidimensionality and the

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inherent tensions of relationships (p. 437). Lewicki et al. (1998) defined two core "relationship realities" that grounded their complex view of trust (p. 440). First, relationships were "multifaceted or multiplex" (p. 440). This aspect of relationships enabled parties to hold simultaneously different views of each other. Thus, trust and distrust could exist within multiplex relations. Lewicki et al. believed that trust and distrust developed as individuals accumulated knowledge of each other's strengths and weaknesses through different experiences. The combined knowledge formed a "bandwidth" that broadened as individuals interfaced with others across multiple contexts (Lewicki et al., 1998). In addition to the breadth of relationships, Lewicki et al. acknowledged the potential for "richness" in relationships. For instance, as relationships matured with "interaction frequency, duration, and the diversity of challenges," there tended to be greater specification and detail across the bandwidth, and the domains and limits of trust were clearer (Lewicki et al., 1998, p. 441). Second, balance and consistency in relationships were temporary states (Lewicki et al., 1998, p. 441). While individuals sought balance and consistency in relationships, Lewicki et al. (1998) believed that "…the continually arriving wealth of information, the salience and prominence of the information, and the multiple perspectives" of information results in inconsistency and incongruence (p. 441). This "link of interdependency" forced the equilibrium of the relationship in a positive or negative direction (Lewicki et al., 1998). In the view of Lewicki et al., trust or distrust developed as experiences were aggregated into bands to produce relationships with differing degrees of bandwidth that might not necessarily be consistent with each other.

Using empirical studies of trust and distrust, Lewicki et al. (1998) developed a new two-dimensional framework of trust based in the notion that "trust and distrust are not opposite ends of a single trust-distrust continuum" (p. 442). These constructs, Lewicki et al. argued, were separable, distinct constructs that could coexist within an individual's bandwidth. In their framework, Lewicki et al. identified four relationship conditions: low trust/low distrust, high trust/low distrust, low trust/high distrust, and high trust/high distrust. As relationships changed through "dialogue, interaction, joint decision-making, and common experience," the operational level of trust or distrust shifted among the four relationship conditions (Lewicki et al., 1998, p. 443). These conditions were characterized by a distinct relationship orientation and distinct relationship challenges (Lewicki et al., 1998). While Lewicki's et al. work provides a new

perspective on the development and maintenance of trust, the trust-distrust continuum remains untested and unvalidated by research.

The majority of trust literature has focused on trust at an individual and group level. Little research to date has centered on trust at an organizational level. Organizational trust, as defined by Fukuyama (1995), was the "expectation that arises within a community of regular, honest, and cooperative behavior, based on the shared norms on the part of other members of that community" (p. 26). The nature of organizational trust, Shockley-Zalabak et al. (2000) wrote, "…is complex, communication-based, dynamic, and multi-faceted" (p. 38). They found that "Organizations with high levels of trust will be more successful, adaptive, and innovative than organizations with low levels of trust or persuasive distrust" (Shockley-Zalabak et al., 2000, p. 42).

As is evident from the literature, cultivating trust should be a conscious relationship development strategy with managed objectives, performance metrics, and progression monitoring (Dove, 2000). Culture plays a very central role in trust development and maintenance and should be used as both a tool for hastening and maintaining trust, and as a filter for determining the likely outcome of a relationship pursuit. Daloz, Keen, Keen, and Parks (1996) wrote, "At its best, business creates and manages dynamics and organizations that sustain livelihoods, provide goods and services, and foster fulfilling work on behalf of the well-being of society. At the heart of economic life, business is a primary force in the formation of the global commons" (p. 233).

In 1996, Mishra developed a model for organizational trust that identified four distinct dimensions: competence, openness, concern, and reliability. The first dimension, competence, referred to "the extent to which employees see the organization as effective: whether it will survive and be able to compete" (Shockley-Zalabak et al., 2000, p. 39). The second dimension, openness, referred to the perception that the work environment invited the honest exchange of information, especially between leaders and their employees. Openness, the most frequently referenced dimension, was linked to trust (Ouchi, 1987). Employees were most likely to hold trust in their organization when they saw the organizational leadership as open and honest (Shockley-Zalabak et al., 2000). In essence, it was not just the amount of information shared but whether or not the leadership's efforts were perceived as being sincere.

Concern, the third dimension, was related to openness in that "one's self-interests are balanced with others' interests, whether at a team, organizational, or societal level" (Mishra, 1996, p. 267). This dimension, Mishra found, directly linked sincerity to trust in all levels of management. Edmondson (1999) described organizations in which the culture and network relationships, which were its social capital, exemplified psychological safety. In this context, members described an environment of caring, empathy, and tolerance, in which a learning organization (Senge, 1990) could thrive. Thus, sincerity in communication also played a critical role regarding the amount of trust that employees would give to an organization (Shockley-Zalabak, et al., 2000).

The fourth dimension, reliability, referred to the "consistency and congruency between words and actions" (Shockley-Zalabak et al., 2000, p. 40). Reliable behavior, especially as it related to communication, appeared to have an immense impact on credibility and organizational trust. This dimension not only could impact trust relations between leaders and employees, but the perception of reliability, dependability, and consistency permeated the level of trust between an organization and its customers.

A proposed fifth dimension in Mishra's organizational trust model, identification, "concerns how individuals manage the paradox of separation (or individuation) and association (affiliation) as an organizational member" (Shockley-Zalabak et al., 2000, p. 40). In other words, members that identified with an organization were more likely to report higher levels of organizational trust. Conversely, members that felt more alienated from the organization were more apt to report lower levels of organizational trust (Shockley-Zalabak et al., 2000). This dimension, Shockley-Zalabak, et al. believed, was the result of communication behaviors and interpretative processes. However, like Lewicki's et al. (1998) work, Shockley-Zalabak's et al. (2000) model of organizational trust remains in the exploratory phase and is yet untested by research.

II.4   Importance of Trust in Personal and Organizational Growth

In 1978, Jack Gibb, a humanistic psychologist, first introduced the Trust-Level Theory based on his personal beliefs and attitudes about trust. More than 10 years later, Gibb reintroduced his theory in a new edition of his original book entitled *Trust: A New Vision of*

Human Relationships for Business, Education, Family, and Personal Living. Trust, according to Gibb (1991), provided an environment that "nourishes personal growth, holistic health, spirituality, and the discovery of the soul" (p. 9). Thus, trust level "is the key to the understanding of the larger systems" that existed in organizational life (Gibb, 1991, p. 9).

Gibb believed that trust and fear were the keys to understanding persons and social systems. For instance, higher levels of trust "stimulate creativity, breed integrity, and allow organizations to function more fully" (Gibb, 1991, p. 10). Conversely, higher levels of fear triggered and nourished defensive processes that result in dysfunctional relationships. Trusting, Gibb (1991) wrote, was an "inter-flowing and interweaving of the processes of discovery and creation" rather than fear and control (p. 11). The four processes of discovery and creation were: trusting (T), opening (O), realizing (R), and inter-depending or interbeing (I). These processes, defined with the acronym TORI, were "central to all personal, organizational and international growth" (Gibb, 1991, p. 11).

The first process, trusting, was about the discovery and creation of self. Gibb (1991) wrote, "When I trust myself and when I am trusted by others, I am more apt to live quietly with myself and to develop a capacity for accepting and loving myself" (p. 12). Reducing the need to compare self to others, Gibb (1991) believed, created the capacity for one to "accept and love others," thus fostering the trusting relationship (p. 12). The second process, opening, reflected the human desire for "genuine intimacy" (Gibb, 1991, p. 15). Opening to others required discovering self and searching for ways to connect with others. As trust grew, individuals were able to create intimacy with others by "seeing each other as we are, without our masks, filters, or facades" (Gibb, 1991, p. 15). Intimacy was achieved as vulnerabilities were revealed and risk of hurt was minimized. The third process, realizing, was about feeling free to discover and satisfy individual wants. This process, "inner-directed" rather than "outer-directed," acknowledged the self as the best person to determine individual wants and create the best environment to satisfy these desires. The universal desires to "give and receive love, intimacy, fulfillment, and freedom" were uniquely pursued in ways that gave "enrichment and meaning to life as that person sees it" (Gibb, 1991, p. 16). The fourth process, inter-depending, emphasized the human want of giving and receiving freedom within human relationships. Inter-depending or inter-being reflected the desire of humans to relate with others without losing themselves. In high-trust environments, individuals sought community with others, while persons in climates of fear

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sought "privacy and aloneness" as "fantasies about loss of freedom and autonomy are heavy" (Gibb, 1991, p. 16).

The four discovering processes, Gibb (1991) believed, "grow best in internal, intrapersonal environments of trust, and in external environments of trust and low fear" (p. 40). Gibb (1991) identified six characteristics of a high-quality environment that allowed "people to be where they are, to join them in an attempt to see together what is, and to collaboratively look at what might be" (p. 40). These six characteristics were (1) high level of trust—enhanced the ability for an organization to achieve goals like productivity, creativity, organizational vitality, or personal growth; (2) low constraint—allowed freedom, creativity, impulsivity, and growth with minimal barriers and low fear; (3) optimization of the four TORI discovering processes—created an environment where being, showing, wanting, and interbeing were embraced; (4) self-esteem—fostered an environment where persons continued to feel good about themselves; (5) range of enrichment—provided range of opportunities for new experiences; (6) reduced defensiveness—created an environment that promoted safety and security of self.

While all six characteristics comprised the high-quality environment, Gibb designed the Environmental-Quality Scale (EQ) based on his belief that trust of self and others was fundamental to understanding people, human relationships, and social systems. The EQ-Scale, intended to determine the degree-of-trust in a given environment, identified 10 phases of environmental evolution. These 10 phases were (1) Punitive; (2) Autocratic; (3) Benevolent; (4) Advisory; (5) Participative; (6) Emergent; (7) Organic; (8) Holistic; (9) Transcendent; and, (10) Cosmic (Gibb, 1991, p. 47). The environment evolved as trust grew. New levels of trust at each phase "bring an emerging set of prepotent needs, a new set of assumptions about people, new functions performed in the system, new capacities and skills become ascendant, new energy sources being tapped, and new problems and tensions" (Gibb, 1991, p. 40). At each phase, these changes were integrated which, according to Gibb (1991), "gives wholeness to the system, and helps to maintain a perceived rationality and order to the emerging process" (p. 40).

Within an organizational environment, higher degrees of trust enhance the discovering processes and, ultimately, the ability of groups and organizations to fully function. Simply, as trust increases, defensive and unproductive behaviors decrease. The human need to connect and the reliance on others to accomplish work tasks, according to Gibb, made the work environment a good place to start building strong interbeing relationships. The essence of inter being, the

ability to retain oneself and allow others to do the same, could be challenging because anxieties were elevated in groups. Gibb identified four concerns that could impact the initial development of a group: (1) acceptance, (2) data flow; (3) goal formation; and, (4) control (Gibb, 1991, p. 159).

First, according to Gibb (1991), the acceptance concern related to the "acceptance of self and others, the formation of trust of self and others, the reduction of fears, and the achievement of membership in the group" (p. 158). As trust grew with interaction, Gibb (1991) believed, people gradually learned to be personal and accept attitudes and feelings in others. Second, individuals were concerned with the "flow of perceptual and feeling data through the person and the group, the communication system in the group, and the translation of these dates into decision-making" (Gibb, 1991, p. 158). When trust increased, "people become more expressive, impulsive, frank, and spontaneous" (Gibb, 1991, p. 158). Deeper communication and involvement allowed groups to gather data quickly and make wise decisions (Gibb, 1991). Third, individuals were concerned with the integration of "intrinsic motivations into group actions and problem-solving, and the translation of this process into productive work, creativity, learning, or growing" (Gibb, 1991, p. 158). When goals were created within an environment of high trust, the goals became an "integrating force toward cooperative behavior, satisfying and sustained work, joy in group activity, and interdependence" (Gibb, 1991, p. 158). Fourth, the control concern reflected the early desire of groups to "control ourselves, the other members, and the process itself" (Gibb, 1991, p. 158). Trust allowed groups to become "more informal, less structured, less controlled, less concerned with power and authority, less dependent upon leadership, and more flowing and fluid in form" (Gibb, 1991, p. 160).

II.5   Building Trust and Creating Community in the Workplace

Organizational health, Gibb (1991) wrote, "comes from a state in which everyone in the organization takes responsibility for the organization and its well-being" (p. 198). Effective organizations created a "feeling of community" (Gibb, 1991, p. 198). Community, "to be in touch in some deep way," was fostered through shared ownership, involvement, intimacy, productivity, and a feeling of participation (Gibb, 1991, p. 198). "With genuine

communication," Gibb (1991) wrote, "comes the wonder and the awe of discovering each other in trust" (p. 199).

