

Building Sustainable Organizational Trust in Radical Change – the Interplay of Organizational Trust and Mindfulness

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Abstract In this paper we integrate research on organizational mindfulness and organizational trust to explore how organizations could build sustainable trust in times of radical change. We show their interplay in building sustainable organizational trust in radical change. We contribute to research and practice by providing propositions on how trust enhances mindful organizational processes, and how mindfulness is required to build sustainable trust.

Keywords Trust • Change • Opportunity • Conflict • Innovation • Dialogue • Mindfulness

1 Introduction

How can organizations build sustainable trust in times of discontinuities and constant change? Weick and his colleagues (Weick and Sutcliffe 2006; Weick et al. 1999) have described the high reliability organization (HROs) as embodying specific processes supporting continuous adaptive learning and effectiveness in complex and challenging conditions. Classic examples of HROs, such as nuclear power-generation plants or space shuttles operate in high-risk economic, social and political environment. However, an increasing number of more mundane organizations experience the challenges of contemporary connected, transparent environment and demanding stakeholders, no more willing to forgive and forget. Continuous and even disruptive changes characterize contemporary technological, economic and sociopolitical dynamic environment. In such a context, managers and experts are involved in problem-solving and decision-making without sufficient information and time. Scandals and disasters may escalate quickly, but also many

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well reasoned organizational change processes, such as mergers, acquisitions or strategy implementation may turn into nightmares, if not mindfully attended. Well-intended initiatives to grasp the opportunities may be interpreted as one-sided political maneuvers leading to conflicts and attempts to avoid risks as unnecessary and costly control measures.

Instead of taking the traditional approach to organizational mindfulness as a means to avoid risks we focus on the less studied relationship of organizational mindfulness and innovativeness. In addition, we explore the even less studied interplay of mindfulness and trust, a critical element in organizational creativity and innovativeness (Creed and Miles 1996; Miles et al. 2000; Ellonen et al. 2008). Further, we focus on contemporary business environment that is characterized by high level of change and uncertainty, thus the contextual characterization of radical change.

Our research questions can be described as *What is the relationship of organizational trust and organizational mindfulness?* and *How can organizations build trust in times of radical change?* In order to answer these questions we first provide the theoretical analysis of organizational trust as social and impersonal, as well as cognitive and affect-based concept. Secondly, mindfulness at individual, team and organizational levels is discussed and the processes supporting organizational mindfulness and organizational trust are analyzed. Thirdly, we propose that specific organizational processes related to mindful organizing build sustainable trust in times of radical change.

This paper contributes to current understanding of organizational mindfulness by integrating literature from organizational trust and taking the perspective of mindfulness as a means to grasp opportunities and enhance innovativeness instead of only focusing on risks and organizational processes (routines) supporting reliability. By doing this, it also shows the close linkages to knowledge-based view of the firm, and the social and dynamic nature of knowledge (Nonaka and Takeuchi 1995; Foss 1996) as key organizational asset. As the paper emphasizes mindfulness related to organizational innovativeness and conditions of radical change the organizing processes related to organizational mindfulness and trust are selected so that they support dynamic instead of static conditions. For practicing managers the paper offers conceptual eyeglasses understanding and developing organizational trust and mindfulness to build sustainable trust in radical change.

2 Organizational Trust

Trust makes it possible to disclose valuable information, rely on others and combine specialized and dispersed knowledge with others. In contemporary organizations trust can be seen to be a critical resource allowing individuals to take actions and accomplish their tasks efficiently and effectively without the fear of extra costs or potentially negative outcomes. Efficiency and effectiveness can be connected to lower transaction costs, such as searching, negotiating, contracting

and monitoring, but also increases transaction benefits such as access to dispersed knowledge, learning and flexibility (Blomqvist et al. 2002).

