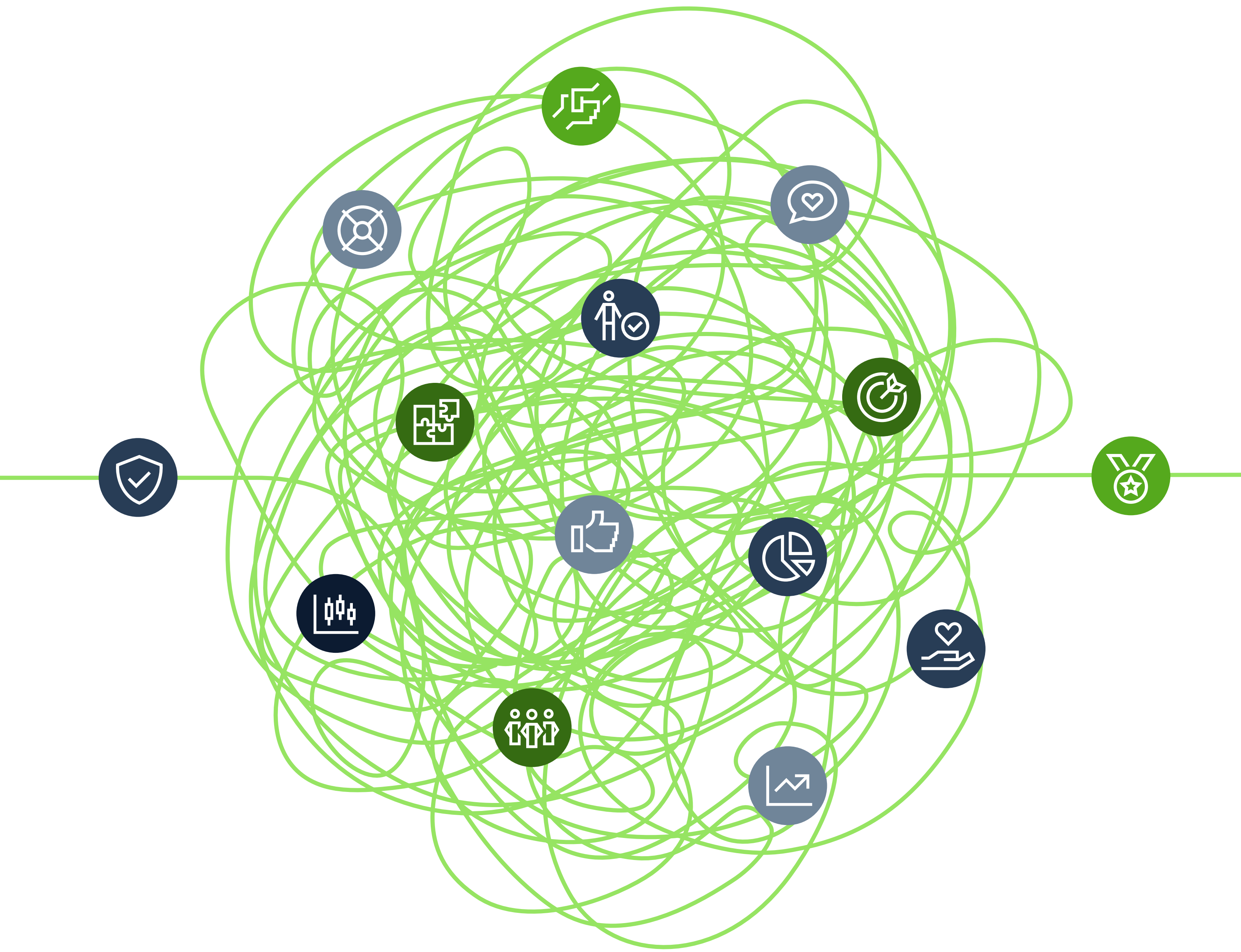
SparkEffect

Trust in Turbulence: The 2025 State of Organizational Trust

How Leaders Can Turn Disruption into Competitive Advantage



Trust Research Report Prepared by Aaron Delgaty, PhD and SparkEffect

ABOUT THIS REPORT

For more than 40 years, SparkEffect has specialized in the intersection of leadership development and organizational resilience. This research combines rigorous data analysis with practical field experience to answer a critical question: how do organizations systematically build and leverage trust as a measurable business asset? The findings translate directly into actionable frameworks—field guides, leadership tools, and organizational playbooks that enable leaders to transform inevitable disruption into competitive advantage rather than simply managing damage control.

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In 2025, trust is no longer a “soft” organizational virtue — it’s a measurable driver of performance. Our latest SparkEffect Trust Research shows a direct connection between trust and the Three Rs executives watch most closely: **Retention**, **Reputation**, and **Revenue**.

The data is clear: when disruptions are handled very well, employees report higher trust than those who experienced no disruption at all — a Trust Dividend™. These same organizations outperform in talent retention, customer advocacy, and market reputation. Conversely, poorly handled disruptions slash trust levels, weaken team cohesion, and erode future readiness.

1 | Trust as a Business Strategy

It's no surprise that trust matters. We can likely all sort anecdotal evidence of instances in which the presence or absence of trust - in leaders, in peers, in organizations - directly impacted employee experiences or customer outcomes. But why is it that, despite all these anecdotal data points, organizations rarely position the systematic building of trust as a core business objective?

This is because, while trust is well known, **it is not well defined.**

Observing this gap, we set out to give more definition to trust in business by quantifying its presence and impact. The impetus was straightforward: if we are to take action on trust, then **we need a means to measure it in real terms.**

While trust is well known, it is not well defined.

The Trust Performance Index™

Our Trust Score measures employee trust across five domains: **Strategic Clarity, Psychological Safety, Relational Continuity & Cultural Belonging, Technology & Systems Trust,** and **Fairness & Change Impact Perception**.

THE 5 TRUST DOMAINS EXPLAINED

Strategic Clarity	Employees understand the org's direction, purpose, and rationale for change.
Psychological Safety	Employees feel safe to speak up, ask questions, and raise concerns without fear of negative consequences.
Relational Continuity & Cultural Belonging	Employees feel valued, connected, and aligned with org culture and purpose.
Technology & Systems Trust	Employees trust how systems and technologies are designed, introduced, and implemented.
Fairness & Change Impact Perception	Employees feel that organizational changes were handled with fairness, empathy, and inclusion.

Each domain represents a key dimension of the employee-employer relationship, capturing how people experience trust both interpersonally and institutionally. To quantify this experience, we scored individual questions within each domain and combined them to create a composite **Trust Score**. This score reflects how respondents feel holistically about their relationship with the organization at a given moment.

To help interpret results, we divided the composite scores into quartiles based on a control group: employees who had not experienced a major disruption in the past 24 months. **Trust Scores** are categorized as shown to the right:

This framework provides a benchmark for understanding how trust manifests across different organizational conditions—and where interventions may be most needed.

TRUST LEVEL	SCORE RANGE
High Trust	88+
Medium-High Trust	80-87
Medium-Low Trust	68-79
Low Trust	≤ 67

We present findings using scale data (average 1-5 scores like 4.18 for team cohesion) and percentage data (respondent proportions) to provide a complete picture of organizational trust.

The ROI of Trust

Comparing respondents across different trust bands shows that trust is more than a sentiment—**it actively shapes how they perform and engage**.

In our data, as trust increases, so does respondent confidence in key organizational outcomes—specifically revenue growth, talent retention, brand reputation, and internal clarity of purpose.

KEY FINDINGS

At High Trust levels, **97%** of respondents say their organization performs well financially.

At Low Trust, only **46%** say the same—

a dramatic 51-point drop

93% of High Trust respondents say their organization has a clear strategy.

