

The Necessity of Trust in Achieving Positive Work Culture and Sustainable Outcomes in SMEs

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Abstract—Small and Medium-Sized Enterprises (SMEs) play an important role globally; yet the investigation of sustainability in this context is limited. The leader's relationships with employees are a critical aspect of creating a positive and supportive organizational culture. Therefore, to bridge the knowledge gap, the aim of this paper is to extend the notion that the creation of trust is central to the sustainability of SMEs. The study employs a case study observational research approach, and data were collected using first-hand observations and interviews. As a result, this study provides detailed information about the context in which developing trust can produce positive outcomes despite the prevailing overall toxic culture of an organization.

Keywords—leadership; organizational culture; organizational sustainability; trust; positive culture; trusted leaders

I. INTRODUCTION

Organizations now operate in conditions of poly-crisis. Turbulent environments have generated fresh perspectives in the world of work, including the role of leaders in creating a positive organizational culture (OC), and creating value for the bottom line and for all stakeholders. Such work is pivotal to describing how to leverage corporate sustainability through the creation of enhanced value (Van Marrewijk 2003): ethical issues in business are associated with the creation of trust, along with transparency, honesty, and fairness for optimal dealing with all stakeholders. Trust is a very important component of sustainability governance (Stupak, Mansoor & Smith 2021).

Positive organizational cultures have been shown to have many benefits across performance, employee well-being, loyalty, commitment, and lower turnover. Such a culture is likely to involve a strong component of trust, where people feel safe to take risks, to speak out, and to collaborate with others (Shockley-Zalabak, Ellis & Winograd 2000). Trust is intimately associated with OC and positive outcomes for teams. Leadership plays a critical role here. When employees have high levels of trust in the organization, that organization is more likely to have ethical leadership (Tourigny et al. 2019). Organizational trust is a moderator between job satisfaction and turnover intention (Nurhayati, Haningsih & Awaliyah 2020). When trust is lost, it is difficult to regain, and an organization

with low levels of trust will likely lose their competitive advantage (Wickramasinghe 2021). Leaders who are perceived as trustworthy earn respect and loyalty, leading to bottom-line results (Zhao, Fu & Freeney, 2024). Trust has a crucial impact in today's workplace, and it is important that leaders understand its significance. What are the behaviors required to create a trusting OC? If trust has been damaged at an organizational level, how can leaders of divisions or teams intervene to recreate trust within their own teams, thus enhancing sustainability?

In this study, the first author has accumulated empirical evidence of the impacts of trust held or lost, having been involved in workforce development initiatives at a senior level for several decades, with a major focus on the improvement of OC through coaching and intervention with senior leaders. Throughout this time, she observed that the leader-follower trust relationship is so powerful that even in organizations where the overarching culture is damaged, pockets of excellence can exist, supporting the findings of Lok, Westwood and Crawford (2005). Thus, the aim of this study is to provide case studies and insights on the relationship between trust and OC in practice.

II. LITERATURE REVIEW

A. Organizational Culture and Trust

Schein (1990) comments that the topic of OC is growing in importance, due to factors including increasing technological and complexity of functions, global networking through IT, the growth in multicultural organizations, and elevated concerns about global warming and sustainability. OC has major implications for performance (Kizilirmak et al. 2018). A culture that aligns with the organization's strategy and environment is associated with superior results (Carvalho et al. 2019). Culture also influences innovation, employee engagement, organizational citizenship behavior, ethical behavior, and an organization's capacity to change and adapt. A positive OC is one in which people feel valued and respected. They are motivated to do their best work and go beyond the basic requirements through their connection to the organization's, or team's, goals. This kind of OC promotes autonomy and creativity where people feel free to take risks and "think outside

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the box”, strategies which can be supported and guided through the leader’s ongoing communication (Zhang, Liu & He 2024). This is a safe environment where people can freely express their opinions and learn from their failures without punishment. Learning and innovation are promoted at all levels. The role of the leader in the creation of culture cannot be overstated. Without a positive culture at the top, people can feel as though they are in a hopeless situation, and mistakes are more likely to occur (Pavithra 2022).

In any organization and especially in larger organizations, there may be conflicting subcultures within different teams. The study of subcultures concerns the multiple sets of values and assumptions present, some enhancing the core organizational values, and others are in direct opposition to the overarching culture. Chandler, Csepregi and Heidrich (2018) studied the formation of subcultures and note that subcultures can be hugely beneficial to organizations. Even when there is a dominant toxic OC, positive subcultures can develop among teams whose members have forged strong bonds and are committed to supporting each other (Meyerson & Scully 1995). A positive subculture could develop naturally where people have shared values and beliefs and such cultures would create a buffer from the broader culture through the promotion of resilience and high performance (Hartnell, Ou & Kinicki 2011).

