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The development of trust and distrust in a merger

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Abstract *This paper explores the development and maintenance of trust and distrust in an organization undergoing a merger. Using a longitudinal study we examined the sense-making of retained staff by comparing two sets of in-depth interviews with six survivors and detailed field notes. Four central themes were identified revealing differences between trust and distrust. The themes included: the importance of perceived changes to the psychological contract, organizational justice, reputations of individuals and risk management. By analysing the sense-making the need for congruence between what was done and how it was done was revealed. As distrust grew staff balanced this disequilibrium through their trust in the familiar, however, this finding calls into question the role of rationality as the basis for risk management. We discuss the implications of these findings for the successful management of mergers.*

Introduction

Mergers are a key context for the creation and management of trust. They are an extreme form of change, and change is often perceived as threatening to individuals, heightening vulnerability and loss of security (Saunders and Thronhill, 2003). Limited attention has been given to trust within the merger context, particularly the interpretations of those who remain in the firm. This is a significant omission as on-going cooperation of this important group is pivotal, ensuring the continuing viability of the firm. In addition, few studies examine qualitatively transitions between trust and distrust. This paper explores the sense-making of this key group, termed "survivors" in order to identify the formation and maintenance of trust at a rich micro-level through a longitudinal study. Theories concerning the psychological contract and organizational justice offer a framework through which to examine and understand survivors' perceptions of trust and distrust and their transition. In this paper, we begin by conceptualising the psychological contract, trust and organizational justice within a merger context. Through a longitudinal case study we examine the sense-making of survivors during a merger of two UK-based confectionary manufacturers to become part of a larger Europe-wide organization, to explore the transitions of trust and distrust. We conclude by discussing the implications of this for promoting trust within mergers, consider briefly the limitations of this study and suggest future directions for research.

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Mergers, the psychological contract and trust

Mergers force employees to examine, and often change, their understanding of the organization. In this section the psychological contract and sense-making in a merger context are discussed with reference to trust. Psychological contract theory focuses on subjective beliefs concerning the reciprocal expectations between employers and employees (Rousseau, 1995). Such contracts are socially-constructed interpretations of reality, containing tacit factors such as, expectations of promotion, training and performance. They are therefore, broader than formal employment contracts. These expectations develop prior to the onset of the employment relationship and overtime become durable and relatively stable schema or mental model. These schema are repositories of experiences (Weick, 2001) and arguably satisfy a fundamental human need by increasing predictability of the world around (Hogg, 2000). They can be used both prospectively and retrospectively to make sense of the world, creating a structure which enables the organization and application of information concerning previous experiences and expectations (Weick, 2001). Weick (2001, p. 11) argues that such efforts focus on making "situations rationally accountable", constructing meaning as "clues" linked within an existing cognitive structure.

Schemas comprise both widely shared and more idiosyncratic elements (Stein, 1992). Perceptions about the fulfilment of the expectations in the psychological contract have an obvious role in trust formation (Lindskold, 1978; Pugh *et al.*, 2003; Rotter, 1980). Herriot *et al.*, (1998) outlines how transitions within employment relationship are based on assumptions of trust, such as a favourable outcome for the employee with suitably skilled managers operating in an open and benevolent fashion. Failure to meet such expectations often produces intense, cynical and emotional responses leading to disillusionment and distrust towards other people or the organization (Andersson and Bateman, 1997; Rousseau, 2001).

There are a plethora of definitions of trust, with common elements of "favourable" or "benevolent" expectations creating a "willingness to become vulnerable". Möllering (2001, p. 412) has developed a theory of trust by focusing on the processes that underlie it. He argues that a positive interpretation of reality enables individuals to suspend their beliefs and make a "mental leap of trust". Trust is therefore, based on an awareness of imperfect knowledge. Psychological contract theory reveals how, in novel situations, these mental models have an interpretative and inferential function despite incomplete information on either side (Crocker *et al.*, 1984). Two distinct mechanisms, verbal commitments and contextual aspects, appear to underlie these expectations. Together these determine the level of understanding and weight given to the perceived promise (Rousseau, 2001), in other words how far a leap of trust will be made.