Gibb (1991) believed the quest for a feeling of community centered around three "romantic or utopian hopes" about life: (1) life should be more caring; (2) life should be more intimate; and, (3) life should have greater depth (p. 198). He felt that modern life had heightened the search for community as feelings of "alienation, unconnectedness, and superficiality" pervaded modern society (Gibb, 1991, p. 198). Shockley-Zalabak et al. (2000) wrote, "Globalization, workplace diversity, increased awareness of cultural differences, downsizing, delayering, the call for increased workplace democracy, international networks, complex alliances, information technologies, and decentralized decision making are only some of the events and processes during which trust assumes significant importance" (p. 35). As the work environment became unstable, and employees felt more uncertain about the future, trust could provide the glue that sustained an organization's membership. More importantly, trusting relationships allowed employees to feel connected to one another and to the organization, thus instilling a sense of purpose and meaning to the work being performed and an overall sense of belonging.

Organizations can play a significant role in creating community as many people spend a large part of their days within the work environment. Gibb (1991) wrote that, "Working together on tasks that are cooperatively chosen or designed, with co-workers that care and that matter, under conditions that are planned and created by the co-workers themselves, can be an organic and wholizing experience" (p. 212). A work environment that allowed "free flow of interaction, some combination of desired privacy and visibility, choice of work partners and work tasks, and multiple opportunities for interaction in personal and caring ways" was better able to foster a feeling of community (Gibb, 1991, p. 212).

Informal conversations and communication in the workplace provide an important social outlet for members to build community and build trusting relationships. Through relations with other organizational members, employees learned the appropriate social cues of the work environment and reinforced the common bonds that united the organization as one. Conversely, organizations that ignored the social aspects of the work environment might ultimately pay a significant cost for productivity (Hallowell, 1999). According to Thompson (2000)—

The boisterous bulls of Wall Street and the jubilant parade of economic

statistics cannot drown out the fact that the relative prosperity enjoyed by

some of us comes with a steep human price: the pandemic of workaholism

and unrelenting stress, a pervasive feeling of bewilderment in the present

and angst for a wholly uncertain future, and a deadening sense of

purposelessness that make mere survival the main career goal (p. 91).

As Frankyl (1984) simply put it, "people have enough to live by but nothing to live for; they have the means but no meaning" (p. 121).

People need human contact in order to survive. They need it to maintain their mental activity and their emotional well being. To illustrate this, Hallowell (1999) presented a variety of studies conducted in the 20th century that supplied evidence of the importance of human contact to healthy human development and growth. In the 1940s, French psychoanalyst Rene Spitz showed that infants who were not held, stroked, and cuddled (even if they had parents who fed and clothed them) suffered from retarded neurological development. Researchers at McGill University in 1951 found that a lack of normal contact with the outside world played havoc with adults' sense of reality. In the study, 14 men and women were placed in sensory deprivation tanks; within hours, all of them reported an altered sense of reality, insomnia, and hallucinations. Between 1965 and 1974, two epidemiologists studied the lifestyles and health of 4,725 residents in Alameda County, California. They found that death rates were three times as high for socially isolated people as for those with strong connection to others. Similarly, in a study of Seattle residents in 1997, researchers found that married people with a strong social network had lower health care costs and fewer primary care visits than those who were more isolated. Still other studies have shown that supportive social relationships boost immune-system responsiveness and prolong life after heart attacks.

The MacArthur Foundation study on aging in the United States showed that the top two predictors of well-being as people age were frequency of visits with friends and frequency of attendance at meetings of organizations. Another study by researchers from Carnegie Mellon University examined how people were affected by spending time online. Contrary to their

expectations, they found higher levels of depression and loneliness in people who spent even a few hours per week connected to the Internet. This suggested that the electronic world, while useful in many respects, was not an adequate substitute for the world of human contact.

Daloz et al. (1996) wrote, "To foster commitment to the common good, a community must strengthen trust by providing a fundamental level of physical and emotional safety along with respect for the individuality of each member" (p. 43). "Community is many things," Andrews (1997) stated, "but the underlying theme is the feeling of being valued, of feeling accepted, of being cared for. Real community involves equality, participation, authenticity, and sharing—the sharing of values, of laughter, of problems, of food, of stories…It's important for no other reason that our own personal survival" (p. 118). Thompson (2000) echoed the importance of community through his studies of Jungian philosophy. He wrote, "To Jung this phenomenon was a manifestation of a human drive toward wholeness, a fundamental and deep-seated desire to grow beyond the bounds of the ego and its needs toward some larger sense of connection to the inner self, the community of mankind, and God. He called this process individuation" (Thompson, 2000, p. 35).

The drive toward "wholeness" and "community" entails the essential human needs of purpose, meaning, and belongingness. The literature demonstrates that people are healthier—both mentally and physically—as they build and foster trusting relationships. In concert, organizations that create a work environment where employees feel valued, accepted, and cared for appear to report higher levels of job satisfaction among their organizational members; this finding relates to the degree of psychological safety perceived by employees. Employees perceived trust, Mishra's model showed, in organizations that created work environments that encouraged open and honest communication among their members. Further evidence suggests that communication among organizational members—also known as socialization—contributes to the learning and commitment of employees. Thus, as organizations use e-mail more and more as the primary means of communication between their members, one must question how this separation and alienation impacts the sense of purpose, meaning, and belongingness innate to the human mental and physical conditions.

Cecile Andrews (1997) in a book entitled, *The Circle of Simplicity*, may have summed up the importance of human contact and the potential impact of our increased reliance on technology the best when she stated:

We're spending time with machines instead of people. Communication on the Internet may have some value, but it just cannot replace face-to-face time spent with real people. Technology has created a world devoted to convenience and comfort…technology is destroying community in the workplace. Not only is there little physical work to do together, not only are we spending more time at the computer screen, technology performs the dual function of robbing us of our work and pressuring us to work harder, giving us less time for others…The challenge, it seems to me, is how to get the best of electronic community without having it eat up all of our time so that we have no time for anything else…We are beginning to understand that we are depressed and lonely because we are cut off from other people (p. 120).

The desire for purpose, meaning, and belonging were important attainments for people because, according to Abraham Maslow, these were the innate human needs that drove us toward the ultimate goal of self-actualization—that is, the innate calling of purpose in life outside ourselves. In the late 1960s, Maslow, a humanistic psychologist, believed that "People seek the frontiers of creativity, and strive to reach the highest levels of consciousness and wisdom" (Thompson, 2000, p. 85–86). With that belief, Maslow developed a "hierarchy of needs" that included five levels of needs: physiological safety, love, affection and belongingness, esteem, and self-actualization. The hierarchy, displayed in a pyramid format, with each level dependent on the previous, represented basic human needs—physiological safety, love, and affection and belongingness—at the bottom of the pyramid, and needs of highest potential at the top—esteem and self-actualization. At a basic level, "people have needs to escape feelings of loneliness and alienation and give (and receive) love, affection and the sense of belonging" (Thompson, 2000, p. 85–86).

Prior to Maslow's work, Erich Fromm (1956), a German psychotherapist, wrote *The Art of Loving* in which he talked about the human need for connection and the subsequent impact of separateness. Fromm (1956) wrote—

> The experience of separateness arouses anxiety; it is, indeed, the source of all anxiety. Being separate means being cut off, without any capacity to use my human powers. Hence to be separate means to be helpless, unable to grasp the world—things and people—actively; it means that the world can invade me with my ability to react. Thus, separateness is the source of intense anxiety. Beyond that, it arouses shame and the feeling of guilt (p. 8).

Fromm (1956) believed that, "The deepest need of man…is the need to overcome his separateness, to leave the prison of his aloneness….This desire for interpersonal fusion is the most powerful striving for man. It is the most fundamental passion, it is the force which keeps the human race together, the clan, the family, society. The failure to achieve it means insanity or destruction—self-destruction or destruction of others. Without love, humanity could not exist for a day…The absolute failure of this aim means insanity" (p. 9). Carl Jung, the noted theorist and scholar, concurred with Fromm stating, "Meaningfulness inhibits the fullness of life and can, therefore, be equated with illness; meaningfulness makes a great many things endurable, perhaps everything" (Thompson, 2000, p. 30).

As Daloz et al. (1996) wrote, "A sense of tribe is deeply embedded in the human soul. All of us are appropriately dependent upon and interdependent with networks of belonging…the recognition of interdependence leads one to place high value on mutually nurturing relationships with others…All people are dependent upon relationships with others and most learn to value them" (p. 63). The inability for humans to connect with others could result in an inner emptiness and lack of awareness of meaning worth living for—which Frankyl (1984) called "existential vacuum" (p. 128). Frankyl, like Maslow, believed that the ultimate goal of human connections and relationships with others was the self-transcendence of human existence. This notion of self-

transcendence, Frankyl (1984) suggested, "denotes the fact that being human always points, and is directed, to something, or someone, other than oneself—be it a meaning to fulfill or another human being to encounter. The more one forgets himself—by giving himself to a cause to serve or another person to love—the more human he is and the more he actualizes himself" (p. 133).

II.6   The Human Relations Movement

The Human Relations Movement brought to light the importance of the thoughts, feelings, emotions, and perspectives of employees on organizational life. Prior to the Hawthorne studies, employees were viewed as the "cogs-in-the-wheel" that, once manipulated, would perform as desired. The findings of the Hawthorne studies, and subsequent research performed by a number of theorists, underscored the significance of community in organizations—that is, the need of organizational members to feel connected to one another, to their working groups, and to the overriding purpose of their organization. The research demonstrated that as organizations ignored the social and psychological needs of its members, the sense of community broke down and productivity diminished.

Margaret Wheatley (1999), who viewed organizations as living organisms, described this notion of connectedness and its importance in turbulent environments:

In new science, the underlying currents are a movement toward holism,

toward understanding the system as a system and giving primary value to

the relationship that exist among seemingly discrete parts. Donnella

Meadows, a systems thinker, quotes an ancient Sufi teaching that captures

the shift in focus: "You think because you understand one you must

understand two, because one and one makes two. But you must also

understand *and*." When we view systems from this perspective, we enter

an entirely new landscape of connections, of phenomena that cannot be

reduced to simple cause and effect, and of the contact flux of dynamic

processes (p. 10).

This connection with others and the external environment is a fundamental social and psychological need of human beings. "Everybody needs," philosopher and management scholar Charles Handy said, "an inner belief that you are in some sense meant to be here, that you can leave the world a little different in a small way" (Wheatley, 1999, p.133). Our greatest motivation in life, wrote Victor Frankl in his book entitled, *Man's Search for Meaning,* "is not to gain pleasure or avoid pain but to see a meaning" (Wheatley, 1999, p.133).

II.6.1 *Elton Mayo and the Hawthorne Studies*

The Hawthorne studies, carried out over 1927–1932, launched the human relations approach to organizational management. This research, identified by many as the "single most important investigation of the human dimensions of industrial relations in the early 20th century," focused attention on the human side of organizations that had been previously ignored by the classical theories (Brannigan and Zwerman, 2001, p. 55). In essence, the results of the project showed that "human data and human tools" were necessary to solve human issues in the workplace (Jreisat, 1997, p. 94).

Elton Mayo, regarded as the founder of both the Human Relations Movement and of industrial sociology, pioneered the research at the Western Electric Company plant in Illinois. Originally, Mayo, an Industrial Research professor in the Graduate School of Business Administration at Harvard University, was brought to the plant to investigate the effects of illumination levels on workers and their productivity. While initial results showed no significant correlation between differences in lighting conditions and workers' output, Mayo believed that the "rapid development in industry had disrupted the patterns of community life that gave individual actions meaning and connection" (Briskin, 1998, p. 164). "When social order is disrupted by change," Mayo argued, "we see its effects in the individual" (Briskin, 1998, p. 164).

Over the next several years, Mayo would use a variety of research designs to explore the effects of various work conditions on morale and productivity.

In the first phase of the research, two groups that assembled telephone relays were divided into a control group and an experimental group. Over the next five years, the two groups were gradually introduced to a variety of changes in the workplace. For instance, special group payment schemes, incentive pay programs, rest pauses, shorter hours, alterations in the weekly work schedule, and refreshments were some of the changes incorporated into the work environment. Prior to making each change, the employees and the researchers would spend time discussing the change, and the researchers remained actively engaged with employees throughout the experiment. The results showed that, regardless of whether the illumination was increased, decreased, or remained constant, both the control group and the experimental group showed an improvement in output from the baseline data. In other words, the results showed that the "emotionally based attitudes of the workers," not the difficulties of the situation, impacted productivity (Pugh and Hickson, 1997, p. 139). Thus, conflict between employee and management (or, in this case, the researcher) was "inevitable unless this difference is understood and provided for" (Pugh and Hickson, 1997, p. 140).

During the next phase—known as the non-experimental situation—the employees returned to a 48-hour, 6-day week work schedule and received no incentives, rest pauses, or refreshments. Despite these conditions, productivity increased to its highest level, prompting Mayo to state, "that the itemized changes experimentally imposed…could not be used to explain the major change—the continually increasing production" (Pugh and Hickson, 1997, p. 139). Mayo concluded that the increased rate of productivity was directly related to the employees' increased work satisfaction. This increased satisfaction, Mayo believed, resulted from the employees' perceived "greater freedom…[and] control over" their work environment and the "intensified interaction and cooperation with their work group" (Pugh and Hickson, 1997, p. 140).

