THE 2020
TRUST OUTLOOK™

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Research presented by

▐▌ TRUST EDGE
LEADERSHIP INSTITUTE

8 PILLARS OF TRUST

CLARITY
People trust the clear and mistrust the ambiguous.

COMPASSION
People put faith in those who care beyond themselves.

CHARACTER
People notice those who do what's right over what's easy.

COMPETENCY
People have confidence in those who stay fresh, relevant, and capable.

COMMITMENT
People believe in those who stand through adversity.

CONNECTION
People want to follow, buy from, and be around friends.

CONTRIBUTION
People immediately respond to results.

CONSISTENCY
People love to see the little things done consistently.

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THE UNDERLYING QUESTION

THE MOST IMPORTANT QUESTION that everyone is asking about you, your team, or your organization is not, "Do I like you?" but rather, "Can I trust you?" Before an employee follows a leader or a customer buys a product, they all wonder if they can trust the person or product. What's more, those who are trusted also tend to be liked.

Consumers are being deceived and they know it! They see a beautiful face on the latest magazine and wonder if it is airbrushed. They don't trust anything to be real, so it becomes harder and harder to break through mistrust. Trust in media has dropped rapidly in the last twenty years. In a time with cyber threats, deep fakes, and daily Twitter wars, **everyone is asking, "Can I trust you?"**

In 2020, the way that question is answered will either make or break your business; because **distrust is the greatest expense of every leader and organization.** Since we are living in a culture of such extreme distrust, 2020, like no other year before, is giving us a tremendous opportunity to rise above the fray and be trustworthy.

Trust Edge Leadership Institute's annual research reveals the most up-to-date findings on why trust matters now more than ever, and how to build it in the coming year. The 2020 Trust Outlook™ dives into the way today's consumers are perceiving trust across industries and offers practical steps on how leaders can move forward to build a high-performing culture, rich in trust.

To learn more about becoming the most trusted in your industry, or for media inquiries, email Anne@TrustEdge.com or call 651.340.6555.
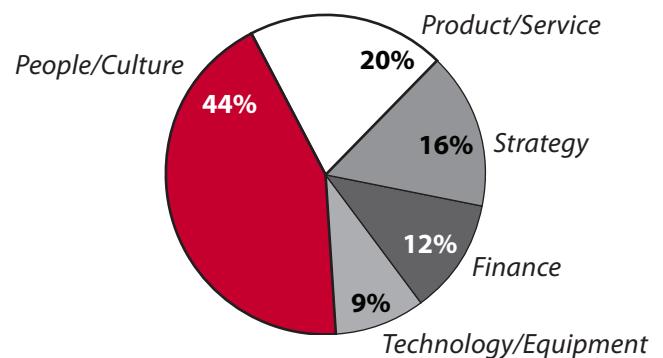
THE UNDERCURRENT OF TRANSFORMATION

ACCORDING TO THE GLOBAL STUDY, executives need to focus their attention on culture more than anything else. Even above finances, strategy, and technology, nearly **half of Americans believe executives should focus on people and culture.**

Whether senior leaders or front-line staff, everyone is worried about being seen as incapable, even above losing their job, not meeting deadlines, and being publicly criticized. Where trust is high, there is freedom to make mistakes, learn, and do better. A skeptical culture creates an environment where being seen as capable can make or break your career.

Nearly 50% of Americans say building a trusted culture should be the #1 concern for an executive. People value a trusted culture over creating diversity, guarding against data breaches, leveraging AI, and preparing for a recession!

RESEARCH FINDINGS

Where do executives most need to focus their attention?

People/Culture — **44%**
Product/Service — **20%**
Strategy — **16%**
Finance — **12%**
Technology/Equipment — **9%**

The challenge for today's organizations is that employees want leaders to focus on people/culture above finances, but the study also found that the #1 thing that motivates employees to show up for work every day is the *pay*. So to attract and keep top talent, pay people fairly but **consider the impact of motivations beyond pay**, such as communicating a unified mission, appreciating people, giving feed-back quickly, clarifying expectations, and celebrating wins in real time.

The benefits of a high-trust culture are numerous, as are the losses incurred by a low-trust culture:

Low Trust Culture		High Trust Culture
Unclear Expectations	vs.	Clear Expectations
Micromanagement	vs.	Empowerment
Self-serving	vs.	Compassionate
Suspicious	vs.	Confident
Poor Reviews	vs.	Increased Referrals
Low Loyalty of Customers/Employees	vs.	Committed Customers & Employees
Inefficient	vs.	Productive
Siloed	vs.	United
Higher Fear	vs.	Higher Freedom
Misaligned	vs.	Aligned
Slow	vs.	Fast
Secretive	vs.	Healthy Transparency
Inconsistent	vs.	Consistent

An organization's culture does not happen by accident. Leaders influence their culture through every interaction. Employees impact their culture the moment they walk in the door. Even the physical space matters. The most significant **culture change happens daily through thousands of micro-decisions** throughout your organization.

Two Ways to Create a Higher Performing Culture

Create a common language. While organizations can over-use acronyms, words and symbols that contain unique meaning in a team can also bring people together. Mutually common words and symbols lead to a common language which fosters shared meaning in groups. The faster a team can get to shared meaning, the higher the performance they can achieve.

Incentivize what you want from your people. When the critical I-35W bridge collapsed in the center of Minneapolis, MN, the city needed it to be rebuilt quickly. So they incentivized the winning bidder by giving a $20 million dollar bonus if the bridge was built to specification and done ahead of the deadline. And it was! Incentivize what you want to see.

BUILDING A TRUSTED TEAM

THE DATA SHOWS that people should be top priority in the workplace. From attracting talent and hiring right to increasing retention and building a high-performing culture, **people matter most**.

> 80% of Americans said that they would **not** follow a leader they don't trust.

There's no short cut to valuing people. Organizations that do the gritty work of actually caring for and equipping their people will gain more loyalty, resulting in teams that can make faster decisions.

Attract and Hire the Best

Even above autonomy, competitive benefits, and high compensation, for the second year running, **the #1 reason people want to work for an organization is *trusted leadership*.**

To hire right, organizations must be attracting top-tier talent. In the USA, the top three reasons employees want to work for an organization are:

1) Trusted Leadership
2) High Compensation
3) Fun Environment

If you want to have a higher performing team and organization in 2020, hire on trust, invest in your leaders, reward your people, and create a magnetic culture that is aligned in purpose and key priorities.

From hiring to development, the cost of not valuing people is enormous because it directly affects retention, innovation, and engagement.

