Leading With Trust: A Phenomenological Study of the Strategies Leaders in Certified B Corporations Use to Build Trust With Their Employees

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Leading With Trust: A Phenomenological Study of the Strategies Leaders in Certified B Corporations Use to Build Trust With Their Employees

A Dissertation by

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Submitted in partial fulfillment of the requirements for the degree of

Doctor of Education in Organizational Leadership

March 2019

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I remember talking to my son Benjamin one morning 4 years ago as I was driving him to school. I told him I was thinking about pursuing a doctorate, but I was worried it would be hard on our family. I will never forget what he said to me, “Mom you always tell me to try things even if they are hard. I think you should do it.” During the ensuing years, I missed a lot of family movie nights, school programs, holiday parties, and annual camping trips. My family and friends held on through it all, believing in me even when I did not believe in myself. I will forever be grateful.

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ABSTRACT

Leading With Trust: A Phenomenological Study of the Strategies Leaders in Certified B Corporations Use to Build Trust With Their Employees

by Victoria Wodarczyk

Purpose: The purpose of this phenomenological study was to explore how senior management leaders of certified B Corporations (B Corps) build trust with employees, using the 5 domains of connection, concern, candor, competence, and consistency.

Methodology: A qualitative phenomenological approach was used in this study to explore how senior leaders of certified B Corps build trust with their employees using The Values Institute (TVI; Weisman, 2016) trust framework and the accompanying domains of connection, concern, candor, competence, and consistency. Participants were purposely chosen based on study criteria of a senior management leader in a certified B Corp including leadership for at least 2 years and expert recommendation. The study collected information-rich data from 10 leaders, in 10 different certified B Corps, using semistructured interviews as the central instrument as well observations and artifacts. Data collection tools were aligned to the study purpose to explore the trust-building strategies of B Corp leaders. The researcher used NVivo software to organize and sort data based on themes and patterns.

Findings: Analysis of data from interviews, observations, and artifacts resulted in the identification of 862 total frequencies and 19 themes across the five domains of connection, concern, candor, competence, and consistency. Eight key findings were identified to answer the central research question and 5 subquestions.

Conclusions: Five conclusions, drawn from study findings, support and integrate the trust domains to describe the trust building strategies of leaders. The leaders in this study...
concluded that, to build trust, leaders must (a) demonstrate self-awareness and an understanding of the emotional impact their actions might have on employees, (b) intentionally build caring relationships with their employees, (c) communicate with truthfulness and clarity, (d) stay grounded in their values and integrate them into their work, and (e) distribute power by collaborating with employees and involving them in high level decision making.

**Recommendations:** Further research of the trust-building strategies of leaders should be conducted using a larger study sample, across a wider geographic area. Additionally, leadership trust studies in other for-profit industries and non-profit organizations would add to academic research.
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CHAPTER I: INTRODUCTION

Global employee satisfaction is at an all-time low, and businesses continue to search for an elusive solution to the problem of worker engagement and retention (Crabtree, 2018; Saks, 2017; Steelcase, 2016). In the late 1990s, an influx of younger employees rejected the traditional models of company loyalty, thus upending the conventional business culture. This multigenerational workforce sought purpose and meaning over job security and salary, all the while searching for leadership that matched its values (Birkman International, 2016; Bureau of Labor Statistics, 2016; Deloitte Global, 2016; Steffy, 2016). Corporate leaders floundered to relate to employees who grew up during a time of worldwide economic expansion and the eventual devastating collapse (Angell & Patel, 2017; Birkman International, 2016; Guillen, 2015). As the public grew progressively cynical about organizational leadership, employee commitment continued to decline (Jaffe, 2016; Sapienza & Zingales, 2012; Thompson, 2015).

Socially Responsible Business

In conjunction with the mounting distrust in the profit-above-all-else principle of economics, a new way of doing business was gaining ground: socially responsible capitalism (Bauer & Umlas, 2017; Sapienza & Zingales, 2012). This business structure embraced the notion that companies could make a profit and at the same time have a positive impact in the world. A values-based economy supporting mission-driven business was an attractive concept for people who sought to incorporate their values into their work lives (Aguinis & Glavas, 2012; Bolton, 2016; Catano & Morrow Hines, 2016; Paulet, Parnaudeau, & Relano, 2015; Thompson, 2015).
As the global economy began a time of transition, it became apparent that socially responsible businesses retained their employees at higher rates than those companies that were not socially responsible (Gross, 2011). Studies investigating the leader-follower relationship found that effective leaders took an interest in their subordinates, developed coaching relationships with them, and involved them in strategic planning (Covey & Merrill, 2006; Floyd, 2015; Heifetz & Linksky, 2002). This transformational leadership style reflected the socially responsible capitalism movement by “helping followers transcend their own immediate self-interests and by increasing their awareness of the larger issues” (Bass & Riggio, 2006, p. 73).

**Socially Responsible Leadership**

Consequently, more entrepreneurs aligned their business plans with their values, and socially responsible businesses continued to proliferate. Over time, business leaders across industries sought out methods to fully integrate responsible stakeholder practices into their business structures (Alonso-Almeida, Perramon, & Bagur-Femenias, 2015; Hategan, Sirghi, Curea-Pitorac, & Hategan, 2018; Stecker, 2016). This concern for stakeholders set apart the socially responsible leadership style from those of their shareholder-focused counterparts in three main areas: employee management, environmental impact, and community engagement (Elkington, 2006; Saeed, 2017; Verissimo & Lacerda, 2015).

**Employee Management**

In the values-based economy, business leaders set up equitable pay structures, profit sharing programs, and comprehensive medical plans for all employees. Workers were encouraged to find creative solutions to problems and were given opportunities to grow within the company hierarchy. At the same time, business leaders directed their
human resource departments to review and assess the success of the new strategies (Jamali, El Dirani, & Harwood, 2015; Weinstein, 2016).

**Environmental Impact**

Additionally, leaders of mission-driven organizations considered the environmental footprint of company projects and the contracted supply chain. Inside their organizations, business owners utilized environmentally sustainable practices and established employee incentive programs to promote sustainability in the greater community (Alonso-Almeida et al., 2015; Bolton, 2016; Klean Kanteen, 2019). At the same time, socially responsible business leaders were role models for sustainable practices, choosing low-impact energy sources for their homes and personally financing the regrowth of forests in the Pacific (Morris, 2017; Paumgarten, 2016).

**Community Engagement**

Finally, socially responsible leaders made connections with the local and international communities impacted by their company (Alonso-Almeida et al., 2015; Freeman, 2017). These leaders championed local nonprofit organizations, participated in neighborhood events, and mentored new business leaders. Socially responsible leaders made a point of fostering relationships with the community. Their demonstration of concern for people and social issues had a positive impact on the company culture (Gupta, Briscoe, & Hambrick, 2017; Patagonia, 2016; Weisman, 2016).

Executives in the values economy sought to balance the profitability of the company with the diverse needs of their stakeholders. This multipronged approach often became the standard business model for the socially responsible leader (Dyllick & Muff, 2016; Kurland, 2017; Saeed, 2017). These businesses place a high priority on trust with
their stakeholders. It is important to learn what strategies the leaders of these companies use to build trust with their people.

**Background**

At the beginning of the 21st century, employees were reporting increasing levels of dissatisfaction with their jobs and the companies that employed them. At the same time, the U.S. housing market was experiencing an unprecedented period of growth (Choi, 2013; Jaffe, 2016). Low-interest rates fueled the banking industry, which, in turn, supported a subprime mortgage market that was shadowed by unethical lending practices (Angell & Patel, 2017; Reid, Bocian, Li, & Quercia, 2017).

Wireless technology and secure Internet connections extended the economic growth, reaching to countries that had not previously been capable of participating in the global marketplace (H. H. Friedman & Mandelbaum, 2011; Pohle & Hittner, 2008). The financial boom peaked in 2007, rapidly followed in 2008 by a financial crash that launched an international crisis. This rapid transition shocked the economic world and set the stage for the worst recession in the United States since the Great Depression (Angell & Patel, 2017; Guillen, 2015; U.S. Department of the Treasury, 2013).

**Recession**

In the United States, home foreclosures decimated communities, almost 9 million jobs were lost, and individual retirement accounts disappeared overnight. The impact of the financial crisis had wide-ranging effects, but ultimately, individuals, many of whom were in the working class, bore the brunt of the economic collapse (Kyoung Tae & Hanna, 2016; Reid et al., 2017; U.S. Department of the Treasury, 2013).

While the global economy struggled to find balance, the American public became more aware of social issues. Earlier corporate scandals involving human rights violations
and environmental destruction underscored a growing sense of public unease with business organizations (Bauer & Umlas, 2017; Freeman, 2017; Sapienza & Zingales, 2012). Wireless technology, which had supported and extended the financial surge, also provided private individuals with a means to collaborate virtually. Advocacy groups began to publicize social and environmental issues, linking them to corporations (Adi, Grigore, & Crowther, 2015). This publicity, along with increasingly educated consumers, put pressure on the business community to make changes in the way they managed their resources (Bolton, 2016; Chen & Kelly, 2015; Pohle & Hittner, 2008; Smith, 2013).

**Values-Based Economy**

New and innovative ideas about the structure and purpose of an economy came out of the powerful forces of public skepticism and employee discontent. A movement to consider all stakeholders in corporate decision making gained momentum causing corporations to form relationships with the nonprofit sector (Freeman, 2017; Koehn, 2016). Corporate social responsibility (CSR), a concept that began in the 1950s, became a means for companies to integrate values-based practices into their business structure. CSR implementation varied widely, but interest in a new, values-based economy, in which companies were sustainable and also socially responsible, continued to grow (Stubbs, 2017).

**Benefit and B Corporations.** Other values-driven business models evolved alongside the CSR movement. Although the capital letter B, in the trademarked name “B Corporation” does signify intention of a business to be of benefit to all stakeholders, it is not to be confused with “Benefit Corporation,” which is a legal designation (Bauer & Umlas, 2017). B Corporations (B Corps) receive their certification based on a series of
stakeholder and environmental impact assessments and the resulting scores (B Impact Assessment, 2018; Sampselle, 2012; Stecker, 2016).

**Conscious capitalism.** Unlike B Corps, businesses that adopt the conscious capitalism model do not participate in third-party certification. Conscious capitalism is a business philosophy that guides business owners to be conscious of their impact on all stakeholders. Conscious business leaders adhere to the conscious capitalism credo, signifying their intention to prioritize the well-being of their stakeholders and the environment (Evans, 2018; Mackey & Sisodia, 2014).

**Leadership**

While society became more aware of environmental and social business matters, there was a similar upswing in the study of employee engagement and leadership. Particularly effective were transformational leadership strategies, which inspired a bond between employees and their organization (Bass & Riggio, 2006; Covey & Merrill, 2006; Kouzes & Posner, 2007). Studies found that leaders who engendered loyalty and trust with their subordinates mirrored the socially responsible business movement by being explicit about aligning their values with the mission of their business. These leaders attended to the culture of their organizations, understanding the importance of the interconnection of their employees and the greater community. As research broadened, studies began to focus on the interplay of worker and leader trust (Anderson & Ackerman Anderson, 2010; Dirks & Ferrin, 2002; Flores, 2015; Xiong, Lin, Li, & Wang, 2016).

**Trust in Leadership**

Additional study findings indicated that employee trust in leadership played a substantial role in the culture of an organization (Bridoux, Stofberg, & Den Hartog, 2016; Cho & Song, 2017; Dirks & Ferrin, 2002). In addition, employees who expressed trust in
their leaders also felt a connection to their workplace and sense of well-being. Similarly, workers who reported trust in their direct supervisor reported greater confidence in their executive leadership and their company as a whole (Cho & Song, 2017; Fulmer & Ostroff, 2017; Nienaber, Hofeditz, & Romeike, 2015).

**Theoretical Foundation**

In earlier trust research, the primary definitions of trust fell into two broad categories: behavioral and relational. Researchers defined trust both as behaviors set within a reward system and as an emotional response (Bass, 1990; Jung & Avolio, 2000). Weisman (2010, 2016) incorporated both categories of trust, asserting mutual dependence of the behavioral and relational components of trust building.

**Transactional Leadership**

Leadership theories similarly fell into two categories: behavioral and relational. The transactional leadership model focused on the exchanges made between leaders and followers (Bass, 1990; Jung & Avolio, 2000). The effectiveness of transactional leadership was limited, especially when working with followers who were more often motivated by intrinsic beliefs than by external rewards (Bass & Stogdill, 1990).

**Transformational Leadership**

Transformational leadership strategies are relational in nature, empowering followers to achieve at high levels by developing trusting and collaborative relationships that are then reflected in the organizational culture. Transformational leaders connect with subordinates on a personal level encouraging trusting relationships with their followers (Bass & Riggio, 2006; Crowley, 2011). Transformational leaders are able to develop trust with their workers by involving them in decision making and encouraging their success. Additionally, transformational business leaders who successfully engage
their employees also include some components of an exchange relationship in their schematic by matching employee values and rewards (Ackerman Anderson & Anderson, 2010; Hyman-Shurland, 2016). Consequently, as employees recognize the link between their ideals and the purpose of the organization, they are able to “transcend their own self-interests for the good of the group” (Bass & Stogdill, 1990, p. 53), thus extending their trust to the company.

**Exemplary Leadership**

Further study indicated that leaders who developed a community of trust were better able to engage and retain employees. Kouzes and Poser (2007) asserted that effective leaders, “model the way” (p. 15) for trust building by creating an environment in which vulnerability and authenticity are valued. Moreover, when business leaders fostered a climate of trust, their employees were more likely to innovate and move the organization forward (Covey & Merrill, 2006).

**Credibility**

Covey and Merrill (2006) extended trust research by linking a leader’s self-trust to organizational trust. Findings showed that the self-aware leader was better able to understand the complex trust-building matrix through a combined analysis of risk and emotional response. For example, demonstrating self-awareness requires vulnerability, an essential component in trust development with employees (Nienaber et al., 2015). As a result of being perceived as credible, leaders are able to significantly increase productivity and advance their businesses’ goals (Anderson & Ackerman Anderson, 2010; Covey & Merrill, 2006; Fulmer & Ostroff, 2017; Ugwu, Enwereuzor, & Orji, 2016).
Trust-Building Behaviors

Researchers noted that as leaders were building trust with followers, subordinates created trusting relationships with each other. Studies revealed that trust increased exponentially, replicating among group members and ultimately impacting entire organizations (Burke, Sims, Lazzara, & Salas, 2007; Kouzes & Posner, 2007; Zak, 2018). Harvey and Drolet (2004) found that successful teams shared a common theme, that of mutual trust. Teams with high levels of relational trust were also found to be strong drivers, moving forward company initiatives and finding creative solutions to difficult problems (Anderson & Ackerman Anderson, 2010; Covey & Merrill, 2006; Harvey & Drolet, 2004).

Theoretical Framework for This Study

While there is a significant body of research related to the trust-building behaviors of exemplary leaders, lack of trust is a pervasive issue in organizations across the world (Bachmann, Gillespie, & Priem, 2015; Crabtree, 2018; Edelman, 2017). It is essential to identify the strategies effective leaders use to construct and maintain trusting relationships with their constituents. Leaders need further clarification of the variables and mechanisms of trust making.

Trust Definition

For the purpose of this study, the researcher used the definition of trust developed by Weisman (2010):

An individual’s willingness, given their culture and communication behaviors in relationships and transactions, to be appropriately vulnerable based on the belief that another individual, group or organization is competent, open and honest, concerned, reliable and identified with their common values and goals. (p. 1)
Framework

This study used The Values Institute’s (TVI) trust framework (Weisman, 2010, 2016), which arranges five variables of trust-making behavior hierarchically in the order in which they build and sustain trust. Not unlike Maslow’s (1943) hierarchy of needs, the TVI model acts as a pyramid of scaffolding, integrating the functional and relational variables of trust. As Weisman (2016) explained in Choosing Higher Ground: Working and Living in the Values Economy,

The five elements—Competence, Consistency, Concern, Candor, and Connection—should not be separated from one another in the final analysis, because they are individual stages of a single journey toward the ultimate goal: trust. The connections between the elements, and what those reveal about how a company or individual expresses their values, are as important as the elements themselves. (“The Pyramid of Trust,” pp. 138-139)

In this construct, each variable provides a foundation for the following variables, culminating with the most trusting state of connection (Weisman, 2010, 2016).

Competence. Competent leaders provide their employees with the technical and relational guidance they need to perform well in their job and work community (Weisman, 2016). Employees rely on and emulate the professional model demonstrated by their leaders. Consequently, as reported by H. H. Friedman and Mandelbaum (2011), extreme incompetence was instrumental in American citizens’ loss of trust in business, education, and political leaders. Conversely, leaders who demonstrate competence in their industry are more likely to build trust with their followers and reliable leaders were more likely to be considered trustworthy by their employees (Heifetz & Linksky, 2002; Sorek, Haglin, & Geva, 2017; Zigarmi, Houson, & Conley, 2017).
**Consistency.** Consistency in leadership is another key indicator of employees’ positive regard for leaders. In general, employees demonstrate higher levels of trust when leaders display a dependable pattern of behavior. Similarly, leaders who exhibit both consistency and competence are able to build a solid foundation of trust with their followers (Covey & Merrill, 2006; Kouzes & Posner, 2005; Weisman, 2016).

**Concern.** Leaders continue to increase trust with their followers by engaging in relationship-building activities such as initiating conversations with employees about their families and interests. These types of conversations give leaders a more holistic view of employees’ circumstances, thus allowing leaders to be empathetic, provide emotional support, and participate in celebrations when appropriate (Livnat, 2004; Weisman, 2016; White, Harvey, & Fox, 2016). Concern is also influenced by the vulnerability of the leader. The authentic leader, one who is open about successes and failures, develops a safe and caring environment for followers (Anderson & Ackerman Anderson, 2010; Nienaber et al., 2015).

**Candor.** Candor, characterized by honesty and openness, is another essential element of trust building (Weisman, 2016). Leaders who model respectful discourse, and engage in constructive disagreements within their organizational cultures, build trusting relationships with their employees. These leaders regularly participate in review processes, such as 360 assessments, and are transparent in organizational management decisions and processes (Covey & Merrill, 2006; Deloitte, 2017). Conversely, employees are more engaged and productive in the workplace when leaders communicate openly (Hartner & Mann, 2017). These employees engage in trusting relationships with leaders who communicate in a clear and direct manner, even when the message being delivered
is uncomfortable (Covey & Merrill, 2006; Morreale & Shockley-Zalbak, 2015; Tschannen-Moran, 2014).

**Connection.** Considered an elevated form of trust, connection is the result of a leader’s use of competence, consistency, concern, and candor (Weisman, 2016). Leaders who express vulnerability also have higher levels of trust from stakeholders. Similarly, employees who see leaders as authentic report high levels of trust in midlevel and executive leadership. These leaders are able to establish a secure trust connection with their employees and experience high levels of employee engagement and retention (Agote, Aramburu, & Lines, 2016; Fox, Gong, & Attoh, 2015; Fulmer & Ostroff, 2017). A leader’s regular application of competence, consistency, concern, and candor creates an organizational environment characterized by mutual respect and the free exchange of ideas. Weisman (2016) called this state of connection within an organization a “relationship of community” (p. 151).

Within a connected climate of trust, leaders and employees feel a mutual sense of pride in the company they work for. These relationships move beyond a top-down leadership model to a shared sense of responsibility and support for each other and the mission of the company. In a connected trust environment, employees feel confident and comfortable exploring creative solutions to company problems. Confident employees will take risks and innovate as they move the company forward. Leaders who establish this highest level of trust maintain a work culture in which all members are emotionally and cognitively connected to each other and the success of their organization (Jana & Martin, 2017; Weisman, 2016).
Certified B Corporations

The certified B Corp was a concept brought about by the nonprofit group B Lab, an organization dedicated to business structures that benefited society. B Lab (2017) deployed the first comprehensive, third-party assessment for socially responsible companies in 2007. Since the first B Lab certification, over 2,000 companies have completed the B Lab process, thus earning status as a certified B Corp (Holtway, 2017; Kurland, 2017). While many companies continue to find it difficult to retain employees, studies indicate that socially responsible businesses have high rates of employee retention and engagement (Glavas, 2016; Honeyman, 2014a; Sledge, 2017).

B Corps advanced the purpose of B Lab by using “business as a force for good” (Honeyman, 2014a, p. 8), regularly engaging in community service, and dedicating a percentage of their profit to charitable giving. B Corps provide their workers with living wages, comprehensive medical benefits, and flexible work options. B Corp certification extends to the environment, requiring measurement of the environmental footprint of companies and their supply chain (B Impact Assessment, 2018; Dr. Bronner’s, 2018a, 2018b; Honeyman, 2014a; Houlahan, Kassoy, & Gillbert, 2016; Zurer, 2017).

Leaders of Certified B Corporations

Leaders in certified B Corps tend to be socially responsible entrepreneurs who use business to advance their social and environmental values. Rather than focusing solely on shareholders, B Corp leaders prioritize all stakeholders when making business decisions (Kim, Karlesky, Myers, & Schifeling, 2016; Thompson, 2015).

Impact and Advocacy

B Corp leaders often connect with community groups and local nonprofit organizations. Some B Corp leaders participate in political activism, using their company
resources to promote political ideals that sync with the mission of their business (Zurer, 2017). They also encourage new B Corp leadership, mentoring new socially conscious entrepreneurs, and coaching businesses through their implementation of B Lab metrics (Honeyman, 2014a; University of Colorado at Boulder, 2014).

Leaders of certified B Corps work to decrease the environmental footprint of their company and supply chain (Brown & Miksich, 2018; Klean Kanteen, 2019). They model sustainable practices in business and create incentive programs for employees to encourage their involvement in sustainable practices as well (Dr. Bronner’s, 2018a; Gunther, 2016; Patagonia, 2016). Many B Corp leaders are also activists engaged in political action related to environmentally sustainable practices (Ben & Jerry’s, 2018; Stecker, 2016; Weinstein, 2016).

**Business Management**

B Corp leaders embody the values economy by including social, environmental, and employee advocacy in their mission and vision statements (Barnes, 2017; Honeyman, 2014a). They are market activists, moving away from a profit-only model toward a business model that attempts to be of benefit to the world (Morlan, 2017; Park, 2018; Paumgarten, 2016). These mission-driven businesses hire and retain employees at greater rates than companies that do not incorporate social responsibility into their business structure (Barakat, Giuliani, Boaventura, & Mazzon, 2016). Moreover, executives at certified B Corps operate transparently and create connections with their employees through shared decision making. Leaders in certified B Corp consistently develop cultures of trust within their organizations (Allen, 2016; Lins, 2017). It is important to investigate further the strategies B Corp leaders use to build trust with their employees.
Statement of the Research Problem

Lack of trust has been a pervasive force in the global economy throughout the 21st century. In the United States, public trust in business, continuing a 17-year decline, plummeted to just 50% (Edelman, 2018). Labor productivity, a symptom of a disengaged workforce, slowed to levels not seen since the end of WWII. The public remained cynical about organizational leaders but at the same time was concerned about escalating social and environmental issues (Deloitte, 2017; Jaffe, 2016; Sledge, 2017; Sprague, 2017).

Some companies began responding to this growing movement by creating alliances with nonprofit groups while others adopted fully integrated socially responsible business models. In 2006, the nonprofit organization, B Lab, launched a certification program designed to measure a company’s impact on stakeholders. Certified B Corps were the first socially responsible businesses to obtain third-party verification of their positive impact in the world (Barnes, 2017; Gehman & Grimes, 2017; Honeyman, 2014a, 2014b).

Despite the rise of a values economy, the majority of American workers were detached and unfulfilled in their jobs. Fulmer and Ostroff (2017), responding to the crucial matter of employee engagement, maintained that leaders played a central role in the culture of an organization, noting that leadership trust was a key indicator of increased employee satisfaction and retention. Effective leaders were transparent, integrating their values into the mission of their business. These leaders fostered trusting and collaborative work environments. Consequently, prospective employees pursued jobs in organizations that emphasized a positive work culture, aligning profit making
with a commitment to the greater good (Aguinis & Glavas, 2017; Carnahan, Kryscynski, & Olson, 2017).

Although Weisman (2010) measured company and brand trust, questions remained regarding the strategies socially responsible business leaders used to build trusting relationships with their employees. Additionally, there has been a lack of knowledge about how socially responsible business leaders, such as leaders of B Corps, build trust using the five domains of connection, concern, candor, competence, and consistency (Weisman, 2010, 2016). Literature indicates that more information is needed to explore the use of the TVI trust framework domains as a model for trust building in certified B Corps (Barakat et al., 2016; Fulmer & Ostroff, 2017; Gaudencio, Coelho, & Ribeiro, 2017; Hyman-Shurland, 2016).

**Purpose Statement**

The purpose of this phenomenological study was to explore how senior management leaders of certified B Corps build trust with employees, using the five domains of connection, concern, candor, competence, and consistency.

**Research Question**

**Central Research Question**

How do senior management leaders of certified B Corps build trust with employees using the five domains of connection, concern, candor, competence, and consistency?

**Subquestions**

1. How do senior management leaders of certified B Corps build trust with employees using connection?
2. How do senior management leaders of certified B Corps build trust with employees using concern?

3. How do senior management leaders of certified B Corps build trust with employees using candor?

4. How do senior management leaders of certified B Corps build trust with employees using competence?

5. How do senior management leaders of certified B Corps build trust with employees using consistency?

**Significance of the Problem**

The global uncertainty in economics, increased political polarization, and a perceived lack of truthful information have led to a worldwide decline in leadership trust (Edelman, 2018). Nowhere was this loss of trust more evident than in the workforce; most notably in the United States, as employee satisfaction levels fell to just 15% (Crabtree, 2018). In the same way that leader-follower trust impacts job satisfaction, studies also found that businesses engaged in socially responsible practices, such as certified B Corps or internal CSR programs, were able to successfully retain and engage employees. Consequently, these companies were found to be more successful and have increased rates of productivity (Alonso-Almeida et al., 2015; Barakat et al., 2016; Carnahan et al., 2017; Chen & Kelly, 2015).

Leadership trust, socially responsible business practices, and employee engagement are inexorably linked to the success of an organization. In spite of this, most executives do not have the necessary skills to build trusting relationships with their followers and do not prioritize business practices that attract and retain employees (Crabtree, 2018; Deloitte, 2017; Edelman, 2018). In a climate of distrust and decreasing
productivity, it is imperative that business leaders develop strategies to build trusting relationships with their employees.