From the findings, Mayo generalized that "work satisfaction depends to a large extent on the informal social patterns of the work group" (Pugh and Hickson, 1997, p. 141). The group cohesion developed as employees interacted outside their normal work environment, allowing social relationships among the members of the group to flourish. In addition to the informal practices, values, standards, expectations, and norms created by the group, communication

appeared to play a significant role in the improved rate of productivity. For instance, communication between the researchers and the employees continued throughout the experiment, and the researchers would praise the employees for their accomplishments. In this new environment of cooperation between researcher and employee, absenteeism declined, group morale improved, and productivity increased (Brannigan and Zwerman, 2001).

After years of command-and-control management, the Hawthorne studies showed that employee attitudes and sentiments impacted performance. Employee responses about the workplace appeared dependent on the significance of the meaning attached to the events. The Hawthorne studies suggested that people were motivated to perform at an optimal level when they found meaning associated with the work. As Jreisat (1997) wrote, "In most work situations, the meaning of a change is likely to be as important, if not more important, than the change itself" (p. 95). "We desperately need meaning in our lives," wrote Peters and Waterman, "and will sacrifice a great deal to institutions that will provide meaning for us" (Briskin, 1998, p. 181). Therefore, the Hawthorne studies showed that the "employee is not an unrelated entity but is a social being and member of a group" (Pugh and Hickson, 1997, p. 141).

In concert with finding meaning in the workplace, two other factors were found to be relevant: social conditioning and values. These factors related to the "kind of satisfaction the person derives from social participation with other workers, supervisors, and work groups" (Jreisat, 1997, p. 96). The informal groups that were formed as a result of the experiments provided employees with the necessary "stable social relationships" (Pugh and Hickson, 1997, p. 142). This need for stable social relationships was amplified as the "traditional attachments to community and family disappear and as the workplace increases in importance" (Pugh and Hickson, 1997, p. 142). As a result of Mayo's work, communication, particularly from employees to management, was no longer viewed as an irrelevant aspect to the overall health of the organization. Thus, the basis of the human relations movement was to recognize the significance of the "human factor" in organizations and to create organizations that maintained a "personal and social equilibrium" (Brannigan and Zwerman, 2001, p. 56). In this light, a "production task is not simply about creating electronic widgets, but creating social integrity in an industrial system prone to ignoring it, or prone to squandering human potential by failing to understand it" (Brannigan and Zwerman, 2001, p. 58).

Overall, the Hawthorne studies revealed that, "people have personal needs, aspirations, and values and are influenced by peers" (Jreisat, 1997, p. 96). Mayo believed that these sociological, psychological, and physiological characteristics were more fully realized and understood in the context of the informal organization (Brannigan and Zwerman, 2001). Mayo concluded that, in essence, meaning, social relationships, and values contribute to the self-actualization of individuals, and that it was the "emphasis on individualism that had undermined the capacity of individuals to move forward as a society" (Briskin, 1998, p. 181).

II.6.2 Beyond the Hawthorne Studies

Since the Hawthorne studies, numerous theorists and researchers have used Mayo's findings to continue the exploration of the human side of business. While many researchers have focused their attention on different aspects of organizational life—for instance, structure, environment, management, decision-making, and more recently, organizational change and learning—few have dedicated their research solely to understanding people in organizations. However, for researchers like Rensis Likert, Douglas McGregor, Edgar Schein, Frederick Herzberg, and Eric Trist, the main thrust of their work has centered on the "human attitudes, expectations, value systems, tensions and conflicts, and the effects these have on productivity, adaptability, cohesion, and morale" (Pugh and Hickson, 1997, p. 137). The following section focuses on the findings of the five researchers mentioned, while integrating key findings from other theorists that have significantly contributed to the field of organizational development.

In 1949, Rensis Likert established the Institute of Social Research to conduct research on human behavior in organizations. After a number of years of examining organizational life, Likert published a book entitled *New Patterns of Management*. In his book, Likert introduced, "a newer theory of organization based on the management principles and practices of the managers who are achieving the best results in American business and government" (Jreisat, 1997, p. 102). Likert's theory, unlike that of Frederick Taylor's "job-centered" approach, focused on management's ability to increase productivity by focusing on the human aspects of organizational problems and building work groups to set high achievements goals (Pugh and Hickson, 1997).

Similar to Likert, Douglas McGregor was interested in understanding human behavior in organizations. McGregor used the traditional definition of management described by Henri Fayol's five elements (i.e., forecast and plan, organize, command, coordinate, and control) to create "Theory X" (Pugh and Hickson, 1997). McGregor used Theory X to show that traditional models of organizations implied certain basic assumptions about human motivation. For instance, Pugh and Hickson (1997, p. 145) outlined the major assumptions of Theory X as:

1. The average human being has an inherent dislike to work and will avoid it if possible. Thus, management needs to stress productivity, incentive schemes, and "a fair day's work" and to denounce "restriction of output."

2. Because of this human characteristic of dislike of work, most people must be coerced, controlled, directed, and threatened with punishment to get them to put forth adequate effort toward the achievement of organizational objectives.

3. The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, and wants security above all.

To counter these assumptions of human behavior, and to use the findings of social research, McGregor offered an alternative to Theory X. "Theory Y," as McGregor named it, used an underlying principle of integration rather than control. Pugh and Hickson (1997, p. 145-146) described the assumptions of Theory Y as—

1. The expenditure of physical and mental effort in work is as natural as play or rest. The ordinary person does not inherently dislike work; according to the conditions, it may be a source of satisfaction or punishment.

2. External control is not the only means for obtaining effort. "People will exercise self-direction and self-control in the service of objectives to which they are committed."

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3. The most significant reward can be offered to obtain commitment is the satisfaction of the individual's "self-actualizing needs." This can be a direct product of effort directed toward organizational objectives.

4. The average human being learns, under proper conditions, not only to accept but also to seek responsibility.

5. Many more people are able to contribute creatively to the solution of organizational problems than do so.

6. At present, the potentialities of the average person are not being fully used.

Edgar Schein, a social psychologist and professor at Massachusetts Institute of Technology (MIT), used McGregor's work to expand the analysis of motivation and to more fully understand the impact of a manager's assumptions on human behavior. Schein examined three sets of assumptions that had evolved through the study of human behavior in organizations. He categorized these three sets of assumptions in the order of their historical appearance, and offered a fourth based on his belief that individuals in organizations were motivated by an unwritten set of expectations that operated at all times—known as the "psychological contract" (Pugh and Hickson, 1997, p. 149).

According to Schein, because motives varied, leaders in organizations should be cognizant of individual needs and situations that might warrant a particular management technique and approach. Schein acknowledged that individuals had certain expectations of the organization, but he also emphasized that organizations, while often implicit, had expectations of employees. Thus, the closer an individual's expectations matched an organization's expectations, the more likely the individual would be motivated to perform successfully. And, because an individual's psychological contract was continuously evolving as a result of experiences, the degree of person–organization matching was likely to change. Therefore, the "career development perspective" was a "continual matching process between the individual and the organization" (Pugh and Hickson, 1997, p. 150).

Based largely on his concept of assumptions and the people–organization matching process, Schein would later develop a model of organizational culture. Organizational culture, according to Schein, existed on three levels: assumptions, values, and artifacts (Hatch, 1997). Schein's model explained assumptions as the underlying core of an organization's culture; values such as the social principles, goals, and standards held within a culture; and artifacts as the visible, tangible, and audible remains of behavior (Hatch, 1997). Socialization referred to the process by which an individual acquired the attitudes, behavior, and knowledge needed to participate as an organizational member (Cable and Parsons, 2001). The degree to which socialization occurred could affect employee turnover, organizational commitment, and the continuity of an organization's values and norms (Cable and Parson, 2001). Thus, the key to leadership, Schein believed, was managing organizational culture (Pugh and Hickson, 1997).

Frederick Herzberg, similarly to Schein, challenged the traditional methods used for organizing work in business. Herzberg, a psychologist who researched industrial mental health, questioned whether current practices were "appropriate for people's total needs and happiness" (Pugh and Hickson, 1997, p. 154). In a survey of 200 engineers to determine factors of job satisfaction and dissatisfaction, findings revealed two different types of human needs. These two types, which Herzberg named after the biblical characters Adam and Abraham, both aimed for satisfaction in work, but based on different factors. The Adam type, as Pugh and Hickson (1997) described him, was driven by the "basic needs of food, warmth, avoidance of pain, safety, security, and belongingness," while the Abraham type was concerned with "achievement, recognition, responsibility, and advancement" (p. 154). Herzberg believed that job satisfaction and dissatisfaction were not opposites—in other words, satisfaction in one factor (e.g., advancement) did not guarantee that the lack of the particular factor would cause dissatisfaction—but rather, indicators of different aspects of human nature (Pugh and Hickson, 1997).

The discovery of the differing aspects of human nature defined in Herzberg's "motivation-hygiene" approach suggested that "jobs [should] be enriched to include motivating factors to bring about an effective use of people and to increase job satisfaction" (Pugh and Hickson, 1997, p. 155). Psychological growth, Herzberg believed, was the key to fulfillment and job satisfaction. For instance, opportunities for achievement, responsibility, recognition, growth, and learning built into the job—known as vertical loading—resulted in higher job satisfaction

than adding and switching tasks—known as horizontal loading—because individuals had more freedom with accountability and were introduced to new and challenging tasks (Pugh and Hickson, 1997). The goal of motivation-hygiene, Herzberg contended, was to find a balance between the basic human needs of security and safety, and the psychological needs of understanding and achieving (Pugh and Hickson, 1997).

The social and psychological needs of employees also became the primary interest of social psychologist Eric Trist, a senior member of the Tavistock Institute of Human Relations in London. Trist and his colleagues used "action research" to study the effects of mechanization in British coal mining (Pugh and Hickson, 1997). Trist found that, while the new technology made it possible for more employees to work over a larger area in a mining tunnel, the new approach "disrupted the traditional high degree of job autonomy and close work relationships with a number of deleterious effects" (Pugh and Hickson, 1997, p. 158). For instance, communications between employees—which once used face-to-face contact as the primary method to complete a task—was hindered because of the spatial separation of the workforce. This lack of communication increased symptoms of social stress, including feelings of isolation, defensiveness, deceptive acts, scapegoating, and absenteeism (Pugh and Hickson, 1997). Thus, Trist concluded that the working group was an "interdependent sociotechnical system"—that is, "the work organization has social and psychological properties of its own that are independent of the technology" (Pugh and Hickson, 1997, p. 160).

This interdependent system, composed of social, technical, and economic requirements, was mutually interactive and, therefore, required the joint optimization of these requirements to attain ideal working conditions. In other words, organizations needed to recognize the constantly changing external environment—like technological advances—and respond with the appropriate strategies to satisfy the social and psychological needs of the employees. For example, in a small shipboard community that lived together in isolated conditions 24 hours a day, common mess and recreation rooms were created, deck and engine-room crews were integrated, status differences between officers and crew were reduced, and opportunities for career succession through training exercises were provided. These improvements, which required the participation of all the parties involved in the shipboard community, sustained the "macro-social" level requirements necessary to effectively function in the turbulent environment (Pugh and Hickson, 1997).

The essence of Trist's theory was to move organizations from a "redundancy of parts" as seen in a traditional bureaucracy to a "redundancy of functions" to cope with turbulent and changing environments (Pugh and Hickson, 1997). In this new design approach, self-regulating employees performed tasks in autonomous working groups; collaboration rather than competition was emphasized; and, hierarchical structures was reduced. These requirements—in addition to effectively managing "boundary conditions"—were key to organizational survival and employee satisfaction during environmental changes.

II.7   New Evidence of the Social and Psychological Connection

Many theorists have increasingly suggested that people seek more meaning, purpose, and sense of community within the workplace (Ashmos and Duchon, 2000). This movement could be related to several trends in society. First, it has been theorized that organizational restructuring, downsizing, and layoffs created a workplace environment where employees felt "demoralized and where there is a growing inequity in wages" (Ashmos and Duchon, 2000, p. 134). Second, the workplace was now being viewed more often as the "primary source of community for many people because of the decline of neighborhoods, churches, civic groups, and extended families as principal places for feeling connected" (Ashmos and Duchon, 2000, p. 134). For many, Ashmos and Duchon (2000) believed, the workplace provided the "only consistent link to other people and to the human needs for connection and contribution" (p. 134). A third factor could be the increased interest in eastern philosophy such as Zen Buddhism, and a growing acceptance of stress-reducing meditation techniques and the renewed importance of recognizing the human spirit (Ashmos and Duchon, 2000, 135), that was "the vital principle, the animating force traditionally believed to be within and the essential nature of every human being" (White, 2001, p. 49). Fourth, others have suggested that as the baby-boomer generation moved closer to "life's greatest uncertainty—death—there is a growing interest in contemplating life's meaning" (Ashmos and Duchon, 2000, p. 135). Finally, global competition has caused organizational leaders to refocus their attention on the human capital aspect of business (Ashmos and Duchon, 2000).

