



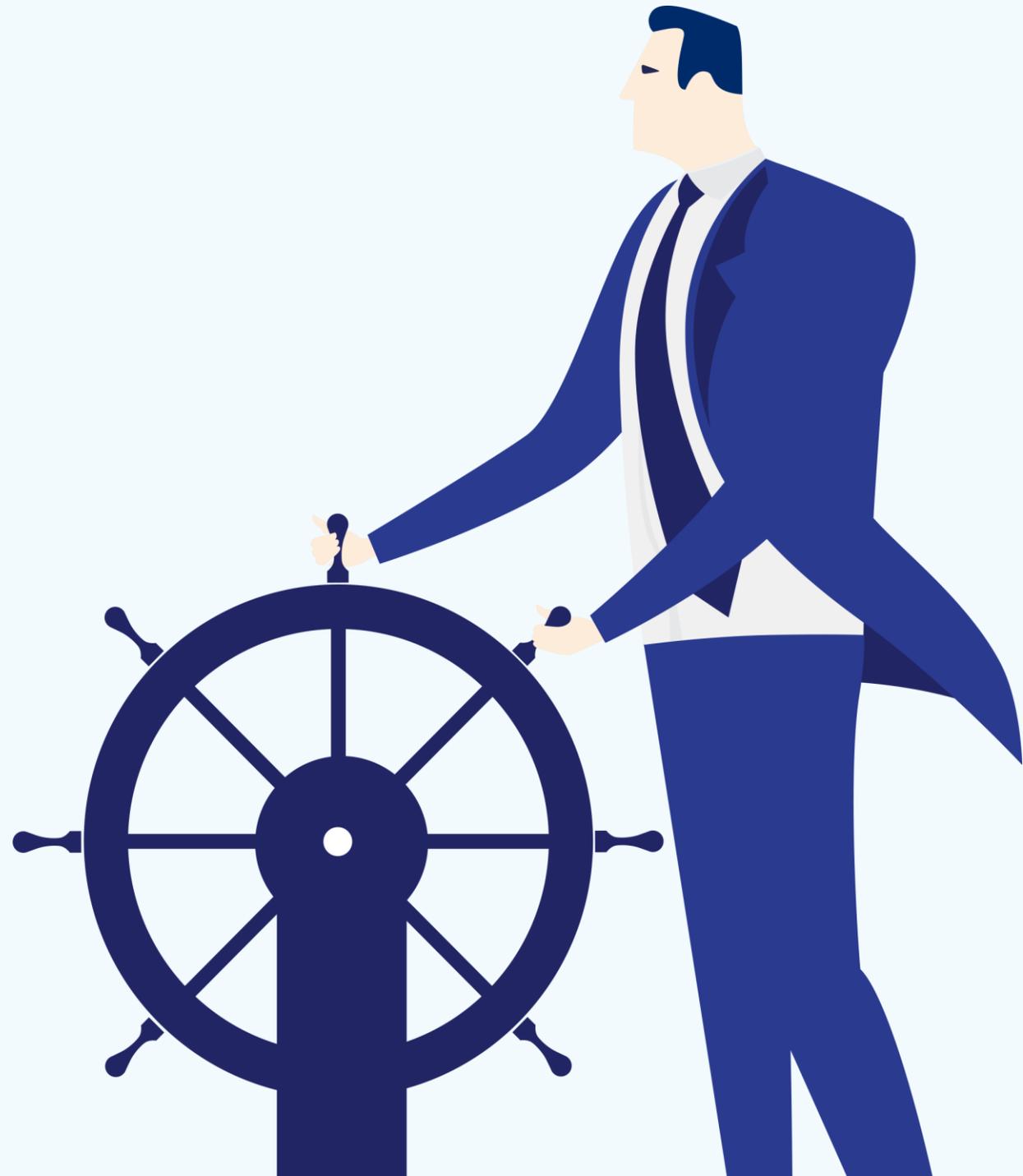
# Trust in Employers

A call to action to engage and build trust with your employees



Success. Mapped.

# 01 Introduction & Executive Summary



# Introduction

## The third of a series of research papers on trust

Insync and Entente partnered to research the extent to which customers trust their super fund and bank, as well as the extent to which employees trust their employer.

This research series is based on data collected between February and March, 2020; prior to the full effects of the COVID-19 crisis.

Other research papers can be found on our website [here](#).

To find out more about how Insync and Entente help organisations build trust with employees, please refer to the Appendices.

**This research is a warning for all leaders and people managers. That only 38% of employees say their employer tells the whole truth, and 22% say that it doesn't tell the truth at all, speaks volumes about organisational leadership in Australia.**

As the world of work is changing for many industries, knowing how to build and maintain the trust of your people is even more critical now than ever. Why? Because employees go above and beyond for their employer when trust is high.

If your employees do not believe your marketing and communications to your customers and to the market, consider the impact on their willingness to help you deliver.

This research, and the previous research in this series, is a call to action for boards and leadership teams to build a whole new level of trust in their organisations, from the inside out, and to continue doing so until trust becomes their new way of organisational life.