The examination of trust in organizational studies has emanated from diverse areas such as management, psychology, philosophy, and economics. Trust-based relationships amongst groups creates organizational sustainability in SMEs (Antoldi & Cerrato 2020). Trust is a key factor in understanding social relationships, including that between an employee and the leader (Abgeller et al. 2022). Algoe (2019), in a study of positive interpersonal processes, stresses the importance of positive social relationships, including being with people that we like and trust. Heap et al. (2018) also write about the impact of positive work relationships, especially in teams with enriched communication such as is available through new media technologies. Organizational trust is a complex phenomenon that evolves over time.

Dzimińska, Fijałkowska and Sułkowski (2018) present the attributes of trust as follows: it must be earned and cannot be sold or bought; it is fragile and takes a long time to build but can easily be destroyed; and it includes an expectation that the organization and the people in it will behave well, reliably, and with integrity. Trust precedes loyalty and reputation, according to these authors. Developing trust has been linked with social capital (Doh & Stumpf 2005), which develops within teams if there is trust between members and in the leader (Hitt, Ireland & Hoskisson 2012). Trust is the basic glue that holds an organization together. Management trust has significant positive effects on job involvement and satisfaction, as well as on organizational commitment (Lambert et al. 2021). Organizational trust has been positively associated with an OC that makes people feel comfortable (Joo, Yoon & Galbraith 2023). On the other hand, low trust as well as dishonesty, exhaustion, burnout, and bullying will result from negative leadership of the Machiavellian kind (Liyanagamage & Fernando 2023). Therefore, for leaders wanting to foster

positive team environments and achieve successful outcomes, prioritizing the building of trust is of major importance.

B. Leadership

Leadership behaviors have been investigated for decades now. Classical definitions of leadership are around bringing followers along in the direction of the goals of the organization (Yukl 2013). Another understanding of leadership is that presented by the social construction view in which leaders are viewed as sense-makers (Chace, Lynerd & DeSantis 2021). Many different styles of leadership have been proposed, and the importance of transformational leadership, focused on the outlining of a clear vision for the team, building a climate of mutual trust in the team, and motivating members to minimize their self-interest in favour of striving for the good of the organization has been well demonstrated (Helalat et al. 2023). The importance of an open atmosphere in which team members can contribute freely without fear of punishment has been demonstrated (Orekoya 2024).

Another contemporary approach is that of authentic leadership, which emphasizes building trust and acting with integrity. This style is concerned about relational transparency, balanced processing, an ethical perspective and self-awareness (Chang, Busser & Liu 2020). Authentic leaders build trust and credibility through leading by example and acting in keeping with their core values and beliefs (Qiu et al. 2019) (Agote, Aramburu & Lines 2016) (Basit & Siddiqui 2020).

Empowering leadership is also relevant to OC and resides in the leader’s ability to help followers feel that they have control over their work (Maynard, Gilson & Mathieu 2012). Leader behaviors involved here will include emphasizing that the work is significant, encouraging participation in decision-making, expressing confidence in the group’s performance, and removing bureaucratic constraints. Empowering leadership has been shown to have many positives (Joo, Yoon & Galbraith 2023). The freedom for individuals to express their emotions, both positive and negative, is a source of resilience for them and for their team. Stephens et al. (2013) assert that emotional expression in a trusting environment is a key mechanism for explaining team resilience. Much literature has illustrated key leader behaviors for building trust, including sharing information promptly and comprehensively especially during times of change (Pounder 2022), following through on commitments (Badrinarayanan 2024), modelling trustworthy behavior (Netolicky & Golledge 2021), active listening (Paramole et al. 2024), showing one’s vulnerability (Ciccone 2024), addressing problems directly (Muhdar et al. 2022), and recognizing contributions (Kramer & Bosman 2024).

