

# Unleashing Employee-Employer Trust: The Uncharted Influence of Responsible Leadership in Technology-Permeated Workplaces

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## Abstract

*Despite significant interest in employee-employer trust, our current understanding of this phenomenon remains limited. Therefore, this study examines variations of employees' perceptions of their employer's trustworthiness within technology-permeated workplaces. We conducted semi-structured interviews with employees (n=15) from two trust cases (calculative vs. identity-based) in technology-permeated workplaces and identified leadership responsibility, employer communication, and organizational culture as critical factors shaping the trust relationships. Our findings reveal that leaders in the identity trust case communicate employers' values and purpose during technology deployment more effectively compared to the calculative trust case. Additionally, the responsibility orientation of leaders emerged as a pivotal factor influencing the quality of employee trust. Our data suggests that a stakeholder-oriented approach to responsibility strengthens trust in technology-permeated workplaces, while prioritizing an instrumental responsibility orientation undermines it. We contribute to trust and responsible leadership theory by providing valuable guidance for cultivating employee trust in technology-permeated workplaces.*

**Keywords:** Trust, Responsible Leadership, Technology, Artificial Intelligence, Trustworthiness

## 1. Introduction

As organizations increasingly adopt “intelligent” human resource (HR) technologies like self-learning hiring, firing, performance, or promotion algorithms, it becomes crucial to understand how an employer’s commitment to responsible leadership within the context of these technologies influences the perceived trustworthiness among employees. For example, during the COVID-19 pandemic, organizations integrated technologies tracking body temperature, GPS or location data into their performance management to

detect illness, enforce social distancing and manage their workforce. Unilever and Pilatus successfully implemented such technologies without negative employee response (Aschwanden & Gerny, 2020). In contrast, Amazon faced legal action as employees distrusted their leadership, perceiving the implementation as driven solely by profit motives and a lack of genuine concern for employee protection or well-being (Ghaffary & Del Rey, 2020). Despite the usage of similar technologies, employees’ beliefs concerning leadership responsibility appeared to significantly influence their perceptions of hidden agendas and their employer’s trustworthiness.

Such intrusive examples showcase the sensitive employee data that employers can gather, as well as the sometimes existential decisions these new algorithms drive. This likely strains the employee-employer trust relationship. We, therefore, echo recent discourse on the paramount importance of responsible and morally aware leadership in technology-permeated workplaces (De Cremer & Kasparov, 2022; Weibel et al., 2023). The employee-employer trust challenges can be primarily attributed to the amplified vulnerability of employees, as the self-learning and opaque character of such technologies reduces transparency, reliability, and opens up avenues to exploit employees (Mittelstadt et al., 2016; Weibel et al., 2023). Additionally, leaders must navigate their dual role as representatives of the employer and advocates for employees, mitigating interests, all while judging whether technological decisions align with both the particularities of the context and shared company values (Kellogg et al., 2020; Leicht-Deobald et al., 2019). Thus, trusting their employer becomes riskier for employees in technology-permeated workplaces. At the same time, being a responsible and trustworthy employer becomes more challenging and demanding.

Responsible leaders can mitigate potentially growing tensions between employers and their employees (Waldman et al., 2020). As representatives of their organization with the unique power to assess and

address the specific context, responsible leaders are likely pivotal in enabling the willingness of employees to trust employers using new “intelligent” technologies (Weibel et al., 2023). Yet, employees' perceptions of leadership responsibility in the context of technology, specifically regarding the delicate employee-employer trust relationship, remain largely unexplored (Langer & Landers, 2021; Searle et al., 2011).

Here, we delve into the to date still scarcely studied perspective of employees. We aim to answer the research question *how the perceived scope of a leaders' responsibility during the deployment of HR-technologies influences employees' perceptions of their employer's trustworthiness*. To this end, we present an in-depth analysis of two polar cases of organizational trust (calculative vs. identity based). Using an inductive interpretative research approach, we analyze expert interviews with employees and ombudsmen to identify factors that employees consider as responsible and trust signaling. We identify two distinct types of employee-leader-technology relationships, which we discuss in the context of responsible leadership and trust theory. In the upcoming sections, we will define employer trust and responsible leadership, present our analysis and findings from two polar trust cases and conclude with our contributions to the field.

## 2. Theoretical Foundations

### 2.1. Employee Trust and Technology

Drawing on Mayer et al.'s (1995) definition of trust, we define employee-employer trust as employees' willingness to make themselves vulnerable to their employer's actions. This willingness to be vulnerable can stem from three distinct bases (cf. Lewicki et al., 2006): A rational cost-benefit calculation (calculative-based), prior experiences with the trustee (knowledge-based), or the conviction that the trustee's intentions and goals are desirable (identification-based.). The different bases of reasoning result in varying extents of vulnerability and risk trustors are willing to endure. The calculative-based form tends to exhibit the lowest willingness to be vulnerable, whereas the identification-based form demonstrates the highest (Lewicki et al., 2006). Consequently, the quality of trust that emerges differs.

