Antecedents of Coworker Trust: Leaders’ Blessings

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Although employee trust in leaders has garnered substantial empirical research, trust between coworkers has been virtually ignored. Extending the work of D. L. Ferrin, K. T. Dirks, and P. P. Shah (2006), the authors examined the role of group leaders, an influential third party in the workplace, on coworker trust formation. The correlates of the extent to which coworkers trust one another were examined in an investigation of 146 members of 32 work groups representing 4 diverse organizations. In this study, which utilized full network data, coworker trust was operationalized as in-degree centrality in the trust network. Controlling for relational demography and coworker helping behaviors, the authors found, as hypothesized, that coworkers tended to place more trust in fellow coworkers who were also trusted by the teams’ formal leaders than in coworkers who were less trusted by leaders. In addition, consistent with the social information processing theory, support was found for the hypothesis that the relationship between leaders’ trust and coworker trust is stronger when group performance is poor.

Keywords: coworker trust, leaders’ influence, vertical dyads, social networks

Interpersonal trust facilitates the occurrence of positive work consequences that may not be possible in its absence (Coleman, 1990). For decades, many studies have documented that when employees trust their leaders, positive work outcomes result, among them, cooperation (Coleman, 1990), organizational citizenship behaviors (McAllister, 1995), reduced monitoring (Langfred, 2004), and enhanced group performance (Dirks, 2000) and organizational performance (Davis, Schoorman, Mayer, & Tan, 2000). In general, this research has revealed that trust for leaders is related to supportive leadership styles and perceptions of fair treatment (Dirks & Ferrin, 2002). Despite the well-developed literature on trust in leaders, relatively few studies have examined trust for coworkers (Ferres, Connell, & Travaglione, 2004; Parker, Williams, & Turner, 2006). Moreover, the few studies that have examined coworker trust have emphasized its role as an independent variable (Alge, Wiethoff, & Klein, 2003; Ladebo, 2006).

The focus of the current investigation was on coworker trust as a dependent variable, that is, on the determinants of the extent to which coworkers trust one another. Coworker trust is important for three reasons. First, the prevalence of work teams and the interdependent nature of work tasks require employees to trust each other and to coordinate and cooperate with one another for the accomplishment of organizational goals (Groysberg & Abrahams, 2006). To this end, coworker trust is a major component of effective team decision making and proactive behaviors at work, both of which are necessary for the effective execution of interdependent work (Alge et al., 2003; Parker et al., 2006). Second, because it is common for tasks to be interdependent, reward and penalty systems are often team oriented. Sometimes, individual employees may not be rewarded in proportion to their own efforts because of coworkers’ mistakes or effort shirking. We contend that when employees trust their coworkers to do their best, they are more willing to work hard themselves, because they know that their efforts will be rewarded accordingly. Finally, interpersonal trust facilitates social exchange relationships (Blau, 1964). When coworkers trust one another, they are more willing to help each other, because they know that their peers are likely to reciprocate their help in the future (Gouldner, 1960).

To begin examining coworker trust, we investigated why some employees are trusted more by their coworkers than are others. Most interpersonal trust research has focused on the trust between members of dyads, and relatively few studies have examined the importance of third persons. However, interpersonal trust does not occur in a social vacuum, and significant others play a role in determining trust levels (Burt & Knez, 1996; Ferrin, Dirks, & Shah, 2006). Recent work by Ferrin et al. (2006) demonstrated that “individuals . . . draw on third parties to inform their trust judgments” (p. 880). Similarly, Venkataramani and Dalal (2007) found that third parties influenced helping behaviors among sorority sisters. Among many types of third parties, we propose, the group leader, through roles as the official performance appraiser, reward distributor, and mentor, has the potential to shape the immediate environment of the work group.
Through critical decisions that affect group members, including pay raises, promotions and demotions, and training opportunities, group leaders set the tone for relationships within the work group and influence the environment in which the work group is embedded. Specifically, we propose that leaders’ trust in a particular employee influences the degree to which coworkers trust this employee. Our main purpose in this research was to investigate the role of leaders’ attitudes and beliefs in trust development among coworkers.