Positive leadership is a general approach aimed at fostering positive relationships, communication and OC to bring out the best in people, creating a positive work environment often mediated by the development of trust in followers (Malinga, Stander & Nell 2019). Thus trust can be seen as a mediating factor through which leaders are able to bring about a positive OC and contribute to an organization’s success (Arakawa & Greenberg 2007). Positive leaders model optimism, focus on employee strengths, nurture each person, and promote a

strength-based culture. A work setting that is based around positive leadership and a positive OC provides a wide range of benefits for workers, for leaders, and for the organization itself. Trust is a significant element within this scenario. Leader self-awareness is clearly necessary for positive leadership to be optimized (Hartung 2020). On the other hand, destructive leadership alienates followers through manipulation, control and coercion, and does not focus on followers or the organization, but rather on the needs of the leader (Padilla, Hogan & Kaiser 2007). This study is informed by positive leadership, whichever theoretical approach is employed.

C. Social Sustainability and Leadership

Sustainability has become a dominant theme in many domains (Ullah et al. 2021). Social sustainability refers to an organization's ability to address issues impacting workers, customers and other stakeholders in their operations. The connection between leadership and social sustainability has been explored in recent literature. Thus Lewandowska et al. (2023) address the relationship between sustainable leadership and strengthening social sustainability within the healthcare industry, moderated by corporate social responsibility. Similarly, Lämsä, Heikkinen and Pučetaitė (2023) investigate socially sustainable leadership as it impacts human resources in their introduction to a special issue on this subject. Their introduction highlights the meaning of social sustainability in covering the practices and strategies which influence people, the organization's development, and the environment. Social sustainability is long-term and promotes the valuable elements of people's lives over time, with a focus on continuous learning and renewal, producing creative ideas that can solve problems in an ongoing way. Transformational leadership is the focus of the paper by Ullah et al. (2021) that examines the moderating role of this kind of leadership upon performance appraisal within the context of organizational social sustainability. Key aspects of social sustainability for leaders include taking a long-term perspective (Lueg & Jebson 2024), active stakeholder engagement (Muff, Delacoste & Dyllick 2022) (Jayashree, El Barachi & Hamza 2022), and creating a shared vision (Alam et al. 2025). Leadership is deeply connected with social sustainability and leaders who unfold sustainable practices are effective in addressing contemporary social issues, and also build adaptable, innovative and future-focused organizations. This approach can contribute to a more equitable society (Liao 2022).

III. RESEARCH METHOD

In this study, a qualitative approach drawing upon the experiences and observations of the first author was employed. Observation methods were described by Kumar (2022) as observing and describing the behavioral phenomenon of interest until insight is reached. People observe constantly as they move through their day. Important conditions to be met to establish scientific rigor include objectivity, lack of bias, and reliability (Gorman et al. 2005). Such case study observational research is a distinct form of case study research.

This study uses critical realism as its research philosophy, acknowledging that many realities will be interpreted

differently depending upon context (Saunders, Lewis & Thornhill 2009). Abductive reasoning is used to develop a mid-range theory regarding how different leadership styles impact upon employees' well-being and output. Abduction means that deductive reasoning from existing theory can be integrated with inductive reasoning based upon research interpretation of the data (Lin et al. 2019). Cross case comparison of three different cases from two different organizations was combined with theoretical propositions from literature to refine the key concepts and causal relationships (Bourgeois Iii 1979).

A. Case Selection

The authors used theoretical (Eisenhardt 1989) and purposive sampling (Etikan, Musa & Alkassim 2016) to select two organizations that demonstrated widely varying leadership styles impacting upon team benefits realization. Each case is treated as a unique experiment, enabling the researcher to draw theoretical inferences and generalizations (Lehtinen & Aaltonen 2020). The criteria for case selection were that each case has a significant impact on its community, involves a variety of stakeholders, operates in an environment of complexity of various types, and that the cases should differ significantly in terms of their performance and outcomes, to enable a clear identification of that difference.

B. Research Procedure

Given the opportunity to engage directly with teams and individuals, it was decided to use first-hand observations and record them in writing. Tools and techniques used in this study include face-to-face individual contact, group participation, zoom interviews, direct questioning, probing, assessments of language, written material, drawings, and images. To ensure accuracy, careful questioning was employed; for example, unpacking "looks like/sounds like/feels like" questions and paying particular attention to words that are subjective in nature, to fully understand their meaning. Notes were recorded as soon as possible, and participants were assured that their information would be treated as confidential. For data gathered for this paper via the role of coach/educator of the first author, a trusting environment was already established. Where information was gathered from participants in group sessions, time was also spent helping team members to speak comfortably and build their understanding that the role of the observer was in support of them and their work or role.