Importantly, trust in organizations is characterized by its broad and diffuse nature (Searle et al., 2011). It entails the act of making oneself vulnerable to an organizational entity or system that possesses collectively shared characteristics and is represented by a broad group of actors (e.g., leaders). Thereby, leaders often occupy roles that are pertinent to cultivating and preserving employee trust (Searle et al., 2011). We

therefore propose that the shared underlying convictions of responsibility held by these leaders likely serve as a significant reference point for employees when assessing the overall trustworthiness of the organization.

In the scholarly literature, trustworthiness evaluations are typically derived based on trustors perceptions of a trustee's ability, integrity, and benevolence (Mayer et al., 1995; Searle et al., 2011). Ability refers to an employer's representatives' skills, competencies, and expertise in decision-making to ensure acceptable outcomes. Integrity requires employers to demonstrate that decisions taken are based on values and principles that employees consider acceptable. Lastly, employers must show benevolence, that is, goodwill and concern for the welfare of employees. These factors will remain relevant in technology-permeated workplaces (Langer & Landers, 2021), but we argue that their assessment and hence the correct recognition of an employer's trustworthiness will get more complicated. Firstly, technologies increase employee vulnerability, which raises the risk of trusting, as such technologies typically reduce employee autonomy by controlling the information that employees can access and by evaluating or penalizing employees based on technological assessments that can greatly impact their careers (e.g., when deployed during hiring, firing, and promotion processes, Kellogg et al., 2020; Weibel et al., 2023). Employees might, therefore, be less willing to be vulnerable, which, in the long run, inhibits them from making meaningful trust relevant experiences.

Secondly, technologies increase opaqueness and therewith hinder the assessment of signals for a leader's and consequently employers' trustworthiness. Technologies increase opaqueness because companies that develop them often keep decision-making parameters and treatment of interim results secret (Leicht-Deobald et al., 2019). In combination with self-learning capabilities, this results in continuously changing decision-making processes. This opaqueness during decision-making challenges employee's ability to evaluate the extent of the technology's influence on decision-making outcomes (Weibel et al., 2023). Consequently, it is unclear to what extent the decision-making process reflects a leader's integrity (who acts as representative of the trustee), as it is unclear for which part the leader should be held responsible. This can create a variety of interpretations of an employer's scope of responsibility, specifically regarding whom, to what extent, and to what degree of consequences employers are accountable for decisions involving technologies. Moreover, employees may struggle to correctly recognize and classify signals of ability and benevolence. For example, the opaqueness and resulting

diffusion of responsibility make it difficult to predict and form adequate expectations of leaders' decision-making and intervention behavior. This complicates employee's assessment of whether leaders intentionally neglected (lack of benevolence) or unintentionally missed (lack of ability) intervening in an incorrect technological decision. As a result, technologies make it more difficult for leaders (as agent of the employer) to demonstrate integrity, benevolence, and ability and more challenging for employees to recognize and classify trustworthiness.

In theory, individual leaders' commitment and hence strive to pursue and assume (moral) responsibility is a crucial determinant in uncovering biases, mitigate value conflicts and intervene with unethical decisions to protect employees' rights and needs (Pless et al., 2012; Waldman et al., 2020). Thus, scholarly literature addressing the ethical and trust challenges of technologies often emphasizes the significant responsibility of leaders in resolving the associated problems (De Cremer & Kasparov, 2022). Consequently, the theory of responsible leadership is likely to provide explanatory value in understanding employee-employer trust in the context of technology.

## 2.2. Responsible Leadership Theory

Responsible leadership considers leaders in the position to "pursue a broader social mission" (Waldman et al., 2020, p. 6) and align the claims of various stakeholders with organizational interests (Maak & Pless, 2006). As such, it is a leadership construct focused on the orientation and mindset that guides decision-making processes within an organization (Waldman et al., 2020). The commitment to responsibility needs to be demonstrated by leaders through both their thoughts and actions. Typically, the definitions of responsible leadership include a normative stance, viewing it as a leader's duty to assess the (moral) legitimacy of stakeholder claims, select the community they serve and protect this communities' values, rights and needs (Maak et al., 2016). Thus, responsible leaders are those who recognize, evaluate, and balance shareholders and/or stakeholder claims to take morally sensitive decisions.