The role of trust is accentuated in the conditions of vulnerability, risk, interdependency, information or power asymmetry and complexity (Luhmann 1979; Lewis and Weigert 1985; Blomqvist 1997; Blomqvist 2005). Therefore, trust is increasingly critical in contemporary organizations operating in dynamic environment with disruptive changes, yet trust building and maintaining trust may be increasingly challenging (e.g. McEvily and Zaheer 2003; Blomqvist and Snow 2010). In a dynamic context communication is rarely sufficient and misunderstandings may easily escalate into conflicts. The local and contextual nature of knowledge challenges individuals and groups looking into issues from their own perspectives that from their standpoint can be true and justified, but without a full view of the situation. Lack of time and space for a dialogue may easily deteriorate the common ground necessary for mutual understanding and commitment.

Both practitioners and academics view trust as a valuable, higher-order resource supporting organizing (Dirks and Ferrin 2001; McEvily et al. 2003) yet the levels of trust in organizations have been decreasing due to global socio-economic crisis and continuous organizational changes (Atkinson and Butcher 2003; Schoorman et al. 2007; Tyler 2003). Therefore we argue that for organizations operating in dynamic and complex environments traditional forms of trust may not be sufficient (Kern 1998), and an active approach to trust has been called for (Adler 2001; Child and Möllering 2003; Gillespie and Dietz 2009). In this paper we explore on the interplay of trust and mindfulness, in order to understand how to build trust that is more suitable for current organizational challenges.

3 Complex Concept of Trust

Trust has been defined as an actor's expectation of the other party's competence and goodwill (Blomqvist 1997). The relevant competence (substance knowledge, skills and know-how) is a necessary antecedent and basis of trust in professional relationships, in which complementary knowledge and resources are a source of motivation in cooperation. Signs of goodwill (moral responsibility and positive intentions towards the other) are necessary for the trusting party to be able to accept the risk and their potentially vulnerable position. Third dimension added is self-reference where the word "reference" means an actor's ability to understand and use others as a reference (Blomqvist et al. 2002; on self-reference, see Luhmann 1979). However, the term "identity" is used as a synonym in this paper because it is more common in the organization and management literature. Its role is accentuated in the dynamic conditions where it provides some of the required stability to interpersonal and inter-organizational interaction. The three dimensions competence, goodwill and identity in trust are considered as potentially additive, thus the strongest type of trustworthiness of both individuals and organizations incorporates competence, goodwill and identity.

In the following we outline the characteristics of more resilient and effective trust for the needs of organizations operating in contemporary dynamic environment.

3.1 Interpersonal and Impersonal Bases for Trust

Trust has been approached as a multi-dimensional and cross-level concept integrating “micro level psychological processes and group dynamics with macro level institutional arrangements” (McEvily et al. 2003; Rousseau et al. 1998). Traditionally organizational trust has been seen as interpersonal phenomena between employees, and employees and supervisors. However, globalization, virtualization and continuous organizational change have made the interpersonal trust relationships fragile and subsequently we argue that interpersonal trust is not sufficient for radical change but organizations require more resilient trust consisting of not only of interpersonal but also of impersonal trust.

The impersonal dimension of organizational trust is based on roles, systems, and indirect information such as decisions and reputation (McCauley and Kuhnert 1992; Costigan et al. 1998). This impersonal element of organizational trust has been defined as “the individual employee’s expectations about the employer organization’s capability and fairness” (Vanhala et al. 2011). Trust in supervisors (Burke et al. 2007), and impersonal factors of organizational trustworthiness complement each other, and together they form the employee’s perception of organizational trustworthiness (Vanhala et al. 2011).

3.2 Cognitive and Emotional Bases for Trust

Further, trust has cognitive and emotional dimensions. Cognition-based trust involves the cognitive choice of whom and when to trust, which is based on good reasons and evidence (Lewis and Weigert 1985, p. 970), and grounded in analytical evaluation. Affect-based trust relies on emotional ties that link individuals believing in the intrinsic virtue of such relationships (McAllister 1995, p. 26, see also Schoorman et al. 2007) and enhances tacit knowledge sharing and creative interaction (Chowdbury 2005). We argue that positive affect may also critically connect diverse individuals and groups through more inclusive social categorization (Isen 1998). In radical change both cognitive and affect-based trust processes are considered vital for organizational trust and related value creation leading to innovation.