C. Analysis

Common patterns were identified through detailed examination of observations and interpretation of these via theoretical concepts. A deductive search for theory support for varying leadership styles and outcomes occurred in parallel with the case analysis and inductive interpretation to understand insights that either fitted or failed to fit with the theoretical assumptions. We compared additional evidence with initial outcomes, and based upon that additional evidence we established the impact of leadership styles on team outcomes, interpreting these within the context of each case (Lin et al. 2019). The analysis used cross case comparison of the three cases from the two organizations. This comparison, combined

with theoretical propositions found in literature, helped to refine the key concepts and causal relationships through a dynamic interplay between identifying patterns in the data and refining these patterns against existing theories.

D. Validity and reliability of findings

The construct validity of a study can be enhanced through multiple collection of data (Riege 2003). For this study, construct validity occurred through communications and questioning as well as on-site participant observations. According to Eisenhardt (1989), the internal validity of the case could be enhanced through comparison with existing literature. Therefore, the study undertook a comparative analysis of the literature with emphasis on the concepts of OC, leadership, and organizational trust. Another avenue of achieving validity was through the study's usage of critical realism and theory regarding how leaders can create resilience. Accordingly, the tying or linking of the emergent theory to existing literature enhances internal validity (Eisenhardt 1989).

IV. DATA ANALYSIS AND FINDINGS

The data emanate from the first author's experience in consultancy in two different SMEs which, while from the same industry, differ in size and structure. Three case studies, two from Organization A and one from Organization B, are contrasted in the way in which leadership behavior impacts workers' trust and well-being. Impacts on the leaders themselves are also described.

Case Study 1

Within one medium sized organization, Organization A, senior leaders have consistently displayed behaviors which result in a lack of trust and a negative OC. Employees regularly observe a mismatch between leaders' words and their actions; frequent bullying, blaming, and lack of consistent information sharing. Employees report feeling unheard and not valued. Appointments to some key roles have not been won on merit, resulting in people without the required levels of skills or experience imposing flawed strategies. Several female employees report being subject to misogynistic behaviors and limits to opportunities, resulting in the migration of valuable skills and experience. Further, the poor behaviors demonstrated by senior leaders, tacitly condoning this conduct, have seen negative behaviors infiltrate lower levels across the organization. With behavioral standards paying only lip service to policies, the use of policies as guiding principles is diminished, limiting opportunities for any positive leaders to stamp out bad behavior, and creating a culture of disconnection, stress, negativity, and instability.

Table 1 summarizes the aspects prevalent under an authentic leadership style in one division of this organization, Case Study 1 (Organization A, Division A), a team receiving authentic leadership leading to a positive culture, as seen below. It is clear from this case that positive leadership can create trust and high performance even within a toxic organizational context.

Table 1. Authentic Leadership Style (Case Study 1).

Organization A Division A	Contents
Leadership Style	Authentic Leadership style
Strategies Applied	Walking the talk – says what she will do and does it Clear, open communication – consistent, ongoing, in an appropriate format Provides opportunities for people to be heard and able to express both ideas and concerns Demonstrating care and respect for team members Providing clear vision and expectations Providing recognition and appropriate reward, resulting in a strong level of trust Does not share with team members the poor behavior or attitudes from senior organizational leaders
Tools/Techniques in communication	Visible – regularly seen in the team space and initiating general friendly conversation Available – ensures team managers and members know how to reach her Provides a range of communication channels & methods – for example one-on-one meetings, emails, sub-group gatherings, whole team meetings; and focusses on what the division needs to do Makes it clear that a positive style of leadership is expected in and across teams Provides a clear explanation of what is required of the division and what actions are planned.
Work Performance measurement	Team members express positivity in and about team leaders and describe the division as a great place to work Work timelines are met Targets are achieved or exceeded on time Team members' wellbeing is monitored Comprehensive participation in group gatherings and commitment to vision and mission Member retention is strong Even when team members are exposed to the negative OC outside of the team, as long as there is clear action and communication within the team resulting in certainty, value, and trust, positive outcomes are still achieved.
Trust achievement	High levels of trust across the division are demonstrated.
Strengths/ Weaknesses	Strengths: Skilled and capable in both the work and leadership Maintains a positive and supportive team environment and a commitment to supporting and protecting her team. Does not express her frustration with toxic behaviors from above to the team Committed to maintaining personal values and integrity and to leading by example. Weaknesses:

This is a draining context and approach, difficult to maintain in the long term.
There is a need for leaders to ensure their own well-being.