These factors, if ignored, have been predicted to impact the sustainability of the modern organization. Many researchers in the field of organizational development have

forecasted that organizations will encounter higher operating costs, less accountability for quality and integrity, and generalized instability, as well as become resource constrained searching for quality and cost control (White, 2001). White (2001) believed that, "when organization cultures afford no place for the human spirit in the workplace, employee dissatisfaction manifests itself in many areas: ethics, quality, attendance, turnover, loyalty, and morale" (p. 50).

White (2001) wrote that community provided "a safe atmosphere that enables us to transcend our protective identities and learn, through increased personal responsibility, risk, and communication, to create an environment where self-discovery and shared understanding can flourish" (p.48). Connected knowing and learning through relationships appeared to be significant components of the learning process. Modeling, interpersonal support, social support, family connections, networking, friendships, and developing trust (Taylor, 1997) were found to influence the meaning attributed to experiences in adulthood. In a study about the meaning derived from personal withdrawal experiences, Cochrane (1981) found that "it is in and through the disclosure of one's self to another that meaning develops and is enhanced" (Taylor, 1997, p. 35). Additional characteristics of a transformation emerged from other studies as well, such as an increase in personal power, spirituality, a transpersonal realm of development, compassion for others, creativity, a shift in discourse, and a new connectedness with others (Taylor, 1997).

The fundamental need for meaning, purpose, and community has led to new studies in the field of adult learning centered on a transpersonal framework. Boucouvalas (1999), a researcher in of transpersonal adult development, introduced the significance of a balance between autonomy (the sense of separateness) and homonomy (the sense of connection) at an Adult Education International Conference. This balance, Boucouvalas (1999) wrote, is important "for individual and societal development" and, "…the balance is not just an external one, but one which must equally emanate from the internal development of each of us as members of the human species." In other words, as individuals who were part of a larger, "macro-social" system—as described by Trist—we needed to develop both "an independent separate self-sense" and a "meaning in life derived from being and feeling parts of greater wholes" (Boucouvalas, 1999).

The emergence of spirituality has appeared, in part, "because people want to feel connected to work that is important, and they want to feel connected to each other at work"

(White, 2001, p. 53). The human spirit, defined by White (2001) as "the vital principle, the animating force traditionally believed to be within and the essential nature of every human being," seeks community and meaningful work (p. 54). Organizations that engaged "the whole person: mind, body, and spirit," White (2001) explained, "enable individuals to find an orientation in life and can improve organizational performance by leading individuals to experience consciousness at a deeper level" (p. 54). In turn, a more innovative organization provided "opportunity for a higher sense of service and greater personal growth and development. Thus, spiritual-based values can enhance teamwork and employee commitment to the organization" (White, 2001, p. 55).

The notion of spirituality in the workplace, although apparent elsewhere in the human experience, is a relatively new concept. "Personal transformation, self-discovery, beginning a personal journey, utopian visioning, and experiencing renewal," White (2001) wrote, were "common images in religious circles and personal interventions, but they are completely foreign to conventional organization and management theory" (p. 49). However, these images, as the research has demonstrated throughout the human relations movement, are essential to the social and psychological needs of human beings. And, as Boucouvalas (1999) expressed it, because social and psychological needs were vital to the health of an organization, the charge for researchers examining organizational life was to begin to more clearly understand the nature of work environments that honored the balance between "nurturing a sense of individual freedom and rights which is in turn, responsible to society (the larger whole), a motivation which does not deny the ego strivings, but does not support greed."

Spirituality at work appeared, according to White (2001), because people wanted to feel connected to work that was important, and they wanted to feel connected to each other at work. This emerging desire to form a community within the office culture demonstrated that teams and organizations that powerfully connected to their spirit achieved exponential gains in products and service, because they found that work was sacred. White (2001) stated that, "when an organization or culture engages the whole person: mind, body, and spirit, they enable individuals to find an orientation in life, and brings new impulses to all areas of their culture and civilization" (p. 55).

Over the last decade, organizations have seen the transformation of the modern organization with the emergence of new technologies. As organizations have adopted these new

technologies—similar to the findings by Trist—organizational members have been able to work more autonomously. Consequently, however, organizational members are spending less time face-to-face with work communities, and often the underpinning social and psychological needs of organizational members mentioned throughout the evolution of the human relations movement have been neglected (Briskin, 1998). The imbalance of autonomy and homonomy in the modern organization has led to "a fuse gradually and steadily burning from inside of the organization…from its people" (White, 2001, p. 56). This fuse, left ignited, could have devastating effects on the individual, the organization, and society at-large. For instance, workplace violence, employee dissatisfaction, absenteeism, and disloyalty have been found present in organizations that limit the focus on a balanced approach (White, 2001).

II.8   Trust's Influence on Organizational Social Capital and Psychological Safety

In 1999, Leana and Van Buren developed a model of organizational social capital, defining its components and consequences. They defined social capital as a "resource reflecting the character of social relations within the organization, realized through members' levels of collective goal orientation and shared trust" (Leana and Van Buren, 1999, p. 538). Associability and trust were the two primary components of organizational social capital (Leana and Van Buren, 1999). The first component, associability, was defined as the "willingness and ability of participants in an organization to subordinate individual goals and associated actions to collective goals and actions" (Leana and Van Buren, 1999, p. 541). Associability combined elements of sociability (the ability to interact socially with others) with a willingness to subordinate individual desires to group objectives. This "collectivistic culture" was characterized by cooperation among members and an emphasis on the welfare of the group (Leana and Van Buren, 1999, p. 542). The second component, trust, was an essential element in the organizational social capital model because individuals depend on the collective action of work teams to complete collaborative efforts. Specifically, "resilient trust," like acquaintanceship and shared membership, was an important aspect in sustaining community cohesion and collective action. Unlike fragile trust that was based on perceptions of the immediate likelihood of rewards, resilient trust was based on experience with others and beliefs about their moral integrity. Thus, resilient trust, embedded in organizational norms and values,

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created a "generalized trust" which held a social system's community together and enhanced collective action (Leana and Van Buren, 1999).

Leana and Van Buren identified three organizational practices that support effective social capital. First, stable relationships among organizational members supported a strong social capital by building "relational contracts" (Rousseau, 1995). Investments in training, job security, collaborative work teams, and learning were organizational practices that provided opportunities for members to form meaningful relationships at work and, thus, foster social capital. According to Leana and Van Buren, human resource practices that reinforced associability and trust yielded better organizational-level results than those observed in systems that focused exclusively on individual contributions. A second practice, the reciprocity of organizational norms, built social capital through an "overarching philosophy and corresponding norms" espoused by the organization and reinforced among organizational members through socialization (Leana and Van Buren, 1999, p. 545). Organizational practices such as selecting, rewarding, and promoting organizational members that demonstrate desired attitudes, behaviors, and goals, helped build social capital. Members learn the kinds of values, behaviors, and habits that were valued by the organization. These experiences shaped perspectives and job-related behaviors that contributed to organizational social capital (Leana and Van Buren, 1999). Specified rules and procedures, the third practice, helped organizations to define a social structure that could "maintain stability in the face of instability of individuals" (Leana and Van Buren, 1999, p. 545). Highly specified and structured roles provided a degree of flexibility in organizations as qualified members moved easily into different positions (Leana and Van Buren, 1999). However, as organizational structures became less bureaucratic and predictable, this practice lost its effectiveness (Leana and Van Buren, 1999).

In 1997, Nahapiet and Ghoshal conducted a comprehensive review of previous work on social capital and developed a theoretical model of how social capital facilitated value creation in organizations. They identified three different aspects of social context: structural, relational, and cognitive. The structural dimension of social capital included social interaction. Social interaction provided "certain advantages" as people used their personal contacts to "get jobs, to obtain information, or to access specific resources" (Nahapiet and Ghoshal, 1997, p. 243). The relational dimension referred to the "assets that are rooted in these relationships, such as trust and trustworthiness" (Nahapiet and Ghoshal, 1997, p. 243). The third dimension, cognitive, was the

"shared code or shared paradigm" that facilitated a common understanding of collective goals and proper ways of acting in a social system (Nahapiet and Ghoshal, 1997, p. 244). According to Nahapiet and Ghoshal, these dimensions facilitated the combination and exchange of resources within an organization.

Using Nahapiet and Ghoshal's theoretical model of social capital as a foundation, Tsai and Ghoshal (1998) extended and elaborated the framework. Tsai and Ghoshal surveyed 15 business units of a large multinational electronics company to examine the association between social capital and value creation within an organization. The results revealed that social interaction, a manifestation of the structural dimension of social capital, and trust, a manifestation of the relational dimension, were significantly related to the extent of interunit resource exchange. In turn, Tsai and Ghoshal found that the relationship between social interaction and trust had a significant effect on product innovation.

According to Morrison and Robinson (1997), the "psychological contract" between an employee and its organization was the foundation of employment relationships (p. 226). They defined the psychological contract as an "employee's beliefs about the reciprocal obligations between that employee and his or her organization" (Morrison and Robinson, 1997, p. 266). A violation of the psychological contract occurred when employees perceived that an organization was not fulfilling its obligations. This perceived incongruence, Morrison and Robinson (1997) believed, resulted in "betrayal and deeper psychological distress…anger, resentment, a sense of injustice and wrongful harm" (p. 230). The cognitive and emotional one experienced when a violation occurred could lead to attitudinal and behavioral responses that could be devastating to an organization's performance and productivity (Morrison and Robinson, 1997).

Socialization, communication, and trust are three factors that can minimize incongruence and decrease violations to an employee's psychological contract. First, Morrison and Robinson (1997) described socialization as a process in which employees "learn the values, beliefs, and assumptions" of an organization (p. 236). Socialization provided the experiences in which individuals form their "cognitive schemata" (Morrison and Robinson, 1997, p. 237). Employment relationships, for instance, were one type of schema that individuals held. This schema, according to Morrison and Robinson, helped individuals to define what a typical employment relationship entailed, and it guided their interpretation and recollection of the promises that existed within employment relationships. As employees experienced more intense

socialization, Morrison and Robinson believed that there would be less divergence in their schemata about employment relationships and less potential for incongruence in the psychological contract. Second, communication was a factor that would "minimize incongruence" between an employee and the organization as obligations were defined and reinforced (Morrison and Robinson, 1997, p. 237). Morrison and Robinson believed that any factor that facilitated ongoing communications, such as high leader-member exchange or perceived similarity, would reduce the likelihood of an experienced violation. Third, trust within the employee-organization relationship was likely to decrease incongruence of the psychological contract. Employees learned to trust one another through observations and experiences. Socialization and communication offered opportunities for employees to learn trust. In turn, the amount of trust among employees increased socialization and communication in an organization. According to Morrison and Robinson, these three elements helped an organization maintain its psychological contract with its employees, and thus contributed to overall health of an organization.

According to Andersson and Pearson (1997), workplace norms were the norms of the community of which one was a part while at work, consisting of basic moral standards and others that arose out of the tradition of that community, including those prescribed by formal and informal organizational policies, rules, and procedures. When norms concerning demeanor, consideration, and politeness were not met, perceptions of unfairness concerning personal treatment occurred (Solomon, 1998). The perceived violation of organizational norms, according to Andersson and Pearson (1997), could result in an "incivility spiral" (p. 452). Spirals in organizations were created by human actors that "lack[ed] adequate understanding" of a situation (Andersson and Pearson, 1999, p. 453). The incivility spiral began as the negative action of one party led to the negative action of the second party and counterproductive behavior increased (Andersson and Pearson, 1999). Perceptions of "interactional injustice" then created a negative effect and stimulated a desire to reciprocate the perceived unfair act (Andersson and Pearson, 1999, p. 453). Andersson and Pearson suggested that distrust and fear increased as employees became aware of the mounting incivility.

In an examination of 51 work teams, Edmondson (1999) found that team psychological safety was associated with learning behavior. Team psychological safety, a shared belief that the team was safe for interpersonal risk taking, provided the necessary environment where

individuals "feel secure and capable of changing" (Edmondson, 1999, p. 350). Interpersonal trust was a key aspect of team psychological safety, yet it extended beyond the individual to include the team climate in which members felt comfortable sharing information. According to Edmondson, team psychological safety facilitated learning behavior in work teams as it alleviated risks. Within this safe environment, team members were more likely to share information, engage in problem-solving activities, communicate opinions, and solicit feedback, thus contributing to the learning process (Edmondson, 1999).