Hiring can be a painful process, but wasting months onboarding the wrong person is an enormous cost. **Wasted time is a thief of momentum!**

The Interview

The data reveals **an interview is still the #1 way to measure if a candidate is trustworthy** before hiring them.

In milliseconds, the human brain forms opinions of someone. First impression bias is real and should be carefully considered.

The interview, and often a second interview, offers a deeper look beyond the first impression. Unfortunately, ineffective interviews are far too common and are a waste of everyone's time. The greatest detriment is that they often lead to hiring someone who is not the right fit. Well-prepared interviews set the stage for success.

The candidate has likely invested significant time preparing for this interview. Make sure you do the work ahead of time as well:

❑ Decide what a homerun candidate would look like in this role and on this team.

❑ Get clear on what traits, values, skills, degrees, and motivations would align with the role. Which ones are necessary and which ones are considered bonus?

❑ Always consider character, competency, and the fit to your culture.

Set specific expectations. Once you are clear, write questions that will help decipher whether the candidate aligns or not. If an interview ends up inconclusive, the fault likely falls on the interviewer's questions, not on the candidate's responses. Interviews are just as much about the company assessing the candidate as the candidate assessing the company. The mutual responsibility of interviews is to fairly represent who you/your company is and then decide if both align.

> **TIP** To conduct a great interview, choose interview questions that align with your mission, vision, and/or values as well as the 8-Pillars of Trust™.

The table on the following page offers additional possibilities for an effective interview, both as an interviewer and as a candidate.

	AS AN INTERVIEWER...	AS A JOB CANDIDATE...
CLARITY	**Ask:** How do you operate amidst ambiguity? How do you get clear on expectations? **Notice:** *Does the candidate have clear responses to your questions? Does the candidate ask clear questions in return?*	**Ask:** How do your employees know and live the mission/values here? **Notice:** *Clarity of the mission and values. Do they have clearly defined expectations for the role?*
COMPASSION	**Ask:** Who do you most appreciate in your life and why? How do you like to give appreciation? **Notice:** *Overly negative toward previous or current employer or colleagues.*	**Ask:** In what ways does your organization give to others? How does the organization manage challenges that arise at home/work? **Notice:** *Does the interviewer think to share how they take care of their employees and customers?*
CHARACTER	**Ask:** Share about a time when you had to do what was right over what was easy. What is a character trait you look for in close friendships? **Notice:** *Character traits your organization values (Integrity, honesty, loyalty, responsibility, humility, etc.)*	**Ask:** What sets the employees of your organization apart from other companies? How do you affirm and encourage high character here? **Notice:** *Gossiping, signs of distrust amidst leaders. Alignment in values and actions.*
COMPETENCY	**Ask:** What have you learned about lately (in any subject)? What type of training do you value most? **Notice:** *An individual who desires to learn, grow, and stay relevant.*	**Ask:** What opportunities does your company provide for continued training here? **Notice:** *A company who prioritizes learning.*
COMMITMENT	**Ask:** Describe a challenge you had to overcome? What happened? **Notice:** *Why did the candidate's previous role end? Does the candidate seem motivated by the role and mission of the organization?*	**Ask:** How does your organization uphold accountability to goals? **Notice:** *Examples of how the organizations keeps commitments to employees, customers, etc.*
CONNECTION	**Ask:** What was your previous team dynamic like? What do you most hope for from your future team? What do you do to connect with friends, family, co-workers? **Notice:** *Has this candidate been able to make and keep connections over the years?*	**Ask:** What are your teams like inside the organization? Do people spend time together outside of work? How does your organization encourage teams to connect and grow? **Notice:** *Colleagues collaborating as you walk through the building.*
CONTRIBUTION	**Ask:** Describe your top two accomplishments during your career/life? How do you define achievement? **Notice:** *Measurable success in their previous roles.*	**Ask:** How does this organization define achievement? How is performance encouraged? **Notice:** *Clear expectations of what results should come from this role.*
CONSISTENCY	**Ask:** What do you take the time to do every day. Why? What is one brand/company you are loyal to? **Notice:** *Consistency in interactions by email, phone, and in-person. How would this affect your experience?*	**Ask:** How is consistency upheld in the brand/culture of the organization? **Notice:** *Consistency in how employees and clients are treated. Does this organization stand by its product/ service? How?*

PERFORMANCE REVIEWS: THE POWER OF THE NEGATIVE

GLOBALLY, **the #1 reason people leave an organization is because they do not feel appreciated.** Build a culture where people appreciate one another. Where there is genuine and personalized appreciation, retention rates will increase.

A high-trust culture has a high ratio of positive encouragement to honest criticism and high-trust leaders show appreciation for their employees more often than they give negative (critical) feedback. Both are important for a healthy organization.

New to this year's data is that not only will employees accept negative feedback, they actually seek it! **Nearly 60% of respondents around the globe said they would rather know what they were doing wrong,** so they can improve their work, than to hear what they were doing right.

The human brain is great at learning from bad experiences. Negativity Bias (giving higher psychological weight to negative experiences than positive ones) impacts performance reviews. It turns out that *people are more likely to make a positive change when prompted by negative influence*, even in a review! Humans are wired to notice and respond to negative experiences. When someone experiences only negative feedback, they tend to grow less and less receptive to it, so be careful. Seek a healthy balance but understand that honest feedback is a very powerful tool.

The tension here is to create a culture where ongoing, direct feedback is received well in both directions and where encouragement and appreciation are shown more often than not.

Th average employee (and employer) dreads an annual review. Anxiety and skepticism often become heightened in anticipation of reviews--which sets everyone up for failure. Many organizations are moving away from annual reviews and towards continuous performance management models.

Framework for Ongoing Reviewal

WHEN

1. **Set up the conversation with a clear purpose** given to the employee. (Ambiguity fosters fear and suspicion.) Meet one on one and face to face.

2. **Be timely.** Give feedback while information is still pertinent. If possible, give feedback in the moment instead of waiting until a meeting.

   Accumulating information for a once-a-year review can come across as "ammunition" that's been stored up. This is more likely to trigger negative reactions, while ongoing feedback gives opportunity for adjustments right away. Worried about documentation? Create a log where you record the nature of the feedback and the day you talked about it. Don't be afraid to set up meetings to give feedback, just try not to wait too long.

   Continuous performance management sets up a mutual expectation for ongoing, relevant feed-back that happens in real time. CPM saves time and stress and can significantly reduce turnover when done right.

HOW

1. **Be straightforward**–don't overdo it. Get to the point quickly and with compassion.

2. **Have specific examples** that are based on facts.

3. **Collaborate.** Invite the person receiving feedback into the discussion of how to improve going forward. Bring helpful suggestions and clear expectations for the future, while also empow-ering the employee to decide their own tactical steps for improvement.

