

## **10 REASONS WHY *THE SPEED OF TRUST* IS MORE RELEVANT TODAY**

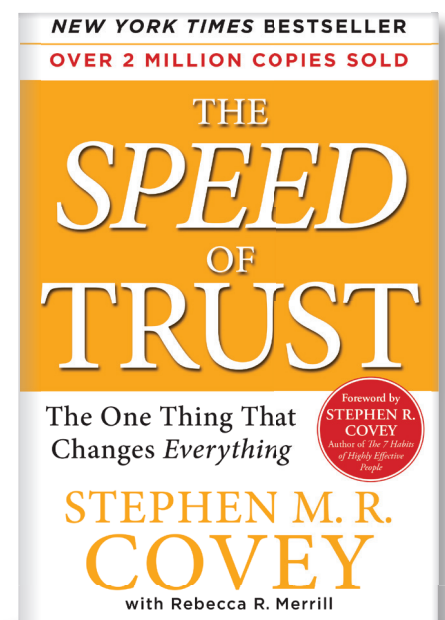
The first edition of *The Speed of Trust* was published in 2006 with a very bold assertion, as the subtitle indicates, that it was “The One Thing That Changes Everything.” I was told by many—even some very close to me—that I couldn’t say that. It was too bold, too sweeping a statement to make. And yet, I knew it was true. I had both seen and experienced it personally, as well as professionally. Everything was impacted by trust. I was certain of it, so I said it.

As I think about how strongly I felt about it then, I think I actually underestimated it. Look at where we are today. Look at every industry, every positive innovative development in technology, business, communities, societies, and families. Success has been created as trust has been built. Conversely, success has become unsustainable—or even virtually unattainable—as trust has been lost. I invite you to examine your own life and consider how directly the ups and downs you experience, whether in business or at home, correlate with the ups and downs of the level of trust in your most important relationships.

Having worked with people and organizations worldwide for 30 years now, I am convinced that trust is even more timely, more relevant, and more vital today than it was when the book first came out. While there are myriad reasons for this, I offer 10 that, in one form or another, continue to rise to the top.

### **#1 — We live in a world of declining trust.**

By most measures, we live in an increasingly low-trust world. While trust does tend to ebb and flow in different industries, with different stakeholders, and in different societies, trust as a whole is increasingly under attack. As a result, we tend to become more cautious, more guarded, and more suspicious, perpetuating a vicious downward cycle of distrust and suspicion. And this creates even more distrust and suspicion, with everyone feeling justified in the process.



A low-trust world affects the way we see our problems and how we try to solve them. Perhaps even more impactful, it affects the way we see the people with whom we work and live. They sense the distrust and suspicion and respond in kind.

Distrust is contagious. Thankfully, trust is also contagious, and there are people, leaders, and organizations who understand this—people who are deliberately moving the needle on trust and inspiring others to do the same. This reality puts an even greater premium on building trust and generates a disproportionate advantage for leaders who know how to create it.

## **#2—Trust is the engine of the sharing economy.**

The sharing economy is beginning to complement—and in some cases replace—traditional forms of commerce and exchange, particularly through technology and digital trust. Industries that were once led primarily by specialists are being disrupted, overwhelmingly influenced, and often even driven by average, everyday people.

Consider ride-sharing; person-to-person home, vacation, and room sharing; social collective bargaining; peer-to-peer lending; crowd funding; open source technology; fashion; social media, and a whole host of other products and services made available in marketplaces that facilitate transactions between strangers, predicated on the assumption or creation of mutual trust. Technology creates a platform where relevance and quality are decided and moderated by a system of transparent ratings and reviews—from average, everyday people. No trust, no deal. Even with long-established, billion-dollar organizations, a new standard of accountability has been created where an individual with a smartphone can be front-and-center in the court of public opinion and can have greater actual power and influence than the highest court in the land. In this sharing economy, there is a natural and necessary convergence of doing the right thing and doing the economic thing. Doing right builds trust, and trust determines economic performance.

## **#3—The nature of work today demands increasing collaboration.**

We operate today in an increasingly interdependent world, in what we might refer to as an age of collaboration. Technology, global supply chains, and the nature of learning and knowledge work allow individuals and organizations to work together in new and exciting ways. More and more, teams are being made up of people from different departments, buildings, and even countries. Because of this, nearly all teams today have some element of operating virtually; in fact, many are entirely virtual. Team members may work on the same project but never actually meet together face-to-face. The strategy is to leverage different perspectives, skill-sets, and other resources.