Only **40%** of Low Trust respondents agree—

another 53-point gap

Industry Reputation

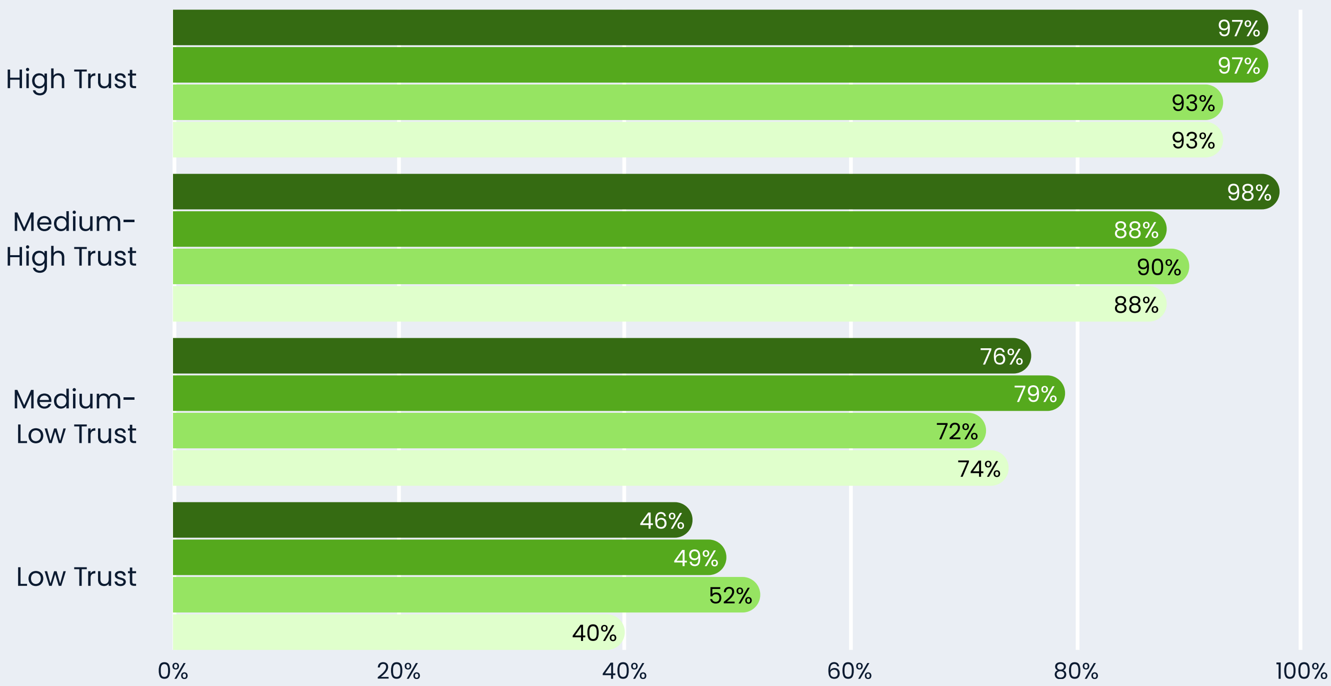
rises from **49%** (Low Trust) to **97%** (High Trust).

Retention

follows a similar pattern, rising from **52%** to **93%**.

3 R'S + CLARITY BY TRUST SCORE

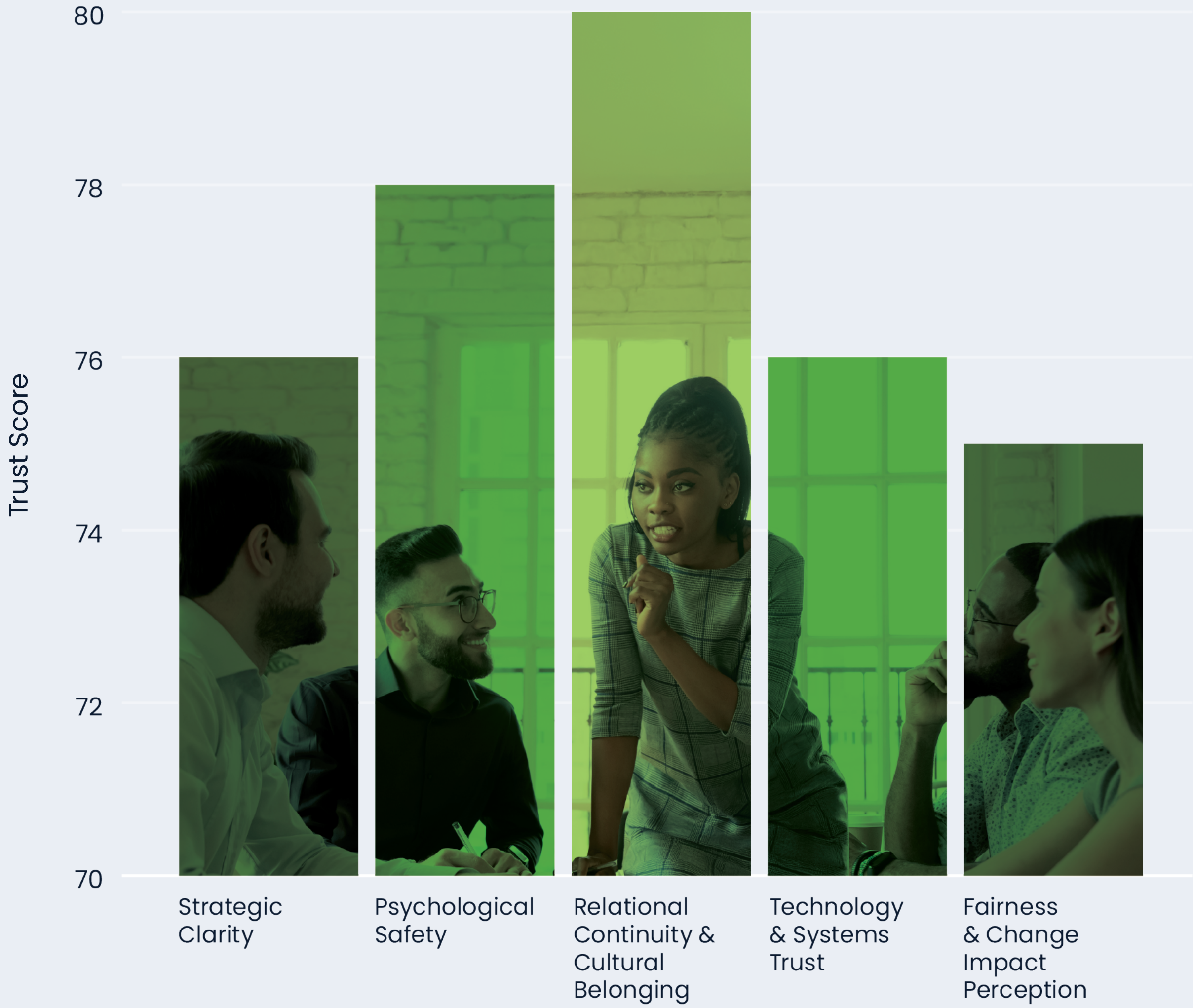
- **REVENUE:** "Our organization performs well financially"
- **REPUTATION:** "Our industry reputation is strong"
- **RETENTION:** "We retain key employees"
- **CLARITY:** "Our organization has a clear strategy"



Our data shows a clear and powerful relationship between organizational trust and business health. The implication is clear: trust isn't a soft metric—it's a structural advantage. For leaders, this means trust must be treated not just as a cultural aspiration, but as a strategic priority.

Where Trust Lives: The Power of Local Leaders

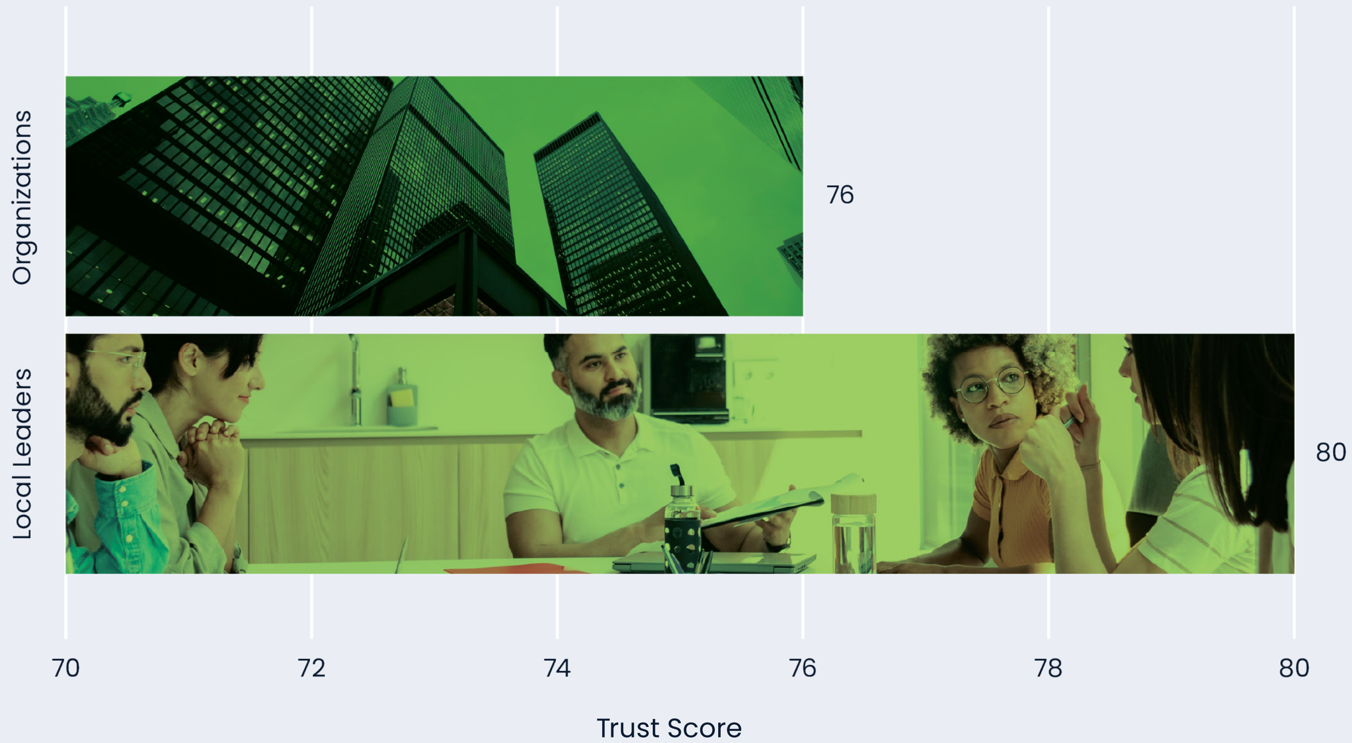
The 2025 data reveals that the texture of trust is complex and uneven, with some aspects of trust consistently scoring higher than others. The most notable trends include:



Relational continuity and psychological safety score highest; employees feel more connected to peers, managers, and other direct leaders than to the organization at large.