WHO

1. **Know who you are talking to.** Do they process information internally or externally? Do they need time to process the remarks before responding or do they prefer to talk it through?

   People will respond best if there is a pre-existing, trusted relationship. Mutual trust is earned over time and allows authentic freedom to give constructive feedback. If you don't receive honest feedback particularly well, work on this yourself. Ask your boss or colleagues to give you feedback now and then. Be open to it. Understand how it feels and model the improvement that follows.

SPECIAL REPORT:
Generations in the Workplace

GENERATIONAL CONVERSATIONS have dominated business articles for years. People are asking about Millennials as if they're a pink tiger at the zoo. Have you noticed? This year's data shows a generational bias around contributing results at work.

The study found that every working generation believes that Millennials are the most likely to contribute innovative thinking at work. Globally, 71% of people think those who are 38 or younger generate the most results at work.

Identifying problems based on age is distracting leaders from the root issue. At the core, the problem is not generational, but rather about trust. Is someone in their early twenties frequently late to meetings? Maybe it is a *consistency* or *commitment* problem, not that they are called Millennial. Is a colleague in her sixties disengaged from office culture? It might be a *connection* issue, not that they belong to the Baby Boomer generation.

When organizations create a common language around trust, such as the 8-Pillar Framework™, leaders and employees alike can more readily identify challenges and opportunities in business.

Innovation is what leads businesses out of monotony and saves businesses from extinction. The only way to real, lasting innovation is to build a high-trust culture where people can feel the freedom to be their best. When trust increases, innovation and creativity go up because people feel free to share ideas and challenge historical norms.

Build a culture where, despite age, results are expected and executed! ⊤

INCREASE ENGAGEMENT BY DEVELOPING YOUR PEOPLE

AN ADDITIONAL WAY TO TAKE CARE OF EMPLOYEES is to provide training opportunities. 78% of people around the globe say that more frequent training would help them trust their employer more. More specifically, **two-thirds of Americans want to be trained in people skills over technical skills**. Give opportunities for leadership development or EQ skills workshops across all levels of your organization. Business of every kind is still built on people. The stronger your employees' people skills, the stronger your culture and bottom-line!

> 78% of people around the globe say that more frequent training would help them trust their employer more.

Training is helping companies like Chick-fil-A and The Container Store to win big in their industries. It turns out people are not born saying, "My pleasure" when asked to help a customer or colleague! Training is an opportunity to drive a common language into a culture, reinforce safety habits, and affirm what "great" looks and sounds like. **Training often leads to a feeling of gratitude by employees which increases engagement and retention** because they feel like the organization is investing in them. One CEO shared that he believes the training they do turns a single employee into what would take three employees at other companies.

So how can you keep from wasting millions on talent development and leadership training that doesn't work? The following points should be considered if you want your talent development strategy to have lasting results.

7 Keys to Leadership Development

1. Aligned with Strategy

If the training is not aligned with the core strategy, people disengage because they don't know "the why" behind what they are doing.

2. Championed by Senior Leaders

If senior leaders are not backing the training and development, everyone knows it. People tend to act on what is modeled over what is messaged.

3. Reinforced Consistently

Reinforcement is key to building a common language and driving a high-performing culture. Flavor of the month ideas fail.

4. Safe Environment

Since their kindergarten days, if humans don't feel safe, they will stop sharing ideas and learning.

5. Live Interaction

While online learning can be valuable for certain concepts as well as reinforcement, research shows learning and results multiply when humans connect in-person for at least a portion of any development initiative.

6. Actionable Today

Motivation to use content increases fast if it is simplified and designed so participants can act on it immediately.

7. Helpful to Organizations AND Individuals

Organizations don't change. People do. When individuals change, then a team, company, or entire country can change!

TRUST IN A DIVERSE WORKFORCE

FOR THE SECOND YEAR IN A ROW, people believe diversity is important to a high-performing team. However, the research also revealed that most people want to work on teams with people who are similar to themselves. How can leaders work with these two realities?

> 85% of people believe trust is important to have a high-performing team and yet most people want to work with people who are a lot like themselves.

Trust leverages the best of diversity. Where there is a foundation of trust, diversity will be welcome, and all will flourish. A lack of trust is very destructive to cultures of diversity.

RESEARCH FINDINGS

Diversity is Important to a high-performing team.

True.
85%

15%
False.
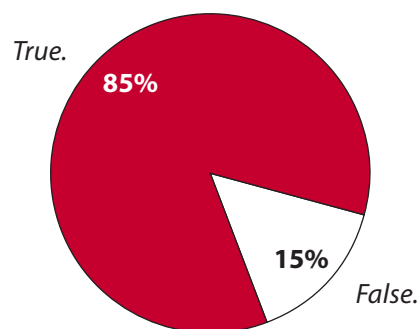
At work, what type of people do I most want on my team?

*People who are a lot **like** me.*
51%

49%
*People who are a lot **different** than me.*
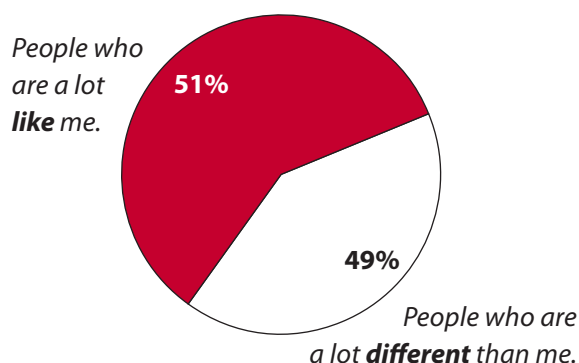
Ongoing research shows the intrinsic value of diversity in organizations. One study shows that when making a decision on your own, you will be right 44% of the time. When making a decision with like people, you will be right 55% of the time. **A person with a diverse perspective will be right 75% of the time!** It is not just because of the diverse opinions but because everyone comes to the table more prepared for their ideas to be challenged (Amy Wilkinson, *The Creators' Code*).

Diversity without trust pits people against each other.

In one significant study based on detailed interviews of nearly 30,000 people, Harvard political scientist Robert Putnam concluded, "In the most diverse communities, neighbors trust one another about half as much as they do in the most homogenous settings."[1]

As David Horsager says in *The Trust Edge*, "People prefer to work with others with whom they have something in common. They wonder, do we share values? Differing views can make for lack of unity. In that way, diversity can create a barrier in trying to build trust" (pg 38).

