# Trust is a performance multiplier

**CHRISTINE McMAHON**

**LEADERSHIP**

**H**ave you ever worked for a leader you didn't trust?

How would you describe that experience? Were you inspired to reach for your best or did you hold back and play it safe?

Indicators of low-trust environments include: low morale, a lack of commitment, disengagement, facts being withheld, manipulation, finger-pointing, over-promising and under-delivering and resistance to new ideas.

In contrast, a high-trust culture fuels people who are energized, fully engaged, bubbling with new ideas, willing to collaborate and be accountable.

When a leader creates a high-trust environment, team members are inspired to reach for the best in themselves and the organization. They embrace new challenges and opportunities, and strive to accomplish new levels of innovation.

A Pricewaterhouse Coopers study of corporate innovation among the Financial Times 100 showed that the No. 1 differentiating factor between the top innovators and the bottom innovators was trust. That means if people don't trust you, your organization is likely to under-perform and be slow to innovate.

Stephen M. R. Covey said, "Trust is confidence born of two dimensions: character and competence. Character includes your integrity, motive and intent with people. Competence includes your capabilities, skills, results and track record. Both dimensions are vital."

In other words, if a leader has a proven track record of success and possesses the talent to get the job done but lacks integrity, team members will only accomplish what they are asked to do. Likewise, a leader who is caring and sincere, but lacks the competency to achieve results will likewise be viewed as untrustworthy.

Trust may seem intangible, but the economic implications are profound and quantifiable. A Watson Wyatt study showed that high trust companies outperform low trust companies by 286 percent in total return to shareholders. Trust operates like a thread that weaves in and out of every relationship, communication, project, process and decision.

When trust is low, everything takes longer to get accomplished and costs more. Team members struggle to decide what they have to get done without putting themselves in harm's way.
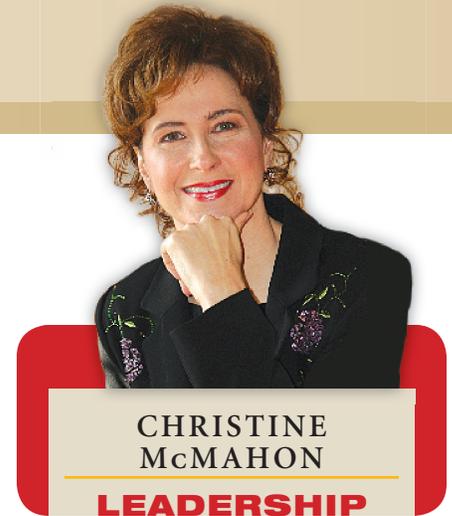
In a high-trust environment, team members are more fully engaged and bring the best of who they are to their position. They lean into opportunities and feel safe to take calculated risks. They act with enthusiasm because they are passionate about what they are doing and want to make a measureable difference. They work collaboratively because they recognize that the team's collective expertise is the best way to achieve big results. Productivity is high, and costs are reduced because people are smarter about how they work.

Trust is reciprocal. Here are four recommendations for building a solid platform of trust:

### 1. Demonstrate integrity.

Integrity is the result of aligning what you say with what you do. It's about character. Are you authentic? Dependable? Reliable? Do you follow through when you make a commitment? When people know that you really mean what you say, your words and actions carry a great deal of influence.

Only make promises that you can keep. Refrain from making casual commitments unless you are absolutely certain that you can deliver. Over-promising and under-delivering is a sure-fire way to sabotage trust and undermine your integrity.

### 2. Communicate clearly, thoughtfully and deliberately.

As a general statement, employees want to make a meaningful contribution to their organization. To do so with purpose, they need direction. Clear expectations about what needs to be accomplished is the first step. Then clear the way for the work to get done.

People need information, when they need it, and in a form they can use it. When an information vacuum exists, which can happen during a merger, acquisition or radical change initiative, people resort to making up their own answers. To minimize this risk, make every effort to communicate even if you don't have the full story. Tell people what you know or can reveal in the moment

> "When a leader creates a high-trust environment, team members are inspired to reach for the best in themselves and the organization."

by saying, "Here's what I know at this time … There are parts that even I don't know yet, but my plan is to keep you informed." This will temper suspicion and hopefully, will keep people focused on the key priorities.

### 3.  Treat everyone with respect.

How you treat others is a reflection of your own self-esteem. It's inevitable that you will encounter people who will act badly from time-to-time, but that doesn't mean that you should respond in kind. Always take the high road. Model the behavior that you want others to mimic. People won't always remember what you said, but they will always remember how you made them feel.

### 4.  Admit when you've made a mistake.

You're not perfect, and neither is anyone else. Showing vulnerability is a test of true leadership because you are willing to publicly own what's yours. In that moment, you are demonstrating that you don't know it all, but are willing to risk your reputation for the sake of learning and growth. This gives others permission to know that it's okay to take calculated risks and learn from the experience – good or bad.

Building trust is about creating an environment where people feel safe and are inspired to, individually and collectively, step beyond their comfort zone to achieve something bigger than what they have accomplished in the past. For this to happen, leadership must take the lead and extend trust to all levels of the organization, and then watch how this single effort creates a performance multiplier that will transform results across the organization. ■

**Christine McMahon** is a business strategist. She can be reached at (414) 290-3344 or by email at: ccm@christinemcmahon.com.