Weick (2001, p. 11) argues that the actions of others are interpreted through observation of behavioural evidence, determining the subsequent actions of employees. He reveals how symbolic processes convey the coherence of action and intent, becoming mutual reinforcing. Reality is created and sustained through symbolic processes (Morgan *et al.*, 1983, p. 4). A key mechanism by which organization's intent is conveyed is through human resource practices, such as selection, training and redundancy policies (Nordhaug, 1989). These practices are treated and interpreted by workers as structural signals of intent. Variations in interpretation arise based on the different frames of reference, or psychological contracts, held by employees and

the organization. For example, veterans of mergers often hold different psychological contracts from new employees, despite both having the same information about new organizational practices and actions (Rousseau, 2001). Brockner *et al.* (1987) in examining the impact of downsizing, identified how the experiences of retained staff were tarnished by a range of processes, such as having to reapply for lower positions against their colleagues to remain within the firm, watching their friends leave whilst strangers were hired, or seeing re-placement management brought in. These divergent views create multiple, conflicting, but equally plausible interpretations of events (Weick, 2001). However the generation of such multiple interpretations are characteristic of a suspicious situation (Fein, 1996, p. 1165).

Organizational justice and trust

This section identifies relationships with trust of three types of organizational justice, and distinctions between trust and distrust. A symbolic element to discern trustworthiness is organizational fairness during this period of change (Brockner *et al.*, 1987, 1992, 1997). Organizational justice theory distinguishes three distinct perceptual aspects, which are linked to trust: distributive, procedural and interactional (Greenberg, 1987). Distributive justice focuses on the outcomes of decisions, such as the perceived necessity of restructuring and resultant redundancies. When considered fair, high levels of trust ensue (Pillai *et al.*, 2001). Procedural justice concerns the fairness of the procedures used to make decisions, such as which staff to retain and make redundant. Brockner and Siegel (1996) found staff with positive views of procedural justice had higher levels of trust in both the organization and their supervisors. Process comprises six main elements (Leventhal, 1980): firstly, participation concerning personal influence and control for those affected by decisions. This is positively associated with trust and accounts for 26 per cent of the variance in process-related justice (Colquitt *et al.*, 2001). Further factors include: consistently of application across people and time, freedom from bias; accuracy of information; ethical basis in terms of prevailing standards and morality; finally, correctablity, focusing on mechanisms to amend poor decisions. Together these latter factors add a further 21 per cent of the variance in process-related fairness (Colquitt *et al.*, 2001).

Interactional justice centres on the fairness of the treatment of those undergoing these transitions. This aspect can alter perceptions of procedural justice (Bies and Moag, 1986). Two main dimensions emerge: firstly, interactional, concerning respect and propriety with which others are treated. This is akin to Mayer *et al.*'s (1995) level of sensitivity. Secondly, informational, focusing on the openness of communication and the adequacy of the justification or explanation given. Saunders and Thornhill (2003) argue that line managers have a key role in the development of subordinates' perceptions of fairness, promoting trust through their benevolent treatment of staff. The impact of an effective explanation is similar to that found with process control. For example, where a genuine and adequate reason is given, employees are likely to accept even bad news (Brockner *et al.*, 1997). Bies (2001) pinpoints several factors related to the breakdown on interactional justice including: use of derogatory judgements, such as putting others down, wrongful accusations, or pejorative labels; deception in the form of lies and broken promises; abusive words and action, including insults, public criticism or insults; invasion of privacy and coercion.

Perceptions are based not only on the fairness and treatment of departed colleagues, but also from experiences of existing and new employees. The impact of procedural

justice is arguably greater than distributive justice (Tyler, 1989). Perceptions of these distinct forms of justice influence the on-going commitment towards the organization (Brockner and Tyler, 1992). They also enable us to discern the distinct impact on trust.

