

TRUST

me on this one

Aristotle said: "Trust allows groups to flourish, to achieve excellence." And yet, as PENNY HAW found out in conversation with Roger Stewart, faculty member of USB-ED, trust is in short supply in business today.

Roger Stewart reminds me of my grandfather. We're discussing trust in 21st century business – or rather, the deficit thereof – when he says: "The value of trustworthiness is lost to us. We used to conduct business on each other's word ... based on trust. If something went wrong, we'd talk to each other ... sort it out. Deals were worked out and concluded on the back of cigarette boxes."

Exactly. That's when I am reminded of my grandfather: a strapping KwaZulu-Natal farmer whose milk, horse, beef, potatoes and timber deals were scratched out on the back of empty Rothman packs, and filed in a tumbling pile in the dusty cubby-hole of his bakkie.

What happened to old-world "if you say you will, I expect you will" trust? How did we become a nation whose decisions and actions are, above all else, steered by suspicion and directed by distrust?

Stewart – senior partner of a board and management consultancy and faculty member of USB Executive Development (USB-ED) – believes that, as life and business have become more complex, trust has been eroded. It has been replaced by burgeoning bureaucracy and the increasing use of exceedingly complex, pile-high contracts that have all but annihilated our capacity to trust one another.

Today's brand of trust is so 'contractualised' that the faith it implies people have in one another has essentially been abandoned in

favour of the documents, risking the paralysis of relationships at first hiccup.

This, he says, is evident at every echelon of business: "Consider what is happening at board level. The current codes of corporate governance are underpinned by the basic premise that you cannot trust the director. This, despite the fact that he allegedly fulfils a fiduciary relationship with the company. Fiduciary? By definition the word means that the relationship is founded on faith or trust. And yet the codes insist on extensive checks and controls that indicate that the underlying driver is distrust."

So, shareholders do not trust directors. Directors exhaust themselves trying to prove that they can be trusted. Like a FICA-compliant populace, they provide reams and reams of documentation and declarations that, says Stewart, do not necessarily prove anything. Then, if they still want the job after that, they are obliged to implement an exhaustive range of central controls, which might suit a mechanised system but which are detrimental if human beings, rather than robots, operate your business.

Although it is widely accepted that trust is essential to achieve a productive and satisfying business environment, he argues that many contemporary hierarchical controls and corporate systems are based on a lack of trust: "In more and more cases, employees and their work are not checked against reasonable double-data entry-type quality measures, but rather because employers and managers distrust them and their abilities."

How did we become a nation whose decisions and actions are, above all else, steered by suspicion and directed by distrust?



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Distrust erodes accountability. It is self-perpetuating. Suspicion wears away working relationships and undermines people's confidence. When trust is lacking, relationships are characterised by adversarial attitudes: us versus them, or me versus you. Performance is compromised as all energy is directed at compliance and back-covering, rather than at working together with common purpose.

"Lack of trust is polluting organisations on a grand scale," says Stewart. "At the same time, society is becoming less and less trusting, sometimes with good reason. It seems that the key principles that should govern our behaviour – like the real belief in the honesty of others and the absence of suspicion regarding one another's motives or practices – are not well understood.

"If someone is not trustworthy, don't invite him or her into the business. However, determining trustworthiness is difficult and requires a profound understanding of the means people use, and not just knowledge that someone will deliver in the end. Trust is earned by appropriate, trustworthy behaviour; it does not come with a title or declarations. It takes time and there are no short cuts."

The upshot of trust is, he stresses, rewarding. If you trust people, it positively influences their behaviour and performance. It encourages

them to be accountable, and accountable people are, by default, trustworthy:

"But regrettably, the value of trust and the understanding that trust should be a precursor to a commercial transaction are not appreciated. It is a huge problem."

SO, WHAT IS THE SOLUTION?

What will it take to turn things around and initiate a process of trust? A great deal of guts, surely, and being willing to take a risk – and the first step. What's more, people who have been denied trust are unlikely to find it easy to accept responsibility instantaneously. Rebuilding confidence and trust is going to take time. It should be earned, not assigned.

AND BE PREPARED:

You are likely to come up against plenty of cynics in the process. You'll recognise them as those who declare their approval of the notion of trust – but always find reasons why they won't trust this person, at this time, in this situation. That might be the best time to quote American educator, author and activist, Booker Washington, who said: "Few things help an individual more than to place responsibility upon him, and to let him know that you trust him." And, to seal the deal, why not write Booker's quote on the back of a cigarette box? □



ROGER STEWART ON TRUST IN BUSINESS AT A GLANCE

- > A trusting relationship is a prerequisite for the harmonious achievement of common (business) goals.
- > Trust has become eroded by the increasing complexity of life and business, and by society's search for gratification/rewards in as short a time as possible.
- > Trust between people in business is earned by experiencing each other's trustworthy behaviours.
- > The establishment of trust takes time because it is the result of the long-term cumulative evaluation of behaviours. To expedite the process, we use ineffective surrogates of trust. These include supporting documents (which can be forged or fraudulently completed), declarations of trustworthiness, and complex contracts drawn up by people who are not actually part of the transactional relationship.
- > It is preferable to filter out untrustworthy people before they enter the business than to try to control them once they are in place.
- > If you do not have the benefit of experiencing someone's behaviour, establishing trustworthiness is a real challenge.
- > 'I can be trusted' is a badge of honour to which we should all aspire. However, there are no guarantees; even apparently trustworthy people can 'fall into temptation'.

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