

# manageris

## Create the conditions to build trust

e all want to inspire trust, and nothing is more frustrating than having someone refuse to trust you, especially since trust is an essential performance factor. Nicolas, a division manager, discusses this with his coach: "It's exasperating. With Astrid, it's just not working. I do everything I can to help her take initiative. I have proven it time and time again by giving her the resources she requested. I've adapted her objectives to reassure her. But she has some gnawing idea that I'm

### The decision to trust others is always difficult.

trying to trip her up somehow. It's just unbelievable! If I had wanted to get rid of her, I could have done it when we restructured. So why is she so suspicious of me?"

The experts point out that this imbalance is not unusual. Indeed, *The Decision to Trust* underlines the fact that trust is not the natural consequence of a situation, but a decision made by each individual based on their personal frame of reference.

#### A serious decision

Trust cannot be granted lightly. Trusting another person means taking the risk of accepting some degree of uncertainty by agreeing not to explain every little thing and not to control every term of the interaction. If all goes well, there are many advantages, because interactions take place more easily and the trusted person feels freer to take initiative and can seize opportunities as they arise. However, if the situation turns out badly, the person who granted his or her trust is the one who often suffers most. Hence, there is a strong temptation to keep some means of control.

#### A decision involving multiple factors

The decision to trust another person is not rationally based. Admittedly, it is easier to trust someone who has proven trustworthy in the past. But a lot of other factors enter into play. Psychologists have observed, for example, that people who have been victims of attack have lasting difficulty trusting anyone. Similarly, an executive in the hot seat will have more difficulty trusting anyone, even on topics that have

nothing to do with his current problems. It is thus impossible to control all the drivers that determine whether or not a given individual grants his or her trust.

#### A fragile decision

Lastly, trust must never be taken for granted. If the context changes, even longstanding trust may be called into question. Even well-established teams have noted, for instance, that simply adding or removing a member may shift the balance and require relationships to be redefined. Worse, the least breach of trust — failure to keep a promise, an instance of bad behavior — can have lasting effects, regardless of the quality of the trust that existed before the incident occurred.

Although the trust accorded by others is a decision we cannot control, we can still work to create the conditions that foster its emergence.

Five conditions are critical to the emergence of trust.

- 1 Create a reassuring environment
- 2 Establish close links with the other person
- 3 Demonstrate your **performance**
- 4 Be predictable
- 5 Communicate proactively

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#### 1st condition of trust

#### Create a **reassuring** environment

#### Checklist

Have you created the **REASSURING** environment required for trust?

- Is the level of risk acceptable? Have you explored the risk the other person is taking by trusting you? Is there a way to minimize this risk? Are the other person's expectations realistic or should they be adjusted?
- What guarantees can you give? What factors will drive you to keep your promises? If you fail to live up to the trust placed in you, how can you minimize the resulting damage?
- · How will you take account of the objectives and concerns of the other person? Have you understood and reformulated the other person's objectives? Has he or she validated your understanding?

When we trust someone, we take the risk that the person in question may not act as we had hoped. We thus expose ourselves to a higher degree of uncertainty than if we had the means to control the situation ourselves. We can accept this uncertainty more easily when we perceive the consequences of a potential failure to be tolerable. For example, IBM based its business suc-

cess for years on the need for security of the IT managers in charge of choosing equipment. In addition to intrinsic product performance

features, the argument, "no one has ever been fired for choosing IBM" often swayed the decision to trust IBM.

Creating a solid foundation for trust means carefully cultivating this perception of security. This often initially requires showing that you understand the things at stake for the other person and care about them, even if they are not precisely the same as yours. Jacques, a plant manager, discovered this when attempting to gain the trust of his regional director, who had an annoying tendency to "micro-manage" him. After speaking with this director, Jacques finally understood that what he perceived as mistrust was primarily due to the director's need to report to headquarters on the activities of his teams. Management committee meetings were tense, and the regional director had to face what resembled a veritable inquisition. Understanding this issue led Jacques to submit much more detailed reports and to suggest a prepa-

ratory meeting before management committee meetings to discuss the findings in detail. In a matter of months, he had won the full confi-

dence of the regional director.