# Executive Summary

## Key findings

- Only 38% employees believe their organisation tells the whole truth, with a massive 22% disagreeing
- Larger organisations are less trusted than those with less than 500 employees. Those with between 6 and 19 employees are the most trusted
- Employees between 35 and 64 are much less trusting than those who are younger and older. Also, males are less trusting of their employer than females
- There is a significant variation in trust between industries. Public administration employers have a Trust Index of 0 whereas construction industry employers have a Trust Index of +40
- The biggest drivers of trust in employers are telling the whole truth, setting realistic expectations and delivering on your promises
- The lower the living standard of employees, the lower their trust in their employer

## These findings are a rallying cry for leaders and boards to:

- Establish a baseline for trust by embedding measures of trust into scorecards, and align incentive systems to motivate behaviours that move the trust dial
- Track the extent that initiatives to rebuild trust are hitting the mark by measuring both employee and customer trust on an ongoing basis and act promptly to remedy any decline in trust
- Better understand where and why employee trust is breaking down and
  - develop well targeted initiatives to engage and build trust with all employees, and
  - act quickly to determine whether the issues causing a breakdown in trust for employees might also be impacting customer trust
- Build a new level of trust from the inside out by hard wiring trust into your thinking, culture and systems
- Tell the whole truth, set clear expectations and deliver on your promises

# Executive Summary

This research reveals that employees are experiencing a significant lack of trust and frustration with their employer, with more than one in five saying they don't believe their employer tells them the whole truth.

Measuring the correlation between the internal perspective of employees and the external view of customers and other stakeholders is an invaluable 'finger on the pulse' for trust.

Rebuilding trust is not a 'project' and it is certainly not a fad. Rebuilding trust must start on the inside. It must be derived from your organisation's purpose and become part of who you are and what you stand for as an organisation. It must be upheld through a sustained effort to maintain congruence between what you say and what you do.

It is Insync's hope that many organisations will begin the journey of embedding trust so deeply into everything they do that trust becomes their new way of life.

Such a journey will not be easy. An authentic, resolute and sustained leadership commitment will be required but the investment will pay dividends many fold into the future.

## Is trust important now?

We think it is more important than ever.

With open networks and high transparency, organisations will need to be much more careful in crafting their promises and setting expectations for their employees, customers and other stakeholders.

### **Your organisation will be exposed to significant risk if you don't:**

- **have an ongoing measure of trust**
- **understand why that trust increases and decreases**
- **act quickly on clear signs of a decline in trust**

# 02 Understanding Trust



# Understanding Trust

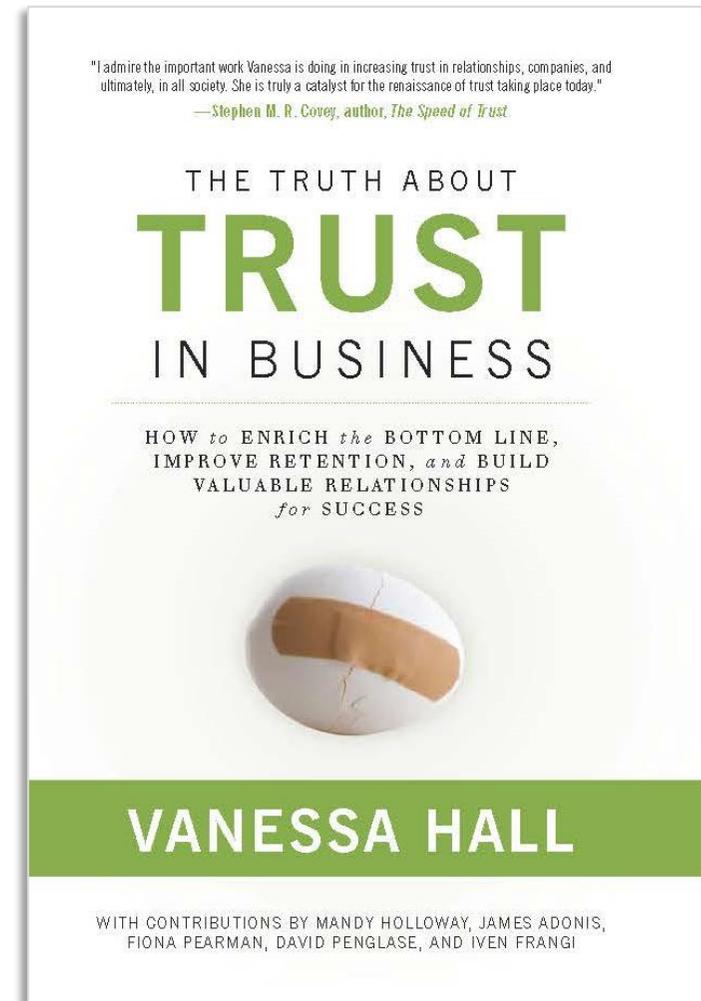
## The ENP® Trust Framework

Insync has partnered with [Vanessa Hall](#) and her organisation, Entente Pty Ltd, to help organisations build and restore trust and track its movement over time.

After more than a decade of studying, observing and testing how trust is formed, and the causes of its collapse in all relationships and interactions, Vanessa Hall has deployed her proven ENP Trust Framework around the world.

Vanessa defines trust as our ability to rely on a person (or group of people), an organisation (or brand) or a product or service to deliver a specific outcome. We rely on our expectations and needs to be met and promises made to us to be kept.

Based on behavioural economics and neuroscience Vanessa shows how Expectations, Needs and Promises (ENPs) connect to create trust – a foundational human condition. This framework is explained in detail in Vanessa's book titled *The Truth about Trust in Business*.



# Understanding Trust

## The ENP® Trust Index

The ENP Trust Index is a new measure that will pinpoint with speed and accuracy the greatest indicator of a congruency gap between your organisation's promise and the expectations and needs of your key stakeholders.

