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The Speed of Trust
The One Thing that Changes Everything
By
Stephen M.R. Covey

The forward of the book is by the author's father, Stephen R. Covey, who is famous for his book, *The 7 Habits of Highly Effective People*, published in 1989. It is interesting that Stephen M.R. is the seven year old in Stephen R.'s anecdote about trusting his young son to keep the yard "green and clean." Now, the son has a Harvard MBA and advises clients on leadership, ethics, and high performance.¹

Covey's premise is that trust impacts everything and can make all the difference. He modifies the traditional business formula: Strategy X Execution = Results (SXE=R) to (SXE) T (Trust) = Results. He notes that "high trust won't necessarily rescue a poor strategy, but low trust will almost always derail a good one." He further dispels a number of myths about trust:

Myth—Trust is "soft."	Reality—Trust is "hard" and quantifiable.
Myth—Trust is slow.	Reality—Nothing is faster.
Myth—You either have it or not.	Reality—It can be created or destroyed.
Myth—You can't teach it.	Reality—It can be taught.
Myth—Trusting is too risky.	Reality—Not trusting is a greater risk.

Covey says that low trust is everywhere and is a major reason one out of two marriages end in divorce. One thing I particularly liked about his book is that he gives examples from family life in almost every section.

From an economic point of view, low trust = low speed and high cost, where high trust = high speed and low cost. He gives several examples of trust taxes—when we pay a price for lack of trust. On the other hand, we reap trust dividends when trust is high.

Covey describes five waves of trust:

Self Trust—Credibility
Relationship Trust—Consistent behavior
Organizational Trust—Alignment
Market Trust—Reputation or brand
Societal Trust—Contribution

¹ If Stephen M.R. were seven years old in 1989, he would only be 26 years old today, so I guess the story was several years old when it was told.

The purpose of the book is to enable us to see, speak, and behave in ways that establish trust. The seeing is a “paradigm shift.” The speaking is a “language shift” and the behaving is a “behavior shift.” He elaborates on 13 behaviors of high trust leaders in the section on the Second Wave—Relationship Trust.

The First Wave—Self-Trust, The Principle of Credibility

The four cores of credibility are integrity, intent, capabilities, and results. In a metaphor using a tree, integrity = roots, intent = trunk, capabilities = branches, and results = fruit.

Core 1, Integrity

The first example is Andy Roddick, a great tennis player, calling a ball out—to his disadvantage. He lost the match, but won the respect of fans, players and tennis officials. Telling the truth, walking the talk, humility, and courage are some of the components of integrity.

Core 2, Intent

Intent is the purpose, motive, or agenda for behavior, i.e., “the why that motivates the what.” We tend to judge other’s intent based on our own paradigms and experiences, so it is important to always “declare out intent.” Nevertheless, “the behavior that best creates credibility and inspires trust is acting in the best interest of others. Ask yourself questions such as “Am I motivated by caring and loving? Am I sincerely listening? Also be quick to acknowledge contributions and focus on winning for the entire team.

Core 3, Capabilities

Capabilities are made up of natural gifts, our paradigms, preferences, learning, insight, and our own style. To keep yourself relevant, you must “feed strengths” and “starve weaknesses.” You must always keep learning throughout your life.

Core 4, Results

If you are looking for long-term credibility and trust, you must have a proven track record. You need to communicate your past results, present results, and have the potential for future results. An important caveat is that you must live your values at the same time. You must take responsibility when things go wrong. It helps to have high expectations for yourself and others.

The Second Wave—Relationship Trust

This is where consistent behavior is so important. Sometimes you have to have paradigm shifts to change behavior. You are constantly making “deposits” into a *trust account* with good behavior and making withdrawals with bad behavior. Usually contributions are slow to build up where withdrawals tend to be much larger. There are 13 behaviors that form character and competence. For each one you could have too little which is a weakness or too much which is also a weakness. So you want to work on creating a balance or “sweet spot.” For each behavior, there is an opposite as well as a counterfeit.

Behavior 1—Talk Straight

You must tell the truth and also be forthcoming, not just technically correct. Opposite is lying or otherwise being deceitful. Counterfeit is withholding information or double talk—spinning.

Behavior 2—Demonstrate Respect

The Golden Rule—Do to others what you would like for them to do to you—is not just a “soft” behavior. Little things like thank you notes, calls, even smiling can directly affect trust. Opposite is not respecting. Counterfeit is faking respect or respecting only those who can do something for you.

Behavior 3—Create Transparency

This is openness, authenticity and “sunshine.” You can’t build trust with a hidden agenda. Opposite is hiding data or its purpose. Counterfeit is creating an illusion of transparency.

Behavior 4—Right Wrongs

Pay attention to how you respond to mistakes. Even though difficult, righting wrongs brings immense relief. On the other hand, if you have been wronged, be quick to forgive. Opposite is denying or justifying wrongs. Counterfeit is covering up. As we know in Washington, this is where the bulk of public officials get into trouble.

Behavior 5—Show Loyalty

Jim Collins (author of *Good to Great*) says “when things go well, look through the window; when things go badly, look in the mirror. In other words, give credit generously and take the blame for problems. Celebrate your staff with respect to what they do and who they are. Opposite is taking credit yourself, but passing blame on to others. Counterfeit is being two-faced, i.e., appearing to give credit, but diminishing contributions when the person is not in the room.

Behavior 6—Deliver Results

Targeted results must be clarified so that everyone knows what is expected. Don't be tempted to over promise. The opposite is no results. Counterfeit is delivering activities only.