In addition, we examined situations under which leaders’ influence in coworker trust formation is strengthened or weakened. Drawing on social information processing theory (Salancik & Pfeffer, 1978), we identified two situations in which employees rely heavily on third-party information, namely, third-party credibility and situational uncertainty. In particular, we propose that leaders’ trust is more critical when leaders are trustworthy and when the social context is uncertain.

In summary, our goal in the current investigation was to contribute to the interpersonal trust literature in two ways. First, we extended our understanding of third-party influence on trust formation by focusing on group leaders, an important third party in the workplace. Second, we examined boundary conditions that may accentuate the reliance on leaders as third parties in the formation of coworker trust perceptions.

Leaders’ Trust and Coworker Trust

There are many definitions of trust, but most contain common elements, including uncertainty of dependability, vulnerability of dependency (Li, 2007), expectations that the trusted parties will not harm the trustors (Gambetta, 1988), and willingness of trustors to assume risk with the trusted parties (Mayer, Davis, & Schoorman, 1995). To parsimoniously integrate these diverse components, Rousseau, Sitkin, Burt, and Camerer (1998) offered the following definition of trust: “A psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviors of another” (p. 395).

The decision to trust invokes an evaluation of the trustworthiness of another party and the risk involved in the trusting behaviors (Mayer et al., 1995). Information from surrounding others is an important source, especially when trustors do not know or have limited knowledge of the potential trustees. Even when the trustors and the trustees know each other, significant others may still play an important role in interpreting the meaning and the importance of the trustees’ behaviors by drawing from past observations and interactions, especially when ambiguity arises (Salancik & Pfeffer, 1978). Such situations are more common than we expect. Trustors may simultaneously receive trustworthy and untrustworthy information from the trustees (Lewicki, McAllister, & Bies, 1998), or they may encounter situations in which trustworthy trustees behave in a seemingly dishonest manner (Robinson, 1996). In these situations, the need for social information increases.

Ferrin et al. (2006) demonstrated the importance of third parties in trust formation. They found that an employee’s trust for a coworker was positively related to the number of third parties who were trusted by the employee and who simultaneously trusted the focal coworker. They proposed that third parties transmit social information about trustworthiness beliefs among employees and that trust perceptions are affected via these third parties.

Leaders’ Trust as an Antecedent of Coworker Trust

As do coworkers, leaders may potentially serve as important trust information transmitters who indirectly influence trust development among coworkers. Social information theory (Salancik & Pfeffer, 1978) suggests that employee attitudes are shaped by the social context. Very often, the social cues emitted by coworkers play an important role in affecting focal employees’ interpretation of what happens at work (O’Reilly & Caldwell, 1979; White & Mitchell, 1979). Among all individuals engaged in work settings, some are more influential than others, and we propose that leaders, in part due to their greater formal status, play a key role in influencing subordinates’ attitude formation. Leaders serve as representatives of organizations, and their communications are often especially salient to employees (Levinson, 1965; Liden, Bauer, & Erdogan, 2004). Thus, we contend that the influence of leaders helps to shape perceptions of the work environment by subordinates (e.g., employee assessment, in particular, the trustworthiness of their colleagues).

Research on leader–member exchange (LMX) also sheds light on the relationship between leaders’ trust and coworker trust. LMX theory addresses the relationship between leaders and their subordinates, and positive relationships between a leader and a member are characterized by mutual respect, trust, and obligation toward each other (Graen & Uhl-Bien, 1995). The quality of the dyadic relationships between leaders and subordinates may have spillover effects on coworker exchange (CMX) relationships (Sherony & Green, 2002; Sparrowe & Liden, 1997). When leaders have positive LMX with two subordinates, the subordinates both belong to the leaders’ in-group and probably share much information and positive sentiments. Research on emotional contagion proposes that positive sentiments may spread between two parties (Pugh, 2001) or within teams (Barsade, 2002). Similarly, balance theory (Heider, 1958) suggests that if a leader trusts two coworkers, these coworkers will in turn trust each other, so that balance is maintained. Paralleling our arguments, Sherony and Green (2002) confirmed the proposition that CMX between two coworkers was more positive when the LMX relationships between each coworker and the leader were similar.