Like the NPS\* Score, the ENP Trust Index is designed around one well researched, proven and proprietary question:

***When I see or hear the marketing and communications of [sample company], I believe them.***

(Copyright Insync and Vanessa Hall, 2019)

This one question can be responded to by both internal stakeholders (e.g., employees, contractors and volunteers) and external stakeholders (e.g., members, customers, prospective customers, suppliers, and the community).

**Trust is inspired by promises made, many of which are embedded in the marketing and communications of an organisation.**

The ENP Trust Index single question identifies the extent of the alignment and congruency of those promises to the expectations and the needs of the organisation's internal and external stakeholders.

\* NPS is a trademark of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems Inc.

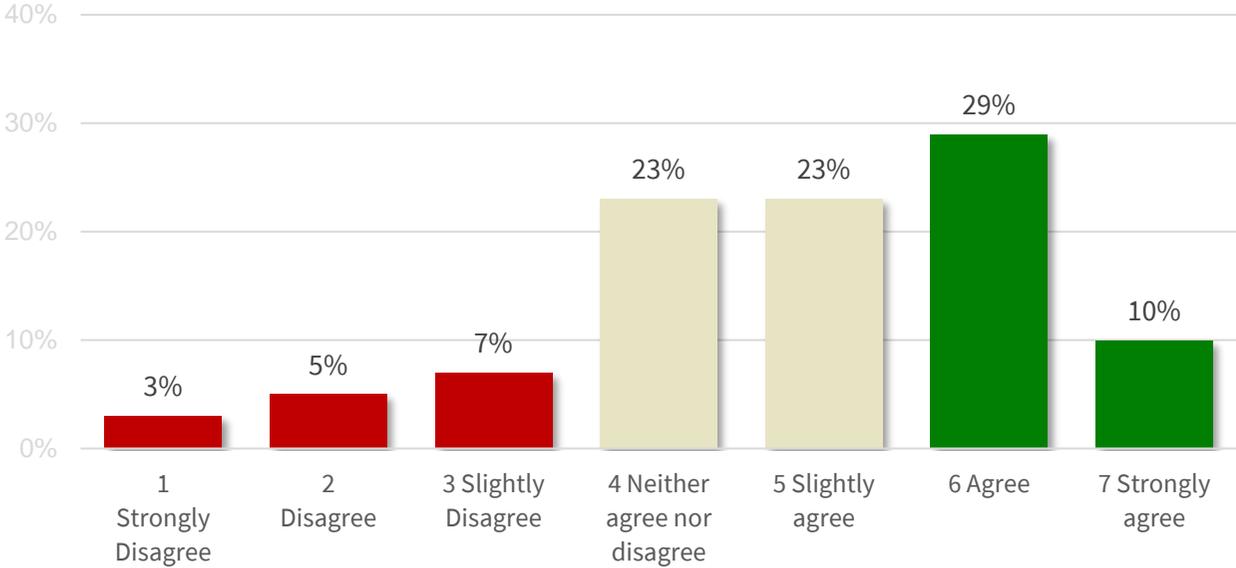
# 03 Findings



# Findings

## 3.1 Overall, employers have a low trust index

When I see or hear the marketing and communications of my employer, I believe them