Behavior 7—Get Better

Kaisen or continuous improvement is what we want to strive for. That requires getting feedback and learning from mistakes. It also means being willing to take risks. Einstein said he thought for months and 99 times his conclusions were false, but he was right the 100th time. Opposite is atrophy, deterioration. Counterfeit is the “eternal student” who never produces or force-fitting everything into what you are good at doing.

Behavior 8—Confront Reality

This is extremely difficult for most people. It is natural to want to avoid discomfort and not want to be the bearer of bad news. But to gain trust fast, you must name “the elephant” in the room, “address sacred cows,” and discuss “undiscussables.” The sooner you do this the better because problems only become worse over time. Opposite is ignoring reality. Counterfeit is acting like you are confronting while focusing on paperwork but skirting the real issues.

Behavior 9—Clarify Expectations

In business, expectations are best set out in writing. This can avoid heartache and headaches. Ask as many questions upfront as possible to avoid pitfalls. Opposite is to leave things undefined. Counterfeit is playing with smoke and mirrors.

Behavior 10—Practice Accountability

There are two parts to accountability: First, holding yourself accountable. Going back to Jim Collins, “if things go badly, look in the mirror.” The opposite is to say “It's not my fault.” Counterfeit is to blame others. Michael Brown, the head of FEMA, during the aftermath of Hurricane Katrina, could be a poster boy for blaming others.

The second is holding others accountable. You will find that good performers want to be held accountable. There is “extraordinary trust in the culture when people feel secure in the knowledge that everyone will be held to certain standards. Without this, people feel it's unfair when someone gets away with below par performance.

Behavior 11—Listen First

The idea is to seek to understand thoughts, feelings, and point of view before diagnosing a problem or reacting. Jack Greenberg, the CEO of McDonald's said, "...the two best qualities a CEO can have are the ability to listen and to assume the best motives in others." The opposite is to speak first and listen last or not at all. Counterfeit is to pretend to listen while thinking about your reply.

Behavior 12—Keep Commitments

Covey paraphrases Roger Merrill: "When you make a commitment, you build hope; when you keep it, you build trust." Of course, to break a commitment is "without question, the quickest way to destroy trust." Counterfeit is making vague commitments or never making commitments. He makes a good argument that the most important commitments involve the family. He uses the "10 year rule," meaning 10 years from now, what will be more important?

Behavior 13—Extend Trust

This is empowerment, and we know that it is a powerful motivator. Jet Blue says, "We treat our employees the way we want them to treat customers." Opposite is withholding trust. Counterfeit is "fake trust," i.e., acting like you trust someone when you don't or "false trust," i.e., giving responsibility without authority or resources to get the job done.

Third Wave—Organizational Trust

A good symbol of trust in an organization is the number of levels of approval needed for reimbursements. Also, consider the frequent lengthy policy and procedures manuals compared to Nordstrom's manual which is one sentence long: "Use good judgment in all situations."

There are seven low trust organizational taxes:

- Redundancy
- Bureaucracy
- Politics
- Disengagement
- Turnover
- Churn (turnover in customers, suppliers, etc.)
- Fraud

With high trust, you can achieve these organizational dividends:

- Increased value
- Accelerated growth
- Enhanced innovation
- Improved collaboration
- Stronger partners
- Better execution
- Heightened loyalty

Fourth Wave—Market Trust

Reputation or “Brand” matters at all levels. Therefore, companies spend a lot of money “to create a brand that inspires trust.” The 2006 Annual Edelman Trust Barometer notes: “trust is more than a bonus; it is a tangible asset that must be created, sustained, and built upon...Just as trust benefits companies, mistrust or lost trust has costs.”

Fifth Wave—Societal Trust

Covey begins this chapter by telling the story of the riots, burning, and looting following the Rodney King trial in Los Angeles. Amazingly, the McDonalds in the neighborhood were untouched. Apparently, their reputation for social responsibility, including supporting literacy and providing jobs established a very high trust.

The principle of contribution is the key to societal trust. It takes many forms, from individual philanthropy to corporations serving the community and all stakeholders. Of course it is good for business when a customer feels a company is a good citizen.

Inspiring Trust

A leader must inspire trust. A Latin proverb states: “It is equally an error to trust all men or no man.” Covey has developed a matrix describing how you can extend “Smart Trust.”

Along one axis is the Propensity to Trust. The other axis is Analysis. With high propensity to trust, but low analysis you get gullibility. With low propensity to trust and low analysis, you get indecision. With low propensity to trust and high analysis you get suspicion. With high propensity to trust and high analysis, you get judgment. The matrix is on page 290. See Attachment.

Restoring Trust

It is not true that once trust is gone, it cannot be regained, particularly when there was no intent, even though the behavior was bad. It is always worth trying to restore trust. Breakdowns can create breakthroughs and mistakes can open opportunities to learn, grow and improve. Quick apologies followed by changed behavior can eventually inspire trust again. When others have lost your trust, you should not judge too quickly, and you should be quick to forgive.

A Propensity to Trust

Covey ends on an optimistic note. He describes a situation early in his career when a boss took a chance of him and his results defied all expectations. He believes most people respond well to trust. It can rekindle the inner spirit—of both the boss and the employee.² Occasionally he has been burned, but mostly he has seen incredible results from extending trust. Not only are great things accomplished, but they happen *fast*.

Conclusion

I found the book quite inspiring. There are not any “new” principles, and there are some redundancies, but I liked the framework. It can serve as a great reference for new and old managers/executives alike.

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Attachment: Matrix on page 290

² Albert Schweitzer said, “In everybody’s life, at some time, our inner fire goes out. It is then burst into flame by an encounter with another human being. We should all be thankful for those people who rekindle the inner spirit.”