It is natural to seek out commonalities in people. Trust takes work because people tend to trust the familiar and those with whom they find similarities. On the flip side, we make better decisions and foster greater innovation where there is diversity and trust. This is why trust leverages and brings out the best of diversity.

Leaders in diversity might consider focusing more on inclusion and less on diversity to gain the high trust environment they desire. Leaders can leverage diversity of thoughts, backgrounds, and experiences by **creating clarity and unity around the core purpose and direction of the organization.** Seek a diverse workforce that can be unified around common values and vision for the future. ⊤

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1 Michael Jonas. "The Downside of Diversity," Boston Glove, August 5, 2007. Retrieved on 22 October 2019 from http://www.boston.com/news/globe/ideas/articles/2007/08/05/the_downside_of_diversity/
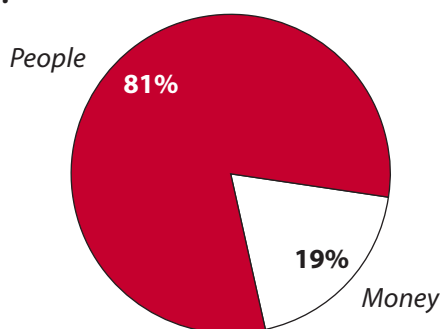
TRUST IN CHANGE

EVERY INDUSTRY FEELS THE CHALLENGES of accelerated change. According to the study, **your people are the key to succeeding amid change.**

When change is lurking around the corner, many leaders spend time on financial strategies to prepare for shifts, but this year's study found that over 80% of Americans believe that PEOPLE, not money, are what most helps a company succeed through change.

RESEARCH FINDINGS

What most helps a company succeed through change?

People
81%

19%
Money

Change can also be an opportunity for trust to grow quickly. Most trust is lost during change, not because of the change itself but because of the WAY it is handled. In fact, **crisis is a leader's opportunity to build trust the fastest.** If organizations are going to leverage or even simply survive times of change, they must create a culture that can handle the strain. Trust-rich cultures lead to high-performing employees which create durable businesses and thriving industries.

Whether organizational change is externally caused or internally decided, it brings about distress, fear, skepticism, and suspicion. Ambiguity spreads fear and stress like a virus. It's up to leaders to engage with change in a constructive way. They must lead with honesty and integrity, and provide opportunities for concerns to be addressed face to face.

In times of change and uncertainty, taking care of organizational culture can become a low priority. But if leaders hope to leverage the opportunities of change, they must strive to prioritize their people and culture and communicate the reason for the change with as much clarity as possible.

Last year's findings revealed that **people want to know the "why" for their work—especially during times of change.** Communicate the reason behind the change to gain more loyalty and a greater chance for success.

Building Trust in Change

❑ **Overcommunicate the "WHY"** during change. Help everyone understand the reasons behind it.

❑ **Be open.** Balance the tension of providing as much transparency as possible while protecting what needs to be kept confidential.

❑ **Set expectations.** Even in ambiguity, provide clear signposts for the road ahead.

❑ **Be honest.** Communicate often, even if there is bad news or no news.

❑ **Own up to mistakes.** Humble leaders set the tone for authenticity in their company.

❑ **Be present.** Set opportunities for live questions.

RESEARCH FINDINGS

What most hinders leaders from building trust with employees amidst change?
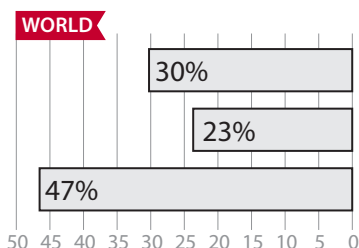
WORLD		U.S.A.
30%	Employee resistance to the change	23%
23%	External factors they can't do anything about	23%
47%	Not communicating the reason for the change	53%

WORLD scale: 50 45 40 35 30 25 20 15 10 5 0
U.S.A. scale: 0 5 10 15 20 25 30 35 40 45 50
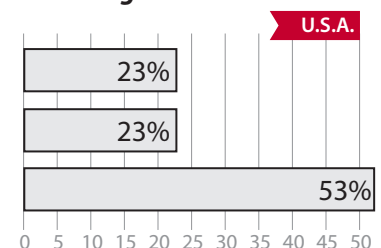
CHARACTER IS MORE CRITICAL THAN EVER

MOST PEOPLE THINK they have good character. And yet, this study found that almost **half of United States employees say they would NOT trust their leader at work to hold $5,000 for them!**

Companies need to incentivize the character they want to see in their company.

Many sales processes and organizational systems are systemized against the very character they hope to have. Many companies with great mission statements, rich histories, and stellar employees lose millions of dollars because they incentivize corruption over character. In some parts of the world, bribery is incentivized and what do they get? More bribery. Be careful how you incentivize sales, innovation and other behaviors. *What you measure and reward will get the attention.*

It is the work of life to what is right over what is easy. Hire those who do what needs to be done, when it needs to be done, whether they feel like it or not.

7 Steps to Building a Culture of Character

1. Define it.

People have different definitions of character. Is it integrity? Moral character? Decide what high character looks like in your organization and then clearly share it.