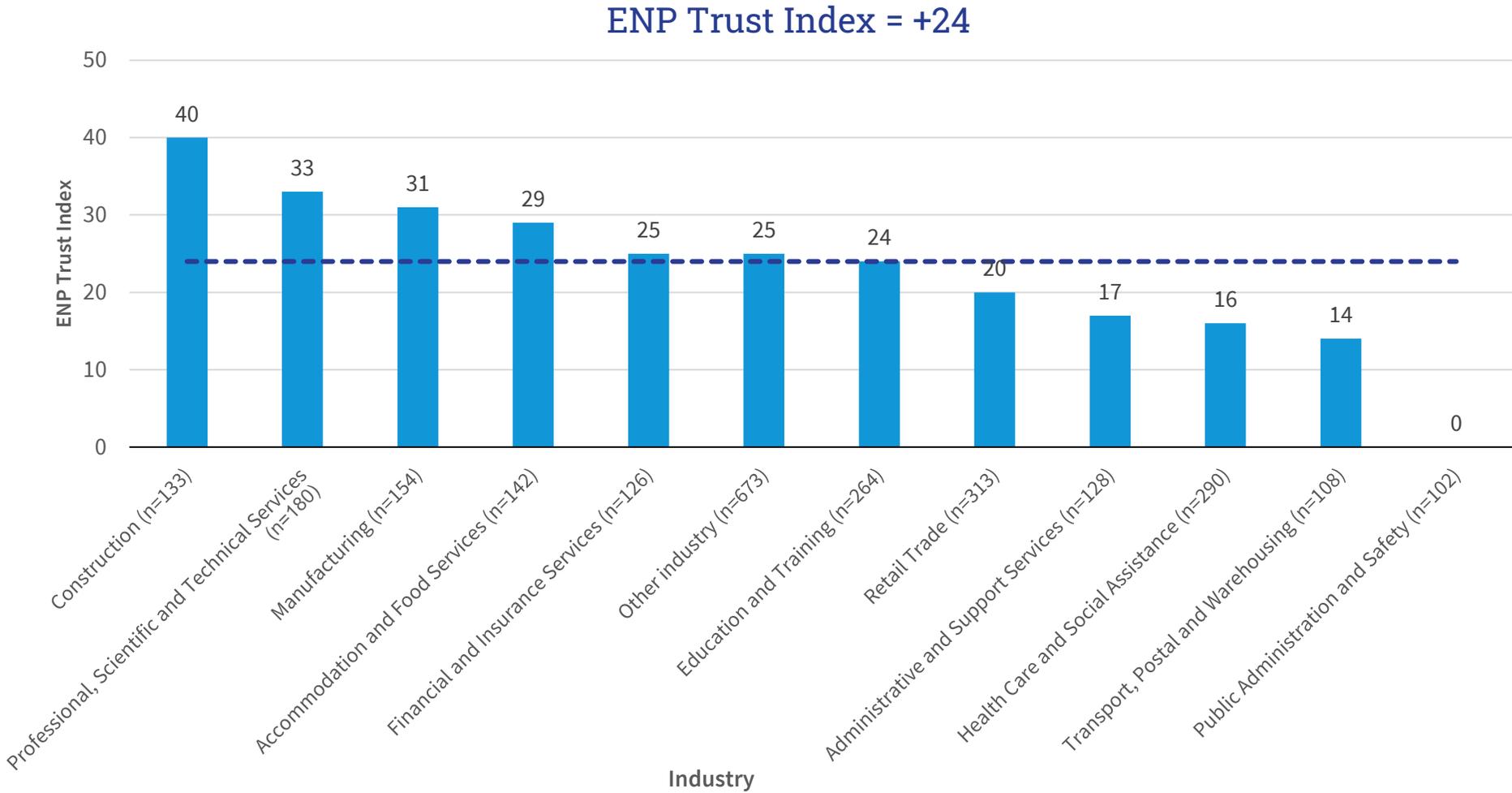


The average employer ENP Trust Index is +24

Non-believers	Ambivalent	Believers	ENP Trust Index
15% (n=399)	46% (n=1,203)	39% (n=1,011)	+24

# Findings

## 3.1 Some industries are trusted by employees much more than others



# Findings

## 3.1 Some industries are trusted by employees much more than others

The construction industry's high Trust Index of +40 can be partly explained by the fact that around 70% of employees in the sample worked for employers with less than 200 people, smaller companies being more trusted than larger ones.

Likewise, part of the reason for the low public administration Trust Index of 0 can be explained by the fact that more than 60% of the employees in the sample worked for employers with more than 1,000 employees.

Where there is clarity of roles, well-articulated expectations and clearly measured outcomes, we see higher levels of trust and resonance with the organisation's marketing and communications.

This research highlights the need for leadership teams to be highly aligned in their communications and messaging to internal and external stakeholders.

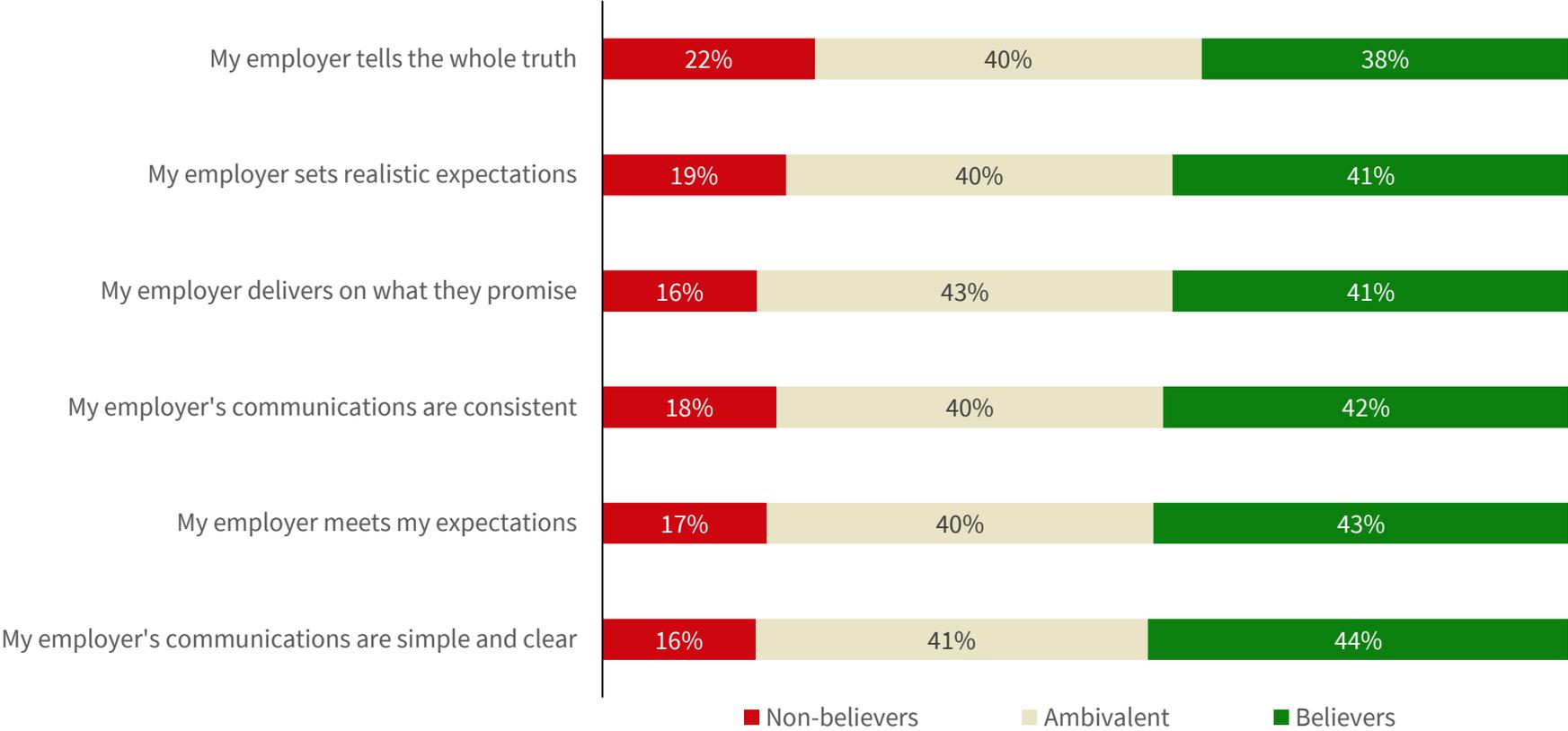
Telling the whole truth and setting realistic expectations is also critical as illustrated in Section 3.2. Employers have significant room to improve in these areas.

