

Strengthening Workplace Trust for Optimal Performance

A culture of trust can unleash energy in the workforce and create the potential for organizational greatness. Here are some tips for strengthening the level of trust in your workplace.

What's on your priority list right now? Does it include objectives such as those below?

- Increase commitment to implementing your organization's strategy
- Spur innovation in new service development
- Increase charitable giving
- Strengthen service excellence
- Increase retention
- Achieve better financial results

Can you name one factor that can either facilitate or hinder your ability to effectively accomplish these objectives and others? If you answered, the level of trust in your working relationships and within your organization's culture, you're on the right track.

An organizational culture grounded in trust is essential to solid performance. Just ask the experts:

- Trust in senior leadership is the #1 driver of employee commitment.¹
- Employees trusted to use their expertise fully are more likely to stay with their employer.²
- Companies with high trust levels have nearly three times the total return to shareholders of their low-trust counterparts.³
- Most consumers (82%) say they stop using companies they do not trust, and many tell others of their mistrust.⁴
- In a trusting workplace environment, employees put forth greater effort, take fewer sick days, innovate more frequently, treat customers better, collaborate with associates, and are less likely to leave for other jobs.⁵

Why Trust Matters

The importance of trust in addressing issues facing healthcare leaders is outlined below and in the figure on page 7.

Tapping the Best Ideas. The ability to speak openly is key to tapping the best ideas. Yet, how many times do we hold back for fear of judgment or reprisal? Trust enables the open dialogue that is needed to share knowledge, skills, and ideas. Dialogue, in turn, leads to creative problem solving, collective learning, process improvement, and creation of cogent strategy.

Individuals who trust one another are more inclined to speak openly about difficult issues. Terms such as "groupthink"⁶ and "skilled incompetence"⁷ have been coined to refer to the lack of open debate that characterizes decision-making in some organizations. This becomes counterproductive to organizational effectiveness and has contributed to safety disasters and public policy fiascos.

Implementing Decisions. Without the open airing of ideas, people will rarely commit fully to decisions. Lack of commitment contributes to avoidance of accountability; without accountability, organizations are less likely to pay attention to and achieve desired results. Low trust results in inability to

unite around a common vision, to provide the mutual support needed for effective implementation, and to maximize organizational performance.

Inspiring Others and Managing Change. In order for employees to commit energy to new ideas and initiatives, they must have a high level of trust in senior leaders and their judgment about the organization's future direction. They should see the organization as a good place to work and personally identify with it.

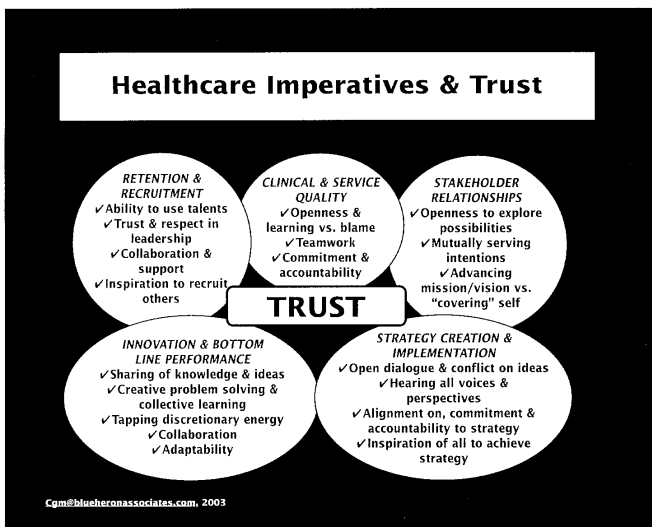
Recruiting and Retaining Quality Employees and Medical Staff. Talented people seek affiliation with organizations in which their talents are valued and used. Most people want to be able to contribute and make a difference in their workplace. A culture of trust is needed for people to feel free to share their views, learn new skills, and collaborate with others. Leaders who trust the competence of their people, and who also trust themselves enough to appropriately yield control, are more likely to delegate and manage expectations effectively, help people learn new skills, and honor agreements. These behaviors contribute to a welcoming culture in which people feel valued and to which they want to attract others.

Earning Patient Confidence. In order for employees and medical staff to work together in identifying and addressing patient safety concerns, they need to believe they will be heard without reprisal. Cultures of blame are all too common, yet are often subtle. They inhibit the openness needed for true focus on excellence in patient safety. Cultures of trust enable the sharing, learning, and continuous improvement needed to reach the level of safety patients and the community deserve.

Increasing Fundraising Support. Trust in organizations is at its lowest since 1981.⁸ As health systems seek fundraising support from the community, trust is an important element in their success. They need to demonstrate that they can be trusted to use the money effectively. The research and commentary on corporate governance lapses that led to public scandals such as Enron and those occurring at a handful of healthcare systems provide guidance to healthcare leaders interested in fundraising and ensuring community confidence.