Those studying distrust have identified the importance of situational factors, focusing on institutional frameworks such as: culture, legalistic mechanism (e.g. formal control or contract processes), networks, normative practices, socialisation and structural constraints (Schoorman *et al.*, 1996; Shapiro, 1987; Wekselberg, 1996). These shape the agency between actors with prevailing norms of a culture legitimising and promoting either trust or betrayal. However there are two mutually conflicting theoretical perspectives concerning the relationship between trust and distrust; One considers each to be a related concept based on different expectations of positive and negative intentions (for example, Elangovan and Shapiro, 1998), whilst the other argues that although distrust is the opposite of trust, it is a distinct concept (e.g. Lewicki *et al.*, 1998; Sitkin and Roth 1993; Sitkin and Stickel, 1995).

A significant difference between trust and distrust concerns the enduring quality of impact. Some argue that distrust emerges as a durable psychological characteristic (Hardin, 1993). Whilst Rotter (1980) suggests the impact of dispositional antecedents reduces following knowledge of others. Indeed, those interested in decision-making argue that trust is a function of experiences and interactions, creating positive, or negative, reciprocated interaction spirals (Weber and Carter, 1999). Lewicki and Bunker (1996) suggest that trust operates at a rational and calculative level, whereas distrust appears less rational in its origin and consequence (Deutsch, 1973; Kramer, 2001). Researchers have distinguished between a flexible, responsive and rational distrust and a rigid, inflexibility which characterises irrational distrust, or paranoia. For example, Kramer, (2001) found paranoia in low power students, especially those who perceived themselves as different – minority ethnic, or new comers. This created an over-attention of negative situations, such as focusing on the omissions and failures of their supervisors and could thus, be argued as related to the psychological contact. Once established, distrust appears difficult for individuals to change (Gambetta, 1988). Pugh *et al.* (2003) found that those who perceived contract violation, (grounds for suspicion), and were made redundant, (confirmation of suspicion), were unable to trust their subsequent employers. Trust is therefore, a fragile entity, yet few attend to how it unravels (Kramer, 2001, p. 2).

Communication

A key tool used by organizations during merges to foster a positive transition is via information (Shah, 2000). Here communication, particularly gossip, and trust are explored. Communication outlining the new demands and expectations of employees is significant in reducing uncertainty by confirming the non-substitutability and synergy of retained staff within the new culture. In a merger, where uncertainty exists, survivors often have limited control of resources and information. When a perceived violation, or failure to fulfil espoused commitments arises, confidence is reduced and disbelief and suspicion emerge. In this way distrust can emerge in two distinct ways: either as a consequence of the absence of confidence in others, or through perceived malice and hostility from others (Govier, 1993, p. 240). Where distrust emerges survivors become vigilant social information processors seeking to examine the motives and intentions of others (Fein, 1996; Fein and Hilton, 1994; Kramer, 1996, 2001). Such forms of vigilance are a characteristic of the powerless (Fiske, 1993, p. 624).

A neglected, but significant means of vigilance involves, *inter alia*, information concerning personal reputations. Limited attention has been given to the part managers' reputations may play in sustaining and developing trust. Evidence from social psychology shows gossip to be important in sustaining relationships (Elmer, 1994). Gossip involves the exchange of stories that either bolster, or devalue, reputations of individuals in the organization. Research suggests that it is significant in the creation and sustaining of social relationships, creating hierarchies based on who talks to whom, and about what (Dunbar, 1996). Gossip is thus implicitly entwined with trust: we gossip about the past behaviours of those known to us, in a (negative) evaluative and illicit way (Tholander, 2003), and above all, we trust others not to divulge the information to their victim. Although trust within dyadic relationships appears to be strengthened by gossip (Burt and Knez, 1996), few have considered the role of this type of communication for survivors involved in a merger. Gossip about managers' behaviours would enhance vigilance and may therefore, be important in sustaining or reducing trust.