We first proposed that different dimensions of trust, i.e. competence, goodwill and identity have complementary functions in organizations facing radical change. Secondly, we differentiated social and impersonal types of trust and argue that in contemporary organizations interpersonal trust may be too fragile and impersonal form of trust is required to complement social trust. Finally, trust that is warranted

must always be based on cognitive evaluation whereas inclusive social categorization and creative interaction leading to innovation requires also affect-based trust (Blomqvist and Snow 2010).

4 Organizational Mindfulness

In this paper mindfulness is understood as a state of consciousness in which *attention is focused on present-moment phenomena occurring both externally or internally* (Dane 2011) and influencing learning (Weick and Stuecliff 2006). Mindfulness is seen both as individual and organizational level phenomenon.

4.1 Mindfulness at Individual and Team Levels

Individual mindfulness is a psychological state where individual focuses her attention on events, individuals and the present moment having an impact on interpersonal relationship quality and behavioral regulation (e.g. Dane 2011; Weick and Sutcliffe 2006; Brown et al. 2007). Dane and Pratt (2009) argue that individual mindfulness enhances expertise in loosely structured tasks. Dane (2011) points out that individual attention has an impact in noticing key resources (Weick 1993) and in strategic decisions (Dane and Pratt 2009). We propose that these are critical skills in organizational change where mindfulness may enhance individual coping ability with the radical change.

Individual mindfulness is closely connected to the concept of *psychological presence* (Kahn 1990, 1992) i.e. the willingness and ability to be fully present. Kahn (1992, p. 321) argues that psychological presence makes it possible for individuals to connect empathetically, be attentive and focused at sufficient energy level and feel the psychological safety to be able to show and employ the self without fear of negative consequences (Kahn 1992, pp. 332–339). Thus psychological presence allows individuals to draw on their personal selves, i.e. express thoughts and feelings, question assumptions, be creative and innovate, all behaviors critical in radical change. At team level Edmondson (1999, p. 354) introduced the concept of psychological safety as a team climate characterized by interpersonal trust and mutual respect in which people are comfortable in being themselves. She also showed that psychological safety enabled team learning (Edmondson 1999).

Kahn (1992, p. 338) further argues that the willingness and ability to be psychologically present varies with how secure and trusting individuals are in general. Here we connect the concept of individual mindfulness to individual propensity to trust (Rotter 1967). Also Dane (2011) argues that mindfulness is a human capacity and dispositional tendency the level of which varies.

In radical change and innovation we emphasize not only the cognitive, but also the emotional dimension in individual mindfulness: cognitive dimension provides

the analytical information processing (Dane 2011; George 2008) and emotional element makes it possible to openly express oneself and involve in interpersonal creative collaboration. According to research on the relationship of individual mindfulness and stress reduction (Kabat-Zinn 2003) individual mindfulness enables individuals to cope with the stress and anxiety embedded in radical change. We see that in radical change and innovation emotional and cognitive aspects of individual and team-level mindfulness are equally important.

4.1.1 Temporal and Scope Aspects in Individual and Team-Level Mindfulness

In line with Brown and Ryan (2003) we agree that the behavioral regulation embedded in mindfulness, i.e. simultaneous attention to present external and intrapsychic phenomena is a critical skill for emotion regulation and reflection for managers involved in radical change. However managers involved in radical organizational change attend an overwhelming range of stimuli and may be forced to make decisions in a very fast tempo without sufficient information and time to reflect. In practice it can be very challenging to reach quickly a state where one can “give full attention to the present” as already swifiting the mode and rhythm requires individual attention and behavioral regulation.

Even if mindfulness concept focuses on “here and now” and the present moment managers and experts must dwell simultaneously in various time zones. To make mindful decisions they must see the individual and organizational history as well as the signals revealing potential future scenarios.