While there are studies indicating the importance of follower-leader trust, very few explore a continuum of leadership strategies that, when used together, build and maintain trust with employees. Hyman-Shurland (2016) advocated for an expansion of trust research, noting that “future researchers should examine more of what is needed by followers for leaders to enhance organizational success” (p. 144). Similarly, studies of socially responsible businesses have focused almost exclusively on consumer trust and profitability rather than leadership research. Barakat et al. (2016) noted this gap in research writing, “Future research could assess the impact of CSR on other dimensions of human capital, such as leadership, motivation, and cooperation capacity” (p. 2335). Additionally, Gaudencio et al. (2017) suggested that the “trust in supervisor” (p. 489) relationship within CSR organizations is an area for future study.

Weisman (2010) expanded trust research by establishing the framework of characteristics that build consumer trust in brands: connection, concern, candor, competence, and consistency. No studies have been published using the TVI (Weisman, 2010) framework to explore trust building between executives and their employees. This study fills the research gap by exploring how the leaders of certified B Corps use connection, concern, candor, competence, and consistency to build trust with their employees.

Business leaders across industries beginning to explore socially responsible business practices could use these study results to develop trusting relationships throughout the change process. Professional development organizations for professional leaders of socially responsible initiatives, such as the Institute for Corporate Social
Responsibility (2018) and the U.S. Chamber of Commerce Corporate Citizenship Center (2018), may find that the study results support their curriculum and workshops. Additionally, global conferences for executives in socially responsible businesses may find that the study results are a relevant presentation topic (“Corporate Social Responsibility (CSR), Sustainability, Ethics & Governance,” 2018). Findings from this study may have implications outside of the business world as well. Study results may provide strategies for leaders of public nonprofit organizations to develop relationships with stakeholders who are traditionally reticent to utilize support services such as those for homeless and immigrant populations (Lopez & Bialik, 2017; Warshaw, 2017).

**Definitions**

The following theoretical and operational definitions are provided to improve understanding of this study and to delineate the use of terms that have more than one meaning.

**Competence.** The ability to perform a task or fulfill a role as expected (Tschannen-Moran & Hoy, 2000; Weisman, 2016).

**Candor.** Communicating information in a precise manner and being truthful even if one does not want to provide such information (Gordon & Giley, 2012; Tschannen-Moran & Hoy, 2000).

**Consistency.** The confidence that a person’s pattern of behavior is reliable, dependable, and steadfast (Tschannen-Moran & Hoy, 2000; Weisman, 2016).

**Concern.** The value placed on the well-being of all members of an organization, promoting their welfare at work and empathizing with their needs. Concern entails fostering a collaborative and safe environment where leaders and members are able to show their vulnerability, support, motivate, and care for each other (Anderson &
Ackerman Anderson, 2010; Covey & Merrill, 2006; Kouzes & Posner, 2007; Livnat, 2004; Weisman, 2016).

**Connection.** A shared link or bond where there is a sense of emotional engagement and interrelatedness (Sloan & Oliver, 2013; Stovall & Baker, 2010; White et al., 2016).

**Certified B Corporation (B Corp).** A for-profit corporation that has a mission and purpose to make a positive impact in five areas: governance, workers, community, environment, and customers. Certification is determined by B Lab, a nonprofit organization, that provides third-party assessment in five areas of stakeholder impact.

**B Corp.** The trademarked logo given to certified B Corporations indicating their certification by B Lab.

**Benefit corporation.** A legal designation given to a for-profit corporation that has a documented mission and purpose to make a positive impact on society and the environment.

**Delimitations**

This study was delimited to 10 senior management leaders of certified B Corps in California. For the purposes of this study, senior management B Corp leaders met the following criteria:

- interaction with a minimum of 10 employees,
- a minimum of 2 years of experience currently or recently retired (within the last year) from leading in the current B Corp;
- recommendation by peers, an expert or panel of experts; and
- membership in associations within their field like Conscious Capitalism, B Lab, and Fair Trade.
Organization of the Study

The remainder of this study consists of four chapters, references, and appendices. Chapter II contains a comprehensive review of literature encompassing socially responsible business models and socially responsible business leaders, theoretical frameworks that incorporate trust and leadership, and the five trust domains that comprise the study framework: connection, concern, candor, competence, and consistency. The study methodology is described Chapter III and includes population and data sampling methods. Findings from the study are presented in Chapter IV along with a detailed analysis and discussion. Chapter V gives a summary of major findings, conclusions, implications, and recommendations for further study.
CHAPTER II: REVIEW OF THE LITERATURE

In an era of global connectivity and rapid communication, people continue to search for lives filled with meaning, deep connections to their community, and purposeful work. Trust in leadership has declined in the United States across institutions and industries. At the same time, studies show that businesses are struggling to engage and retain employees. The after effects of the financial crisis and repeated corporate scandals continue to drive the public’s loss of trust in traditional institutions and their leaders (Edelman, 2018; Freeman, 2017; Mirvis, 2012).

Following the financial collapse in 2008, businesses focused on more socially responsible practices began gaining in popularity. Studies similarly noted that, at a time of ongoing decline in leadership trust, there was a concurrent rise in public support of socially responsible business leaders whose values were reflected in the mission and vision of their organizations (Bolton, 2016; Catano & Morrow Hines, 2016; Deloitte Global, 2016; Freeman, 2017). This chapter examines leadership trust in the socially responsible business movement.

Following a thorough review of the literature related to socially responsible business practices, and theoretical frameworks of leadership and trust, this chapter is organized in four sections. Section I examines the loss of trust in leadership and the concurrent rise in the socially responsible business model. Section II reviews traditional definitions of trust in organizations as well as seminal leadership theories related to trust. Section III surveys the roles of socially responsible business leaders, specifically leaders of certified B Corporations. Section IV presents Weisman’s (2010, 2016) trust framework and the five corresponding variables: connection, concern, candor, competence, and consistency.
Loss of Trust

In the early months of 2007, the international business community was experiencing a windfall of profit fueled by a seemingly unstoppable real estate market (Angell & Patel, 2017; Choi, 2017). A rapidly increasing supply of easy credit and lenient underwriting standards created a large supply of risk-laden mortgage loans (Baker, 2018). As a result, real estate values rose precipitously. Lenders sold, and then packaged, subprime real estate loans, turning them into securities (Baker, 2018; Coffee, 2009). Propelled by a dynamic subprime mortgage industry and lenient credit regulations, financial institutions wagered that the real estate market would likely slow down but would continue to appreciate at a steady rate. Mortgage brokerages capitalized on the economic climate by packaging and selling high-risk debt as securities to investors (Angell & Patel, 2017; Baker, 2018; Coffee, 2009; Sule, 2010).

At the same time, wireless technology allowed for rapid international trading and stock markets around the world hit record transaction levels. The advancing digital communication system combined with the burgeoning market gave mortgage-backed securities an international reach. This global economic surge peaked near the end of 2007, and soon after, the economy began to falter (Baker, 2018; Hope, 2010; Tuca, 2014).

Financial Crisis

By the beginning of 2008, investment banks were unable to sustain the collateral needed to back risk-laden mortgage securities, and real estate values began to decrease (Angell & Patel, 2017). As housing prices fell, owners were unable to sell their homes at a price that would pay for the home loan (U.S. Department of the Treasury, 2016). Countless homeowners owned mortgages they could not afford. Deep losses in the
subprime mortgage industry kicked off a global financial crisis (Angell & Patel, 2017; Mendoza & Quadrini, 2010). In the United States, financial institutions could not offset their escalating losses and went into guardianship. By September 2008, Lehman Brothers, a multinational investment banking firm, dissolved into bankruptcy. Lehman Brother’s empty flagship office building became a symbol for industry-wide indiscretions that destabilized the worldwide economy (Johnson & Mamun, 2012; Sule, 2010; Uslaner, 2010).

The Great Recession

The economic fallout from the financial crisis was felt across the United States. Businesses and factories closed leaving behind cities and towns with no source of income. Home loans fell into delinquency. Consequently, total bankruptcy filings increased by 87.2% between 2007 and 2010 (Flynn & Kerns, 2012). As banks foreclosed on home loans, real estate flooded the market, depressing real estate values further. While the economy disintegrated, the American government worked to stem the economic freefall through legislation and programs for corporations and homeowners. The years following the economic collapse came to be called The Great Recession. These years played a significant role in the lives of the citizens and forever altered the nation’s financial system (Angell & Patel, 2017; U.S. Department of the Treasury, 2016).

The Information Age

While the financial markets experienced profound change, citizens were using immersing wireless technology to share information about economics and business as well as social and environmental issues. The wave of communication technology that began in the late 1990s and grew exponentially in the 2000s provided a means of organization for groups interested in social issues. As the wireless era spurred economic
growth and documented the eventual economic downfall, activists utilized the advancing technology to spread information and influence media reporting. Accordingly, activists used e-mail to distribute information to consumers about civil rights abuses at international production factories owned by companies, such as Nike and Apple. As communities and families were devastated by the impact of the economic crisis, information about local and international business continued to be spread through the use of increasingly sophisticated wireless communication (Bauer & Umlas, 2017; Castells, 2008; Mendoza & Quadrini, 2010; Micheletti & Stolle, 2008; Parella, 2014).

**Socially Responsible Business**

Events that occurred during the financial crisis and recession combined with the unveiling of corporate abuses generated an environment that encouraged people who were wary of traditional corporate structures to consider socially responsible business models. Social and environmental activists provided information to consumers about the origin of products, and an informed general public began to share information about the values and purpose of companies (Jacob, 2012; Micheletti & Stolle, 2008). Corporations that published social and environmental accountability reports on their websites saw an upswing in commerce. Although consumer interest in socially responsible business increased, most studies concluded that socially responsible companies were not sustainable over the long term. In the 1960s, socially responsible business was not a new concept, but it had not yet been considered a mainstream business structure (Freeman, 2017; Jacob, 2012; Jagodic, 2016; Micheletti & Stolle, 2008).

In the late 1970s and early 1980s, the idea of the social responsibility of business was discussed and debated by academics and economists. Company reports of socially responsible business practices, such as environmentally sustainable waste disposal or
charitable support of indigenous populations, were often untested. Many felt corporate claims of philanthropy were marketing schemes without substance, crafted to enhance their public image. Consequently, there was an ongoing argument about the accountability of the private business sector to public welfare (Carroll, 2016; Fyke, Feldner, & May, 2016). Some believed businesses were designed for profit making not social support (M. Friedman, 1970) while others felt the wealthy had an obligation to give back to the less fortunate (Carroll, 1991).

**Hybrid Business Model**

Drucker (1984) challenged the leading paradigm that for-profit and nonprofit sectors could not interconnect when he predicted the hybrid model of capitalism; he wrote, “It will become increasingly important to stress that business can discharge its social responsibilities only if it converts them into self-interest, that is, into business opportunities” (p. 25). Rather than advocate for the social responsibility of business at all costs, Drucker wrote that the burden of corporate leaders was first, business and profit making, and second, the needs of society. Comparing the interplay of social benefit and profit-making institutions to the intricate movements of an orchestra, Drucker argued that it was the specialized profit-making capabilities of the private sector that supported the community.

After Drucker (1984) published his work on the interplay between profit and social benefit, the concept of business as collaboration between nonprofit and for-profit institutions within the same community gained traction. Accordingly, the business community was instrumental in the development of the Social Venture Network (SVN). Founded in 1992, SVN was a pioneer in social entrepreneurship, offering business leaders the opportunity to collaborate in the areas of social impact and profit making...
(Carroll, 2008; Social Venture Network [SVN], 2018). Many in business believed the relationship between nonprofit and for-profit institutions did not preclude revenue; rather, each organizational structure supported growth in the other. As interest in social entrepreneurship increased in the 1990s, the relationship between the social responsibility of business and financial performance became the focus of research. Some studies indicated that consistent application of socially responsible practices within a corporation increased financial performance (Carroll, 2008). As the economy contracted in 2008 and the financial sector struggled to find equilibrium, earlier discussions about the purpose of business informed new ideas about organizational and corporate planning (Jacob, 2012; Overton & Burkhardt, 1999).

**Corporate Social Responsibility**

Several types of values-based business structures emerged after the financial collapse of 2008. One of the more prolific models, corporate social responsibility (CSR) began as an ongoing theoretical discussion. In the years following the financial collapse, CSR solidified into a formal construct, integrating social and environmental action with commercial business structures. Freeman (2017) emphasized the impact of the 2008 financial crisis on CSR:

While the roots of this revolution are easily traceable back to the 1980’s or even earlier, they are most clearly seen in the responses to the Global Financial Crisis (GFC) of 2008. Since that time, we have seen an explosion on ideas of how to make businesses more responsible for the consequences of their actions. (p. 450)

As the financial crisis ended and the recession began, researchers investigated the impact of CSR on revenue and shareholders. At the same time, complementary, theoretical frameworks, such as corporate social performance, business ethics,
stakeholder theory, and business and human rights (BHR), began to fold into or supplement CSR. In conjunction with the growth of CSR was a need for formal procedures for CSR implementation. To this end, several models of CSR implementation and standards for CSR best practices were developed and shared with the business community. Following the recession, researchers investigated the impact of CSR on revenue and shareholders. At the same time, similar but less extensive theoretical frameworks such as corporate social performance and stakeholder theory began to fold into CSR (Jacob, 2012; Paulet et al., 2015; Thompson, 2015).

**Carroll’s CSR pyramid.** Working from his initial four domain conceptual CSR framework in 1979, as shown in Figure 1, Carroll (1991) put forth one of the first models for real-time deployment of CSR. Now known as Carroll’s pyramid of CSR (Carroll, 2016), the framework became commonly accepted as one of the leading models of CSR adoption. Throughout the following decade, Carroll continued to examine the social responsibility of business. In 2003, Schwartz and Carroll presented a redesigned CSR framework based on Carroll’s pyramid. Composed of three overlapping domains—economic, legal, and ethical—each domain within the new CSR framework represented an area of the responsibility of business. Inherent in the new design was the concept that philanthropic activities would be a natural extension of a business using the CSR, three domain approach (Schwartz & Carroll, 2003). Many corporate leaders employed Schwartz and Carroll’s (2003) redesigned framework, combining CSR practices with the financial obligations of their companies (Carroll, 2016; Schwartz & Carroll, 2003).
Corporate social initiatives. Kotler and Lee (2005) continued the work of CSR theorists by developing guidelines for businesses attempting to integrate socially responsible programs into their organizational model. Listing six optional corporate social initiatives, Kotler and Lee encouraged business leaders to be strategic in their adoption of CSR practices. Citing the importance of balance between the economic stability of a business and social initiatives, these researchers asserted that corporations should choose to address a social issue that would benefit the company involved and, at the same time, help solve the social need or concern (Kotler & Lee, 2005).

CSR evaluation. While there are generally established best practices for CSR implementation such as Carroll’s (2016) pyramid and Kotler and Lee’s (2005) guidelines, CSR is executed differently according to the structure and leadership of the company. Some corporations have stand-alone CSR departments that develop and track social and
environmental programs company-wide. Other businesses channel their CSR mission and vision through nonprofit foundations that organize and execute social and environmental programs (Carroll, 2016; Stecker, 2016).

Although CSR has gained in popularity as a method of establishing the social responsibility of an organization, not all corporations accurately report their responsible practices. Similarly, consumers and business leaders report being increasingly concerned with greenwashing, a practice in which a company is presented as ecologically sound but is misleading the public (Fyke et al., 2016; Stecker, 2016). Accordingly, studies indicated there is a need for common evaluation procedures to assess the social responsibility and benefit of CSR programs (Chen & Kelly, 2015; Crane, Henriques, Husted, & Matten, 2017; Stecker, 2016).

Certified B Corporations

Another business structure that grew during the aftermath of the financial collapse was the certified B Corporation, also known by the trademarked title B Corp (Koehn, 2016). B Lab, a nonprofit organization, became the first third-party group to certify a business in socially responsible business practices. In addition to certification, B Lab provides training and support to corporations during and after the certification process. B Lab also provides recertification support to businesses in a continuing 3-year cycle (Freeburg, 2018; Gehman & Grimes, 2017; Honeyman, 2014a).

B Lab certification. Certification through B Lab is a rigorous process. Using the Impact Assessment, a self-evaluation tool developed by B Lab, each participating business receives an impact score in five categories including governance, workers, community, environment, and customers. A score over 80 points out of a possible 200 is indicative of successful certification. There are 72 versions of the core BIA. Each
assessment is adaptive based on company size, sector, and market. Additionally, within the BIA structure, responses are weighted and scored differently based on impact practices and impact business models (B Lab, 2018; Gehman & Grimes, 2017). Proceeding with the certification process means a company is required to verify its performance in each area, submit to site evaluations, and identify methods to improve its impact where indicated (Honeyman, 2014a; Houlanah et al., 2016).

Additional requirements for B Corp certification include the inclusion of a legal framework incorporating stakeholder prioritization into the governing documents of the business and completion of a disclosure questionnaire. Certifying B Corps are also required to adhere to transparency requirements, making their impact assessment score and disclosure questionnaire available to the public (Chen & Kelly, 2015; Honeyman, 2014a). Before certification is final, leaders of the business are required to sign the B Corp Declaration of Interdependence (Honeyman, 2014a), marking their commitment to “do no harm and benefit all” (p. 1).

Once a business is certified by B Lab, it is allowed to display the trademarked B Corp symbol on its marketing materials and product labels. Much like the Fair Trade or Organic logos, the B Corps logo is recognized by consumers interested in purchasing services or goods from companies that reflect their values. Additional benefits of B Corp certification involve exclusive networking access with other certified B Corps through B Lab. Inclusive of the networking policy is a mandate from B Lab encouraging leaders to actively support Benefit Corporation legislation at the national and state level (Honeyman, 2014a; Marquis & Lee, 2015).

Benefit Corporations. B Corps are often confused with Benefit Corporations. A Public Benefit Corporation is a state-based legal designation intended to protect the right
of socially responsible businesses to balance stakeholder needs with profit. Status as a Benefit Corporation gives firms the ability to prioritize social and environmental needs over profit, when necessary, to support the company’s mission and values. Categorization as a Benefit Corporation complements the certified B Corp model and is a requirement for recertification if the legal option exists in the business’s home state (Hemphill & Cullari, 2014; Hiller, 2013; Pippin & Weber, 2016; Stecker, 2016). According to state reported data, over 34 states have Benefit Corporation statutes and six have pending legislation (B Lab, 2019).

**B Corps and Benefit Corporation Overlap.** As indicated in Figure 2, many B Corps are also designated Benefit Corporations. B Lab is a proponent of Benefit Corporation status as it is a designation that protects the stakeholder forward model of the certified B Corp. Moreover, B Lab advocates the complete assimilation of company values into its organizational structure and requires explicit information about values integration in the business’s articles of incorporation (Pippin & Weber, 2016). Socially responsible business frameworks, such as CSR and B Corps, as well as the consumers who support the responsible business movement work together to sustain an economy that values all stakeholders (Barnes, 2017; Koehn, 2016; Stecker, 2016).
**B Corps transparency and trust.** Finally, it is the aspiration of B Corps leaders to build businesses that all stakeholders can trust. Certainly, B Corp leaders often associate their commitment to transparency, which is required of all certified B Corps, to trust reciprocal with clients and the extended community. B Lab asks leaders of B Corps to act with integrity and be accountable to all stakeholders, thereby promoting trust with other businesses and with customers. Consequently, trust between leaders is a foundational element within the B Corps network (Kurland, 2017; Trevenna, 2016).
Leadership and Trust

Exacerbated by a contentious political climate, the public’s perception of false reporting by the media, and ongoing gender and racial inequalities, the public trust in leaders has reached record low levels (Edelman, 2018). As employee trust continues to decline, business leaders endeavor to make a meaningful connection with their workforce. Of employees surveyed in North America, 84% indicated that employee experience was important or very important. Comparatively, 59% of leaders surveyed indicated they were ready to adequately address employee engagement within their company (Deloitte, 2017). Yet it is an employee’s trust in his or her leaders and his or her ability to connect with the purpose and values of his or her organization that builds a strong work culture and supports ongoing fiscal stability. Therefore, trust is an essential element in leader and follower relationships (Covey & Merrill, 2006; Fulmer & Ostroff, 2017).

A review of studies related to group culture and organizational leadership indicated that trust building is a central component of leadership. In past research, trust was viewed from the context of relationship building outside of the work environment. While much of the trust study research focused on interpersonal relationships outside of the workplace, a growing number of researchers began to study trust in organizations. Eventually, the interplay of worker and leader trust became a focal point for much of the work done in organizational research (Bass & Stogdill, 1990; Burke et al., 2007; Zand, 1972).

Although early leadership research focused on the concept of trust as a social motivator in the workplace, studies followed that explored the role trust played in business productivity and employee well-being. Research from both historical and
contemporary studies concluded that employee trust in leadership played a significant role in the culture and the overall effectiveness of organizations (Cho & Song, 2017; Dirks & Ferrin, 2002; Legood, 2013; Zak, 2018).

**Cognitive Trust**

Over time, trust research settled into two main response categories: cognitive and emotional, or affective, trust (Harms, Yuntao, & Guohong, 2016; Legood, 2013).

Andrade-Garda (2018) defined cognitive trust as a logical decision based on anticipated behavior. Further, Andrade-Garda et al. (2018) concluded that within collaborative business networks, cognitive trust is the basis of most relationships while emotional trust is reserved for close interpersonal relationships. Other studies similarly established cognitive trust to be a central component of economic interactions, asserting the frequency and dependability of behavior provides a rational basis for trust (Dunn, 2000). Additionally, researchers found that employees’ cognitive trust in leadership correlates to performance indicators such as expertise and achievement (Dirks & Ferrin, 2002; Kouzes & Posner, 2017; Zak, 2018).

**Affective Trust**

In contrast, Maier (2009) asserted that trust in the workplace was “guided by emotion” (p. 7) and existed within employee/leader relationships. Moreover, Maier proposed that leader trust was motivated by the follower’s expectation to feel positive emotions through the trust relationship. Similarly, many researchers characterized trust as a follower’s affective response to inspirational and motivational leader behavior. In general, researchers found that the emotional components of trust behavior were relational, based on interpersonal behaviors. These studies asserted that employees who indicated high levels of trust with their leaders increased the productivity and success of
the organization. Additionally, studies indicated a correlation between relationships built through affective trust and a follower’s commitment to a leader and organization (Dirks & Ferrin, 2002; Fulmer & Ostroff, 2017; Legood, 2013).

**Integrated Definitions of Trust**

A review of trust literature revealed numerous conceptualizations and definitions of trust. Attempting to refine trust research, studies developed operational definitions integrating the affective and cognitive elements of trust (Dirks & Ferrin, 2002; Robbins, 2014). Rousseau, Sitkin, Burt, and Camerer (1998) offered one of the most highly referenced integrated trust definitions in literature: “Trust is a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another” (p. 395). Weisman (2010) similarly developed an integrated definition of trust:

An individual’s willingness, given their culture and communication behaviors in relationships and transactions, to be appropriately vulnerable based on the belief that another individual, group or organization is competent, open and honest, concerned, reliable and identified with their common values and goals. (p. 1)

Weisman’s definition, incorporating both the critical cognitive and emotional elements of trust building, relates closely to this study.

**Theoretical Foundation: Leadership and Trust**

As trust research expanded, studies indicated that both cognitive behavior and emotional characteristics complemented each other. Likewise, research found that cognitive and psychological strategies worked in tandem to create trusting relationships. Leaders who effectively built trusting relationships with their followers began with simple behaviorally based interactions but developed strong connections with their
followers using more complex interpersonal strategies. Moreover, studies across time indicated trust is an essential element in exemplary leadership (Covey & Merrill, 2006; Dirks & Ferrin, 2002; Jung & Avolio, 2000; Kouzes & Posner, 2017).

**Transactional Leadership**

Transactional leadership theory is a behavior-based approach that builds on the cognitive definition of trust. In this contractual construct, the leader only works with what is observed and then reacts to employees’ actions. The transactional leader acknowledges accomplishments, often through structured reward-based programs. Many transactional leaders connect employee reviews to increased job responsibilities and higher pay. Consequently, subordinates expect specific responses from the transactional leader based on their behaviors (Bass, 1990; Jung & Avolio, 2000).

Often, transactional leaders can provide clear direction for employees through goal setting and well-defined steps to achieve the goals. Furthermore, transactional leadership is a functional framework based on expectation and response between the supervisor and the employee rather than an interpersonal relationship based on more emotive interactions. Studies indicated that transactional leaders could build basic levels of trust with their followers through consistent interactions and clear expectations (Bass, 1990; Bass & Stogdill, 1990; Jung & Avolio, 2000).

**Transformational Leadership**

Transformational leadership theory builds from the fundamental elements of transactional leadership by integrating the functional and relational components of trust. Although both leadership styles include rewards that are contingent on specific behavior, they differ in content and delivery. Bass and Riggio (2006) classified the two types of leader and follower transactions: “Contingent reward is transactional when the reward is
a material one, such as a bonus. Contingent reward can be transformational, however, when the reward is psychological, such as praise.” (p. 8)

Transformational leaders use intrinsic rewards and other relational strategies to form relationships with their followers. Central to transformational leadership theory is the ability of the leader to engender trust in his or her followers through a shared sense of purpose, thereby leading them to greater heights (Bass & Steidlmeier, 1999; Kouzes & Posner, 2017). Transformational leadership theory is characterized by four key components: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass & Riggio, 2006).

**Idealized influence.** Idealized influence is composed of a transformational leader’s ability to demonstrate by example his or her expectations of followers. These leaders work alongside their followers, empowering their employees through collaborative efforts such as setting and meeting goals together. According to Bass and Steidlmeir (1999), transformational leaders also espouse ethical values, treating all stakeholders with respect. These dedicated leaders are fair and principled in their treatment of their employees, sometimes working more extended hours or taking less pay when necessary. Transformational leaders do not supervise from above but prefer to work alongside their employees, empowering them to meet and exceed expectations. In this way, leaders build trust by communicating their values through their behavior (Bass & Riggio, 2006; Bass & Steidlmeier, 1999; Crowley, 2011).

**Inspirational motivation.** Transformational leaders motivate their employees with enthusiasm, creating energy in their organization that moves followers to achieve goals. These leaders facilitate collaborative experiences for their followers and allow groups to transcend their usual constraints and accomplish more than they thought
possible. Antonakis, Avolio, and Sivasubramaniam (2003) wrote that transformational leaders “raise follower awareness for transcendent collective interests” (p. 264). These leaders communicate their purpose, inspiring their employees to share in the vision of the company. Moreover, transformational leaders build trust with their followers, helping them find meaning and purpose by fulfilling the mission of their organization (Bass & Riggio, 2006; Crowley, 2011; Flores, 2015).

**Intellectual stimulation.** Transformational leaders foster intellectual stimulation by supporting the growth and education of their employees. These leaders provide educational opportunities for their subordinates and encourage innovation within their organizational cultures. Transformational leaders understand and support the creative process, which in turn promotes innovation and challenges workers. Furthermore, these leaders involve followers in decision making and ask them to solve complex problems. As a result, transformational leaders demonstrate their confidence in their employees and in turn, build trust with them (Hyman-Shurland, 2016; Kark, Van Dijk, & Vashdi, 2018).