**Trust is fragile.  
It can be easily broken.**

You need a quick feedback loop to identify any small cracks in trust and to deal with them before they become a gaping chasm.

# Findings

## 3.2 Tell the whole truth, set realistic expectations and deliver on your promises



# Findings

## 3.2 Tell the whole truth, set realistic expectations and deliver on your promises

There shouldn't be many directors, CEOs, executives or employees that would be happy with these results. Only 38% of employees say their employer tells the whole truth and 22% say their employer doesn't tell the whole truth.

Only 41% say their employer sets realistic expectations and their employer delivers on their promises whereas 19% and 16% respectively say the opposite.

Many leaders like to tell good news and are reluctant to share news in relation to things that aren't going so well. Many also like to tell employees what they think they want them to hear. Both these approaches are clearly a mistake.

Of all an organisation's stakeholders, employees should be the first ones to be told the whole truth in simple and clear messaging, to have realistic expectations set for them and for promises made to be delivered.

Employees are also watching and listening to what is being communicated externally, and where there are gaps, or where information is watered down or manipulated to create a better story, internal trust plummets.

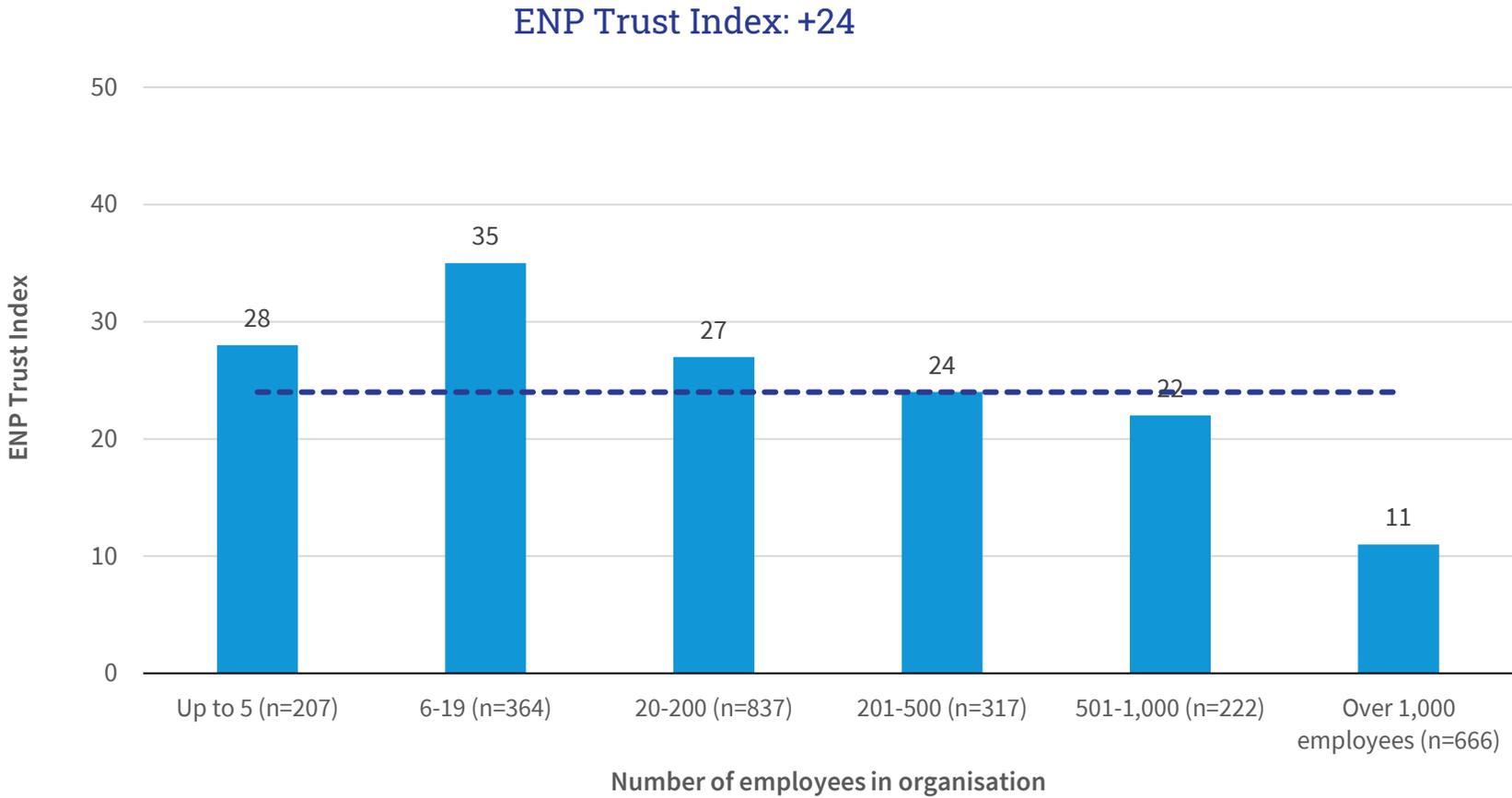
Insync conducted a regression analysis to determine which of the extra six survey items were the biggest drivers of trust. Or put another way, which items explain the greatest variability in the Trust Index?