In addition to temporal challenges, managers and experts face also challenges of scope and identity. According to social identity theory (SIT) individuals tend to classify themselves and others into social categories that have a significant effect on human and intergroup interaction (Tajfel and Turner 1979). Differentiating factors can be both objective or socially constructed, yet both may have a critical effect on individual perception and intergroup relations such as negative stereotypes and distrust of out-group (see Brewer and Kramer 1985).

Different organizational groups may look at the same phenomena yet see different problems, different opportunities and different challenges (Czarniawska-Joerges 1992). Therefore, different organizational groups may view issues from completely different perspectives and building common ground purely through rational argumentation may not work (Boland and Tenkasi 1993).

4.2 Organizational Mindfulness

We take the mindful organizing characterized by Weick and Sutcliffe (2006) as a starting point and discuss how it is connected to organizational trust. First, for us organizational mindfulness is seen as complementary interaction of analytical and

explicit knowledge as well as intuitive and tacit knowledge providing the attention and capacity for action. In this respect it resembles the concept of trust with cognitive and emotional bases and analytical evaluation of trustworthiness of the specific object (Blomqvist et al. 2010).

Organizational mindfulness seems to differ from dynamic capability view of the firm (Teece 1997) and absorptive capacity (Cohen and Levinthal 1990) first from its temporal focus on present moment and secondly from its emphasis on non-judgemental internal processes. For us the intense and non-judgemental orientation on internal organizational processes provides additional value attuning organization for affective processes (Brown and Ryan 2003). Recognizing and understanding the role of emotions in organizational behavior at all levels, individual and team levels included, can have a decisive role in innovation and radical change.

At organizational level phenomenon mindfulness has been characterized as mindful processes such as preoccupation with failure, deference to expertise, reluctance to simplify, sensitivity to operations, under specification of structures and commitment to resilience (Weick and Sutcliffe 2006; Weick et al. 2006). Preoccupation with failure means proactiveness in being actively concerned about potential failures before they get overwhelmingly difficult and diffused. It is especially emphasized in HROs focusing on avoiding risks and less on the focus on innovation. In the following we analyze the relationship of innovation focused mindful organizational processes and organizational trust.

4.2.1 Deference to Expertise

In a fast changing world knowledge is only state-of-the art and trust in existing expertise may become a trap to the organization. Knowledge is dynamic, contextual and local, and therefore individuals and teams in organizations should not trust only few recognized (and familiar) experts but leverage the dispersed and contextual knowledge across the organization, and also search for experts outside the organizational borders. Therefore we propose that

In radical change trust in expertise based on familiarity and past performance can become detrimental to organizational performance.

4.2.2 Reluctance to Simplify

In radical change it may be difficult to say which signals and cues are meaningful and which not. Therefore organizational members should pay attention and be willing to communicate openly cues that are potentially valuable, and their expertise should not be criticized if cues turn into wrong alarms. In radical change acting upon risks or opportunities when they have got a clear shape can be too late. Ability to see the opportunities requires open attitude and generalized trust.

According to conceptual approach to mindfulness (Langer 1989) a more detailed and differentiated set of categories may make it easier to make sense of complex systems and help in discovering more options for action. Also trust required to conceptual analysis and questioning basic assumptions must be analytical instead of generalized. In addition to conceptual categories decision-makers and experts must question their basic assumptions (for example about human nature, who in the organization can be trusted and who not, as well as how to organize) as they may lose their validity in radically changing context. Here the interplay of the explicit and tacit knowledge is critical. Therefore we propose that

In radical change reluctance to simplify requires generalized trust to see the opportunities and analytical trust to question basic assumptions and make sense of complexity.

4.2.3 Being Sensitive to Operations

To be sensitive to operations means “put understanding of operations into words”, being able to see the big picture and having dialogue to understand what and why? It has also been described as “having the bubble” (Weick et al. 1999). It is about making sense of puzzling situations, and in leader’s position doing so publicly. This requires that managers and experts first trust themselves sufficiently to be willing to be vulnerable – and secondly that they trust the organization to acknowledge the need for complementary knowledge. This underlines the cross-organizational communication, willingness and ability to trust those outside managers’ in-group, such as complementary teams and functions. We propose that

In radical change management willingness and ability to trust the organization to show their vulnerability and leverage organizational knowledge becomes critical.

