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ORGANIZATIONAL TRUST - RESULT OF FORMAL AND INFORMAL RELATIONSHIPS DEVELOPMENT IN BUSINESS ORGANIZATIONS

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- Trust becomes an important aspect for leading organizations and not only. Moreover, individual, organizational and interorganizational trust are interconditioned.
- Individual trust is considered as a mechanism for promoting organizational trust. Individual and organizational trust influences each other when managers learn what kinds of behaviours are to be rewarded or penalized in their organization (Whitener et al, 1998).
- Studies has shown that between organizational, interorganizational and interpersonal trust there is a dynamic, the development or deterioration of one level has an impact on other levels (Zaheer et al., 1998).

Hypostases and characteristics of organizational trust in foreign literature

Authors	Basic elements in defining organizational trust from a psychological, sociological and economic perspective
Gulbert and McDonough (1986)	Trust is manifested when individuals are able to appreciate the actions of others and when there is mutual respect, especially when the needs of the parties involved do not consist in the struggle/fight for control of the action.
Carnevale and Weschler (1992)	Trust is the expectation of the other to behave ethically, correctly, non-threateningly and that is concerned with the rights of others.
McAllister (1995)	Trust is the faith and desire to act on the words, actions, and decisions of others. It can be described according to "the extent" to which one person believes and wants to act on the words, actions and decisions of another.
Zaheer et al(1996)	Trust refers to the perspectives that individuals have on networks of relationships and organizational behaviours.

Hypostases and characteristics of organizational trust in foreign literature

Authors	Basic elements in defining organizational trust from a psychological, sociological and economic perspective
Rousseau <i>et al.</i>, 1998	Trust refers to the psychological state that encompasses the intention to accept vulnerability based on positive expectations about other people's behavioural intentions.
Clegg and Hardy (1999)	Trust is related to social networks, networks in which negotiation and trust take place and its members accept the relations of domination and power.
Kramer and Tyler (1996)	Trust involves an individual or group relying on each other in terms of understanding and risk. One party is "obliged" to rely on the other to achieve a goal. The decision to enter into a supportive relationship is predicted primarily by the calculation of risk. In other words, each party must have a stake in the end result.
Shockley-Zalabak, Ellis, and Winograd (2000)	Organizational trust is a construct described by a positive expectation that individuals have about the intentions and behaviours of multiple members of the organization based on organizational roles, relationships, experience and interdependencies.
Kinicki and Kreitner (2003)	Trust is mutual faith in the intentions and behaviour of others.

Organizational trust in Romanian literature

- Iliescu, 2004, Pavalache-Ilie, 2004, Brate, 2004, Zlate and Avram, 2005, Ciurea, Ciubotaru, Avram, 2007, Avram et al, 2008 - the basic idea that emerges from their studies is that **organizational trust is a variable with positive and negative effects in public and private organizations investigated.**
- For example, Avram (2007) identified that in neurosurgery services **all dimensions of trust are positively correlated** with: job satisfaction, self-esteem at work, perceived formal power, receptivity / openness of superiors, interactional justice, peer support, guidance in work, development opportunities. The **dimensions of trust are negatively correlated** with: stress related to work materials, physical working conditions, role ambiguities, physical exhaustion and negative emotions at work.

The Research Problem

- The present research aims to analyse **the relationship between organizational trust and all formal and informal networks / relationships in business organizations in North-eastern Romania.**
- The research aimed to identify **whether there is a strong link between the promotion of formal relationships by management and a high level of trust and the development of informal relationships.**
- We started from the premise that when the structural components (eg organizational framework, rules, mechanisms or practices) are relatively stable over time, then both the perception of trust and justice are positive.

Instrument Testing/Method

- In essence, our research was **based on the use of a questionnaire** adapted to the general objective of the study and the working principles established by the literature.
- **The questionnaire was administered to a number of 13 companies from the North-East area of Romania.**
- Initially, the developed tool (the questionnaire) was sent to 6 companies in the forest industry sector, with a very low response rate (4%).
- The second option we used was to set up a sample of four representative companies operating in the field of construction, seven companies operating in the field of insurance and two companies operating in the field of IT.

Data Analysis and Results

The data obtained from the interpretation of the questionnaire showed :

- *that there is a strong link between formal relationships and networks (such as internal relationships to a company and which are given by organization chart, internal rules and various regulations)*
- *and relations and informal networks (in which case we are talking about informal relationships that double the internal organization chart of a company)*
- *and the degree of trust.*

This means that a more precise delimitation of formal working groups stimulates the creation of a climate of trust between compartments / departments / groups.

If the organizational climate in the company allows the development of personal relationships, there is a certain level of trust between employees.

Moreover, we have identified the fact that at the level of the companies included in our sample there is a greater or lesser concern of the decision makers from these companies in the development and operation of informal networks / groups; we must mention that this concern is different by activity sectors / companies.

Final Conclusion

If we generalize the conclusions we have reached, we can formulate certain theoretical recommendations for Romanian companies, respectively:

- To find other mechanisms, besides the formal mechanisms, through which to fructify the potential of the development of the informal relations that occur in time inside an organization and in its external relations with other entities;
- To create informal work contexts in which employees make additional efforts, respectively circumstances aimed at consolidating the values accepted at group-department-company level;
- To promote an open climate, in which members exchange information and knowledge, both through formal and informal procedures;
- To design long-term strategies in various action plans that are not limited only to profit as a performance criterion;
- To gradually develop civic responsibility and inter-group trust within the organization and on this basis in relation to outside groups. As, trust supports long-term commitment to the organization and becomes an important aspect for the performance of organizations. It reduces uncertainty, gains resources and solves problems. And last but not least, as Bridges (2004) points out when trust does not exist, progress is unlikely to happen.

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Thank you for your attention!