Responsible leadership can manifest in different ways, which are referred to as responsible leadership orientations. These orientations vary depending on whose needs the leaders prioritize in their decision-making process. They range on a continuum from being an economically driven strategist to a morally driven integrator (Pless et al., 2012; Waldman et al., 2020). Strategists approach responsibility instrumentally and prioritize shareholder interests during decision-making. Other stakeholders are only considered if it serves the

overall interests of the shareholders. In its extreme form, the strategist does not pursue a broader societal mission as they align with the belief that businesses serve their social purpose through tax payments (Pless et al., 2012). In contrast, integrators aim to consider all stakeholders with morally legitimate claims. This includes all stakeholders whose interests are affected by the policies or actions of a business, especially employees. Integrators pursue a societal mission by trying to positively contribute to society beyond their business's legal or societal obligations (Maak et al., 2016). Thus, leaders' responsibility orientations determine which stakeholder communities' needs and interests are considered during decision-making, which outcomes and consequences leaders attend to and the standards by which leaders evaluate the necessity of corrective actions or intervention. So far, mostly grey literature (Dzieza, 2020), but little scholarly literature has explicated the responsibility and trust relevant experiences of employees related to technology-permeated workplaces. Therefore, we adopted an inductive interpretative research approach to give voice to the experiences and interpretations of the people who lived through them (Nag & Gioia, 2012).

## 3. Research Context and Methodology

### 3.1. Research Design and Data Sources

We aim to investigate variations of employee's perceptions of their employer's trustworthiness in technology-permeated workplaces. Prior studies have examined the behaviors of employers or leaders but neglected employees' perceptions of these behaviors. To address this gap, we took an inductive interpretive research approach and conducted a detailed analysis of trust (dis-)enabling factors as perceived by employees in two polar trust cases (Nag & Gioia, 2012).

**3.1.1. Sample and Case Description.** We used a purposeful sampling strategy (Palinkas et al., 2015) carefully selecting two polar trust cases to analyze different qualities of employee trust (calculative/low trust vs. identity/high trust) in technology-permeated workplaces (Eisenhardt, 2021). We chose the cases from a total sample of five cases for which data was collected as part of a larger research program (NRP 75, Grant No. 407540\_167208). The polar cases were chosen after completing the data collection. Therefore, the data collection encompassed a broader scope than strictly necessary for our research goal. Our case selection was based on the quality of employee trust (calculative vs. identity, main criterion), the extent of technological permeation of the workplace (both times high), comparability of cases (similar industries and company sizes), and richness of data available.

The qualities of employee trust (calculative vs. identity) were determined by an initial comparison across the five cases, assessing trust levels based on all available data. Subsequently, we conducted for each selected polar case a thorough analysis of employees' explanatory statements to verify the initial assessment. We examined employees reasoning and points of reference, when discussing their trust in their employer. All employees indicated a high level of trust on a verbal one-to-ten rating scale at the end of the interview. However, employees with calculative trust hesitated to justify their trust and primarily mentioned predictable behaviors like timely salary payments as a trust basis. They expressed uncertainty regarding the possibility of fully trusting their employer. In contrast, employees with identity-based trust responded quickly using collective language (e.g., "Here at [employer], we..."). They exhibited coherent answers and held generalized positive expectations about their employer.

As Eisenhardt (2021) pointed out the value of case-based theory building does not depend on the number of cases analyzed, but on the goal and corresponding similarities and differences across cases. To achieve our research goal of understanding employee's perceptions of their employer's trustworthiness in technology-permeated workplaces, it is crucial to select two cases that are structurally similar yet vary in terms of employee-employer trust. This will ensure that observed variances in trustworthiness plausibly originate from different perceptions of the employers' behaviors rather than structures. Hence, we selected cases in which structural similarities were high, but employees trust varied. Notably, employees across cases did not distinguish between leaders and their employer. Instead, they regarded leaders as representatives of the organization, holding a unified perception of the two parties. Consequently, they maintained unified trust perceptions of both entities.

In both cases, the companies operated on a business-to-customer model in a highly competitive and customer-centric industry in Switzerland. They had several tens of thousands of employees, clear leadership hierarchies, and years of experience with technologies that semi-automated the management of their employees. (e.g., route optimization, product recommendation or customer interactions). The companies deployed technologies that tracked, evaluated, and managed employee performance and had recently implemented a new technology. In both cases the tools were only used for descriptive purposes but had the potential to be used in predictive or prescriptive fashions (Schafheitle et al., 2021). Based on employee behavior, the technologies provided automated instructions, task assignments and evaluations of employee performance. Cases did not differ in terms of

technological capabilities and were similar with regards to the processes during which technological results were applied. Nevertheless, employee-employer trust differed extremely in quality making the cases especially suitable for our analysis.

The interviewed employees were members of different teams, locations, and departments of the companies. They volunteered to be interviewed following a call for participants through the HR department. To ensure interviewees felt comfortable to openly express themselves during the interview, we engaged in extensive trust-building conversation beforehand (e.g., comprehensive explanations about the anonymization and aggregation procedures). Their leaders regularly utilized technological evaluations as part of the employees' performance reviews.