Leaders’ trust may be contagious, in that it enhances the trustworthiness perceptions of trusted employees. Das and Teng (1998) argued that when a truster has assumed risk in trusting others, trusted others feel somewhat bounded and will in turn behave in a trustworthy manner. Serva, Fuller, and Mayer (2005) demonstrated the reciprocal nature of trust among interacting teams. On the basis of their findings on dyadic trust, we extend their arguments to a broader level by proposing that when a significant other, such as a leader, trusts an employee, coworkers will likely follow suit, for two reasons. First, when leaders trust their subordinates, they likely share more confidential information, delegate more responsibility, and provide support and advice to the trusted employees (Lau, Liu, & Fu, 2007). Consequently, trusted subordinates possess more instrumental and social resources, such that they perform well and become more capable in coworkers’ eyes. Second, trusted employees may feel a sense of obligation and responsibility to behave in a trustworthy manner (Deutsch, 1958). To continue receiving the leaders’ trust, trusted employees consistently behave according to the expectations of their leaders; these be-
haviors are noticed by coworkers, who in turn will be prompted to engage in behaviors that reflect trust in their colleagues.

Hypothesis 1: The extent to which employees are trusted by their coworkers is positively related to the trust their leaders have for them.

Social Contextual Moderators

Leaders’ trust is an important source of social information that team members may utilize in forming coworker trust. The extent of utilization may depend on the social context. We examined two potential moderators: employee trust for leaders and group performance.

Employee Trust for Leaders

Trust is transferable. Ferrin et al. (2006) suggested that trust may be transferred via third parties by direct communication or by passive observation. They further proposed that such third parties enable employees to have “increased and triangulated evidence that the coworker is indeed trustworthy” (Ferrin et al., 2006, p. 875). When team members trust their leader and their leader trusts a particular employee, it is more likely that team members also trust this coworker. But whether the leaders’ trust of a certain employee represents a signal to other coworkers that this employee is trustworthy depends on the credibility of the source of the information. Team members’ trust for leaders implies leader trustworthiness. According to the trust literature, common characteristics of trustworthy leaders include high integrity, concern, and behavioral consistency (Mayer et al., 1995; Whitener, Brodt, Korsgaard, & Werner, 1998). If an honest and caring leader identifies an employee as being trustworthy, the signal is stronger and more persuasive than is a recommendation from a leader with a dishonorable and self-interested reputation (Rosenbaum & Levin, 1968).

Hypothesis 2: Trust for leaders moderates the relationship between coworkers’ and leaders’ trust of them, such that when team members trust their leaders, the relationship between the extent to which employees are trusted by their coworkers and leaders’ trust of them is strengthened.

Group Performance

Besides team members’ trust for leaders, another potential moderator is group performance. Social information processing theory (Goldman, 2001; Salancik & Pfeffer, 1978) suggests that social information is given more weight when situations are ambiguous and complex. Social information helps construct subjective meaning, provides focus on relevant and critical perspectives (Bommer, Miles, & Grover, 2003), and serves to reduce information complexity as well as to avoid information overload (Shetzer, 1993). Specifically, according to social information theory (Salancik & Pfeffer, 1978), when the group context is uncertain, ambiguous, and complex, team members will more likely rely on social cues to form their individual beliefs and attitudes (Larson & Callahan, 1990).

Literature on feedback intervention (e.g., Kluger & DeNisi, 1996) suggests that negative group performance may add a new dimension of complexity and ambiguity to the group context. Negative feedback represents social information that may motivate individuals to improve their performance by increasing their effort or by changing an existing routine or method (Kluger & DeNisi, 1996). The latter possibility implies a challenge to individuals’ implicit theories on what leads to team success (Staw, 1975). For instance, one such implicit theory is that successful groups are more cohesive and that the group members help each other (Bachrach, Bendoly, & Podsakoff, 2001). Establishing a new routine or implicit theory is highly complex and ambiguous, and it is not always successful (Kluger & DeNisi, 1996). The additional complexity and ambiguity further enhance the importance of social information in attitude and judgment formation.

When group performance suffers, members’ interests are at stake and the uncertainty triggers a greater need to process critical social information. If the leader trusts the focal coworker, the other coworkers will be especially trusting of the focal coworker. However, if the leader lacks trust in a coworker, coworkers, faced with a difficult group climate of low performance, will exhibit a lack of trust for the focal coworker. Conversely, members of high-performing groups may feel relatively more independent and self-sufficient than do members of relatively lower performing groups; thus, they may not rely as much on those coworkers whom the leader trusts when they form their own assessments of which coworkers can be trusted.

