

# Trust and Distrust Constructing Unity and Fragmentation of Organisational Culture

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**Abstract** While the coexistence of trust and distrust has been acknowledged in previous literature, the understanding of their connection with organisational culture is limited. This study examines how trust and distrust construct the unity and fragmentation of organisational culture. Productive working relationships can be characterised by high trust, but strong ties and high trust may also account for false organisational unity. This study shows that trust and distrust can co-exist and distrust may even increase trust in particular situations. Moreover, we describe how the cognitive and affective components of trust and distrust relate to the unity and fragmentation of organisational culture. We present an empirical case study of a company where tension and distrust between top management, middle management and shop stewards affected the organisational culture. The study contributes to earlier research by discussing trust as a multidimensional and dynamic phenomenon. The study shows how the affective and cognitive components of trust and distrust constitute the unity and fragmentation of organisational culture. We propose that if an organisation is willing to improve its ethics, it should rely on fragmentation rather than unity.

**Keywords** Case study · Distrust · Fragmentation · International organisations · Organisational culture · Organisational ethics · Trust · Unity

## Introduction

The common good approach argues that seeing business organisations purely as instruments for creating economic wealth or connections of contractual relationships is insufficient (Melé 2012). Instead of seeing business ethics and firm economic performance as mutually exclusive ends, one can understand ethical leadership and ethical organisational culture as supporting firm performance (Eisenbeiss et al. 2015). An understanding of a firm as a constitution of human beings with ethical values, oriented to providing goods and services efficiently and profitably (Costa and Ramus 2012; Melé 2012), demands attention in terms of how such organisations function and what the most elementary concepts of human interaction and collaboration are.

Business ethics literature argues that trust is a fundamental element of all relationships (Brien 1998; Castaldo et al. 2010; Hosmer 1995; Swift 2001). As trust is a moral phenomenon, it has ethical implications for organisations and their management (Bews and Rossouw 2002; Cohen and Dienhart 2013; Greenwood et al. 2010). Trust builds and supports long-term relationships and generates supportive behaviour both inside and outside of an organisation, and therefore it is regarded as a central element of a company's ongoing success (Ingenhoff and Sommer 2010). Management and organisational discussions highlight the importance of trust as an essential resource for building relationships, teams and communities (Jones and George 1998; Whitener et al. 1998; Kramer and Tyler 1996; Lewicki and Bunker 1996; McAllister 1995). The literature

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on the sociology of trust (Fukuyama 1995; Lewis and Weigert 1985; Luhmann 1979) puts emphasis on trust as the key precondition for social order and development. Trust saves transaction costs and increases the overall efficiency of economic system (Cook and Schilke 2014) and it is crucial in terms of the long-term economic success of companies (Ingenhoff and Sommer 2010). Trust is also critical in business internationalisation, mergers and alliances (Shirokova and McDougall-Covin 2012; Sasi and Arenius 2008), as it reduces the complexity of social interrelations and interactions (Luhmann 1979). According to Limerick and Cunnington (1993), trust creates harmony and eliminates friction in the social fabric, and without trust, many organisations would be unproductive (Davis et al., 2000). Lehtimäki and Karintaus (2013a, b) showed that interpersonal trust and trust towards strategic goals are necessary for efficient information flow and creation of new knowledge in multinational enterprises.

However, although trust is considered a positive and unifying component of social interrelations and structures, it may also result in groupthink, the exclusion of different yet competent others and negligent tolerance to risks (Granovetter 1973; Lämsä and Savolainen 2000; Molina-Morales and Martinez-Fernandez 2009). This may decrease ethical organisational behaviour and undermine common good. Similarly, distrust can be considered as reasonable because it allows for awareness of different values and organisational subcultures. Moreover, as highlighted by Saunders et al. (2014), organisational practices such as control and monitoring are constructed on the basis of distrust rather than trust. Distrust accounts for standardised procedures to reduce bias in decision-making and to increase employees' trust towards the employer (Saunders et al. 2014). Therefore, both trust and distrust are means to deal with ambiguity and to reduce complexity and uncertainty (Lewicki et al. 1998).

While discussions on trust and distrust are closely related to organisations and ethics, the relationship between ethics and trust is complex (Bews and Rossouw 2002). The coexistence of trust and distrust has been acknowledged in the literature (Bies 2014; Lewicki et al. 2006), but their effects on organisational culture and organisational ethics has received less attention. Given the context of diversity faced by international organisations, the capacity to balance trust and distrust with a certain degree of unity and fragmentation of organisational culture is crucially important in terms of organisational ethics.

The aim of this paper is to gain an understanding of different aspects of trust and distrust and their connection with organisational culture and organisational ethics. By organisational ethics, we refer to “those principles of right and wrong that govern the exchanges of members of the organisation when they are engaged in organisational activities” (Sinclair 1993, p. 64). More specifically, we

examine how trust and distrust construct the unity and fragmentation of organisational culture. Management literature calls for an understanding of the relational practices in organisations (Nahapiet 2009; Freeman et al. 2007; Child and McGrath 2001; Ramírez 1999; Dyer and Singh 1998) and for the possibility of constructing organisational cultures, which create unity in attaining goals and following consistent values with respect to diversity. Moreover, empirical research that is deeply sensitive to the subjective interpretations of the actors involved in internationally operating firms is needed (Hassard et al. 2008). Operations worldwide bring fragmentation in organisational ethics and culture through various cultural backgrounds and diverse expectations of organisation's employees. Therefore, organisations are faced with the necessity to create practices that are diversity-sensitive, risk-conscious, and cooperation-stimulating in order to stay competitive.

This study contributes to earlier research by showing that trust is a multidimensional and dynamic construct and that trust and distrust can co-exist in an organisation. Moreover, the study shows that both trust and distrust are context-dependent phenomena and they can coexist in the relationship. We present an empirical case study of a company in which trust and distrust between top management, middle management and shop stewards were voiced. We identify how different combinations of cognitive and affective trust and distrust have varying consequences to organisational unity and fragmentation. As a contribution to literature on organisational ethics, we argue that organisational fragmentation can lead to increased criticality towards organisational practices, which, in turn, may lead to improved ethical organisational behaviour (cf. Sinclair 1993).

In the following section, we first discuss the conceptual framework. We elaborate on the concepts of trust and distrust as well as the unity and fragmentation of organisational culture to analyse the mechanisms and processes of trust and distrust in general and in relation to their function in organisational culture and organisational ethics. After that, we present the research case and describe the process of empirical data collection and analysis. The first-order analysis results in a description of trust as a multifaceted construct, while the second level of analysis links trust and distrust to organisational culture and organisational ethics. To conclude, we provide a discussion on the theoretical contributions, managerial implications, and limitations of the study.