The Conference Board Commission on Public Trust and Private Enterprise challenges organizations to "build environments in which employees are encouraged and feel safe to take the initiative to address misconduct rather than waiting until after the damage is done."⁹

Jeffrey Seglin, business ethics columnist for the *Sunday New York Times*, goes further to suggest: "The solution to the ethical lapses is not to sit down and write a bang-up code of ethics. That's merely a good start. But to make those codes work, organizations need to find ways to internalize these codes. They need to pay more attention to building training around case studies, to staging regular conversations among employees and manage-



ment, to having leaders in the organization model ethical behavior, to exploring different learning processes that give people within the organization the capacity for doing the right thing.”¹⁰

What Can You Do to Strengthen the Level of Trust in Your Workplace?

Research in 67 organizations across industries has formed the basis of understanding specific behaviors that break and build trust and has led to creation of a model to effectively understand and strengthen trust in the workplace. Researchers and authors Dennis and Michelle Reina, Ph.D., have characterized the concept of transactional trust, which is reciprocal and created incrementally as we interact with others.⁵ Through their research they have identified three types of transactional trust and articulated specific behaviors that relate to each type:

- Competence trust, or “trust of capability,” involves behaviors that value and support individual competence and are consistent with the concept of human capital as a strategic asset.
- Contractual trust, or “trust of character,” involves behaviors related to explicitly communicating and managing what we expect and provide to one another in the work world.
- Communication trust, or “trust of disclosure,” involves behaviors around how openly and effectively we share information and with what intention.

Use of the Reina trust model in organizations across many industries, in both face-to-face and virtual settings, has yielded significant bottom-line and intangible benefits to organizations and the individuals within them. Because it lets us speak about trust in behavioral terms and includes assessments of the current level of trust, it enables a focused and tangible approach to strengthening trust in the workplace.

To strengthen the level of trust in the workplace, it is necessary to:

- Understand the dynamics that create or diminish trust.
- Become more aware of how our behavior breaks or builds trust with others.
- Begin to talk with others about their definition of trust and trust-related issues, how it feels to be in a trusting environment and how it feels to be betrayed, and how we can all be more conscious of our behavior.

Ideally, trust building is done in a team setting in a facilitated way, because it can evoke some sensitive conversation. The intent is to help people become more conscious and aware of their behavior and its impact on others.

You can begin to address the issue of trust in your own relationships today by asking yourself what role trust plays in achieving each of your major priorities. For example, if I don’t trust my staff’s competence enough to delegate work effectively, how will I get all the work done? Do I invite others’ input as I am creating ideas? Am I explicit about my expectations, and do I effectively manage them? Do I clearly establish the boundaries needed to complete projects? Do I share the information needed by my staff and others to do their jobs effectively? Am I effective at giving and receiving constructive feedback?

Another powerful way to gain insight into trust is to walk through your day thinking what it would be like, at each encounter and decision point, if you had no trust in any of your workplace relationships.

In summary, trust is the essential foundation to optimal and sustainable performance. A culture of trust is an invisible force that guides and reinforces individual members’ behavior to act in trusting ways, unleashing significant discretionary energy in the workforce and creating the potential for greatness.

Endnotes:

¹Watson Wyatt Worldwide. *Human Capital Index 2000*. Information about the index available online at www.watsonwyatt.com.

²Hay Group, Inc. *The Retention Dilemma: Why Productive Workers Leave – Seven Suggestions for Keeping Them* (working paper). Apr. 2001. Available online at www.haygroup.com (registration required).

³Watson Wyatt Worldwide. *Human Capital Index 2002*. Information about the index available online at www.watsonwyatt.com.

⁴M. Booth & Associates. *Booth-Harris Trust Monitor*. 2001. Available online at www.mbooth.com.

⁵Reina, D. S., and Reina, M. L. *Trust and Betrayal in the Workplace: Building Effective Relationships in Your Organization*. San Francisco, CA: Berrett-Koehler, 1999.

⁶Janis, I. L. *Groupthink: Psychological Studies of Policy Decisions and Fiascos*. Boston, MA: Houghton Mifflin Co., 1983.

⁷Argyris, C. Skilled incompetence. *Harv. Bus. Rev.* 64 (5):74-79. Sept.-Oct. 1986.

⁸Gallup International and Environics International. *Voice of the People Survey*. Nov. 2002. Press release available online at www.voice-of-the-people.net.

⁹The Conference Board Commission on Public Trust and Private Enterprise. *Executive Summary: Findings and Recommendations*. New York City: The Conference Board Inc., 2003, p. 5. Available online at www.conference-board.org/knowledge/governCommission.cfm.

¹⁰Seglin, J. L. Codes of ethics: why writing one is not enough. Dec. 17, 2001. Available online at www.poynter.org.

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Carol Gausz-Mandelberg will present “Sustainable Performance Through Workplace Trust” at the Society’s Annual Conference in Palm Springs on Friday, September 10, at 11:00 a.m.