Hypothesis 3: Group performance moderates the relationship between coworkers’ trust and leaders’ trust of group members, such that when groups perform worse, the relationship between the extent to which employees are trusted by their coworkers and leaders’ trust of them is strengthened.

Method

Sample

Data were collected as part of a larger study from four organizations located in the United States. The organizations included nonacademic staff of a large university, two geographically separated manufacturing plants of a large consumer products company (consumer 1 and consumer 2), and a small organization engaged in the production and distribution of building construction materials (construction). All 39 work groups (randomly selected from these organizations) that we invited to participate agreed to do so. To meet conditions necessary for meaningful analyses of full network data, we eliminated groups with missing data, inadequate group sample size (<4), or inadequate response rates (<80%). The resulting final sample of 32 groups (response rate 82%) included 146 respondents out of 156 total group members (individual group member response rate 94%). We received 38, 39, 19, and 50 responses from the above organizations, respectively, representing 26%, 27%, 13%, and 34% of our sample. The 32 groups ranged in size from 4 to 8 members (M = 4.7; SD = 1.0). The response rate was comparable with that of recent studies of similar design (Bono & Anderson, 2005; Bowler & Brass, 2006; Ferrin et al., 2006; Totterdell, Wall, Holman, Diamond, & Epitropaki, 2004; Venkataramani & Dalal, 2007) and met the 70% minimum requirement for conducting social network analysis (Kossinets, 2006).

Most respondents were female (68%), Caucasian (54%), high school graduates (75%); 14% had completed bachelor’s or grad-
uate degrees. On average, our respondents had 8 years of tenure in the organization (range from newcomer to 40 years), and their average age was 37 years (range 19–62 years).

Procedure

Employees completed a paper-and-pencil attitude survey and network survey on site during regular work hours. Leaders completed paper surveys but did so in separate rooms. The network surveys listed the names of employees to enhance respondent recall.

Measures

Coworker trust was operationalized as in-degree centrality on the basis of responses to the social network item that asked team members to report the degree of trust in each employee. The item was “Do you talk to (name) about confidential work-related matters?” Scales ranged from 1 (Not at all) to 7 (Very much). Consistent with our definition of trust, sharing confidential information with others has been commonly considered as a representative form of trusting behavior. It is highly risky, and people will be unlikely to confide in those whom they do not trust. It also involves a positive expectation that the trustees will be concerned for the benefits of the trustors and will not carelessly discuss the information with others (Burt & Knez, 1996; Dirks and Ferrin (2002) characterized this type of behavior as relationship-based trust, and Gillespie (2003) described it as disclosure trust.

Given the number of people whom each member needs to consider when responding to full network items, single-item measures are commonly used, including single-item network measures of trust (Ferrin et al., 2006; Sparrowe & Liden, 2005). For the analyses, we calculated in-degree centrality of the extent to which each colleague would discuss confidential work-related matters with the focal employee (Brass, 1995). In this way, every data point for coworker trust was based on multiple observations, which greatly reduced concerns about reliability with the use of a single item.

Leader’s trust was measured with the social network survey that asked leaders about their degree of trust in each employee and was assessed with the item “Do you talk to (name) about confidential work-related matters?” The scale ranged from 1 (Not at all) to 7 (Very much). We used one item for leaders’ trust in order to be consistent with our measurement of trust in fellow coworkers. In addition, there was concern for the length of the leader surveys, because leaders were asked to rate each group member on seven performance items and seven organizational citizenship behavior items and to complete a group performance measure and demographics.