The collaboration that needs to take place in these diverse teams is vital to the type and quality of work needed today. We certainly have the technology tools for collaboration; the question is whether or not

we have the trust. In reality, trust is the ultimate collaboration tool. On high-trust teams, factors such as physical distance and other obstacles to real collaboration become almost irrelevant. Such teams operate seamlessly, and with incredible speed. For low-trust teams, however, collaboration is an empty buzzword. They struggle to move past mere coordination, with real work slowing to a crawl. As a result, these teams can't generate sustainable performance.

This is also true with regard to external vendor or supplier relationships, where separate companies work together to leverage expertise and supply networks, data, and other resources. When trust is low, these relationships are characterized by extensive legal agreements and negotiated on independent, self-interested terms rather than on the common ground of interdependent mutual interest and mutual benefit. With trust, however, people are able to focus on working together instead of questioning whether they even should. It's trust that turns a vendor or a supplier into a partner, just as it's trust that turns a group of people into a team.

#### **#4—Change is the new normal in a disruptive world.**

Change is happening at an extraordinary and unprecedented rate—not only the pace of change, but also the amount of change and the type of change, which is commonly characterized by disruptive technologies.

Unfortunately, the most perishable commodity in a high-change environment is trust. Paradoxically, trust also happens to be the only means by which people can generate the speed, commitment, and inspiration necessary to successfully navigate such rapidly shifting terrain. Not only are leaders required to respond to the constant change without losing speed; they actually need to get ahead of it.

In consequence, we often need to be disruptors ourselves, and create additional change in order to stay relevant and competitive. This cannot be done alone; it can only be done together with others in an environment of high trust.

#### **#5—Our multigenerational workforce necessitates a different approach to how work gets done.**

The balance of generational representation in the workforce is shifting, and it's happening fast. Millennials—and those in the generation that follows—are effectively motivated, inspired, and engaged in different ways and by different things than the generations that came before them. The younger generations don't want to be managed, they want to be led. They want to be inspired. They want to make a difference, and they are challenging traditional career paths, hierarchy, and management.

In short, they want to be trusted. In reality, all generations do; however, there is a difference even here. Traditionalists tend to operate under the premise that trust is earned, while younger generations operate under the premise that trust is given. The fact is that both premises are true.

The very nature of our workforce today puts an even greater premium on trust, and bridging generational gaps is one of the great leadership challenges of our time.

## **#6—Trust is the critical enabler of strategic initiatives.**

In study after study across multiple industries, the overwhelming data shows that trust is vital to key strategic initiatives (also known as “Jobs to Be Done”). Consider some of the factors that become either driving or restraining forces to outstanding (or even adequate) organizational performance—factors such as engagement, execution, innovation, retention, recruitment, partnering, collaborating, teaming, productivity, safety, sales, mergers/acquisitions, and leading change. When you move the needle on trust, you move the needle in every one of these areas, and often that movement is disproportionately high. The data is irrefutable.

The reality is that most organizational performance issues are actually trust issues in disguise. In fact, many of the clients I have the opportunity to work with are not focused on a “trust issue,” but they come to recognize that trust truly is the rising tide that lifts all boats. If you get better at trust, it will make you better at everything else you need to do. It is a game changer.

On the other hand, hoping for sustained organizational performance in a low-trust culture is like expecting to keep harvesting fruit from a dying tree.

## **#7—Trust itself has become a key strategic initiative.**

Teams and organizations around the world are making trust—in and of itself and apart from being linked to other initiatives—the intentional focus of how they operate, both internally and externally.

When I first began speaking to audiences and organizations on trust, I would often ask this question: “How many of you are intentionally measuring trust?” I would generally see just a few hands go up. Today when I ask this question, in many audiences nearly half the hands are raised. I predict that fifteen years from now, nearly every hand will go up. We measure what matters.

I would submit that actually, every organization measures trust—at least at the market level. Simply put, marketplace success is trust monetized. When you outperform your competitors, it’s clear that the market has greater trust, or confidence, in your organization, your products, or your services.