**Individualized consideration.** Transformational leaders take time to develop personal relationships with their subordinates. In this way, leaders are “individually considerate” (Bass & Riggio, 2006, p. 7) of their employees, developing authentic relationships with them, taking their needs into account while supporting their development. According to Hyman-Shurland (2016), transformational leaders build trust with followers when they take time to get to know them personally, listening to their ideas and understanding their concerns. Likewise, these leaders value the different strengths of their employees and encourage their personal growth. When employees accomplish tasks, solve difficult problems, or achieve a personal milestone, transformational leaders celebrate their successes and help them to attempt new

**Exemplary Leadership**

Kouzes and Posner’s (2017) five practices of leadership model incorporated the characteristics of transformational leadership theory into practical applications and strategies. Analyzing data from their Leadership Practices Inventory (LPI), Posner and Kouzes (1988) determined the strategies that exemplary leaders use in their organizations with their subordinates. After continued refinement of the LPI, Kouzes and Posner (2017) determined five practices of exemplary leaders as follows: model the way, inspire a shared vision, challenge the process, enable others to act, and encourage the heart. Each of the five practices encompasses the methods required to develop a positive organizational climate in which followers participate fully in the vision of the leader (Goewey, 2012; Kouzes & Posner, 2017; Posner & Kouzes, 1988).

**Trust building.** Kouzes and Posner (2017) asserted that one of the key characteristics of exemplary leaders was the ability to develop respectful, trusting relationships with their followers; they said, “Without trust you cannot lead” (p. 224). Suggesting that trust building began when a leader was vulnerable, Kouzes and Posner (2017) encouraged leaders to extended trust to their followers. Of all the strategies and methods within the Kouzes and Posner (2005, 2017) leadership framework, they maintained that trust is the foundational element in successful leadership.

**Values.** Before leaders can develop relationships with their constituents, they must first know and understand their personal values. Kouzes and Posner (2017) found that leaders who were aware of their values and communicated them with clarity inspired their followers to share their vision. These exemplary leaders demonstrated their values
to their followers through direct interaction and by example. Moreover, when leaders made a connection between their stated beliefs and their actions, they were perceived as credible and increased trust with their followers (Covey & Merrill, 2006; Handford & Leithwood, 2013; Kouzes & Posner, 2017).

Innovation. Kouzes and Posner’s (2017) research indicated that exemplary leaders also modeled risk for their followers. These leaders ventured outside of conventional thinking to find new methods to solve problems. Furthermore, they fostered creativity in their employees and gave them the freedom to try new approaches. Rather than punishing failure, exemplary leaders allowed room for trial and error in their organizations by nurturing a sense of shared responsibility. Consequently, leaders who provided a safe space in which employees and teams could investigate original concepts also developed trust within their organizational cultures. Studies show that it is within this climate of innovation that employees are most productive and engaged in the success of the organization (Bass & Riggio, 2006; Kark et al., 2018; Kouzes & Posner, 2017).

Collaboration. With an organization community, Kouzes and Posner found that over time, as members engaged in collaborative efforts, they became more confident. On the other hand, when a leader managed each small detail of a group project, he or she projected a lack of faith in the members of the team. Trust decreased between team members when power was out of balance. Asserting that “the heart of collaboration is trust” (p. 224), Kouzes and Posner (2017) found that when each group member did not feel equally accountable to the outcome of the shared project, trust degraded and productivity suffered. Alternatively, member confidence grew when leaders constructed collaborative situations in which everyone had the opportunity not only to strengthen
their skill set but also to expand their understanding of themselves (Goewey, 2012; Harvey & Drolet, 2004; Kouzes & Posner, 2017).

Celebration. At the most basic level, people will follow a leader they believe knows them personally and appreciates them. Authentic leaders take the time to interact with followers in an organization such that regular attention becomes routine and not threatening. These leaders are coaches, providing feedback to their followers and always believing the best of them. Moreover, when exemplary leaders pay attention to the accomplishments of their followers, they nurture trusting relationships (Covey & Merrill, 2006; Kouzes & Posner, 2017). Kouzes and Poser (2017) summed up the significance of celebrating the success of organizational members: “There are few if any more basic needs than to be noticed, recognized, and appreciated for one’s efforts” (p. 299).

Awakened Leadership

Studies also indicated that self-awareness, the ability of a leader to monitor and access his or her internal responses to external situations, was a key component to leadership success (Bass & Riggio, 2006; Bradberry, Greaves, & Lencioni, 2009; Marques, 2006). Bradberry et al. (2009) maintained that emotional intelligence skills were “more important to job performance than any other leadership skill” (p. 236). Anderson and Ackerman Anderson (2010) described this state of mindfulness as “being consiously aware of information as our sense collect it” (p. 84) and asserted that leaders can effect transformational change in organizations when they monitor their internal process. Similarly, Marques (2006) wrote of the importance of the awakened leader’s “ability to remain emotionally attuned to the self, the stakeholders, and the environment, thereby maintaining the highest level of authenticity possible” (p. 37). Further,
leadership studies found that self-aware leaders routinely communicated their values and purpose to their employees (Bass & Riggio, 2006; Marques, 2006).

Data from leadership studies indicated that awareness and mindset were crucial, both for leaders and followers. Likewise, researchers found that leaders who acknowledged and managed their internal responses to reflect consideration and respect for their subordinates created cultures of trust. Within these organizational environments, members developed more internal awareness and emotional intelligence in response to the behaviors of their leaders (Antonakis et al., 2003; Bass & Stogdill, 1990; White et al., 2016). Moreover, leadership studies showed that emotional intelligence is a primary indicator of awareness of cultural values. Being aware of the connection between culture and values provides a leader with valuable insight into the diverse relationship needs of his or her employees. Moua (2010) described culture as an ever-changing communal experience in which members share and develop standards of feeling and behavior. While a leader’s personal and professional interactions with people are often autonomic responses centered in his or her cultural knowledge base, it is essential to become aware of this process and make necessary changes to more effectively relate to people. According to H. H. Friedman and Gerstein (2016), a self-aware conscious leader recognizes the influence of culture on his or her values to understand better and eliminate his or her unintended bias toward employees. This understanding of the interplay between values and culture leads to increased trust building between leaders and their followers (Anderson & Ackerman Anderson, 2010; Fujimoto & Hartel, 2017; Moua, 2010).
Awareness builds trust. Covey and Merrill (2006) connected a leader’s self-awareness to his or her integrity, asserting that without a solid foundation of core values, a leader is swayed by many different ideas and opinions. Moreover, Covey and Merrill (2006) summed up the importance of integrating values with leadership as follows: “You need to know what you stand for and you need to stand for it, so others know, too” (p. 69). In like manner, followers respond to leaders who understand and share their values. A review of leadership trust literature revealed that leaders effectively build trust with their followers first from developing trust in themselves. These leaders then continue to build trust in their organizations by extending trust to their subordinates (Ackerman Anderson & Anderson, 2010; Bass & Riggio, 2006; Kouzes & Posner, 2017).

The Values Institute Trust Framework

The Values Institute (TVI) is a nonprofit organization with a mission to promote trust building through shared values. To that end, TVI developed measurement tools to evaluate the impact of values on the trust between organizational brands and customers. TVI also created the pyramid of trust, a framework designed to define the elements of trust building between brands and customers. Working as scaffolding, each of the five elements of the framework builds upon each other to form a self-actualized state of trust (Weisman, 2010, 2016).

Although each element of the trust pyramid can be measured individually, Weisman (2016) noted that the intention of the pyramid was not to separate the dimensions of trust building, but that they “should not be separated from one another in the final analysis, because they are individual stages in a single journey” (p. 139). The components of the pyramid from the bottom to the top are the interdependent factors that work separately and together within the formation of trusting relationships.
Five Elements of the Trust: The Five C’s

As seen in Figure 3, the trust pyramid consists of five elements, or the “five C’s” (Weisman, 2016, p. 138) of trust; consistency, competence, candor, concern, and connection. At the base of the pyramid are the “rational factors” of competence and consistency. The middle of the trust pyramid is composed of the emotional factors of concern and candor. All four elements work together to construct the top of the pyramid, the fully engaged state of connection (Weisman, 2010, 2016). This study modified the definitions of each element in the trust pyramid to align with trust building within the leader and follower relationship.
**Competence.** Set at the foundation of the pyramid (Weisman, 2016) is competence. That is, leaders who establish their expertise, a developed technical skill-set, and experience in their role, build trust with their followers. Competent leaders are proficient in their area of leadership and consistently demonstrate their capability to complete the jobs at hand (Weisman, 2016). Consequently, followers emulate the behavior of a competent leader.

**Mentorship.** Similarly, Lee (2016) found that when leaders exhibited moral and ethical competence in their organization, their followers mirrored the same behavior. Additional studies indicated that workers placed a high value both on the expertise of a leader and the ability of the leader to transfer skills to his or her employees. Likewise, these studies found that leaders who engaged in a mentor role, first demonstrating and then coaching their subordinates to complete on-the-job tasks, increased employee resilience and retention (Cho & Song, 2017; Dinh et al., 2013; Weber, 2017). Additionally, when a leader exhibits his or her knowledge and capability effectively “modeling the way” (Kouzes & Posner, 2017, p. 16) in the workplace, he or she develops trusting relationships with his or her followers.

**Consistency.** Completing the base of the trust pyramid, consistency in leadership is a set of behaviors that leads toward a cognitive, or rational, basis for trust. Studies indicate that consistency is the expectation followers have of a leader to behave reliably over time (Weisman, 2016; Zigarmi et al., 2017). Derosa and Lepsinger (2010) called the trust that results from consistent work performance “task-based trust” (p. 55). Similarly, research indicated that high trust organizations consisted of leaders who exhibited predictable patterns of behavior in such activities as regular interactions with employees,
hard work, and consistent use of industry standards. Likewise, the sameness of a leader’s actions contributes to a reduction in fear and uncertainty in subordinates (Dunn, 2000; Handford & Leithwood, 2013). Additionally, Handford (2013) noted that followers accepted the risk involved in trusting a leader based on the dependability of a leader’s behavior.

**Consistent communication.** Research shows that to develop trust, leaders need to maintain consistency between their words and their deeds. Ugwu et al. (2016) found that demonstration by leaders of expected behavior in the workplace increased followers’ trust but did not always increase worker performance. Alignment of communication to actions is critical for a leader to establish a culture of work that supports the mission of the organization. Alternatively, leaders who talk about ideal practices but are never observed doing them effectively engender distrust in their organizational community (Covey & Merrill, 2006; Harvey & Drolet, 2004; Sorek et al., 2017). Kouzes and Posner (2017) asserted that an exemplary leader must “walk the talk” for followers to believe in him or her. Consistently, a leader is seen as credible and trustworthy when he or she demonstrates the behavior he or she expects from employees (Covey & Merrill, 2006; Harvey & Drolet, 2004).

**Aligned with competence.** Studies noted that when a leader’s actions aligned over time with his or her communication, the result was a perception of competence. That is to say, a consistent leader is more likely to be perceived as a competent leader. On the other hand, Sorek et al. (2017) found that leaders can be seen as competent even if they are not consistent. Therefore, consistency is an element of competence but is regarded as one of the lower, more functional forms of trust building (Weisman, 2016).
**Candor.** Candor is an emotional or relational element of trust and accompanies the second level of the trust pyramid (Weisman, 2010). A candid leader conveys information accurately and forthrightly even in uncomfortable situations. Subsequently, candor increases the depth and complexity of the leader and follower relationship. Candor extends and strengthens trust in relationships by building upon consistency and competence (Legood, 2013; Morreale & Shockley-Zalbak, 2015).

**Clarity and authenticity.** Clarity of communication has been shown to correlate to a subordinate’s perception that a leader is open and honest. Moreover, a leader creates a bond and demonstrates transparency when he or she communicates his or her values directly and straightforwardly. Therefore, if a leader communicates negative information, such as a job layoff or a company-wide revenue loss, sincerely and truthfully, he or she will build trust with his or her employees (Kouzes & Posner, 2017; Morreale & Shockley-Zalbak, 2015). People perceive that a leader is honest when he or she is open about his or her motives and intention. Covey and Merrill (2006) wrote of the value of transparency when supported by the other elements of trust building, noting that transparent leaders “usually establish trust fast” (p. 154).

**Openness and honesty.** Candor also relates to the believability of a leader. Likewise, when a leader communicates openly, he or she builds credibility with his or her followers. Subordinates will trust a leader they believe is telling them the truth (Covey & Merrill, 2006; Morreale & Shockley-Zalbak, 2015). In contrast to the notion that honest, straightforward communication enhances trust is the perception that, at times, a candid discussion can impair trust. An honest conversation, while well-intentioned, must be placed in the appropriate context. Moreover, communication must be moderated first by the leader’s ability to monitor his or her internal responses to the situation and then to be
aware of the mindset of the follower. In this way, open communication between a leader and follower builds rather than disrupts trust (Anderson & Ackerman Anderson, 2010; Mishra, 1996).

**Concern.** Concern is the heart of forming trusting relationships. Building on consistency and competence and in concert with candor, concern deepens trust between a leader and a follower. Concern is emotive, developed within interpersonal relationships between a leader and follower. Concerned leaders communicate their interest in the well-being of their followers. Moreover, concerned leaders encourage collaboration, fostering teamwork and cooperation in their organizations. These leaders pay attention to the needs of their subordinates, providing an environment that supports vulnerability within their membership (Ackerman Anderson & Anderson, 2010; Covey & Merrill, 2006; Kouzes & Posner, 2017; Weisman, 2016).

**Vulnerability.** Concern is rooted in vulnerability and believability. Vulnerable leaders allow followers to see both their successes and failures. Moreover, these leaders demonstrate an understanding of and regard for the humanness of their followers. Similarly, followers perceive that a leader is more humane and authentic when a leader shares stories of adversity or challenges. Additionally, leaders who communicate their vulnerability with humility and self-awareness foster two-way communication in their followers. When leaders and followers mutually share vulnerability, they build trust and increase the resiliency of the relationship (Ito & Bligh, 2016; Nienaber et al., 2015).

**Empathy.** An empathetic leader demonstrates compassion for his or her followers. Moreover, empathetic leaders actively listen to their followers and are interested in their well-being (H. H. Friedman & Gerstein, 2017; Weisman, 2016). Holt, Marques, Hu, and Wood (2017) asserted that emotional intelligence is an essential
component of empathy and includes “the much-needed awareness of, and care for, others’ feelings” (p. 31). In other words, a leader effectively expresses concern for his or her followers, and he or she is aware of the circumstances and emotions of organizational members. In turn, followers respond positively to the empathic behaviors of leaders, becoming increasingly engaged and productive on the job. Compassionate and empathetic leaders create and sustain trusting relationships with their followers (Holt et al., 2017; Zak, 2018).

**Connection.** At the top of the trust pyramid, connection is the pinnacle of the trusting relationship. Connection occurs when a leader integrates all of the preceding elements of trust—competence, consistency, concern, and candor—into his or her relationships with followers. Leader and follower relationships do not immediately reach a connected state; instead, creating a connection is a process of risk and vulnerability, mediated by consistent and authentic interaction. It is the consistent application of the elements of trust by a leader that creates secure trust connections with his or her followers (Xiong et al., 2016).

**Mutual respect.** Connected leaders engage in shared responsibility with their subordinates. They encourage creativity and innovation within their organizations. Additionally, these leaders ask their subordinates to participate in decision making and to express themselves freely. Moreover, leaders who are connected with their followers create a community in which organizational members have a shared sense of purpose. These leaders encourage their employees to “bring their whole self into the workplace” (Mirvis, 2012, p. 105) by demonstrating that they value the diversity and unique abilities of their organizational community. Additionally, connected leaders recognize and affirm the personal and cultural identities of their workers. These leaders respect the inherent
social and civil rights of all people including the rights of their subordinates (Weisman, 2016).

**Engagement.** In a global climate in which leadership trust continues to decline across organizations and industries, connected leaders can engage and retain their employees. Additionally, studies indicated that employees are more likely to be committed to an organization when they participate in a highly trusting relationship with their supervisor. Connected leaders spread their passion for the mission of their organization to their followers. These leaders transform organizational cultures through their charismatic engagement of employees. Consequently, employees remain committed to the mission of an organization when they are in a connected trust relationship with their leader (Agote et al., 2016; Dirks & Ferrin, 2002; Xiong et al., 2016).

**Socially Responsible Leadership**

Business leaders played a prominent role in the early growth of the values-based economy and remain active in the promotion of socially responsible business methods. Over 49% of respondents in The United Nations Global Compact—Accenture Strategy CEO Study (Accenture, 2016) indicated that they believe business plays a critical role in sustainable development. Following the financial crisis of 2008, marketing experts and business leaders found that consumers and employees were loyal to brands they determined stayed true to the founding vision and mission of the organization. Therefore, leaders with clear alignment of their values to the purpose of their organizations were better able to retain not only consumers but also employees. Similarly, leaders note that adopting the socially responsible business model increases their ability to build trust with all stakeholders (Barakat et al., 2016; Barnes, 2017).
Globally, 55% of business leaders believe consumers are the driving force, holding businesses accountable and rewarding business with loyalty when they increase stakeholder value (Accenture, 2016). Capitalizing on consumer confidence in their brand, executives use their marketing infrastructure to influence the growth of the socially responsible business movement. Likewise, B Corps propel their business model and certification through B Lab into the international marketplace (Cooper, 2018; Dr. Bronner’s, 2018b; Patagonia, 2016).

Leaders of Certified B Corporations

The process of B Corp certification is rigorous, requiring ongoing leadership support. Business leaders who work with the B Lab through the progression of self-assessments and site-based monitoring tools are committing to using business for the good of their stakeholders. Essentially, leaders of B Corps are pledging to prioritize their values over profit. At the same time, these for-profit business leaders work to ensure the financial sustainability of their company. By completing the certification process, certified B Corps can market their business with the trademarked B Corp brand logo thereby expanding their consumer base and company profitability. Furthermore, many B Corp leaders report an overall increase in earnings after certification (Gehman & Grimes, 2017; Houlahan et al., 2016; Marquis & Lee, 2015; Stecker, 2016).

Entrepreneurial. Leaders of certified B Corps are socially responsible entrepreneurs who use business to advance their social and environmental values. These business leaders are involved in what Elkington (2006) coined the Triple Bottom Line, a focus on revenue, the environment, and social issues. B Corp leaders align themselves and their corporations with stakeholders, working to achieve a balance between profit and the greater good. Consequently, while executing a profitable business model, senior
leaders of certified B Corps are also involved in the environmental impact of their company, the well-being of their employees, and their company’s engagement with social issues (Grimes, Gehman, & Cao, 2018; Kurland, 2017).

**Environmental impact.** A common theme among senior B Corp leaders is a strong need to act on personal beliefs about ecological issues. For instance, in Patagonia’s Environmental and Social Initiatives report, President and CEO Rose Marcario commenting on a “sense of urgency” when dealing with environmental concerns wrote, “At a time when our political system has failed to deliver for our planet, it’s up to businesses like ours to create positive change” (Patagonia, 2016, p. 7). Patagonia is a dynamic force in environmental activism and grassroots advocacy. Made explicit in Patagonia’s mission statement is the corporate mandate to solve environmental issues (Patagonia, 2016). Similar directives in B Corps worldwide were created by leaders purposefully aligning business goals with their values. This interweaving of the for-profit business model with the active promotion of environmentally sustainable practices is a hallmark of the B Corp executive (B the Change, 2018; Fisher, 2012; Morris, 2017).

**Infrastructure.** B Corp leaders also model sustainable practices in their business through such methods as building environmentally sound production plants and incorporating recycling into their company policies. Additionally, leaders of certified B Corps create alternate energy sources specifically for their factories and change chemical processing to minimize the impact on ecological systems (Dr. Bronner’s, 2017; Fisher, 2012). Leaders of B Corps also encourage their employees to use creative methods in the organization to solve ongoing environmental issues (King Arthur Flour, 2017; New Belgium Brewing Company, 2018).
Supply chain. Some B Corp executives take the mandate for environmental accountability further, requiring their suppliers to use environmentally friendly practices. Often, when working with contractors in countries with limited resources, B Corp leaders equip and train their suppliers to use sustainable methods. These leaders require transparency and set up systems to maintain direct contact with local and global supply chains ensuring they uphold the mission of the company. This eco-friendly commitment did not always enhance a company’s popularity in the short term, especially when it detracted from a local supplier. However, over time, many leaders of B Corps reported an overall growth in stakeholder satisfaction (Chen & Kelly, 2015; Lotus Foods Inc, 2017; Patagonia, 2016; The Daily Tea Team, 2014).

Workforce. B Corp leaders extended their commitment to sustainable practices by encouraging their workforce to embrace environmentally friendly methods. These leaders create incentive programs for employees who volunteer for environmental causes, offer their workers low energy transportation options, and provide on-site recycling programs. Additionally, employees of certified B Corps are often given input into the environmental practices of the company. Many leaders of B Corps report that engaging their workforce in environmental initiatives not only increases employee innovation but also often decreases operating costs (Cabot Creamery Co-operative, 2018; New Belgium Brewing Company, 2018; Stoddard, 2017).

Community engagement. Along with concern for environmental issues, leaders of certified B Corps invest heavily in social issues. B Corp executives are the public face of the company, interacting with local and international groups to solve social problems (Barnes, 2017; Morlan, 2017). Ahmed and Reem Rahim, co-founders of Numi Inc., are examples of the civically minded nature of the B Corp leader. The Rahims asserted that
their support of local and international communities is a reflection of their purpose and values (The Daily Tea Team, 2014). To that end, the Rahim’s established The Numi Foundation, which sponsors clean drinking water initiatives and ensures that workers within their supply chain have suitable housing and fair wages (Numi Foundation, 2018).

**Local engagement.** In like manner, local connections remain a central focus for leaders of B Corps. Many companies pay their workforce to volunteer with local nonprofit organizations regularly. Leaders of B Corps also attend nonprofit fundraising events and sit on community boards. These leaders stay abreast of community concerns, often providing first-line support in times of crisis. Leaders of Certified B Corps include in their corporate documents a directive to use a portion of company profit for the benefit of their surrounding communities, ensuring that their values continue with the company regardless of leadership changes or company ownership (Archipley, 2018; Bridges Ventures, 2015).

**B Corp collaboration.** B Corp leaders also support the greater B Corp community. They maintain ongoing relationships with other leaders of certified B Corps through the active network established by B Lab. The networking community is a support system for leaders both new to the certification process and those who have been working within the B Corp framework for many years. The majority of B Corp leaders mentor businesses similar to their own, offering them advice and guidance as they work through an evaluation and improvement process. It is this community of B Lab certified business leaders that comprise the backbone of the B Corp movement (Dr. Bronner’s, 2018b; Honeyman, 2014a; Weinreb, 2018).

**Employee management.** Above all, leaders of certified B Corps set standards for fair treatment of their employees. Strong organizational culture is associated with
certified B Corps (Barnes, 2017; Chang, Buerkle, & Storto, 2018; Semuels, 2014). Employees at socially responsible businesses are more likely to be engaged and positive about their work community. Additionally, B Corps retain employees, especially those in the millennial generation at a much higher rate than more traditional counterparts (Chang et al., 2018). Millennial employees report that they identify with the conscious leadership of B Corps, finding that the values-led businesses match their need to make a difference in the world. Leaders of these businesses place a priority on developing relationships with their staff members (Barnes, 2017; Kurland, 2017; Mirvis, 2012).

**Employee benefits.** In addition to building strong company cultures, many B Corp leaders set up excellent benefit programs for their employees, such as equitable pay structures and flexible work schedules. For example, executives at the family-run B Corp, Dr. Bronner’s Soaps, continue to operate within a socially responsible framework established by their grandfather Emanuel Bronner. As such, Dr. Bronner’s executive leaders will never take a salary over five times that of the lowest paid factory worker. Additionally, employees at Dr. Bronner’s are allowed profit sharing options for vested employees and participate in an equitable bonus structure (Dr. Bronner’s, 2018a, 2018b). Fair treatment of employees is customary for many B Corps. It is also typical for leaders of B Corps to allow some type of employee ownership in the company. Similarly, most B Corps provide health care for workers and allow for family time off. Overall, leaders of certified B Corps offer generous benefits to their employees (Honeyman, 2014a; King Arthur Flour, 2017; Rhino Foods, 2018).

**Inclusive hiring practices.** Finally, leaders of certified B Corps set standards for internal hiring practices that support the company culture and mission. B Lab encourages inclusive practices through leadership training and mentoring activities. Consequently, B
Corps have high rates of inclusive hiring practices. Data from the B Lab Impact Assessment indicate that B Corps have more women and minorities in management positions than other sustainable businesses (Honeyman, 2014a; Zurer, 2017). B Corps leaders respect their workers, empowering them to contribute to the overriding purpose of their business. As Honeyman (2014a) explained in *The B Corp Handbook*, comprehensive benefits, options for employee ownership, and an inclusive environment are methods leaders use to fulfill B Lab’s appeal to be “good for workers” (p. 53). Senior leaders of certified B Corps consistently build collaborative organizational communities that hold a shared vision for the company (Barnes, 2017; Houlahan et al., 2016).

**Gap**

Although studies examining employee satisfaction indicated the importance of trust between leaders and subordinates, few studies examined the trust-building mechanisms in the leader and follower relationship. Similarly, there was a noted lack of research related to trust building between leaders and subordinates in a socially responsible business environment (Gaudencio et al., 2017; Hyman-Shurland, 2016). In an era of global mistrust and a time of a marked decline in employee engagement and business productivity, it is essential that business leaders become skilled at building and maintaining trust with their employees. The current study determined that the TVI trust framework represented the most complete model available by which to examine the strategies leaders use to build trust with their followers.

**Summary**

Trust in business has been in decline in the United States since the financial collapse, which began in 2008 (Edelman, 2009, 2018). In the United States, citizens, fueled in part by reports of corporate violations and unethical business practices
preceding the financial crisis, demanded accountability and expected transparency from institutions. In an increasingly globalized economy, citizens can access and share information quickly and efficiently. Consequently, corporations are held accountable for their societal and economic impact by consumers. Accordingly, these consumers demonstrate their lack of trust by refusing to purchase goods or services (Bolton, 2016; Chen & Kelly, 2015; Freeman, 2017; Uslaner, 2010).

Loss of trust impacted not only the profitability of business but also the ability of companies to hire and retain employees. Productivity fell across industries and employees reported decreasing levels of job satisfaction. At the same time, studies indicated that leaders were not exhibiting the skills required to inspire their employees to share in the mission and vision of their companies. On the other hand, socially responsible business models, such as CSR and B Corps, gained viability on the economic stage. Moreover, studies demonstrated that businesses using a socially responsible business model retained their employees at levels higher than their more traditional counterparts (Barakat et al., 2016; Carnahan et al., 2017; Chen & Kelly, 2015).