Trust for leader was measured by asking each member how much he or she trusted the team leader. We asked respondents to indicate the extent to which they confided in their leader using a 7-point Likert scale ranging from 1 (Not at all) to 7 (Very much). These individual responses were aggregated to the group level, because we were interested in the reputation of team leaders in the eyes of their members. To verify whether the aggregation was justified empirically, we performed two tests (Bliese, 2000). The intraclass correlation test measures the proportion of variance in the selected variable between groups. Our analysis indicated sig-

Results

Descriptive statistics and zero-order correlations of all variables are reported in Table 1. HLM analyses on the null model of
Supporting Hypothesis 1, leader’s trust was found to be positively related to coworker trust (γ = .24, p < .01). Beyond that variance explained by helping behaviors, 7.83% of the variance in coworker trust was explained at the individual level. Contrary to Hypothesis 2 (tested in Model 3), the interaction between leaders’ trust and team trust for leader was not significant (γ = −.05, p > .05). Consistent with Hypothesis 3 (Model 4), the interaction of group performance and leaders’ trust (illustrated in Figure 1) was negative and significant (γ = −.16, p < .01). Similar results were found after controlling for group trust of the leader (Model 5). When groups had weak as compared with strong performance, the relationship between leaders’ trust and coworker trust was stronger. When we considered the total variance of coworker trust, the interaction term explained about 1.07% (1.17% × .9178). Compared with the main effect of leaders’ trust, which was 5.90% (75.43% × .0783) of total variance, the interaction effect was relatively smaller.

Discussion

Despite the large and expanding literature on trust in leaders (Dirks & Ferrin, 2002), trust between coworkers has received relatively little attention. This represents a serious omission, given the prevalence of organizations that base their operations on teams and teamwork (Ilgen, 1999). The current investigation contributes to our understanding of the determinants of trusting relationships between coworkers in organizations. The results that demonstrate the association between leader trust in coworkers and the extent to which coworkers trusted each other represent an especially salient finding. The voluminous literature on leadership has clearly demonstrated the influence that formal leaders can have on followers (Bass, 1990; Yukl, 2006). Leaders have been shown to influence follower job satisfaction and work-related behaviors (Liden & Graen, 1980). It has been documented that leaders often serve as role models for subordinates (Schein, 1992) and engage in men-

Table 1
Descriptive Statistics and Correlations

<table>
<thead>
<tr>
<th>Variable</th>
<th>M</th>
<th>SD</th>
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<th>2</th>
<th>3</th>
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<tr>
<td>1. Coworker trust</td>
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<td>1.25</td>
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<tr>
<td>2. Leaders’ trust</td>
<td>2.01</td>
<td>1.48</td>
<td>.27***</td>
<td></td>
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<tr>
<td>3. Helping behaviors</td>
<td>4.79</td>
<td>1.10</td>
<td>.10 .40***</td>
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<tr>
<td>Level 2 variables</td>
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<td>4. Trust for leader</td>
<td>4.08</td>
<td>1.28</td>
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<tr>
<td>5. Group performance</td>
<td>4.66</td>
<td>0.88</td>
<td>−.00</td>
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<tr>
<td>6. University</td>
<td>0.28</td>
<td>0.46</td>
<td>.09 .28</td>
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<tr>
<td>7. Consumer 1</td>
<td>0.25</td>
<td>0.44</td>
<td>.21 −.31</td>
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<tr>
<td>8. Consumer 2</td>
<td>0.16</td>
<td>0.37</td>
<td>.04 .47**</td>
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<tr>
<td>9. Construction</td>
<td>0.31</td>
<td>0.47</td>
<td>−.32 −.36**</td>
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</table>

*Note. Correlations among dummy-coded organization variables are omitted, because they are mutually exclusive. Individual-level correlations are listed in the upper left section, whereas group-level correlations are listed in the lower right section. Level 1 n = 146, Level 2 n = 32 (two-tailed t tests).

*p < .05. **p < .01. ***p < .001.

coworker trust (no predictors) indicated significant group effects, χ²(31, N = 32) = 74.90, p < .001. Our analyses showed that 23.18% of the variance of coworker trust was attributed to group-level effects; this result indicated the importance of testing our hypotheses with multilevel analyses. We first entered the control variables (Model 1 in Table 2). Providing a replication of Ferrin et al.’s (2006) findings, results presented in Table 2 show that employees who helped others were trusted more by other teammates (γ = .38, p < .01). It was found that helping behaviors alone explained 7.09% of the Level 1 variance of coworker trust. In addition, a significant between-organization effect was found: Consumer 1 was found to have higher coworker trust (γ = .98, p < .05).