Research approach

Data were collected on a longitudinal basis at the start of the merger process from a case study confectionery manufacturer, termed "Candyco". We traced the consolidation of two separate UK-based family-owned businesses with distinct products, policies and processes (pseudonymed site one and two) into the Candyco group. Originally acquired earlier by their parent company, (in 1992 for site one and 1997 for site two), our research began following HQ's decision to consolidate management structures in October 2000 in order to operationalise their vision of becoming the "No.1 supplier for UK major multiple retailers".

Data collection spanned a two year period and included detailed field notes made during a number of visits and transcribed interviews held at the start of the merger process in 2000 and repeated again in 2002.

The same semi-structured schedule was used for both interviews and captured in-depth accounts of the merger and its impact on day-to-day life (Berger and Luckmann, 1967; Garfinkel, 1967). The interviews gathered descriptions of the real-world in order to examine the interpretation of the meaning behind the described phenomena (Kvale, 1983, p. 174). They included questions regarding: individuals' day to day work; the changes following the takeover; with specific attention on HR and production changes; such as quality programmes; health and safety; and training and development. No question was asked directly about trust. Each interview was recorded and lasted at least one hour.

Through this in-depth case study method the contextual richness of the organization could be identified (Yin, 1981). This approach provides both depth and validity to data gathered largely from accounts and individuals' definitions of the situation. From these rich longitudinal accounts changing constructions and sense-making of the participants were revealed without alerting them to the issue of trust.

Themes pertained to the formation, development and maintenance of trust or distrust emerged following an iterative process examining both sets of verbatim transcribed interviews. The two researchers undertook this emergent search separately and then compared findings. High agreement between researchers was

found for the four themes. Given the size of the data set an additional check was put in place to ensure themes were generic, occurring both at individual and cross sample levels. As we were interested in the relationship between these themes and trust, the outcome of each passage was identified following attributional analysis (Silvester, 1998): those labelled "trust" concerned a positive state of expectation by the individual concerning the intentions and actions of others in a risky situation; whilst those termed "distrust" showed negative perceptions of the intent or action of others. Any neutral outcomes were excluded from subsequent analysis.

Participants

We were interested in the survivor group, and although many more workers (10 per cent of the workforce) were randomly selected for interview at time one, following the re-organization only six of our original participant pool had been retained. Given the recent experiences of this group and high quality of the initial interviews it was critical to sustain the relationships established during the first interviews and so the same interviewers were used at time two. Participants included representatives from both sites and comprised: three first tier management (team leaders) and three shop floor staff. Two participants (one from each site) had been promoted by time two.

Analysis

Our analysis of the verbatim transcripts identified 173 passages relating to trust and distrust formation. The overall picture was of growing distrust accounting for 59 per cent of the comments at time one, increasing to 65 per cent. Four thematic areas emerged including: the psychological contract; organizational justice; reputations; and risk management. Survivors' evolution between trust and distrust can be found in Table I, showing the frequency of these themes over time.

There was a consistent frequency of themes over time, with more perceptions of distrust from the onset. In looking at the individual level, only one person retained their trust, others showed a marked transition to distrusting, or sustained their initial distrust.

In examining the first theme, the psychological contract, limited variation occurred over time. The changes in job-related expectations were a significant element survivors identified. As the initially "trusting" team leader noted: "It's different from how it was in the past. I think it's better as well". "Trusting" survivors recognised there had been a period of transition but felt now "it seems pretty good. I'm excited". Management signalled this change through the introduction of new systems, such as an in-depth training for supervision, new shopfloor training analysis and appraisals systems. This gave a new clarity and visible signal that the organization had changed. Yet for many

Type of theme	Overall frequency	Per cent	Time one	Time two
Psychological contract	41	24	14 (6)	15 (6)
Organizational justice	94	55	33 (11)	31 (19)
Reputation	13	7.6	6 (2)	7 (1)
Risk assessment	25	15	(11)	4 (10)

Note: Positive outcome in ( )

Table I. Frequency distribution of central trust themes

survivors the new contract was conceptualised more simply, as a "distrusting" machine operator stated: "You're expected to do more and more for less and less".

