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How to overcome Canadians' waning trust in business

Edelman's annual Trust Barometer brought some bad news, but engaging employees may be the solution.

By [Jeremy Lloyd](#)

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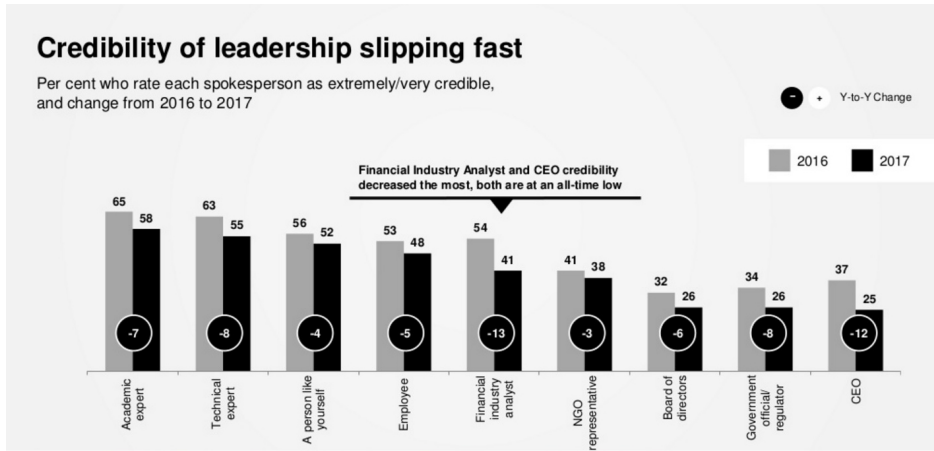


Tuesday's Trust Barometer report from Edelman was full of bad news for Canada's businesses. Record numbers of Canadians said they did not trust businesses or their spokespeople, but Edelman Canada CEO Lisa Kimmel points to data deeper in the report that suggests how brands can move forward despite the gloomy outlook.

The bad news may have come as a surprise to some, given that last year's report was **relatively sunny**. Kimmel says her PR firm expected the 2015 federal election to boost trust numbers for government, NGOs, media and businesses in last year's report (a trend that Edelman sees in other markets as well). With the election behind us, the firm anticipated declines in 2017.

"But we didn't anticipate how dramatic those declines would be," she told *strategy*. "Trust in government, business and media are at an all-time low in Canada." For the first time in the survey's 17-year history, more than half of Canadians can be said to distrust their institutions.

"I don't think this is an outlier year," Kimmel says. "I think we're living in a new reality. I'm not convinced we'll see results that are significantly different next year."



Leadership is seen as a particular weakness by the 1,150 Canadians who took Edelman's survey online between Oct. 17 and Nov. 13, 2016. Historically strong voices of authority – CEOs, boards of directors and financial analysts – are now seen as the least-credible sources. A record low of 25% of respondents saw CEOs as trustworthy sources of information (down from 37% last year). Financial analysts fared slightly better at 41% (down from 54%), but are also at a historical Canadian low.

However, Kimmel points to where Canadians do show trust: employees and people like themselves.

"Employees, seen as a credible source (of information), are under-leveraged," she says. "If you don't engage them, they can be a liability. It can compel them to speak poorly of a company."

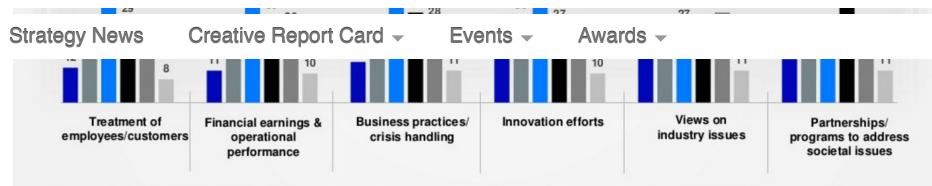
Patricia McQuillan, president and founder of Brand Matters, says CEOs already have the tools to leverage their staff, as the fundamentals of such employee engagement have not changed much over the last decade. McQuillan has advised large-scale, customer-service-based firms in Canada on employee activation, and says turning staff into brand advocates is a simple matter of transparent and timely communication.

Senior leaders should regularly discuss the company's goals with employees at every level and be transparent about financial performance, McQuillan says. "We're talking about information that impacts the employee directly, so they can see the results of their efforts." She points to companies such as FedEx, which would fly executives to remote branches to have face-to-face meetings with front-line employees on such matters.

This will become increasingly important as millennials take over larger portions of the work force. McQuillan says this group demands more timely and personal communication with executives than their older co-workers.

Edelman's Kimmel also says the Trust Barometer shows a growing sense that the "elites," including business leaders, are out of touch with real people.





"The results demonstrate that businesses and leadership need to be working with the people to affect positive societal change, whether it be environmental sustainability, supporting infrastructure or human rights. That is an opportunity for CMOs to think about being more purposeful in creating stronger connections with our target consumers – how do we bring people into the fold?"

"Activist consumers" have been judged most trustworthy to lead the charge toward such socially minded efforts.

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