2. Communicate it.

Make sure everyone knows what kind of character is expected at your organization. When character standards are communicated, the organization has a greater chance of actually modeling those values.
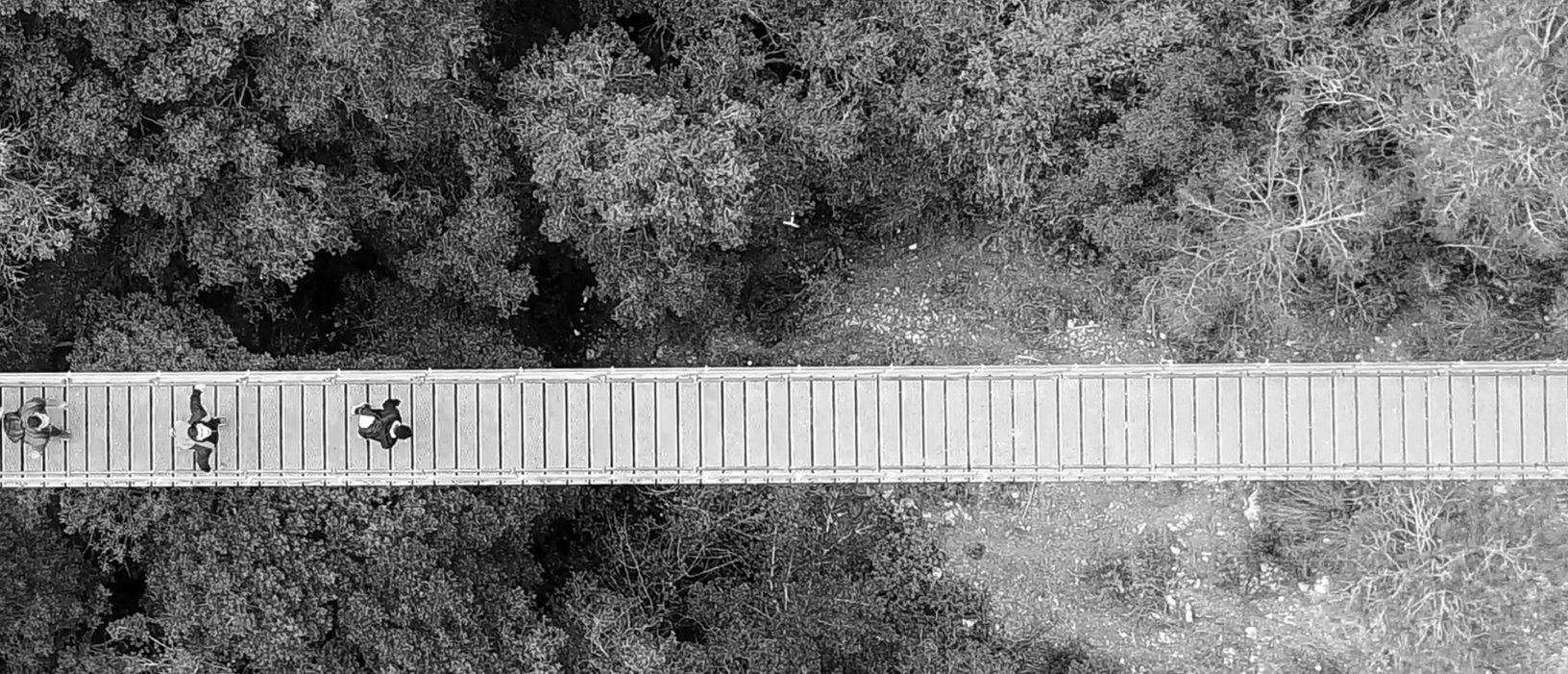
3. Hire it.

If an organization brings on a high-performing salesperson, but their character does not align with standards, then that person will poison the business from within. Peter Schutz (a former president & CEO of Porsche) said, "Hire character. Train skill."

4. Assess it.

People trust measurable data. Find a tool to assess character inside your company. Trust Edge Leadership Institute uses the Enterprise Trust Index™ and the Trust Edge 360™.

5. Reward it.

People are motivated in only two ways: toward something or away from something. Though the motivation of pain (away from) is a faster form of motivation, positive motivation "toward" something generally leads to a better, long-lasting culture. One of the organizations Trust Edge Leadership Institute works with presents deserving employees with a Pillar Award as a way to reward high character in a public way. The Better Business Bureau awards companies that are showing integrity in the marketplace.

6. Discipline it.

To have a chance at high character throughout an organization, there has to be real consequence and accountability for character gaps. Trust Edge Leadership Institute consulted with an organization with an excellent Vice President who was over eight senior managers. Seven of these managers were fantastic, but one was terrible. Who did the seven great senior managers dislike the most? Not the terrible one, but rather, the VP who did not hold the sluffing manager accountable. Discipline must be done with compassion, but also with clarity and consistency if you want to have a high-trust culture. Leadership avoidance leads to poison that slows productivity and performance.

7. Systemize it.

Many organizations become systemized against the very kind of character they hope to see. Beware of incentives that motivate against your values. Continue to ask: Are we seeing any gradual shifts towards poor character? Organizations will always get more of what they systemize toward. ⊤

A SPECIAL REPORT:
Trust in Healthcare

ACCORDING TO THE DATA, healthcare administrators should make decisions on value not volume. The tension is challenging with stockholders and stakeholders pushing for lower costs, higher margins, and increased market share, while consumers want more connection, compassion, and care. However, findings of this study revealed that, globally, 66% of people want healthcare administrators to make decisions based on value (higher patient satisfaction) above volume (lower medical costs).

66% say they should focus on value (higher patient satisfaction)

34% say they should focus on volume=lower medical costs

66%	34%

In the United States, nearly 8 in 10 people say they trust their medical provider and yet, almost half say a lack of trust is what is costing medical institutions the most. There is a disconnect and healthcare providers are losing money because of it.

Healthcare policies are complex, providers are overloaded, and patient expenses are unpredictable. Amidst these challenges, healthcare providers have a great opportunity to earn trust, now more than ever.

The Practitioner's Role in Healthcare's ROI

The core of a patient-doctor relationship is trust. In 2020, **healthcare leaders can increase trust by focusing on competency and compassion.** Patients are looking for both when selecting their medical provider.

Any doctor with the best bed-side manners will not get very far if they don't also have competence. On the other hand, a practitioner who fails to connect and show compassion can expect to lose their patients to more personable providers, regardless of how knowledgeable they are in their field of expertise.

Providers need to exhibit both of these characteristics:

1. **Compassion.** Given the constraints of time and resources, is there any way health-care professinals can show more compassion to patients or customers? People want to be seen, heard, and remembered by their provider.

2. **Competency.** Patients will gain trust in doctors who demonstrate competence through clear and compassionate communication, without belittlement. No matter the type of provider (nurse, doctor, surgeon, etc.), confidence is trusted but arrogance is not.

Businesses are rarely as up-close with their consumers as they are in the medical field. In this high-risk and high-reward field, it only takes a moment for a whole institution to lose trust through one individual's failure. Every appointment and every phone call provides an opportunity to increase or decrease trust with patients. Embrace the unique opportunity to become a high-trust healthcare organization.

Closing the Gap

Trust is not just about the practitioner-patient relationship. Medical organizations as a whole are impacted by and have the opportunity to leverage trust. For healthcare administrators **in 2020, this means earning trust with patients by building a value-based approach** to medical services, even above higher per-day appointment volume. When patients receive quality care, it makes it worth the wait to receive care.