II.9   Trust, Communication, and Technology

Communication can strengthen member identification because it provides organization members with an opportunity to create and share their subjective perceptions of the organization's defining features—its norms, values, and culture. Knowledge of these facets of the organization may create a sense of shared meaning among employees. Sproull and Kiesler (1991) concluded that communication helped create shared meaning because it provided social context cues, which led to the perception of social presence (Fulk and Boyd, 1991), and created a shared interpretive context among organization members. Shared meaning provides organization members with a clear sense of the organization's identity and may strengthen member identification.

In 1999, D. Reina and M. Reina introduced the Reina Trust and Betrayal Model. One of the types of transactional trusts highlighted was "communication trust" (p. 45). The authors defined communication trust as "the willingness to share information, tell the truth, admit mistakes, maintain confidentiality, give and receive constructive feedback, and speak with good purpose" (Reina and Reina, 1999, p. 45). They found that sharing information and involving employees in running a business, increased trust while positively affecting productivity and profitability. D. Reina and M. Reina suggested that an individual's capacity for trust might influence the degree to which information was shared. Through sharing, leadership demonstrated trust in people to manage information. In turn, people were able to focus on performing their jobs with innovation and creativity rather than expending energy trying to find information.

This sense of creativity through sharing with and learning from others was echoed by Daloz et al. (1996):

> Professional education often encourages critical, systematic thought, but when holistic thought is also sponsored, professionals learn to work with individuals and communities with multiple issues lived out not in discrete entities but as an integrated whole. Multiple perspectives and 'out-of-the-box' thinking rather than narrow expertise or disembodied economic models are essential in the new commons where all professionals work interdependently with professions other than their own (p. 227).

Through extensive research in a variety of organizations, D. Reina and M. Reina found that when information was not shared or there was a perception that information was not shared, employees felt betrayed. A leader's behavior, the authors noted, was crucial in building trust and opening communication. Relationships developed through leaders' demonstrating a strong sense of trust in their people, and the practice of communication trust helped a leader understand people better. The leader had to be able to count on effective relationships with people and help them learn to enhance their contribution to the organization. Communication trust, D. Reina and M. Reina (1999) wrote, "contributes to the development of safe and productive work environments where an individual's capacity to trust in self and others increases and the organization's capacity to perform expands" (p. 46).

Shockley-Zalabak et al. (2000) found that because communication was viewed as "central to the behavioral trust processes," it was important to understand the factors that affected perceptions of trustworthiness and overall job satisfaction (p. 36). In a review of the literature on trust, communication, and job satisfaction, they found that "accurate information, explanations for decisions, and openness of communication…adequate explanation and timely feedback on decisions are associated with higher levels of trust" (Shockley-Zalabak et al., (2000, p. 38). Similarly, Butler (1991) found that managers who freely exchanged their ideas with their employees enhanced overall perceptions of trust.

The rise of the information age has increased the need for organizations to more rapidly acquire, capture, and disseminate knowledge to remain competitive in the global market. This urgency has forced many organizations to turn to information technology as one possible way to more rapidly and efficiently distribute knowledge to a dispersed workforce. Shand (1999) found, however, that organizations were learning that while the technology could enhance the interaction of existing communities, it could not create community by itself. Communities within organizations built trust and share knowledge through informal learning and communication. Information technology enabled trusted and established communities new venues for sharing knowledge.

Hallowell (1999) concluded that in the last decade or so, technological changes had reduced the need for face-to-face interaction. While computers once were tools employed to complete specific tasks, individuals now used computers to communicate with others and to work on a variety of tasks (Dryer, Eisbach, and Ark, 1999). Computers change individuals' relationships not only with devices but also with other individuals. Increasingly, information technologies are becoming communication systems. E-mail systems require that social interaction between people be mediated by a computer system. According to Carlson and Zmund (1994), as this technology became more common in the workplace, executives and managers were finding that people used the media differently and to varying extents.

E-mail technology offers an ease of communication to organization. In many ways, the access and ease of e-mail communication has provided organizations with the ability to transmit information across dispersed communities. When people use e-mail, they can communicate even when they are not physically or temporally proximate. Thus, it is not surprising that most studies report that the use of e-mail increases organizational communication. However, some research has found that the "simple and instantaneous long-distance communication can increase the potential for misunderstanding by making the need for cultural adjustment less obvious" (Drake et al. (2000, p. 45).

Handy (1995) provided some useful advice based on his analysis of the virtual organization. He claimed that it was essential to increase trust throughout organizations as organizations became more virtual or networked. Specifically—

Paradoxically, the more virtual an organization becomes, the more its

people need to meet in person. The meetings, however, are different.

They are more about process than task, more concerned that people get to

know each other than that they deliver…Work and play, therefore,

alternate in many of the corporate get-togethers that now fill the

conference resorts out of season. These are not perks for the privileged;

they are the necessary lubricants of virtuality (Handy, 1995, p. 46).

Similar to Handy, Rousseau et al. (1998) concluded that, "networks of trust hold important implications for the ability to participate in virtual networks" (p. 398).

In a multiyear trial with e-mail, Sarbaugh-Thompson and Feldman (1998) found that as e-mail use increased, the reliance on face-to-face communication and all other media decreased, and the overall amount of communication in the organization decreased. Additional information suggested that there was also a decrease in perceptions of connectedness and community in working groups. Accordingly to minutes of the work group meetings in Sarbaugh-Thompson and Feldman's study, members said increasingly that they felt the unit was no longer as connected as it once was. Unit members said that they did not know what other people were doing.

Based on the theories of Goffman (1963) and Giddens (1974, 1984), Sarbough-Thompson and Feldman (1998) constructed a two-by-two matrix to explore the impact of increased e-mail use on organizational communication. The authors found that there were substantial advantages to being available and face-to-face for the performance of some tasks. When people were face-to-face, they could engage in conversation simply because they were there (Festinger, Schachter, and Back, 1950). In organizations, social conventions encourage our inclination to talk if we are proximate even for short periods of time. Brief, transient, and seemingly trivial encounters are important for organizations. Unplanned, casual conversation— or presence availability, Sarbough-Thompson and Feldman found, provided organizational members opportunities to expand their contact and their knowledge about other people. They also supported the formal communication channels in a number of ways. March and Sevon

(1984) pointed out the importance of gossip in keeping communication channels open so that they were available when needed for substantive purposes. Katz and Kahn (1978) suggested that grapevines and gossip could provide better and faster information than more formal communication. Hage (1974) also discussed the importance of unscheduled communication for the processes of feedback and socialization, particularly in organizations with diverse specializations. Thus, evidence of a reduction in casual conversations or in the opportunities for casual conversation should be a cause for concern. Research suggests that e-mail decreases the need for people to be co-present, and by implication, decreases opportunities for casual conversation.

"Absence unavailability" refers to the inaccessibility of people when they are not present in the same place at the same time and when they do not use communication technologies or other means to bridge this gap. Signals indicating absence unavailability tend to be ambiguous and private. For these reasons, absence unavailability does not perform the same function of establishing social trustworthiness that presence unavailability can.

Sarbough-Thompson and Feldman defined presence unavailability as the nonverbal cues indicating whether people were co-present but unavailable or not interested in establishing involvement in a face-to-face encounter. Goffman noted that when people observed accepted social conventions about signaling unavailability, they not only reinforced social norms, but they established their social reputations as trustworthy and valuable communication partners. As Goffman pointed out, when people signaled that they did not wish to engage in mutual involvement with another person, bystanders might question whether that person was worth their time and attention. When people were discrete about leaving an encounter of mutual involvement, they established themselves as trustworthy communication partners whose actions would not unduly subject others to questions about their communication worth. Interactions that take place through e-mail are different in that the observers are less evident, and people have more time to think about their interactions. Therefore, e-mail decreases the risk that an encounter may damage a person's social reputation but also decreases the opportunities to establish social credentials and build a sense of trust between people.

Giddens (1974, 1984) suggested that co-presence was an important element of social integration. He cited Goffman's work on civil inattention to support this assertion. Goffman pointed out how individuals handled being present but not available was important to the

development of social trust. Giddens (1979) suggested that there were two ways to maintain or reproduce social systems: social integration and system integration. Social integration required that people be simultaneously in each other's presence; system integration did not. Social integration was based on mutual observation of and response to behavior that, over time, allowed people to understand one another's behaviors and reactions. System integration, which did not require co-presence, was based on knowledge of general practices. Giddens (1984) stated that it was not knowledge about the conventional ways to signal disengagement (system integration), but expectations based on experience and observation of the ways specific people responded in particular circumstances that formed the foundation of social integration. When people shifted some of their communication from face-to-face to e-mail, co-presence was likely to decrease. Organizations in which this shift occurred had decreased opportunities for social integration. Despite the potential consequences of this, Sarbaugh-Thompson and Feldman found that little empirical work on electronic communication directly explored this issue.

Through extensive research, Sarbough-Thompson and Feldman found that people who interacted face-to-face were more likely to be positively disposed toward each other. Even groups of strangers preferred to work with one another once they interacted face-to-face. As people worked with others, they could observe many work behaviors and personalities. The way people formed positive impressions of others was to some degree dependent on the visual and vocal behavior of the targets. Face-to-face interaction, as a richer communication medium, offered more opportunities for revealing individuating information to group members (Drake et al., 2000).

Wisenfeld, Raghuram, and Garud (1999), in their study exploring the role that information technologies played in the creation and maintenance of a common identity among "decoupled" organization members, found that the virtual context complicated efforts to externally control employees. Their research suggested that virtual organizations should replace external controls with internal controls such as trust, employee motivation, and the convergence of individual and organizational goals.

According to Wiesenfeld, et al., in organizational life, communication could strengthen member identification because it provided organization members with an opportunity to create and share their subjective perceptions of the organization's defining features—its norms, values, and culture. The believed that knowledge of these facets of the organization might create a sense

of shared meaning among employees. Researchers found that communication helped create shared meaning because it provided social context cues (Sproull and Kiesler, 1991), which led to the perception of social presence (Fulk and Boyd, 1991), and created a shared interpretive context among organization members. Shared meaning provides organization members with a clear sense of the organization's identity and may strengthen member identification.

Lucas (1998) examined the direct and secondary benefits of e-mail on organizational efficiency. The findings suggested a strong concurrence between management views based on actual practice, and the academic literature: "E-mail makes organizational communications easier, faster, and more efficient" (Lucas, 1998, p. 23). However, Lucas also found that e-mail, by supporting the growth of a wide variety and growing number of low intensity and informal relationships between an organization's employees and others both inside and external to the organization, posed a "new and paradoxical management challenge" (Lucas, 1998, p. 23). Management studies have argued that informal organizational flows were essential, and they were becoming more and more critical in a complex world of global decentralization (Casson and Singh, 1993), collaboration among companies (Schrader, 1991), product development teams (Allen, 1997), and technology innovation (Rogers, 1982). Yet the character of these information flows was that, while they might, in fact, be more efficient than formal mechanisms (MacDonald, 1996), they were outside the organizational lines of authority and too numerous and varied to monitor. Lucas observed that as more and more information flowed inside and across organizational boundaries without formal sanction, ultimate responsibility for the valuing of information must, of necessity, be placed on the individual.

In his review of technology's impact on interpersonal interaction, psychiatrist Edward Hallowell (1999) argued that individuals suffered from a lack of authentic psychological encounters or "human moments" (p. 58). Hallowell described a human moment as "an authentic psychological encounter that can happen only when two people share the same physical space" (1999, p. 59). He defined two prerequisites of the human moment—people's physical presence and their emotional and intellectual attention. The positive effect of a human moment could last long after the people involved had said goodbye and walked away. Hallowell (1999) wrote, "People begin to think in new and creative ways; mental activity is stimulated" (p. 60). However, Hallowell (1999) warned that human moments were disappearing as the "tide of electronic hyperconnection rises" (p. 60).

As organizations rely on technologies to communicate with their workforce, the human moments fall by the wayside. Hallowell suggested this could lead to dysfunction in the organization. Oversensitivity, self-doubt, and abrasive curtness were more observable as humans engaged in less face-to-face interaction, and an organization's culture turned unfriendly and unforgiving, resulting in a workforce that was less productive. Increased turnover and levels of distrust, disrespect, and dissatisfaction have been observed in organizations with less interpersonal communication. These disturbing factors resulted in organizational life because, according to Hallowell, the human connection that, "consistently served to nourish committed people" was diminishing (Daloz et al., 1996, p. 43).

Gainey, Kelley, and Hill, (1999) found that new employees depended on socialization and informal discussions with mentors and co-workers to learn the history of the organization and the accepted norms, values, and behaviors. They found that telecommuting, a work arrangement in which an individual worked from home, limited the ability for individuals to interact face-to-face with others in the work environment. Limiting interaction with others in this manner reduced the likelihood that these individuals would be exposed to elements that would create and reinforce corporate culture (Gainey et al., 1999). Gainey et al. believed that limiting socialization and informal interaction of individuals in the workplace could have long-term implications on a work environment.