Strategic clarity, tech/system trust, and fairness in change are consistent weaknesses, the very areas that matter most in managing a disruption.

Trust in **direct leaders** is significantly higher than trust in **organizational leadership**, but is more fragile when disruption occurs.



Together, these findings point to a critical reality that shapes both employee experience and organizational performance: **trust is relational**, and not all relationships are equally nurtured, visible, or empowered. In other words, employees extend it where they feel seen, supported, and understood—which is often with their direct leader, not with the broader institution.

This asymmetry will feel familiar. Many leaders have seen it in their own organizations—and even experienced it themselves.

Trust is relational.

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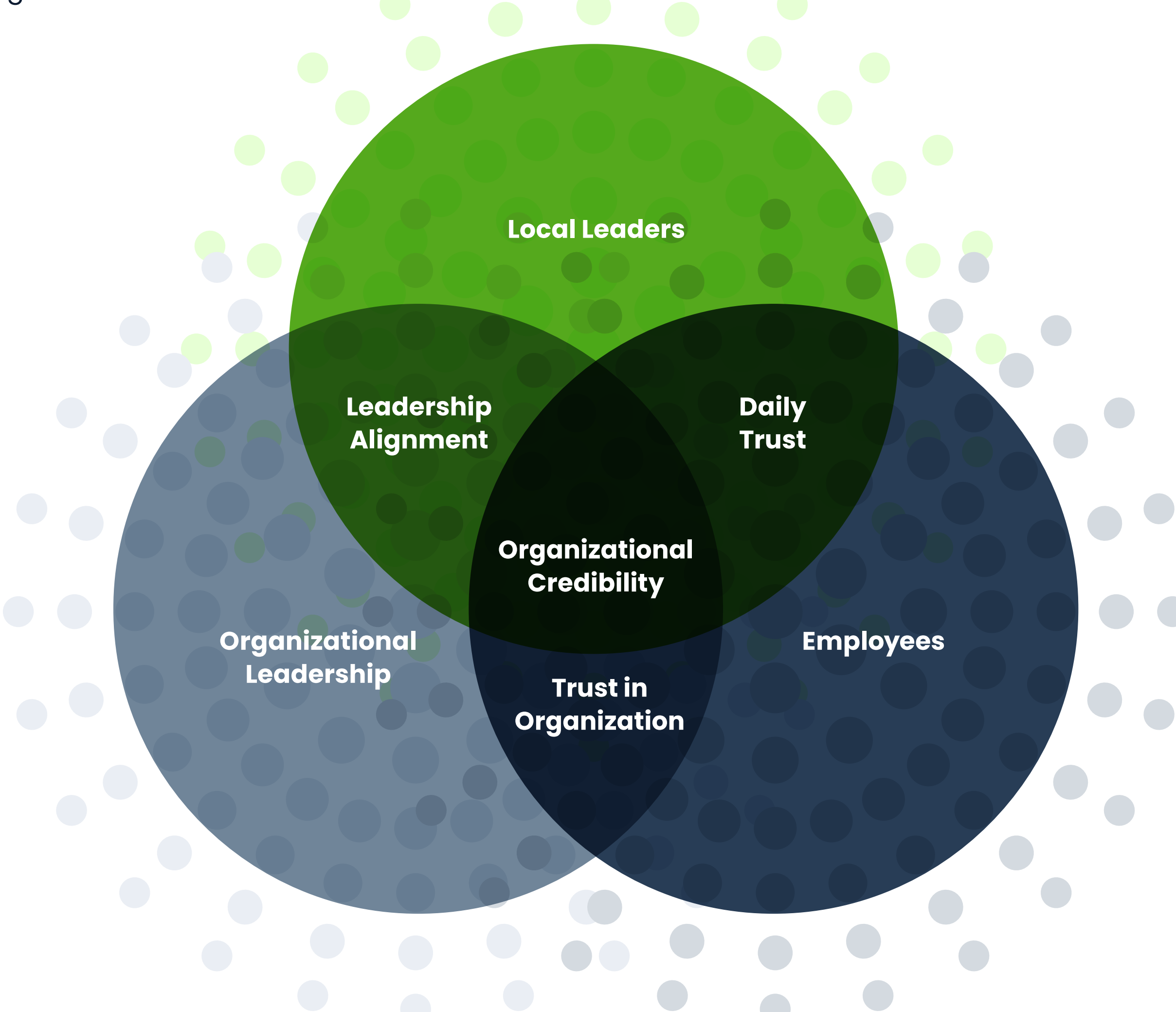
The Critical Role of Local Leadership

Employees tend to place their trust in the people they interact with regularly: the managers who answer their questions, the team leads who advocate for their needs, the department directors who interpret company direction in the context of daily work. Relationships with these *local leaders* are personal and grounded in lived experience.

In contrast, organizational leadership is more often associated with high-level decisions, abstract goals, or change initiatives that feel disconnected from employees' day-to-day realities. This distance can lead to skepticism, especially if communication is inconsistent or outcomes appear misaligned with stated values.



The implication is unmistakable: if trust shapes how employees engage and perform, then leadership development is not optional. **It's strategic infrastructure.** Organizations that invest in leadership training at all levels, especially among those with direct influence over employees' daily experiences, are best positioned to close trust gaps, accelerate alignment, and lead effectively through disruption.

In short, **trust only scales when leadership does.**

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2 | The Disruption Dividend™

If trust is a strategic priority, and if leaders are its primary architects, then it's in moments of disruption that their role matters most.

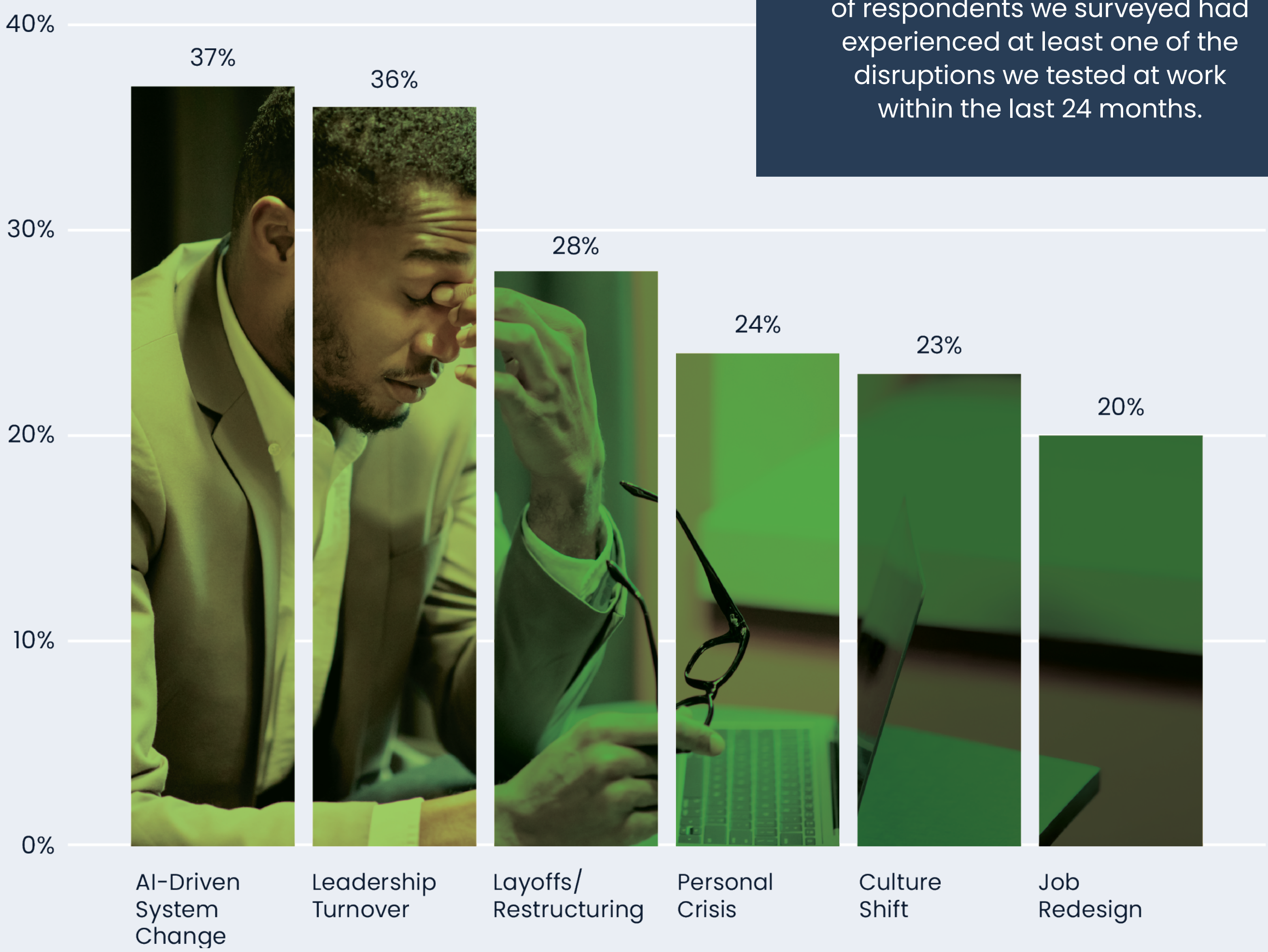
We focused on moments of disruption because they reveal how trust is built—or broken—when it matters most. In times of uncertainty, the actions leaders take are amplified, making them a critical lens for understanding how organizations actively shape trust.