**3.1.2. Data Collection.** We analyzed data from semi-structured expert interviews with employees and ombudsmen, visual material such as photos or during the interviews created drawings, and observational notes to identify employee-employer trust (dis-)enabling factors in technology-permeated workplaces (see Table 1). In total, 30 interviews were conducted with leaders, ombudsmen, and employees over six months in 2018 and 2019, digitally recorded and transcribed. We only analyzed the employee and ombudsmen interviews (average duration 45 min.). In line with our inductive interpretive research approach, we excluded leadership interviews (n=15) from our analysis to avoid a biased perspective as the leaders were not necessarily leaders of the respective employees. This ensures that our results stem solely from the indulged analysis of employee experiences.

**Table 1. Data inventory**

Data Type	Data Source	Quantity		
		Case 1 High Trust	Case 2 Low Trust	Total
Interviews	Employees	6	6	12
	Ombudsman	1	2	3
Visual Material	Drawings, Photos	1	7	8
	Observational Data	On site - approx. hours	4	7

*Note.* Data sources overview (Case 1 [C1] identity trust; Case 2 [C2] calculative trust). Adapted from Gioia et al. (2010).

The semi-structured interviews began with general questions regarding the interviewee's role and utilization of technologies. We inquired about the process of implementing a new technology, with a focus on employees' experiences of communication with peers and leadership, as well as their feelings, insecurities, and opinions on the deployment of technology in their organization. Towards the end of the interview, employees indicated their level of trust in their employer, provided reasons and were asked to propose

actions their employer could theoretically take to increase their trust. The interviewees were also provided with Schafheite et al.'s (2020, p.472) technology classification framework in printed form to describe and rate technologies they referenced during the interview.

**3.1.3. Analytical approach.** We triangulated data by analyzing interviews alongside corresponding visual materials and observational notes using ATLAS.ti 22 (Version 22.0.6.0). We iterated between cases, starting with two interviews from the identity trust case. To conduct the analysis, we used an inductive approach that combined Mayring's (2010) qualitative content analysis and the Gioia Method (2013). Specifically, we employed in-vivo coding according to Mayring (2010) as our initial coding strategy that we aggregated to first, second and third order concepts following Gioia et al.'s (2013) recommendations. Our iterative process enabled us to inductively develop a coding scheme based on the themes related to trust (dis-)enabling factors in technology-permeated workplaces (see Figure 1), that emerged throughout the first six interviews and apply it to the data. As we progressed through the analysis, we refined the coding scheme and used it to identify the employee-employer relationship and sub-patterns present in each case material. To accurately represent employees' viewpoints, we closely adhered to their verbal expressions when creating first-order codes. This approach occasionally resulted in the representation of sentiments and shared beliefs as generalized statements in the first person. Finally, we synthesized our findings and developed two relationship models that explain the observed differences in the calculative versus identity trust relationship between employees and employers'.

## 4. Results

Our analysis reveals that under similar organizational circumstances two distinct types of relationships between employees, leaders, and technology evolved. The variations in these relationships explain the observed differences in the quality of trust (e.g., identity [C1] vs. calculative [C2]). Three components and their interactions were identified as crucial elements of these relationships (see Figure 1). For one, the relationships vary in how the representative agents (e.g., leaders) are perceived, particularly in relation to the intentions, reasoning, and actions of leadership. Furthermore, the relationships differ in terms of how the employers' communication resonates with employees. Lastly, the relationships vary with regards to the prevailing organizational culture, especially concerning technology deployment and its consequences. In the following, we will present the components and outline their interactions and implications for employee-employer trust.