## Conceptual Framework

### Trust and Distrust

Trust is a multidimensional construct (Ingenhoff and Sommer 2010). Many researchers see trust as a state of

mind, an individual attitude held by a member of an organisation towards another member that the other party will act by fair-play rules and will not take advantage of one's vulnerability and dependence in a risky situation (Das and Teng 1998; Lewis and Weigert 1985). However, trust can also be seen as a basic social mechanism that facilitates interaction between individuals and organisations (Bachmann and Hanappi-Egger 2014). According to Lewicki et al. (2006), trust can be defined in terms of confident positive and negative expectations of the relationship. Trust usually develops when both parties regularly and continually comply with the same norms, standards or values (Fukuyama 1995).

While most literature on trust has viewed distrust as the opposite of trust (Govier 1994; Saunders and Thornhill 2004; Saunders et al. 2014), Lewicki et al. (1998) theorise that trust and distrust are separate but linked dimensions rather than opposite ends of a continuum. From an interpersonal viewpoint, distrust can be defined as an attitude of one party in the relationship that the other party will not reciprocate by benevolent and competent behaviour or will even act in a malevolent way and/or disregard common values and norms (Connelly et al. 2012). Hence, as argued by Sitkin and Roth (1993), distrust emerges when employees' values are incongruent with those of the organisation. Moreover, distrust can act as another social mechanism for relationship building, and trust and distrust may coexist and even complement each other in social interaction (Bachmann and Hanappi-Egger 2014). Reasons to trust and distrust accumulate as interaction proliferates, leading to different combinations of trust and distrust (Lewicki et al. 2006). For example, one party can trust the other as an engineer but also distrust the other as a parent because of the perceived (in) competences.

As attitudes, trust and distrust are associated with particular emotions and therefore involve certain intensity, expectations to the other party and intentions to reciprocate, which differentiate them as high and low trust. According to Lewicki and Brinsfield (2009), high trust includes hope, faith, confidence, assurance and initiative, while low trust includes no hope, no faith, no confidence, passivity and hesitance. Low distrust includes no fear, the absence of scepticism, the absence of cynicism, low monitoring and non-vigilance, while high distrust includes fear, scepticism, cynicism, wariness, watchfulness and vigilance. Trusting intentions are grounded in optimism, hope, confidence and positive expectations, whereas distrusting intentions are grounded in pessimism, fear, lack of confidence and negative expectations (Lewicki and Brinsfield, 2012).

Saunders and Thornhill (2004) suggested that some employees perceive trust and distrust as two ends of a continuum while others see them as distinct concepts. They

found that employees who had stronger feelings of trust appeared most likely to have lower feelings of mistrust. They conceptualised this as a trust–mistrust–absence triangle where the vertices symbolise trust and mistrust. With the triangle, they showed that they were not able to identify employees who had simultaneously strong feelings of trust and mistrust. (Saunders and Thornhill, 2004.) This finding was supported by Saunders et al. (2014) who found empirical evidence for three trust/distrust relationship conditions (high trust/low distrust, low trust/high distrust, low trust/low distrust) but little support for the co-existence of high trust and high distrust. Thus, they concluded that trust and distrust occur as separate constructs but they are not likely to co-exist in employees' feelings (Saunders et al. 2014).

However, as human nature is diverse and human beings can experience a variety of controversial feelings simultaneously, trust and distrust can coexist. This statement is in line with the arguments by Lewicki et al. (1998, p. 440), who claimed that positive and negative attitudes are separable yet interlinked and can be experienced simultaneously, "given different experiences within the various facets of complex interpersonal relationships". According to Lewicki and Brinsfield (2012), relationships with low trust and low distrust are neutral and benign, while relationships with low trust and high distrust are cautious and suspicious. Moreover, Lewicki and Brinsfield (2012) argue that relationships with high trust and low distrust are positive and productive, and relationships with high trust and high distrust are conflicting and ambivalent and rarely found in organisations in reality (Fig. 1).

The possibility of coexistence between trust and distrust implies that the phenomena can be interchangeable and can therefore be considered dynamic rather than static. From the perspective of organising, the perceived levels of trust and distrust account for particular organisational practices. For example, organisations in which a perceived level of distrust is high can be characterised by well-developed control mechanisms, explicit rules and a hierarchical structure (Six 2007), whereas organisations with high trust would apply participative management methods and be principle-oriented in their internal operations and flat in their structure. Diminishing distrust and increasing trust in

High trust	Positive and productive relationship	Conflicting and ambivalent relationship
Low trust	Neutral and benign relationship	Cautious and suspicious relationship
	Low distrust	High distrust

**Fig. 1** Relationships with low and high trust and distrust (cf. Lewicki and Brinsfield 2009)

an organisation may call for agreements on just and fair behaviour norms to be continually followed, engaging in more frequent and open communication and aligning the interests between the parties (Lämsä and Pučėtaité 2006; Six 2007).

### Cognitive and Affective Components of Trust and Distrust

Trust is a multidimensional phenomenon, encompassing the cognitive and the affective components (Wicks et al. 1999; Jones and George 1998; Whitener et al. 1998; McAllister 1995; Lewis and Weigert 1985). The cognitive component refers to an evaluative belief that stems from experience with and knowledge about the other party in terms of capabilities and competence in different roles, which are dependent on time and frequency of encounters with the other person (Ristig 2009; Gulati and Sytch 2008; Lewicki et al. 1998). Cognitive trust results from personal characteristics such as capability, reliability and integrity (Newman et al. 2014). The affective component is related to the emotional side of trust and is characterised by congruence between trustor-trustee values and interests (Gulati and Sytch 2008; Lämsä and Pučėtaité 2006) and solid responsive organisational relationships (Newman et al. 2014). Affective trust is usually needed for organisations to achieve unity in goals and means to attain them.

Ensuing from the distinction between cognitive and affective trust, we argue that distrust can also involve respective components. Following the definitions of the concepts, we argue that experiences of trust and distrust can be summarised as alternative relational situations with particular emotions and expectations to the other party's behaviour, which may change for different reasons, e.g. the violation of norms, broken promises or new knowledge about the incompetence of the other party, as described in Fig. 2.