Disruption was common:

71%

of respondents we surveyed had experienced at least one of the disruptions we tested at work within the last 24 months.

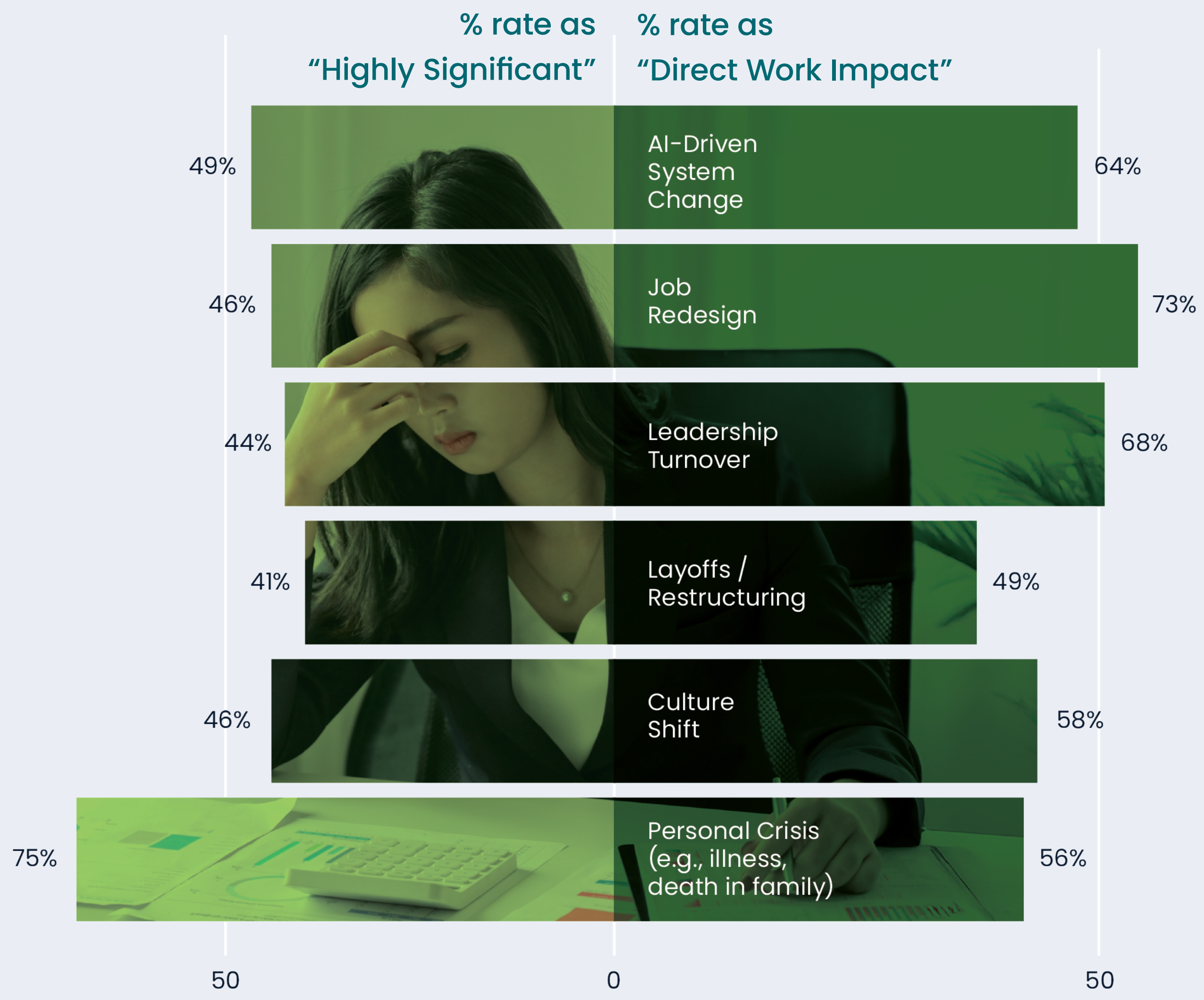
DISRUPTION BY FREQUENCY



Experiences of disruptions varied.

- Personal crises, e.g., illnesses, deaths in the family, were the most likely to cause personal disruption, whereas job redesigns were highly professionally disruptive.
- AI-driven systems change and leadership turnover were the most common disruptions. Both were personally and professionally disruptive.

PERSONAL IMPACT AND PROFESSIONAL IMPACT

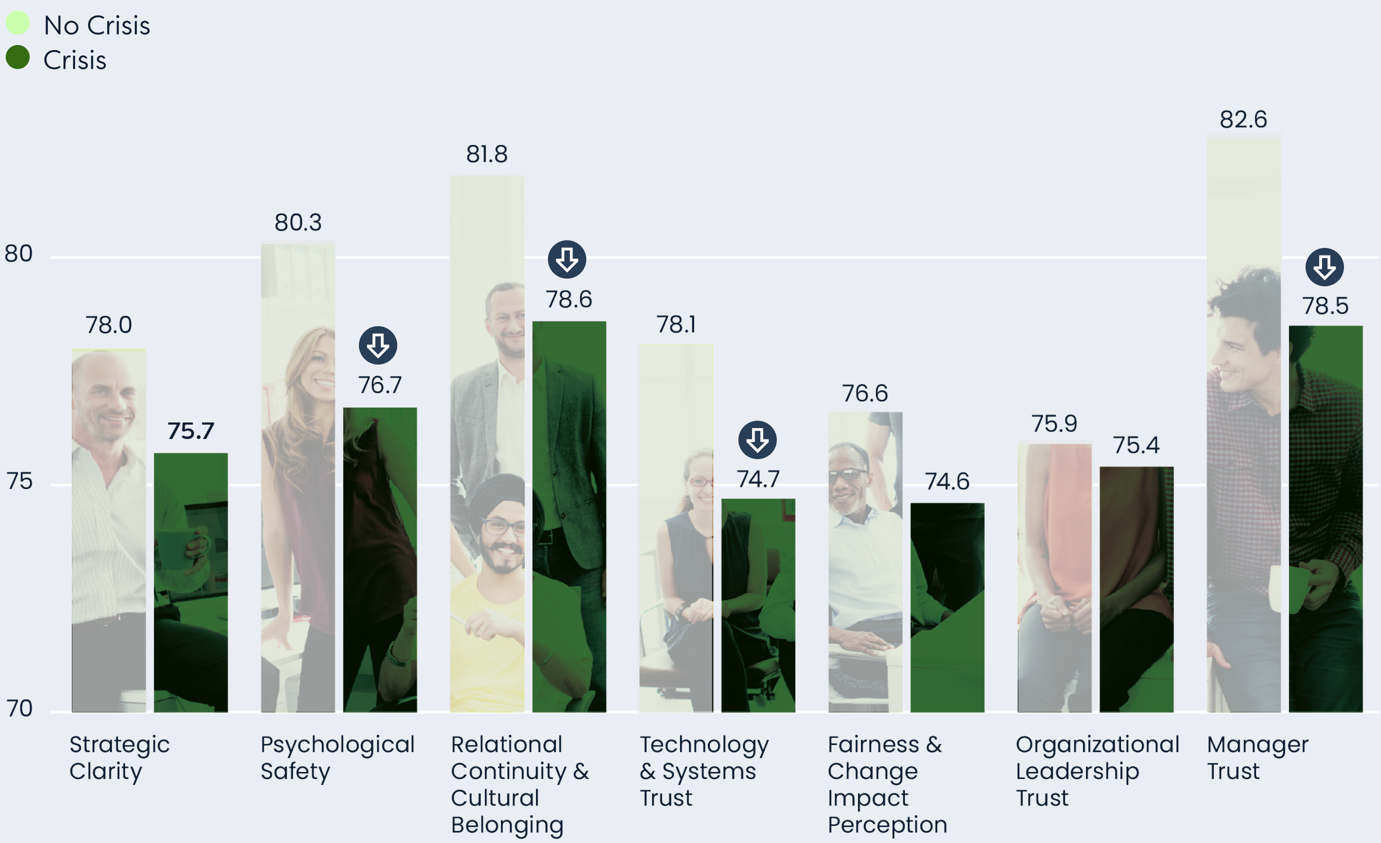


The Impact of Disruption on Trust

Regardless of experience, exposure to a disruption impacts trust. But this impact is not uniform.

- **Psychological safety** and **cultural belonging** are disproportionately impacted, dropping 3.5 and 3.2 points respectively.
- **Trust in local leaders** takes the biggest hit, dropping 4.1 points.
- **Trust in organizational leadership** is least impacted, shifting only half a point.

SHIFT IN TRUST BETWEEN NO-DISRUPTION AND DISRUPTION



Note that while trust in local leaders often starts higher than trust in the organization as a whole, it's also more fragile. Our data shows that when employees experience a disruption—and especially when it's handled poorly—local leader trust drops more sharply than organizational trust. In other words: when the organization stumbles, it's the local leader on the ground who takes the hit.

