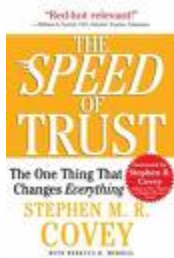


The Speed of Trust



“The ability to establish, grow, extend, and restore trust with all stakeholders—customers, business partners, investors, and co-workers—is the key leadership competency of the new, global economy.”

Stephen M. R. Covey (eldest son of Steven R. Covey)

TRUST. More important than VISION? Yes! No matter how grand a vision, the high cost of low trust will prevent you from attaining that vision profitably.

TRUST. More important than STRATEGY? Yes! While high trust can't make a poor strategy succeed, the high cost of low trust will derail an otherwise impeccable strategy.

TRUST. More important than SYSTEMS and STRUCTURE? Yes! No degree of re-engineering or quality control can overcome the sabotage and tax of a low-trust culture.

TRUST. More important than SKILLS? Yes! No matter how skilled a group, the high cost of low trust will inhibit their ultimate success. And face it, nothing repels real talent like a high-control, low-trust workplace.

People and organizations no longer do business with those they like, they do business with those they trust. Trust is the catalyst of enterprise and reduces the friction of all transactions while increasing profits. Such transactions as: attracting and retaining talent and customers, closing sales, increasing value in financial markets, improving quality of production, raising response to marketing and advertising, forging alliances and joint ventures, enhancing brand value, building enthusiasm of a culture, and on and on. High trust energizes people, and enlivens growth, momentum, and influence.

From inspiring trust by beginning with yourself, to utilizing consistent behavior, to creating alignment (a tough one for any organization) this book gives you a 380-page roadmap on building and infusing trust in you and around you (personal relationships, colleagues, teams, families, society). Just like Social Styles allows you to evaluate the particular style of an individual, the Smart Trust(TM) Matrix allows you to determine to what degree one's present tendencies add to, or reduce, one's ability to extend trust

How the Results are Determined

Covey begins with how trust is critical to Results. The traditional business formula says that Strategy multiplied by Execution equals Results:

$$S * E = R.$$

However, the hidden variable (Trust) in this formula can either discount the output, or greatly increase it:

$$(S * E)T = R.$$

But this becomes clear because an organization can have a great Strategy and the ability to Execute, but lack of Trust will kill the Results. Another view is that an organization may be obtaining Results that are meeting benchmarks, but the lack of

Trust may not allow their business to:

- scale as they attempt to grow,
- introduce new offerings to the marketplace,
- obtain more business from existing customers,
- or, reduce the speed at which you wish to grow.

Five Waves of Trust

Covey calls them the *5 Waves of Trust*, but honestly the waves model just didn't work for me and the fourth and fifth aren't necessary. The fourth is the result of the first three being done properly and the fifth is simply a contribution. But here's how they are broken down:

1. Self Trust: It's about building the 4 Cores of Credibility that make you believable, both to oneself and others.
2. Relationship Trust: Imbuing the 13 Behaviors to develop consistent behavior.
3. Organizational Trust: Utilizing the 4 Cores and 13 Behaviors to build alignment in an organization.
4. Market Trust: It's all about brand and the principle of reputation.
5. Societal Trust: Is contribution.

Four Cores of Credibility

The first layer, or Wave is all about the four dimensions of credibility. These are the foundational elements that make people believable to themselves and to others and they are:

1. Integrity: Being the same individual inside and out (no gap between intent and behavior).
2. Intent: Having a good plan, or purpose.
3. Capabilities: Creating both personal and organizational credibility.
4. Results: Classify an individual as a producer and performer

Thirteen Behaviors

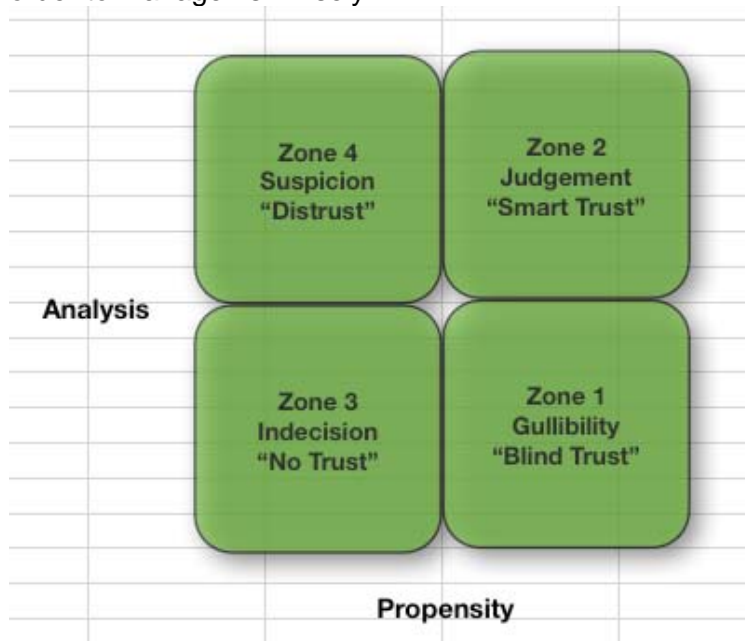
The second layer is about behaving in thirteen different ways. Covey believe that these behaviors are common to high-trust leaders and individuals worldwide. These can all enhance one's ability to establish trust in all relationships. One through five flow from character, the second five from competence, and the last three from a combination both.

This is a list you will most probably have to come back to time and time again.

1. Talking Straight
2. Demonstrating Respect
3. Creating Transparency
4. Righting Wrongs
5. Showing Loyalty
6. Delivering Results
7. Getting Better
8. Confronting Reality
9. Clarifying Expectations
10. Practicing Accountability
11. Listening First
12. Keeping Commitments
13. Extending Trust

Smart Trust

Finally, to inspire trust is to create the foundation on which truly successful organization/relationships stand. Now here's the key part - this ability (the first job of a leader) is the prime differentiator between managing and leading. A vital component is to extend "Smart Trust". The grid below shows how to determine to what degree one's present tendencies add to, or reduce one's ability to extend Smart Trust. The ideal here is to be in Zone 2 where there is a high level of propensity to trust and a high analysis in order to manage risk wisely.



From CoveyLink.com

(<http://www.coveylink.com/about-coveylink/how-we-define-trust.php>)

How We Define Trust

Our definition of TRUST is simple: It is both character (who you are) and competence (your strengths and the results you produce). Trust is the enabling power of leadership influence. It is not soft, slow, risky , or easy. It is a measurable, definable component of all leadership success. It can be both taught and learned.

The proof of the value of trust in business is compelling: ?“Organizations with high trust outperform organizations with low trust by nearly three times.” (Watson Wyatt 2002)

CoveyLink finds many misconceptions about trust. They separate myth from reality:

TRUST Myths and Realities

MYTH	REALITY
Trust is soft.	Trust is hard, real, and quantifiable. It measurably affects both speed and cost.
Trust is slow.	Nothing is as fast as the speed of trust.
Trust is built solely on integrity.	Trust is a function of both character (which includes integrity) and competence.
Once lost, trust cannot be restored.	Though difficult, in most cases lost trust can be restored.
You can't teach trust.	Trust can be effectively taught and learned, and it can become a leverageable, strategic advantage.
Trusting people is too risky.	Not trusting people is a greater risk.
You establish trust one person at a time.	Establishing trust with the one establishes trust with the many.

Trust in the old economy was the natural outcome of a select few, great organizations. Today, it is the price of entry into the new, global economy. In today's world, you are not only competing with others in your state, but also on your continent, and the five other civilized continents on the planet. You are negotiating in cultures in which trust is non-negotiable.