### **The biggest drivers of trust in employers, from most important, were:**

- Tell the whole truth
- Set realistic expectations
- Deliver on your promises

# Findings

## 3.3 Employees in larger organisations are less trusting



# Findings

## 3.3 Employees in larger organisations are less trusting

Trust in organisations with over 1,000 employees is very low with a Trust Index of only +11. This is consistent with other research on the optimal size of teams, groups and organisations, and highlights the need for large employers to put appropriate processes in place to ensure clarity and reach in their communications and the way they set expectations, with two-way dialogue.

Ensuring consistency in messaging and delivery on promises, especially where the organisation is siloed and hierarchical, is key to trust.

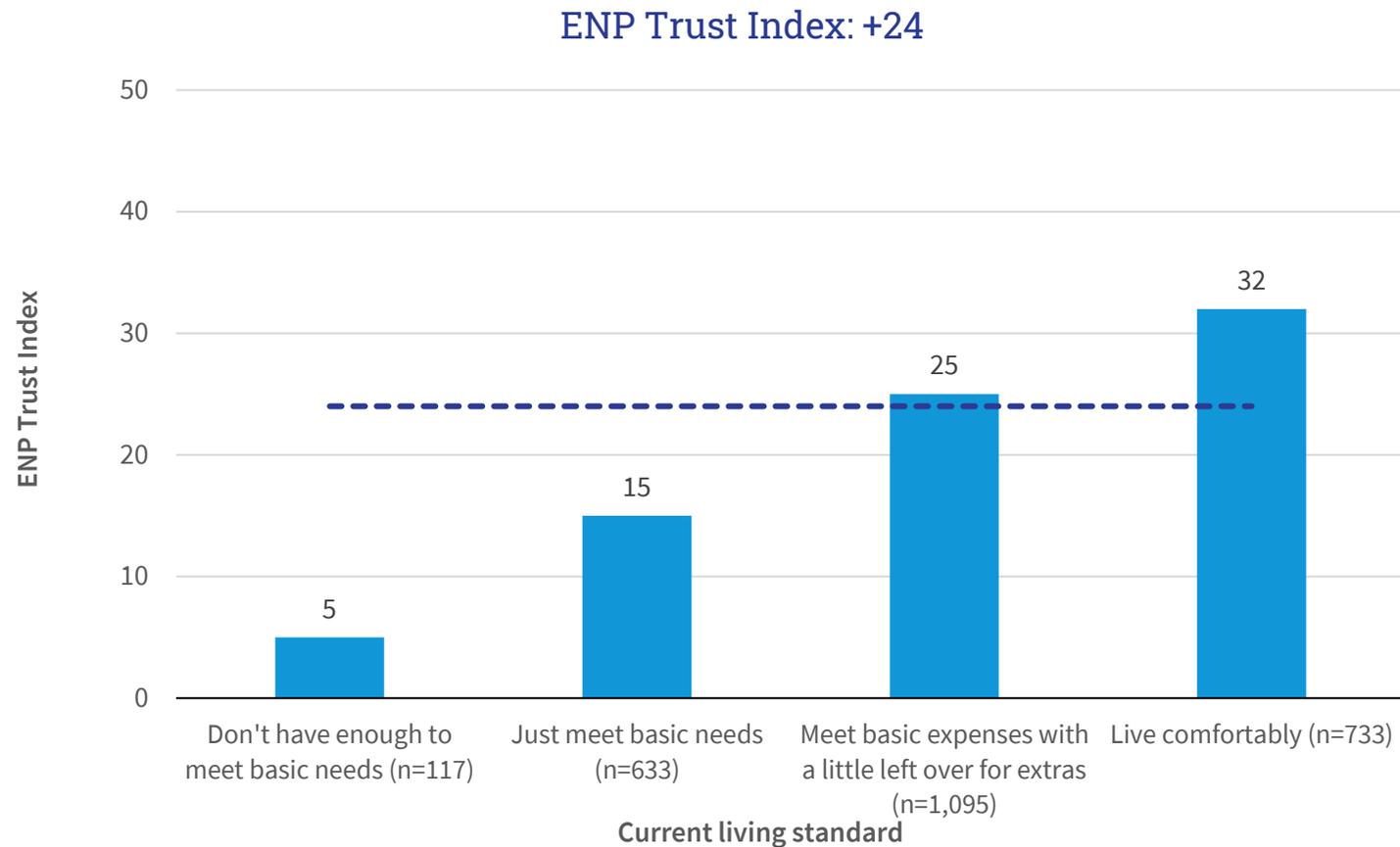
Organisations with between 6 and 19 employees have the highest level of trust which is likely due to their employees being much better aligned with their organisation's plans, decisions and actions, and the ability to remain congruent with those.

**A low Trust Index, particularly for the larger organisations, underlines the importance of embedding an ongoing measure of trust to identify any gap between an organisation's promises and its employees' needs and expectations.**

Running the Trust Index regularly provides an early warning system for organisations, tracking both internal and external resonance with communications – a critical indicator in times of change.

# Findings

## 3.4 The lower the living standard, the lower the trust



# 3. Findings

## 3.4 The lower the living standard, the lower the trust

Those who live comfortably or meet their basic needs with some left over are more likely to trust their employer than those who either don't have enough or only just have enough to meet their basic needs.