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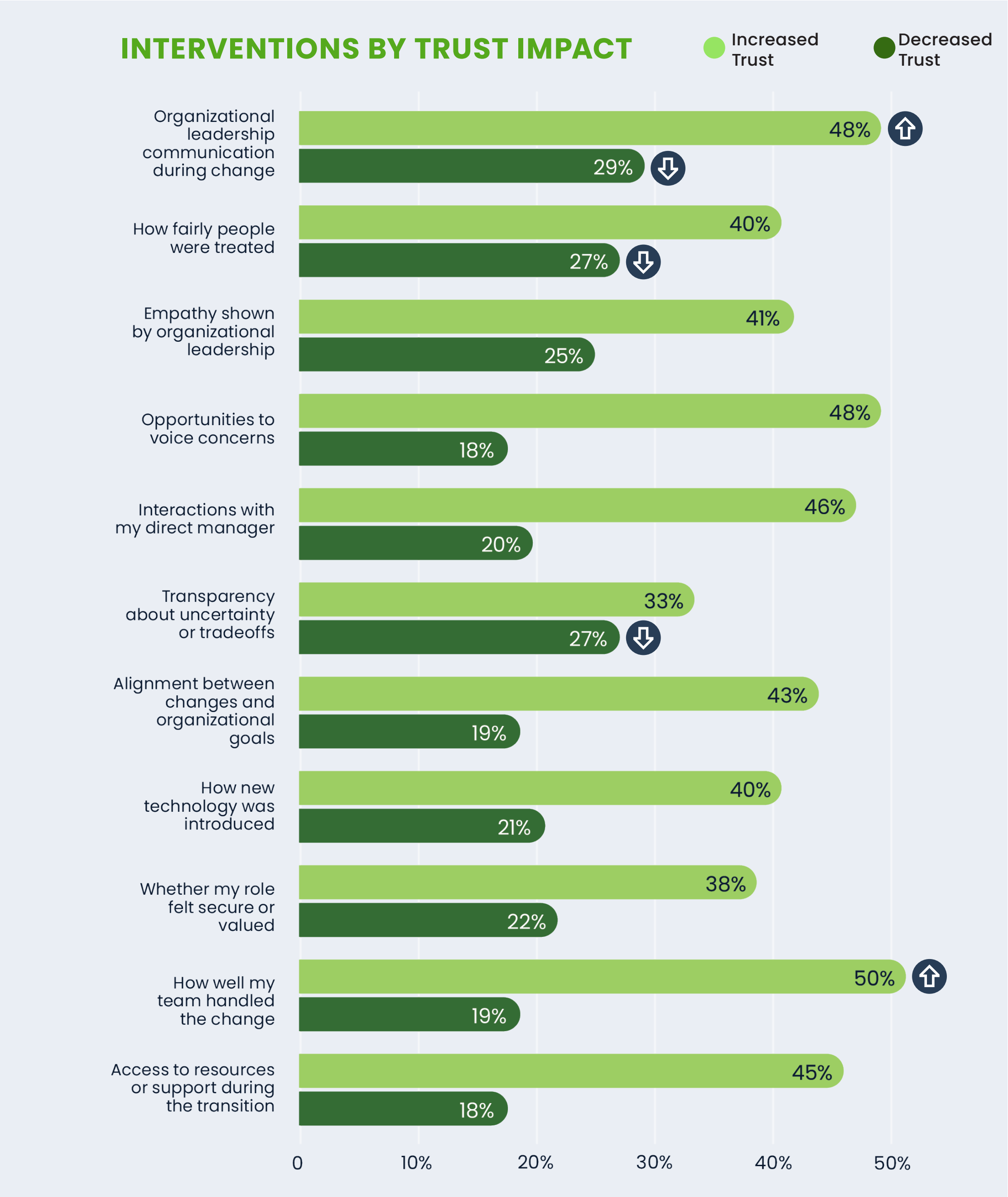
How Disruption is Handled Matters

Disruption does not *always* result in decreased trust.

In a smaller but notable set of cases, respondents who experienced a disruption and saw their organization handle it well reported trust scores higher than the average of respondents who had not experienced a disruption at all. In other words, **a well-managed crisis doesn't just protect trust—it can build it beyond baseline levels, turning a moment of vulnerability into a lasting advantage.** More on that soon.

Organizations shape employee trust by how they respond to disruption. Disruptions are inevitable. Organizations don't control whether bad things happen. They control how they respond. And in that response, they either deposit trust into the account or withdraw it, sometimes with overdraft fees.

We created the **Impact Score** to quantify how specific leader actions during disruption affect trust. Across 11 actions—from transparent communication to empathetic leadership—the story is clear:



Strong positive response: Trust scores soar above baseline, employee confidence rises, and retention/ reputation resilience nearly doubles.

Weak or negative response: Trust collapses below all other scenarios, damaging both current performance and future capacity.

Not all interventions were successful, as noted here and shown in the next chart.

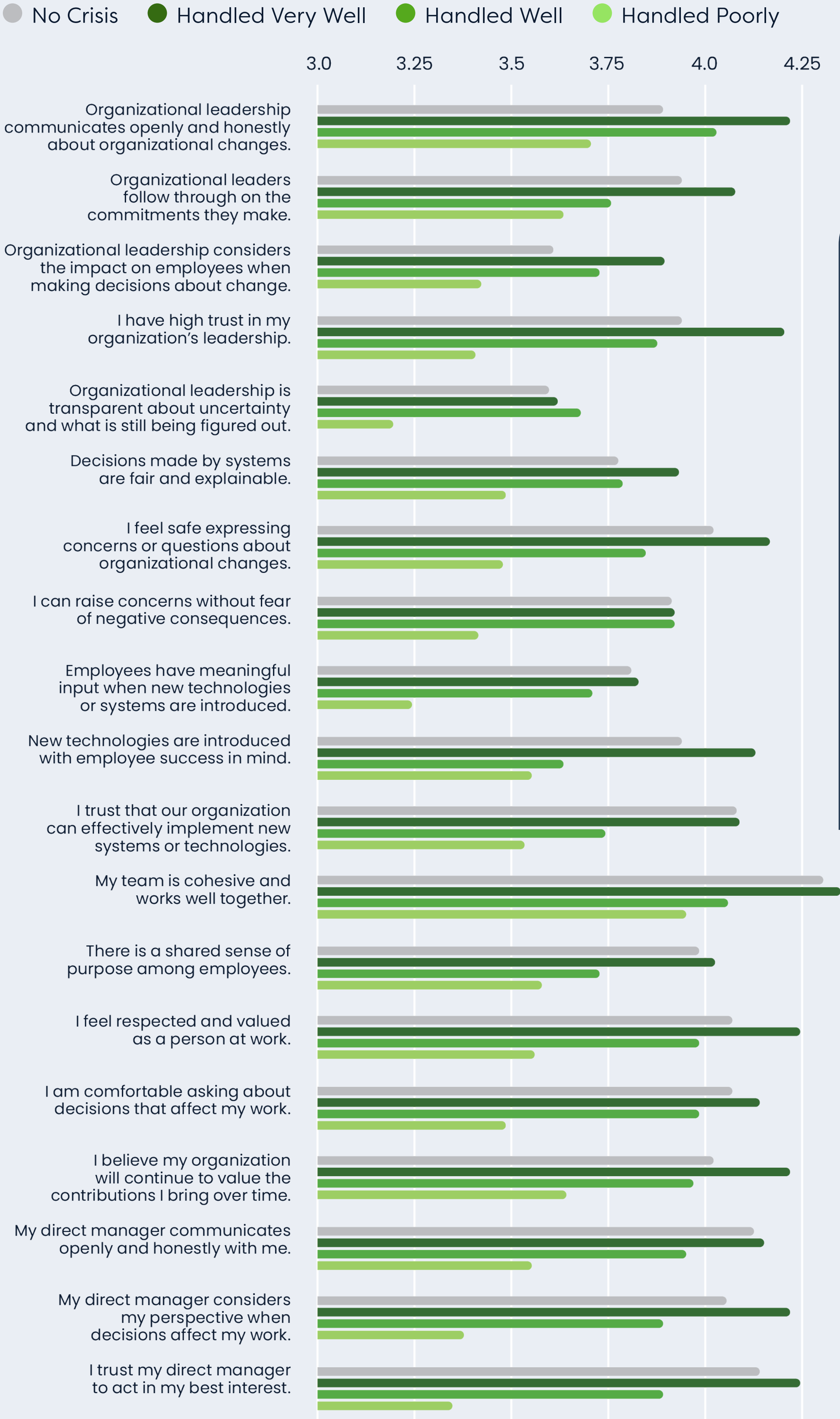
The most reliable trust builders in our data:

- Open and honest communication from leadership during change.
- Fair treatment and empathy toward employees.
- Opportunities to voice concerns and be heard.
- Visible alignment between changes and organizational goals.

The more reliable trust destroyers:

- Lack of transparency around uncertainty or trade-offs.
- Perceived misalignment between leadership decisions and employee needs.
- Poor handling of technology or systems rollouts.