4.2.4 Under Specification of Structures

Loosening the hierarchical filters (Weick et al. 1999) enhances organizational attention, sensitivity and informal connections. Instead of hierarchy fluid and open structures are required to leverage the specialized and dispersed organizational knowledge for problem-solving. In accordance to basic tenet in knowledge-based view of the firm the decision-making authority and relevant knowledge should be coupled to relevant actors across the organization both vertically and horizontally. We propose that

In radical change loosening organizational hierarchy for faster decision making requires trust in capability and goodwill across the organization.

4.2.5 Commitment to Resilience

Commitment to resilience has been described as a “capacity to cope with unanticipated dangers after they have become manifest, learning to bounce back” (Weick et al. 1999). From the risk-avoidance perspective it is about being willing and able to learn fast about the inevitable mistakes to overcome them. From innovation perspective it means exploring and exploiting unforeseen opportunities. It is related to organizational capability to reflect and improvise in response to unexpected events. Related action may also require improvisation skills, i.e. the ability to simultaneously compose and execute (see Weick 1998; Moorman and Miner 1998; Crossan et al. 2005). We see this critical for organizations facing radical change. Individuals and teams should be willing to invest time and effort to explore and pilot new ideas and concepts. This type of behavior is pre-requisite for organizational renewal yet requires trust from the individuals engaging in the risky investment as well as trust in organizational culture, colleagues and management supporting the initiative and risk-taking. We propose that

In radical change individual and team-level willingness and ability to improvise and engage in risky actions requires social and impersonal organizational trust.

To conclude, mindfulness requires being open to the complexity and unexpected, and being sensitive about the signals of change. It means awareness and carefully observing the ongoing to be able to detect the potentially critical signals requiring more attention and action. On contrary, it would be deceitfully dangerous to rely on existing organizational structures, processes and strategy to be sufficient, as well as role-based organizational authorities to have all the necessary knowledge and sufficient ability to manage the organization. Organizational mindfulness requires that each individual has sufficient trust in herself, other individuals in her or other teams and the organizational culture and management to be willing to communicate about the signals and take early action. Both social and impersonal trust is required. Generalized trust is required to attend the weak signals for opportunities that may come unexpectedly from anywhere, and from surprising sources, analytical trust to attend the complex matters.

4.2.6 Organizational Mindfulness and Trust

Mindfulness is most beneficial when experts and managers can leverage their experiential knowledge intuitively for complex tasks (Dane 2011). At best, they can be simultaneously attentive to the external cues and signals, focus effectively on tasks and behave in a purposeful manner based on tacit and experiential knowledge. Their behavior may be so intuitive that it seems almost effortless. However, behavior based on intuitive knowledge is only valuable if it fits with the current problems and context.

In radical change this may not be the case if disruptive changes have altered the context and tasks are highly complex. Here the interplay of trust and mindfulness is

critical as trust makes it possible to leverage the insights of various experts having specialized and path-dependent knowledge. Trust enables first the access to dispersed specialized and tacit expertise and secondly supports social interaction in collective mindful behavior to effectively solve complex problems. Therefore we propose that

Trust enables organizational mindfulness in radical change.

5 Building Organizational Trust in Times of Radical Change

Leadership can be seen as the process of making things happen contingent on a context. Therefore leader must understand the context before leading the action and build conditions that support change. In radical change trust may be one of the key factors enhancing organizational change and innovation yet building and managing trust has become increasingly challenging (Tyler 2003; Mayer and James 2007; Creed and Miles 1996; Adler and Heckscher 2006).

Trust evolves naturally based on predictability, identification, goodwill (positive intentions) and competence. Social learning plays an important role in trusting and individuals learn through time and various social encounters whom to trust and in what respect. This generalized trust can provide high efficiency by lessening the costly evaluation and control in a predictable context that individuals are familiar with. However in a changing context generalized trust is not warranted but individuals should be more mindful in what, whom and how much to trust.