Clear communication is crucial. Keep patients informed while they wait. Magazines and fish tanks don't cut it in today's attention-deprived culture. Consider sharing more frequent updates on anticipated wait times, provide more relevant entertainment and provisions—think out of the box on how to take exceptional care of patients and see patient satisfaction begin to rise. High-quality and high-value patient care can occur as much in the waiting room as it can in the exam room!
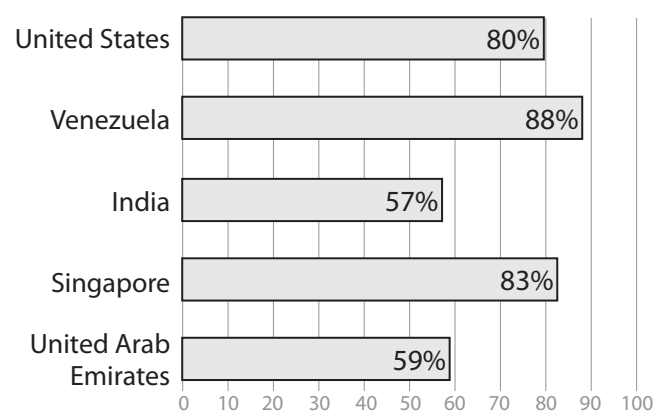
KEYS TO BEING A TRUSTED LEADER

ACCORDING TO THE STUDY, leaders need to uphold **accountability** and give **clear direction** in order to be trusted.

RESEARCH FINDINGS

What percentage of people would NOT follow a leader they do not trust?

Country	Percentage
United States	80%
Venezuela	88%
India	57%
Singapore	83%
United Arab Emirates	59%

Clarity

In 2020, **people are looking for clear direction from their leaders**, not more autonomy. Despite the trends of working remotely and seeming to value autonomy, 74% of Americans believe the best leaders help teams accomplish goals by providing direction above autonomy.

The second element of clarity found by the study is that 87% of front-line staff want transparency over privacy from their leaders. Provide clear direction. Be as transparent as you can be while being as confidential as you ought to be.

Accountability

Accountability aligns what is said with what is done for a higher performing culture and results that can be trusted. Current and future **employees are looking for high-trust leaders who create a culture of accountability**, communicate clearly, and focus on people.

Real accountability always includes a metric that, along with a recurring conversation, clearly measures and evaluates performance. Decisions driven down closest to the point of impact are the most effective.

More than 6 in 10 people believe a higher level colleague is the best person for upholding accountability in the workplace. If leaders want to see their employees' goals accomplished, they must learn to show genuine care for their people while upholding accountability. **Real accountability comes with real conversations and real consequences** for not delivering results.

Accountability works best when people are held accountable by those who care for and support them. It is most effective when people feel valued and safe. Once the leader has established compassion and backing for the individual, an accountable culture can be created with the Six-Step Accountability Framework™.

Six-Step Accountability Framework™

1. **Clear Goal:** What is the specific goal?

2. **Clear Ability:** Does this person have the capability and resources to accomplish the goal?

3. **Clear Metric:** What does successful progress look like incrementally, for example each week?

4. **Clear Check-in:** Who is checking in? When?

5. **Clear Results:** What are the rewards or consequences for outcomes, successful or otherwise, on this goal?

6. **Clear Commitment:** What is the commitment level, 1-10, for achieving this goal?

Around the globe, employees say the top factor for accomplishing goals at work is accountability. People trust those who contribute results. The study found that **people more than double their chances of accomplishing goals when they have accountability** from someone who cares about them.

SPECIAL REPORT:
A Trust Crisis in Venezuela

TRUST, OR A LACK OF TRUST, HAS GLOBAL IMPACT. It reaches across cultures, generations, religions—you name it. One country, in particular, is suffering a severe case of distrust: *Venezuela.* Although this is not altogether surprising, the data reveals the starkness of the situation.

According to the study, **92% of Venezuelans do NOT trust their political system.** The lack of trust in Venezuela is at an all-time high as the country has seen major political and economic change in the last few years. In 2019, Venezuela spiraled into its worst-ever economic crisis, with the hyperinflation forecast to reach 10 million percent by the end of 2020.

RESEARCH FINDINGS

What percentage of citizens trust their political system?

Country	Percentage
India	75%
United Arab Emirates	70%
Singapore	55%
United States	29%
Venezuela	8%
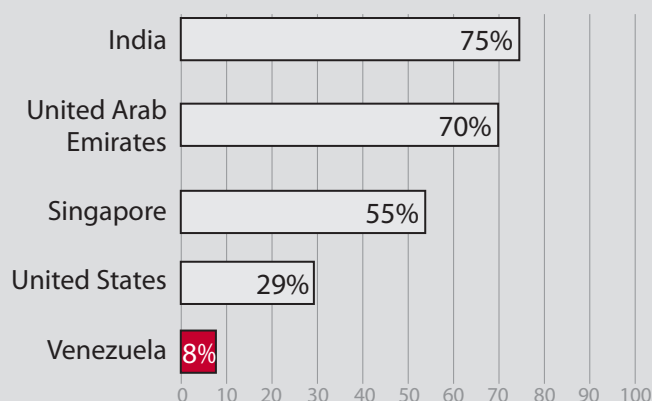
This economic crisis has caused escalating starvation, disease, crime, and mortality rates, destroying trust with the citizens and resulting in massive emigration. **Even amidst these crises, 94% of Venezuelans say they feel optimistic about the future!**

Despite the complexity of the crisis, research shows that for Venezuela to rebuild trust, those in leadership should work to increase three key Pillars of Trust:

• **Clarity:** Suspicion breeds distrust. Work to reduce the unknown through clear communication, both with the citizens and within the government. As clarity increases, trust grows.

• **Compassion:** Acknowledge suffering. When leaders fail to recognize the holistic impact of suffering on citizens, further damage is caused.

• **Commitment:** Leaders must become committed to their people's welfare. Make and keep commitments to serve people as they rebuild the economy.

THE IMPACT OF TRUST ON SALES

THE STUDY FOUND that people make referrals on *trust* without a second thought.

If you are not trusted, you will not be referred. **If you are trusted, you will be referred liberally** and without any effort on your part. When buyers trust the salesperson they are purchasing from, they will pay more and refer their friends. For many companies, referrals can be a major form of inbound leads/sales.

> In the U.S., nearly 8 in 10 people would NOT refer the products or services of someone they don't trust.

Trust is crucial for driving sales and retaining customers. With alternative options available through a quick Google search, it has become increasingly difficult to win over and keep customers.

With the expanse of digital resources available to salespeople, it can be tempting to seek the newest sales tip or closing technique but, **without trust, sales tactics mean nothing**. Buyers sense dishonesty from a mile away and will then look elsewhere for a high-trust solution. When salespeople are trusted, it shows in every relationship and is proven by a growing bottom line. Trust gives a concrete and critical advantage.

Honesty

Year over year, trust is impacting sales:

- In 2018, *The Trust Outlook™* showed that customers wanted their salesperson to be knowledgeable about the product.

- In 2019, the #1 reason people state that they would NOT buy from a specific salesperson was because of a lack of trust.