Figure 2 follows the logic of Lewicki et al. (1998, p. 445); however, we add characteristics of cognitive (C) and affective (A) components that respectively describe low and high levels of trust (T) and distrust (D). As a result, we have four quadrants in Fig. 2: (1) a combination of cognitive trust and cognitive distrust (CT/CD), (2) a combination of cognitive trust and affective distrust (CT/AD), (3) a combination of affective trust and cognitive distrust (AT/CD) and (4) a combination of affective trust and affective distrust (AT/AD). In quadrants CT/CD and CT/AD, trust and distrust rest on cognitive experience, e.g. experience of the other party's competence or incompetence, expectations of benevolent or malevolent behaviour based on prior knowledge. Quadrant CT/CD can be described by the emotions of hesitance, passivity and limited confidence in the other party, and quadrant CT/AD

Affective trust (AT)	AT/CD Sincerity, confidence and reliance in relationships	AT/AD Vigilance, watchfulness and fear in relationships
Cognitive trust (CT)	CT/CD Hesitance, passivity and limited confidence in relationships	CT/AD Scepticism and cynicism in relationships
	Cognitive distrust (CD)	Affective distrust (AD)

**Fig. 2** Relationships with cognitive and affective trust and distrust

by scepticism, cynicism or even fear of the other party. A different situation is in quadrants AT/CD and AT/AD, where trust and/or distrust are based on the affective component and strong emotions are felt. In quadrant AT/CD, which is characterised by affective trust, a party is open and sincere in communication, demonstrates confidence and assurance in the other party, and easily relies on the other in difficult situations. In quadrant AT/AD, although affective trust exists, a person simultaneously experiences fear of negative or malevolent actions and is, thus, vigilant and watchful.

Cognitive and affective components are interchangeable in relationships. It has been argued that cognitive trust is essential for affective trust to develop (Schaubroeck et al. 2011), and according to Lewicki and Bunker (1996), parties in a trusting relationship proceed from cognitive trust to affective trust once a relationship is built. However, certain relationships may begin from the affective component and a trusting relationship is rationalised later. A study by Pučėtaité et al. (2010) showed that in organisations which behaved ethically with their employees, affective trust determined cognitive trust. This could be because the studied organisations were mostly subsidiaries of multinational companies with reputations of being fair employers that call for strong trust rather than distrust initially. However, initial affective trust may be rather fragile (Kim et al. 2009) and quickly grow into cognitive distrust once knowledge about the other party's malevolence or incompetence is gained. Hence, in the case of distrust, the cognitive component may be much stronger than the affective one, as there must be a reason to demonstrate low or no expectations of the other party's benevolence. Obviously, difficult experiences in the individual's life as well as familiarities with the disorder of the societal context, vagueness of social values or unreliable public institutions can result in distrusting attitudes and respective behaviour.

Thus, from the perspective of organising, diminishing affective distrust and developing affective trust may

demand organisational practices which enhance employees' motivation to act in a benevolent and positive way towards each other. Rather than focusing on control mechanisms, training to enhance employees' technical and social competence may be much more necessary to improve the quality of performance and enhance task reliability (Sitkin and Roth 1993). Such organisational practices may contribute to the growth of cognitive trust and diminish the emotional charge of distrust, in particular at the interpersonal level. However, personalised trust may quickly disappear with employee turnover and job mobility, leading to cognitive distrust, fragmentation of the organisational culture and loss of the organisational goals.

Therefore, diminishing affective distrust may require practices that build value congruence between employees and the organisation (Sitkin and Roth 1993) and induce institutional trust. As suggested by Lämsä and Pučėtaite (2006), organisational practices such as human resource management that rest on fairness and justice can undermine affective distrust at the interpersonal level and create cognitive trust at the organisational level. Value congruence and cognitive trust can be advanced further through communication practices that rest on the ability of an organisation's members to voice their negative emotions in a constructive way on the one hand and management's engagement in open discussions with employees, effective communication of the organisation's goals and reasoning of strategic decisions in a way that is understandable to employees on the other. A constructive dialogue allows members of an organisation to become moral acquaintances (Vasiljević 2004) and develop ethical norms, principles and values which constitute organisational culture. Organisational ethics refers to the principles of right and wrong guiding the members of an organisation in their organisational activities (Sinclair 1993). Organisational ethics form a background to the psychological processes of social identity formation (Ashforth and Mael 1989). Social identity works as a glue between individuals' and subgroups' values, providing meaning and connectedness and making the values and goals of a group more salient than those of the individuals, thus stimulating affective trust and even tolerating small trust violations because of additional positive feelings and affective attachment to group members (Williams 2001). Moreover, if organisational ethics is embedded in management practices and supported by leaders' integrity, fair treatment and care, it strengthens the reliability and trustworthiness of institutional systems and induces affective trust not only in individuals but also in the organisation as a social actor (cf. McAllister 1995; Hernandez et al. 2014; Williams 2001). Hence, we maintain that affective trust can be high and affective distrust low in organisational cultures characterised by value congruence and interpersonal and institutional trust.

## Unity and Fragmentation of Organisational Culture

Organisational culture stands for the understanding of how people behave, more or less ethically, in an organisation (Sinclair 1993). Organisations are composed of different groups of people and, thus, different subcultures. The understanding of an organisation as a whole varies among the groups depending on how people orient themselves as belonging to a particular group and how the group sees itself, differentiates itself from the other groups and identifies with the particular values and ideas of the organisation. These different understandings of the internal groups create subcultures that constitute an organisational culture with elements of unity and fragmentation (Alvesson 2013; Parker 2000).

According to Young (1989), literature on organisational culture discusses the two aspects of culture in various ways. Unity is often associated with completeness and harmony, while fragmentation is a state of incompleteness and deficiency. On the one hand, organisations are described as supporting joint values and striving for shared understandings that shape the culture of unity among the members of the organisation. On the other hand, organisations are said to contain sub-groups having distinct interests and using collective values to promote their own interests.

According to McPeak (2001), organisational unity entails common purpose and mutual accountability. Unity has been illustrated by employees' desire to preserve harmony and avoid disparity (Liu 2003) and by organisational commitment and transporting mutual values by storytelling (McCarthy 2008). Therefore, unity has the potential to reduce conflict in growing organisations (McPeak 2001). From the viewpoint of relationships and organising, the unity of organisational culture can be characterised by congruence between organisational, managerial and employees' values, trust, the intensity of exchanges between management and employees, identification with the organisation, strong motivation to contribute to organisational goals and teamwork, the assumption of responsibility and accountability for one's actions (Adleson et al. 2005).