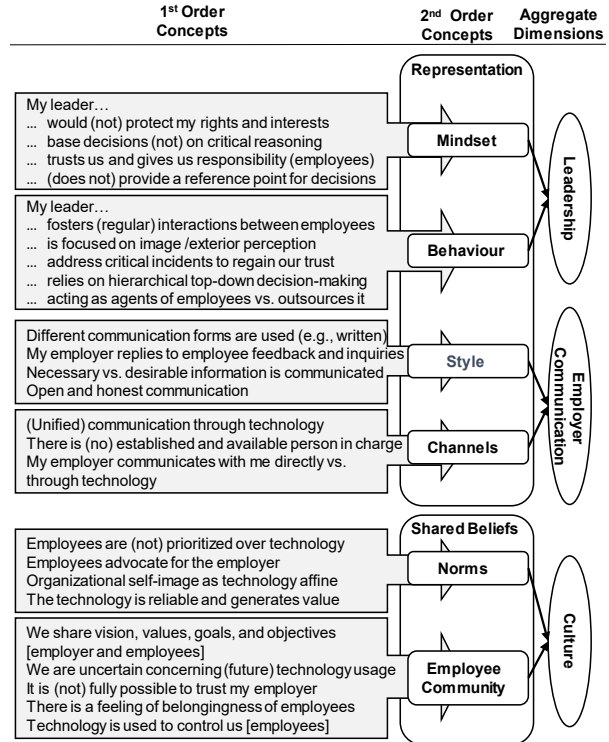


Figure 1. Data structure

### 4.1. Leadership

We discovered differences in the employees' perceptions of leadership mindsets and behavior. Leadership mindsets encompass intentions, beliefs, and underlying reasoning that employees believe leaders employ in their decision-making process, while behavior refers to leaders' observable actions. Assumptions about leadership mindsets often revolved around a generalized type of moral reasoning within the organization, specifically concerning decision-making standards and rules or "red lines". Employees' perceptions of leadership mindsets also encompassed the reference point that leaders used to guide their decisions regarding the treatment of sensitive data or technology usage (e.g., values, purpose vs. legal).

In the two cases, the mindsets perceptions varied notably in terms of the extent to which employees believed leaders would safeguard their rights and needs, obtain their consent for data collection and engage in critical reflection on decisions and potential alternatives, particularly regarding the implications and scope of deployed technologies. For instance, an employee from the calculative case describes his perception of data treatment: "I believe that there may be more data collection happening behind the scenes than I am aware of. (...) But I believe that if it does happen, it occurs in a way that does not draw conclusions about me as an individual and does not aim to monitor me. And that brings up

*the question again: when data is collected, but it is not truly critical in terms of scope and purpose, then I can live with it". In both cases employees perceived a lack of critical engagement of leadership. However, the extent varied. In the identity trust case [C1] employees believed leaders would base decisions on multiple reasons, whereas this was not the case in the calculative trust case [C2]. "Overall, the topic [data protection] is already a subject of conversation, but perhaps now with less focus on risks and opportunities." [C2]*

*"Risks are communicated, but compared to the opportunities, much less so. (...) The critical engagement with it is much less prevalent than positive thinking." [C1]*

*"(...) this Smart Data topic, came to me rather unexpectedly. I'm not sure what triggered it. But there were for sure multiple reasons for it" [C1]. Hence, employees considered threats to their rights and interests as signal for the extent of their employers' trustworthiness.*

Furthermore, perceived differences in mindset were also observed in relation to leadership behaviors. In the identity trust case, leaders actively encouraged employee involvement and solicited feedback regarding technology usage, along with regular interactions among employees. *"We have a team meeting once a month. It's mandatory to attend this meeting. During that time, a lot of information is shared, which comes from higher up in the company" [C1].* Similarly, technology test projects were intermittently conducted, if deemed necessary by leaders, prioritizing customer service and employee well-being over the potential risks of employee stress or overtime. *"(...) [the technology pilot] gets canceled in my work schedule from week to week. I can see now that I'm scheduled twice for this week, but I'm sure I won't be able to keep those times because they will be canceled by management. We have so many requests and waiting times" [C1].* In contrast in the calculative trust case, hierarchical top-down decision-making was prevalent. Employees perceived leaders to focus more on the organizational image than their well-being. *"No, I believe that here at [employer], the employees have a lot to say. They also shout out. It's just that, it comes in [one ear] and goes out again, but it's not taken seriously. Because (...), our boss for example will come up with the excuse: It comes from [senior leader], I can't do anything"[C2].*

*"(...) because for [employer], the image is indeed the most important thing. That applies to us, it's always the case" [C2].* Hence, employees consider observable leadership actions, such as advocating for employee well-being, treatment of feedback, and appreciation, as indicators of employer's trustworthiness.

## **4.2. Employer Communication**

Our analysis indicated that employees' perceptions of their employer's trustworthiness were also strongly influenced by the choice of communication style and channel prevalent within the organization. The

communication style encompasses the comprehensive strategy and manner in which employers approach their interactions and communication with employees. This includes the tone, and methods used to engage with their employees (e.g., treatment of feedback and inquiries), the perceived intent of communicating and the forms of exchange facilitated within the workplace. For instance, in the identity trust case employees had a strong perception of transparent, honest, and value-based communication by their employer. *"It is important to communicate simply and transparently, and truly adhere to these data processing principles, which means stating: What do we [as organization] want to achieve with this? What do we do with it? What don't we do? It is important to provide information, be transparent, and demonstrate the purpose for which the data is being used. This is, of course, very important and a prerequisite for building trust, so that one doesn't suddenly realize: Ah, there are still things being done that I wasn't aware of. That would obviously be bad, wouldn't it?" [C1]*

*"That's really something unique at [employer], something I haven't experienced with any other employer. So, when you have a news article on the intranet, you have the comments section. And the people responsible for the content actually subscribe to the comments. (...) You have a, I truly believe, a hundred percent response to that, and that's really cool" [C1].* Whereas in the calculative trust case employees perceived feedback to be limited and scarce: *"I believe it's more like, if I report that something isn't working or is incorrect, nothing would happen anyway." [C2].* Hence, employees did not feel valued or heard. Consequently, they were less likely to perceive their employer as trustworthy.