In the long run, that kind of market success is only sustainable when it is an outgrowth of who you are internally. Scandal after scandal has made it abundantly clear that it is incongruent to expect to sustain trust with the marketplace if it doesn’t flow out of the workplace—i.e., your team, your organization. More and more, leaders and organizations are proactively focusing on developing and growing trust from the inside out—which, in my experience, is the only way it can be done.

## **#8—“Culture” has reemerged as an imperative for organizational success.**

Increasingly, leaders and organizations today are rallying around an intentional focus on building their culture. They differentiate themselves by it. They compete with it. They focus on having a distinctive culture of winning, or strong values, or safety, innovation, accountability, execution, diversity, performance—or any number of other important areas that are recognized as integral to success.

These are all positive elements of cultural identity. They draw people with talent and abilities to an environment where their values, ambitions, and strengths are aligned with the organization. However, the nature of work today necessitates an environment that fosters creativity, passion, and commitment, and it takes the right cultural foundation to provide the fertile ground needed to nurture these things.

Organizations striving to build a winning, sustainable culture are coming to understand that if they don't have—first and foremost—the foundation of a high-trust culture, all other efforts are insufficient. A high-trust culture is the starting point for any other sustainable cultural modifier. Organizations that create a culture of trust are winning in the marketplace. These are the organizations and teams that talented people compete to be a part of.

## **#9—Yesterday's style of management is insufficient for today's leadership needs.**

The old style of leadership, which we might refer to as “Command and Control,” is rooted deeply in the Industrial Age. While I refer to it as the old style of leadership, the reality is that it is still the primary operating style for most leaders and organizations today. But trying to operate in today's world with a Command and Control style is like trying to play tennis with a golf club; the tool is completely ill-suited to the reality.

To some degree, many leaders recognize this; yet, Command and Control persists as the prevailing norm—especially when there is great pressure to perform. But you cannot “Command and Control” a person's best contribution; he or she has to choose to give it.

The style of leadership that succeeds in today's world is one of “Trust and Inspire”—trust the people you work with and inspire them to make a difference. In reality, to be trusted is the most inspiring form of human motivation. It brings out the best in people—and today, we need the very best.

## **#10—Trust is the new currency of our world today.**

Currency is defined as “something that is in circulation as a medium of exchange.” When most people think of currency, they typically think of money. But another kind of “currency” that's even more important in creating sustained success in today's global economy is the currency of trust.

We've seen this play out with the global financial crisis, and in every significant societal and economic transformation before and since. Whether on a global scale or in a handshake between friends, without

trust, no amount of money can secure meaningful or prolonged exchange. As Warren Buffett put it, “If you don’t trust where you have your money, the world stops.” With trust, money—and all other forms of currency—become subordinate. Money becomes a tool whose relative value goes up or down as driven by the trust or confidence in its source.

When people see a country, an organization, or even an individual as credible or deserving of trust, the trust dividends that accrue afford access, opportunity, and influence that money alone could never buy. On the day ecommerce giant Alibaba went public in what was the largest IPO in history, founder and chairman Jack Ma beautifully described this currency as follows: “Today what we got is not money. What we got is the trust from the people. Trust. Trust us, trust the market, trust the young people, and trust the new technology. The world is getting more transparent. Because when you trust, everything is simple. If you don’t trust, things get complicated.”

Each of the nine previously noted reasons why trust is even more relevant today than when the first edition of this book came out culminate in an increased awareness of leaders everywhere that at the end of the day, the ultimate currency really is trust.

## **A FINAL WORD**

As you have likely noticed, the subtitle of this updated edition of the book remains, “The One Thing That Changes Everything.” More than ever, I am confident that this subtitle acknowledges an absolute reality. I’m hopeful that as you’ve read each of these 10 reasons above, you’ve examined your own experience and also thought of some reasons of your own why this is so.

I’m also hopeful that you’ll experiment further with how the speed of trust works in your world. As you read—or have read—through this book, I invite you to challenge it. Test it out. It may seem that many issues you might face in your world, such as changing market conditions, disruptive competition, or even personal tragedy are outside your control. You may ask, “How does having greater trust ‘change everything’ in these kinds of conditions?”

Let me put it this way: While trust (or lack of it) may not appear to have anything to do with the challenges you’re currently facing, your ability to establish, build, extend, and even restore trust has everything to do with the solution. Why? Because the way we solve problems and get things done is with and through people. And nothing is more impactful on people, their work, and their performance, than trust.

I again affirm that today, trust remains, more than ever before, the one thing that changes everything.