Chapter III describes the study design and methodology. Included in Chapter III are the data collection instruments, study population and sample, and data analysis procedures. Chapter IV reports the results of data collection and analysis. Chapter V describes major and unexpected findings. Conclusions from findings and implications for action are also discussed in the chapter. Chapter V concludes with recommendations for further research.
CHAPTER III: METHODOLOGY

Academic research is a logical and detailed method of data collection and analysis. There are two primary categories of research design: quantitative and qualitative. A third design, mixed methods, combines data collection and analysis from both the qualitative and quantitative approach. Each method of research, when conducted ethically and with attention to rigor, provides significant contributions, adding to previous studies (McMillan & Schumacher, 2010; Patton, 2015).

This chapter describes the study design and provides a rationale for the selected methodology. Additional information regarding the purpose of the study, the research question and subquestions, criteria for determining the population, sample size, data collection procedures, and methods of data analysis are also included in the chapter.

Purpose Statement

The purpose of this phenomenological study was to explore how senior management leaders of certified B Corps (B Corps) build trust with employees, using the five domains of connection, concern, candor, competence, and consistency.

Research Questions

Central Research Question

How do senior management leaders of certified B Corps build trust with employees using the five domains of connection, concern, candor, competence, and consistency?

Subquestions

1. How do senior management leaders of certified B Corps build trust with employees using connection?
2. How do senior management leaders of certified B Corps build trust with employees using concern?

3. How do senior management leaders of certified B Corps build trust with employees using candor?

4. How do senior management leaders of certified B Corps build trust with employees using competence?

5. How do senior management leaders of certified B Corps build trust with employees using consistency?

Research Design

Qualitative research tends to be an in-depth inquiry using an interactive, personal approach to data collection (Patton, 2015). Unlike qualitative research, quantitative study emphasizes impartiality when collecting and analyzing data. Quantitative data are also often collected in numeric form, which lends itself to larger sample groups and less depth of investigation. Within the collected numeric data, quantitative researchers look for relationships to determine statistical significance (Creswell, 2015; McMillan & Schumacher, 2010). In contrast, qualitative studies attempt to explore or explain experiences, especially phenomena that are new or have received only minimal study. Moreover, the qualitative researcher looks for themes in collected phenomena to provide greater insight into the way humans create meaning in their everyday lives (Basit, 2003; Patton, 2015).

Method

There are many different methods by which to frame qualitative inquiry ranging across disciplines and philosophies. Patton (2015) included phenomenology among 16 different qualitative inquiry frameworks, asserting that the core question in the design is
to understand the “meaning, structure, and essence, of the lived experience” (p. 98).

Essentially, phenomenological inquiry investigates the way people interpret the world. A unique component of phenomenological study is the assumption of shared meaning related to commonly occurring phenomena within a culture (Creswell, 2015; Patton, 2015). After a thorough review of research design methods, a qualitative phenomenological approach was chosen to explore how B Corp leaders build trust with their employees using the five elements of trust building as described by Weisman (2016): connection, concern, candor, competence, and consistency.

**Rationale**

Phenomenological inquiry examines the lived experiences of individuals. Creswell (2015) described this method of inquiry in more detail, writing that phenomenological study explores the “essence of human experience around a phenomenon” (p. 13). Therefore, a phenomenological design aligned to the purpose of this study, which was to explore the experience of B Corp leaders and the phenomena involved in trust building. Additionally, the central phenomenon of the study, trust building within the leader and follower relationship, is an investigation of the process of developing trust. This exploration of the essence and shared experience (Patton, 2015) between a leader and employee lends itself to qualitative research. As McMillan and Schumacher (2010) documented, unlike quantitative inquiry, qualitative study “looks for the process by which behavior occurs as well as explanations” (p. 323).

The phenomenological study design is also particularly suited to individuals and groups for which there is little published research (Creswell, 2015; Patton, 2015). A review of the literature revealed minimal research examining trust in leader and employee relationships in socially responsible businesses. Further, investigation revealed no
published studies of trust building between leaders and employees in the organizational environment of B Corps. Therefore, phenomenology was an appropriate method by which to explore trust building in the largely unexamined realm of leader and follower relationships in B Corp cultures.

**Population**

A population is a group of individuals who meet specific criteria (McMillan & Schumacher, 2010; Patton, 2015). The population for this study was the 1,091 certified B Corps in the United States and their corresponding leaders (see Figure 4).

*Figure 4.* Study population and sample. From B Corp Impact Data, n.d., by Dataworld (https://data.world/blab/b-corp-impact-data).
B Corp certification is a rigorous evaluation process moderated and verified by a third-party organization. Therefore, B Corp certification was a determining criterion in the population because it defined the business structure the leaders were working within.

**Target Population**

A target population is a group of individuals who, in addition to meeting specific criteria, also share certain characteristics. In research, it is important to design the study such that the results can be generalized to the target population (McMillan & Schumacher, 2010). As shown in Figure 3, the target population for this study was condensed to 399 senior management leaders of certified B Corps in California.

**Sample**

A study sample is the group of participants, representative of the target population from which data were collected (McMillan & Schumacher, 2010). It is important to choose a sampling method that best supports the purpose of the study. In research, two main types of sampling techniques are used: probability and nonprobability sampling. Probability sampling is typically used in quantitative research. This technique draws from a large population and is highly generalizable (McMillan & Schumacher, 2010). Alternatively, most qualitative research draws a smaller, purposefully chosen sample allowing for a rich depth of information. A purposeful sampling technique aligns with phenomenological research by allowing the researcher to filter potential participants based on the purpose of the study and the research questions (McMillan & Schumacher, 2010; Patton, 2015).

When determining the correct sampling method for a study, it is important to choose an approach that best aligns with the purpose of the study. This study explored trust building with employees from the leader’s point of view. Consequently, it was
crucial to define the elements of a senior management leader in a certified B Corp. For the purposes of this study, senior management leaders had the following characteristics:

- interaction with a minimum of 10 employees,
- a minimum of 2 years of experience currently or recently retired (within the last year) from leading in the current B Corp;
- recommendation by peers, an expert or panel of experts; and
- membership in associations within their field like Conscious Capitalism, B Lab, and Fair Trade.

Convenience sampling, a type of nonprobability sampling, is characterized by the particular attributes and accessibility of study participants (McMillan & Schumacher, 2010). Based on the specific characteristics required of the study sample, convenience sampling, a nonprobability sampling method, was chosen as the study sampling technique.

B Lab, the third-party certifying body for B Corps, maintains an online database of all certified B Corps (B Lab, 2017b). The database was publicly available and includes the location of each certified B Corp. The following procedure was used to establish a contact list for potential study participants.

1. The B Corps database was first sorted to show B Corps in California.
2. B Corps were then indexed by county and city.
3. Each B Corp was further indexed by the number of employees and leaders.
4. Biographical information of the senior management leaders on the list of companies with 10 or more employees was referenced to determine senior management leaders with a minimum of 2 years of experience in the current B Corp.
5. The resulting list was cross-referenced with a list of recommendations from a local expert in B Corps or a list from a regional panel of experts for recommendation. As a result, initial contact was made using this list of senior B Corp leaders, matching the study criteria and recommended by a local expert or regional panel of experts. When possible, the researcher was introduced to B Corp leaders through electronic mail by a local expert. Additional participants matching study criteria and recommended by a regional panel of experts were contacted by electronic mail using the contact information listed on the B Corp database. A standard letter of introduction template was used for all potential participants (Appendix A).

In a phenomenological study, emphasis is placed on the quality and depth of the data collected. Consequently, sample size in phenomenological study is often smaller than those in quantitative research. Cypress (2017) asserted that a small sample size consisting of members meeting study criteria increases the transferability of study results. In addition, a smaller sample size allows for attention to detail and a greater depth of exploration (Patton, 2015). For this reason, structured interviews developed with a team of 15 peer researchers were one of the tools used in this study to gather meaningful, rich data. Moreover, it is a hallmark of qualitative study to collect data from the participant’s environment. Whenever possible, interviews were conducted with participants face to face in their natural setting. Due to travel and time limitations, a convenience sampling method was used. Accordingly, the study sample was composed of 10 senior management leaders, from 10 different certified B Corps in California.

Instrumentation

Qualitative research includes three main categories of data collection: interviews, examination of artifacts, and observations. As the researcher was the primary instrument
for all of the data collected, utilizing three types of data increased the validity of the study (Patton, 2015). Interview questions are a key component of phenomenological research. Therefore, this study used semistructured interview questions aligned with the five variables of trust in The Values Instrument (TVI) trust model: connection, concern, candor, competence, and consistency.

**Interview Design and Development**

Interviews are a central data collection instrument of qualitative inquiry. Patton (2015) identified four forms of qualitative interview instrumentation as follows:

- informal conversational interview,
- interview guide approach,
- standardized open-ended interview, and;
- closed, fixed response interview. (p. 438)

Each type of qualitative interview is defined by the standardization of the interview questions. For example, conversational interviews are loosely structured, and questions arise naturally from the exchange between the researcher and the participant. Data from the conversational interview can be complex and difficult to analyze. Conversely, closed, fixed-response interviews use preformatted questions and offer a list of responses. These interviews do not allow deviation from the script, but the data analysis is straightforward. On the other hand, the interview guide approach utilizes a script, preformatted questions, and guided probes but allows the participant to answer the question conversationally.

**Semistructured interview.** One variation of the standardized open-ended interview often used in phenomenological research is the semistructured interview. In a semistructured interview, a guide and questions are developed based on the purpose of
the research. Study participants answer questions conversationally, and generally, the interview is recorded (McMillan & Schumacher, 2010; Patton, 2015).

**Primary instrument.** In this study, a standardized open-ended interview with semistructured questions was the primary instrument of data collection. The interview was designed in collaboration with 15 members of the thematic trust dissertation research group and core faculty members. Within the larger thematic team, peer researchers were divided into subgroups based on the population being studied. All interview questions were aligned to one of the five variables, or five C’s, in the TVI trust pyramid (Weisman, 2016). Each subgroup also defined one or two of the five C’s—connection, concern, candor, competence, and consistency—based on a full review of trust literature. The full team then came to consensus on the five definitions to be used across all 15 studies. Additionally, each group of peer researchers created interview questions and prompts related to its variable and definition.

The thematic team as a whole reviewed the resulting questions and accompanying prompts. Based on feedback from thematic group members and core faculty, each group refined its interview questions. Next, the interview questions were reviewed by experts in the field and refined further by each thematic group, thus adding to the content validity of the instrument. The final interview (Appendix B) contained 10 questions and accompanying prompts aligned to the TVI trust pyramid framework (Weisman, 2016) and customized for the specific populations being studied. In addition to question alignment, each interview question related to the purpose of the study to explore the strategies leaders used to build trust with their employees.
Field Test

Testing the data collection instrument in a qualitative study is central to identifying and reducing error during the measurement process. Use of a field test during interview development allows for refinement of the instrument and increases the reliability of the study (Kimberlin & Winterstein, 2008).

For the purposes of this study, a field test was administered using the interview questions and prompts (Appendix C). Each member of the thematic team performed an interview field test with a representative of his or her intended study sample using the 10 questions and associated prompts. All peer researchers were observed by a doctoral-level expert in qualitative data collection. Following the field test, the participant and observer provided feedback to the researcher (Appendix G). Each subgroup of peer researchers met with the faculty member supervising this study to discuss its field-test results and feedback from the participants and observer. The final instrument was the result of combined field-test information and a collaborative refinement of the questions and prompts by the peer researchers.

Interview Protocol

A detailed interview protocol (Appendix D) was developed for this study in conjunction with the interview questions and probes. An interview protocol is a guide the researcher uses before and during the interview. The protocol includes information for the participant about the primary focus of the study, definitions that might help the participant, and assurances of confidentiality (McMillan & Schumacher, 2010). Included in this study protocol (Appendix D) is an introduction from the researcher, the purpose of the study, an interview script, the 10 interview questions and prompts (Appendix B), and
applicable study definitions. Interview participants also received the Brandman University Institutional Review Board (BUIRB) Research Participant’s Bill of Rights (Appendix E) and an informed consent and audio recording release (Appendix F). Prior to the interview, the participant signed the informed consent and audio recording release and gave it to the researcher. The study protocol was a unifying document used by every member of the thematic research team. As such, 150 interviews were conducted by each of the 15 peer researchers who used the 10 interview questions with their study samples.

Validity

Validity in qualitative research refers to accuracy of data collection and analysis. Essentially, validity in qualitative study is established when the instrument measures what it intends to measure. Procedures used to safeguard the credibility of collected data improve the validity of study results. Therefore, implementation of numerous levels of validation in qualitative study, such as method and data triangulation, allow for more precise measurement and interpretation of study results (Kimberlin & Winterstein, 2008; Patton, 2015).

Multiple strategies were employed in this study to enhance validity including the use of a semistructured interview, on-site observations, and artifacts collected in the field. Additionally, multiple peer researchers mutually developed and performed field tests on the interview protocol and questions used in this study. Field-test protocol was discussed in depth in the instrumentation section of this chapter. Finally, the researcher examined opportunities for bias related to the researcher as a data collection instrument in the study.

Researcher as the Instrument

A defining feature of qualitative research is the use of the researcher as the principal data collection instrument. As qualitative research attempts to explore the lived
experiences of the study sample, the role of the researcher is to delve into the natural world of the study participants through interviews and observations (Creswell, 2015). Inherent in the use of the researcher as an instrument is the potential for bias influencing the study. It is the unconscious form of bias or the unwillingness of the researcher to acknowledge bias that lead to lack of rigor and potentially unethical behavior. While it is relatively impossible to eliminate bias, researchers argue that when bias is accounted for, it is the personal approach to study and data collection that gives qualitative research a unique strength (Patton, 2015; Sezer, Gino, & Bazerman, 2015).

In this study, the researcher was the central data collection instrument using a standardized open-ended interview with semistructured questions. To reduce bias and maintain consistency, the researcher adhered to a scripted interview protocol with all study participants. In addition, the researcher engaged in reflexive practices during data collection and analysis, such as the use of journaling, to monitor potential issues with unintended bias. Finally, the researcher bracketed known bias when interviewing study participants. Bracketing is a method of acknowledging potential bias and intentionally setting that bias aside when collecting data (Cypress, 2017).

As Patton (2015) asserted, rigorous training is essential to produce high-quality, authentic data. Similarly, Flick (2009) argued that participation in interview training by a researcher followed by a test of the interview process increased interview data reliability. Accordingly, the researcher participated in training in qualitative data collection methods including the use of an interview as a data collection instrument. Likewise, the researcher was observed by a doctoral-level expert during interview field testing, thereby increasing the content validity of the instrument. Furthermore, the researcher adhered to
professional and ethical standards including use of confidentiality procedures with all study participants. In addition, interviews were recorded and transcribed for accuracy.

Numerous Levels of Validation

In qualitative study, there is often a central method of data collection; however, multiple types of data collection may be used to augment the study. Gathering different types of data allows the researcher to cross-check results and compare the consistency of the information (Creswell, 2015; Patton, 2015). In this study, the researcher triangulated data collection methods through the use of interviews, artifact collection, and observations. Accordingly, the researcher was the primary data collection instrument using a standardized open-ended interview to collect data from the study sample. Interviews were conducted on site at the participant’s place of work. Additional data were collected from observations of the study participants and artifacts in the form of company impact assessments, mission statements, and informational print media available at the company offices. Following the interview, the researcher also asked the interviewees whether they had any artifacts to share that demonstrated trust-building strategies such as redacted memos or newsletters to employees.

Multiple Researchers

A team of 15 peer researchers developed and used the study interview protocol, including interview questions and prompts, each with 10 study participants. Prior to the interviews, the peer researchers collaborated on variable definitions and constructed the interview questions with accompanying prompts. Each researcher participated in a field test with a representative of his or her sample. Information from the field tests was used to further refine the interview questions, probes, and protocol. Finally, a panel of Brandman University doctoral professors reviewed the study definitions, interview
protocol, and questions, further validating the study results. Review of the instrument by the panel of experts contributed to the content validity of the study.

**Reliability**

Reliability in qualitative study refers to the consistency of research procedures and study results. Moreover, the reliability of qualitative study concerns the dependable nature of the data collected, that is, the ability of study results to remain constant when repeated. Some researchers oppose the notion that qualitative research should generalize to other studies asserting that the nature of the phenomena, or lived experiences, being studied are situation based and too variable to measure across time and with different samples (Meyers, 2000; Misco, 2007). Nevertheless, most researchers maintain that the use of reliability measures and attention to rigor in qualitative research allow for an independent researcher to arrive at similar or equivalent findings (Cypress, 2017; Noble & Smith, 2015; Patton, 2015). Strategies used to increase the dependability of the results of this study included the use of intercoder reliability, consistency of data collection procedures, and use of the interview by multiple peer researchers.

**Interrater Reliability**

Interrater reliability is a method of assessing the consistency of data collection procedures and data analysis between researchers. Use of this method allows researchers to compare emergent themes in the data and check for wide discrepancies in coding results. Moreover, reliability is increased when independent researchers check data analysis using study criteria (Kimberlin & Winterstein, 2008; Lombard, Synder-Duch, & Bracken, 2004; McMillan & Schumacher, 2010). In this study, the thematic research team members used the same study purpose and research questions, study framework and
variable definitions, and instrumentation. To further enhance the reliability of study results, 10% of the coding, a method of categorizing of data by themes, was analyzed by a peer researcher. Results from peer coding were compared to the study results to enhance accuracy of data collection and analysis. Accuracy of at least 90% across peer researchers indicated that study coding was reliable.

**Internal Reliability**

Internal reliability refers to the consistency of results over time and the use of study methods by multiple researchers. Patton (2015) acknowledged triangulation by multiple analysts as a method to reduce bias and assess the consistency of data collected in qualitative study. In this study, the thematic research team developed and tested the interview questions and used a common interview protocol to collect data. Fidelity to the data collection instrument and protocol across a group of researchers increased the reliability of the study findings.

Finally, a faculty dissertation chairperson and two faculty committee members reviewed the proposed study design, data collection instruments, and analysis techniques. This faculty group also reviewed the researcher’s methods to reduce limitations and enhance study validity and reliability. After committee approval, the researcher submitted the research proposal to the Brandman University’s Internal Review Board (BUIRB) for authorization to conduct research. This multilayered review of the study design and methodology contributed to the validity and reliability of the data collection methods and findings of this study.
Data Collection

Phenomenological inquiry focuses on and describes a participant’s construction of meaning as it is experienced in time and body. As such, phenomenological methodology includes specific data collection tools, such as interviews and observations, with the goal of understanding the lived experience of the participant. Unlike quantitative study, which applies statistical measures to examine relationships between data, qualitative study collects data in an attempt to understand the meaning of a participant’s experience. Accordingly, in a phenomenological study, the researcher analyzes and interprets data collected in the natural setting looking for themes and phenomena as they emerge. Each subset of data is therefore collected with the goal of understanding the experience of the participant (Cypress, 2017; McMillan & Schumacher, 2010; Patton, 2015).

Interview Process

McMillan and Schumacher (2010) identified three major methods of data collection in qualitative study: interviews, observation, and artifacts. In this study, the primary method of data collection was the use of a standardized, open-ended interview of 10 leaders of 10 different certified B Corps in California. Additional data were collected through on-site observations and artifacts. Prior to data collection, the researcher completed the National Institutes of Health (NIH) protection of human research participants certification (Appendix H). Data collection began after the researcher received BUIRB approval.

Prior to each interview, the participant received three documents, an informed consent and audio recording release (Appendix F), a copy of the BUIRB Research Participant’s Bill of Rights (Appendix E), and a copy of the interview questions.
(Appendix B). Participants were asked to review the documents and determine whether clarification was needed. Once the participant completed a review of the documents, he or she was asked to sign the consent. After the consent was signed, the researcher followed the interview protocol guide, which included a script explaining the purpose of the study. When interviewing participants, the researcher followed the interview protocol using the 10 questions and probing questions as needed in the same order. Prompts from the protocol were used as needed to encourage comprehensive responses to interview questions. Study interviews were approximately 60 minutes in length.

All study interviews were conducted in person at the participant’s workplace. Two digital recordings were made of each interview to ensure the accuracy of the collected data. Recordings were labeled by number and stored on a micromemory card, which was locked in a password-protected safe. Notes were taken during the interview to document the interview setting and nonverbal cues of the participant. Following the interview, the recordings were transcribed and combined with the notes to be analyzed for themes.

During the ongoing review of field notes, transcripts, and artifacts, the researcher noted reoccurring themes that emerged from the data. Additionally, the researcher used NVivo, a coding software program, to label and categorize the data. Interview transcripts were loaded into NVivo allowing the researcher to code directly from the transcripts, connecting pieces of data within the transcripts with corresponding themes. Finally, research data were erased and field notes were destroyed one month after the study was published.
**Artifact Collection**

Unlike the interactive nature of data collection through interviews, artifacts are for the most part gathered by the researcher alone. Data in the form of artifacts, such as documents or objects, provide an alternate form of data and allow for a greater depth of analysis (McMillan & Schumacher, 2010). The researcher collected artifacts from participants’ businesses and websites. Collected artifacts included B Impact Reports (Honeyman, 2014a), company mission statements, newsletters, and presentations made by company leadership. Artifacts were converted to an image format and loaded into NVivo. Artifact data were coded by themes and analyzed. Results from artifact data analysis were compared with interview data analysis. Use of artifact data contributed to triangulation of study data, thereby enhancing the reliability and validity of study findings.

**B Impact Report.** B Impact Reports were particularly relevant to this study as they presented the results of the most recent self-evaluation made by a certified B Corp. Because B Impact Reports provided a numerical score based on the responses made by the B Corp leaders to the evaluation questions, these data provided a unique view of the environment of the organization. A B Impact Report measures the impact of a company’s daily operations on workers, community, and environment. The assessment also checks the company’s business model to determine whether it reflects a positive environmental and social impact. Consequently, the impact score of a certified B Corps offers data that directly relate to the TVI trust pyramid framework and the accompanying domains of connection, concern, candor, competence, and consistency (Weisman, 2016).
Observations

Another data collection method used in qualitative research is observation. A type of fieldwork, observation allows the researcher to view and describe a setting. Detailed field notes written on site or immediately following an observation allow the qualitative researcher to analyze data collated in the contextual setting of the study sample. This method of gathering data firsthand differs from the quantitative methodology of data collection, which attempts to remove the researcher from interaction with study participants. It is the observation of the participant’s environment that provides the researcher with greater insight into the social construct in which phenomena occur (McMillan & Schumacher, 2010; Patton, 2015). Additionally, Patton (2015) maintained that contextual sensitivity is essential in qualitative inquiry because it affords the researcher a broad perspective. Observation fills gaps in data not provided by other collection methods, thereby contributing to a holistic analysis of the collected data.

Prior to this study, the researcher was not well known to members of the organizations being observed. This type of observation, in which the observer is not a member of an organization, is known as nonparticipant observation. A limitation of nonparticipant observation is the potential for organizational members to act differently because they are aware of being observed or because the observer is an outsider (Patten, 2012). Accordingly, observation was accomplished when sitting in waiting areas or conference rooms, therefore normalizing the presence of someone unknown to the organization. All observation data collection and analysis concealed the identities of the organization and members. In keeping with ethical standards, permission to use observational data was obtained from the study participant. Four participant leaders gave
the researcher a site tour following the interview. Reflective notes were made following each tour. Finally, field notes were kept in a locked file case and destroyed one month after the study was published.

**Data Analysis**

It is the considerable amount of data that renders analysis a formidable task for the qualitative researcher, demanding precision and intellectual rigor (McMillan & Schumacher, 2010; Patton, 2015). At the same time, examination of the data is the basis of all study findings and determinations. Basit (2003) wrote that qualitative data analysis is “the most difficult and most crucial aspect of qualitative research” (p. 143). Therefore, qualitative analysis is an inductive process during which the researcher looks for patterns and themes, synthesizing information while moving from the general to the specific (McMillan & Schumacher, 2010; Patton, 2015).

In contrast to quantitative analysis, which occurs following data collection, qualitative analysis occurs during and after collection is complete. It is the overlap of the collection and analysis phase of qualitative research that increases both the complexity and the depth of the study. Consequently, establishing a structure for data organization and analysis is critical to the integrity of a study (Patton, 2015). In preparation for analysis, the researcher used explicit procedures during collection to organize data.

**Data Organization**

All interview data were organized by number. Interview numbers were the identifier that linked all data related to the interview participant. All digital files and handwritten documents associated with the interviews were labeled and stored according to their corresponding number. Each interview was recorded and transcribed. Notes
were taken during the interviews and immediately following the interview. All recordings, transcriptions, and notes were labeled using the number system. All 10 interview participants were sent a copy of the transcription for review and all responses were stored with the interview files. Artifacts and field notes from observations were similarly labeled with the interview number. A digital inventory of all collected data was maintained throughout the collection process.

**Data Synthesis and Coding**

Coding is a method of categorizing text-based data. When coding, a researcher tags and sorts single words, parts of sentences, or longer pieces of text, according to the meaning and setting of the collected data. Researchers relate codes to themes that have emerged from initial data analysis and are cross-checked with the study purpose and research questions. Moreover, coding is heuristic in nature, composed of a systematic distillation of data that are both inferential and descriptive. Subsequently, qualitative phenomenological researchers look for commonalities and patterns when coding to explore the essence of phenomena (Basit, 2003; Patton, 2015).

In this study, data were reviewed multiple times for emergent themes and patterns related to the purpose of the study, to explore how leaders of certified B Corps build trust with employees using the five domains of connection, concern, candor, competence, and consistency. Interview transcriptions were uploaded to NVivo, a qualitative coding software. Codes were created from the identified themes and patterns and based on the study subquestions. Subsequently, data from the 10 transcripts were synthesized through the coding process. Data from artifacts and field notes were similarly coded.
Synthesis of the data included elimination of redundant codes and a check for alignment of codes to the purpose of the study. Data synthesis and coding formed the foundation for analysis. Following coding, interpretations of findings were made based on code frequency counts and on a cross-check of findings with the TVI trust framework (Weisman, 2016) domains of connection, concern, candor, competence, and consistency.

Limitations

While no study is entirely without limitations, it is possible to put measures into research to reduce the limitations of a study. Most often, limitations relate to the ability of study findings to generalize to a larger population. Qualitative study emphasizes the richness and depth of data collection to better understand the meaning of lived experiences and the essence of the interactions between participants and phenomena. While generalization is not always a central component of qualitative study, external validity of study findings may be obtained by means of thorough data collection procedures and attention to academic rigor (McMillan & Schumacher, 2010; Patton, 2015).

