Preserving employee trust during crisis

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abstract

Employees’ trust in their organization is vital during crises and disruption. It powerfully facilitates employees’ ability to respond constructively to crises and change, and it underpins organizational agility and resilience. Yet it is during such episodes that trust is most threatened. During the COVID-19 pandemic, this conundrum has organizational leaders asking, How can we preserve employee trust in the face of the financial and other challenges posed by the outbreak? In this article, we synthesize and extrapolate from related research on trust to delineate the key practical actions that leaders can take to preserve trust. The research shows that during crises, employee trust can not only be preserved, it can even be enhanced.

Employee trust is an important resource for organizations. Research shows that trust facilitates cooperation and effective coordination, strengthens employee commitment and effort, increases the quality of problem solving and knowledge sharing, and enhances innovation and performance. Although trust is always important in organizations, it becomes particularly vital during crises and disruption. In times of change, trust powerfully facilitates the ability of employees at all levels of an organization to navigate through and respond constructively to disruptions, and it underpins the organization’s ability to be agile and resilient.

Yet it is during crises and disruption—when trust is most required—that it is also more likely to be lost. The COVID-19 pandemic is posing just such a threat. It is requiring organizational leaders and policymakers to make rapid, large-scale changes to both sustain organizational viability and maintain the flexibility and ability to later scale up and rapidly return to their core business once the pandemic passes. To ensure organizational survival, they are having to make tough and unpopular decisions, such as to cut pay and work hours and lay off workers temporarily or permanently. The uncertainty and unpredictability of the pandemic has jolted employees out of their familiar ways, including their habitual trust of their employers, and has heightened their sense of vulnerability. In such a context, employees need and seek reassurance from their employer that their continued trust is deserved.

This response raises the very practical question that many leaders and policymakers are currently grappling with: How can employee trust be preserved during this time of crisis and disruption? We answer this question by drawing on decades of our own research on building, preserving, and repairing organizational trust in contexts of crises, disruption, and change, as well as on the broader body of behavioral science research in this domain. With respect to our own work, we particularly extract lessons from recent research identifying the practices that during the global financial crisis of 2009 differentiated organizations that successfully preserved employee trust from those that lost trust. From this rich and extensive evidence base, we extrapolate the key practical actions that leaders and managers can take to preserve employee trust during the COVID-19 crisis. These practices are summarized in the box Practices for Preserving Employee Trust During Crises.

### How Do the Practices Preserve Trust?

Collectively, the practices we recommend shore up trust through two primary mechanisms. First, they reassure employees that the organization will continue to be trustworthy and behave predictably in how it responds to the crisis and treats its employees. Trustworthiness is a multifaceted concept comprising three key components: benevolence, integrity, and ability. The practices we recommend address all three components to varying extents. Benevolence is demonstrated by putting people first and treating them with care and humanity throughout the crisis and in the course of any organizational changes it necessitates. Integrity is demonstrated by openly and honestly sharing information and living the organization’s shared values. Ability is demonstrated by devising and implementing strategies for navigating the crisis effectively. When employees have confidence in the organization’s benevolence, integrity, and ability, trust follows; of the three components, benevolence is the most critical.

Second, the practices reduce employees’ perception of vulnerability by decreasing the uncertainty felt as a result of the crisis. This is accomplished by involving employees in decisions and changes that affect them, giving them a sense of control, and emphasizing the values and purpose of the organization and other familiar foundations of trust that already exist in the organization. Involvement in decision-making and the transparency that accompanies it reassure employees that their organizations will not blindside them.

In the text that follows and in the box Practices for Preserving Employee Trust During Crises, we group practice recommendations into three
Practices for Preserving Employee Trust During Crises

Practice 1: Build a mental bridge to the future, founded on core values and purpose

• **Develop a shared understanding of how the organization will navigate the crisis.**
  – Communicate the organization’s current situation and challenges.
  – Communicate the changes required to effectively navigate these challenges.
  – Explain why the changes are necessary and how they will lead to a positive future.
  – Explain how the changes will protect the organization’s core values and purpose.
  – Clarify the collective priorities and how these will help navigate the crisis.

• **Communicate changes in a timely, open, honest, and respectful manner throughout the crisis.**
  – Be up-front and authentic about required changes and the likely effects on employees.
  – Create ample two-way communication opportunities for employee questions and concerns to be openly raised and discussed (such as by holding town halls and Q and A sessions).
  – Be transparent and share relevant information across all levels of the organization.
  – Plan communication messaging, timing, and channels to ensure consistency and minimize rumors.
  – Ensure senior leaders are accessible, visible, and active in delivering communications.
  – Create reliable and consistent communication structures (for instance, by giving frequent briefings about developments and changes).