TRUST ELEMENTS BY INTERVENTION QUALITY

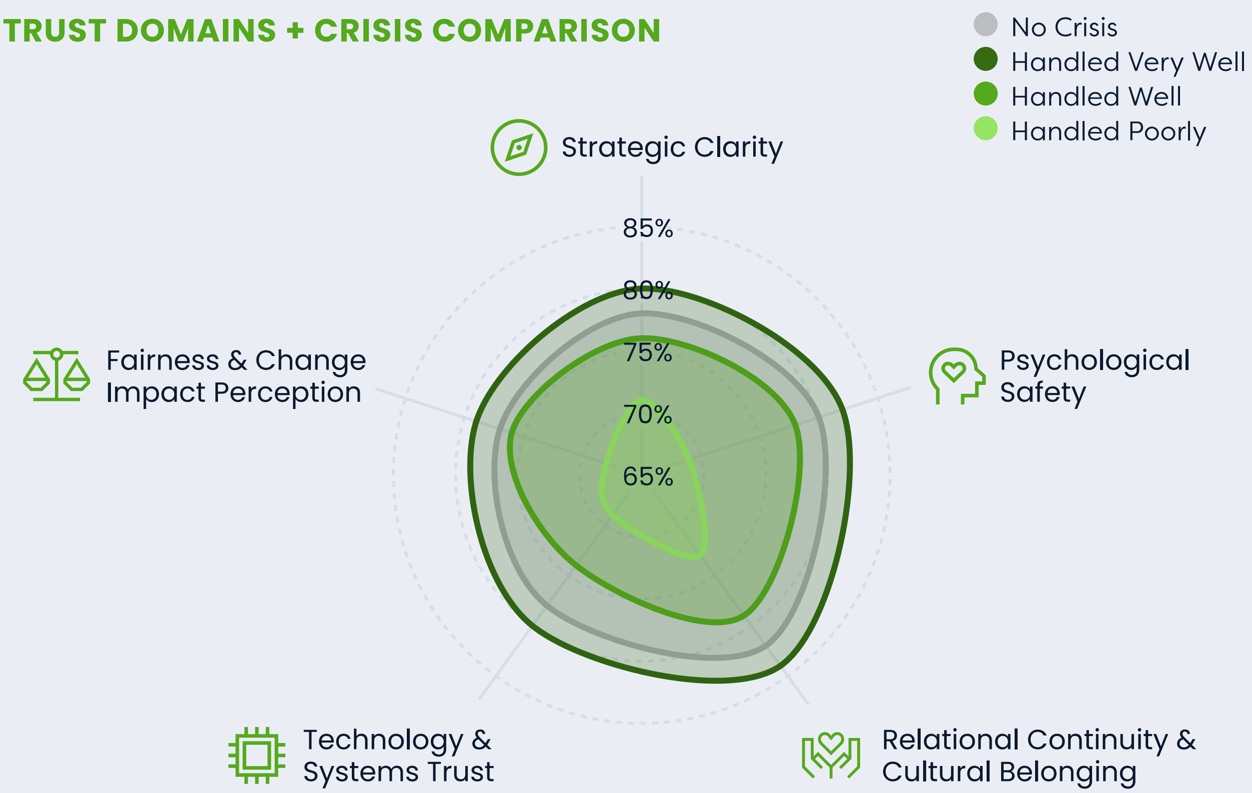


But, when disruption is handled well, it improves all aspects of trust we tested. And in all cases, **those that handled disruption best reported average trust scores that exceeded the average scores** of respondents who experienced no disruptions.

The Trust Advantage of Well-Handled Disruption

The implication is again clear: leaders should not only aim to minimize damage in a crisis, but proactively use disruption moments to demonstrate values, clarity, and fairness, because the potential trust gains are measurable and substantial. The question isn't whether you can avoid a crisis—it's **how do you stick the landing when the inevitable happens.**

TRUST DOMAINS + CRISIS COMPARISON



71%
Experienced Disruption
Percentage of employees who faced at least one major disruption in the past 24 months

+12%
Trust Dividend
Average increase in trust scores when disruptions are handled exceptionally well compared to no disruption

-28%
Trust Deficit
Average decrease in trust when disruptions are handled poorly

Reframing Disruption as Opportunity

This runs counter to how many leaders instinctively approach disruption. The default mindset is damage control, i.e., minimize losses, return to stability. But our data suggest a different possibility: disruption moments can be catalytic, unlocking substantial trust gains when handled with transparency, fairness, and clarity. Employees don't just remember what happened; they remember how it was handled. In that sense, every disruption becomes a trust-defining moment.

DAMAGE CONTROL

- Minimize losses
- Return to stability

TRUST BUILDING

- Transparent communication
- Fairness and clarity

To "stick the landing" requires more than avoiding missteps. It means communicating with candor, making decisions that reflect organizational values, and treating employees as partners rather than bystanders in the process. Done well, the very moments that could fracture trust instead deepen it, creating a stronger foundation for resilience and alignment.

As we'll see in Part 3, this ability to absorb the shock of disruption is not simply about endurance; it's about transformation. Leaders who navigate disruption effectively don't just preserve trust—they expand it.

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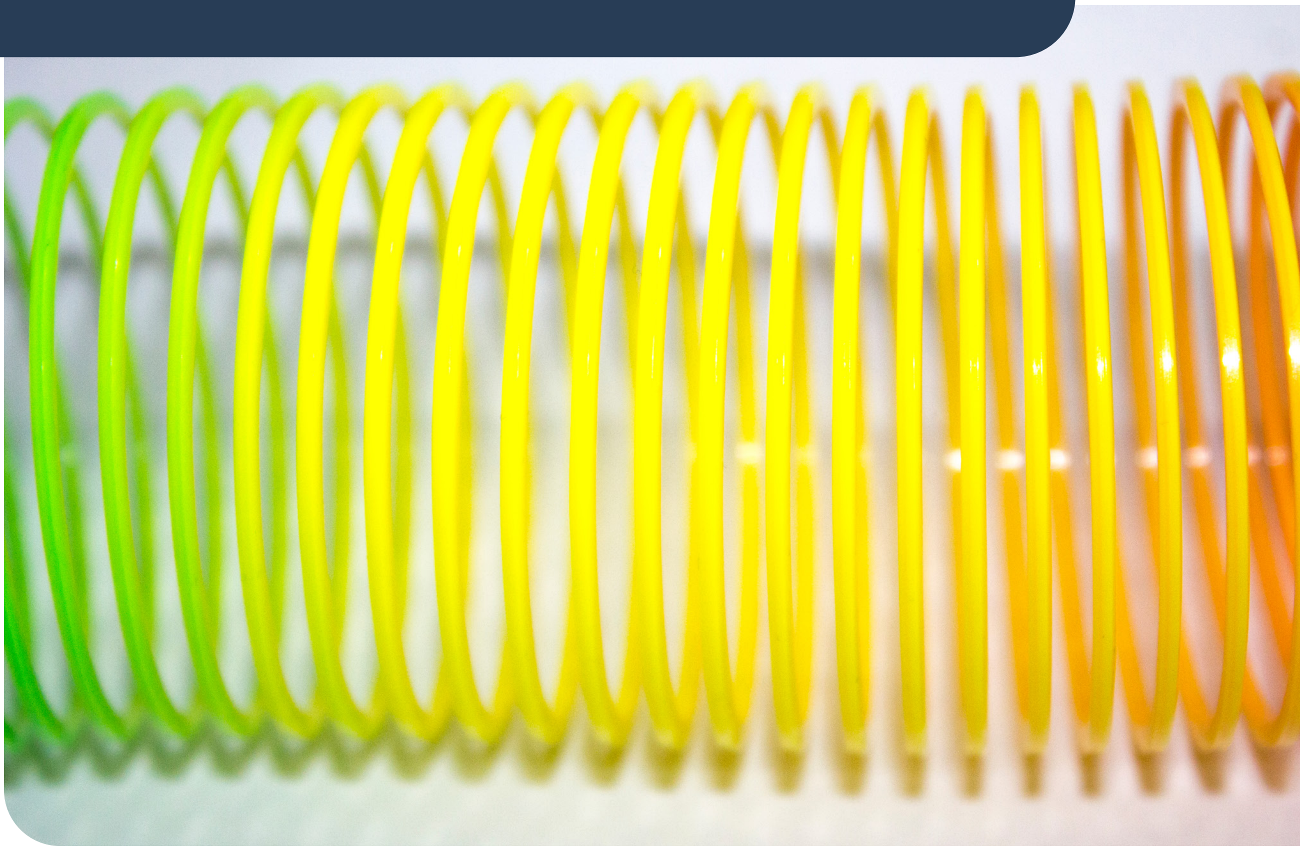
3 | Trust Elasticity™ and The Competitive Moat

The ability to land a crisis well doesn't just shape immediate trust levels—it determines how resilient that trust will be the next time trouble hits. Some trust shatters on impact; some bends, absorbs the blow, and snaps back even stronger.

Trust Elasticity™ measures how well organizations retain trust during and after a disruption.



We assessed nine aspects, including retention of key employees, customer advocacy, industry reputation, and readiness for future disruptions.

Elasticity, like trust itself, is not evenly distributed. Some areas, such as *desirability as a workplace* and *role meaning*, scored well above baseline, indicating resilience and even potential trust gains in those domains. Others, notably *key employee retention, industry reputation*, and *future disruption strategy*, lagged behind, revealing vulnerabilities where trust is more likely to fracture under strain.

