

## Expert View

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### The Value of Building Trust in the Workplace

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"When I have to coach a manager about his or her trusting someone I always ask the 'foxhole' question: 'At the end of a day, with a war going on, would you want to jump in a foxhole with this person?' "

- Director of human resources for a national company

The concept of trust is both complex and multi-dimensional. Meaning different things to different people, a quality if lost, is hard to regain. Trust is as much something we extend to others, as what we expect to receive.

Recall Stephen Covey's concept of the Emotional Bank Account in which he urges people to make deposits of their own trustworthy actions. This series of deposits typically keeps our accounts in the black so that if a withdrawal occurs (some breach of trust we commit), an apology and fixing of the problem assures the continued success of the relationship. Similarly, HR staff, policies and practices can either build or diminish an organization's trust account.

The recent scandals of Enron, WorldCom and Imclone have provoked much discussion and speculation about cultural and leadership issues. While this picture of the systems and leaders who severely breached national and global trust unfolds, senior management turns to human resource professionals to focus attention to their organization's trust level.

This article will spotlight two recent research studies on the correlation of trust and productivity for those who appreciate quantitative data. Because trust is an emotional experience, several short stories about trust from various organizational views illustrate the fact that trust is a highly personal experience and in no way abstract. In addition, the authors

offer practical suggestions to strengthen trust in an organization. This collage of data, personal experiences and suggestions is bound and integrated by the recurring refrain of leadership.

### **Trust Affects Productivity**

Tony Simons' study, "The high cost of lost trust" (Harvard Business Review, Sept. 2002) focused on pinpointing the real cost associated with low-trust environments. The study surveyed 6,500 Holiday Inn employees in 76 international hotel sites to examine the alignment between managers' words and actual performance.

The responses, which were correlated with customer satisfaction scores, personnel records and financial records, demonstrated that the hotels where managers followed through on promises and had behavioral integrity were more profitable.

In fact, on a 5-point scale, a one-eighth-point improvement should result in a 2.5 percent increase in hotel revenues. Simon attributes hotel managers' lack of behavioral integrity to various blind spots, such as their failure to identify integrity problems within themselves - [more info](#).

Another recent study of 4,000 employees in eight countries concludes that building trust and emphasizing business ethics in the workplace pays off in tangible and intangible ways, helping the company's bottom line. Sponsored by United Technologies and conducted by Pamela Shockley-Zalabak, Ph.D., Kathleen Ellis, Ph.D., and Ruggero Cesaria, the study showed "trust is more than a social virtue and it serves as an economic imperative for business resilience in a global marketplace." Its findings show that organizations with high levels of trust continually benefit from:

- \* Adaptive organizational structures
- \* Strategic alliances
- \* Responsive virtual teams
- \* Effective crisis management
- \* Reduced transaction and litigation costs

The authors have created an organizational trust index used to quantify organizational trust levels - <http://store.yahoo.com/iabcstore/measortrus.html>

### **Personal Stories of Trust**

Unless trust permeates all facets of an organization, productivity will fall, creativity will decrease, and stress will abound. These personal stories, gleaned from in-depth interviews of over 25 people from all industries and levels, provide texture and color to any discussion of trust, since trust has both its dark and light moments.

### **Peace of mind**

*"The highest level of trust I have achieved in my career is the trust I have now in a fellow vice president. I owe her so much for trusting me; she would never undermine me, take a tally, or hurt me in any way. I am committed to give that same trust back. I would feel terrible for not deserving or undermining her trust. The results are innovations and breakthroughs among our divisions that are remarkable. Now that I am saying this, I plan to tell her about my feelings today." - Human resources vice president*

### **A healthy meeting among harmful ones**

*"I attend many high-level interdepartmental meetings weekly. All but one [meeting] has a harsh political climate, resulting in defensiveness, conflict, physical and mental stress. The one meeting that differs, despite its high operational impact, features trust and support among those attending. We put problems on the table and genuinely ask for help. There are never any dirty tricks. It is all due to the approach of our leader, who never takes us to task publicly, whom guides us in problem solving and who reinforces collegiality rather than competitiveness. This meeting is an oasis in an otherwise toxic culture, and we make things happen." - Systems VP*

### **Delegation**

*"His giving me autonomy drove me to succeed, and so I always delivered for him. An otherwise reserved man, he went out of his way to tell me he trusted me and that he believed I would do a good job." - Store Manager*

### **Invest in trust**

*My boss was booked in meetings from 7-9 a.m. every day. In the beginning, he set aside a great deal of time so that we could get to know each other and discuss the job challenges of the week. Occasionally meetings pre-empted our time but he made the commitment to reach me. I knew it was a high priority for him to invest this time in me, so I trusted him and was more open. I worked extra hard to show my loyalty to him. - Hospital executive*