• **Draw on and reinforce established foundations of trust throughout the crisis (for example, values and purpose).**
  – Identify and reinforce the organizational values, purpose, relationships, practices, structures, and processes that built and sustained employee trust before the crisis.
  – Serve as a role model of behavior that demonstrates organizational values.
  – Use symbols, stories, and language to reinforce and amplify values and purpose.
  – Draw on shared identities to build unity and solidarity during the crisis.

Overall result: Shift employee mindset from “the future is uncertain and unpredictable” to “I understand what is going on, how we are navigating this crisis, and how the changes will help protect our organization in the future.”

Practice 2: Care for and support employees emotionally and practically

• **Demonstrate care and concern for employees.**
  – Acknowledge the difficulties and challenges that employees face (such as fear about future and anxiety about their job situation).
  – Prioritize the health and safety of employees and their families.
  – Listen to and address employee concerns and needs.
  – Promote and support collective efforts to help employees support one another.

• **Help employees to emotionally cope with the crisis.**
  – Create safe, supportive spaces, structures, and mechanisms that enable employees to work through difficult emotions (for instance, by taking the time for personal conversations).
  – Provide a variety of support mechanisms to help employees develop their coping capabilities, well-being, and mental health (such as employee assistance programs, well-being initiatives, and one-on-one or small group conversations).

• **Support line and middle managers in efforts to care for their direct reports.**
  – Ensure all employees—including managers—have a clear point of contact and support through the crisis.
  – Equip line and middle managers with the knowledge and tools to support their people.
  – Encourage line and middle managers to proactively and regularly connect with and support their direct reports, either virtually or face to face.

• **Protect jobs as much as possible.**
  – Develop and implement proactive strategies to protect jobs (such as collective cost cutting, partial pay cuts, and reduced work hours).
  – Redeploy employees as required to preserve jobs.
  – Create opportunities for skill development to support redeployment.

Overall result: Shift employee mindset from “I am feeling overwhelmed and worry I will lose my job” to “My employer cares and is supporting me through this difficult time and is doing everything it can to protect my job.”

(continued)
Each set is meant to shift employees’ mindsets from a sense of uncertainty and vulnerability to a greater sense of predictability and confidence in their employers’ trustworthiness (in other words, it supports employees’ belief in their employers’ benevolence, integrity, and ability). We also illustrate our points with examples of practices that were used successfully in the financial crisis and with quotes from our case study research.9

Practice Set 1: Build a Mental Bridge to the Future, Founded on Core Values & Purpose

“There was a massive fear of the unknown.”

“We didn’t know how it was going to affect the individual, the team, and the branch itself. It was unknown territory.”

“I felt quite vulnerable . . . I didn’t know what was in the future.”

“It was like dropping off a cliff.”

The first set of practices figuratively builds a mental bridge for employees to walk over. The practices explain why the status quo of the past is no longer sustainable and present a path from the current crisis situation to a more secure future. Overall, they reduce vulnerability and uncertainty and demonstrate the organization’s ability and integrity through developing a shared understanding of how the organization will navigate the crisis and through making it clear that the pathway will reinforce (rather than break from) the organization’s core values and purpose. Building the mental bridge involves communicating openly and honestly with employees about how the present crisis is affecting the organization and the challenges it creates, about the changes and priorities that are required to overcome these challenges and to maintain the organization’s viability, and about how these changes will reinforce and protect the organization’s established values and purpose and lead to a more positive future.9,13

Achieving this shared understanding requires regular, meaningful, open, and authentic communication with employees.
two-way communication. Communication channels and timing need to be actively planned and coordinated across the various parts of the organization to ensure their consistency and minimize inaccurate retellings and unhelpful rumors. Our research highlights the importance of treating all employees as adults and being up-front and honest about the likely impacts of the crisis and the associated changes rather than offering false reassurances or sugarcoating the situation. As one executive put it, "It's about being scrupulously honest with everything." When employees are well-informed and their expectations of their employer are managed through the provision of timely, transparent, and accurate information, they are more likely to trust their employer and accept and engage with organizational changes. In contrast, poorly communicated changes can be perceived as a violation of trust and can lead to anger that exposes the organization to further risk, including sabotage or theft.