People trust one

another more easily

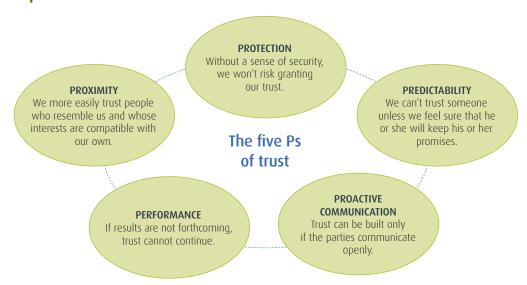
when the corresponding

risk is under control.

Another way to provide reassurance is to anticipate potential disappointments and establish ways to mitigate **the consequences**. This is the principle behind contracts, which promote trust within a framework that anticipates potential sources of conflict and establishes penalties for the failure to meet obligations. Retailers that offer to take purchased products back unconditionally protect customers from the consequences of their mistakes and thus promote trust — and the decision to buy.

"Experience proves that the man who trusts no one is never disappointed." Leonardo da Vinci

### Five prerequisites for trust



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#### 2<sup>nd</sup> condition of trust

#### Establish **close** links

To trust another person, we must be able to predict how that person will act and what he or she is likely to do. So every factor that contributes to reducing this uncertainty tends to reinforce trust.

However, the more we resemble someone, the more we feel — rightly or wrongly — that we can anticipate that person's reactions, because we sense that they must be similar to our own. A good way to foster trust is therefore

to underline similarities, rather than differences. That is why it is so important for teams or companies to clarify

shared values, common objectives and expected behavioral standards. This closeness can also concern more personal factors. Company social events, offsites or seminars play an important role in this regard. Not only do they represent opportunities for people to meet and share ideas, but are also a chance for them to get better acquainted on a

personal level. They may discover, for instance, that they share the same hobby, had the same major in college, have travelled to the same countries or have children of the same age, etc. Far from being anecdotal, these similarities do a great deal to build trust.

More prosaically, it is just as important to underline the **interests shared by the respective stakeholders**. Although the interests of two people always diverge in some way, anything

We more easily

trust people who

resemble us.

Nothing serves to

inspire trust if the

results do not follow.

that shows that the attainment of the objectives of one party will help the other party attain theirs tends to rein-

force trust. French companies such as Total, Bouygues and Safran show their understanding of this principle through a strong employee shareholding plan. Indeed, industrial relations conflicts are observed to be less severe at these companies thanks to the resulting convergence of the interests of shareholders and employees.

#### Checklist

Have you established the **CLOSE LINKS** needed to foster trust?

- Above and beyond apparent differences, what do you have in common? Have you discussed your values, experiences and convictions? Do you share your interests and hobbies outside the company?
- What are the visible signs of your similarities? Do you belong to the same teams or clubs? Do you share a common language?-Do you use "we" rather than "1"?
- Where do your personal interests and objectives overlap? Are you transparent about your objectives? Are they compatible? How could they be mutually reinforcing, at least in the long term?

"If you trust yourself, you will inspire others to trust you."

Goethe

#### 3rd condition of trust

#### Demonstrate your **performance**

As credible as a person may be, trust requires tangible proof that it is merited. Producing the results expected is an indispensable prerequisite to maintain trust.

Inspiring trust with results means **proving your competency**, through

past successes, diplomas or certifications, testimonials of satisfied customers, or a "sample" of what you

are offering. These justifications may seem unnecessary if you are certain you possess the required skills, but they are essential to reassure someone who hesitates to grant their trust. Indeed, trust is never given once and for all, but in specific situations requiring specific skills. This is the mistake made by George Bush when he entrusted to Michael Brown the management of Hurricane Katrina in 2005. Given that the skills of the Federal Emergency Bureau head did not cover flooded coastline disasters, Bush's trust was unjustified.

It is just as critical to demonstrate that you have the resources to meet expectations. Military parades, for ins-

tance, are designed to inspire trust by concretely demonstrating the power of available resources. Finally, it is a good idea to provide reassurance regarding your ability to react to the unexpected by establishing suitable verification and response systems.