Previous charts showed percentages of respondents. Now we shift to composite scores—adding individual ratings together to create single whole numbers that capture each respondent's overall experience.

ELASTICITY DOMAIN AVERAGE SCORES

High vs. Low Elasticity Organizations

When we compare organizations with high elasticity to those with low elasticity, several distinguishing patterns emerge:

High elasticity organizations in our study:

- Reported *higher* trust after disruptions.
- **Retention →** Retained key employees (73% agreement).
- **Reputation →** Sustained or improved industry reputation (74% agreement).
- **Clarity →** Had a clear strategy for navigating future disruptions (69% agreement).

Low elasticity organizations:

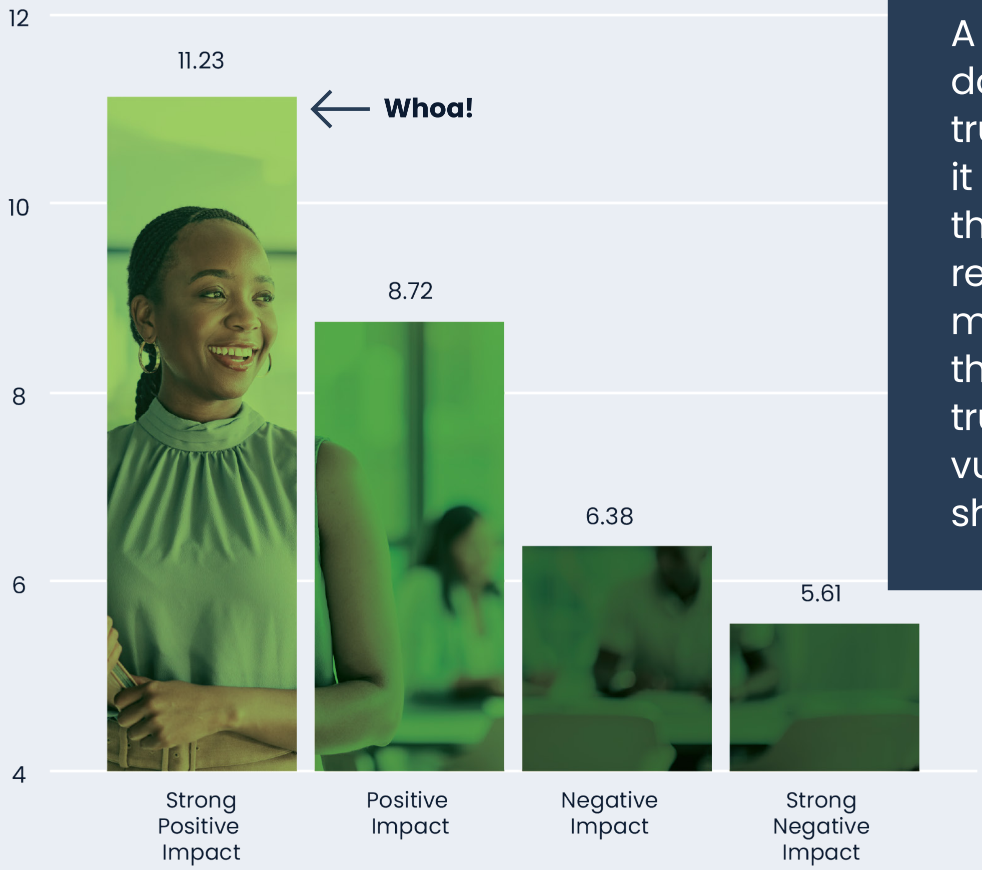
- **Retention →** Lost key talent.
- **Reputation →** Suffered brand and credibility damage.
- **Revenue →** Entered future disruptions less prepared, eroding performance and growth potential.

Critically, how organizations handle a disruption significantly impacts trust elasticity.

We mapped elasticity scores against Impact Score bands to see how an organization's crisis response influenced its ability to hold onto trust across domains. The pattern was clear—and dramatic: the better the response, the stronger the elasticity.

Strong Positive Impact	Organizations in this category scored an average elasticity of 11.23—meaning trust didn't just hold, it expanded well beyond baseline.
Positive Impact	Even a Positive Impact response yielded a solid 8.72.
Negative Impact	But once leadership responses turned negative, elasticity dropped fast.
Strong Negative Impact	In the Strong Negative Impact group, elasticity collapsed to just 5.61.

AVERAGE ELASTICITY BY IMPACT SCORE BAND



The takeaway?
A well-handled crisis doesn't just prevent trust from breaking—it actually makes the system more resilient for next time. A mishandled crisis does the opposite: it leaves trust brittle and more vulnerable to future shocks.

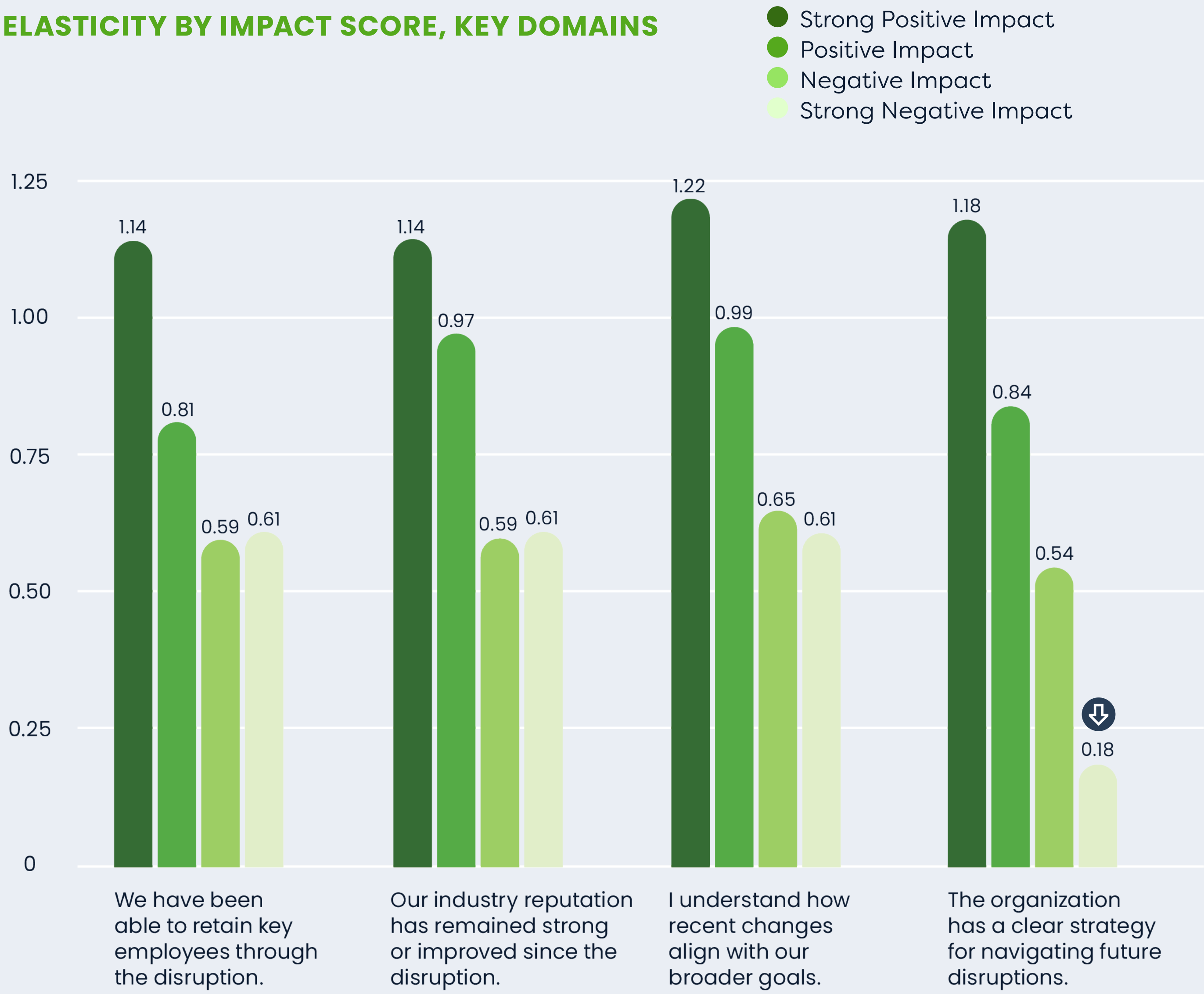
Now let's go one layer deeper.

While strong responses boost elasticity across the board, they deliver especially large gains in the areas where trust tends to be most fragile.

When crises were handled exceptionally well:
• Retention, Reputation, and Future Strategy elasticity scores jumped well above 1.0.
• In some cases, they nearly doubled the scores of even a solid "Positive Impact" response.

But in the Strong Negative Impact group:
• These same areas collapsed—dropping to 0.61 or lower.
• Organizational strategy took the hardest hit, bottoming out at just 0.18.

ELASTICITY BY IMPACT SCORE, KEY DOMAINS



These are not cosmetic shifts.