Senior leaders' visibility and accessibility when communicating about the crisis and changes are also important. Several of the organizations we studied in response to the 2009 financial crisis used town halls delivered by senior executives alongside leaders of local sites as vehicles for communicating the organization's response to the crisis and creating meaningful two-way communication. A senior manager of a large U.K. retailer that preserved trust during the global financial crisis described the communication strategy his organization used:

We went on roadshows around the country. The managing director of every shop stood alongside a Board member and shared the vision and the interpretation of that vision for their shop of the business. It was a stark realization that if sales were going to be flat and costs continued to rise—he called it his pincer movement—that only one thing was going to happen to our profit. It really garnered the troops around the fact that we were going to have to face tough decisions, but there was an incredibly rational reason why.

This honest, personalized communication facilitated trust ("We trust the management because they are showing us hard, cold facts") and created a shared acceptance of the changes ("Everyone realized what needed to be done"). Although the COVID-19 pandemic has constrained face-to-face gatherings, these practices can be adapted to a virtual format, such as through video-conferencing tools and chat functions.

Central to reducing uncertainty is drawing on and reinforcing the familiar, established foundations of trust that already exist in the organization. These trust foundations are unique to each organization and include the values, purpose, relationships, practices, organizational structures, and processes that built and sustained employee trust before the crisis. For example, in one government agency we studied, trust was founded strongly on principles of fairness, integrity, and professional respect. In a manufacturing business, employee trust was based on a unionized culture and the strong relationships between line managers, workers, and trade unions at the local plant level. These trust foundations highlight what the organization needs to protect and continue to do to preserve employees' trust.

Our research shows it is important for leaders to take the time to identify the unique foundations of trust in their organization and then make it clear that these foundations persist, reinforcing that message in their communications while planning for change, behaviors, and interactions during the crisis. These actions help to bring familiar and trust-inducing concepts into the present uncertain context. For example, in the manufacturing business referred to in the previous paragraph, leaders recognized that good union relations were critical for employee trust and, hence, drew heavily on their established communication and consultation practices with the unions as they planned and implemented the changes. Values and shared purpose become important symbols that can galvanize and unify employees and provide hope and motivation during difficult times, thereby facilitating trust. Having
top leaders serve as role models by acting according to these core values is particularly necessary during crises, setting the tone for how the wider organization should respond (for instance, in terms of how employees are cared for and respected). Our research shows that leaders who saw themselves as protectors and stewards of the organization’s core values and purpose during the crisis were most successful at preserving organizational trust.

In sum, these practices shift employees from feeling “the future is uncertain and unpredictable” to “I understand what is going on and how we will navigate the crisis in a way that helps protect our organization and what we stand for.” The practices also powerfully demonstrate the organization’s ability and integrity.

Practice 2: Care for & Support Employees Emotionally & Practically

“There was a great deal of nervousness and anxiety.”

“I was worrying for my job.”

“I felt quite vulnerable.”

The second set of practices focuses on reducing vulnerability and demonstrating benevolence by caring for and supporting employees and helping them cope emotionally with the uncertainty and ambiguity of the crisis. This coping support includes assisting employees in working through emotions commonly triggered by crises, such as fear, anxiety, and vulnerability. Such emotions can overwhelm and disrupt thinking and threaten ongoing relationships. Creating safe social environments and support mechanisms that make employees feel cared for and like their emotional needs take priority can help them to recognize and work through their fears and other feelings and develop their coping strategies and capabilities.

Promoting managerial, peer, and collective efforts that demonstrate care and concern for one another is important for workplace resilience. Grand gestures are not necessary. Instead, simple but authentic actions, such as acknowledging people’s difficulties and challenges, being accessible to staff, and taking the time to regularly check in and ask how things are going are all important trust-inducing ways to provide support. As one manager recounted, her “diary was just cleared” as affected employees became her priority over “every other appointment” during the crisis. Managers should be aware that individuals will vary widely in their experience of the crisis. For some employees, it will have a minimal, perhaps even a positive impact. For others, it will be hugely disruptive and transformative, changing their perceptions of and confidence in themselves, their relationships, and possibly their philosophy of life. For this latter group, it is important to recognize that longer term specialized support and assistance may be required.

During a crisis, demonstrating that people and their health and well-being come first must be a priority. Line managers and middle managers are essential to supporting and caring for employees and are often tasked with the day-to-day implementation of changes relating to their people. They are the face of the organization for most employees, and their importance in preserving trust is likely to be magnified by the virtual work arrangements and limited social contact imposed by the COVID-19 pandemic. Conversely, line and middle managers who fail to support employees can undermine two-way communication and efforts to preserve trust. More specifically, having trusted managers can enhance employees’ sense of security, acceptance of change, and continuance of positive work behaviors. That being the case, organizations must support and coach line and middle managers and encourage them to connect proactively and regularly with their direct reports. Aid to these leaders should include equipping them with the tools and knowledge they need to support their people effectively and also supporting the leaders in managing their own emotions and well-being during the crisis.