A key variable in trust was personal tangible evidence of the benefits of the new order. Trust appeared to be contingent on specific benefits they had received. There was a clear conditional and transactional element, based on a rational appraisal of the new situation. Those who were newly promoted spoke most highly: "I've been here four months and after two months they decided to send me to do an ECDL next door. Which is basic computers, and different fields, internet; technical knowledge as well. So I was quite impressed that they sent me onto that really".

Local experience was a distrust dimension, with clear perceptual differences between each site. Through our longitudinal data the coherence between personal experiences and context becomes more apparent. At site one the evidence of change equated with trust for survivors, while those at site two the new regime changed not only the content of their work, but fundamentally affected the structure of the organization, introducing redundancies at both the office and shopfloor levels. If not personally experienced, distrust was amplified through recounting others' experiences, serving as a caution. Two main examples were repeatedly sited: first, the removal of the wages staff to site one. This resulted in continual errors in wages and delays in their correction. It was perceived as a universal problem, revealing a lack of respect, a form of interactional injustice, and processual injustice given the slow speed of rectification. "At the moment it's affected the wages. Everybody's seems to be wrong. I've been waiting for three weeks now for £20 they owe me." The second experience again related to the enactment of the psychological contract by senior staff. Survivors perceived a juxtaposition between action and the perceived intent in the failure of new managers to treat staff with the curtsey they expected. For example, "I haven't been too over impressed with the management. It's just little things like when they come down they don't even acknowledge you. They just walk past as if your not even there. There's no 'good morning' or anything like that which if they recognise you're there it makes you feel better". This was a further example of the link with interactional justice. No similar comments were found at site one.

Survivors at site two had less concrete evidence of investment: the site had had extremely low labour turnover and so new training was not needed for experienced staff, nor was their evidence of new machinery. Their initial experiences of new management and the new system created anxiety, which was exacerbated by a dearth of information about the future. As one shop floor survivor comments: "It's also a bit frightening because what you don't know frightens you more than what you know. If they got us together and said 'we're going to do this' it would put people's mind at rest. We're worried about the future, whether we're going to be here in 12 months".

The opacity of management decision-making appeared at odds with the psychological contract survivors felt they had initially understood; they had been told each sites would be a centre of excellence. At time one "leaps of trust" could be discerned, with some trying to provide management with a plausible explanation for events and so sustain their trust: "At the moment there are eight departments, when they've finished – there'll be three. That'll be Mallow, and Chocolate – the rest'll go. The Éclairs are on nights at the moment – it's run twenty-four hours and they want them to go and yet they are making money – they're getting loads of orders. Apparently it's going up to [site 1], be interesting to know why like but we're not

getting any answers on that. Maybe they are trying to concentrate because I think there is some duplication in what [site 1] and [site 2] both do, so perhaps they are going to separate the products that each plant works on, consolidating products".

By far the most common theme was organizational justice which related to the way in which the psychological contract was enacted. All three dimensions of justice were included, but the main focus was on processual and interactional issues. Overall 54 per cent of the trust-related issues concerned these two dimensions, with distrust the common outcome. Examining individual data showed deepening levels of distrust for all, except one whose initially high trust swung dramatically into distrust by time two.

The content of this theme showed that treatment of staff, in terms of the process of redundancy and retention, was important for creating distrust. Survivors universally identified interactive justice, in terms of the "appallingly" lack of respect for retained staff, as underlying malicious intentions of management. Again the experiences of others were used to validate their concerns, for example, a machine operator recalled "to me it was bad the way they did it but it was worse when they did it to [name] the supervisor". Lack of information exacerbated interactional injustice: "staff don't even know what they are doing, some of them have took redundancy voluntary and they won't give them a date when they are going".