Retention fuels your talent pipeline, reputation shapes your market position, and strategic clarity underpins your ability to generate and protect revenue. Get these right in a crisis, and you're not just avoiding damage, you're building competitive advantage. That's the core of elasticity: **not about avoiding change, but absorbing the shock and using it to emerge stronger.**

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4 | Turning Insight Into Action: A Strategic Framework for Trust-Driven Leadership

Trust isn't a soft metric. It's a core performance driver. Our research indicates that during periods of disruption, organizations that outperform are those where trust is operationalized, not just idealized. This requires moving beyond vague mandates and toward specific behaviors, systems, and capabilities.

From our work, four practical moves emerge for embedding trust into daily leadership and organizational rhythms:

1

Support Your Direct Leaders

Trust lives closest to where work happens. Direct leaders are fragile yet influential trust holders. Equip them with clarity scripts, fairness checklists, and care-based communication practices to stabilize teams during uncertainty.

2

Design for Fairness and Care in Every Decision

Employees expect fairness and genuine care in how changes are handled. Before announcing decisions, leaders must ask: Is this clear? Is this fair? Is this caring? Build these checks into everyday leadership routines.

3

Practice Crisis Leadership Before the Crisis

Trust behaviors work like muscle memory. Organizations that practice clarity, fairness, and care through retrospectives, role-plays, or simulations recover faster when real disruptions occur.

4

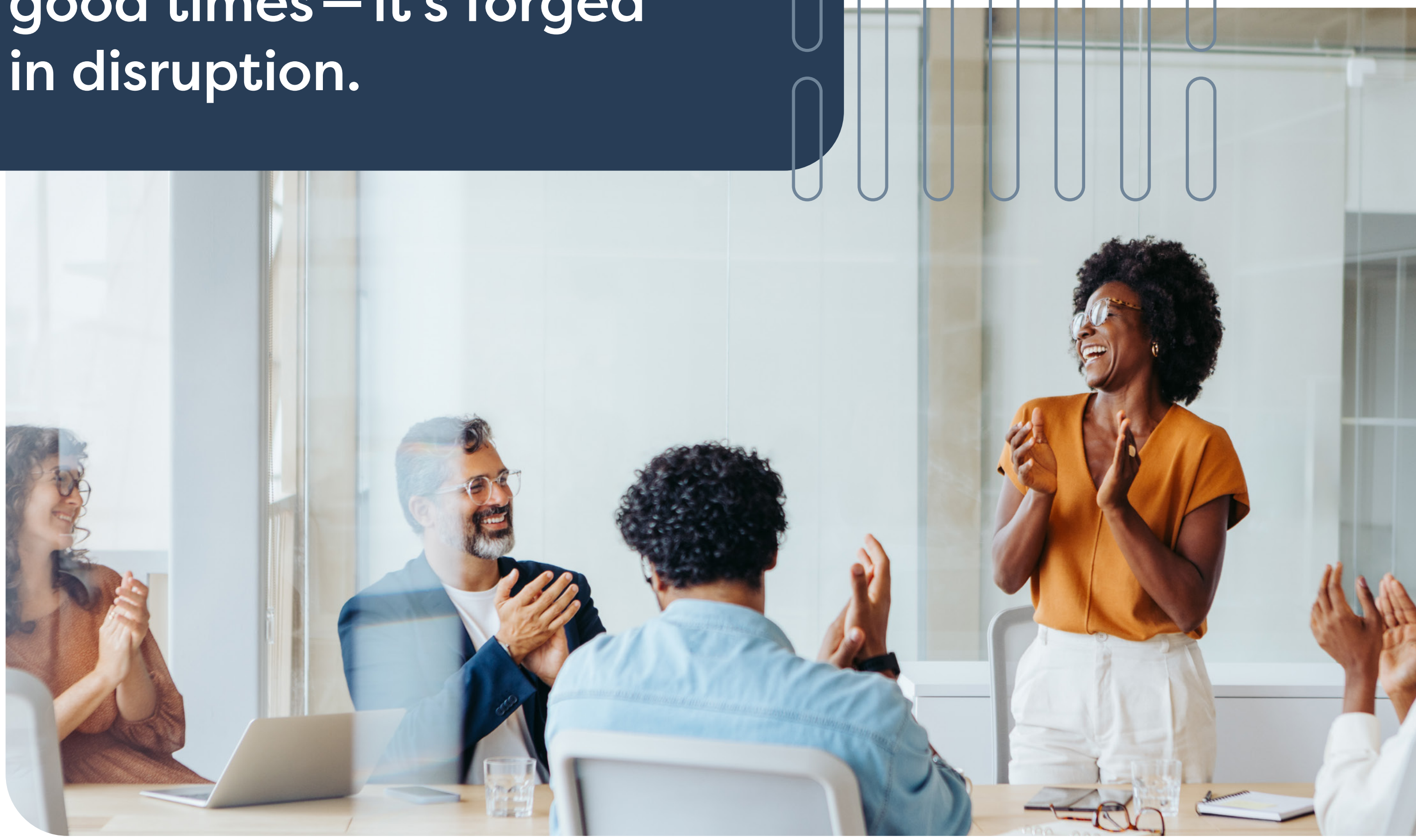
Make Trust Measurable and Visible

Treat trust like other key performance indicators. Measure trust across psychological safety, fairness, and belonging domains, then act on the data. What gets measured gets reinforced.

Taken together, these steps lay the foundation for an organizational culture in which trust is continually cultivated, reinforced, and scaled. When trust becomes a strategic capability, it not only enables organizations to weather uncertainty, but creates an environment in which disruption can be transformed into a catalyst for stronger leadership.

Conclusion | Trust as Strategy

Trust isn't a byproduct of good times—it's forged in disruption.



Our 2025 Trust Research proves that trust isn't a byproduct of good times—it's forged in disruption. The organizations that win will treat trust as a measurable, manageable business asset and will equip leaders at every level to turn turbulence into a competitive advantage.

Crisis is inevitable. **The Trust Dividend™ is optional,** and it's the return only well-led organizations will capture.

Make Trust Your Measurable Competitive Advantage

Get your Trust Performance Index assessment and strategic roadmap.

SparkEffect

THE SPARKEFFECT ADVANTAGE

The SparkEffect Advantage lies in its proven ability to guide organizations and their people through transformative change with confidence and clarity. With over 40 years of experience and the combined legacy of two premier firms, SparkEffect delivers evidence-based, tailored solutions that address the unique needs of leaders, employees, CEOs, and boards. Their values of trust, purposeful transformation, authentic accountability, and compassion inform every engagement, fostering meaningful relationships and driving measurable results.

SparkEffect's impact is demonstrated by industry-leading client satisfaction, global reach, and a track record of driving strategic shifts for thousands of organizations and more than 50,000 employees. Through their partnership with Career Partners International, SparkEffect offers comprehensive support and measurable impact in areas such as organizational transformation, leadership development, executive coaching, and career transition, making them the trusted partner for organizations preparing to meet future challenges.

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Appendix A: Data Demographics & Methodology

SparkEffect and Note & Niche employed a mixed-methods research approach to explore multiple dimensions of organizational trust. The research process began with a comprehensive literature review examining current discourse on the role of trust in the workplace, major cultural and technological shifts, and the foundations of employer-employee relationships in today's evolving world of work.

Building on this foundation, we conducted a series of internal interviews with subject matter experts to refine the project's core research questions. These questions informed the design of our primary research instrument: a targeted quantitative survey focused on domains of trust, employee and manager experience, and the potential links between trust and organizational performance.

The survey was fielded between July 15 and August 1, 2025, and included 301 full-time employees at organizations headquartered across the United States. Respondents were sourced via a third-party research panel to ensure a diverse sample across industries, functions, and role levels. The sample included two cohorts: 154 people leaders (individuals who directly manage others) and 147 individual contributors. Participants represented a broad range of industries and functions, including Technology, Healthcare, Financial Services, Manufacturing, Education, and Retail.

Quantitative data were analyzed using descriptive and comparative techniques to surface key trends across roles, tenure, and organizational size. Data insights were then synthesized to identify key themes and support the development of provocative, data-driven narratives that align with SparkEffect's thought leadership objectives.

As with all survey research, findings are based on self-reported data and may be subject to recall or response bias. The sample, while diverse, reflects U.S.-based professionals and may not fully capture global variations in workplace trust.

SURVEY RESPONDENT DEMOGRAPHICS

Role Level	
Executive	18%
Senior Manager	28%
People Manager	11%
Individual Contributor	35%
Other—Write In	8%

Current Job Tenure	
Less than 1 year	4%
1–3 years	24%
4–6 years	31%
7–10 years	21%
More than 10 years	20%

SURVEY RESPONDENT DEMOGRAPHICS, CONTINUED

Department or Function	
Engineering/Product	7%
Sales/Business Development	15%
Marketing/Communications	8%
HR/People	12%
Operations/Logistics	18%
Finance/Legal	6%
IT/Data/Systems	34%
Customer Service/Support	17%
Other—Write In	15%

Global Headcount	
Fewer than 100 employees	17%
100–499	26%
500–999	20%
1,000–4,999	23%
5,000+	14%

Industry	
Technology	30%
Healthcare	9%
Financial Services	7%
Manufacturing	12%
Education	6%
Retail / E-commerce	11%
Government / Public Sector	4%
Nonprofit	2%
Business Services	6%
Biotechnology	1%
Other—Write In	12%