Researcher as the Instrument

One limitation of qualitative design is the use of the researcher as the data collection instrument. A potential for bias exists when the researcher collects and analyzes data. Methods to limit bias and increase the credibility of study findings include the use of standardized data collection procedures and rigorous analysis techniques (Patton, 2015). In this study, the researcher participated in interview training and used a set protocol in all interviews. Additionally, the researcher used reflexive practices to
monitor for bias during research. Finally, the researcher implemented a rigorous structure for data organization and analysis to further limit the potential for bias.

**Sample Size**

Sample size in qualitative research varies according to the purpose of the study, availability of participants, and collection strategy. However, in general, qualitative samples tend to be smaller than those in quantitative research. Even so, when rigorous academic standards are imbedded in the study design, smaller sample size in qualitative inquiry provides a wealth of information-rich data (McMillan & Schumacher, 2010).

This study was delimited to 10 leaders, in 10 different certified B Corps, in California. While the study sample consisted of only 10 participants, each participant worked at separate corporations thereby increasing the diversity of the data collection locations and organizational cultures. Additionally, the larger thematic research group used the same data collection instruments, including interview protocol, and analysis methodology. Finally, peer researchers interviewed 150 study participants, increasing the overall sample size.

**Summary**

Following a review of the study purpose and research questions, this chapter provided a detailed explanation of the qualitative phenomenological study design. A rationale was provided for the selected methodology and the criteria used for determining the population and sample size. Instrumentation was aligned with the purpose of the study to explore how leaders of certified B Corps build trust with employees. Consequently, information-rich data were collected from 10 leaders of 10 different certified B Corps, using semistructured interviews as the central instrument as well as
observations and artifacts. Study limitations were likewise addressed in the chapter, followed by a discussion of reliability and validity of study instrumentation and data analysis procedures. Chapter IV presents the study data in detail, data analysis, and findings. Chapter V describes and draws conclusions from the study findings. Chapter V closes with a discussion of the implications of the research findings and makes recommendations for further research.
CHAPTER IV: RESEARCH, DATA COLLECTION, AND FINDINGS

This qualitative phenomenological study used The Values Institute (TVI) trust framework (Weisman, 2010, 2016) and the accompanying domains of connection, concern, candor, competence, and consistency, to explore and describe the trust-building strategies of senior management leaders in certified B Corporations (B Corps). Chapter IV opens with the purpose of the study and the research questions. Next, an overview of study methodology and data collection procedures is followed by a review of the study population, sample, and demographics. Chapter IV concludes with an analysis of the collected data and a summary of key findings.

Purpose Statement

The purpose of this phenomenological study was to explore how senior management leaders of certified B Corps build trust with employees, using the five domains of connection, concern, candor, competence, and consistency.

Research Questions

Central Research Question

How do senior management leaders of certified B Corps build trust with employees using the five domains of connection, concern, candor, competence, and consistency?

Subquestions

1. How do senior management leaders of certified B Corps build trust with employees using connection?

2. How do senior management leaders of certified B Corps build trust with employees using concern?
3. How do senior management leaders of certified B Corps build trust with employees using candor?

4. How do senior management leaders of certified B Corps build trust with employees using competence?

5. How do senior management leaders of certified B Corps build trust with employees using consistency?

**Research Methods and Data Collection Procedures**

As Patton (2015) noted, the purpose of qualitative interviewing is “to allow us to enter into the other person’s perspective” (p. 426), which allows for a richness and depth of data. Interviews are the primary collection tool in phenomenological inquiry. This qualitative phenomenological research study explored the trust-building experiences of 10 senior leaders in 10 different certified B Corps using a semistructured interview protocol developed collaboratively among 15 peer researchers (Appendix D). Each interview consisted of 10 questions and their related prompts. The interview questions and prompts were scripted and aligned with the trust domain definitions, also developed collaboratively with the 15 peer researchers. All 10 interviews were conducted in person, with all 10 study participants, and lasted between 29 and 57 minutes in length. The average interview time was 48 minutes. Each interview was recorded and transcribed twice: first using transcription software and a second time by the researcher to ensure accuracy of the transcription.

**Observations**

Although the interviews were the primary data collection instrument, additional data were obtained through field notes from on-site observations and collection of 51 artifacts, allowing for triangulation of study data. Observations occurred, with
permission from the study participants, at ten of the participants’ worksites and included four site tours facilitated by study participants. Field notes were recorded during observations, and reflective notes were written following observations and site tours.

**Artifacts**

Print and photographic artifacts were collected on site, with permission from the study participants, and included company value and mission statements, planning documents, office work space, messages to employees, posters, and impact reports. Additional artifacts were collected from study participant company websites and online media websites. These artifacts included company mission and vision statements, job and career postings, company philosophies, media interviews, and publicly available video of participants speaking at industry events. Of the 51 artifacts collected, 17 were collected directly from the study participants on site. Collection of data from a variety of sources allowed for a greater depth of analysis and increased the validity of the study outcomes.

**Population**

The population for this study was the 1,091 certified B Corps in the United States and their corresponding leaders. As B Corps certification indicates, a business participated in an extensive, third-party evaluation process, where certification was a determining criterion in the population.

**Sample**

This study explored trust building with employees from the leader’s point of view. As a result, the study sample was purposefully drawn to include participants holding leadership positions in senior management, or higher, within their company. As
summarized in Table 1, senior management leaders were defined by the following characteristics:

- interaction with a minimum of 10 employees,
- a minimum of 2 years of experience currently or recently retired (within the last year) from leading in the current certified B Corp;
- recommendation by a local expert or panel of experts; and
- membership in associations within their field like Conscious Capitalism, B Lab, and Fair Trade.

Table 1

*Sample Criteria*

<table>
<thead>
<tr>
<th>Participant no.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
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<tbody>
<tr>
<td>minimum position: senior management leader</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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</tr>
<tr>
<td>interaction with a minimum of 10 employees</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>minimum of 2 years of leadership experience in current B Corp</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
</tr>
<tr>
<td>recommendation by a local expert or panel of experts</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>membership in associations within their field</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
</tr>
</tbody>
</table>

B Lab, the nonprofit certifying body for B Corp, maintains a publicly available database of businesses that hold current B Corp certification. A preliminary contact list was created from the B Lab database. Initial contact with the study sample was made through a personal introduction by a local expert or through contact information obtained on industry websites. If the contact met the sample criteria, he or she was invited to participate in the study. Initial contacts were made with potential participants who were accessible to the researcher. Accordingly, the sample was comprised of 10 senior management leaders, from 10 different certified B Corps in California. In total, 15 peer
researchers developed the study framework definitions and interview protocol to use with their specific study population. However, this study sample is unique to this study, and all collected data were analyzed by the researcher.

**Demographic Data**

Study participants, and all associated data, were assigned numerical designations to protect their confidentiality. All identifying information was removed from the data presentation and analysis. Table 2 contains the demographic data of participants.

Table 2

*Participant Demographic Data*

<table>
<thead>
<tr>
<th>Participant</th>
<th>Position</th>
<th>Gender</th>
<th>Number of employees</th>
<th>Years of experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Director</td>
<td>F</td>
<td>10-49</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>COO</td>
<td>M</td>
<td>10-49</td>
<td>6</td>
</tr>
<tr>
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<td>Senior manager</td>
<td>M</td>
<td>100-149</td>
<td>7</td>
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<tr>
<td>4</td>
<td>CEO</td>
<td>F</td>
<td>50-99</td>
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<tr>
<td>5</td>
<td>COO</td>
<td>M</td>
<td>10-49</td>
<td>16</td>
</tr>
<tr>
<td>6</td>
<td>COO</td>
<td>M</td>
<td>200-249</td>
<td>4</td>
</tr>
<tr>
<td>7</td>
<td>Director</td>
<td>F</td>
<td>200-249</td>
<td>2</td>
</tr>
<tr>
<td>8</td>
<td>CEO</td>
<td>M</td>
<td>10-49</td>
<td>11</td>
</tr>
<tr>
<td>9</td>
<td>CEO</td>
<td>M</td>
<td>10-49</td>
<td>7</td>
</tr>
<tr>
<td>10</td>
<td>CEO</td>
<td>M</td>
<td>10-49</td>
<td>13</td>
</tr>
</tbody>
</table>

Of the leaders interviewed for this study, 30% were female and 70% were male. Furthermore, 70% of study participants held an executive position in their organization and the remaining held senior management positions. Study participants also had, on average, 12 years of experience in their current company. In addition, 40% of study participants worked with 50 or more employees.
Presentation and Analysis of Data

The following section presents the study data and provides a detailed analysis of the lived experiences of senior management leaders in certified B Corps. Data were collected through one-on-one semistructured interviews, artifacts collected on and off site, and transcribed field notes from on-site observations. Analysis and findings are presented within the five domains of the TVI trust framework—connection, concern, candor, competence, and consistency (Weisman, 2016)—and align with the central research question and subquestions.

An inductive approach is often used by qualitative researchers in the first level of content analysis. This method allows the researcher to note the dominant or recurring patterns and themes in the raw data (Saldana, 2016; D. R. Thomas, 2006). In this study, the researcher reviewed the interview transcripts to determine the frequent and significant themes that emerged. This inductive approach allowed the researcher to gain a familiarity with the primary data at the first level of coding. As the researcher repeatedly reviewed the data, codes were assigned to label patterns within the themes.

Following the first level of coding, all interview transcripts, transcribed field notes, and artifacts were uploaded to NVivo, a computer assisted, qualitative data analysis program. During the next level of coding, NVivo was used to organize and code interview, observation, and artifact data across themes. Themes and codes were assessed for internal homogeneity and external heterogeneity, ensuring coherency within themes and alignment to the research questions (Patton, 2015; G. F. Thomas, n.d.). Duplicate or similar codes were first evaluated based on their alignment to the research question and then revised or merged into other codes. Redundant codes were eliminated.
Validity

In qualitative research, validity is determined when the instrument measures what it intends to measure. Consequently, procedures that allow for multiple levels of validation are used to safeguard the credibility of collected data (Kimberlin & Winterstein, 2008; Patton, 2015). Data were triangulated in this study through the use of interviews, artifact collection, and observations. Use of different data collection methods allowed the researcher to cross-check results and compare the consistency of the information (Creswell, 2015; Patton, 2015).

In addition to the triangulation of data collection methods, an interview protocol was developed, and field tested, in collaboration with a team of 15 peer researchers. Included in the interview protocol (Appendix D) was a script that introduced the study, the variable definitions, and provided interview question and prompts. Adherence by the researcher to the interview protocol during data collection increased accuracy and enhanced the credibility of the data and the resulting analysis.

Reliability

Reliability in qualitative inquiry refers to the consistency of the results of data collection. In this study, reliability was enhanced through the use of an interview protocol (Appendix D) during each interview. Therefore, in every interview, the researcher read each question as listed in the protocol and used designated prompts as necessary. Care was taken not to deviate from the question format to ensure consistency of results.

Interrater Reliability

Reliability was further established through the use of interrater reliability, a process by which researchers share data analysis to check for consistency in coding
results. Accordingly, 10% of the study interview data were coded by a peer researcher using the same criteria. Intercoder reliability was established when a comparison of codes and frequencies from the peer researcher indicated 89% agreement with the study data.

Research Question and Subquestion Results

The central research question for this study was, “How do senior management leaders of certified B Corps build trust with employees, using the five domains of connection, concern, candor, competence, and consistency?”

In this study, research subquestions addressing each of the five domains of trust building provided a framework to answer the central research question in detail.

1. How do senior management leaders of certified B Corps build trust with employees using connection?
2. How do senior management leaders of certified B Corps build trust with employees using concern?
3. How do senior management leaders of certified B Corps build trust with employees using candor?
4. How do senior management leaders of certified B Corps build trust with employees using competence?
5. How do senior management leaders of certified B Corps build trust with employees using consistency?

All data collection procedures and subsequent analysis were organized by trust domain and aligned with the subquestions. Each of the five trust domains was aligned with two interview questions. Themes and codes were organized according to the five
elements of trust building and their corresponding definitions. Figure 5 shows the
distribution of themes by trust-building domain.

Figure 5. Themes by trust-building domain.

A thorough analysis of 10 interview transcripts, transcribed field notes from 10
on-site observations or site tours, and 51 artifacts, generated 19 themes unequally
distributed across the five domains. Connection and concern had five themes each.
Candor, competence and consistency had three themes each. During data analysis, the
researcher examined themes with fewer than 20 frequencies to determine redundancy and
check for alignment to the research question and subquestions. If the themes were not in
alignment with the research questions, or if they duplicated an existing theme, they were
removed from the study. Additional calculations were made to determine how often each
theme was referenced in the data. In all, 862 frequencies were recorded during analysis.
The total count of references included data from interview transcripts, observation field
notes, and collected artifacts. Figure 6 shows the distribution of themes by trust building domain.

![Pie chart showing frequency distribution by trust domain.](image)

*Figure 6. Coded frequency distribution by trust domain.*

Concern had the highest number of frequencies coded with 244 counts, comprising 28% of referenced data. Connection had a similar number of frequency counts at 220, encompassing 26% of recorded references. Of the five trust-building domains, connection and concern had 54% of the total frequency count. Candor had 116 frequencies, which was 14% of the total frequency count. Consistency had 177 (21%) frequencies, and competence had 105 (12%) of total coded frequencies. Figure 6 provides a visual representation of the total frequencies recorded.
Connection

Connection was defined by the peer research team as “a shared link or bond where there is a sense of emotional engagement and interrelatedness” (Sloan & Oliver, 2013; Stovall & Baker, 2010; White et al., 2016). As indicated in Table 3, five themes associated with the trust-building domain of connection emerged during data analysis. Study participants referenced connection 220 times.

Table 3

*Connection Themes*

<table>
<thead>
<tr>
<th>Theme</th>
<th>Interviews</th>
<th>Observations</th>
<th>Artifacts</th>
<th>Total</th>
<th>Percentage</th>
<th>Direct Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defining and reinforcing company values</td>
<td>28</td>
<td>2</td>
<td>35</td>
<td>65</td>
<td>30%</td>
<td>100%</td>
</tr>
<tr>
<td>Engaging employees in the meaning and purpose of the organization</td>
<td>26</td>
<td>2</td>
<td>34</td>
<td>62</td>
<td>28%</td>
<td>70%</td>
</tr>
<tr>
<td>Supporting personal and professional growth</td>
<td>32</td>
<td>0</td>
<td>11</td>
<td>43</td>
<td>20%</td>
<td>70%</td>
</tr>
<tr>
<td>Establishing a personal relationship with employees</td>
<td>24</td>
<td>2</td>
<td>3</td>
<td>29</td>
<td>13%</td>
<td>90%</td>
</tr>
<tr>
<td>Integrating values into hiring and onboarding process</td>
<td>12</td>
<td>0</td>
<td>9</td>
<td>21</td>
<td>9%</td>
<td>70%</td>
</tr>
</tbody>
</table>

**Defining and reinforcing company values.** This theme comprised 30% of the collected data related to connection. Furthermore, this theme was directly referenced 28 times during interviews by 100% of the study participants and a total of 65 times in all collected data. Connection is considered to be the highest level of trust between an employee and a leader, encompassing the other four elements of trust building in the TVI framework (Weisman, 2016). Senior management leaders of certified B Corps, who are
able to define and clearly communicate the values of their company, develop a level of reciprocal trust with their employees that incorporates both the cognitive and emotional components of trust (Covey & Merrill, 2006; Kouzes & Posner, 2017; Weisman, 2010).

B Corp leaders ascribe to a for-profit business model that, in part, evaluates the effect organizational decisions and practices have on employees. During interviews, study participants prioritized their company values, emphasizing the collective nature of values creation as a part of trust building and the use of values as the underpinning of their company culture. As one leader expressed in an interview, “I think when you’re . . . exhibiting those values, and there’s an alignment around them, about those values, then I think that is just going to build trust.”

B Corp leaders are explicit about their values, making them simple, yet distinctly aligned to the culture of their organization. Of the participants, 80% emphasized not only the importance of clearly defined company values but also the need to include employees in value development. As one study participant said,

I think we sort of had like a set of values, but it wasn’t explicitly defined. So, we brought out another company similar to ours to come in and help us workshop all of that. So, we now have four explicitly defined core values, which are integral to everything that we do, that the team decided on together.

Artifacts collected from participants and field notes from observations also illustrate the importance these leaders placed on company values and the inclusion of employees in values development. For instance, during a site tour, a B Corp leader pointed to a list of company goals and priorities displayed on the employee refrigerator. On the list was an item that read, “Activating/operationalizing Core Values.” Field notes summarizing the tour indicated that the participant used the list to illustrate his or her
commitment to shared values throughout the organization. Another example of the significance B Corp leaders placed on shared values was a photograph taken at another participant’s place of work depicting a flyer with the company logo at the top, and the company’s mission, vision, and core values printed below. Two of the listed values included the phrases, “Foster an inclusive community,” and “Find value where others don’t.” On the wall above the flyer was a color picture of the participant and several rows of employees smiling and laughing together at the worksite.

B Corp leaders also developed trust by reevaluating and adjusting values when the organization experienced change. For example, a senior leader addressed the need to reassess organizational values with employees after a company merger:

Now the team size is just about doubled. And there is a kind of re-visiting our core values and, not only just our outwardly facing core values, but we just recognized that we needed to have some additional tenents, or rules, that we should all live by as a family, or a team internally.

Another participant revealed,

When we did our vision-mission-values work, the initial one, yes, was not done as like, in a group thing. That was about five or six of us when we first started the company. But this past year . . . the values that we had, we all worked on it together. And we voted on it together as a team of 24 or 25.

Weisman (2016) asserted that when leaders reinforce values though direct communication and leadership behaviors, they increase trust with their employees.

B Corp leaders also reinforce company values through ongoing maintenance, repetition, and integration into all aspects of their organization. Study participants referenced a variety of methods they use to continuously strengthen and incorporate
values into the everyday work experience of their employees. For instance, data analysis revealed that 70% of study participants post visual representations, such as posters or artwork, illustrating company values around the workplace. Values are also reinforced on 60% of the company websites of study participants.

Furthermore, company values appear on print materials, on company pages in online directories, on goods produced by the company, and on clothing worn by employees. For example, notes from a site observation included the notation, “four values posted on wall.” The referenced values hang as artwork on the wall in one of the employee communal work areas. Following the observation, the researcher interviewed the B Corp leader. At the beginning of the interview, when referring to the study definition of trust, the leader motioned to the posted values on the wall and remarked, “I would agree with that. You can see on my wall there, that our values are, candor, passion, care, and creativity.” Another B Corp leader equated shared values with mission alignment saying,

I think it stems from, I mean, when we work with our clients that . . . that uses [sic] “mission alignment,” I think that does work with employees as well. Because if you really believe in what your company, you’re working for, is doing, then you’re going to be happier working there and you’re going to work harder because you’re accomplishing a thing instead of a job.

B Corp leaders frequently referenced the importance of integrating values throughout the organization. One participant explained that shared values was a central component of the employee experience:

The company has six pillars, six core values, right, and those are, we can see them around the company. In our employee lounge, around, and in our [Name] report.
I think employees have, probably, memorized them. But more than that, really take value and take pride in those core pillars of our company. Because it talks about themselves and talks about the employees being treated like family. It talks about our customers and talks about our vendors, talks about our earth, and it talks about our community. So, we are all part of these six principles.

These same pillars were found displayed prominently on the company website and were collected as artifacts, in print form, from the company.

B Corp leaders believe established company values are foundational to the work they do. These leaders have ongoing conversations with employees both to reinforce and assess the efficacy of company values. This process of refinement continues to reinforce company values and incorporates them more completely into the framework of the business. One participant described the dedication required to sustain values integration:

The meeting right after this is our team meeting where we have two a week. And we, which is a lot for a team to get together, all of us, two times, for 2 hours. And each of those times we do talk about the values that we have. And we also have, about once a quarter, have a meeting that’s not just about the work that we’re doing and moving a project along, moving to the next milestone, but talking about how we’re feeling and how we’re going forward and what kind of culture we want to be building.

Several participants were careful to highlight the variety of methods they used to share and reinforce the company values with employees. For example, during a site tour, a participant drew attention to a list of the company’s 3-year goals posted in one of the employee common areas. One of the bullet points on the list read, “Entire team is driven by Core Values.” Another B Corp leader spoke of communicating values: “Shared
values again, is seeing, whether I’m doing a systemwide meeting or if I’m doing a one-on-one conversation, I’m looking at your concerns.”

One participant summarized the priority B Corp leaders place on shared values by describing an activity at a company retreat. The activity was designed to guide employees through a process to first evaluate and reaffirm their personal values and then use those individual values to develop the company’s values. Recounting the activity, the participant said, “There’s consistency across those values for everybody. Because, in my opinion, the values of the business are very much an accumulation of the values of the people.”

**Engaging employees in the meaning and purpose of the organization.** This theme was referenced 62 times in the data, encompassing 28% of all data collected related to connection. Additionally, this theme was directly referenced by 70% of study participants. Bass and Steidlmeier (1999) wrote that leaders engender trust with their employees by engaging them in the meaning and purpose of the organization. Weisman (2016) similarly asserted that leaders develop profound levels of trust with employees by linking them to the greater purpose of the organization. In this study, B Corp leaders expressed the importance of defining core company values, not only to establish the foundation of their work but also as a means to engage employees in the overall purpose of their organization.

Study participants differentiated purpose from values by defining purpose as both the ultimate reason for the existence of the company and the essential meaning they derive from their work. As one leader said, “We are both what our business is and how we do our business.” These B Corp leaders make a deliberate effort to create a culture of shared purpose and meaning in the company, considering it a high-level priority.
Referencing his or her imperative to communicate the company purpose to his or her employees, a participant said, “In all of the things that we do with them. We try to empower them with the knowledge of who we are.”

One B Corp leader placed purpose in his or her core company values. During the interview, this leader spoke of purpose as the underpinning of the work he or she does in the company saying, “We want everything that we do to be outcomes focused, purpose driven.” This participant went on to speak in industry-specific detail about how purpose is infused into all of the work done in the company. The participant concluded by saying, “So crafted purpose, everything is purpose driven.” In another instance a B Corp leader described his or her communication with employees about the purpose and meaning of the company: “We are continually talking about the purpose and why we’re here and why there is no other organization that’s serving the part of the market that we’re serving.”

Many participants explained that aligning with the company’s purpose allowed their employees to rise above the monotony of their daily work by feeling they are a part of a larger cause or greater good. One B Corp leader described the motivational nature of purpose-driven work:

The motivation that I want to relay to our employees is that we are working for something bigger than that while we are. . . I always emphasize that goal that we have as a company, that goal that we have as a unit, as a core of our society, that each responsibility that they have in their daily activities is part of the bigger scheme, is part of a bigger well-oiled machine.

The leader concluded this statement saying of the employees, “Having them feel that they’re part of this big mission that the company has, and I think it makes them participate [with] even more enthusiasm.” Another participant related, “I feel it’s
important that employees are working not just because it’s a job but because they feel
tied to the cause of what we do.” Finally, when speaking about employee engagement
and purpose, a B Corp leader relayed,

We always bring it back up to purpose. That’s how we create that sense with our
team. That everybody’s here because they believe in it and then relying on that.
Because there can be a lot of very boring things that we do. [Lists industry
specific tasks.] But if you can contextualize why that matters, why that makes
somebody feel like a person, and not like the robot is having a conversation with
them, and how that feeds into our ultimate vision together, then it allows
everybody to feel really excited about the work that we’re doing.

This focus on communicating the importance of purpose was also evident in
observations and artifacts. For example, a photograph taken by the researcher during a
site tour shows a large framed poster hanging on the wall outside the entry of a
participant’s office. The poster depicts the local causes and nonprofit organizations the
company supports. Likewise, an observation note written before an interview says
simply, “Sign on wall is colorful, large picture that says ‘purpose’. ” Likewise, this B
Corp leader’s company website includes this text, “We were raised on purpose, and that’s
why we are passionate about helping our clients rise on purpose.”

Supporting personal and professional growth. This theme was directly
referenced by 70% of study participants. Encompassing 20% of the data related to
connection, this theme was also referenced in 43 coded frequencies. Leaders foster trust
when they encourage their employees to gain not only knowledge related to their job but
also skills to improve their lives outside of work (Hyman-Shurland, 2016; Kouzes &
Posner, 2007). B Corp leaders do not see personal and professional growth as mutually
exclusive, rather they believe that investing in their employees’ growth is beneficial to the entire company. A participant spoke of encouraging an atmosphere of learning and enrichment:

We share information, like here’s this book I read, or this TED talk I watched, or this conference I went to, or just this thing I spent a Saturday learning because it was cool. And, you know, here’s what it is why I think it’s important, how it might be relevant to this role, and how you could use it for a client, things like that.

Another B Corp leader spoke at length about the ethical and professional reasons for supporting the career growth of employees new to the workforce,

This isn’t, for most people, their lifelong career goal. This is, in a lot of cases, a stepping stone. . . I feel like we can be honest with each other and can support them in making sure that they’re getting experience that’s relevant and related to what it is that they’re hoping to do long term. And, as a result, get a few good years of their support and allow them to grow personally and professionally.

Several participants indicated that they supported their employees’ growth even when not directly related to their job. For example, after an employee expressed a desire to improve his or her public speaking skills, one study participant provided speaking workshops for all employees. Likewise, a yearly company report, collected as an artifact, included an interview with an employee who moved from an entry-level job and is now the director of a department. In the article, the employee recalls his first days on the job and the trust he developed with his original supervisor:

He was a tough boss, he really challenged me. I wasn’t knowledgeable about stuff—I didn’t know anything about plumbing. I didn’t know anything about
electrical, construction. [Name of supervisor] would teach a lot of it to me. He would go out of his way for me.

Within the theme of personal and professional development, B Corp leaders intentionally provided their employees with leadership development opportunities. One leader described giving employees the option to learn leadership skills on the job: “It’s important that I’m developing also my team. So, my team, I’m like, ‘I need you’, or ‘would you like to facilitate, this next meeting?’ I give that opportunity to everyone, because you guys are truly the expert.” Another leader spoke of rotating leadership responsibilities as a means of transferring skills, explaining it encourages employees to “aspire to be a team leader, or a coordinator, or manager in the future, makes them participate in the company.” Still another leader explained how employees gain experience facilitating meetings, “We make it, so the next person has to choose someone else who’s never done that meeting.” Data from all participants indicated that B Corp leaders encourage growth in their employees both individually and collectively.