In another division within the large organization described above, Division B, the leader is similarly committed to positive leadership, and to employing many of the above-described strategies that engender trust. While this division also achieves positive (albeit less outstanding) results, team member wellbeing is not as strong, and retention is lower. Negativity is

apparent across the team with expressions regularly made regarding a lack of trust of senior leaders; feelings of disconnection; cynicism, exhaustion, and uncertainty. Table 2 summarizes the results of the transformational leadership style in case study 2 (Organization A, Division B)

Table 2. Transformational Leadership style (Case Study 2)

Organization A Division B	Contents
Leadership Style	Exhibits a transformational leadership style
Strategies applied	Provides inspiration by example Motivates the team by expressing her confidence in them Provides a clear vision for the team Works to promote the team within the broader organization Walks the talk – says what she will do and does it Provides clear, consistent, open communication in varying formats Demonstrates care and respect for individual team members Provides recognition, reward and development opportunities Reveals rather too much inside the division about the negative attitudes and behaviors of senior leaders.
Tools/Techniques in communication	Provides a range of communication channels and methods Provides advice to team members on what the division needs to do Expresses a desire for positive leadership in and across teams Provides a clear explanation of what is required of the division and what actions are planned Some visibility – routinely seen in the team space Initiates friendly and casual conversations Has only limited availability because of a partly remote role Ensures that team managers and members know how to reach her and book time with her Provides clarity for the team about organizational context and concerns Provides access to support opportunities as needed.
Work Performance measurement	Team members express positivity about internal team leaders, despite the broader negative OC Work timelines are met Targets are achieved or progressed on time Well-being of team members is monitored and opportunities provided for feedback.
Trust achievement	This leader has developed a strong level of trust across the division: however, the division is impacted by the negativity of the broader context.
Strengths/ Weaknesses	Strengths: Skilled, capable both in leadership and in the work area Capable of building trust, inspiration, and motivation Provides clear and transparent communication Weaknesses: Shows frustration and shares this with the team, building frustration and a sense of lack of control Too much sharing of information, leading to low morale

Case Study 3

Organization B is a smaller organization, operating within a larger entity. This organization practices a pyramid style of leadership with a single individual at the top who uses an autocratic leadership style: holding information tightly, releasing only small pieces of data based upon the leader's perception of 'need to know'. This information withholding left team members unsure of how to proceed or proceeding with a limited understanding of where they should be heading and routinely making decisions that in retrospect were seen to be flawed.

This autocratic leader apportioned blame and berated individuals, often publicly, for incorrect decisions made

without sufficient information. Their behavior was erratic, at times openly supporting individuals, and at other times, denigrating them. The leader's decisions were chaotic, leaving people unsure of what they should do. Very public chastisements where team members were loudly reprimanded in front of others were highly damaging. Unsurprisingly, the OC in this organization was highly toxic. Trust levels across the broader division were non-existent, and staff wellbeing was very low, with reports of individuals feeling physically sick as they drove to work. Team commitment to the organization's mission remained high, but commitment to the leader was very low. This created an internal conflict and further damaged wellbeing.

Table 3 summarizes the results of the empowering leadership style in Case Study 3 (Organization B). While some pockets of well-being were created within the division, the overall organizational leader used bullying and created fear.

Empowering leadership created psychological safety within the team, with open communication, clear directions in recognition and taking responsibility for issues.

Table 3. Empowering Leadership Style (Case Study 3)

Organization B	Contents
Leadership Style	Internal leaders used empowering leadership and created psychological safety and certainty.
Strategies applied	Leaders fostered spaces for open communication They provided clear directions and well-defined outcomes Leaders explained requirements in ways team members could understand They provided recognition and intangible rewards for work well done They showed respect and care for members and built confidence where there had been doubt They created pockets where service delivery remained high for the benefit of the whole organization
Tools/Techniques in communication	These leaders committed to saying what they meant, and doing what they said they would do They highlighted for members the goal of their work and its importance in the overall picture They provided avenues for sharing information and feedback They themselves took responsibility for things perceived to be 'wrong' rather than apportioning blame to team members.
Work Performance measurement	Teams with these leaders had lower absentee rates than other areas Team sub-culture, was more positive than the broader OC Employee retention in these teams was higher, providing cost savings Work continued to be undertaken according to plan.
Trust achievement	These team members expressed trust in and a deep appreciation of their team leader Trust across the organization remained low and people continued to look for opportunities to leave The senior leader and the organization as a whole were reputationally disadvantaged, with the leader eventually being removed The positive leadership of several sub leaders was recognized, with enhanced reputations and promotion positions.
Strengths/ Weaknesses	These observations enabled contrast within the same organization between negative and positive leadership The toxic behaviors displayed by the senior leader resulted in low trust and reputational damage While there were many positive outcomes through sub leaders building trust, this can be emotionally costly for the leader themselves in a toxic environment. In some ways these leaders were facing pressure from both sides. While experiencing negativity from above, they managed to send positivity downwards and maintain their own stability and peace of mind. Such a position could be seen to create a sense of cognitive dissonance and over the longer term may be detrimental to the leader's well-being. Such leaders need support to be able to continue under these circumstances.