Distrust was further aggravated by processual elements, such as a bias, inconsistency and inaccuracy in the application of new HR processes. Some showed initial trust, such as a packer's confidence "the average person who believe in this firm will say, 'I'll try and get myself on that because I know I don't have to be an operator to get more money, I can do different jobs'". However enactment injustice quickly changed perceptions: "it was a fairly good review but I said what about a raise and he said you deserve one because I've worked in the mallow on nights and they know me and you should have an upgrade but we can't give you one in our room. I said that doesn't make sense to me if I deserve one. I didn't think the grading system was right because if you were trained up you should get a grade... I got a bit disillusioned after that because I thought what's the point of me trying to use all these skills when I'm not going to get anything for it. You want to see some kind of reward for your efforts".

A third dimension focused entirely on third parties, "reputation" grew in significance at site two. In the absence of formal information survivors sought to understand the future by identifying congruence in their managers' behaviour and its intention. The content of this gossip comprised of two elements: their competence and benevolence of intent. It was gathered from three distinct sources: self-espoused reputations of managers; personal or third party experiences. Survivors suggested a pervasiveness of their views, suggesting un-named colleagues shared them, and asking interviewers to make up our own minds. For example: "There's a couple of managers in here and I'll be honest with you I don't know why they're managers. The only thing I can think of is they get on well with the top. And that's not just my opinion".

The individual whose reputation was most consistently discussed by survivors was manager A, who came to symbolise the underlying intentions of the firm. Although a more senior manager from the parent organization at this site was perceived universally as a more benign "friendly", the decision to retain and transfer from the first site this key manager, with his day-to-day control over staff, played an important role in exacerbating the anxiety and vulnerability of survivors. His competence was

challenged: "He's come into this job without any experience. He was actually an engineer". Survivors consistently identified his racism and sexism: "It's not move that lad to wherever – 'it's move that black lad'. 'oh you get a bit of tar in you?'. One lad – a bit overweight he said – 'you've got too much beer in your belly' and another person 'I think she's too heavy to be working there'. That's what you're putting up with. He is such a racist but he gets away with it". His interactive style further undermined trust: "He's like urm a sergeant major. You could actually be on a job and stop for all of two seconds and he'll say 'you're a very lazy woman' and he'll just come out and say it. He's done it to that many people that's why a lot of them have left". More surprisingly this manager chose to tell staff of his previous experiences shutting down factories all over the world. We can only speculate about the reason for this. Staff revealed: "this isn't stuff that we've heard from other people but he's told us himself".

The final theme, "risk management" concerned how risk was identified and managed by survivors. Distinct from the other themes, 16 per cent of trust related to risk. Examining the content of these passages two factors emerged: the trade union and personal work-related values, both familiar elements pre-dating the merger. They appeared to provide predictability and certainty, rather than effectiveness, particularly in the case of the trade union. In identifying the trade union as trustworthy, survivors revealed presuppositions about the benevolence of its intent, but also indicated its striking lack of effectiveness: "there was loads of redundancies and changes I joined it but I've only been in it for about a year until then I thought it was a bit of a joke. Just the way it's run, I don't think the union's ever done anything really. I've gained nothing from being it to be honest but for a pound a week" a machine operator said. However, this is a problematic theme, challenging the underlying rationality of trust decisions (Lewicki and Bunker, 1996). There is an incongruence between their knowledge of the trade union's poor performance and survivors' decision to join, which was at odds with theory. In this context risk is reduced through the familiarity and intent, for example: a mallows maker commented: "I joined again because nobody knows what's going to happen" or the packing team leader trying to "look after myself with what's going on". Given their growing concern, the distrust of management and the resultant ambiguity and uncertainty, survivors appeared to set aside concerns about the competence of trade union officials and instead focus on the principle that the union existed to protect them.