Establishing a personal relationship with employees. This theme had 29 coded references, 13% of the data related to connection, and was directly addressed in interviews by 90% of the study participants. Weisman (2016) maintained that connection was a deeply personal bond that occurred in mutually trusting relationships. B Corp leaders maintain personal relationships with their employees, endeavoring to get to know them as individuals. During the interviews, four participants spoke of their employees as “family” or “friends.” As one B Corp leader said during an interview, “You know, I treat my employees as friends.” Another leader spoke of the priority placed on relationship building with employees, “So, it is my challenge to always have this close relationship.”
B Corp leaders use a variety of methods to build relationships with their employees. One study participant talked about sharing personal stories with employees: “I always start with sharing a story about myself. Through storytelling, you see, you again are creating an environment of openness and willingness.” Later, this same B Corp leader described asking questions to learn about employees’ lives outside of work:

Even though we spend the majority of our time as working adults or just working individuals you do have a life outside of here. So, through my conversation, whether it’s [about] your dog or whether it’s your parent that you’re a caregiver for, I want to find out that information because that’s another piece that we connect.

Artifacts and observations similarly demonstrated the B Corp leader’s dedication to cultivating close relationships with his or her employees. Transcribed field notes include descriptions of B Corp leaders smiling at employees and calling them by their given names. In the same fashion, when the researcher was introduced to employees before and after data collection, they said of their leader, “[Study participant] is a good one to interview,” and “[Participant’s name] is good people.” As print material collected from a participant’s business states, “Treat employees as family!” illustrating the value B Corp leaders place on building and sustaining personal relationships with their employees.

**Integrating values into hiring and the onboarding process.** This theme comprised nine percent of the data related to connection and was referenced 21 times. Seventy percent of B Corp leaders spoke directly about including values in the hiring process when discussing shared values. Measuring candidates against core company values is one method participants use to determine if potential employees will fit well
within the company culture. As one B Corp leader said about communicating values to potential employees, “As we were hiring, we made sure that we were very open about what those are and that if you do not believe in these things, this is not the place for you to be.” Another B Corp leader relayed, “I think it’s part of my employee vetting process is finding employees are, that have a ‘Why’.” And still another explained the goal of the hiring process is to establish a prospective employee’s, “authenticity” adding,

We’ve often said “no” to people because we couldn’t get a sense of what street they wanted to be on. We couldn’t suss that out. They weren’t vocal enough on that. And so, they were just kind of like the “yes” talker. “Oh, I’m so excited. I’m so excited.” But no depth to that excitement. And we passed on that.

B Corp leaders also include values statements in advertisements when recruiting new employees. When asked about the methods used in their business to communicate values, one leader replied,

I would say through our employee packet. Communicating that, from the moment they’re hired, even in the interview process, of who we are. So, they really know actually, all the way down to the ad that we place to attract them. So, they know who we are. We mention the word B Corps, we mention what’s important to us. And we feel like it attracts a certain type of person that cares about those things too.

Examination of artifacts including job postings, from three different organizations represented by participating B Corp leaders, indicated that each posting in some way aligned with company values. For example, a job posting from the company of a study participant listed the following job qualifications:
Is self-motivated and thrives in an environment that is not corporate. Is incredibly positive and able to teach and train in a positive and effective manner. Is honest and displays integrity with a healthy, in check ego. Is the ultimate team player and views success as a team effort. Is flexible and kind.

The aim of most B Corp leaders who choose to include values information in the hiring process is to create an organizational culture that reflects the company values. One participant summed up this process:

I mean, so we hire based on our core values. So, I feel like hopefully they already live and breathe a lot of those values around, you know, having a greater purpose. And what it is that they do around being resourceful, around helping each other and being for each other. So, I feel like it’s kind of, hopefully, baked into each person’s DNA, to some extent. Because we have a lot of things that we do in the hiring process in order to make sure that we hire based on those values.

Concern

Concern was defined by the peer research team as the value placed on the well-being of all members of an organization, promoting their welfare at work and empathizing with their needs. Concern entails fostering a collaborative and safe environment where leaders and members are able to show their vulnerability, support, motivate and care for each other. (Anderson & Ackerman Anderson, 2010; Covey & Merrill, 2006; Kouzes & Posner, 1988; Livnat, 2004; Weisman, 2016)

As illustrated in table 4, five themes associated with the trust building domain of concern emerged during analysis. Additionally, concern had 244 coded frequencies - the most coded frequencies of all five trust domains.
Table 4

**Concern Themes**

<table>
<thead>
<tr>
<th>Theme</th>
<th>Interviews</th>
<th>Observations</th>
<th>Artifacts</th>
<th>Total</th>
<th>Percentage</th>
<th>Direct Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoting an environment of shared responsibility and success</td>
<td>60</td>
<td>1</td>
<td>14</td>
<td>75</td>
<td>31%</td>
<td>100%</td>
</tr>
<tr>
<td>Modeling self-awareness and emotional intelligence</td>
<td>44</td>
<td>1</td>
<td>8</td>
<td>53</td>
<td>22%</td>
<td>90%</td>
</tr>
<tr>
<td>Designing a welcoming flexible work environment</td>
<td>18</td>
<td>17</td>
<td>15</td>
<td>50</td>
<td>20%</td>
<td>70%</td>
</tr>
<tr>
<td>Providing regular opportunities for social and emotional group interaction</td>
<td>41</td>
<td>2</td>
<td>3</td>
<td>46</td>
<td>19%</td>
<td>80%</td>
</tr>
<tr>
<td>Helping employees solve personal and professional problems</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>20</td>
<td>8%</td>
<td>90%</td>
</tr>
</tbody>
</table>

**Promoting an environment of shared responsibility and success.** This theme was directly referenced by 100% of the study participants and comprises 75 (31%) of the coded frequencies related to concern. Generating a sense that all members have a hand in the ultimate success or failure of an organization is a key component in a culture of trust. Consequently, leaders build trust when they invite employees to actively engage in the goals and outcomes of a company (Bass & Riggio, 2006; Kouzes & Posner, 2017). In like manner, B Corp leaders create an environment in which employees feel a collective accountability for the success and failure of team projects and the company as a whole.

The data analysis revealed that participants post information related to goals and projects in employee common areas. Of the artifacts collected at 80% of study participant’s worksites, 14 individual items revealed that B Corp leaders post company goals, and statistics related to those goals, in common areas for all employees to see. For
instance, referring to the importance of all employees being included and informed about
the operations in the company, a B Corp leader pointed to a large chart on a conference
room wall forecasting the company’s 3-year goals. Columns on the chart indicated each
goal and strategies to reach the goal. The names of the employee(s) and department(s)
responsible to address each strategy were listed on the chart. Later, the same leader
described a regular company meeting that is designed to incorporate employees into all
aspects of the business:

Everybody shares what they’re working on. And, it’s a full company meeting;
sometimes unproductive, because people hear what operations and marketing is
doing and the person in sales doesn’t really care, right? But I think that, what that
does is, it allows everybody to understand that nobody’s on an island. Because,
as a company that has more work than the amount of people we have, because
we’re a startup and growing, everybody . . . it’s a subconscious awareness, that
everybody has a lot in play.

At another participant’s worksite, employees are reminded of their part in the overall
success of the organization through visual cues. For instance, posted on the wall leading
to the breakroom are the company’s mission, vision, and values. One of the listed values
includes this statement: “Hold each other accountable to standards of excellence.”

Leaders of B Corps also incorporate employees into decisions that impact the
entire company to promote shared responsibility. For example, a company executive
recounted the collaborative decision-making process that was used when the business
relocated. During the interview, which took place at the company’s new location, the
leader relayed,
We basically just workshopped it with the team and we voted on it. What does everyone want to do? Because you know we can move into the corporate office and save money and that’s a good thing. Saving money is, you know, a good thing in business, right? But if it kills morale on the team because they don’t like the space enough, are uncomfortable, or wherever, like, we got to do our best work there, then it’s going to hurt us more in the long run, right? So, we have to look at it from all the angles and I needed everyone’s opinion on that. So, we all voiced our opinions, what we thought was ideal, what we thought was bad, and then we took a vote, and here we are.

Corresponding to the method of collaborative decision-making, several study participants referenced using group projects to cultivate a sense that all employees make significant contributions to the company. One participant described involving the entire staff when addressing a serious incident:

So, we had to clear the [worksite]. Everybody chipped in. Everyone went and got towels. The whole team; owners, GM, everybody. Hands and knees, mop, towels. Everybody ruined their shoes. We bought everybody new shoes [laughs]. And, you know, I don’t know of anything more disgusting than that. We all get through it together. And, we lost a lot of money that day. But everyone, [industry-specific job titles], to the owners and the GM, were down on their hands and knees. And I think that showed a real team.

Still another participant spoke of group work as a motivator for shared responsibility, “If someone drops the ball, that affects everyone on the team, right? Everyone knows that. Everyone works with that sort of shared understanding.” Group work was referenced in different configurations but 100% of study participants required some participation by all
members of the group even if the work was not in the final product. Recounting a recent group project, a participant said,

Yeah, we made a pitch for a project for [proprietary name] and there were a lot of different contributors. And then most of them, a majority of them, their contributions were put into the proposal. Into the whole pitch, it was like a whole [product description] sort of. But that definitely allowed them to feel like they were competent and trusted because we use what they came up with.

B Corp leaders clarified the roles of employees participating in group projects, keeping the groups fluid from one project to the next. When describing the dynamic nature of group work, a participant said,

We talk about it like lava lamps, blobs, where there are groups that are forming in departments that form based on a project. And that they come together for that time and then they disperse and move on to the next work.

And later,

Everybody sort-of involved in our work touches on pretty much everybody work that we are as clear as you can be in terms of role clarity. So that there’s not the same sense of frustration that can easily come from just we all work on everything.

Working together influenced all members of the team including B Corp leaders. As a participant noted,

We’re working on a program for specific sub industry. And it’s one very, very close, very close to my heart. And it’s, you know, the fact that my employees are taking a such a deep interest in and finding resources out of their day. They’re doing research, they’re processing data, they’re really working together to build
something tangible for this industry. That’s really my passion project. You know, it means a lot to me.

Of the B Corp leaders interviewed for the study, 100% of them directly referenced being part of the team, collaborating on projects, and sharing the responsibility of project outcomes with employees at all levels.

Study participants included leaders in their shared accountability mandate. As one B Corp leader said, “And, just you know having some accountability around that that starts with me. It starts with leadership. Right? Like I should be held accountable as well, and probably the most accountable, for all these things.” Similarly, a participant said, “If your employees are failing, that means management’s failing. You know, in my opinion, a high-functioning team is, when something goes wrong, everybody says it’s their fault. Instead of an isolated single event.” And finally, a B Corp leader spoke of the universality of being an employee in the organization saying, “I think is very important, to have them [employees] understand that even though we have a bigger responsibility, or a title, or an office, or desk, or a computer, we are all employees of this company.”

B Corp leaders extend ownership of the business to employees using financial incentives such as profit-sharing plans and employee ownership programs. Data from artifacts indicate that 50% of study participants have some type of profit-based incentive program or shared ownership options for employees. As one leader said, “We also are rolling out an incentive program so that everybody feels connected to the health of the organization.” A job advertisement for a participant’s worksite similarly lists “profit-sharing for all” in the employee benefit section.

Using a variety of collaborative processes and programs, B Corp leaders spoke of including employees into the success of the organization. As one B Corp leader relayed,
“We’re trying to just empower them to know they’re helping create, create the system, which is everything.” Another participant said, “If someone drops the ball, that affects everyone on the team, right? Everyone knows that. Everyone works with that sort of shared understanding.” As one B Corp leader summed up shared accountability and success, “So, that’s the culture that we try to instill; of extreme ownership, of responsibility.”

**Modeling self-awareness and emotional intelligence.** This theme was directly addressed by 90% of the study participants and had 53 coded frequencies which comprised 22% of the data related to concern. Self-awareness or the ability to be, as Marques (2006) wrote, “attuned to the self.” When a leader uses this awareness to more effectively interact with others, he or she is able to build trust with employees (Bass & Riggio, 2006; Bradberry et al., 2009; Marques, 2006).

B Corp leaders are aware of their emotions in a variety of situations and, in turn, use their internal awareness to guide their interactions with employees. Study participants spoke of the link between sharing emotions as a state of vulnerability that built trust with their employees. For instance, a B Corp leader described connecting with employees through vulnerability, “The way I’ve been able to connect with folks I think is through laughter. Being vulnerable, and then being able to help them through something.” Likewise, a participant, recounting a conversation with an employee earlier in the day said, “I think a lot of leadership is vulnerability.”

In the same way that B Corp leaders understand that emotional vulnerability builds relationships, they also use emotions from past experiences to inform their interactions with employees. When discussing difficult exchanges with employees, a participant recounted,
I time it and pace myself. And the only reason that I am the way that I am is through my own personal experience. That I had, what I consider, great managers and that I had ones that weren’t so good. . . . I educated myself and through life experience or work experience.

And the participant continued,

I remember, in my earlier part of my career I had a, you know, probably not as tenured, supervisor share with me something about, something I did not do well [on], and she told me, it was end of my shift, on a weekend. And I called her on it the following time we met. I said, “You know what, I went all weekend feeling like crap.” . . . It’s timing, and just again, really being cognizant of how that is going to impact that person that I’m speaking to.

Similarly, a participant referenced a conversation with an employee to address a behavior issue saying, “I’ve been in your shoes 2 weeks ago and this is part of the high-growth journey we’re on. And, that’s okay. It’s okay to be grouchy every once in a while”; and later, “This is the journey we’re on, right? We just have to be aware of that, and check it, and owe each other balanced feedback.”

Many B Corp leaders use one-on-one meetings to help them better understand how their employee’s feelings may be influencing his or her interactions within the organization. When citing the influence of employee’s feelings on decision-making a participant said,

We can’t expect a lot of people, if they’re experiencing different things in their life, whether it’s a divorce, or whether it’s somebody’s sick, or had an argument this morning with their kids, whatever. We have to just accept that, that’s real. I
think if you just start with how you’re feeling then people can have more clarity into what is . . . what filter they’re using for that feedback.

Another B Corp leader spoke about being direct when determining employees’ emotional state:

Typically, the first question I ask when I do my one-on-one’s, “On a scale of one to 10, how are you feeling today.” You know, that way I know where we’re at in this meeting. And that if you’re out of three or four, you know. Okay, well it’s just going to be what it is.

Data collected from artifacts illustrate study participants’ commitment to emotional awareness. For instance, one study participant gave the researcher a document during data collection. The participant worked on a leadership team to develop the document for employees that, in part, encourages the use of emotional intelligence with clients. Included in the document is a list of suggestions, such as “Show empathy and acknowledge their feelings and point of view” and “Acknowledge thoughts and feelings.” This acknowledgement of the complex and, sometimes difficult, work employees perform is complemented by the B Corp leader’s use of setting and culture to support employees in the workplace.

**Designing a flexible work environment.** This theme appeared 50 times in the study data, encompassing 20% of the coded frequencies related to concern. Additionally, this theme was directly referenced by 70% of study participants. Leaders build trust when they provide a safe space for innovation and creativity within their organizations. Additionally, workers are more engaged and productive when they have control over
when and how they work (Steelcase, 2016). To this end, B Corp leaders create flexible workspaces and allow employees to work remotely when possible.

Eighty percent of study participants allow flexible hours and/or remote work options to their employees. When discussing methods to care for employees’ well-being, a participant said,

We structure our work environment very flexibly. Today everyone is here because we have a full team meeting, but a lot of the times they’re rolling in when it works for them; they’ve dropped off their kids. We’re flexible and you don’t need to be here for set hours. You hear when we need to be together to have a conversation. But [we] understand that everybody has a lot of things going on, so we have a very flexible work environment.

Another participant equated a flexible work schedule with work-life balance explaining that, while completing job tasks is important, employee well-being is also a priority:

I say, “Look you do your eight hours every day as long as you get your work done.” You know, that that’s all that matters and making sure that their work-life balance is in check because if I see an employee that’s overloaded, I really take a keen interest in making sure we manage that.

When the job does not allow for flexible work hours, participants found innovative solutions for employees who required an alternative work schedule. For example, a B Corp leader recounted a time that an employee was not able to work onsite:

Another woman needed more money, but she didn’t always have time to be here, so we empowered her [by having her] help us create a [industry-specific] training program. We’d had a hundred documents and ideas and it just wasn’t organized,
and we needed to kind of get it done in a solid program. So, we paid her an admin wage for her work.

Collected artifacts similarly show the variety of work schedule options B Corp leaders afford their employees. Listed on a B Corp leader’s company website, under the title, “Work from Home” is this sentence, “We take two days working from home.” Likewise, found on another participant’s company website, under the headline, “No Cubicles” is this statement, “Balancing work and life isn’t always easy, but we start with the basics. We firmly enforce flexible work schedules, encourage office humor, and think of the various office dogs as part of our core team.” Extending the flexible policy to scheduling paid time off, a participant noted,

In our business we have no policy around vacation. We have no PTO. No written policy on hours and are you in the office or you’re not in office. There’s nothing, intentionally. And the attitude is, get your work done and take care of yourself.

B Corp leaders also pay attention to the physical attributes of the work space, purposefully creating environments that are welcoming and dynamic. A study participant described the process to develop the company space in this way:

I spent a lot of time and energy to build this office space out a year ago. Before we didn’t have . . . we had, kind of, an undeveloped warehouse space down in [name of city]. I guess for, 6 or 7 years before that. But I really wanted to create a comfortable, homey feeling space. But something that was a little bit more professional. We had a conference room and a few private offices. But, you know, building a mezzanine, I thought was pretty important where we can, people can, get away and relax and go hang out on the couch or a hammock.
Later, during a tour of the site, the participant pointed out both standing and sitting work stations, several small private offices, a nook under the stairs with a single desk, and a raised platform with a couch and comfortable chairs. Another study participant referenced painting the office walls with colors that “are very calming.” Field notes from site tours and observations indicate that 90% of participants’ worksites have live plants interspersed around the work area and couches or other nontraditional office furniture for employees to use. Three participants’ companies also allow dogs onsite during the work day. Analysis of data indicates that these accommodations were put in place by B Corp leaders to increase the well-being of employees.

Providing regular opportunities for social and emotional group interaction. This theme has 46 coded frequencies, 19% of the data related to concern, and was directly referenced by 80% of study participants. Exemplary leaders encourage trusting relationships with and between employees by creating opportunities for group interactions that are not necessarily related to the workday (Bass & Riggio, 2006; Kouzes & Posner, 2017). B Corp leaders foster a culture of trust by supporting group interactions with their employees at work and outside of the workplace. Explaining that off-site group interaction increases collaboration on the job, a B Corps leader said,

Also, one of the things that we encourage to have a little bit more collaborative environment. Once a year we have a team-building day that we go out, and out of the working scenario, you know, out of the [Company Name] campus and we do just fun stuff. But we emphasize the teamwork, that’s the key word. It takes you out of the day-to-day activity and that brings you back the next day, I think, and I hope, having this sense of again, teamwork, friendship, also hard work, dedication, commitment, and motivation, to come back.
Several B Corp leaders encouraged employees to meet outdoors during the workday explaining it can encourage openness and creativity. One participant said, “We also have a couple of bikes and other things that the team can, whether it’s in the office or outside of the office, go get away with another team member.” Another participant said,

My tool for feedback and accessibility is going on a walk. I do a lot of walking. It’s also a way to get out of the open office environment, right. Because you need to have space for people to be one-on-one.

Gathering around food was another strategy used by B Corp leaders to bring staff members together. As a participant relayed,

We opened our home up and had dinner and fed everybody. That was the first time that we did that; our team has grown a lot. So being able to come together and be people and also have their families come and really be in it together and away from work, not just talking about what we do. There’s always more work to be done, but to value each other as individuals and team members.

Another participant, when discussing communication strategies, described meeting for breakfast: “And then, every Monday morning we have a breakfast together just to talk about what we’re doing this last weekend or what we are doing next week.” Similarly, a picture taken by the researcher, following an interview, depicts a gathering place outside of a worksite. It consists of a covered area, large potted plants, and a large table for employees to gather around to eat lunch.

Eighty percent of B Corp leaders interviewed directly referenced group interactions with employees. These leaders each linked employees’ social experiences
with other employees as a factor in employee satisfaction and productivity. As a participant noted,

Outside of the client work that we do, we have a fun team-building event things too. We do first Friday fun fest. It’s the first Friday of every month. We get out of the office and do something fun as a team, which is fun and relaxing, but also, like the best ideas for how we grow as a business or the type of work you want to do, come when it’s in a relaxed setting.

B Corp leaders encourage collaboration and creativity though these informal, group interactions.

Helping employees solve personal and professional problems. This theme was referenced 20 times, comprising 8% of the data related to concern. Additionally, this theme was directly referenced by 90% of study participants. As B Corp leaders build interpersonal relationships within their organizations, they express concern for their employee’s well-being by helping them with their problems. Bass and Riggio (2006) asserted that leaders build trust with followers when they support their development and take their employees’ needs into account.

B Corp leaders are aware of the potential impact their employees’ external problems may have on their job performance. As a study participant said,

A gentleman was trying to find housing and you know I just called [name], “Hey can you just help him find housing or just help guide him through the process of being diligent about finding housing?” You know. And so, that’s one example. You know, just helping with life stuff.

B Corp leaders reported helping their employees with a variety of problems not directly related to work:
I’m into cars, and a couple times, anytime an employee has an issue with their car they know that they can come to me first. So multiple times I’ve helped them, you know, replace something on their car or fix their headlight bulb that was broken.

Another participant recounted helping an employee who relocated:

We had a woman who moved on her own from [city] and you know got in your car and drove to [city business is located in]. The whole dream. So, it was hard to make ends meet. She didn’t have any friends, so she was feeling a little bit alone. And so, I guess, just by talking and listening to her concerns and issues outside of work, we developed a trust.

B Corp leaders also helped employees with professional difficulties. When discussing intervention strategies for employees not performing to expectations, a participant said, “First of all, it is, what can we do to help this employee, or the staff member, not to do this again or to give them the tools to better improve the future?” Likewise, a B Corp leader supported underperforming employees by helping them to create an action plan:

And then we actually put together a kind of an improvement, not an improvement plan, but a roadmap for them. And what aspects, you know, how they grade themselves. How they grade themselves on the core values that we’ve established. What certifications or elements that they want to work to towards to continue to improve and push their career forward.
Study participants aligned themselves with their employees by helping them with simple and complex tasks. After listing a variety of problems employees may face outside of work, a B Corp leader concluded, “And if you need us to help you, we’ll help you.”

**Candor**

Candor, as defined in this study, involves communicating information in a precise manner and being truthful even if one does not want to provide such information (Gordon & Giley, 2012; Tschannen-Moran, 2014; O’Toole & Bennis, 2009; Weisman, 2016). Candor was referenced 116 times across all sources. Identified in Table 5 are the three themes related to candor that emerged during data analysis.

<table>
<thead>
<tr>
<th>Theme</th>
<th>Interviews</th>
<th>Observations</th>
<th>Artifacts</th>
<th>Total</th>
<th>Percentage</th>
<th>Direct Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Being honest and straightforward</td>
<td>45</td>
<td>0</td>
<td>5</td>
<td>50</td>
<td>43%</td>
<td>100%</td>
</tr>
<tr>
<td>Directly addressing difficult subjects</td>
<td>31</td>
<td>0</td>
<td>5</td>
<td>36</td>
<td>31%</td>
<td>90%</td>
</tr>
<tr>
<td>Financial transparency</td>
<td>12</td>
<td>1</td>
<td>17</td>
<td>30</td>
<td>26%</td>
<td>50%</td>
</tr>
</tbody>
</table>

**Honest and straightforward.** One hundred percent of study participants directly referenced this theme 45 different times during interviews. A total of 50 references were made to this theme comprising 43% of the data collected related to candor. Leaders develop trusting relationships with their employees when they communicate information with clarity and authenticity. Additionally, when leaders are honest about their intentions, they are perceived as being trustworthy by their employees (Kouzes & Posner, 2017; Morreale & Shockley-Zalbak, 2015). As B Corp leader said,
It comes to being honest with you and everybody else. And I think that, whatever culture you are, you come from, whatever background you have, if you’re honest with yourself, with your family, and with your co-workers, with your managers, you’re going to be reliable, you’re going to be dependable, people are going to trust you.

B Corp leaders indicated that honesty about all aspects of the company operations was fundamental to an engaged and trusting organizational culture. When discussing the degree of openness and transparency in the company, a participant said,

I think that radical transparency is really what gets people more enthusiastic about working together. That I’m not going to pull the wool over on them. And they also know if I am not pleased about another meeting that took place. They know, and that, that allows them to, I honestly think by embracing it instead of trying to hide it, that that breeds more trust.

Similarly, other study participants expressed their willingness to be completely open with employees. When describing the use of technology as a means of remaining open with employees, a participant said,

And, you know, I think one of things is everybody has access to my e-mail. So, everybody actually has access to everybody else’s e-mail in the entire company because I believe in full redundancy in our company. . . . I think that knowing that all communication is out in the open is really helpful to everybody. No secrets.

Study participants also noted that, in their experience, being authentic was sometimes difficult, yet they continued to value candor as a central component for building trust with their employees.
Artifacts depicting study participants’ organizational structure, business operations, clients, and financial information supported the emphasis B Corp leaders placed, during interviews, on being straightforward and honest with their employees. For example, in an online video a leader said, “We separate ourselves by being as transparent as possible.”

**Directly addressing difficult subjects.** Of the study participants, 90% directly addressed this theme. This theme also had 36 coded frequencies comprising 31% of the data collected related to candor. When leaders are appropriately open with employees, even if the information is negative, they are perceived as being honest and trustworthy (Legood, 2013; Morreale & Shockley-Zalbak, 2015). B Corp leaders described being candid with their stakeholders, when the subject was difficult, as a strategy they used to deepen trusting relationships with their employees. For example, a leader described sharing information that may not be well received:

> Well, I can only be as truthful as information is given to me and sometimes saying that is the best. . . . So, I want to make sure that I’m, you know, being as truthful as I can with the information that I have.

Later this leader spoke about being clear and direct when the information being delivered was negative: “And sometimes I am not, I don’t try to sugarcoat it because I know that frustrates people as well.” Another leader similarly explained that the method of delivering feedback to employees influences the development of the company culture. Rather than focusing on the negative aspects of an employees’ work, this leader chose to reframe the discussion:
So instead being able to frame how it ties into our shared vision of success. It went over really well. It could have gone poorly. We’ve got a lot of entrepreneurial hard-headed people on the team and so being able to ensure that the best way to work with many of them is to bring it back up to why we’re here together.

Directly addressing these difficult subjects allowed B Corp leaders to build the culture of trust. Leaders further recounted conversations with employees that encouraged growth in the employee but also strengthened the organization as a whole. When describing conversations with employees who were not meeting expectations, a B Corp leader said,

I think it’s built into that same, the culture, right? I try not to be harsh about it. It’s more like, “This is what the expectation is. And, this is what you need to work towards. Are you clear?” And be very, very, very, transparent and straightforward on that question. “If you need help, please let me know. But this is what we’re expecting.” I think just, it goes back to the culture, the trust factor.