The communication channel refers to the institutionalized pathways through which the employer distributes and conveys information. From the employee perspective, we identified three distinct pathways of communication in the two cases: 1) between employees and leaders, 2) between leaders and technology, and 3) another from technology towards employees (see Figure 2). In the case of identity trust, employees reported their leaders as trusted direct communication line. Moreover, they knew of an assigned person in charge for the respective deployed technology that they could approach, if necessary. *"I have actually been involved from the beginning and have constant contact with the responsible person. [And] just we [employees have contact] with each other, where we exchange information". [C1]*

*"I think the important thing, or what I've noticed here, is that you can actually have open discussions about almost anything with the right person. Not with everyone, but at least with your supervisor" [C1].* In this case, the direct communication between employees and leaders gained prominence, with technology serving as an additional source of information that both parties discussed about. *"But I can always go to my supervisor and say, 'I don't like*

this.' They should report it up the chain of command" [C1]. Thus, leaders were perceived as exercising control over technological decisions. Although employees did personify the deployed technologies, they never reported the technology as own representative agent of the employer.

However, in the calculative trust case, employees perceived technology as an independent actor and novel representative of the employer. Consequently, it played a crucial role in explaining the observed differences in employee-employer trust. Specifically, employees regarded technology as the dominant and controlling party, while the leaders were perceived as mere executors of technological orders. "Yes, it's the same with [system name], actually. It [has] complete control over us, what we do, what we're working on, etc. The same goes for tracking our time, so we have to list everything. It's actually a complete control that can eventually become burdensome for many employees" [C2].

"The problem is that the managers put pressure on us (...). And the problem is, they always say, [it is] the computer, not them. Or there was [refers to a problem] on Tuesday, Wednesday, Thursday, and Friday. And we realize, we don't see which day he [the computer] [specifically] refers to. So, I can't control it" [C2]. Thus, technology as opaque and empathy lacking representing agent influenced employees' perceptions of their employer.

#### 4.3. Organizational Culture

Our data suggests that organizational culture comprises two sub-themes related to an employee's perception of an employer's trustworthiness: organizational norms and the employee community. Organizational norms encompass the fundamental beliefs held by employees regarding socially expected behavior towards and from their employer. In contrast to the nuanced leadership mindset, organizational norms are more generalized and fundamental in nature, representing the worldviews or general priorities that employees perceive as prevalent within the organization. Secondly, employees share a set of broad beliefs with their peer community. These beliefs are more fluid in nature than organizational norms and revolve around the current and future roles employees will play within the organization. They illustrate to what extent employees consider themselves as part of the employing organization or a separate entity.

In both cases, employees expressed a perception that their organizations are technologically inclined and should progress towards a future characterized by intelligent technologies (as an organizational norm). Furthermore, they acknowledged the necessity for their employers to adopt technologies to minimize personal costs. "The general idea is simply digitization, always being prioritized as a means to reduce staff" [C1].

"Indeed, it is true that cost-cutting measures are necessary everywhere, that's just how it is" [C2].

However, employee's perception of their own role in this process differed significantly between the two cases. In the identity case, employees identified themselves as integral parts of the organization and experienced a deep sense of belonging and responsibility to actively contribute to their employer's progress in technological advancements. Despite their concerns about their specific future roles, they strongly believed that they would continue to be included in the organization's future. This conviction originated partly from their employer's proactive approach in addressing fears, establishing norms of cooperation to design and communicate a vision of the future together, and partly from the employer's investments in the education of employees. "And then (employee name), I believe, collaborated extensively with the unions and employee representatives to write this clause: How do we use employee data, but also consciously choose not to use it. And that was actually very well received. Because it really conveyed the message: "Hey, we may not know exactly where we're headed yet. But we are aware that it is a topic. Not a bad or good topic, just a topic. And we want to thoroughly examine what can be done and what we want to do, and what we don't want to do" [C1].

"And we as employees as well. (...) We constantly receive training [and] encounter new things that we are not familiar with. That's when we receive proper training" [C1].

In contrast in the calculative trust case, employees perceived the organizational norm around technology development to be driven by cost-calculations. "Yes, business, business, business. And we simply need to provide an opposite pole" [C2]. They accepted these norms, but feared their employer would always prioritize technology and business over their needs. "(...) a month ago, there was also a headline in [newspaper] regarding the [employer] and the [technology]. Because, in reality, we are being screwed over with our working hours from top to bottom. We are actually getting treated terribly" [C2].