In radical change also organizational processes and structures are in constant flux resulting uncertainty as employees loose familiar work relationships and structures. New skills and knowledge required in adapting to radical change requires re-organizing and breaking existing structures for example into temporary task forces and project teams. Organizations also attempt to access new competences acquiring new and complementary knowledge and skills through recruitment, alliances or acquisitions. Increased organizational diversity creates another obstacle for identification-based trust. Diversity is required for synergy and innovation in organizational renewal, but simultaneously breaks down existing interpersonal trust relationships based on identification and shared past.

Positive affect is seen as a signal of trustworthiness (Jones and George 1998). It provides information especially on the other person's goodwill. Positive affect provides psychological safety (Edmondson 1999) and willingness to discuss complex issues with less information available. Amabile et al. (2005) suggest that positive affect may provide "vision advantage" to diverse individuals more willing to talk with each other as well as willingness to engage in innovation and challenges related to radical change. However in radical change goodwill-based trust does not emerge naturally, but must be carefully built between dissimilar individuals and in stressful situations.

Competence, another natural source for trust in professional relationships and work organizations is also questionable source for trust in radical change. In situation of high uncertainty it may be tempting to trust managers and professionals who have a reputation for being very competent in the past. Trusting may not be warranted but actually detrimental in a new situation requiring possibly quite new types of competences. Managers and professionals may also become overly confident based on their past success. Admitting that one does not have the relevant knowledge to see the new situation clearly, nor a vision on how to proceed puts management in a vulnerable position. Being willing and able to do this requires managers and professionals high self-confidence and trust that others in the organization also understand the complex and collective nature of knowledge required in radical change where it may be difficult to evaluate or even know beforehand what types of competences are relevant. In the following we propose that especially in radical change sustainable trust building should be mindfully attended.

6 Building Organizational Trust Mindfully

In the past hierarchical and bureaucratic organizations operating in a stable environment could build trust based on *predictability*. In a dynamic environment this is basically no longer available due to continuous organizational, technological and socio-political changes. Instead of hierarchical decision-making and processes transparent organizational decision-making and inclusive strategy and HRM process can provide some predictability and thus function as sources for impersonal organizational trust.

Organizations striving for strategic and operational flexibility organize work increasingly through temporary workers and external partners, leading to a situation where employees lack shared history or social similarity. Organizations also try to use dispersed knowledge and competences efficiently across organizational borders by building competence centers that provide experts for various temporary projects. This challenges *identification*, a traditional source for organizational trust that can no longer be based on a shared past, social similarity or proximity. This type of identification could even be detrimental to organizations trying to leverage dispersed knowledge effectively. Instead, organizations can try to build identification based on a shared vision and shared future, if they are able to build an inclusive culture and inspiring future in which diverse employee across borders can participate. This is in line with *underspecified structures* in mindful organizing as suggested by Weick et al. (1999).

Capability-based trust provides a strong basis for organizational trust. In radical change, it is not only continuous learning but also organizational unlearning that must be proactively supported when capabilities and skills are not sufficient or become even detrimental for contemporary environmental requirements. If employees know that the organization has a fair and solid recruitment process and only capable individuals are recruited and rewarded, this provides a strong

basis for organizational trust. Also, in accordance with the mindful organizing process of *deterrence to expertise* (Weick et al. 1999) capability should be analytically evaluated and not taken as granted.

Goodwill and positive intentions build organizational trust if top management and experts invest in communicating openly about their values, motives and goals. This requires honesty and good communication skills. If top management is considered as authentic and truly aiming for positive organizational goals, even difficult decisions such as cost cutting or laying off employees can be accepted more easily. It is in such difficult decisions that fairness and transparency of the decision-making process especially support employee trust.