**Financial transparency.** Thirty references related to this theme emerged from the data encompassing 26% of the coded frequencies in candor. Additionally, fifty percent of study participants directly addressed this theme. B Corp leaders extend trust in their organizations when they are open about company finances. Five study participants acknowledged sharing everyday revenue and expense information, as well as longer term economic plans, with employees. One leader included employees in the decision-making process regarding health-care coverage noting, “It’s really expensive for a small business,
so we’re sort of easing into it, but that’s something that we’ve been transparent with our team about as well.”

Participants referred to the company’s B Corp certification when discussing honesty and openness, asserting that the certification aligned with the importance they placed on financial transparency. Several B Corp leaders found the certification process to be informative, providing a structure for their business that included their values. An example came from a study participant who revealed,

And, as I mentioned, my background is not running a business, so the B Corp thing was also, like a really great framework for us. I was like, we know, what we want to be . . . ethically, morally. But how to actually do it, and what the rules are, is not something I’ve had a lot of experience with.

Seventeen artifacts supported participants’ claims of financial transparency such as the transcript of a speech made by a participant who spoke of the profit the company made in the past year. Likewise, when being given a tour of a B Corp leader’s work site, the researcher took a picture of a map at the entrance of a participant’s business indicating that the location of all of the company’s investments similarly supported the worth B Corp leaders place on financial transparency.

**Competence**

Competence is the ability to perform a task or fulfill a role as expected (Covey, 2009; Farnsworth, 2015; Handford & Leithwood, 2013; Tschannen-Moran, 2014). During data analysis, three themes emerged related to the trust-building domain of competence. This theme was referenced by 100% of study participants and was coded 105 times in the data. Of the five trust domains, candor had the least amount of coded references. The three themes of competence are illustrated in Table 6.
Table 6

*Competence Themes*

<table>
<thead>
<tr>
<th>Theme</th>
<th>Interviews</th>
<th>Observations</th>
<th>Artifacts</th>
<th>Total</th>
<th>Percentage</th>
<th>Direct Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilitating cross-level decision-making and problem-solving</td>
<td>33</td>
<td>1</td>
<td>6</td>
<td>40</td>
<td>38%</td>
<td>90%</td>
</tr>
<tr>
<td>Acknowledging and learning from weakness or failure</td>
<td>34</td>
<td>0</td>
<td>2</td>
<td>37</td>
<td>32%</td>
<td>80%</td>
</tr>
<tr>
<td>Working alongside and mentoring employees</td>
<td>26</td>
<td>2</td>
<td>3</td>
<td>31</td>
<td>30%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Facilitating cross-level decision-making and problem-solving.** This theme was referenced in 40 times and comprised 38% of the collected data related to competence. Additionally, 90% of study participants directly referenced this theme. Leaders demonstrate their confidence and trust in their employees when they include them in high-level decision-making and ask for their help with complex problems. Employees, in turn, trust leaders who support and believe in their capabilities (Hyman-Shurland, 2016; Kark et al., 2018).

During interviews, study participants noted that the work produced in a collaborative atmosphere was more innovative and provided momentum to the team. After talking about business structures in which employees work on projects, or pieces of projects, individually, a study participant said, “We don’t like to work that way. I don’t think we work best that way. So, we have collaborative team meetings where we work together and share things.” These leaders also described themselves as students, asserting that they value their employees’ ideas and learn from them. One of the strategies B Corp
leaders use to encourage employee involvement in problem solving is to ask them questions. A study participant explained this questioning strategy:

I think that we invite people, we really, especially you know, invite people to express their ideas and opinions, and it’s very welcome. From the beginning we constantly repeated, “Do you have any other ideas, anybody have any other ideas?” and, “What else can you add to the conversation?”

Another B Corp leader described asking questions in this way:

I’m constantly asking people for their advice. You know what I mean? In situations even though I may know the answer and that’s especially my department division leaders. I ask them, “What do you think? Is this the best way we should do it? Do you think there’s a better way?” Just always trying to check in, especially in special projects.

Study participants discussed intentionally disrupting traditional hierarchal structures to increase participation of all employees in decision-making and problem-solving processes. During a site tour, a B Corp leader spoke of working to “break silos” within the company, indicating that the set-up of the office area was intentional. In a large open area, office cubicles had been arranged so all entrances faced each other, and additional office space had been repurposed as a “collaboration room.” Speaking of the importance of including employees in decision-making and problem-solving, the leader said, “I don’t see myself as the holder of all the knowledge. I see me as also a learner.”

Acknowledging and learning from weakness or failure. This theme had 37 coded frequencies and encompassed 32% of the data collected that related to the trust-building domain of competence. Of study participants, 80% directly referenced this
theme. When leaders share stories of adversity or challenges, they are perceived as authentic and trustworthy by their employees. In like manner, employees build trusting and robust relationships with leaders when they experience and learn from failure together (Ito & Bligh, 2016; Nienaber et al., 2015). One study participant acknowledged the failures inherent in starting a business at a young age with limited experience. This B Corp leader recounted,

When you fail you fail and when you win you win. And you also lead with vulnerability. And you . . I mean, by virtue of being [age], and never having done this, it’s probably the only path I can do. Because I can’t . . I can’t rest on success as my benchmark for telling people how to do things. And so, it’s really a collaboration.

The participant went on to associate competence in leadership with ongoing personal growth:

I think that, showing up with authenticity of knowing who are, knowing what you’re good at, knowing what you’re not good at, and being vocal of where you want to grow and where you don’t want to grow, is part of the consistency of leadership.

Likewise, another participant spoke of wanting to be perceived by employees as “human,” saying it is important for employees to know “that I’m also able to make mistakes.” This leader went on to explain that it is equally important for leaders to show employees the process of growth from failure:

But also, at the same time, prepare yourself, train yourself, educate yourself, and try to have those answers, try to have this image also that, even though you’re not
perfect, and I’m not trying to be, but also try to be prepared to have that answer. Be prepared to . . . to share that experience you’ve gained throughout the years and share it with them. Don’t keep that to you.

Linking the process of recovering and learning from failure to the values of an organization, a B Corp leader recounted,

We’ve had some, truly epic flameouts with projects so maybe that’s a good example. I brought it back to our values. That’s why a project that we had invested a lot of time in, it never really resonated with the team. And that was because of a lack of values alignment.

Recalling the learning process following the crisis, the participant continued,

We said we want to have a learning culture. All of us agree to this. That we dissect it, and learn from it, and we move on, and forgive. But that, by setting that type of structure, setting that tone, that helped us to go through a pretty gnarly crisis.

B Corp leaders openly discussed their weaknesses and the importance of sharing failure with employees as motivation to grow and improve. A participant summarized growth from failure in this way, “I’m not saying that we encourage failure, but we encourage risk taking. Right? I mean, failures are learning opportunities, right?”

**Working alongside and mentoring employees.** Of the study participants, 100% directly referenced this theme. Coded frequencies occurred 31 times in data collected from interviews, observation field notes, and artifacts, comprising 30% of the data related to competence. Leaders build trust and respect with employees when they spend time to working with and coaching them. B Corp leaders deliberately spend time working with
their employees, considering it a critical component of creating and maintaining relationships. Speaking of working with employees, a study participant said, “I would say if you’re willing to get down in the trenches with them. It’s a massive amount of trust.” Similarly, field notes revealed that before being interviewed, a study participant emerged from a work area wiping his hands off. Later during a site tour following the interview, the researcher noted that the participant had been working with employees. Explaining it was a common occurrence to work with entry-level employees, the study participant noted that the ability to work with and train employees, increased trust.

Other leaders spoke of continuing to perform tasks and use the same skills as their employees to stay current in the work their employees were doing and to model a proficiency in those skills. Artifacts, including pictures of leaders working with employees, underscored study participants’ descriptions of mentorship on the job. These leaders place an emphasis not only on the coaching but also on the positive impact leaders have when they work alongside their employees. Summarizing a transition at their company, a B Corp leader recounted how working with employees both eased the transition and increased trust:

I had a pretty senior person here that left about three [or] four months ago. And when he left, some people, they were definitely concerned, and I moved in on some of their projects. And I definitely was honest about me being different in my working style than his, but kind of worked through some of the same projects and got an understanding of where he was at, the project was at, and I brought in my own perspective and ideas on how we should move forward. And that really
gained trust with the people that were kind of unsure of what that transition would look like.

**Consistency**

The trust domain of consistency had three themes and 177 coded frequencies that emerged from the data. Consistency is the confidence that a person’s pattern of behavior is reliable, dependable, and steadfast (Tschannen-Moran, 2014; Weisman, 2016). Table 7 details the themes that emerged related to consistency.

**Table 7**

<table>
<thead>
<tr>
<th>Consistency Themes</th>
<th>Interviews</th>
<th>Observations</th>
<th>Artifacts</th>
<th>Total</th>
<th>Percentage</th>
<th>Direct Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regularly communicating with employees</td>
<td>72</td>
<td>5</td>
<td>2</td>
<td>79</td>
<td>45%</td>
<td>100%</td>
</tr>
<tr>
<td>Demonstrating an alignment of their personal and professional values</td>
<td>35</td>
<td>7</td>
<td>22</td>
<td>64</td>
<td>36%</td>
<td>90%</td>
</tr>
<tr>
<td>Modeling expected behavior</td>
<td>25</td>
<td>4</td>
<td>5</td>
<td>34</td>
<td>19%</td>
<td>90%</td>
</tr>
</tbody>
</table>

When leaders are consistent in their actions, they foster a functional, rational basis for trust with their followers (Derosa & Lepsinger, 2010). Consequently, leaders establish trust with their employees when they exhibit predictable behavior, such as maintaining a set meeting schedule. Moreover, when leaders behave in a manner that supports the values they espouse, they are perceived as credible (Covey & Merrill, 2006; Kouzes & Posner, 2017). Study participants used trust-building strategies, such as reliable communication and values alignment, to establish and build relationships with employees. B Corp leaders also reported that alignment of values was central to building credibility, and therefore trust, within their organization.
**Regularly communicating with employees.** This theme had a total of 79 references—the most coded frequencies of the themes that emerged for consistency. The frequencies for this theme and the corresponding subtheme comprised 45% of the data related to consistency. Additionally, 100% of study participants directly referenced this theme. Employees perceived that their leaders are trustworthy when they know they can depend on their leader to be accessible and responsive to communication (Harvey & Drolet, 2004).

B Corp leaders intentionally created and maintained a variety of opportunities to communicate regularly with their employees. Of the 10 study participants, seven reported they either have one-on-one meetings with employees or an explicit open-door policy. For example, two study participants referenced the open-door policy noting it was in the employee handbook. Another B Corp leader described how they explained the open-door policy to employees:

I do have open door policy. I’ve said, “if my door [is] shut, it’s probably because I’m really dealing with something that is a high level and I need to completely focus on. . . . Other than that, stop on by.”

Field notes written following an interview and site tour with this leader noted that the leader’s door was partially open when the researcher arrived. Further, the employee who was leading the way to the participant’s office walked into the room without hesitation. Another study participant described how he or she explains his or her open-door policy to employees,

I always tell them, and I always end our conversations saying, that I have an open-door policy always. Even when my door physically is closed, they can have
the opportunity to knock on it and have a conversation with me for whatever reason. I emphasize this to their managers as well.

B Corp leaders also used technology to remain constant and reliable in their communication with employees. Five participants discussed using software messaging and phone apps to interact with employees. These leaders contended that the app allowed them the convenience of responding to employees’ inquiries whenever and wherever they were. Also, the app allowed leaders to provide immediate feedback to employees. One participant did note that, while he or she was consistent in his or her responses to his or her employees’ inquiries and needs through the app, this participant’s employees did not have the same level of consistency. Electronic mail (e-mail) was another method that participants used to regularly update staff and respond to their questions. A study participant explained that regular e-mail updates were put into place after receiving feedback from employees that indicating they did not have enough information about how important decisions were made.

Scheduled meetings and the use of forms were other strategies that B Corp leaders used to maintain regular communication with their employees. Many leaders referenced regularly occurring weekly or biweekly meetings with employees. Other leaders described feedback loops using forms and suggestion boxes. Likewise, field notes indicate that the workplaces of participants are set up in such a way that they encourage interaction. Explaining how the set-up of the work environment encourages consistent interaction with employees, a B Corp leader said,

I sit out on the floor, in an open office with everybody else. And everyone on the leadership team is kind of mixed in with the rest of the team. And we always express that we’re 100% available all the time if anyone needs us.
Demonstrating an alignment of their personal and professional values. This theme had 64 coded frequencies, comprising 36% of study data collated from interview transcripts, observation field notes, and artifacts. Ninety percent of study participants directly referenced this theme. Values alignment differs from values definition in that alignment consists of leading with established values over time. Consequently, values alignment plays a central role in trust building. Covey and Merrill (2006) asserted that core values are a component of trust building, writing to leaders, “You need to have identified values. You need to know what you stand for and you need to stand for it, so that others know too” (p. 69).

Artifacts collected on site, as well as industry videos and transcripts of speeches made by study participants, indicated that B Corp leaders place a high regard on leading in a manner that supports their values. One participant, a co-founder and executive, noted in a speech the extreme measures the business takes in order to remain environmentally sustainable. Another study participant, a business owner, listed “social and professional responsibility” as the “guiding principles” of the company. Similarly, a B Corp report referenced by a participant, and collected as an artifact, described the company’s ongoing commitment to the values of the previous CEO:

He laid the groundwork for our company to successfully blossom into the company we are today, and his lessons of love and compassion live on in us:
Stand up for the little guy. Speak truthfully. Take a step toward your fears. Learn from everyone. Let your responsibility for others ground you. Eat last.

B Corp leaders referenced values alignment when discussing policy making, interactions with employees, and decision-making. These leaders asserted that it is important that they reliably lead from their values, as it affects the foundation of the
relationships within the organization. A study participant described how values are able to provide a strong underpinning regardless of the size of the company:

Having the courage of your convictions, you know, like, that’s how I know it’s consistent. Like I said, I’ve been so lucky to have the growth experience I’ve had, from five people to 25 people, and seeing, like, what it takes to get through going from a thousand square feet to 5,000 to 12,000 square feet of space and every problem has always been the same. You know they’re not totally different, it’s just the scale and the story is slightly different, but the problems are all the same.

Study participants remained true to their values even if it affected the short-term profitability of the company. Recounting a decision to discontinue working with a project that did not align to their values, a leader said,

We had a situation a couple of years ago where we essentially fired our biggest client, which was defiantly a crisis it was kind of a crisis of our own making, the right kind of crisis. . . .

But they were our biggest client. We had a significant portion of the revenue for that year lined up with that client which, all of sudden, we needed to replace which put us into sort of crisis mode, right? Because we have payroll and we’ve got rent, and all these things, that we were like “crap.” But I’m 110% confident it was the right thing to do.

Another B Corp leader spoke about the benefits and the costs associated with operating a business that aligns to his or her values: “Everyone here knows why we do things.” The participant reported industry-specific information and continued,
Everyone knows it, even the businesses that we work with know we cost more than some of other the other organizations out there. They know we probably have a 10 to 20% premium then just shipping it to some processor who potentially could ship it overseas. You know, and most likely it does, but it just doesn’t matter because it just feels good to do the right thing. I think a lot of people like that.

B Corp leaders described the essence of leading from their values as being a part of who they are and how they choose to live. Summarizing how values alignment builds trust with employees, a participant said, “I think when you’re breaking down, kind of those barriers, and you’re exhibiting those values, and there’s an alignment around them, about those values, then I think that is just going to build trust.”

**Modeling expected behavior.** This theme occurred 34 times in the data and encompassed 19% of the data related to the trust-building domain of consistency. Additionally, 90% of study participants directly referenced this theme. When leaders demonstrate the behaviors, they expect from their employees, they are perceived as being worthy of trust (Covey & Merrill, 2006; Harvey & Drolet, 2004). B Corp leaders make a point of conducting themselves in the manner they require of their employees. During data collection, a B Corp leader smiled and welcomed the researcher even though he or she appeared to be very busy. During the interview that followed, the participant explained that employees are expected to smile and be welcoming when they greet and interact with clients:

> It’s mandatory to smile. So, we kind of say these types of things. You know a smile is worth a thousand words. You know, all these kinds of things, you know,
about smiling. But it’s infectious. It creates more smiles back and forth. It’s a part of our company culture. So, we train them [employees] that their thoughts are . . . come across to their actions, and their actions become their words, and then that becomes who they are.

Another B Corp leader described being accountable to employees by modeling the behavior he asks of employees,

I make sure to apply a set of standards for myself that I relate to the employees. And I know that, you know, even the best leaders have that good days and bad days. And it’s one of the things where I, if I have a bad day, I let employees know that I’m having a bad day. So that they know that, that’s not necessarily representative of my best ability as a leader. But I make sure to apply the same principles evenly across all employees, and to give them all the access to the same resources.

Acknowledging that modeling even basic work conduct can be motivating for employees, a B Corp leader said, “I’m telling you one of the best things that I can, you can, do to keep your team motivated it is be here before them and be here after them.” This participant went on to explain that for a leader, “do your best” is a shared expectation in their organization.

**Key Findings**

Interview transcripts, transcribed field notes, and artifacts were reviewed and coded for 19 themes. Further analysis revealed eight key findings of how leaders of certified B Corps build trust with employees using the five domains of connection, concern, candor, competence, and consistency. Key findings were determined by the following criteria,
- The theme was directly referenced by at least 90% of study participants and
- had at minimum of 35 coded frequencies in the representative trust domain.

**Connection**

1. Defining and reinforcing company values had 65 coded frequencies and was directly referenced by 100% of the study participants.

**Concern**

2. Promoting an environment of shared responsibility and success had 75 coded frequencies and was directly referenced by 100% of the study participants.

3. Modeling self-awareness and emotional intelligence had 53 coded frequencies and was referenced by 90% of the study participants.

**Candor**

4. Being honest and straightforward was directly referenced by 100% of the study participants and had 50 coded frequencies.

5. Directly addressing difficult subjects was directly referenced by 90% of the study participants and had 36 coded frequencies.

**Competence**

6. Facilitating cross-level decision-making and problem-solving was directly referenced by 90% of the study participants and had 40 coded frequencies.

**Consistency**

7. Regularly interacting with employees had 79 coded frequencies and was referenced by 100% of the study participants.

8. Demonstrating an ongoing alignment of their personal and professional values was directly referenced by 90% of the study participants and had 64 coded frequencies.
Summary

The purpose of this phenomenological study was to explore how senior management leaders of certified B Corps build trust with employees using the five domains of connection, concern, candor, competence, and consistency. This chapter summarized the study methodology and presented 19 major themes. Each study theme aligned to the central study research question and five subquestions. Data from 10 interview transcripts were reviewed and coded for frequencies. Triangulation of data using 10 observations and 51 artifacts increased the validity of the study and provided a more complete and robust analysis. Eight key findings described the strategies leaders of certified B Corps use to build trust using Weisman’s (2010, 2016) trust framework and the five accompanying trust domains of connection, concern, candor, connection, and consistency.
CHAPTER V: FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

Overview

Chapter V presents an overview of the study, specifically the study methodology, data collection process and analysis, and a review of the findings. Major findings, as well as unexpected findings, that emerged during analysis are summarized. Recommendations and implications for further research follow the review of findings. This chapter concludes with personal reflections and implications of the study.

This phenomenological study explored how leaders of certified B Corps (B Corps) build trust with employees using the five domains of connection, concern, candor, competence, and consistency. Known as the five C’s, the trust-building domain’s definitions were based on the trust-building elements within The Values Institute (TVI) trust pyramid (Weisman, 2016). The population for this study was the 252 senior management leaders of certified B Corps in California. The study sample was purposefully chosen and consisted of 10 leaders, from 10 different certified B Corps in California, holding senior management positions or higher. The following were criteria for the study:

- interaction with a minimum of 10 employees,
- a minimum of 2 years of experience currently or recently retired (within the last year) from leading in the current B Corp;
- recommendation by peers, an expert or panel of experts; and
- membership in associations within their field like Conscious Capitalism, B Lab, and Fair Trade.

Data were collected using a semistructured interview and accompanying field-tested protocol as well as field notes from site observations and artifacts. The interview was
developed collaboratively with 15 peer researchers and aligned to the research question and five subquestions.

**Central Research Question**

How do senior management leaders of certified B Corps build trust with employees using the five domains of connection, concern, candor, competence, and consistency?

**Subquestions**

1. How do senior management leaders of certified B Corps build trust with employees using connection?
2. How do senior management leaders of certified B Corps build trust with employees using concern?
3. How do senior management leaders of certified B Corps build trust with employees using candor?
4. How do senior management leaders of certified B Corps build trust with employees using competence?
5. How do senior management leaders of certified B Corps build trust with employees using consistency?

Interview transcripts were reviewed for patterns and emergent themes. Once basic themes were identified, the researcher uploaded interview transcripts, transcribed field notes from observations and artifacts to NVivo, a qualitative coding software. Although the interview was the primary collection instrument, the additional use of observations and artifacts increased the reliability of the study. Frequencies, or the amount of times a reference to one of the five trust domains emerged in the data, were determined by in-depth coding of the data. Next, frequencies were calculated and
organized by trust domain. Following a rigorous analysis, 19 themes were identified across the five domains and 862 total frequencies were recorded. From these themes, eight key findings were identified to answer the central research question and five subquestions.

**Major Findings**

The purpose of this qualitative phenomenological study was to explore how leaders of certified B Corps build trust with employees using the TVI (Weisman, 2010, 2016) trust-building domains of connection, concern, candor, competence, and consistency. Eight key findings were determined to identify the strategies certified B Corp leaders use to build trust with employees, using the five domains of connection, concern, candor, competence, and consistency. Data from key findings met the following criteria:

- The theme was directly referenced by at least 90% of study participants and
- had at minimum of 35 coded frequencies in the representative trust domain.

**Connection**

1. Defining and reinforcing company values had 65 coded frequencies and was directly referenced by 100% of the study participants.

**Concern**

2. Promoting an environment of shared responsibility and success had 75 coded frequencies and was directly referenced by 100% of the study participants.

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Candor

4. Being honest and straightforward was directly referenced by 100% of the study participants and had 50 coded frequencies.

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6. Facilitating cross-level decision-making and problem-solving was referenced by 90% of the study participants and had 40 coded frequencies.

Consistency

7. Regularly interacting with employees had 79 coded frequencies and was referenced by 100% of the study participants.

8. Demonstrating an ongoing alignment of their personal and professional values was referenced by 90% of the study participants and had 64 coded frequencies.

Unexpected Findings

Analysis of study data resulted in two unexpected findings. First, a finding emerged related to the TVI trust pyramid (Weisman, 2016), the framework used in this study to explore trust. This trust-building framework is comprised of five elements of trust: connection, concern, candor, competence, and consistency. Although the five trust variable definitions in the TVI model were modified for this study to reflect the leader and follower relationship, the conceptual framework of trust building remained the same.

Weisman (2016) asserted that trust is built on a foundation of the cognitive, or logical, trust-building elements of competence and consistency. Once these domains are established, the more emotive elements of trust, candor, and concern add depth and complexity to a trusting relationship. Weisman concluded that connection, considered to
be the most actualized form of a trusting relationship, is set at the top of the trust pyramid, incorporating all of the trust-building domains (Weisman, 2010, 2016). Figure 7 illustrates the progression of the trust-building domains in the TVI conceptual framework.

![Diagram of the Trust Pyramid]

*Figure 7. Progression of trust based on the TVI conceptual framework.*

Although Weisman (2016) described trust as a series of developmental steps building from basic and rational elements to the more complex and emotive components of trust, data from this study do not support this concept. In this study, the number of references to the trust building domains are distributed unequally in a manner that does not indicate a step by step progression from consistency. For example, the coded frequencies for the foundational trust element of competence were the lowest of the five
trust building domains. Similarly, candor, set in the middle of the trust pyramid and considered to be a more emotional trust building domain, had the second lowest recorded frequencies. Together, candor and competence comprised 25% of the total references in the study data. As Figure 8 illustrates, the frequency counts for each domain are not sequential. That is, the number of references to the trust-building domains are distributed unequally in a manner that does not indicate a step-by-step progression from consistency.

![Figure 8. Comparison of the total coded frequencies by trust-building domain.](chart.png)

**Values and B Corp Certification**

During data analysis, a second surprising finding emerged related to the personal connection study participants made with B Corp certification. The sample for this study consisted of 10 leaders in 10 different certified B Corps. Although not asked about B Corp certification during the semistructured interviews, 60% of study participants directly referenced the company’s B Corp status. These leaders spoke about certification,
not only as a business model, but as an extension of their personal values. Respondents combined B Corp status with the inherent purpose of the company to both make a profit and also benefit the greater good. Accordingly, these leaders linked their values with the beneficial aspects of certification such as supporting nonprofit organizations in the community and providing health and wellness benefits to employees. Moreover, participants spoke of the B Corp certification as a natural extension of their personal and professional values; as one leader relayed,

Like I said, I forget we’re B Corps all the time. I almost forget that we are, because it’s just naturally what we do. And it feels really good to be in a place, in a company, in a position, to do what you naturally know is right.

Other leaders spoke about B Corp status as a validation that the company is in alignment with their values; as one participant said completing the certification process, “lets me know we are doing something right.”

In 2016 the millennial generation became the largest group in the workforce. This generation of leaders is characterized by a desire to make the world a better place (Cecere, D. 2017; Deloitte Global, 2016). Leaders of certified B Corps are socially responsible entrepreneurs who use business to advance their social and environmental values while maintaining a profit. In an era marked by the global financial crisis and the resulting loss of trust in traditional institutions, B Corp leaders make a significant commitment to manage their business in a manner that benefits the world (Edelman, 2018; Freeman, 2017; Zurer, 2017). In this study, the interview questions did not include any reference to B Corp certification, yet study participants spoke with passion about certification and the meaning it held for them personally. Study participants may be reflecting the loss of trust in business and the desire of a generation to make a positive
impact in the world by integrating social responsibility into their professional lives, in effect making work an extension of their personal ideals.

**Conclusions**

Five conclusions were drawn from the data analysis and the subsequent eight key findings. These conclusions describe the strategies certified B Corp leaders employ when building trust with employees using the five domains of connection, concern, candor, competence, and consistency. The conclusions also overlap trust domains, referencing strategies that build trust from the inner awareness of the leader out to the greater organization.

