2019 Pros Maintaining A Trustworthy Leader In The Organization

by Zahara T Rony

MAINTAINING A TRUSTWORTHY LEADER IN THE ORGANIZATION

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Abstract

The purpose of this study is to provide a literature reference to maintaining a trustworthy leader in the organization. The trustworthy leader is one of some types of leaders that are difficult to find along with a variety of motives for someone to achieve his career as a leader. This is believed to be the impact of various things, one of which is the motive of a leader in achieving a position will make the attitude prioritize personal interests rather than the organization. As a consequence of the scarcity of trustworthy leaders, this is an interesting problem to be raised through this study. This study uses the literature review method by conducting a review of books and journals in Indonesia and abroad. To ensure this study is up to date, literature studies have been carried out on books and journals of the last 10 years that are related, trustworthy leader. The results showed, to maintain trustworthy leaders in an organization, factors that need to be considered are competence, integrity, virtue, and certainty.

Keywords: leadership, trustworthy leader, organization.

I. Introduction

This article discusses how to retain trustworthy leaders in organizations. The purpose of this article is to increase awareness and knowledge about the importance of maintaining trustworthy leaders. In his book The Speed of Trust, Stephen M.R. Covey said that when people do not believe, then things will go slowly because they need to be checked, checked, and reassured many times, so that not only is the work going slow but the costs are high. Conversely, if people believe, then everything will run more smoothly and quickly, and costs can also be saved. Trust in people and trust in organizations are connected by the functions and positions that people have and the roles they play in their organizations (Ring and van de Ven, 1994). In order for personal trust to be transferred to the organization, trustworthy individuals must be supported by their authorities, positions and superiors [1]. Good leaders are aware that an atmosphere of mutual trust must be built and will have a great influence on every relationship, every communication, every project, and every work with business. When mutual trust is present, everything will go faster and costs will be cheaper. The good qualities of a leader that will make him trusted include speaking honestly, respecting others, building transparency, correcting things that are not true, producing a good performance, being responsible, listening, keeping commitments, and trusting the team. Perceptions about the trust of leaders is an important aspect of the success of the managerial environment (Hogan, Curphy, & Hogan, 1994) [2]. In the era of free competition now, where competition is becoming tighter, the speed and agility of the organization become very important. For that reason, trust needs to be built, grown, and maintained. Only trusted leaders can build it and need to be defended. Trust takes different forms in many different settings, and that the process of building trust and maintaining trust also varies [3]. The Harris Poll survey shows a continuous decline of people who expressed great trust in business, from 55% in 1966 to only 15% in 2010. A Pew Research Center survey in March 2010 showed that only 22% of Americans trusted the government [4]. After the 2008 global financial crisis, trust in banks and insurance companies was at its lowest. level on the note. In 2010, the global Edelman survey showed that only 38% of people said that the information they heard from the CEO would be "very" or "very" credible. For this reason, the authors consider it important to raise regarding maintaining a credible leader in the organization.

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II. Literature Review

A. Leadership

Leadership is a field of research and also a practical skill that includes the ability of a person or an organization to "lead" or guide others, teams, or the entire organization. The specialist literature collides with one another, comparing the Eastern and Western approaches to leadership, and also (in the West itself) between the United States and European approaches. The academic community in the U.S. defines leadership as a process of social influence in which a person can involve help and support in addition to achieving a shared task. In leadership, creating collaborative relationships refers to one of the core concepts of the leadership literature: on interpersonal influences (Yukl, 2010), and on the important role that managers play in obtaining, choosing, and sharing information [5]. Chemers (1997) emphasizes that leadership behavior reflects how leaders 'priorities and organizational values are perceived and include leaders' needs to deal with changing and changing demands. The Chemers Model recognizes the importance of not only achieving market objectives - external adaptation (Schein, 2003) that measures organizational "effectiveness" - but also creates ongoing internal relationships - internal integration (Schein, 2003) that measures "efficiency" or the extent of individual employee needs to be fulfilled when they work within the organization (Barnard, 1938) [6]. Den Hartog and his colleagues (Den Hartog, House, Hanges, Ruiz-Quintanilla, & Dorfman, 1999) highlight cross-cultural values placed on trust: "Contribute to superior leadership in all cultures there are several attributes that reflect integrity. Thus, such a leader can be trusted, fair, and honest. "[7].

