Definition of Philanthropy

• “the desire to promote the welfare of others. Expressed especially by the generous donation of money to good causes” Oxford Dictionary
Overview

• What is trust? What is distrust? How are they different
• High trust and low trust organisation – spirals & role of attributions
• Stakeholders and intentions
• Role of leaders – morality vs. competence
• Control & regulation in restoring trust?

What is trust?

➢ Trust is a ‘willingness to be vulnerable to the actions of another party based on the positive expectations that the other will act beneficially, or at least not inflict harm, irrespective of any monitoring or control mechanism’  
(Mayer et al, 1995; Rousseau et al, 1998)
What is distrust?

Distrust is the *absence of confidence* in another individual or a *suspicion* that the other party may have the *intention* to act in a manner that is likely to *cause harm* to the other. It implies that one party gives *no regard* to the other party’s *welfare* and has *intentions* to act in a “hostile manner”. Grovier (1994)

Trust & distrust

- Dearth of work concerning distrust compared to trust
- Some contend

Trust

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Distrust

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(Lewicki et al)

- Separate dimensions (Saunders et al 2014)
Distrust

- Deutsch (1958) Distrust / suspicion = neg outcome vs trust promotive +ve outcome
- ? Cognitive processes
- ? Affective processes (Dimoka 2012)
- Distinct behaviours – more complex (Kee & Knox, 1970)

Trust & distrust

- Affective differences (Searle, et al 2015; Saunders et al, 2014; Dimoka, 2012)
  - Different & stronger emotion found with distrust
    - Disgust, fear, anger & shame
- Cognitive distinctions (Searle et al, 2015; Kramer et al 1998; Schul et al 2004)
  - Disruption to information processing – vigilance & watchfulness
  - more sophisticated attributional analyses - potential motives & causes Fein 1996
  - Skewed attention - confirmatory bias
Identity & domain issues distrust

• Identity-related dimensions Searle et al 2014
  – Ingroups & outgroups? Salient concern
  – Value incongruence Sitkin & Roth 1993

• Breadth of distrust i.) Domain constrained
  – “Distrusted to do X” Hardin 2004

• ii.) Pervasive multi-domain/level distrust
  • All pervasive in a relationship Kramer 1999; Searle & Ball 2004

• Dynamics of distrust
  • Spiral - negative attitudes, lack of cooperation & deviant behaviors escalate & acerbated fault-lines
  • Hard to reverse Hobfoll 2001

Why does trust matter? Searle 2013

37% High trust context

47% Recommendations

More effort Performance

More co-operative

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Edelman Trust Barometer 2011

When a company is distrusted
57% will believe negative information after hearing it 1-2 times
15% will believe positive information after hearing it 1-2 times

When a company is trusted
51% will believe positive information after hearing it 1-2 times
25% will believe negative information after hearing it 1-2 times

Birmingham dentist Joyce Trail jailed for £1.4m fraud

Low trust

Low Distrust?

How is trust built?

Dr Joyce Trail was convicted at Birmingham Crown Court on 31 July

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Trust = trustworthiness
(Colquitt et al 2012; Searle et al 2014, 2015)

Confidence in...

Impact = certainty
- Cognitive-based:
  Track record/Reputation –
  Dependability, Reliability, Professionalism.
  Weak trust – derived from predictability

Impact = Resilient Reduce Wariness
- Affect-based:
  Emotional investment,
  Genuine care & concern,
  Stronger trust – belief in other’s goodwill – discount occasional expectation violations

What matters most at top? Legood 13

ability integrity

All managers = benevolence

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Is it better to be Incompetent or immoral?

**Incompetence**  
Elsbach & Currall 2012

**Competency / capacity-based**
- assume high perf only option for those with high capacity
- low perf - could be situ factors = discount

**Outcome**
- Poor perf is correctable

**Integrity or morality-based**
- honest & dishonest ple tell truth, but only dishonest ple lie
- Situ factors considered only when social desirable

**Outcome**
- Fixed & related to moral character

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Who is trusted & trusting?

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<thead>
<tr>
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<th>Professional codes of conduct</th>
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<tbody>
<tr>
<td>Internal</td>
<td>Founders</td>
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<tr>
<td>External</td>
<td>Donor</td>
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<td>Manager</td>
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<td>Regulator</td>
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Consequences

- Hidden motives of founders/donors revealed
  - Self advancement? Sir …
  - Nefarious motives .. income
- Inappropriate impact on democratic & political leaders
- Skew important global agendas – hobby issues
- Effect other charitable giving – spillover distrust

Take homes

- Differentiating stakeholders
  - Founders vs managers, Donors & regulators
- Distrust distinct from trust
  - Changes affect & thinking dimensions profoundly
  - Domain vs. pervasive focus
  - Enduring and spill over consequences
- Training & education
  - Enhancing competence of philanthropists
  - Correcting motives & intentions of philanthropy - Cognitive moral reasoning training
- Regulation, oversight & control
  - Transparency, Independent oversight, controls
Thank you & any questions

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Searle, R.H., A. Nienaber, & D. Price. Identity and Self-presentation Needs on Organizational, Work-group and Career Identification: Insight from leaders in the UK’s oil and gas industry. Under review at HRM


V. Hope-Hailey, R.H. Searle, G. Dietz (2012) Where has all the trust gone? CIPD


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