In a review of telecommuting's impact on corporate culture and individual workers, Gainey et al. highlighted the work of Buss (1991) and Baumeister and Leary (1995). These researchers suggested that the innate, human need to associate with and identify with others was a fundamental motivation, and individuals had a "strong need to establish and maintain long-term, positive relationships with others" (Baumeister and Leary, 1995, p. 499). According to Baumeister and Leary, two distinct criteria must exist to satisfy this basic human need. First, individuals must interact frequently with the same people. Second, the interaction must occur in a relatively stable environment. Gainey et al. (1999) noted that, "failure to maintain these frequent, enduring relationships will lead to a number of negative consequences such as anxiety, depression, and even physical ailments" (p. 8).

Gainey et al. believed the lack of visibility in a telecommuting workplace could limit individuals' opportunities for advancement. Telecommuting, they suggested, led to higher levels of employee separation from the workplace. Gainey et al. believed that this separation from the

work environment led to feelings of isolation among individuals within the workplace. They suggested that these feelings of isolation, combined with the absence of strong cultures to reinforce accepted norms, values, and beliefs, led to an overall negative effect on individual attitudes and behaviors. According to Gainey et al., weakened culture and unsafe feelings could contribute to less commitment to the organization, resulting in increased turnover and cost to the organization.

Drake et al. (2000), drawing upon the theory of communicative action developed by Habermas (1984) and the literature on ethical communication, explored how technology could encourage or discourage moral dialogue. Communication, as presented in Habermas' theory of communicative action, played a central role in creating everyday understanding and social norms. As the moral claims that underlay communication were challenged, individuals resorted to a specific moral discourse to resolve disagreements (Drake et al., 2000). "Ideal speech," as Habermas (1984) believed, reflected situations that were open, fair and uncoerced, where participants sought rational consensus through discourse (Drake et al., 2000, p. 44). Drake et al. used the formal properties of moral discourse presented by Habermas and elaborated by Kettner (1993) to propose a template of five guidelines for reaching consensual understanding. Drake et al. conducted an extensive review of the literature on ethical communication among participants in moral discussions to develop five additional guidelines for sustaining relationships. Using the 10 guidelines for reaching understanding and sustaining relationships, Drake et al. examined the use of technology in the workplace and explored how technology could enhance or inhibit the achievement of each guideline.

According to Drake et al., communication shaped social relationships by producing and reproducing the common understandings that were necessary for shared social value systems. Language, Drake et al. (2000) wrote, "provides the means by which people construct a sense of personal identity, and build close relationships, solidarity and community" (p. 45). Underlying communication were assumed ground rules of behavior that allow parties to confidentially pursue common understanding. Habermas' theory of communicative action stated that three validity claims represented the ground rules people used when engaging in everyday communication. Drake et al. summarized these validity claims as (1) truth claims about the state of affairs in the objective world; (2) legitimacy claims about truth in relation to the shared social world; and, (3) sincerity claims about truth in relation to the speaker's own subjective world.

Relationships were enhanced or hindered as "validity claims" were reinforced or violated through communication (Drake et al., 2000). For instance, mutual understanding was achieved as validity claims were met. Conversely, incorrect information, inappropriate moral claims, or insincerity in communication could result in a violation to validity claims. Drake et al. found that when violations to validity claims took place, individuals must restore the truth conditions for true communication to resume. They concluded that moral discourse, achieved within an ideal speech situation, was the process through which participants restored the normative validity claims about their shared social world. Habermas believed that this rational discourse process was particularly important in solving problems of moral content (Drake et al., 2000).

In 1993, Kettner elaborated on Habermas' ideas of moral discourse to propose five conditions that must be met in order for individuals to reach a true consensual understanding of the moral standards that guided social interactions. These five conditions were: (1) power neutrality—the discussion must be free from coercion; (2) generality—the discussion should be open and accessible to all interested parties; (3) autonomous evaluation—participants must have opportunity to fully express interests; (4) role taking—participants must attempt to view the situation from others' perspectives; and, (5) transparency—participants must reveal their goals and intentions relevant to the issue. Drake et al. combined the perspectives of Habermas and Kettner to identify a set of five characteristics for reaching moral understanding. Drake et al. (2000, p. 51) defined the characteristics of rational conversation in reaching understanding as: (1) power neutrality—discussion was conducted in an unconstrained and cooperative manner; (2) access—access to discourse was open to all interested and competent parties; (3) speaking— participants were allowed to freely express their interests; (4) listening—participants attempted to view the issue from others' perspectives; and, (5) agreeing—participants attempted to be honest and open in their discussion.

Drake et al. (2000) identified ways information technology could support and impair rational conversation for each of the five characteristics—power neutrality, access, speaking, listening, and agreeing (see Table 4). First, they found that information technology could help neutralize power differentials by providing a less formal forum and opportunities for autonomous participation. By reducing member status, low-status members might feel empowered to voice their opinions on issues. However, information technology could increase power differentials and hinder moral discourse if high-status members were given priority on the distribution of new

resources, limiting the ability of low-status members to take advantage of conversational opportunities. The lack of allocated time, support staff, or technical training to learn complex technologies could be limited to low-status members, resulting in an increase in power differentials. Second, Drake et al. found that the access provided by information technology, including the removal of physical limitations, enabled a multitude of opportunities for geographically dispersed members to participate in ongoing discussions. Conversely, the vast amount of information available to members could hinder their ability to absorb or respond to each message. And, similar to increasing power differentials, new technologies that allowed access to information could be limited to high-status members. Third, information technology could provide more time to think about, question, and respond to statements made by others. On the other hand, Drake et al. pointed out that written correspondence was more time consuming than face-to-face communication, and members might feel uneasy about others viewing their personal positions because, through information technology, their viewpoints could become part of the public record. Fourth, information technology could enhance opportunities for organizational members to listen to alternative perspectives. However, the remoteness of the technologies would allow participants to be less fully engaged in discussions. Fifth, information technology could enhance the "authenticity of conversation" through increased accountability (Drake et al., 2000). With increased accountability, members might rely on reason, rather than power, to achieve resolution but information technology could limit the formation of personal

Table II-4

Effect of Information Technology on Reaching Understanding

Characteristics of rational conversation	Ways IT can support rational conversation	Ways IT can impair rational conversation
Power neutrality Discussion is conducted in an unconstrained and cooperative manner	• Equalizes message status • Allows for anonymity • Creates distance between speaker and message • Discussions are computer mediated	• Unequal distribution of resources • Expertise leads to unequal status • Requires technological skills • Requires organizational support

Table II-4

Effect of Information Technology on Reaching Understanding

Characteristics of rational conversation	Ways IT can support rational conversation	Ways IT can impair rational conversation
Access Access to discourse is open to all interested and competent parties	• Removes physical barriers • Allows larger number of participants • Permits rapid assimilation of information • Opens opportunities for participation • Provides analysis and synthesis • Allows voting and tabulation • Is less chronologically constrained • Typed information scanned and more quickly absorbed	• Requires technical expertise • Requires access to resources • Creates information overload • Is not accessible to many stakeholders • Magnifies power differentials
Speaking Participants are allowed to freely express their interests	• Can uncover and question motives • Does not require rhetorical skill • Allows more time to consider responses • Allows more opportunity to gather supporting evidence • Allows questioning underlying values and assumptions • Provides access to past conversations	• Makes objective information privileged • Some expression difficult in a written medium • More time consuming to access and respond than speech • Broad distribution provides little opportunity for clarification or to question motives or values • Compresses time for discussion • Early closure is encouraged • Each utterance becomes part of the public record
Listening Participants attempt to view the issue from others' perspectives	• Provides more opportunities to listen • Allows time to process and evaluate arguments • All voices can be heard • Issues and themes can be organized and highlighted	• Medium can create further distance between parties • Empathy may be more difficult to establish
Agreeing Participants attempt to be honest and open in their discussions	• Increased accountability • Deception may be more visible	• Strips non-verbal cues from message • Reduces personal affect and support

From "It's Only Words—Impacts of Information Technology on Moral Dialogue," by B. Drake, K. Yuthas, and J.F. Dillard, 2000, Journal of Business Ethics, 23, p. 47. Reprinted with permission.

relationships and receipt of nonverbal cues from conversations. Without personal interaction, Drake et al. argued, the desire for mutual consensus could be more difficult to attain.

While moral discourse could help individuals reach consensual understanding, Drake et al. acknowledged that trust, even at a minimal level, must exist for interested parties to engage in meaningful dialog. Everyday communication, according to Drake et al. (2000), helped to foster and sustain relationships by "enhancing respect, caring and trust" (p. 48). Moral discourse, within the context of ongoing conversations, provided opportunities for individuals to gain mutual understanding and helped create "negotiated social orders within families, friendships, organizations, and societies" (Drake et al., 2000, p. 48). Recognizing the importance of Habermas' contributions, Bird (1996) proposed seven conditions for sustaining ongoing working relationships: (1) good conversations were recognizable; (2) communications were rational; (3) communications were honest; (4) speakers were attentive; (5) conversations moved forward reciprocally; (6) the exchanges remained civil; and, (7) speakers kept the promises they made. Drake et al. (2000) integrated the work of Habermas and Bird to develop a set of five characteristics of relational conversations that were required for sustaining relationships between parties engaged in moral discourse: (1) attentiveness—parties attended closely to what others say; (2) reciprocity—parties took turns so that both sides of the conversation were contiguous and congruent; (3) civility—parties complied with minimum norms of polite and cooperative behavior; (4) promise keeping—parties entered into agreements and honor commitments; and, (5) confirmation—parties expressed respect and caring for others (p. 55).

For each of the five characteristics—attentiveness, reciprocity, civility, promise keeping, and confirmation—Drake et al. (2000) identified ways in which information technology could support and impair relational conversations (see Table 5). First, information technology could enhance attentiveness by ensuring that specific messages were perceived and processed, and by allowing time for analysis and reflection. However, because electronic messages could be "postponed or totally ignored," information technology could significantly impede attentiveness (Drake et al., 2000, p. 47). Second, although information technology allowed messages to be accessed when the listener or recipient was ready to process and respond to them, there was no guarantee that the designated recipient would read or attend to the message. Also, given that e-mail offered no verbal cues, the emotional state of the sender's message would be unknown. The lack of non-verbal cues would hinder the ability of the recipient to attend to the unstated needs of

the sender, inhibiting reciprocal interaction. Third, according to Drake et al. (2000), "norms of civility allow initial interactions and facilitate the subsequent development of greater trust and openness in exchanges" (p. 48). Trust and openness among members promoted a supportive climate and limited the defensive reactions that restricted communication. Technology mediated conversations, Drake et al. (2000) believed, because it could "encourage users to follow norms of civility" (p. 48). However, the absence of civility conveyed through a handshake, smile, or

Table II-5

Effect of Information Technology on Sustaining Relationships

Characteristics of relational conversation	Ways IT can support relational conversation	Ways IT can impair relational conversation
Attentiveness Parties attend closely to what others say	• Ensures messages are processed • Allows time for analysis • Gives equal priority to messages	• Messages can be ignored • Time-lagged conversations lose continuity • All messages are "on the record"
Reciprocity Parties take turns so that both sides of the conversation are contiguous and congruent	• Allows equal "air time" • Ensures points are distributed/posted • Allows formulation and transmission without interruption • Increases likelihood a transmission will be read in its entirety prior to a response • Minimizes distractions during response formulation • Permits response to small parts of messages	• Difficult to create/reciprocate tone • Premature problem definition • Hinders synergistic formation of ideas • No assurance that message is read • Reciprocal flow can be impaired due to time lags • Loss of nonverbal cues • Less face-to-face communication may encourage strategic behavior
Civility Parties comply with minimum norms of polite and cooperative behavior	• Written messages may be more carefully though through • Holds speakers accountable • Media distance filters less civil cues	• Greater personal distance between participants • Loss of affective content • Efficiently written messages may seem abrupt and/or rude • Possibility of blaming

Table II-5

Effect of Information Technology on Sustaining Relationships

Characteristics of relational conversation	Ways IT can support relational conversation	Ways IT can impair relational conversation
Promise keeping Parties enter into agreements and honor commitments	• Holds speakers to written commitments • Establishes norms by more precisely defining what is meant by promise keeping	• Lack of face-to-face contact • Lack of privacy • Difficult to discuss sensitive issues
Confirmation Parties express respect and caring for others	• Exposure to more opinions/alternatives • Enlist help of numerous experts • Can fully attend to messages	• Written messages may be overly rational • Ranks logic and reason over emotion • Reduces opportunities to explore personal interests

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direct eye contact, might be difficult to approximate through electronic media. E-mail, for instance, provided mechanisms to forward messages to an unlimited number of recipients who were not intended to see it. "Posting or forwarding private messages can be a breech of civility," Drake et al. (2000) wrote, and future communications patterns could be irrevocable damaged (p. 48). The accessibility and autonomy of e-mail might encourage senders to "voice complaints, engage in sarcasm, or attempt to embarrass other parties" (Drake et al., 2000, p. 50). Miscommunication could be more common in e-mail because emotions could be overstated, and recipients might negatively interpret the message. Fourth, because electronic messages could be recorded and senders held accountable, information technology could enhance trust. However, this inherent lack of privacy might impede the ability to foster a trusting environment. For instance, senders of e-mail might feel uncomfortable in communicating personal or sensitive issues because electronic correspondence might be recorded, forwarded, or misinterpreted. Fifth, Drake et al. pointed out that e-mail provided organizational members with access to volumes of data and the ability to converse with people of differing perspectives, and thus, technology could provide the means for members to learn and develop expertise more rapidly than through traditional conversations. They found that while technology provided access to a wide range of information and perspectives, it limited members from learning about personalities,

temperaments, and values of participants developed through socialization. Limited socialization, according to Drake et al. (2000), reduced opportunities for individuals to "reflect upon oneself," to achieve "self-actualization," and to experiment with new behaviors (p. 51).