Job security and employment conditions will rank high among employees’ concerns. One of the strongest demonstrations of care and
support in a crisis, then, is protecting their jobs. Work arrangements are often amended in response to crises, particularly work hours, rewards, and benefits. Organizational strategies and actions that prioritize the protection of jobs are of central importance to the preservation of trust. Our research reveals that the organizations that best preserved trust implemented a range of strategies designed to minimize job losses, including across-the-board cost cutting, reductions in pay, reduced work hours, leave without pay, sabbaticals, and redeployment plans.

Investing in retraining employees and expanding skills during downturns is also a strong demonstration of support and offers the added benefit of strengthening the organization’s postcrisis capabilities. One organization we studied preserved trust during the global financial crisis by introducing a retraining and redeployment program called Switch. "Switch," said one manager, ‘stands for ‘staff, working, in transition in change.’ It's a strengths-based framework, assessing [employees'] strengths and moving them from a job that they are currently doing to a role that we need them to do in the future.” This program was perceived by employees as “evidence that they do actually care” and "are doing the best they can for employees." In sum, as a group, these practices can help employees shift from feeling overwhelmed, insecure, and alone in coping with the crisis to feeling reassured that their employer cares about and is supporting them and is doing everything possible to protect jobs. The practices particularly demonstrate the organization’s benevolence.

Practice 3: Empower Employees & Treat Them Fairly

“We have a really consistent approach which means that everyone is treated fairly. . . that’s really important in terms of trust.”

The third set of practices aims to further reinforce employees’ faith in the organization’s integrity and benevolence and reduce feelings of vulnerability by consulting employees, involving them in decisions and changes that affect them, and treating them fairly. Empowerment and participation in decisionmaking powerfully support trust in times of disruption. Such involvement can reduce vulnerability by giving employees a sense of control, and it enhances their engagement, well-being, and acceptance of changes. Fostering two-way communication and gaining employees’ input can also help in identifying and rectifying problems, oversights, and omissions in the planning and implementation of any changes. Recognizing each employee’s unique needs and situation and giving them choices in decisions that affect their work arrangements and benefits help preserve trust.

One of the most consistent findings in behavioral science research is the importance of fairness for building and preserving trust. Organizations often face insidious choices in crises (such as layoffs versus pay reductions), and diligently ensuring that fair and transparent processes and procedures are consistently followed when making and implementing such decisions is critical to ongoing trust. So is openly and transparently explaining how these decisions were made and how the pain of these decisions is collectively and fairly distributed across the organization. This openness further builds solidarity in the face of adversity by signaling "we are all in this together." In contrast, perceived favoritism and self-serving decisions undermine the trust of layoff survivors and the ability of laid-off workers to trust subsequent employers, fueling cynicism and disengagement. Authentically acknowledging the collective and individual efforts and contributions of employees throughout a crisis is important for trust, morale, and ongoing engagement.
For example, the CEO of one of the United Kingdom’s largest independent pharmacy chains personally handwrote notes thanking employees for their work. Such recognition leads employees to feel trusted and reinforces for them that their individual contributions are important to helping the organization navigate the crisis.

In sum, this third set of practices helps shift employees from a vulnerable to an empowered mindset and gives them confidence that they have a say in key decisions that affect them and that are being treated fairly. Meanwhile, the practices demonstrate organizational benevolence and integrity.

**Conclusion**

In contexts of crises and disruption, the preservation of employee trust in their organizations is vitally important to weathering the upheaval. Our research shows that employee trust can be not only preserved but even enhanced during times of crisis. However, preserving trust depends on organizational leaders and managers proactively and consistently engaging over time in the practices we have outlined in this article. Collectively, the practices offer a way for leaders to preserve trust by reducing employees’ sense of uncertainty and vulnerability (that is, their perceived risk) and demonstrating the organization’s trustworthiness in the response to the crisis.

The process of preserving trust is fraught with challenges, and leaders often make mistakes along the journey. However, by acting with authenticity, integrity, and humanity, leaders who diligently expend the effort to retain trust and stay true to organizational values and purpose through difficult times are likely to garner support and have errors forgiven. The silver lining to the hard work spent on preserving trust through a crisis is enhanced organizational agility and the resilience to navigate and bounce back from the crisis, as well as employees’ trust in the organization’s ability to respond to future crises.

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references