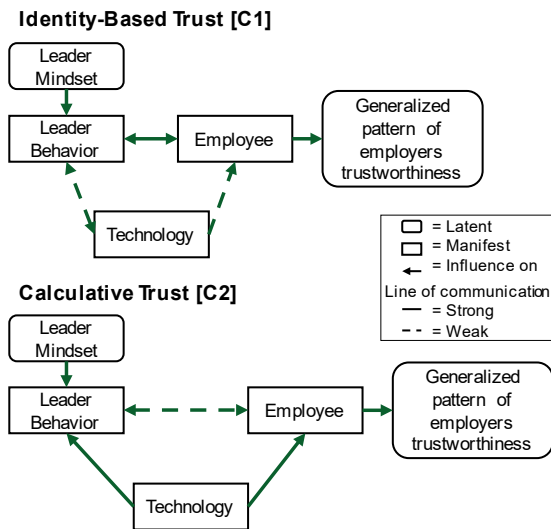
Thereby, particularly employees' perceptions of organizational norms related to technology, reflected employees' perceptions of their employer's moral responsibility. This in turn seemed to create shared beliefs concerning the employer's trustworthiness in the employee community. Several employees from the calculative trust case doubted that it is even possible to reach full trust with an employer "Yes, that's just how it is. I don't think you can ever reach a ten [full trust], to be honest" [C2]. In contrast most of the employees from the identity trust case were convinced their employer was fully trustworthy and benevolent, beyond the minimum requirements. Hence, they expected the community to be loyal and advocate for their employer: "that's where loyalty comes in, I mean, the trust that exists. And with the commitment, I believe that at [employer], you can live very well, work very well, and, as I said, have a personal

connection. But of course, it also requires commitment from the employees' side." [C1].

"That means we are, so to speak, representing [employer] externally. And we should stand behind that as well. I mean, I think an employee who works at [employer] and spreads negative propaganda about it, they are also out of place. That means you can't identify with them. And I simply believe that you shouldn't work for the employer in that sense if you don't stand behind them" [C1].

#### 4.4. Linking Employee Trust and Responsible Leadership

In summary, the main elements influencing employer trust in the two cases were leadership mindsets and behaviors, communication channels and styles, and the organizational culture shaped by prevailing norms and employee community beliefs. Upon comparing the two cases against the prevalent employee-employer trust (identity vs. calculative), it becomes apparent that they exhibit variations in the interplay of these three components (see Figure 2). These variations can be explained by drawing on responsible leadership theory.



**Figure 2. Interaction between employee-leader and technology**

Of relevance and distinction is the delicate balance between employee rights and needs and organizational goals. In both relationships, employees interact with their peers and leaders. However, in the identity trust situation, leaders play an active role in seeking and fostering frequent interactions, displaying an integrator orientation (cf. Waldman et al., 2020). These leaders work to protect employees' rights and needs by not only effectively communicating organizational purpose and values, but also by actively seeking closer relationships with employees. Thereby, leaders empower employees to exert control and influence over technology by

actively soliciting and incorporating their feedback, as well as making decisions that take employees' perspectives into account. Furthermore, through the direct exchanges with employees and those responsible for technological developments, leaders can effectively notice technological infringements on employees' interests and balance organizational and employee goals. As a result, employees perceive these leaders as advocates who adapt and shape technology to respect their rights and needs. Although employees may still harbor concerns about a technology-driven future, their constant interaction with leadership and observation of a human-centered approach led them to perceive their relationship with leaders overall as growing closer. Hence, this stakeholder-orientation enables leaders to identify instances where technology may infringe on employees' interests and intervene on behalf of them.

In the calculative trust situation, leaders exercise control over employees, expecting them to provide justifications for behavioral infringements (such as speeding or tardiness) that are consistently monitored by technology. At the same time, the employer does not provide leaders with decision-making power or authority to adapt or erase minor employee infractions. Consequently, communication is primarily initiated and dominated by technology (refer to Figure 2). Thereby, the relationship between employees and leaders is overshadowed by technological directives and employees perceive their employer to prioritize cost-driven strategist reasoning, and hence, disregards their interests and needs (e.g., feedback, stress). As a result, leaders are perceived as distant adversaries to employees, lacking integrity and benevolence (e.g., making excuses). This perception negatively impacts employees' general perceptions of employer's trustworthiness. "I think that, for example, new people might be put under a bit of pressure because, well, you know, if you're too slow, it will be looked at more closely. Maybe there will be a file note. With regards to digitalization, for example, if you accidentally drive at 128, it will be included in our performance evaluation, during the personnel discussion. So, whether it's written down or not [by a leader], all the mistakes and everything that's good, it will be taken into account (...). And in the end, we become the losers, especially the young ones who won't receive a salary increase" [C2]. As a result, two distinct types of employee-leader technology relationships emerge (see Figure 2). These appear to be primarily driven by the differences in the perceived leadership mindset, such as being cost-driven or human-centered. This distinction in leadership mindset translates into variations in leadership behavior and communication, which, over time, contribute to the development of shared organizational norms and employee beliefs. These shared beliefs seem to become self-preserving and self-fulfilling within the employee community, influencing how employees perceive their



employer's trustworthiness. Thus, it is unlikely that perceptions of employer trustworthiness can be updated without addressing the underlying leadership mindset.