V. FINDINGS AND DISCUSSION

Toxic cultures such as those described above can have a cascading effect through to lower levels, resulting in poor outcomes all around. However, it is possible for leaders to "swim against the tide" when leading a team within a toxic organization. Many writers have evidenced the negative impacts of toxic cultures (Rasool et al. 2021; Schmidt, McGrimmon & Dilks 2022). Positive outcomes such as job satisfaction and loyalty can also occur under some circumstances (Arena, Hines & Golden III 2023). Transformational leadership is well-established as a precursor of a positive OC and positive outcomes, both personal and organizational (Helalat et al. 2023). Other positive leadership styles can also be effective.

Case Study 1 describes a division within a larger medium sized organization, with a prevailing negative organizational culture due to senior leaders' behaviors such as a mismatch between words and behavior, bullying, blaming, and a lack of consistent sharing of information. However, despite this negative broader culture, the internal leader of this division displayed an authentic leadership style, with key strategies

including walking the talk, clear communication, giving opportunities for employees to be heard, showing respect, providing a clear vision, giving recognition and reward, and especially not sharing their own frustrations with the toxic behaviors emanating from senior leaders with their team. This The leader's positive leadership, open communication and respectful behavior towards team members created trust and resulted in high levels of performance, in keeping with literature (Umrani et al. 2024). Positive leadership cascaded down and was displayed by other leaders within this division, as reported by Kleynhans, Heyns and Stander (2022). At the same time, this leader did not convey their feelings of frustration about the negative culture from above.

In Case Study 2, within the same large medium sized organization also operating within the broader negative culture, the leader exhibited a transformational style and employed positive strategies such as providing inspiration, motivating the team, furnishing a clear vision, and giving care and recognition alongside strong communication. However, the leader did reveal their frustrations about the negative senior leadership and the broader organizational context to the team and this was damaging. This case study supplies a contrast with Division A:

while also achieving positive results and the leader having developed a strong level of trust within the division, team member well-being was not as strong and retention was lower. There was negativity, lack of trust of senior leaders, a feeling of disconnection and cynicism, and team members expressed their exhaustion and uncertainty. It was the leader's management of information regarding the toxic broader environment that significantly impacted team well-being and retention. This shows that the broader context can still have detrimental effects even if there is a positive subculture.

In case study 3, focused upon a smaller organization (Organization B) operating within a larger entity, an autocratic leader at the top of the organization shared information only minimally, providing uncertainty about work objectives. This leader also blamed people, sometimes publicly, and behaved in an erratic way. The withholding of information led to uncertainty and poor decisions. Team members felt anxious and wanted to leave. Trust levels were non-existent across the broader organization, and staff well-being was low. This study gives a clear example of the negative impacts of a toxic culture and destructive leadership and supports literature findings that low trust and negative leadership behavior lead to negativity, stress, reduced feelings of well-being, and damaged reputation.

Even in this severely toxic environment, some internal leaders created a positive OC within their immediate teams, sharing information appropriately and providing recognition, bringing safety within the wider unstable organization, in line with the findings of Hartnell, Ou and Kinicki (2011) that high performance and resilience can be cultivated within sub cultures. Case Study 3 shows the value of empowering leadership even when bullying and fear are employed at the broader organizational level. Empowering leaders created psychological safety and built trust even under conditions of bullying and fear from the higher levels. The positive outcomes in these teams included lower absentee rates and higher retention, providing cost savings.

In summary, the case studies move from illustrating the potential of positive leadership within a toxic environment (case study 1), to highlighting the challenges in managing the interface with toxicity (case study 2), to showing the negative consequences of destructive leadership in organization B (case study 3). Even here, however, resilience and positive outcomes are achievable by internal leaders who can build trust through empowering behaviors.