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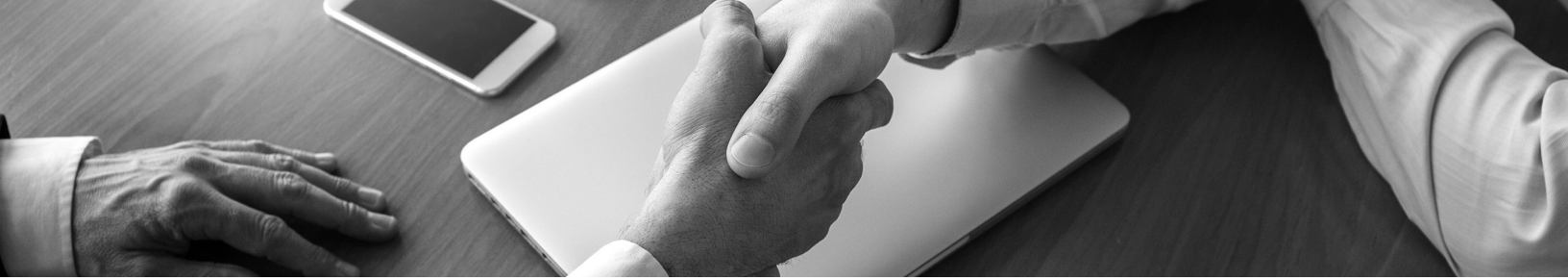
Outgoing, persistent, knowledgeable, and personable are all favorable traits for success in sales but, in 2020, **the one trait valued above all else is honesty.** Honesty in communicating and selling is the most important trait in gaining clients and increasing sales with repeat customers. Honesty is essential in clear, open communication with clients. When customers receive clear information, trust is built, and business results increase.

Stay honest. Don't give clients a reason to look elsewhere. **Loyalty is awarded to those who communicate honestly and make honest business transactions.** Miscommunication, dishonesty, and half-truths can ruin a salesperson's credibility and jeopardize job retention. Even in the small things, honesty is essential.

Why Dishonesty?

Why are people dishonest? *Fear.* People are afraid of not making quotas, not providing for their families and being found out as incompetent. But time and time again, those who respond honestly and quickly are given second chances more often.

Often senior leaders sit alone in the board room after everyone else has gone and deal with a pit in their stomach because they have not been completely honest about the situation. This does not mean a leader can always be transparent about everything to everyone all the time. However, an executive *can* be honest about the fact that there are reasons they cannot share everything at this time.

Dishonesty doesn't just increase skepticism and slow down business. It ruins relationships, health, and the ability to truly lead.

Keys to Being Honest

1. **Mean what you say and say what you mean.**

   Do not promise what you cannot deliver. Be upfront about what your product or service can or cannot do. Telling the truth helps the client build trust in you.

2. **Follow through.**

   If you tell the client or colleague you will send them the information by Friday, do it. If you set up a call, set a reminder so you don't miss it. People trust those who follow through on their commitments.

Being truthful and keeping promises will earn trust that returns endless dividends!

SPECIAL REPORT:
Technology Troubles

ACCORDING TO THE 2020 TRUST OUTLOOK™, **the companies that have lost the most trust in the past year are primarily tech giants.** Technology is developing faster than ever and trust issues continue to come to light within technology companies. Because people continually rely on technology, when trust is lost, the disappointment makes the trust fall further and faster.

Whether a company is hiking up prices, experiencing a data breach, identifying personal information to influence behavior, or manipulating customers into purchasing newer versions of their product, top companies are losing trust at an alarming rate.

No matter the specific scandal, lost trust is costing technology companies every single day. **The higher the skepticism of users, the lower their commitment** to the platform. As social platforms lose users, they lose in advertising dollars, in usage, and in reputation. To rebuild trust with their client-base, companies need to focus on clarity and commitment.

This year's findings revealed that only 15% of respondents believe that executives should focus on guarding against data breaches, whereas 50% of respondents say executives should focus on building a trusted culture. Increase clarity and commitment with employees and end users to improve company culture and customer relationships.

When clarity is increased with the consumer, trust is built. Since one of the recent data breaches, social media platforms have focused on transparency by giving updates and providing options to create a more secure online profile.

Ultimately, when going through a crisis, it is most important to build a culture of trust from within. When you have a trusted culture, it means greater retention of your valuable employees and greater loyalty with customers and employees.

BUILDING TRUST AT HOME

WHEN FAMILIES ARE BUILT ON TRUST, neighbor-hoods and cities will be impacted. Everyone is shaped by family. For better or worse, kids experience trust and distrust from an early age and often first from a guardian, sibling, or relative. No matter the size or shape, **family matters.** Whether it looks like belonging to a tribe in Kenya, living in a U.S. neigh-borhood in downtown Chicago, or experiencing Sobremesa in Spain, genuine life-long relationships establish a foundation for building trust.

However, trust in families is not automatic. According to this year's study, family members feel they are lacking connection.

In America, **the #1 factor that most inhibits trust in families is a lack of quality time.** Quality time occurs when connections are made through authentic conversations and shared expe-riences. The challenge is creating quality time when many people do not even prioritize it.

47% of Americans say
a lack of quality time is what
most inhibits trust in families.

One primary hindrance to a lack of quantity time is technology/social media. In a 2019 report by social media content strategist, Hootsuite, "Digital consumers spend nearly 2.5 hours on social networks and social messaging every day." [1]

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1 https://blog.hootsuite.com/social-media-statistics-for-social-me-dia-managers/

28 |

Disruption of connection is not an issue specific to teenagers. Many business leaders depend on social media for their marketing; Consumers depend on direct access to influencers and business leaders on social media 24/7. The tension for leaders is knowing when to build connection with their prospects and when to set aside the device to build connection with their in-person relationships.

According to a 2019 study by the PEW Research Center, "Roughly six-in-ten parents of teens (59%) say they at least sometimes feel obligated to respond to cellphone messages immediately, while 39% admit they regularly lose focus at work because they're checking their mobile device, and 36% say they spend too much time on their cellphone."[2]

To build trust in your family as well as in your team at work, plan to spend quality time together. **Quality time together only happens when the *quantity* of time increases.**

The good news is there is not a prescription for how this looks. One first step to build trust in families is to put down the device, plan time together, and ask meaningful, open-ended questions in conversation. These could include:

- *What have you been learning about lately?*

- *What are you looking forward to?*

- *Tell me about something you would like to accomplish.*

- *What is a highlight or low light of the last year?*

Make time with people a priority, and then leverage the benefits of technology secondarily.