However, unity is not necessarily a positive characteristic of organisational culture. Similar to high trust and a strong social network, organisational unity may be subject to non-reflected, taken-for-granted and ethically negative practices (Granovetter 1973), for example, unity in mobbing colleagues or aggressive behaviour with competitors. In other instances, unity may create a comfort zone for employees and undermine value creation for a company (Molina-Morales and Martinez-Fernandez 2009).

Organisational fragmentation implies decentralisation, disorganisation and a feeling of distance (McPeak 2001).

Studies have shown that fragmentation may follow from, for instance, an economic reform and demographic diversity of employees (Liu 2003), organisational growth and decentralisation (McPeak 2001) and privatisation (Tyrall 2005). The downside of fragmentation is that it can prevent organisational learning (Senge and Kim 2012), timely decision-making and taking action to respond to market challenges. Accordingly, organisational fragmentation can be defined as lack of congruence or divergence in the values and goals between management and employees, low commitment to the organisation, low work ethics and/or alienation to work, scepticism towards organisational vision and strategy, frequent conflicts and distrust.

Fragmentation may also involve a rational component when, for example, an employee is critically reflecting on decisions and actions of the management and by questioning them brings certain fragmentation into the relationships in an organisation. While at times harmful, this characteristic may be beneficial in instances such as project work, knowledge creation and problem-solving (Addleson et al. 2005). Moreover, organisational fragmentation and porousness can promote critical evaluation of prevailing norms and practices which, in turn, may lead to diversity and debate that has the potential to enhance organisational fragmentation and ethical organisational behaviour rather than organisational unity and unethical organisational behaviour (Sinclair 1993).

## Methods

### Research Case

As the relationship of trust and distrust with organisational culture is a fairly new and unexplored phenomenon, we used qualitative research methods for the empirical exploration (Eriksson and Kovalainen 2008; Yin 2003). To get in-depth information about the phenomenon under scrutiny, a single case study was conducted (Yin 2003). We chose a case that replicated and extended the idea of how cognitive and affective trust and distrust relate to organisational unity and fragmentation (Eisenhardt 1989).

The case company is a large, publicly listed manufacturer of consumer durable goods located in a Nordic country. It sells its products internationally and is a reputable company in the chosen strategic niche. The company, established in the late 1800s, invests strongly in product development and innovation and operates in 20 countries worldwide. In 2010, when the case study was carried out, the company had around 3500 employees, and net sales of a little over one billion euros. The company aimed to become a market leader in the chosen niche. The CEO's vision was that the company would achieve a

globally strong position in the key products and grow profitably through a continuously improved product range, high productivity, the best customer processes in the industry, and through skilled, inspired personnel with an entrepreneurial spirit.

Prior to this vision for growth, the company was severely hit by the rapid global economic downturn in 2008 and the company's sales declined severely. The situation demanded instant actions and the redefining of the short-term objectives. Defending the market positions, rationalising the production and securing the cash flow became the main targets. Investments were delayed, stock was condensed and trade receivables were reduced in order to protect the financial position. Consequently, over 200 workers were dismissed. In the spring of 2010, university researchers were called into help build a renewed leadership culture that would support the strategic vision of becoming a market leader. The research group conducted a two-year project to examine the role of middle management in strategic change and to enhance the renewal of the organisational culture.

When the research group entered the company, the atmosphere was apprehensive because of the significant savings and layoffs that had taken place over the previous 2 years. One of the first tasks of the research group was to collect data concentrating on the values of the company. The official organisational values included an open and participatory organisational culture, continuous personnel development, a highly motivated working community and the success of individuals in the company. However, among the factory employees, in particular, the future was perceived as gloomy. After a long history of growth, the rapid and drastic adjustments affected the whole organisation. Fear for the future directed the attention to internal matters, yet there were great differences in the atmosphere between the organisational units. Some units focused on internal micro-politics, while others were already searching for new opportunities for growth. It appeared that the long history of trust building was broken, and tensions between organisational sub-groups started to develop. This sets a stage for further analysis of trust and distrust and how they connect with organisational culture and organisational ethics.

### Data Collection and Analysis

To gain an understanding of different aspects of trust and distrust and their connections with organisational ethics is a research task which calls for a holistic research approach and in-depth information from real-life events and practices (Eriksson and Kovalainen 2008). The qualitative research method enabled us to study the phenomenon in its natural setting and interpret trust and distrust according to

the meanings assigned by people in the organisation (Denzin and Lincoln 2000, p. 2; Gioia et al. 2013).

A research group of two researchers and five research assistants conducted the data collection. During the fieldwork, members of the research group had access to the premises, meetings and documents of the case company. This contributed to rich secondary data and a deep tacit understanding of the social dynamics within the organisation. This is particularly important in an interpretive case study, which calls for a deep engagement of the researchers (Stake 1995). Focus groups, thematic interviews of individual informants and ethnographic field research were used as data collection methods for the primary data (Ragin and Becker 1992; Eriksson and Kovalainen 2008). The aim of the data collection and analysis was to create a close account of the ways the interviewees constructed practices, culture and the atmosphere of their work. This was achieved in the interviews by using open-ended questions and creating a situation of discussion rather than a question–answer dialogue. The respondents were treated as knowledge-sharing individuals and as emotional beings with bonds and attachments to various social groups. In the process, trust emerged as one of the key themes interviewees discussed. In order to better understand how trust was talked about, in the analysis of the data, close attention was paid to the meaning making and constructions of trust and distrust by each interviewee.

The research material used in this article was collected between March and June, 2010. The data were collected from 15 interviews with 26 persons (Table 1). Sixteen middle managers at the factory of the case company were interviewed in three focus groups. Two groups met twice and one group once. In the first meeting, the past and current situations at the factory were discussed, and in the second meeting the future prospects and goals were discussed. The focus group interviews lasted from one to 2 h each. In addition, four top managers and six shop stewards were interviewed individually. These interviews lasted from 50 to 90 min. All interviews were transcribed, resulting in 320 pages of textual data.

Qualitative content analysis (Eriksson and Kovalainen 2008; Graneheim and Lundman 2004; Krippendorff 2004) was used as the method of data analysis. A computer-

assisted NVivo programme was used to assist in the analysis. The interviews of middle management, top management and shop stewards were treated separately to ascertain different constructions of social reality (Gioia et al. 2013). Following a suggestion in previous research by Lewicki et al. (2006) to pay attention to both positive and negative expectations towards the relationship in operationalising trust, we scrutinised the expectations of top management, middle management and shop stewards regarding trust.