The willingness and ability to see radical change as an opportunity instead of a risk requires an organizational climate with positive affect. Work tasks requiring creativity and problem solving in teams also require affect-based trust for employees to be willing to share personal and tacit knowledge. A climate of positive affect can be supported by mindfully promoting positive affect in behavior, such as greetings, saying thank you and celebrating small everyday positive outcomes, e.g. when finishing a project in time, and showing public appreciation for employees who have helped others, invested in learning or engaged in organizational citizenship behavior. This trust building process is aligned with mindful organizing process of *being sensitive to operations* where the management trust in the organization is a key for shared attention, understanding and taking initiative (Weick et al. 1999). We therefore propose that

In radical change mindful processes support sustainable trust building.

7 Summary and Conclusion

In this paper we have discussed the relationship of organizational trust and organizational mindfulness to understand how they relate to each other, and how they together can help organizations better manage in conditions of radical change.

Past analytical and empirical research on organizational trust is vast, yet research focusing specifically on the relationship of organizational trust and innovativeness (Ellonen et al. 2008) is scarce. For organizational scholars mindfulness is an established concept especially due to landmark research by Weick (1993) and his colleagues. Conceptual discussion as well as empirical research on both concepts is still under development (on mindfulness in the workplace, see Dane 2011 and conceptualizing and measuring organizational trust, see Vanhala et al. 2011).

In our analysis we show the similarities and differences among the concepts and explore their interplay. First both concepts are multi-level and operate at individual and organizational levels of analysis. We see individual and team-level trustworthiness and willingness to trust others as a critical threshold condition in innovation and change. In similar vein individual's mindful attention on both internal and external signals can be of paramount importance for meaningful and timely

decisions and action. At team and organizational level trust provides the context for innovation and change and mindful processes.

Secondly, both trust and mindfulness leverage explicit and tacit knowledge and comprise of cognitive and emotional elements. Furthermore, both concepts are applicable in static and dynamic conditions, related not only to avoidance of risks and costs, but also creating value through opportunities. Most research on organizational mindfulness has focused in preventing the risks whereas research on organizational trust has focused in lowering the costs of coordination. In the innovation context mindfulness can be also used for exploring the signals for new opportunities and organizational trust functions not only in lowering the transaction benefits but also supporting value creation.

We set our research task as to answer to the following questions: *What is the relationship of organizational trust and organizational mindfulness?* and *How can organizations build trust in times of radical change?* We answered these questions by building propositions based on integrated literature review on organizational trust and mindfulness.

We first proposed that in radical change *trust and at individual, team and organizational levels support mindful processes* supporting innovation.

- Organizations should not trust only expertise based on familiarity and past performance (*deference to expertise*)
- Generalized trust to see the opportunities and analytical trust to question basic assumptions and make sense of complexity is required (*reluctance to simplify*)
- Management willingness and ability to trust the organization to show their vulnerability and leverage organizational knowledge is critical (*being sensitive to operations*)
- Loosening organizational hierarchy for faster decision making requires trust in individual and team capability and goodwill (*under specification of structures*)
- Individual and organizational willingness and ability to improvise and engage in risky actions requires social and impersonal organizational trust (*commitment to resilience*)

Secondly we proposed that in radical change *mindful processes support sustainable trust building*. To sum up, we proposed that trust supports mindful processes further enabling sustainable organizational trust building through predictability, identification, goodwill and capability-based trust. Thus the relationship between trust and sustainable organizational trust building is mediated by mindful processes.

This paper has explored the relationship between organizational mindfulness and trust building at analytical level. For our knowledge this type of analytical discussion and theorization has not been available. Therefore the paper provides new knowledge by building propositions for further empirical research. For practitioners it gives eyeglasses to understand how organizational trust and mindfulness are related, and what management should consider when attempting building sustainable trust in radical change.

In further research these propositions can be explored in different contexts with qualitative data and developed to testable hypotheses for empirical research. For us analyzing the linkages between organizational mindfulness and trust has been a

fruitful exploration. We firmly believe that trust and mindfulness are critical concepts for various types of organizations that can benefit in understanding, analyzing and developing their structures, processes and culture with these fundamental concepts in mind.

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