The case studies indicate that trust is a vital component in the creation of a pocket of positive culture within an otherwise negative organization. Positive leadership and open communication can be effective within a boundary, even if outside of that boundary the culture is highly toxic. A positive leader who can achieve this goal will have a significant impact on the flourishing of the team as well as on the bottom line. The absence of trust is often associated with a range of negative behaviors including bullying, blaming, and lack of

communication, leading to negativity and stress. Clearly the role of the leader is paramount in whether trust or a lack of trust will typify the workplace. These case studies also show that it is possible to create a positive subculture through careful and caring leader behavior, ensuring that people can thrive, both personally and professionally as shown by Meyerson and Scully (1995). In the case study in which the leadership style was authentic in style, high levels of trust occurred in accord with the findings of Chang, Busser and Liu (2020) and Qiu et al. (2019). There were also elements of transformational and empowering leadership within the positive variants of these case studies. Such leadership shows respect for the team and builds their confidence, in keeping with literature (Joo, Yoon & Galbraith 2023) (Ahmad et al. 2023). Trust is significant and the leader's role is pivotal in creating that trust.

VI. PRACTICAL GUIDELINES

To provide a conceptual understanding at a fine-grained level, the model below uses the metaphor of banking to describe the process of building or damaging trust and team relationships. Credits and debits represent the impacts on trust of leaders in building and maintaining team relationships. The 'interest' represents gains which can occur through consistent and reliable behaviors. The final column represents the fees or cost caused by negative leader behaviors. This metaphor is useful because leaders are in control of what they inject into their leadership context and what they take out of it. The final 'balance' in the relationship bank of team performance will depend upon the interest gained and the fees applied. That leaders can build trust through specific, positive and timely feedback is indicated through examples presented in the table below, which uses a banking metaphor to illustrate how consistent positive actions by leaders can build relationship capital, contrasting this with negative behaviors that erode trust.

Table 4 itemizes credits (or deposits) and debits (or withdrawals), and the impact in terms of interest gains and fees applied due to various types of leader behavior, as viewed through the lens of trust. Activities which build trust can be optimized through leveraging positive behaviors, including strong communication, showing vulnerability, providing developmental opportunities for people, being reliable, and modelling the behavior they want. On the other hand, being unavailable, selfishness, taking credit and giving blame inappropriately create a negative "bank balance", to the detriment of followers and the organization alike. The point to be taken is that like a financial bank account, leaders need to consciously manage their relationship capital to build trust in real time.

Table 4. Leader's Trust Model.

CREDITS <i>Direct, positive feedback:</i>	DEBITS <i>Negative or developmental feedback:</i>	LEVERAGING INTEREST <i>Leader's behaviors which multiply the positives:</i>	FEES & CHARGES <i>Leader's actions which will take a toll on any credits stored:</i>
Positive, general, feedback +	Negative general comment — — —	Demonstrating Integrity	Breaching Confidentiality
Specific, positive feedback ++	Negative specific comment — —	Clearly demonstrating espoused values	Only talking the talk
Specific, positive, timely feedback +++	Negative, general feedback —	Perceived as trustworthy	Poor communications
Eg: "It's great to have you here" = +	Eg: "You're hopeless" = — — —	Alignment to vision is shown and fostered	Presenteeism
Eg: "You really make a difference to our team". = +	Eg: "We can't rely on you" = — — —	Reliability	Unavailability
Eg: (in a regular performance conversation) "It really adds value when you show new team members how to do '...xyz...'" = ++	Eg: "You always leave a mess everywhere". = — —	Strong communication	Procrastination
Eg: (overhears you talking to another person) "He / she shows us all how we could...xyz..." = ++	Eg: "Your work is never handed in on time". = — —	Walking the talk	Playing favorites
Eg: (as soon as possible after your team member does ...xyz...) "You're doing ...xyz... when ... is exactly what we need modelled here / really improved the outcome / paved the way for success..." = +++	Eg: (as soon as possible after your team member fails to meet expectations) "I felt so frustrated when you left your papers in the meeting room. Can you pack them up and take them with you when you leave?" = —	Showing vulnerability	Self-promotion
Eg: (in a note left on their desk / screen / emailed...) "I could relax, knowing we were right on track, when you gave me the detailed report on ..." = ++ +	Eg: (in a regular performance conversation) "When you get work in late it really blows out our schedule. We need your work in by" = —	Creating development opportunities	Taking the credit
Providing regular opportunities to give specific, positive reinforcement that indicates the person's value to the team or organization = +++	Note – even appropriate developmental feedback can put a dent in the relationship bank. But making sure it is timely, specific, and constructive will lessen the dent. = —	Providing opportunities for others	Apportioning blame