### The First-Order Analysis

First, a close reading of all transcribed material was performed. Phrasal descriptions were given to the sentences and expressions in the transcribed material. Trust emerged as a central topic, when interviewees were asked to talk about the past, the present and the future of the company. When identifying sentences and expressions related to trust, aside from those sentences in which trust was explicitly mentioned, sentences and expressions that implied an element of trust were also included. The phrasal descriptions addressing trust were further coded thematically using terms, images and ideas expressed by the informants. This is called an emic approach in qualitative content analysis, which means that the conceptual frameworks of the interviewees are used as the basis in coding instead of theory-driven coding categories (an etic approach) (Gioia et al. 2013; Silverman 1993). Thus, the codes were named using in vivo codes, in other words, the terms that the informants used rather than using theoretical constructs in coding the data (Strauss 1987). Third, the phrasal descriptions and codes were combined to abstractions that express the key dynamics related to trust in the data.

This kind of three-step approach in the first-order analysis has several benefits. First, using the phrasal descriptions is efficient in bringing short and long expressions from different interviews together under a generalised phrase. This ensures that all interview data are taken into account in the analysis. Second, using phrasal descriptions first and then proceeding to more abstract inductive coding helps carefully record the inductive interpretation process done by the researchers and ensures faithful adherence to

**Table 1** Research data

	Method of data collection	Number of participants	Number of meetings	Duration	Transcribed pages in totals
Top management	Interviews	4	4	0:59–1:28	70
Middle management	Focus group discussions	16	5	1:46–1:56	181
Shop stewards	Interviews	6	6	0:51–1:06	69
Total		26	15		320

the informants' voice and interpretations in the analysis process (Gioia et al. 2013).

### The Second-Order Analysis

The codes were then further sorted to form broader categories. The attention in this phase was on the larger narrative, and the guiding questions for the researchers were the meaning of the codes in theoretical terms and how the emerging themes would lead us to identify concepts that might help us describe and explain the phenomena we were examining (Gioia et al. 2013). We first identified trust and distrust as theoretical categories in the talk about trust. On further analysis, we identified whether the abstraction expresses cognitive or affective trust. In this phase of the analysis, we worked between the abstractions and the original interview data to ensure that our analysis conveyed the meaning expressed by the informants.

To gain an understanding of the connection of different aspects of trust and distrust with organisational culture and organisational ethics, we combined the different social realities of the top management, middle management and shop stewards in the case company. We positioned the abstractions of three organisational subgroups from the first-order analysis into the two-by-two matrix according to the affective and cognitive dimensions of trust and distrust. Thus, we were able to illustrate the social realities regarding trust and distrust among three organisational subgroups and show which dynamics lead to either organisational unity or organisational fragmentation.

To ensure the trustworthiness of the inductive content analysis process, several researchers were engaged in the process. First, a research assistant conducted the initial first-order analysis, and two of the authors joined the first-order analysis to revisit the phrasal descriptions and codes to create the abstractions. Then, two authors engaged in mutual discussions to conduct the second-order analyses. This process was followed to ensure the accuracy of interpretations. In the final stage of the analysis, all three authors were involved in creating the theoretical constructs.

## Empirical Findings

### Trust as a Multifaceted Construct

The inductive analysis resulted in a multidimensional understanding of trust and distrust in the case company. All parties considered trust very important, but distrust was expressed, in particular, by middle management and shop stewards at the factory. Distrust was visible in the power games and tensions between the different sub-groups and units along with feelings of uncertainty and insecurity that

characterised the organisational culture. The importance of trust was expressed along with a desire to build a positive working atmosphere.

Tables 2, 3, 4 show the results of the first-order analysis in three sub-groups: top management, middle management and shop stewards. The first column gives examples of the expressions in the interview data and the second column depicts the abstractions of these expressions. The third and fourth columns display the analysis by categorising the abstractions according to the dimensions of trust/distrust (T/D) and affective/cognitive (A/C).

The top management strongly emphasised the importance of trust while also acknowledging the existence of some distrust between the management and employees. They depicted a future of recovery and business growth with confidence but, at the same time, they portrayed the future as uncertain when looking at it from the employees' point of view. They were aware of the voiced need for consistency in leadership work and they expressed that the relationships between middle management and shop stewards were characterised by distrust. Top management saw that middle management was worried about being dismissed and overridden by top management in communication and decision-making. Moreover, they perceived that shop stewards lacked trust in the top management and were aware of the shop stewards' beliefs that the top management was lying or purposely giving wrong information.

In sum, the views of the top management were categorised with five abstractions: positive views of the future (AT), the importance of consistency in managerial actions (CT), tensions between supervisors and employees (AD), fear of dismissal among middle management (AD) and the importance of reliance on top management support and integrity (AT). While these abstractions stand for both cognitive and affective trust (CT and AT) as well as for affective distrust (AD), top management mostly voiced affective trust and affective distrust in their interviews.

While the middle management acknowledged the preceding difficulties, they had positive expectations towards the future and thought that the hard times would soon be over. In general, the atmosphere among the middle management was characterised by a lack of openness, a desire for more communication, and by personalised trust. By this, we mean that the trustworthy peers and supervisors were mentioned by name to identify those to be trusted, while the general atmosphere was characterised by distrust. Furthermore, the middle management expressed that they had no trust from the employees, and that they were seen as representatives of the "bad" employer. The middle managers also expressed difficulties cooperating with colleagues and described that their colleagues were "digging foxholes" and "watching one's own back". In terms of



**Table 2** First-order analysis of top management's interviews

Examples of expressions in the interview data	Abstraction	A/C	T/D
"Among the white collars, I believe that the situation is rather stable, they are trusting, they know the situation and they know how we will go ahead, but among the workers, there is a certain uncertainty related to this need to downsize and that creates pain, pain among the people"	Positive views of the future	A	T
"Actions need to be logical, and what comes to the gang in the shop floor, they will accept, even the rough issues, but it has to go, it cannot be today this and tomorrow that, but someone has to go and tell that this is the way we go through this and then also follow it through"	The importance of consistency in managerial actions	C	T
"So they felt that they [managers] have been swept up with what it takes to lead and, well, it was like a big problem, and then it led to a situation that the shop stewards walked over them in everything so that even in everyday management work, when a small issue of conflict arose, which was supposed to be dealt with by the line organisation there, and it tried to make the decision, they [shop stewards] announced that, well, they will go upstairs to speak"	Tensions between supervisors and employees	A	D
"Well, this gang at the floor level, they have grown impatient with this situation. They are under temporary lay-offs for the second year and they are, like loosely in gallows all the time, that's what is happening. Supervisors don't dare to do anything, for the fear of being shot, like illustratively speaking"	Fear of dismissal among the middle management	A	D
"I have told them these pains openly and, well, explained what their role is, what their responsibility is in taking care of things [...] and, well, I have then promised to stand by them, if there is any problem, so that there is no need to be afraid that they will be overridden by somebody from upstairs over there"	The importance of reliance on top management support and integrity	A	T