Another element which balanced the disequilibrium created by the growing distrust in the organization was their personal values. Using a series of different cognitive tools, some sought to juxtapose their personal values with those of the firm to justify their continued attention to their work. For example: "whatever job you do you have to do it well anyway. I've always believed that" or noting that "I'm not a lazy person". Alternatively, they distance themselves from their emotions and re-imposed order "I would not say I'm depressed, 'cos I'm never depressed, or never stressed out . . ., so it doesn't make me feel like that. I just makes me feel pissed off". Distrust emerged at time two as a response to the changes: "it makes you fell like you don't know what you're doing, or the position you're in. It makes you act stupid" commented a team leader. The use of such techniques underlies an imbalance survivors were seeking to address. Both of these examples enable "trust in something" to be introduced – they trusted the intentions of the trade union and "trusted" themselves against the experiences of what was occurring around them.

Discussion

This case traced the sense-making of survivors in an organizational merger. Although a small sample, our analysis points to important findings about the transition from trust to distrust (Table II). Many survivors commenced with a trusting perception, willing to make the "leap of trust", whether this was sustained or not, depended on two elements: positive personal outcomes akin to Lewicki and Bunker's (1996) model; and context, in terms of processual and interaction justice. Sustaining trust required synergy between what was done and how it was done at an individual level.

This interrelationship became more significant as trust changed to distrust in terms of congruence with how things were done, particularly interactive justice elements such as: showing respect for staff, providing information and keeping promises. As Saunders and Thronhill (2003) identified, local management had a crucial role in these justice dimensions. In this case local management at site two critically eroded trust through their lack of attention to social sensitivity. The relationship between managers and their subordinates appeared to be important in relation to the generation of perceptions of fairness.

Whilst trust focused on an individual level, distrust was sustained and promoted through the experiences of others. These were used to bolster survivors' perceptions. Given this was period of uncertain, the gathering of negative examples concurs with the heightened social information vigilance Fein (1996) suggests. The importance of others' experiences became more prominent where there was a dearth of formal communication. It was clear that feelings of powerlessness escalated as survivors gossiped about the shoddy treatment of senior managers and the antics of their new management, which served only to increase concerns. This concurs with Fiske's (1993) findings and may be indicative of paranoia (Kramer, 1996, 2001). Indeed we can speculate whether such paranoia was detectable in the stories of manager A.

It appeared that as distrust grew in the organization, it was counter-balanced by trust in other factors. The emergence of trust in the trade union, however directly challenges any notion of rationality. The proposed "leap of trust" was at odds with

Type of theme	Trust	Distrust
Psychological contract	Personal experience of transactional contract Processual justice – participation Clarity of new goals	Negative examples from others Lack of interactional justice – respect and information Lack of equity – more work for same/less pay
Organisational justice	Processual justice – participation, consistency, accuracy, freedom from bias	Lack of processual Justice – participation, consistency, accuracy, freedom from bias Lack of interactional justice – respect and information Symbolic meaning of mistakes
Reputation	Personal experience interactional justice – respect	Lack of interactional justice – respect and information Broken promises Deliberate lies Experiences of others
Risk assessment	Familiarity Benevolent intent No link with effectiveness	Not

Table II. Determinants of trust and distrust

their knowledge and yet survivors were still willing to make it. This suggested that benevolence of intent was a key element for trust to develop, regardless of competence in a high uncertainty situation. Similarly the prominence of personal values was juxtaposed to the values of the firm, for example, trying to get more work for less pay.

In sense-making terms these longitudinal accounts do offer insights into the sustainment of trust and distrust and a transition from trust to distrust, but no evidence of transition from distrust to trust. Although a small sample, these rich data does concur with other trust-related findings. They are, however, based on survivors who may be a group predisposed to distrust and are based within one organization, although operating at two distinct sites. Further research is required to establish if these findings may be duplicated in different sectors. These findings suggest that organizations should not rely on survivors to make "leaps of trust", instead more active management is required in relationships. They show an important inter-relationship between what is done and how it is done, and support more complex conceptualisations of justice. They reveal that it was not merely the fairness of the process, but the treatment, especially regarding respect, of survivors. Whilst sustaining trust relied on individual experience, the experience of others became more potent in distrust, particularly when information was limited. Once distrust was established in the minds of survivors, their attention focused on discrepancies, such as broken promises.

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