This research aligns with other research studies conducted by Insync and Entente and was also true when it came to Trust in Banks and Trust in Super funds.

It is important that leaders recognise the trust relationship that is established on employment through an employee value proposition or promise, and the impact of ongoing communications, changing expectations and perceptions of delivery on promises on their employees' willingness and capacity to perform.

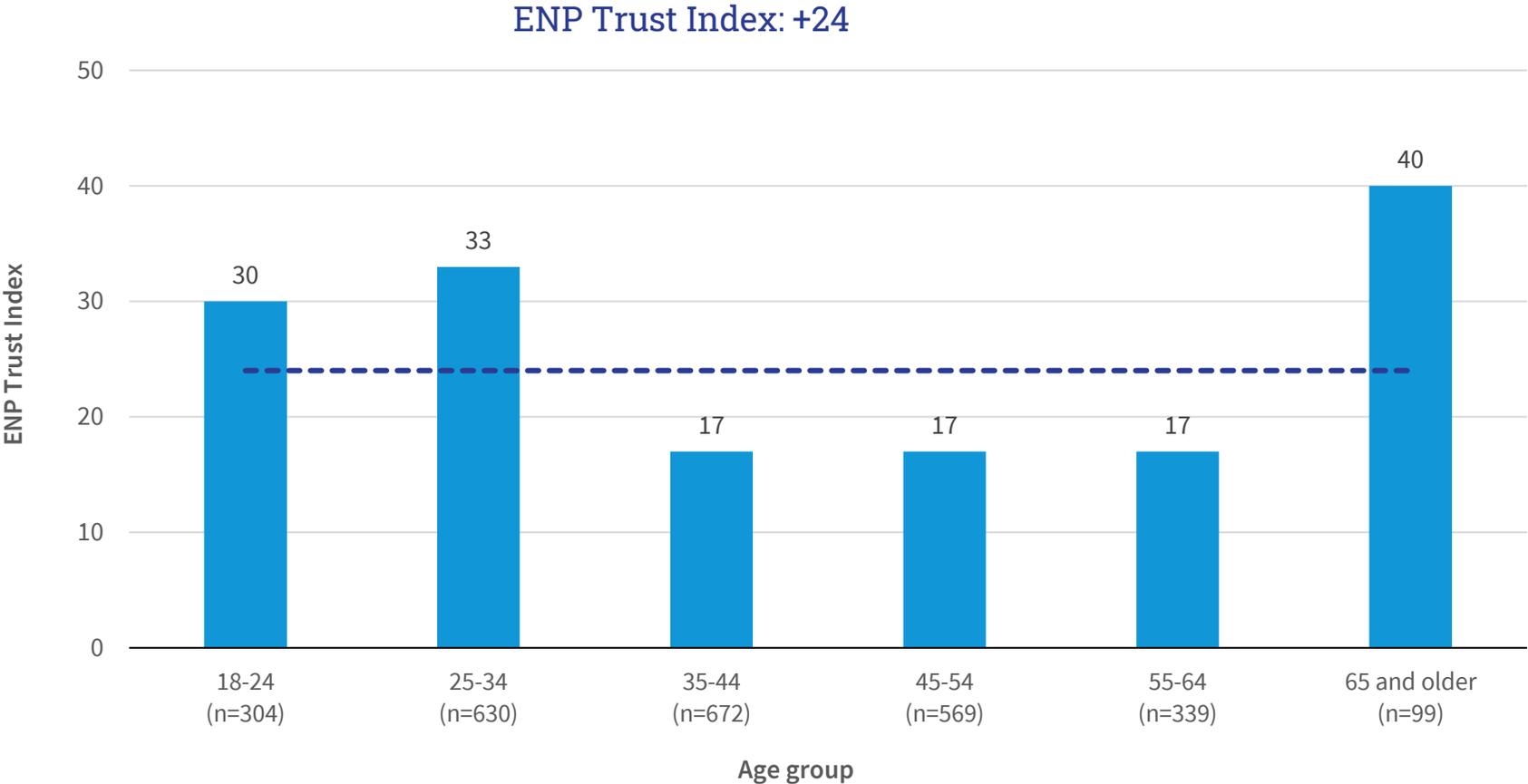
The heavier reliance of vulnerable employees on their employer means there is greater responsibility and accountability for leaders to understand and nurture that trust.

**This research highlights the need to consider the organisation's vulnerable employees.**

Whilst much attention is placed on the vulnerable customer, and a general focus on vulnerable employees as those with disabilities or safety concerns, this is a call to widen the definition of the vulnerable employee, and to have tighter controls and processes to manage the risk of the loss of trust and its damaging impact.

# Findings

## 3.5 The youngest and oldest employees are more trusting



# Findings

## 3.5 The youngest and oldest employees are more trusting

Employees between the ages of 35 and 64 are less trusting of their employer than employees younger than 35 and older than 64.

This aligns with some of Insync's other research that shows that younger employees and employees who have been with their employer for a shorter period – often described as being during their honeymoon period – are more likely to think more highly of their employer. Also much older employees also often think more highly of their employer.

This is important research as it underlines the importance of employers understanding the age and tenure of their employees and how that might impact on their level of trust. Also, better understanding the expectations and needs of each age cohort will help employers build trust with each cohort more strategically.