Based on the study findings, self-awareness was an essential element integrated into the strategies leaders used to create and sustain trusting relationships with their employees. An understanding of how their internal state was influenced by different circumstances also allowed leaders to have a greater sense of social awareness, which in turn allowed them to build personal, caring relationships with their employees. Communicating with honesty, the leaders in this study also extended trust throughout their organizations through values congruency. Likewise, these leaders distributed power by collaborating with employees and involving them in high level decision making. Each of the following study conclusions incorporate the methods the leaders in this study used to develop and sustain trust with their employees. Figure 9 provides an overview of the five conclusions.
Conclusion 1: Trust Begins With the Self-Aware Leader

Based on the findings of this study and the literature, it was concluded that leaders who want to build trusting relationships with their employees must develop a keen awareness of their internal emotional processes and an understanding of the influence their emotions have on their interactions with others. The B Corp leaders in this study incorporated self-awareness and emotional intelligence skills into all of the trust-building strategies related to connection and concern. This meant that study participants used their
perceptions of their own emotions when establishing company values, interacting with their employees, setting policies, and making decisions.

Being able to know and trust their internal processes allowed B Corp leaders to authentically interact with their employees. Additionally, leaders who were adept at social/emotional intelligence skills took into account the impact their decisions and policies will have on the internal as well as the external lives of their employees (Bradberry et al., 2009). These leaders were able to identify the emotional state of their employees and use that understanding to inform strategic decision-making. Conversely, without a basic understanding of themselves, leaders are not able to accurately understand and support their organizational culture (Anderson & Ackerman Anderson, 2010). Therefore, a leader must first know him or herself before he or she can build trusting relationships with his or her employees. Key findings for connection and concern as well as data analysis from interviews, observation field notes, and artifacts supported this conclusion.

**Conclusion 2: Trust Is Grounded in Values**

Based on the findings of this study and literature, it was concluded that employees are more likely to trust leaders who are grounded in their personal values and consistently integrate those values into their professional lives. Study participants spoke of values in as an extension of their desire to care individually for their employees’ well-being, and also make a positive impact in the greater community. The B Corp leaders in this study explicitly stated their values during interviews, listed values on their company websites, referenced their values when interacting with employees, and described using values to guide policy and decision-making.
Study participants integrated values so completely that they spoke of “living” their values and described their companies as “values aligned.” Literature suggests that employees trust leaders who clearly articulate their values and demonstrate their values through their actions (Covey & Merrill, 2006; Kouzes & Posner, 2017; Weisman, 2016). Therefore, B Corp leaders must know and demonstrate their values to build trust with their employees. Key findings in connection and consistency as well as data analysis from interviews, observation field notes, and artifacts supported this conclusion.

**Conclusion 3: Trust Develops in Relationships**

Based on the findings of this study and the literature, it was concluded that it is essential that leaders who are committed to developing cultures of trust intentionally develop and maintain caring and respectful relationships with their employees. The B Corp leaders in this study regularly referred to their employees with great regard. Rather than presenting a flattened, one dimensional view of their employees, these leaders provided a more complete picture of the people in their organization using words and phrases such as “human,” “holistic person,” “friends,” and “family.” Holding employees in high esteem allows leaders to develop strong relationships with their employees, which in turn increases an employee’s engagement in the organization. Crowley (2011) wrote of employee engagement as a “decision of the heart” (p. 37), arguing that when leaders see the humanity in in their employees, they create an environment in which people flourish and productivity increases.

It is within the leader and employee relationship that trust deepens and eventually extends to other members of an organization (Kouzes & Posner, 2017; Weisman, 2016). In this study B Corp leaders revealed that they treat their employees with care and
respect, intentionally working to develop relationships with them. Study participants described relationship building as the “challenge to always have this close relationship” with employees and emphasized the imperative that everyone in an organization “value each other as individuals.” Moreover, data collected from interviews, observations, and artifacts depicted study participants talking with their employees about personal subjects such as serious accidents, a death in the family, lifestyle changes, sexual orientation, past incarcerations, and children. These data provided further indication that these leaders had a deeper, more profound understanding of their employees based on individual relationships. Therefore, leaders must cultivate strong relationships with their employees to establish and sustain cultures of trust in their organizations. Key findings in concern and consistency as well as data analysis from interviews, observation field notes, and artifacts supported this conclusion.

**Conclusion 4: Trust Is Conveyed Though Honesty**

Based on the findings of this study and the literature, it was concluded that leaders must communicate in an open, honest, straightforward manner in order to build trust with their employees. The B Corp leaders in this study were careful to be clear and direct when they spoke with employees. Study participants recounted having open discussions with employees about difficult subjects such as poor job performance, company layoffs, and hiring decisions. These leaders further described candid discussions as contributing to their reputation among their employees as being sincere and believable. As a study participant explained, “My team has to feel that trust, and that connection, and concern that I’ve established. So, I want to make sure that I’m, you know, being as truthful as I can with the information that I have.”
Covey and Merrill (2006) asserted that transparency, in conjunction with other trust building strategies, quickly increased trust. Literature also suggests that open, honest communication, even if the subject is negative, deepens and strengthens the leader and follower relationship (Kouzes & Posner, 2017; Morreale & Shockley-Zalbak, 2015). Therefore, to build and extend trust, leaders must be forthright and truthful with their employees. Key findings in candor and competence as well as data analysis from interviews, observation field notes, and artifacts supported this conclusion.

**Conclusion 5: Trust Is Multiplied by Shared Power**

Based on the findings of this study and the literature, it was concluded that leaders who want to proliferate trust throughout their organization, must take steps to distribute responsibility and use collaborative work structures to solve problems and make decisions. The B Corp leaders in this study disseminated power by flattening the hierarchy in their organizations, rotating leadership responsibilities among both experienced and less experienced employees, and participating in project-based work with their employees. Literature suggests that trust in the workplace is centered in shared accountability (Harvey & Drolet, 2004; Kouzes & Posner, 2017). Moreover, trust grows exponentially in an organization when leaders involve followers in problem-solving and decision-making (Covey & Merrill, 2006; Hyman-Shurland, 2016).

Study data indicated that trust spread throughout organizations that encouraged distributed responsibility and teamwork. Therefore, to create an organizational culture infused with trust, leaders must be generous with power, by encouraging shared accountability and collaboration with and between employees. This conclusion is supported, not only in data collected in interviews, but also from observation field notes.
and artifacts. This conclusion is further supported by key findings in concern, competence, and consistency.

**Implications for Action**

Trust is a central issue in leader and follower relationships. Leadership trust is particularly relevant as companies worldwide attempt to engage and retain employees. Research from this study provides implications for leader and follower relationships in certified B Corps as well as for other businesses, nonprofit organizations, and educational institutions. Accordingly, the following implications apply to all leaders, including leaders of certified B Corps, to build trust with their employees using the trust-building elements found within the domains of connection, concern, candor, competence, and consistency.

**Self-Awareness: Connection**

The findings in this study related to connection show that employees build trust with leaders who have an understanding of their inner state and are mindful of their influence on others. Additionally, as self-awareness is the starting point for values development, leaders should consciously implement strategies to increase self-awareness and emotional intelligence skills.

1. Leaders should work on identifying their emotions and improving their leadership skills through
   a. the use of measurement tools, such as Bradberry et al.’s (2019) Emotional Intelligence Appraisal, and 360 surveys, such as Larick and White’s (2012) Transformational Leadership Skills Inventory. These assessments should be modeled by leadership and supported organization wide,
   b. participation in individual or group coaching related to emotional awareness,
2. As trust is in decline in all of the traditional institutions, college and university leadership programs should better prepare future leaders to be mindful and aware by incorporating self-awareness and emotional intelligence into their coursework.

3. If future leaders are to lead productive and engaged organizational communities, the study of trust should not be limited to a single college course at colleges or universities but should be integrated throughout business, education, nonprofit, religious, and political academic programs.

**Self-Awareness: Concern**

The findings in this study related to concern indicate that employees trust leaders who demonstrate their vulnerability by appropriately showing their emotions.

1. Therefore, organizations should provide personal and professional development opportunities, such as coaching and workshops to leaders, potential leaders, and followers. Topics could include how to be appropriately open with emotions and supporting employees’ efforts to understand their emotions.

**Values Development: Connection**

Study findings related to connection indicate that an alignment between personal and professional values is an essential element for building trust. Similarly, reinforcement of company values increases trust and supports employee engagement. As such, the ensuing strategies are those leaders should use to identify values and, in return, build trust within their organizations.

1. Leaders should clearly identify their personal values through
   a. personal development,
   b. facilitation by an expert in the field,
   c. a guided retreat,
d. or work with a mentor or coach.

2. Leaders should support their employees’ identification of personal values through
   a. facilitating a series of onsite values workshops by an expert in the field, and
   b. providing time and reimbursement for employee personal development related to
      values identification,

**Values Development: Consistency**

1. Leaders should collaboratively define and reinforce the values of their company through
   a. facilitating a series of onsite values workshops by an expert in the field,
   b. extending collaborative values work to include clarifying the meaning and purpose
      of the organization,
   c. creating and displaying visual reminders of company values at the worksite,
   d. inviting leaders in trust development to provide quarterly workshops related to
      values maintenance, and
   e. incorporating company values into the recruitment and hiring process.

**Building Relationships: Concern**

Study findings show that trust develops within the personal bond between
employees and leaders. Moreover, these relationships are strengthened when leaders
spend time with employees and get to know them as whole people with lives outside of
the workplace.

1. Leaders should create and sustain relationships with employees by
   a. facilitating social gatherings for employees away from the workplace,
   b. sharing stories about family or other personal interests,
   c. asking employees about their lives outside of the workplace, and
d. providing opportunities for employees to interact with each other at the workplace but not related to work issues.

2. Leaders should encourage a relationship-based organizational climate in which employees feel comfortable sharing stories and information about their lives outside of work by organizing social activities at the workplace and off site.

3. Leaders of groups that have a history of contentious interactions or mistrust, such as advocates for reform in the treatment of African American citizens and Law Enforcement agencies, should facilitate opportunities for group members to learn about each other and get to know each other on a personal level through activities such as
   a. shared story events,
   b. picture galleries made up of the lives of group members, and
   c. collaborative nonprofit community projects.

3. Political leaders should facilitate opportunities for their membership to engage in nonpolitical activities designed to promote face-to-face interaction of people from differing political parties, such as
   a. family recreational events in a neutral setting such as a park or community center,
   b. events that involve the sharing of family histories, and
   c. occasions to cook and share food.

**Building Relationships: Consistency**

1. It is necessary for leaders to sustain trusting relationships with their employees through regular interaction by,
   a. frequently walking around the workplace to engage with staff person-to-person.
   b. maintaining a reliable meeting schedule, and
c. using technology, such as e-mail and apps, to routinely interact with employees.

**Honesty: Candor**

Findings in this study show that leaders need to be honest to build trust with their employees. Furthermore, study participants indicated that sincere and direct communication fostered trust with and between employees. Therefore, the following were implications for action:

1. Based on these findings it is essential that leaders be transparent in all organizational operations by,
   a. sharing financial information with stakeholders,
   b. communicating company goals, anticipated projects, and other operations relevant to profit or loss, with employees.
   c. providing company-wide information about environmentally sustainable practices to stakeholders, and
   d. relaying information to stakeholders about nonprofit organizations and issues supported financially by the company.

2. Leaders at B Lab, the certifying body of B Corps, need to incorporate transparency in the organization by developing an internal review board through which doctoral students and academics in the field could apply to for access to their data for nonprofit, academic research. Welcoming doctoral-level academic research from a variety of institutions of higher education would provide validity to the B Lab certification process and further academic study in the areas of B Corps, trust, leadership, and employee engagement.

3. B Corp leaders are required to make their B Lab Impact Assessment scores public.

   These leaders should also present the scores in context by providing comparison
scores from similar companies and information about the assessment process with their impact assessment results.

**Honesty: Competence**

1. Leaders should model direct communication skills that incorporate elements of relationship and trust building by
   a. offering professional development to learn communication and social awareness skills, and
   b. working with a facilitator to implement workshops designed to train all employees to use productive communication skills.

**Shared Power: Concern**

The findings in this study demonstrate the significance of trust building through shared power. Study findings also revealed that shared accountability for both failures and successes quickly increased individual and corporate trust. Therefore, implications for action were the following:

1. To build organizational cultures of trust, leaders must empower their employees through the trust-building domain of concern by,
   a. incorporating collaborative, team-based work into the company structure,
   b. allowing employees to work on projects with limited interference or micromanaging,
   c. creating decision-making systems that involve employees from different levels within the company hierarchy,
   d. creating flex schedules and virtual work options for employees.
Shared Power: Competence

1. Leaders should encourage shared leadership by,
   a. providing a variety of situations and opportunities during regular work hours for employees to take on leadership roles, and
   b. developing training and mentorship programs for employees who want to expand their skill base or change roles within the company.

Recommendations for Further Research

Based on the study findings, recommendations for future research are included to expand research in the areas of trust building, leadership, and socially responsible business. As trust continues to decline across the globe, trust research remains an imperative in organizations of all types. Therefore, the following recommendations are made to further trust research:

1. The sample in this study consisted of 10 leaders in 10 different certified B Corps in California. A similar study, using a larger study sample across a wider geographic area, would add diversity and depth to leadership trust research.

2. Leadership trust studies incorporating mixed methodology would provide greater depth to the understanding of trust development between leaders and followers.

3. B Corps provide a unique structure of for-profit business that also supports the greater good. Research into the leadership structure and employee engagement in certified B Corps would further research and potentially give organizations a path forward in uncertain times.

4. Further study of Weisman’s (2016) trust pyramid framework and the accompanying five domains of trust—connection, concern, candor, competence, and consistency—in other for-profit businesses is warranted to a build on current research.
5. Comparison of the structure of Weisman’s (2016) framework as a step-by-step model with alternate, integrated structures using the five domains of trust, would provide more information about the interplay of the five C’s and how trust is developed in relationships.

6. A study that compares the emotional intelligence of a leader and subordinates’ trust with the leader would offer more information about the significance of self-awareness as a trust-building strategy.

7. Additional studies incorporating Weisman’s (2016) five C’s trust framework and an added variable, a measure of a leader’s proficiency with trust building strategies, is necessary to clarify the progression of trust building between leaders and subordinates.

**Concluding Remarks**

This research occurred during a time of great mistrust in the world. As I became immersed in the study, I noticed that trust, or the lack thereof, influenced all relationships. From one-on-one interpersonal relationships to the organizational cultures of multinational companies, trust was in the mix.

**What About Trust**

Even now, one has only to listen to the radio, or get a glimpse of the news, to understand that people are struggling with trust.

We are searchlights, we can see in the dark. We are rockets, pointed up at the stars. We are billions of beautiful hearts. And you sold us down the river too far.

What about us? What about all the times you said you had the answers?

What about us? What about all the broken happy ever after’s?

What about us? What about all the plans that ended in disaster?
What about love? What about trust? (Moore, McDaid, & Mac, 2017)

This song, like many others, references a common need to comprehend the loss of trust but also articulates a yearning for relationships that can be counted on to last.

B Corp leaders as well as leaders in other institutions are uniquely situated to create and sustain cultures of trust. I believe this adds an element of hope in a world that is experiencing an ongoing decline in trust. Results from the 2019 Edelman Trust Barometer indicate that employees expect their leaders to spearhead change that impacts not only the company but also society. It is possible that trust building through the corporate structure, particularly values-based structures like B Corps, is a strong method to disseminate trust. However, for a large-scale change in trust to occur, leaders need to understand the core of themselves, know what they value, and live those values. Real trust in organizations is systemic. Trust does not grow from meetings, well-intentioned policies, conferences, or trainings. It begins inside of people and then flows through relationships, spreading through groups and into communities. It is at the intersection of personal and professional that trust can effect change on a large scale.

**Be Courageous**

Trust is frightening. It takes a measure of courage to let go of control and trust in a person, a group, or an organization. I’ve come to understand, through the process of completing this dissertation, that trust is also a choice. As Mike Weisman (2016) wrote in *Choosing Higher Ground*,

> There’s a thread that binds the people who live values-driven-lives—courage. The courage to lead with your heart. The courage to allow yourself to be vulnerable. The courage not to give in to the cultural pressures that don’t align
with your values. The courage to take a risk. The choice is yours. How do you want to spend the rest of your life? (p. 171)

The 10 B Corp leaders who took time to speak with me were fearless in their vulnerability, answering the interview questions with passion and clarity of purpose. The trust they extended to me allowed me to have a deeper and more complete understanding of leadership trust. Now, at the conclusion of my trust research, I have greater respect for the five domains of trust that make up the trust pyramid (Weisman, 2016). It takes strength, and a certain amount of bravery, to practice connection, concern, candor, competence, and consistency, but these elements are essential if we are to move forward to build and sustain cultures of trust.
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APPENDIX A

Introduction E-mail

October 2018,

Dear ________________.

I am a doctoral student at Brandman University, conducting a study exploring the strategies leaders in certified B Corporations use to build trust with employees. Your name was given to me by ______________ at ________________. I would very much appreciate including your experiences building trust with employees in my study. If you volunteer to participate, I would want to schedule a one hour to interview you at your place of work in late October or early November. All interview responses are confidential, and the interview questions will be available to you before we meet. Please let me know if you would be willing to help contribute to this important study.

Regards,

Vicki Wodarczyk, MA

Doctoral Candidate, Brandman University
Coordinator, Interfaith Community Services
Business and Finance instructor, Platt College San Diego

Email: vpwdarcz@mail.brandman.edu
APPENDIX B

Interview Questions and Prompts

Connection

1. How have you developed positive relationships and rapport with (your employees)?
   Prompt: Can you share a time when you connected with (your employees) and were able to build positive relationships and rapport.

2. In what ways have you developed shared values with your employees?
   Prompt: How do you see the establishment of shared values as contributing to trust with your employees?

Concern

3. Research shows that leaders develop trust when they care for their employees’ well-being. Tell me about some of the ways that you show you care for your employees?
   Prompt: Can you share a story about a time when you showed concern for (your employees) professional or personal well-being?

4. What are some of the ways you create a collaborative work environment for your employees?
   Prompt: Can you provide some examples of how you make teams feel safe to dialogue in a collaborative environment?
   Prompt: How do you manage failures among your employees?

Candor

5. Please share with me some ways that have worked for you as the leader of your company/department in communicating openly and honestly with your employees?
   Prompt: Can you describe a time when you perceive your communication with your employees may have contributed to developing trust?

6. Two characteristics of a transparent leader are accessibility and being open to feedback. Please share some examples of how you demonstrate accessibility and openness to feedback?
   Prompt: Can you share a time when you gave honest feedback to an employee and how was it received?

Competence

7. Can you describe a time in which you feel your competence as a leader contributed to developing trust?
   Prompt: Please share with me some examples in which you feel you established credibility with your employees by demonstrating your competence?

8. Competent leaders value the expertise of others and invite participation of team members to solve problems through shared decision making. Please share with me some ways that have worked for you as the company/department leader to invite participation in decision making with the employees?
   Prompt: Can you describe a time when you perceive your employees’ participation in decision making may have contributed to developing trust?

Consistency

9. What are some of the ways that you model leadership that is reliable and dependable?
   Prompt: How do you establish expectations that help you to lead (your employees) in a way that is dependable?

10. Can you provide an example of a crisis when your leadership was dependable and steadfast and developed trust with and between (employees)?
    Prompt: How do you ensure that your message to (your employees) is consistent and true during a time of crisis?
Observer Reflection Questions

1. How long did the interview take? Did the time seem to be appropriate?
2. How did you feel during the interview? Comfortable? Nervous?
3. Going into it, did you feel prepared to conduct the interview? Is there something you could have done to be better prepared?
4. What parts of the interview went the most smoothly and why do you think that was the case?
5. What parts of the interview seemed to struggle and why do you think that was the case?
6. If you were to change any part of the interview, what would that part be and how would you change it?
7. What suggestions do you have for improving the overall process?
Thematic Trust Interview Protocol With Script

Start Interview: “My name is _________________ and I teach college Business and Finance courses. I am a doctoral candidate at Brandman University in the area of Organizational Leadership. I am a part of a team conducting research to determine what strategies leaders of certified B Corporations use to build trust with their employees. Our team is conducting interviews with leaders like yourself. The information you give, along with the others, hopefully, will provide a clear picture of the thoughts and strategies that leaders use to build trust with their employees will add to the body of research currently available. The questions I will be asking are the same for everyone participating in the study. I will be reading most of what I say. The reason for this is to guarantee, as much as possible, that my interviews with all participating leaders will be conducted pretty much in the same manner.”

Informed Consent (required for Dissertation Research)

“I would like to remind you that any information obtained in connection to this study will remain confidential. All the data will be reported without reference to any individual(s) or any institution(s). After I record and transcribe the data, I will send it to you via electronic mail so that you can check to make sure that I have accurately captured your thoughts and ideas. Did you receive the Informed Consent and Brandman Bill of Rights I sent you via email? Do you have any questions or need clarification about either document?” (collect the signed documents at this point, bring blanks in case they do not have it on hand, get it signed before proceeding)

“We have scheduled an hour for the interview. At any point in time during the interview, you may ask that I skip a question or stop the interview altogether. For the ease of our discussion and accuracy, I will record the conversation as indicated in the Informed Consent. Do you have any questions before we begin? Just a reminder that this study is about finding the strategies that leaders use to build trust. Okay, let’s get started, and thanks so much for your time.”
The definitions for trust and the five domains (and the questions for today) were sent out a week ago. (*Bring an extra copy and give it to them in case they do not have it in front of them*). Research suggests that these five elements of trust are necessary for a high-quality trust environment. Looking at them, do you have any comments, and would you agree that these are all important? “

(Introduce each domain before start and pause before moving on to the next one - so they can follow along. Suggestion: Thank you and we are now moving to the next section.)

**Probes**

Possible Probes,

1. “*Would you expand upon that a bit*?”
2. “*Do you have more to add*?”
3. “*What did you mean by ...*”
4. “*Why do think that was the case*?”
5. “*Could you please tell me more about...* “
6. “*Can you give me an example of ...*”
7. “*How did you feel about that*?”

*When you review, please add others you think would be appropriate.*

**End Interview:** “Thank you very much for your time. If you like, when the results of our research are known, we can send you a copy of our findings.”
APPENDIX E

Brandman University Institutional Review Board (IRB) Research Participant’s Bill of Rights

BRANDMAN UNIVERSITY INSTITUTIONAL REVIEW BOARD

Research Participant’s Bill of Rights

Any person who is requested to consent to participate as a subject in an experiment, or who is requested to consent on behalf of another, has the following rights:

1. To be told what the study is attempting to discover.

2. To be told what will happen in the study and whether any of the procedures, drugs or devices are different from what would be used in standard practice.

3. To be told about the risks, side effects or discomforts of the things that may happen to him/her.

4. To be told if he/she can expect any benefit from participating and, if so, what the benefits might be.

5. To be told what other choices he/she has and how they may be better or worse than being in the study.

6. To be allowed to ask any questions concerning the study both before agreeing to be involved and during the course of the study.

7. To be told what sort of medical treatment is available if any complications arise.

8. To refuse to participate at all before or after the study is started without any adverse effects
INFORMATION ABOUT: The strategies that leaders use to build trust with their organizational stakeholders through using the components of five C’s of trust model: competence, consistency, candor, concern, and connection.

RESPONSIBLE INVESTIGATOR: Victoria Wodarczyk

PURPOSE OF STUDY:
You are being asked to participate in a research study conducted by Victoria Wodarczyk, a doctoral candidate of Organizational Leadership from the School of Education at Brandman University. The purpose of this phenomenological research study was to explore how leaders of certified B Corporations build trust with employees, using the five domains of competence, consistency, candor, concern, and connection.

Your participation in this study is voluntary and will include an interview with the identified student investigator. The interview will take approximately 60 minutes to complete and will be scheduled at a time and location of your convenience. The interview questions will pertain to your perceptions and your responses will be confidential. Each participant will have an identifying code and names will not be used in data analysis. The results of this study will be used for scholarly purposes only.

I understand that:

a) The researcher will protect my confidentiality by keeping the identifying codes safe-guarded in a locked file drawer or password protected digital file to which the researcher will have sole access.

b) The interview will be audio recorded. The recordings will be available only to the researcher and the professional transcriptionist. The audio recordings will be used to capture the interview dialogue and to ensure the accuracy of the information collected during the interview. All information will be identifier-redacted, and my confidentiality will be maintained. Upon completion of the 
study all recordings, transcripts and notes taken by the researcher and transcripts from the interview will be destroyed

c) My participation in this research study is voluntary. I may decide to not to participate in the study and I can withdraw at any time. I can also decide not to answer particular questions during the interview if I so choose. Also, the Investigator may stop the study at any time.

d) If I have any questions or concerns about the research, please feel free to contact Victoria Wodarczyk, at vwodarcz@mail.brandman.edu or by phone at xxx-xxx-xxxx; or Dr. Patricia White (Advisor) at pwhite@brandman.edu.

e) No information that identifies you me will be released without my separate consent and all identifiable information will be protected to the limits allowed by law. If the study design or the use of the data is to be changed, you I will be so informed and consent re-obtained. There are minimal risks associated with participating in this research.

f) If I have any questions, comments, or concerns about the study or the informed consent process, I may write or call the Office of the Vice Chancellor of Academic Affairs, Brandman University, at 16355 Laguna Canyon Road, Irvine, CA 92618, (949) 341-7641.

I acknowledge that I have received a copy of this form and the “Research Participant’s Bill of Rights.” I have read the above and understand it and hereby consent to the procedure(s) set forth.

___________________________________________ Date: _________________
Signature of Participant or Responsible Party

___________________________________________ Date: _________________
Signature of Principal Investigator
APPENDIX G

Field-Test Participant Feedback Questions

Field Test Participant Feedback Questions

While conducting the interview you should take notes of their clarification request or comments about not being clear about the question. After you complete the interview ask your field test interviewee the following clarifying questions. **Try not to make it another interview; just have a friendly conversation.** Either script or record their feedback so you can compare with the other two members of your team to develop your feedback report on how to improve the interview questions. *Before the brief post interview discussion, give the interviewee a copy of the interview protocol. If their answers imply that some kind of improvement is necessary, follow up for specificity.*

1. How did you feel about the interview? Do you think you had ample opportunities to describe what you do as a leader when working with your team or staff?

2. Did you feel the amount of time for the interview was ok?

3. Were the questions by and large clear or were there places where you were uncertain what was being asked? *If the interview indicates some uncertainty, be sure to find out where in the interview it occurred.*

4. Can you recall any words or terms being asked about during the interview that were confusing?

5. And finally, did I appear comfortable during the interview… (I’m pretty new at this)?
APPENDIX H

NIH Certificate of Completion

Certificate of Completion

The National Institutes of Health (NIH) Office of Extramural Research certifies that Victoria Wodarczyk successfully completed the NIH Web-based training course "Protecting Human Research Participants".

Date of completion: 05/21/2017.

Certification Number: 2396293.