In walking through this table, the left-hand column gives examples of positive feedback, which is general, specific, and timely and illustrates, in the number of plus signs, the effect on the relationship balance. The next column provides negative examples together with their impact, indicated by the number of negative signs. The third column provides examples of leaders' behavior which contribute positively to the

relationship. It is worth noting that these behaviors add value even when expressed outside the relationship being evaluated, contributing to reputational advantage. Other elements in the trust equation are integrity, reliability, communication and creating development opportunities for others. The fees and charges impact on the relationship bank equates to another debit in the right-hand column and will apply regardless of any credit

in the relationship bank: a relationship bank can assume a negative balance even before any relationship gains. Matching examples are provided, such as breaching confidentiality, unavailability, playing favourites, and self-promotion.

VII. CONCLUSION

This paper has discussed the significance of a trusting environment created by the leader in driving positive outcomes that lead to sustainability in SMEs. The paper highlights the significance of trust in the creation of a positive OC, the flourishing of people within the team, and the centrality of the leader's role. As noted by Ramdas and Patrick (2019): "Trust is the currency of every relationship both professional and personal." The paper presents case studies describing positive and negative leader behavior and their impact on the team. The data resonate closely with literature concerning the ramifications of positive OC regarding job satisfaction and performance (Dzimińska, Fijałkowska & Sułkowski 2018) (Carvalho et al. 2019). Elements of authentic, transformational, and empowering leadership were revealed in the case studies, providing practical demonstration of various leadership styles and their consequences for trust and team outcomes within various contexts. Taken together, the case studies contrast positive leadership of whatever style against the backdrop of broader organizational toxicity. This informs discussion about how leaders can build trust within positive subcultures.

This paper fits with the pressure from both practitioners and scholars to produce research ideas that are relevant and impactful. Some time ago, Shapiro, Kirkman and Courtney (2007) called for management research which was relevant to practitioners. This call was issued again more recently by Buckley, Doh and Benischke (2017) relating to the field of international business. The approach presented herein has very high practical relevance for SMEs. Sustainability in SMEs is an under-researched field despite its importance. SMEs are the backbone of our economy, and high-performance and sustainability is a major social benefit. An entrepreneurial orientation is linked with business success in SMEs (Hamdan & Alheet 2020).

This study provides practical guidelines for leaders to enhance the performance of their teams in SMEs. The paper also extends theory on how leaders can create resilience despite an umbrella toxic OC through the cultivation of trusting relationships. A leader who can summon the skills to act in a positive fashion and create trust in their team regardless of the external environment can promote sustainable development that may ultimately influence the wider culture. Recommendations for generalizing positive subcultures to the wider culture over time might include a focus on senior leadership and encouraging positive and trustworthy behaviors at that level. Identifying and promoting positive leaders into positions where they can influence the broader OC would signal commitment to these values of creating trusting and positive environments. Implementing transparent and consistent communication at all levels and across all divisions will provide clear expectations regarding information sharing. The trust model gives a framework for individual leaders to understand

how their actions influence trust. Organizations could use this model, or something similar, to educate and train all leaders on specific behaviors that build trust such as integrity, reliability, active listening, showing vulnerability, and providing recognition. At the same time, they need to address behaviors that erode trust such as breaching confidentiality, being unavailable, playing favorites, taking credit for other people's work, and public blaming. Systematic processes to provide feedback, accountability, and behavioral modification are necessary. Creating an organization-wide positive culture would require that leaders cultivate an environment where people feel free to express their ideas and concerns without fear of reprisal. There needs to be consistent reinforcement from the leadership that speaking up is valued and will not be punished.

As noted by Cheer (2020), sustainability means flourishing, functioning well and experiencing a sense of well-being. This is a conceptual paper based upon the experience of the first author in creating resilience and fostering positive leadership. This paper emphasizes the crucial role of trust and positive leadership in creating an OC that supports social sustainability, through highlighting trust as an important component of sustainability governance, unfolding the many benefits, including across performance, employee well-being, loyalty, commitment, retention, and the critical role of leaders in this endeavor. Trust is connected to social sustainability or the organization's ability to address issues impacting workers, customers, and other stakeholders. Positive subcultures built on trust promote resilience and high levels of performance. Transferring these trust building practices to the wider organization can enhance resilience and adaptability and better enable an organization to address contemporary social issues and be future-focused. Future research will further validate the relationship between leaders and organizational culture via the creation of trust.

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