Table 2
Hierarchical Linear Modeling Analysis on Coworker Trust

<table>
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<th>Intercept and variable</th>
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<td>γ</td>
<td>SE</td>
<td>γ</td>
<td>SE</td>
<td>γ</td>
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<td>Intercept</td>
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<td>3.34***</td>
<td>.12</td>
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<td>Level 1 variables</td>
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<tr>
<td>Helping behaviors</td>
<td>.38**</td>
<td>.12</td>
<td>.21*</td>
<td>.09</td>
<td>.20*</td>
</tr>
<tr>
<td>Leaders’ trust</td>
<td>.24**</td>
<td>.07</td>
<td>.24**</td>
<td>.07</td>
<td>.29***</td>
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<td>Level 2 variables</td>
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<td>Trust for leader</td>
<td>−.13</td>
<td>.28</td>
<td>−.50</td>
<td>.29</td>
<td>−.60*</td>
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<td>Group performance</td>
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<tr>
<td>University</td>
<td>.98*</td>
<td>.37</td>
<td>.65</td>
<td>.40</td>
<td>.47</td>
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<tr>
<td>Consumer 1</td>
<td>−.56</td>
<td>.37</td>
<td>−.43</td>
<td>.40</td>
<td>−.51</td>
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<tr>
<td>Consumer 2</td>
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<td>Cross-level interactions</td>
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<tr>
<td>Leaders’ Trust × Trust for Leader</td>
<td>−.05</td>
<td>.04</td>
<td>−.06</td>
<td>.04</td>
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<td>Leaders’ Trust × Group Performance</td>
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<td>% change in variance explained at Level 1</td>
<td>7.09</td>
<td>7.83</td>
<td>0</td>
<td>91.87</td>
<td>95.83</td>
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<td>% change in variance explained in leaders’ trust slope</td>
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*Note. *p < .05. **p < .01. ***p < .001.
toring with select followers (Scandura & Schriesheim, 1994). Leader role modeling has also been shown to be related to member perceptions of empowerment (Manz & Sims, 1987) and team effectiveness (Hiller, Day, & Vance, 2006). The current investigation extends this exploration of leader influence by demonstrating how the leader may affect follower perceptions of others, in this case, coworkers. A key theoretical implication of this result is that the leader represents a critical force in the context surrounding relationships between coworkers. Any examination of coworker interactions appears to be incomplete without acknowledgment of the role that leaders play in shaping coworker relationships.

Consistent with Heider’s (1958) balance theory, subordinates, in an attempt to maintain balance in their relationships, may have found it necessary to trust coworkers who were trusted by the leader. Not trusting a coworker with whom the leader has formed a trusting relationship would create imbalance in the focal individual’s relationship with the leader. To resolve dissonance created by an unbalanced set of relationships (Festinger, 1962), individuals may begin to trust the coworkers whom the leader trusts.

The extent to which group members trusted the leader was not found to strengthen the relationship between leaders’ trust in group members and coworker trust in one another; thus, our findings failed to support Hypothesis 2. It may be that in determining which coworkers to trust, group members focused on making sure that they trusted only those whom the leader trusted, so as to avoid imbalance. In maintaining balance, the extent to which they trust the leader is immaterial. Although Hypothesis 2 was not supported, our findings complement the trust-for-leader literature. In studying basketball team performance, Dirks (2000) found that trust for leader was a critical factor of team success. This study reinforces his findings that leaders are central in teams and that their trust decisions affect team trust formation.

Support for Hypothesis 3, indicating that the association between leader and coworker trust is stronger for groups with relatively lower performance, may seem counterintuitive at first. However, as social information processing theory implies, it may be that members of lower performing groups feel especially vulnerable, because critical personal outcomes are related to performance. As a result, the positive association between leader trust and coworker trust may be strengthened. On the other hand, members of high-performing groups may feel relatively more secure and self-confident than do members of low-performing groups. This sense of security may translate into less reliance on the leader when members form trust perceptions of fellow coworkers.

Practical Implications

Results of the current investigation indicate the powerful role that formal leaders play in the formation of group members’ attitudes and judgments. Given this dynamic, it becomes important for organizations to be certain that leaders will develop an awareness of the profound influence that their perceptions of group members may have on member perceptions of each other, particularly regarding judgments of trustworthiness. Ironically, lack of sensitivity by leaders to their influence on group members may ultimately attenuate leaders’ career progression. For example, if leaders are identifying the “wrong” group members as being safe to trust, there may be many negative implications for followers and for the organization in terms of lower group performance and higher turnover of talent.