### **Re-building trust takes time**

*My boss broke her word with me. I have looked into myself long and hard to understand trustworthiness so I planned to reach out and rebuild my trust in her. I was not going to give it back right away, as I needed time to painstakingly set new boundaries. It is still not where it was, but I have started. - Government executive*

### **Group dynamics**

*"Organizational trust appears to be related to group behavior. In order to build trust or improve it, it is important to explore every employee's*

*idea, ask questions and involve everyone in the discussion. If people aren't interested in what I have to offer, why should I go out of my way to increase the profit of an organization I do not even feel part of?" - Software designer*

These intimate, one-on-one, interviews reveal that trust is a vital concept, highly appreciated, and evocative of strong feelings. The bond that trust offers takes time and patience to establish with repetition, interactions and degrees of openness or delegation. Spending informal, non-work time with co-workers nurtures trust and speeds up its effects.

Trust exists both in relationships and in the system at large. The confidence it provides permeates an organization through its people, departments, policies, products and future outlook. Unfortunately, it often does not receive the overt focus and attention it deserves, considering the vast impact it has on an organization's performance.

Furthermore, trust can be a touchy subject, which many managers do not know how to approach. Consequently, rather than addressing trust through a program, it is often better to incorporate trust into already existing organizational practices? Based on years of experience in the field of building trust and teamwork in an organization, the following approaches of how to weave trust into an organization may be helpful:

<b>What we know about trust</b>	<b>Suggested approaches to strengthen trust</b>
Views of trust vary and lack clarity	Draft a definition of trust for the organization. The Oxford dictionary defines "trust" as "confidence" (an emotional word); a "reliance" (another emotional word); or "a resting of the mind on the integrity, veracity, justice, friendship, or other sound principle of another person or thing."
One or more behaviors enhance trust, or reduce trust	Include trust and ethical behavior items in surveys and focus groups. Review surveys and other data collection tools, whether internal or external, for items that address trust. The challenge of involving and partnering with senior executives on these sensitive topics is no better accomplished than using solid data for problem solving and action planning. Data open the door for various interventions and open the dialogue at the executive table to address trust and ethics.
Changes affect trust	Evaluate the organization's change management practices and its record. Nothing depletes trust more quickly, and sometimes irrevocably, than poorly implemented organizational changes. Knowing this, find ways to improve communications before, during, and after a change of any magnitude.
Teamwork demands trust	Maximize team-building investments. Find ways to safely and quickly get to the heart of trust with individuals and teams. Have a third party assess a team's trust levels via surveys or interviews and then assist in problem solving.

Trust takes work	Conduct action-learning sessions with supervisory and management staff to identify ways of regaining or improving trust. Use your focus group or survey data to raise the issues. This means setting new expectations for a high level of trust for all supervisors, managers, and executives. No matter how talented the executive or manager, he or she must vigilantly and consciously guard trust quotients and frequently add to the "trust account."
Policies and procedures can weaken organizational trust	Re-vamp or jettison policies and ways of doing business that impede the goal of regaining trust and rebuilding ethical responsibility. For example, which company or department systems are false and empty? Performance appraisals? Executive presentations? Selection or promotion processes? Budget reviews? Customer responsiveness? These systems or policies, which may appear hollow or even fake, are well known in a company. Surveys and/or focus groups can provide useful data to diligent task forces who want to tackle these infrastructure anomalies.
Information contributes to trust	Test the transparency of your department's decision-making and budgeting process. Again and again when asked about trust, people seek transparency in how and why priorities are set and how budget decisions are made.
It is okay to talk about trust	Consider conducting interviews to learn more about trust in your organization. Sample questions: 1. What does trust mean to you? 2. From where does your personal level of trust derive? 3. Give an example of trust in this organization? 4. What do you believe helps build trust in the organization? 5. How do you know if you are being trusted? 6. Have you ever tried to regain trust in someone? 7. How did you go about that, and was it successful?
Behavioral integrity is a key to trust.	Maximize your coaching investments. Challenge executive coaches to examine specific behaviors that contribute to, or deplete trust. For example, an executive returned from a weeklong leadership program that provided her with survey feedback, indicating that she was not trusted. The news shocked and devastated her. Her executive coach then interviewed her key staff and asked several questions, one of which was: "What can Carol do to regain your trust?" The answers enlightened Carol and she made immediate changes.

Max DePree, an author on leadership, tells us, "Don't apologize for the truth." No guarantee exists that these suggestions for incorporating trust issues into existing programs and projects will raise awareness and bring results. Nothing about trust or ethical behavior is quick or easy, as trust has layers of history, politics, and nuances that confound everyone. However, the confidence and peace of mind that increased trust brings is well worth the effort and risk - and enhances the organization's need to invest in trust-building programs that will offer a significant return on investment, both in quantifiable and qualitative terms, that will only

improve a company's well- being.  
Not to mention, of course, the well-being of human resources managers who find this key  
issue landing on an already-overloaded and groaning plate of responsibilities!

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