## 5. Discussion and Contribution

We analyzed employee interviews comparing two cases of employee-employer trust (calculative vs. identity). Our data indicates that employee perceptions of leadership responsibility, employer communication and culture in the context of technologies become crucial influences on the trust relationship. Leaders' responsibility orientation shapes their reasoning and behavior in relation to technology usage. Therewith, it becomes a pivotal determinant of employee-leader technology interactions and shapes the style and channel of communication as well as prevalent organizational norms. Overtime this affects employee perceptions of their employer's trustworthiness.

Two significant findings emerge from our study. Firstly, we observe that leaders in the identity trust case excel in effectively and authentically communicating employers' values and purpose to employees compared to the calculative trust case. Secondly, our data indicates that employee-employer trust can be enhanced in the context of technologies if leaders adopt an integrator orientation and assume the role of moral advocates for employees. Conversely, trust seems to be undermined when leaders adopt a strategist responsibility orientation. Our findings align with Weibel et al.'s (2023) previous theoretical work. However, the existing literature has not adequately addressed the potential impact of a leader's responsibility orientations on employee trust. Thus, we will shortly explore the implications of these findings.

Our data suggests that leaders' responsibility orientations have significant implications for employees' trust. Based on our empirical insights, we argue that leaders can only be perceived as trustworthy in the context of decision-making technologies if they adopt a stakeholder orientation instead of a strategist one. This is a result from the contrasting nature of these orientations and their respective focuses on fostering genuine care versus efficiency (Pless et al., 2012). For instance, leaders classified as having a stakeholder orientation must genuinely care about employees and uphold values that prioritize such care (Waldman et al., 2020). In other words, these leaders possess a sense of responsibility towards the well-being of employees for the employees' own sake. They strive to find compromises between the needs of shareholders and employees, which allows them to demonstrate benevolence towards employees, even if it means sacrificing technological efficiency or infringing on shareholders' needs and profits (Pless et al., 2012).

Therewith, they can authentically integrate personal values of care into their decisions and hence, will strive to minimize technological biases and unethical decision-making. Consequently, they can be perceived as able, integer, and benevolent by employees. In contrast, responsible leaders with a strategist orientation, interpret responsibility from an instrumental perspective. These leaders primarily assume responsibility towards shareholders (Maak et al., 2016). This limits their scope of intervention with unethical technological decisions and inhibits them from being genuinely benevolent or goodwilled towards employees. Instead, all decisions to pursue employees' rights and needs are based on ulterior shareholder-focused motives. Thus, strategist leaders may have limited awareness and a reduced inclination to intervene with moral transgressions committed by technologies, even if they notice that employees' interests are harmed. Consequently, these leaders will be perceived as lacking integrity (Leicht-Deobald et al., 2019). Therefore, leaders with a strategist orientation can be perceived from an employee perspective as possessing the relevant ability to intervene, but never as benevolent and only seldom as integer. In conclusion, only leaders with a stakeholder orientation have the potential to mitigate the negative sentiments resulting from technologies. They can build trust by demonstrating a commitment to support and care for employees based on self-transcendent values, while effectively balancing employees needs with organizational goals (Maak & Pless, 2006).

To sum it up, we contribute to the field of trust and responsible leadership by demonstrating that generalized patterns of trustworthiness in technology-permeated workplaces emerge, that can be explained by employee's perception of leaders' responsibility, the prevalent organizational culture and employer communication. Our results highlight, it is not enough to avoid harmful deployment of technologies to earn employees' trust. Instead, employers must actively pursue and demonstrated employee-centered responsibility orientations during technology usage. Once emerged employees' perceptions of employer's trustworthiness tend to be resistant to change due to their generalized nature, making it challenging to alter them without addressing the underlying causes.

## 6. Limitations and Future Research

We acknowledge several limitations in this study. Firstly, our primary focus was on the accounts provided by employees, which were obtained with the assistance of the companies' HR departments. We have taken extensive measures to ensure a sufficient level of trust and reliability in the data and given that employees did

disclose critical comments regarding their employer's belief we succeeded in doing so. Nevertheless, future research could benefit from incorporating additional methods of data collection, such as more extensive real-time observations of employee-leader technology interactions. This would further enhance the robustness of the findings. Additionally, due to constraints in space, we were unable to present a complete grounded theory model, which may have limited our exploration of the role of shared employee beliefs. Future studies could address this limitation by examining the impact of evolving shared employee community beliefs on employee-employer trust. Lastly, it is important to note that this study focused on two innovative cases from the Swiss industry, which experienced a surge in digitalization following the COVID-19 pandemic. To strengthen the empirical basis of our findings, future research could include additional cases broadening the perspective.

## 7. References

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