Second, our results suggest that team members rely more on their leaders’ judgment when groups are not performing well. Under the threat–rigidity hypothesis (Staw, Sandelands, & Dutton, 1981), leaders prefer to centralize group decisions rather than to trust team members when they feel threatened by negative team performance. In this case, coworker trust will be negatively affected. Our results suggest that, under such adverse conditions, it is more important for leaders to establish strong norms for trusting capable team members, enhancing collective team efficacy, and, ultimately, improving team effectiveness (Zaccaro, Rittman, & Marks, 2001).

Finally, consistent with Ferrin et al. (2006), we found that coworkers see helping behaviors as a basis for trustworthiness assessment. Thus, to facilitate the formation of coworker trust, leaders may encourage such behaviors through formal or informal incentives.

Strengths and Limitations

A strong point of our research design was the collection of data in four diverse organizations, which served to enhance external validity. Also, results are not highly susceptible to same-source method bias explanations, because data were collected from three sources: employee self-reports, coworker and leader social network ratings, and leader ratings of employee job performance and helping behaviors. The main limitation is that the cross-sectional design precluded the possibility of determining causality. Related to this limitation, although the terms antecedents and outcomes are commonly used in cross-sectional studies for the purpose of clarifying theoretical arguments (e.g., Ferrin et al., 2006), technically, because causality cannot be determined, it is not known for certain which variables act as antecedents, mediators, or outcomes. Also, as true of most social network research, especially studies such as the current investigation that involved the collection of full network data, single-item measures are common (Ferrin et al., 2006; Sparrowe & Liden, 2005). However, when single-item measures are used, researchers should acknowledge that the full domain of the construct in question may not have been assessed. A final
limitation, which reduces the external validity, is that all data were collected in the United States.

**Future Research**

To best assess causality, researchers should collect longitudinal data from employees new to the organization at the first data collection point. To examine the influence of cultural differences on the results, they should conduct studies in countries other than the United States. For example, in cultures characterized by greater power distance than is typical in the United States, coworkers may be less aware of which coworkers the leader trusts.

Our findings add to the emerging emphasis on the importance of the social context in interpersonal trust formation. Ferrin et al. (2006) found that employees trusted coworkers when their colleagues also trusted the focal coworker. Although coworkers’ perceptions represent critical social information, we found that leaders’ trust is another influential factor. Future research may investigate the relative importance of these two sources of social information. It would also be useful to examine other influential employees, including those who occupy central network positions in communication and advice networks (Ibarra & Andrews, 1993), for their possible role in influencing coworker trust perceptions.

Future research may serve to enhance the literature on coworker trust by integrating team member exchange (TMX) theory (Seers, 1989). TMX is a social-exchange-based theory of the quality of relationships between a group member and fellow group members. Recent research has shown that when coworkers in a work group tend to report high TMX relationships, there is greater agreement across coworkers on work climate (Ford & Seers, 2006). It is reasonable to expect that TMX quality and trust in coworkers are reciprocally related, such that the more coworkers trust one another, the more they engage in the exchange of support and resources. In future research, it would be informative to assess TMX via examination of full social networks, rather than to rely on self-reports.

Our finding that coworkers trusted by leaders were also trusted by group members parallels the consistent finding that TMX and LMX are positively related (Liden, Wayne, & Sparrowe, 2000; Seers, 1989). In fact, our results suggest that there may be much promise in studying the interactive effects of TMX and leader network nominations for trust. Ford and Seers’ (2006) examination of within-group variability on LMX and TMX and its relationship with climate perceptions could be informed by social network analysis. Such an analysis could help us better understand the antecedents and outcomes of differing levels of within-group variability on LMX and TMX. It would also be informative to assess the extent to which the leader’s influence in the organization, as assessed by centrality in the influence network, affects the extent to which coworkers tend to trust fellow coworkers who are trusted by the leader (cf. Sparrowe & Liden, 2005).

In sum, results of the current investigation of the antecedents of coworker trust have revealed that leaders’ trust nominations serve to build trust between coworkers, especially when groups are not performing up to standard. The results suggest several promising avenues for future research, including integration of the TMX literature to our social network approach for the investigation of coworker interrelationships.

**References**


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