**Table 3** First-order analysis of middle management's interviews

Examples of expressions in the interview data	Abstraction	A/C	T/D
"...there is some kind of positive note in the air, like the sales have increased a bit and in other segments the market is growing, so if you really look for it you can find some light at the end of the tunnel"	Positive expectations towards the future	A	T
"If all information comes [to workers] through shop stewards, then it is that information. But if they get openly real facts and if someone gives reasonable arguments they learn to trust that that is like the true information. Then it goes slowly from there. It is like our people are smart and they know where things are going." "It is just like that, it is important that everything comes openly and as they are. The other thing is that because we are a publicly listed company it brings its' own challenges...sometimes issues are not talked about soon enough"	Lack of openness	C	D
"...we should be open and communicate and talk about even the difficult things. It is just not always possible because you don't want to get marked out"	Desire for communication	A	T
"It would be great to come to work if you could trust people and be with them. That would be awesome"	Trustworthy peers	A	T
"I, at least, give the full credit to our supervisor, that he is so tough [...] that he wants to give us the power and responsibility, that the supervisor would do what a supervisor is supposed to do, so that really to decide people's affairs and help them"	Trustworthy supervisors	A	T
"Surely there are those individuals who feel that we act as intermediaries of evil [...] it does not necessarily become personalised to anybody, but it is like this, the company is wicked"	Employee anxiety experienced by middle management	A	D
"And the basic worldview is that the employer is mean [...] and wants to humiliate the employees this way"			
"But you cannot always trust that it works. I mean sometimes you have to call back and you don't hear anything and you call again and then they say that we have forgotten it. Or they give you some nonsense"	Rivalry among middle management	A	D

**Table 4** First-order analysis of shop stewards' interviews

Examples of the expression in the interview data	Abstraction	A/C	T/D
"Distressed. I can't say that it is even frightening anymore. Maybe it was some time ago. Now it is frustrating, and people are puzzled"	Miserable view of the future	A	D
"I don't get honest information, well practically from nowhere. We collect pieces of information from here and there and then draw our own conclusions, we talk with our group and try and get the hang of things, what might be going on"	Lack of honesty	A	D
"In the (past CEO's) time there was respect between people. The boss said how things were. There were initiatives and they were responded to. There was a feeling that we were in this together. Now it is completely different. The difference is like between night and day. Then it was a day"	Experience of top management malevolent behaviour	C	D
"We didn't use to have these fights, but now it feels like nothing matters. So even though we have had to give up all kinds of things so that some kind of consensus could be reached, it does not seem to mean anything to the top management. It seems to be totally missing"	Lack of top management integrity	A	D
"So, for instance, my supervisor asks me where we are going. That so, it is just like this, my supervisor does not know as much as I do. So they have their own frustrations in their own organisations and he asks me where we are going. Their representatives don't tell them anything. It is this secretive hustling and bustling that is going on"	Lack of transparency	C	D
"Like for example my supervisor, he is such that everyone likes him and gets along with him. He is unbiased, he is very open. He gives positive feedback, but also negative, whenever there is a reason for it. He does not pay attention to minor things but as soon as he says, guys will correct their ways of doing things"	The importance of actions that build trust	C	T

leadership work, the middle managers emphasised the importance of their relationships with their supervisors.

As a synthesis, we distinguish the following abstractions of the middle managers' views of trust: positive expectations towards the future of the company (AT), lack of openness (CD), desire for communication (AT), trustworthy peers (AT), trustworthy supervisors (AT), employee anxiety experienced by the middle management (AD) and rivalry among the middle management (AD) (Table 3). Thus, while the middle management expressed affective distrust in issues related to employee anxiety and rivalry among the middle management, and cognitive distrust in lack of openness, they showed affective trust in positive expectations towards the future, trustworthy peers and supervisors and the desire for communication.

The shop stewards saw the future as miserable. They feared a shutdown of factory operations, exemplifying how distrust develops through attitudes towards the future. Shop stewards also presented much criticism towards the top management for lack of honesty and courage to talk about difficult issues. Shop stewards expressed their experiences of malevolent behaviour from the top management that manifested itself in the form of tension between the employees and the middle management, between the employees and the top management, and between the employees and the HR department. Distrust was expressed

mainly towards the top management, who were believed to be hiding information, covering the truth and even lying. While the importance of actions that build trust was acknowledged, trust was expressed only towards some middle managers, who were mentioned by name, and towards the peers among the shop stewards.

Table 4 summarises the views of shop stewards with six abstractions: miserable view of the future (AD), lack of honesty (AD), experience of top management malevolent behaviour (CD), lack of top management integrity (AD), lack of transparency (CD) and the importance of actions that build trust (CT). The abstractions of shop stewards' views were characterised mostly by affective and cognitive distrust. However, shop stewards showed some cognitive trust, as they emphasised the importance of actions that build trust in the organisation.

In conclusion, the first-order analysis shows how both the top and middle management expressed mostly affective trust and distrust. In addition, the top management voiced some cognitive trust while the middle management conveyed some cognitive distrust. The shop stewards, in turn, displayed mostly affective and cognitive distrust. Middle managers' fundamental, long-term understanding about relationships with other middle managers, top management and shop stewards is characterised by confidence and assurance. Simultaneously, some wariness and

watchfulness among middle managers, fear of being accused of wrong decisions by top management, and scepticism and cynicism towards shop stewards existed.

### Linking Trust and Distrust to Organisational Culture and Organisational Ethics

The analysis presented in the previous chapter shows how trust and distrust simultaneously existed in the case company. We now move on to the second-order analysis, i.e. discussing what the abstractions and their categorisation to affective and cognitive trust and distrust mean in terms of unity and fragmentation of organisational culture and organisational ethics. Following the logic of combining the affective and cognitive components of trust and distrust presented in Fig. 2, we analyse the different combinations that existed in the case company. Figure 3 illustrates the different social realities regarding trust and distrust among three organisational subgroups.