Weisband and Atwater (1999) conducted a research exercise to better understand how performance evaluations of self and others that were based on electronic interaction compared with evaluations that were based on face-to-face evaluation. Participants, after completing a decision task electronically or face-to-face, rated their own and other group members' contribution to the task completion and their degree of liking for group members. Weisband and Atwater (1999) found that their results indicated that (a) group members liked each other more (i.e., they were more positive toward working with one another) when communicating face-to-face than electronically, (b) self-ratings were higher and more inflated in electronic interactions than in face-to-face interactions, (c) liking accounted for significant variance in rating of others in face-to-face groups but not in electronic groups, (d) actual contributions accounted for significant variance in ratings of others in electronic groups, but not in face-to-face groups, and (e) the total variance accounted for by liking and actual performance was higher in the face-to-face condition than in the electronic condition (p. 635).

As a result of their findings, Weisband and Atwater acknowledged that the use of electronic communication might be more advantageous in some contexts. For instance, the use of electronic communication in situations where liking could interfere with valid judgments, such as selection interviews or telemarketing, might make decisions less biased. However, Weisband and Atwater also noted that there were a number of contexts in which team members must interact electronically, and trust and loyalty among members was critical. In these contexts, the limited face-to-face interaction among team members could impede the development of liking and trust among team members. Weisband and Atwater suggested that face-to-face interaction, even for a short duration, could enhance group members' liking for one another and could contribute to the development of trust.

In a review of the literature related to e-mail communication, Carr (1998) indicated that the research showed that "e-mail is as much a social phenomenon as it is a technological one" (p. 12). Carr (1998) suggested that if the social implications of e-mail were "not carefully considered and managed, e-mail can turn into a destabilizing force in an organization" (p. 12). For instance, in a study of the use of e-mail at 15 universities in Australia, Israel, and the United

States, researchers found that e-mail systems were manipulated for political ends by administrators and employees (Carr, 1998). According to one study Carr highlighted, the characteristics that made e-mail a powerful tool for collaboration—the ability to send a message to many recipients simultaneously, to modify and forward messages from others, to respond immediately and publicly to a message—made it highly suited to political manipulation and abuse.

Handy (2000) suggested that trust was at the core of a healthy virtual organization and highlighted "seven cardinal principles" of trust that should be considered by organizations that relied on e-mail communication. These seven principles were: (1) trust was not blind, (2) trust needed boundaries, (3) trust demanded learning, (4) trust was tough, (5) trust needed bonding, (6) trust needed touch, and (7) trust required leaders. The essence of each of these principles was that (1) large organizations needed fairly constant, smaller groups; (2) teams needed a common goal and the freedom to work within boundaries; (3) groups must be flexible to change, fostering a "real learning culture"; (4) organizations must be willing to stand up for trust and release employees that exhibited untrustworthy behaviors; (5) an organization's vision and mission statements needed to be "backed up by exhortation and personal example"; (6) the more virtual the organization, the more its people needed to meet in person; and, (7) leaders were pivotal; they "select us, bond us together, build our commitment to our goal and dedication" (Handy, 2000, p. 46–47).

According to Handy, an organization, much like a family, needed to create a sense of belonging—not simply a place—but a community. Handy (2000) concluded that, "This sense of belonging is something that humans need if they are to commit themselves to more than simple selfishness" (p. 48). Like families, organizations should be communities built on mutual trust (Handy, 2000). Handy (2000) found that the sense of belonging was particularly important in a virtual organization, which required trust to make it work given that "technology on its own is not enough" (p. 48). Handy (2000) suggested that "if organizations do not embrace the concept of an extended family and include their associated workers in their plans for their human assets, the workforce will become increasingly useless to them and to themselves" (p. 49). These organizations could be "prisons for the human soul" because "trust is not and never can be an impersonal commodity" (Handy, 2000, p. 49).

As a result of an extensive examination of both the economic and sociological explanations for the emergence of trust, Jones and Bowie (1998) identified the "Virtual Corporation Paradox" (p. 273). The paradox, Jones and Bowie (1998) stated, arose in virtual corporations as long-term, stable relationships were compromised by "speed and flexibility" (p. 274). According to Jones and Bowie (1998), "the short-term, transient deal-making on which the efficiency of the virtual corporation rests greatly impedes the development of mutually trusting and cooperative relationships on which success depends" (p. 275). To be successful, Jones and Bowie argue, virtual corporations ultimately needed to depend on an "ethics-based" form of corporate culture that allowed trusting relationships to develop without the usual safeguards and social norms. According to Jones and Bowie, trust, whether sociological and psychological in origin, was linked to morality through the virtues that guided human judgments. These researchers believed that a moral commitment to trust could be derived from: (1) an evaluative process applied to the specific case (a judgment); (2) an evaluative process applied to all cases (a moral principle); or (3) habitual behavior based on past experience or learning. Moral principles, like loyalty, commitment, and willingness to be vulnerable, shaped individual trust and were essential for the development of trust within the virtual corporation (Jones and Bowie, 1998). Virtual organizations, much like human beings, developed trusting and trustworthy characters through corporate cultures (Jones and Bowie, 1998). Jones and Bowie (1998) suggested that ethics-based trust within a corporate culture "does not emerge from the structure of the exchange, but rather reflects the values, principles, and standards that partners bring to the exchange" (p. 278).

Using the concept of "swift trust" introduced by Meyerson, Weick, and Kramer (1996), as a foundation, Jarvenpaa and Leidner (1999) explored whether and how trust existed and developed in global virtual teams composed of individuals who communicated electronically across time, space, and culture on a short-term basis without any prior common history or anticipated future. Swift trust within temporary teams, Meyerson et al. believed, was formed through a common task with a finite life span. Unlike traditional conceptualizations of trust based strongly on interpersonal relationships, swift trust was based initially on "broad categorical social structures" and later on action (Jarvenpaa and Leidner, 1999, p. 794). "Highly active, proactive, enthusiastic, generative style of action," Meyerson et al. (1996) suggested,

strengthened trust by reinforcing confidence that the team was able to "manage uncertainty, risk, and points of vulnerability" (p. 168).

In their review of the Meyerson et al. theory, Jarvenpaa and Leidner (1999) challenged a number of assumptions of swift trust. For instance, Jarvenpaa and Leidner pointed out that the theory of swift trust assumed clear role divisions among members with well-defined specialties. While the swift trust theory assumed that members of temporary teams were from different organizations, had periodic face-to-face meetings, and reported to a single individual, Jarvenpaa and Leidner (1999) argued that many global virtual teams remained in different locations, reported to different supervisors, and were assembled "less on the basis of members' specific roles and more on their knowledge differences" (p. 793). Meyerson et al. believed that the threat to professional reputations, team unity, and team members' perception of interdependence enhanced swift trust in temporary teams. However, Jarvenpaa and Leidner (1999) argued that these social factors in global virtual teams might be "weak because of less clearly defined and bounded professional networks and less emphasis on roles" (p. 794).

Jarvenpaa and Leidner used a case study method to capture the social context and dynamics of global virtual teams, including the communication behaviors that appeared to facilitate trust. Global virtual teams were defined by three dimensions: (1) no common past of future, (2) culturally diverse and geographically dispersed, and (3) communicating electronically. The findings showed that teams with high levels of trust at the beginning and end of the case study were more capable of managing uncertainty, complexity, and expectations than teams that reported low levels of trust. The early development of high levels of trust enabled teams, limited to electronic communication, to solve problems and resolve conflicts. Jarvenpaa and Leidner also found that the initial tone of communication, whether positive or negative, appeared to remain the same throughout the duration of the exercise. As a result, global virtual teams could find it "particularly challenging to encourage groups to reflect upon, learn from, and redirect…their communication behaviors" (Jarvenpaa and Leidner, 1999, p. 780). While the overall results suggest that global virtual teams may experience a form of "swift" trust, such trust appears to be very fragile and temporal.

Wiesenfeld, Raghuram, and Garud (1999) explored the role that information technologies played in the creation and maintenance of a common identity among organizational members that worked together while being spatially and temporally "decoupled" from one another. They

found that communication helped create shared meaning because it provided social context cues that led to the perception of social presence among members. This perception created a shared interpretive identity among organization members (Wiesenfeld et al., 1999). Identification, the means by which organizational members defined the self in relation to the organization, represented the "social and psychological tie binding employees and the organization" (Wiesenfeld et al., 1999, p. 634). This psychological link motivated members to coordinate efforts to achieve organizational goals by enhancing interpersonal trust and cooperation (Wiesenfeld et al., 1999). For instance, the research of Wiesenfeld et al. suggested that members who identified strongly with the organization were more likely to (1) accept organizational goals as their own personal goals, (2) attend to superordinate goals, and (3) be loyal and obedient. By examining identification within a sales division of a large international computer company that had recently implemented a mandatory virtual work program, they found that electronic communication appeared to be a more critical means by which high virtual status workers created and sustained their organizational identification relative to less virtual employees.

Pfeffer and Sutton (1999) found that one of the main reasons that knowledge management efforts were often divorced from day-to-day activities was that "the managers, consulting firms, and information technologists who design and build the systems for collecting, storing, and retrieving knowledge have limited, often inaccurate, views of how people actually use knowledge in their jobs" (p. 84). Knowledge management, they noted, rarely reflected the fact that essential knowledge, including technical knowledge, was often transferred between people by stories, gossip, and by watching one another work. In a study of 1,000 employees in business, government, and nonprofit organizations, the Center for Workforce Development found that most workplace learning went on "unbudgeted, unplanned, and uncaptured by the organization…Up to 70 percent of workplace learning is informal….Dumping technology on a problem is rarely an effective solution" (Pfeffer and Sutton, 1999, p. 90).

McDermott (1999) found that human factors appeared to be the primary influence on whether information was shared within organizations. While McDermott acknowledged that e-mail and the Internet had made it possible for professionals to draw on the latest thinking and link people through electronic media to leverage knowledge despite location, he argued that information technology alone could not create a knowledge management system. McDermott found that information technology usually reinforced an organization's norms about

documenting, sharing information, and using the ideas of others. Therefore, McDermott believed, virtual teams needed to build a relationship, often through face-to-face meetings, before they could effectively collaborate electronically. McDermott (1999) wrote, "If a group of people don't already share knowledge, don't already have plenty of contact, don't already understand what insights and information will be useful to each other, information technology is not likely to create it" (p. 107).

Leveraging knowledge involves a unique combination of human and information systems. Creating an information system without understanding what knowledge professionals need, or the form and level of detail needed, does little to leverage knowledge. To distinguish between knowledge and information, McDermott (1999) introduced six characteristics of knowledge that distinguished it from information: (1) knowledge was a human act; (2) knowledge was the residue of thinking; (3) knowledge was created in the present moment; (4) knowledge belonged to communities; (5) knowledge circulated through communities in many ways; and, (6) new knowledge was created at the boundaries of old (p. 110).

McDermott (1999) wrote that "knowing is a human act, whereas information is an object that can be filed, stored, and moved around" (p. 108). Knowledge, McDermott (1999) wrote, was the "very human ability to use information" (p. 108). Thus, knowledge involves a person who knows. Knowledge requires more than information about a topic or discipline. Knowledge is the ability to use information to solve problems and generate insights. McDermott (1999) wrote, "Thinking transforms information into insights and insights into solutions" (p. 109). Knowledge of a field of discipline resulted from the ability to think within that field's territory.

McDermott (1999) described knowledge as "the residue of thinking…that comes from experience" (p. 111). Experiences on which the individual had reflected, made sense of, and tested against others' experiences were informed by the theory, facts, and understanding to think through problems and situations. Knowledge, therefore, was a kind of "sticky residue of insight about using information and experience to think" (McDermott, 1999, p. 111). Knowledge was a product of thinking, created in the present moment, whereas information was fully made and could sit in storage.