#### Checklist

Can you provide proof of your **PERFORMANCE**?

- How will your skills enable you to meet your obligations? What is your history of success? What have you learned from your failures?
- What resources do you have available to keep your promises? Will these resources help you deal with the unexpected? Will you know to ask for help if necessary?
- Are your commitments up to expectations? Can the other person count on you to do your utmost to succeed? Have you proven this in the past?

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#### 4th condition of trust

#### Be predictable

#### Checklist

Do you try to be PREDICTABLE?

- · Are your commitments credible? Have you always been reliable in keeping your commitments? If not, did you let the other person know and explain the
- Do you clearly assert your values? Do you explain how your decisions reflect these values? Do you take the time to discuss this?
- Are you consistent? Do you take a step back to make sure you act consistently with your promises? Are your messages consistent over time and in different situations?

Before trusting someone, we must feel relatively sure that we can count on that individual to meet his or her obligations.

Clarifying commitments and expectations is thus a basic building block of trust. Too often, the parties to an agreement develop their own interpretations

You can't trust

someone who is

unpredictable.

of the promises made, leading to stinging disappointments. For example, the CEO of Procter & Gamble, Ro-

bert McDonald, provided a credible description of the values he wanted to promote and how they should be manifested in day-to-day behavior. Understanding what was expected of them, company employees and partners were willing to play the game and give their trust.

Of course, clearly expressing your intentions also goes hand in hand with keeping your promises. Without integrity, trust is impossible. It is thus very important to be careful to "walk the talk." The Decision to Trust cites the example of a partner in an American

consulting firm known to be brilliant and creative. The only problem was that he tended to promise too

much, and the team often could not deliver on his commitments. Clients gradually refused to work with this partner, even though they greatly valued his contribution, because his lack of predictability undermined their trust in him.

#### An extreme example

How did Bernard Madoff manage to inspire such trust that he was able to get intelligent and educated people to invest in his "Ponzi scheme" for over thirty years? He effectively combined all the ingredients of trust:

PROTECTION	Extremely high profits over a very long period gave investors a false sense of security.
CLOSENESS	Many of Madoff's customers came from his philanthropic circles and "friends of friends."
PERFORMANCE	Madoff created an image of extreme competency thanks to the longstanding history of his funds' extremely high performance.
PREDICTABILITY	Regular results, no surprises on management costs. Madoff kept his promises for a long time!
PROACTIVE COMMUNICATION	His communication actively supported the image of a gifted and trustworthy trader.

Based on The Decision to Trust, Robert F. Hurley, Jossey-Bass, 2011.

Being trustworthy

is not sufficient

to inspire trust.

Checklist

Are you careful to communicate your trustworthiness PROACTIVELY?

- · Do you take the initiative to communicate proactively with everyone? Do you engage in informal discussions above and beyond the strict minimum required to get the job done?
- Do you communicate transparently? Do you share your doubts and feelings easily? Do you carefully ensure the dissemination of strategic information?
- Do you raise sensitive Issues? Are you careful to rapidly defuse latent conflicts or rumors?

#### 5th condition of trust

#### Communicate proactively

Trust is first and foremost a matter of human relations, and mistrust most often arises in situations where communication is poor. By the same token, people won't trust you just because you deserve it.

To inspire trust, you must commu-

nicate carefully to build your reputation. For instance, Jeff Immelt, the CEO of General Electric, made it a prin-

ciple to conclude every management meeting with a review of the company values and how they are upheld. By repeating this message consistently, he managed to make integrity a key element of his image.

Communication works effectively

only if it goes both ways. Listening carefully and validating that you have understood the other person is thus a major driver of trust. A manager recounts that reformulating the expectations of an employee made him aware of the gap between them. He ini-

tially thought that the employee wanted him to show his trust by allowing the latter to take more initiative, while

the employee made a point of demonstrating his trustworthiness by submitting detailed reports and systematically asking for support to make decisions. The ensuing dialogue helped to restore a relationship unencumbered by these misunderstandings.