The study supports the argument that both affective and cognitive trust and distrust can co-exist. Both the top and middle management express affective trust and affective distrust. Confidence in the future, peer support, and integrity represent affective trust, while tensions and fear in subordinate relationships, subordinate anxiety, and rivalry

among peers display affective distrust. This leads to highly segmented relationships and the pursuit of opportunities based on self-interest, which creates organisational fragmentation. In situations where affective trust is combined with affective distrust, parties should work to engage and cultivate the facets where trust is reinforced and limit facets that engender distrust (cf. Lewicki et al. 2006). Thus, this study supports the idea that the combination of affective trust and affective distrust can lead to organisational fragmentation, which, if not properly managed, is harmful to organisational sustainability. Affective distrust in its extreme form may grow into strong emotions such as anger and contempt, resulting in avoidance behaviour, increased complexity in relationships and lead to organisational fragmentation. That said, fragmentation can also be a situation which enhances organisational ethics (Sinclair 1993). The diversity of organisational sub-cultures can be effective in promoting critical views to organisational practices, encouraging the questioning of the taken-for-granted ways of doing things and stimulating moral dialogue in the organisation. All this supports increased ethical sensitivity and improved moral behaviour.

Affective trust and cognitive distrust co-exist in the views of the middle management, whose expressions display a reliance on the intra-organisational relationships but also a lack of openness and desire for more communication. As the relationship of affective trust and cognitive distrust is developed through interdependence and by pursuing joint objectives (Lewicki et al. 2006), the combination of affective trust and cognitive distrust supports organisational unity that may lead to organisational sustainability. The need is implied for top management to have more open and regular communication and discussions with shop stewards to make organisational goals clearer and dissolve their fears about a factory shutdown. Here, organisational ethics functions as an integral yet not specifically accentuated part of interpersonal relations and a tacit source of building cognitive trust at the institutional level. Middle management has to rely on fairness and care in institutional practices to dispel affective distrust among shop stewards.

Cognitive trust and affective distrust co-exist in the expressions of the top management and shop stewards, although the shop stewards mostly express affective distrust. Shop stewards display a fear for the future of the company, along with scepticism and cynicism towards the top management, and wariness and watchfulness towards the middle management. They fear a closing of the factory and assume that the top management has bad motives from the perspective of the factory employees. From the viewpoint of the shop stewards, demonstrating affective distrust is needed to increase their importance and build tension between the different parties, which makes the role of the

Affective trust (AT)	AT/CD Middle management - Reliance on relationships - Lack of openness - Desire for communication  → Organisational unity	AT/AD Top management - Confidence in the future - Peers' support and integrity - Tensions and fear in subordinate relationships  Middle management - Confidence in the future - Subordinate anxiety - Rivalry among peers  → Organisational fragmentation
	Cognitive trust (CT)	
	CT/CD Shop stewards - Trust building admitted  → Organisational unity taken for granted	CT/AD Top management - Consistency of managerial actions  Shop stewards - Scepticism towards the future - Cynicism in relationships - Lack of transparency  → Source of organisational fragmentation
	Cognitive distrust (CD)	Affective distrust (AD)

**Fig. 3** Different social realities regarding trust and distrust in the case company

shop stewards more important in the organisation. The combination of affective distrust and cognitive trust builds organisational fragmentation and is rather threatening to the organisational sustainability because the management style and communication practices of the organisation do not create a background for the development of cognitive trust to affective trust or affective distrust to cognitive distrust, which would help to create organisational unity. Thus, the given situation in the company may contribute to knowledge hiding (cf. Connelly et al. 2012), installing control mechanisms and exploiting organisational weaknesses (cf. Lewicki et al. 2006). This creates a self-defensive position in problem solving and deepens the crisis in the organisation if proper managerial practices are not applied. In such a situation, consistent managerial actions displayed by the top management are urgently needed to moderate the organisational fragmentation. The fact that the shop stewards express cognitive trust by admitting the importance of trust building in an organisation shows that organisational unity is taken for granted and makes room to develop organisational unity further.

## Discussion

This study contributes to earlier research, first, by showing that trust is a multidimensional and dynamic construct. The study shows how trust and distrust can co-exist in an organisation and how affective and cognitive trust and distrust emerge and lead to different organisational realities. While affective trust is a characteristic of productive working relationships (Lewicki and Bunker 1996), strong ties and high trust may also account for false organisational unity characterised by group thinking (Granovetter 1973) and suppression of creativity. Moreover, as trust involves a risk that one party in a relationship will not act in benevolence towards the other party, trust without a rational basis may be naïve, fail to produce the expected benefit and even create unnecessary harm (Molina-Morales and Martinez-Fernandez 2009; Lämsä and Savolainen 2000). In this respect, distrust can be a strategy for reducing risk and avoiding the unexpectedly negative outcomes (Lewis and Weigert 1985; Luhmann 1979). Although in practice trust is usually considered desirable and distrust avoidable, we regard both trust and distrust as context-dependent phenomena which coexist in the relationship between the same parties and may benefit the organisation. Moreover, both phenomena can be managed and purposefully developed (Limerick and Cunnington 1993). The coexistence of trust and distrust creates ambivalence in relationships (Bies 2014) and, in this respect, we contribute to the knowledge of trust and distrust as dynamic rather than static phenomena. As Lewicki et al. (1998, p. 439) put it, “the

challenges of the modern global marketplace centre on the simultaneous management of trust and distrust in a hostile environment in which individuals may be just as inclined to distrust as they are to trust”.

Our second contribution relates to the notion that trust and distrust constitute unity and fragmentation in organisational culture. Previous literature on unity and fragmentation of organisational culture has paid little attention to trust. Affective trust is needed for organisations to reduce complexity and achieve unity and it is needed to create organisational fragmentation with potential positive outcomes. Cognitive trust, in turn, is needed in reducing complexity and managing fragmentation. We argue that the combination of cognitive trust and cognitive distrust is prevalent in a situation where organisational unity is weak or may be taken for granted. Affective trust combined with cognitive distrust represents organisational unity. Cognitive trust together with affective distrust is a source of organisational fragmentation. Both affective trust and affective distrust lead to organisational fragmentation. The tipping point between the two last quadrants in Fig. 3 is the element of affective trust, which indicates the willingness to believe in the possibility of trust. In the top right quadrant affective trust and affective distrust co-exist and denote the continuous need for balancing the emotions and feelings of trust and distrust.