The residue of knowledge gained through past experience is used to solve present problems. This recreation of knowledge and application to the present situation creates the opportunity for the exchange of knowledge. McDermott (1999) suggested that sharing

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knowledge with others involved "guiding someone through our thinking or using our insights to help them see their own situation better" (p. 113). According to McDermott, in order to share knowledge with one another, personal relationships needed to be created to determine the problem, the level of detail required to solve the problem, and the style of individual thinking. In short, personal relationships provided a "picture of the user—their needs and competencies—that determines that level of detail, tone and focus of the insights we share" (McDermott, 1999, p. 115). As Maurice Merleau-Ponty observed, "We arrive at the universal, not by abandoning our individuality, but by turning it into a way of reaching out to others" (McDermott, 1999, p. 115).

Knowledge exchange relies heavily on the relationships between people and communities. Humans learn by participating in communities and adopting the ideas, perspectives, prejudices, language, and practices of that community. Learning occurs as one enters a new territory already occupied by others. Humans learn a new way of thinking by observing the differences in other communities and assuming new norms. Norms are created, and the new knowledge is passed from one generation to the next.

McDermott (1999) described a number of channels used by communities to circulate knowledge. McDermott wrote, "Unwritten work routines, tools, work products, machinery, the layout of a work space or tools on a tray, stories, specialized language, and common wisdom about cause-effect relationships contain a community's knowledge" (p. 115). A small percentage of knowledge is written. The majority of knowledge in communities is shared through informal, undocumented practices and artifacts. Even though not intended, communities use contacts and relationships to share knowledge. As Wallace Stevens wrote, "Thought is an infection, some thoughts are an epidemic" (McDermott, 1999, p. 116). For instance, in an intensive study of an effort to make a Hewlett-Packard manufacturing unit more effective, Pfeffer and Sutton found that communication among the 13 stakeholders from various departments across the firm was poor, thus limiting the degree to which employees learned from each other.

While management tends to view informal discussions as opportunities for employees to create chaos, there is evidence in the literature that suggests informal meetings are an effective way to decrease anxiety in organizations. For instance, in an effort to analyze the effects of informal networks in communities, Kleiner and Roth (1998) developed and tested a tool called the learning history. The researchers were attempting to understand how and why individuals

used the ancient practice of community storytelling to transfer and make meaning out of "undiscussable" issues in the workplace. Kleiner and Roth found several positive effects to learning histories. First, as opinions were shared and validated, trust was built. Second, members of the community began to identify themselves as part of the organization and similar to their peers in their desires for a better work environment. Finally, the learning history created a higher level of confidence in one another as individual concerns, fears, and assumptions were shared.

New knowledge is created as it filters through stored knowledge of experiences and new perceptions are formed. Old knowledge is used to examine the new knowledge and make meaning of the inputs. For instance, the U.S. Army was the first large organization to implement after action reviews (AAR). Cross and Baird (2000) found that in the Army and in some Fortune 100 organizations, the AAR proved to be an effective, structured way to get people to capture new knowledge by reflecting on newly completed assignments and projects. Employees used old knowledge as a baseline to compare new learning and create new understanding of situations and events.

Similar to McDermott, Cross and Baird described the importance of organizational memory on business performance. In a study of 22 projects in professional services, financial services, and manufacturing organizations, they learned that organizations remembered lessons from the past in a variety of ways. First, an organization's memory resided in the minds of its employees and in the relationships that employees tapped on an ongoing basis to accomplish work. Second, memory was stored in technological repositories. Third, memory was embedded in work processes and in product or service offerings that had evolved over time and reflected lessons learned from an organization's past experiences.

Cross and Baird, like McDermott, emphasized the importance of personal relationships on sharing knowledge. Cross and Baird (2000) found that "…people usually rely upon a network of relationships for information and advice. Rather than turning to databases or policy and procedure manuals, they seek information from trusted and capable colleagues" (p. 43). Cross and Baird found that employee relationships often developed after working in a project team or with a department liaison. The time spent interacting on work tasks established a sense of reciprocity and trust among colleagues. This social capital encouraged employees to turn to colleagues to get useful assistance of advice about future initiatives. Close relationships helped

colleagues build an understanding of each person's particular knowledge and skills. This understanding allowed employees to seek out the right peers for information in the future.

One of the most difficult aspects of building a successful knowledge management system is creating a culture that cultivates trust and encourages open sharing of information. In a comprehensive study of 31 knowledge management projects in 24 companies, Davenport, De Long, and Beers (1998) found that a "knowledge-friendly" culture was one of the most important factors in successfully implementing a knowledge management strategy. Davenport et al. (1998) identified three components that should exist in an organizational culture with regard to knowledge: (1) people had a positive orientation to knowledge—employees were bright, intellectually curious, willing and free to explore, and executives encouraged their knowledge creation and use; (2) people were not inhibited in sharing knowledge—they were not alienated or resentful of the company and did not fear that sharing knowledge would cost them their jobs; and, (3) the knowledge management project fit with the existing culture (p. 44). Davenport et al. (1998) believed that "a culture with a positive orientation to knowledge is one that highly values learning on and off the job and one in which experience, expertise, and rapid innovation supersede hierarchy" (p. 45).

McDermott agreed that leveraging knowledge in organizations required identifying the community that cared about a topic and enhancing their ability to think together, rather than focusing on the tools and databases that stored information. By addressing knowledge management from the perspective of the community that owned, used, and shared the knowledge, natural learning occurred. McDermott identified eight implications for leveraging knowledge. These implications were: (1) to leverage knowledge, develop communities; (2) focus on knowledge important to both the business and the people; (3) create forums for thinking as well as systems for sharing information; (4) let the community decide what to share and how to share it; (5) create a community support structure; (6) use the community's terms for organizing knowledge; (7) integrate sharing knowledge into the natural flow of work; and, (8) treat culture change as a community issue (McDermott, 1999, 105).

Because the vast majority of knowledge in organizations resides in the employees, the ability to foster partnerships with each other becomes critical. Allee (2000) found that information sharing happened in an environment of "trust and appreciation." Core values such as integrity, honesty, responsibility, inclusion, and respect contributed to creating an

environment that fostered the open exchange of knowledge (Allee, 2000, p. 9). Allee (2000) suggested that cultivating relationships required "new management principles and a new ethic for knowledge sharing, that is build on fairness and openness" (p. 9). Quality relationships and trust, Allee found, lay at the core of a value network. In a related article, Allee (2000) wrote that "Real success lies in managing intangible assets, such as our business relationships, the knowledge and skills of our people, and the internal structures and ways of working that help us deliver value" (p. 6).

Approaching organizational activity from a life science perspective, Wheatley (1999) described information as a "unique resource because it can generate itself…As long as communication occurs in a shared context, fertility abounds" (p.107). Wheatley viewed the need for organizations to trust in its need for free movement of communication and to create freer access to information. Employees, Wheatley noted, needed to be more attuned to the emergence of new knowledge. Wheatley (1999) wrote, "If a system has the capacity to process information, to notice and respond, then that system possesses the quality of intelligence" (p.97). Knowledge, Wheatley (1999) wrote, "grows inside relationships, from ongoing circles of exchange where information is not just accumulated by individuals, but is willingly shared" (p.104).

Von Krogh (1998) wrote that the "company's overall performance depends on the extent to which managers can mobilize all of the knowledge resources held by individuals and teams and turn these resources into value-creating activities" (p. 135). Success with managing knowledge, von Krogh (1998) believed, would "ultimately depend on a manager's sensitivity to people issues" (p. 135). Approaching knowledge management from a constructionist perspective, von Krogh (1998) wrote that the first step in knowledge creation, "sharing tacit knowledge" and "creating concepts", hinged on individuals' ability to share their personal true beliefs about a situation with other team members (p. 138).

Von Krogh found that the value of care in organizational relationships was one key enabling knowledge creation. Constructive and helpful relations sped up the communication process and enabled organization members to share their personal knowledge and to discuss their ideas and concerns readily. Von Krogh believed that the concept of care in organizations gave rise to five dimensions of behavior crucial to behavior in relationships. These five dimensions were: mutual trust, active empathy, access to help, lenience in judgment, and courage. According to von Krogh, in an ideal environment that fostered a high degree of care, team

members extended help to each other in finding new means of conveying and sharing personal beliefs, and the behavior modes of lenient judgment and courage accompany the knowledge creation process.

Similar to von Krogh, Davenport and Prusak (2000) identified lack of trust and different cultures as several factors that hampered the transfer of knowledge in organizations. Davenport and Prusak described seven inhibitors that slowed or prevented the transfer of knowledge in organizations. These inhibitors were: (1) lack of trust; (2) different culture, vocabularies, frames of reference; (3) lack of time and meeting places; narrow idea of productive work; (4) status and rewards go to knowledge owners; (5) lack of absorptive capacity in recipients; (6) belief that knowledge is prerogative of particular groups, not-invented-here syndrome; and, (7) intolerance for mistakes or need for help (Davenport and Prusak, 2000).

Davenport and Prusak, like many of the previous authors, believed that too much emphasis had been placed on the tools that stored and transmitted information rather than the knowledge within communities and among community members. "People who share the same work culture can communicate better and transfer knowledge more effectively than people who do not," Davenport and Prusak (2000) wrote. The goal of knowledge transfer is to improve an organization's ability to get things done. However, transmission and absorption of knowledge are irrelevant unless the transfer of knowledge results in a behavior change. Respecting and trusting the knowledge source is an important factor in an organization adopting the knowledge as a norm of operation.

Since trust is essential to communication, and ultimately the survival of the organization, several authors have offered suggestions for building communities that cultivate knowledge. Von Krogh (1998) suggested six initiatives that management could explore that could increase care and enhance the open exchange of knowledge: (1) an incentive system with particular focus on access to help and other behavior that built up care in organizational relationships; (2) mentoring programs that gave senior members of the organization a clear responsibility for helping junior members to grow and actualize their full potential in the organization; (3) trust, openness, and courage as explicitly stated values by top management and as formulated expectations for the behavior of organization members; (4), training programs in care-based behavior that show organization members care in practice and how to encourage care in relationships; (5) project debriefings and other forms of learning-oriented conversations that

provided a forum for project participants to share experiences and to enhance the personal learning of each individual as the chief goals; and (6) social events that allowed difficult personal issues to be discussed and resolved with colleagues, as well as time to explore the interests of fellow organization members (p. 143).

Pfeffer and Sutton (1999) found that increasing an organization's ability to leverage knowledge typically involved finding, nurturing, and supporting the communities that already shared knowledge about key topics. The key to nurturing communities was to tap their natural energy to share knowledge, build on the processes and systems already in use, and enhance the role of natural leaders (McDermott, 1999). McDermott offered eight implications for leveraging knowledge: (1) to leverage knowledge, develop communities; (2) focus on knowledge important to both the business and the people; (3) create forums for thinking as well as systems for sharing information; (4) let the community decide what to share and how to share it; (5) create a community support structure; (6) use the community's terms for organizing knowledge; (7) integrate sharing knowledge into the natural flow of work; and, (8) treat culture change as a community issue (p. 106).

McDermott identified four key challenges in building these communities: technical, social, management, and personal challenges. The technical challenge was to design human and information systems that not only made information available, but to help community members think together. The social challenge was to develop communities that share knowledge and still maintain enough diversity of thought to encourage thinking rather than sophisticated copying. The management challenge was to create an environment that truly values sharing knowledge. The personal challenge was to be open to the ideas of others, willing to share ideas, and maintain a thirst for new knowledge.

II.10   Chapter Summary

Technology in organizations is a vital tool to share information. However, the literature supplies ample evidence that trust is the foundation for creating an environment where the open sharing of information and knowledge exchange will occur. While technology in organizations provides the means to collect, store, disseminate data, and communicate with organizational members, it is ultimately the communities within the organization that hold and share the wealth

of knowledge. Culture norms and organizational values impact the degree to which informal learning—open discussions, project debriefings, casual conversations—takes place. Therefore, research must be turned to understanding the needs and wants of those communities, as well as the creation of an environment that encourages and rewards open communication, in order to develop the proper venues that can increase the exchange of knowledge and affect the productivity of the entire organization.

As Thompson (2000) stated, "technological advances, especially those related to business communication, were supposed to reduce work's burdensome aspects while freeing time for creativity, increased productivity, and leisure. For most of us, our experience is to the contrary" (Thompson, 2000, p. 120). Mackavey and Levin (1998) in a book entitled, *Shared Purpose: Working Together to Build Strong Families and High-Performance Companies*, predicted technology's impact on the workplace and society:

> The primary vehicle for these unprecedented changes is technological
>
> innovation, which is erasing many of the ways we once lived, thought,
>
> worked, worshipped, and anticipated the future. Technology has
>
> unleashed opportunities and processes that were previously unimaginable,
>
> while at the same time affecting every institution in our social
>
> constellation, beginning with the family and extending to the schools,
>
> government, work, and the ways we relate to one another as individuals
>
> and as a community (p. 70).

Similarly, Andrews (1997) wrote, "We're obviously not going to get rid of technological advances. But we must begin to admit their ramifications, even in our personal lives. Essentially, technology makes it easy for us to live artificial, inauthentic lives" (p. 82).