**Each of the findings in Section 3 will help employers better understand how the profile of their employees will impact on their likely level of trust, and how they can better match the promises they make with the expectations and needs of their employees.**

# Findings

## 3.6 What Believers and Non-believers say about their employer

A sample of what **Believers** say about their employer:

“My employer built a good reputation and over the years I have seen how trustworthy they are.”

“My employer is open and honest when discussing issues relating to work. They listen to feedback and take onboard the ideas of other staff members.”

“The business has always followed through on promises made.”

“Great environment and are open with communication so everyone is on same page.”

“My employer clearly told me what to expect and is very reliable.”

“My employer is trustworthy and reliable, and I enjoy my job.”

A sample of what **Non-believers** say about their employer:

“My employer acts in the interest of shareholders and cares little for employees.”

“My employer is not transparent; they say one thing then do another.”

“My employer lies, they promise the world and deliver nothing.”

“There could be better communication and transparency. They could hold their employees in high esteem.”

“There is too much ambiguity in my employer's communication.”

“Everything is sugar coated, my employer is not trustworthy at all.”

# 04 Your Action Checklist



# Your Action Checklist

1. Consider your organisation's strategic initiatives and determine whether they are likely to increase or decrease the trust of your employees. Determine how you might capitalise on any increase and mitigate or manage the risk of any potential decrease
2. Determine how important the building of trust is to your organisation's reputation and sustainability, and how you will regularly measure trust and the extent that improvements in your Trust Index should be included in your incentive plan
3. Determine with your leadership team and board your aspirational employee Trust Index in, say, 24 months' time
4. Commit to building trust from the inside out by embedding trust into controls and processes so that trust becomes part of your organisation's new way of life
5. Set a good baseline for your Trust Index and begin tracking the movements in your Index on a real-time basis. Build a close-the-loop process to identify and remedy any issues that are causing a breakdown in trust
6. Track and measure brand, product and service trust, marketing and communications and the correlations between internal and external trust levels
7. Ensure that you have good feedback loops from below so that your communications aren't just top down. Ensure you have a culture of no reprisals and no surprises so that bad news rises quickly to higher levels
8. Do an audit of the promises you have made and the expectations you have set with your employees against their reality, and identify and remedy any gaps
9. If any explicit or implicit promises you have made, or expectations you have set have been unclear, clarify those and ensure you deliver on them
10. Revisit your Employee Value Proposition (EVP), which is essentially a promise to employees of what you offer as an employer. A compelling and effective EVP drives employee commitment, engagement and advocacy.
11. Gain advice from trust experts who have long term proven programs to build trust
12. Build an ongoing practice of telling the whole truth and tracking resonance with that

# Appendices



# How Insync and Entente help employers

## Trust Index

- Online real-time survey and dashboard reporting
- Ability to launch own surveys as required
- Benchmarking against other organisations
- Access to trust experts and proven programs to help embed and build trust

## Employee surveys, focus groups, EVP consulting and 360 feedback

- Over 500 employee surveys in benchmark
- Special diversity survey developed
- Focus groups
- Action planning workshops
- EVP design and consulting
- Leadership Team Effectiveness Surveys
- 360 feedback, debriefs and coaching

## Customer engagement, journey mapping and NPS\*

- Own proprietary model to improve customer engagement
- Online real-time survey and dashboard reporting
- Ability to launch own surveys as required
- Practical advice from customer engagement specialists

## Board evaluations

- World class, new and improved benchmarked survey
- Structured interviews and synthesis of key issues
- Benchmarking includes 250 board reviews
- Dozens of boards of financial institutions reviewed
- Director Effectiveness Survey also available
- Workshops and strategy day facilitation

## Risk and compliance

- Develop/enhance sector specific enterprise risk profile
- Assess and benchmark non-financial risk management capability
- Develop risk assessment and sensitivity analysis on the breakdown of trust for all stakeholders
- Enhance resilience through better business risk scenario models
- Strengthen operating control design and implementation
- Measure what matters most – ensure no ‘surprises’

\* NPS is a trademark of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems Inc.

# Employers Insync and Entente have helped



# Demographics, Methodology and Sampling

## About the sample

Insync and Entente completed an online survey of 5,000 people between 14 February and 2 March 2020. Quota sampling was used to ensure an accurate representation of the Australian population aged over 18 in relation to gender, age and location (state and metro/regional). Respondent characteristics are detailed in the tables below.

Gender		N
Male	50%	2500
Female	50%	2495
Non-binary		11

Age Group		N
18-24	13%	653
25-34	18%	904
35-44	19%	957
45-54	18%	882
55-64	15%	756
65+	17%	854

State		N
NSW / ACT	35%	1751
VIC	25%	1250
QLD / NT	20%	1003
WA	10%	500
SA	8%	401
TAS	2%	101

Metro/Regional		N
Metro	64%	3205
Regional	36%	1801

## Methodology

This survey was designed by Insync in collaboration with Entente and conducted online by research agency Dynata. Survey respondents were asked to evaluate their employer on the single ENP Trust Index question and seven associated statements measured on a seven-point scale where “one” represents strongly disagree and “seven” represents strongly agree. Responses to the eight statements are presented using the aggregated titles of “non-believer”, “ambivalent” and “believer” as follows:

Non-believers	Ambivalent	Believers
Strongly disagree (1) Disagree (2) Slightly disagree (3)	Neither agree nor disagree (4) Slightly agree (5)	Agree (6) Strongly agree (7)

The ENP Trust Index score is calculated by subtracting the proportion of Non-believers from the proportion of Believers. As such, the ENP Trust Index score can range from -100 to +100.



Let's build and nurture  
trust, together.

Success. Mapped.

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