The study illustrates how physical working space and language used at work can increase affective distrust and create organisational fragmentation. For example, organisational fragmentation and distrust are induced by segregation between employees, which is conditioned by a hierarchical structure of the organisation. It induces thinking in in-group and out-group categories which account for, respectively, positive affect and trust in the same subgroup members and negative affect and distrust in dissimilar subgroup members (Williams 2001). Categorisation of the same organisation members into “us” and “them” is strengthened by the physical environment of the organisation (e.g. different floors representing different groups and subcultures, fear of being “overridden by someone upstairs”) and metaphors that convey hostility between the groups (e.g. “shooting”) and the organisation as a whole (e.g. the organisation is perceived as evil by shop stewards). Hence, in such contexts, social identity based on common (organisational) values is missing, which sparks affective distrust.

Moreover, our study demonstrates that in organisational contexts characterised by a hierarchical structure, an atmosphere of distrust and fragmentation of organisational culture, both trust and distrust develop through interpersonal relationships rather than institutional practices. Moreover, the quality of interpersonal relationships may determine whether congruence of values and organisational

unity will be achieved. As long as lack of communication and open discussions exist as situational factors, institutional practices are approached with cognitive distrust, which, in the absence of perceived integrity and honesty from management, incite negative emotions such as fear and/or anger and affective distrust. In this respect, our study lends support to the research of Williams (2001) and Hernandez et al. (2014) on the role of emotions in developing organisational trust. They argued that perceived care and concern, and respectful treatment by management account for affective trust, which is deeper and endures longer than cognitive trust based on perceived competence. Considering that human nature is not only sensible but also rational, affective trust may co-exist with cognitive distrust constructing organisational unity that favours organisational sustainability.

Our final contribution addresses the link between organisational unity and fragmentation and organisational ethics. We argue that unity is not always good and fragmentation bad, as often presented in the literature. Organisational fragmentation relates to multivoicedness and criticality, which indicate the ability of an organisation to engage in developing shared values. In this respect, fragmentation constitutes the setting for practising discourse ethics (Habermas 1983) where a variety of arguments, feelings and desires can be voiced. Thus, we argue that affective trust and affective distrust enhance ethical discussions in organisations. Moreover, we argue that one combination of trust/distrust is not necessarily better than the other, but we need organisational practices that provide tools for building ethical organisations. Hence, our case study demonstrates the necessity of the so-called soft human resource management practices and responsible leadership in nurturing diversity in organisations.

While humans are capable of balancing egoistic and altruistic motives (Vasiljević 2000; McGregor 1960), dominant and institutionalised assumption in Western organisations sees people and their relationships motivated by self-interest (Nahapiet et al. 2005). Business organisations, in particular, are seen to focus on profits and revenue generation with self-centred and inherently amoral or even immoral motives that are fundamentally at odds with concern for others (Harris and Wicks 2014; Freeman 1994). Such assumption generates a challenge for management in creating and maintaining co-operative and trusting relationships and organisational ethics. In order to understand the functioning of organisations in a global knowledge economy, we need to comprehend organisations as knowledge-sharing social constructions and treat individuals as rational, emotional and ethical beings with values, connections and attachments to diverse social groups, motivated by a need to belong to a community (cf. Costa and Ramus 2012; Melé 2012; Nahapiet et al. 2005).

## Managerial Implications

These findings suggest some managerial implications. First, the study suggests a link between the view of the future and perceptions of trust. Top managers have the most positive expectations towards the future, and middle managers share a positive view to some extent, whereas shop stewards have very negative expectations towards the future and show no hope or confidence. The affective distrust of shop stewards rests on the lack of a shared vision of the company's future, which is outspoken and known also by the top management. The possibility to develop cognitive trust into an affective one rests on people management practices. This was communicated in the interviews when speaking about sources of trust. Therefore, change management through a consulting or training company is ineffective. Top and middle management have to devote time to explain why the future looks positive from their viewpoint and consistently base their decisions on justice. The importance of relying on justice as the basis for trust and fostering positive emotions under change conditions has been highlighted by previous studies (Kimberley and Härtel 2007; Pučėtaitė and Lämsä 2008; Searl et al. 2011). Once trust in management is built, an organisation can further develop trust in an institution, minimising the risk that trust will turn into distrust with the change of a manager. In this respect, the HR department, which is not trusted by the shop stewards, can also make a contribution. This idea is supported by a study by Pučėtaitė et al. (2010) on building organisational trust in a low-trust societal context which showed that fair and just HR management practices that are applied consistently and without making exceptions can develop trust and, in particular, its affective component.

Furthermore, an organisation in a crisis situation typically relies on authoritarian management style to create a sense of security and organisational unity. According to Addleson et al. (2005), the sense of security created by authoritarian management style is illusory. This study shows that allowing for fragmentation permits voicing concerns, being sincere in communication and open in expressing fears. Thus, we propose that relying on fragmentation rather than unity allows for improving ethical organisation behaviour.

## Limitations

The limitations of this study stem from the nature of a single case study. Certainly the study would have been more complete and the conclusions more solid with a multiple cases approach. Our research approach, setting and findings are interwoven, and it has to be recognised that the way trust and distrust are present varies in different settings and

different studies, as trust and distrust are affected by the context (cf. Chan 2003). Following the established guidelines of qualitative research, we have sought to overcome this limitation by presenting a conceptual framework on different aspects of trust and distrust and their relation to organisational culture to allow for conceptual generalisations across settings. The external generalisation of findings in this study builds on identifying the underlying dynamics of trust in an organisational setting (cf. Maxwell 2013). Additionally, the empirical material has been used to rethink conventional wisdom on trust in organisations (Alvesson and Kärreman 2007). Further research on varied organisational settings will increase the reliability and validity of the findings presented in this study and provide further understanding of the intricate social dynamics related to trust in organisations.

## Conclusion

In this study, we have analysed how trust and distrust construct the unity and fragmentation of organisational culture and discussed the connection with organisational culture and organisational ethics. The study presents three main contributions. First, the study highlights organisational processes that contribute to interchanges between trust and distrust as well as their affective and cognitive components, adding to the discussion about trust and distrust as multifaceted and simultaneous context-dependent phenomena which coexist in organisational relations. Second, the study shows how the affective and cognitive components of trust and distrust constitute unity and fragmentation in organisational culture. We argue that affective trust combined with cognitive distrust creates organisational unity, while affective trust combined with affective distrust creates organisational fragmentation. Third, we argue that unity is not always positive and fragmentation negative. As allowing for fragmentation permits voicing concerns, being sincere in communication and open in expressing fears, we propose that relying on fragmentation rather than unity allows for improving organisational ethics.

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