B. Trustworthy leader

Trustworthiness is examined through leader behavior and in the context of intra-organizational, inter-personal work relationships. The main question is how leaders show trustworthiness by building and sustaining or violating trust. The consequences of trust and lack of trust for collaboration activity, commitment, and mental work well-being are discussed.

There is no doubt that studying the topic of trust is highly timely, relevant and meaningful. This is grounded in the recently increasing awareness that existing bases for social co-operation, solidarity, and consensus have been eroded and new alternatives are needed. Because organizational change is a frequent threat to trust, a better understanding is needed of ways of acting on trust in interpersonal work relationships within organizations. However, the consequences of intra-organizational trust spread far beyond organizational boundaries. In trustful leader behavior, competence (ability) is seen as one of the main dimensions of trustworthiness, together with three other factors: integrity, benevolence, and predictability. Distrust is associated with negative expectations and a lack of confidence in the other party. Distrust also involves the belief that one party may not care about the other's welfare and may act harmfully (Lewicki et.al, 2006; Gillespie & Dietz, 2009).

Trust is the relationship between leader behavior and trustful decisions full of problems of individual perception as followers interpret the implicit and explicit elements of social contracts and values that combine social contracts (Caldwell et al, 2002; Rousseau, 1995). Barnett and Schubert (2002) identify work relationships that frame the relationship of leaders and followers as a series of psychological contracts that rise to the level of "agreement relationships". Rousseau (1995, 2003) confirms the complex ethical implications of social contracts in organizational relations and notes that social contracts are understood contextually and interpreted subjectively [6]. When team members believe that their leaders can be trusted, competent, and care about teamwork, they will be more willing to express their views and opinions, and share sensitive work-related information with leaders (eg disclosure-based trust) [8]

C. Organization

The organization is a place or gathering place for a group of people to work together rationally and systematically, in a controlled manner, and guided to achieve a certain goal by utilizing available resources. In general, organizations will utilize certain resources in order to achieve goals, such as; money, machinery, methods/ways, environment, human resources, and other resources, which are carried out in a systematic, rational, and controlled manner. In proactive organizations, employees are considered very valuable given the evidence that it can improve the functioning of the organization and workgroups (Crant, 2000) [9].

Basically, what people want and what the organization needs are leaders with integrity who also dare to be honest in facing situations that are challenging and potentially self-destructive [10].

III. Methods

This research was conducted with inductive qualitative empirical methods. Primary data were collected from several actors and sources: leaders, employees, and human resource managers. Data consists of narrative material, collected through open informal discussions with employees and general managers. The theme of the interview focused on beliefs, leadership style, and leader behavior. Secondary data are based on empirical studies. The empirical material consists of three types of data: 75 employee questionnaires, open interview questions with the human resource manager of the case company following questionnaire analysis, and participant observation diaries and notes written and analyzed by researchers during the process.

IV. Result

In this article, we present two cases of the need to retain trustworthy leaders, in two companies. Both of these companies are SMEs and are well-known in their own business fields

A. Company Case X

Company X manufactures and sells mufflers and wheel vel. The company's head office is in Jakarta. At the time of the study, 53 people worked at the company. Four of them are middle managers and one is general manager. Half of the employees work in the manufacturing department and the rest are office workers in marketing, purchasing, sales, and financial administration. Some functions, such as cleaning and maintenance, are outsourced. The company has sales representatives in all provinces in Indonesia. The leadership style in company X is quite authentic and the organizational structure is quite hierarchical. Middle managers have formal responsibilities, but this is not actualized; general manager makes all decisions. Also, the behavior of general managers cannot be predicted or the same towards employees. Open dialogue between managers and subordinates does not occur. Fear and suspicion are common reactions to the attitudes of general managers. Thus, cooperation and cooperation cannot develop between employees and management in the organization.

B. Company Case Y

Company Y is a supplier of pure milk with customers who are mostly professionals in the food industry. There are 30 company staff members including general manager, financial manager, and sales and marketing manager; the rest of the employees work in production. The leadership style in company Y is democratic and participatory. The atmosphere in the organization encourages communication and open debate. The company has a flat organizational structure with flexible job descriptions; authority, responsibility, and obligations are more dispersed and shared, which leads to a more diverse division of daily work. The successful collaboration between employees and managers and found important

V. Discussion

In these cases, it seems that employees' trust or distrust of the organization and leaders develops as a result of the appreciation or undervaluation of people by skilled or unskilled management, and authentic (democratic) or authoritarian leadership styles, this is consistent with the perception of leader trust are important aspects of managerial environmental success (Hogan, Curphy, & Hogan, 1994). At company Y, as a reliable indication of the atmosphere and demonstration of trust, spontaneous sociality arises among members of the organization. In company X, a suspicious atmosphere prevails, which hinders communication and interaction. Poor leadership underestimates employee competence. As a result, trust does not develop, and disputes and conflicts occur. Finally, such a situation shows a decline in employee and company performance. Low leader trust in company X is associated with subculture development. Employees do not trust managers, especially top management (ie, owner-managers). This manager has no business and industry

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knowledge and does not have the necessary leadership and management skills. As a result, the behavior of leaders by top management is considered untrustworthy due to incompetence in business and leading people. This is reflected in the actions of the leader, which raises suspicion and mistrust among employees. Inability and unethical behavior by company leadership. This causes distrust in the organization. Over time, mistrust pervades the organization and results in decreased welfare and a low level of commitment to the organization.

An interesting finding in company X is that, despite the lack of trust, employees are still confident in their own competencies and skills, but feel that the organization is not feasible for them. They still have confidence in themselves and believe in the future outside the organization. It is also somewhat contradictory that people are very confident with the continuity of work and feel physically fit, even though their level of mental well-being is low. The general manager's trust and distrust are represented by his leadership style. In contrast to company X, the leadership style in company Y is very democratic and participatory, thus stimulating interaction and creation together with employees. Internal communication flows and often; this is supported by a flat organizational structure. This structure also allows open communication and high morality in the care of coworkers.

VI.　Conclusion

In the case study, the behavior of the two leaders clearly shows the difference between the behavior of the leader that is trustworthy and cannot be trusted and their consequences for employees who then need to be maintained. In these cases, there are some important lessons to be learned. First, we can influence the workplace atmosphere by demonstrating trust through competence, integrity, virtue, and certainty. In the case of company Y, a climate of trust prevails, along with evidence of enthusiasm, a high level of commitment, effective communication, and knowledge sharing. In contrast, case X's company revealed an atmosphere of suspicion, fear, low levels of commitment, and lack of willingness to collaborate and share knowledge. Second, employees are socialized by the good or bad habits of a leader and the style of action of their leader who is trustworthy or untrustworthy.
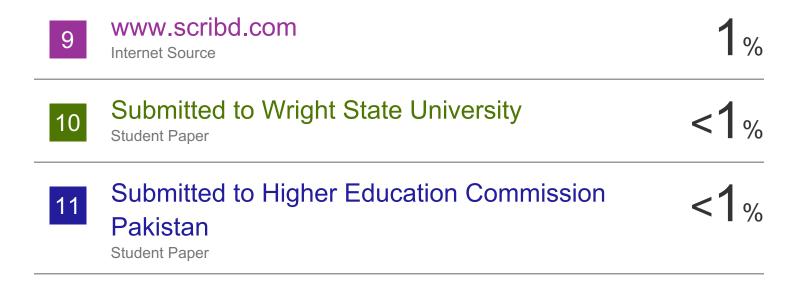
VII.　Acknowledgments

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