2   https://www.pewresearch.org/fact-tank/2019/03/22/how-parents-feel-about-and-manage-their-teens-online-behavior-and-screen-time/

SUMMARY & TAKEAWAYS

WE ARE LIVING IN UNIQUE TIMES. Trust is down but optimism is up. In fact, according to the study, 75% of people are optimistic about the future. And yet, we are living in a world where suspicion takes the front seat of purchasing and where buyers maintain high expectations for quality products and exceptional service. **The only way to win in these demanding conditions is to be the trusted choice in your industry.**

The *2020 Trust Outlook™* offers key takeaways for leaders who want to thrive in this environment:

1 | Focus on People

People matter more than ever. Equip leaders. Hire right. Prioritize appreciation, talent development, and accountability to build a high-trust culture.

2 | Be Clear During Change

The only way to survive rapid change is to have a high-trust culture. Overcommunicate the "Why" during change.

3 | Win with Honesty

To increase meaningful referrals, honesty is key. Referrals don't result in referrals, trust and honesty do.

4 | Communicate the Mission

To achieve trust and alignment in an organization, you must first equip your people with a common language and purpose.

Ready to get started? For next steps on implementing these takeaways and building a high-trust culture, call **651.340.6555** or email *Info@TrustEdge.com*.
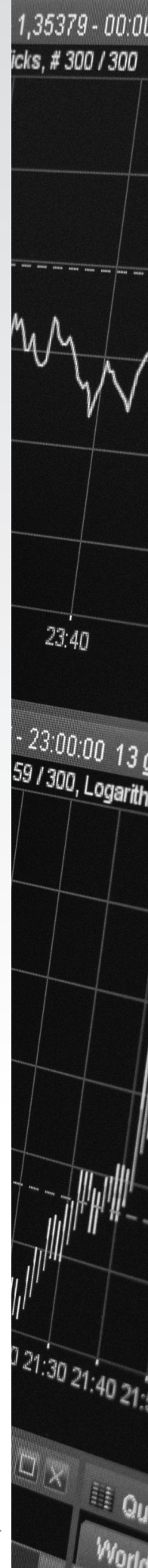
ABOUT THIS STUDY

The Author

Trust Edge Leadership Institute (TELI) is a Saint Paul, Minnesota-based company with a mission to develop trusted leaders and organizations around the world. Since 1999, TELI has pioneered trust development through research, speaking, human capital development, and consulting, all on trust and its proven impact on the bottom line.

The Trust Outlook™ is produced annually by TELI with David Horsager as Director of Research and Anne Engstrom as Director of Content.

David Horsager is a global authority on helping leaders and organizations become the most trusted in their industry. His work has been featured in prominent publications such as Fast Company, Forbes, The Wall Street Journal, and The Washington Post. David has worked with clients ranging from Verizon and Delta to national sports teams and governments around the globe. As bestselling author of The Trust Edge and inventor of the Enterprise Trust Index™, David has taken the platform across the United States and on six continents.

Research Methodology

The custom online survey was administered to 1,156 adults (ages 18-65) in the United States, and at least 475 adults in each of the following countries: India, Singapore, United Arab Emirates, and Venezuela.

The sample is representative of the current census data for age, gender, and region, and participants were screened for age, employment, and education level.

The survey was conducted online from June 28, 2019 and July 31, 2019 and the total sample has a margin of error of +/- 1.8%.

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Case Study:
Fortune 100 Company

50 U.S. states, 125 countries, 100,000+employees

CHALLENGE

Lack of unity in culture, negatively affected performance, engagement & business growth.

SOLUTION

Utilize the Trust Edge Inspire-Clarify-Equip (ICE) Process to...

INSPIRE a shift of thinking and give a common language.
- Delivered over 30 inspiring kick-off keynotes across a variety of business units and spanning all three major leadership divisions
- Keynoted annual Company Summit that reached 3,000 people live and 10,000+ via 60 satellite sites on six continents to increase alignment across the organization
- Coached senior leaders on roll-out and messaging for greatest impact

CLARIFY and benchmark performance improvement.
- Engaged in multiple Trust Edge Assessment meetings in order to contextualize and customize content for this unique organization's top priorities
- Utilized Enterprise Trust Index™ with top 500 leaders

EQUIP with actionable tools.
- Facilitated the Trust Edge Experience™ workshop with senior leaders and with multiple cohorts to give actionable tools for increasing Pillars of Trust and performance of teams
- Certified leaders to teach Trust Edge Experience™ throughout organization
- Integrated Trust Edge material into culture ambassador workbooks
- Developed trust with internal company ambassadors
- Integrated IP and collaborated with Human Resources and culture offices throughout organization
- Provided multiple customized video, coaching, and consulting interfaces to increase consistent use of Trust Edge tools
- Implemented ongoing Trust Edge Online Course and reinforcement programs to provide accountability and results that go well beyond previous, short-lived training initiatives

RESULTS

Measurable results included:
- ★ 400-point increase in engagement score over last two years
- ★ Increased sales
- ★ Increased efficiency and effectiveness

"David hit a home run…again!"
—SVP of Culture, Fortune 500

Case Study: Health Center

13 locations, 600+employees

CHALLENGE

Organization faced ongoing attrition, unempowered managers, and departmental division.

SOLUTION

Utilize the Trust Edge Inspire-Clarify-Equip (ICE) Process to...
Implement 18-month, company-wide Human Capital Initiative using The Trust Edge™ which led to multi-year, ongoing Trust Edge transformation process

INSPIRE a shift of thinking and give a common language.
- Delivered keynote which inspired CEO to believe the Trust Edge work could help solve current challenges
- Facilitated Trust Edge Experience™ with Senior Leadership Team
- Presented Trust Edge keynote at company-wide annual meeting to inspire buy-in and excitement around common language and roll out of Trust Edge solutions

CLARIFY and benchmark performance improvement.
- Administered Enterprise Trust Index™ annually to benchmark growth change and clarify next opportunity to close gaps and increase performance
- Implemented ongoing assessment of results and help to simplify for best next steps that will continually improve organizational culture amidst change
- Provided clear, customized executive briefs and consulting to zero in on the next most important priorities

EQUIP with actionable tools.
- Hand picked volunteers from Senior Leadership team who became equipped and certified to train the Trust Edge Experience™ internally
- Provided ongoing use of Trust Edge Ambassador program and Trust Edge Online Course

RESULTS

Measurable results included:
- ★ 18% decrease in attrition in 12 months
- ★ Lower skepticism and inefficiencies in communication
- ★ Improved engagement and morale from Senior Leadership
- ★ Enterprise Trust Index™ increase of 12% in one year
- ★ Increased efficiency and effectiveness in interactions
- ★ Language successfully implemented into organization and affirmed through monthly recognitions of trust with "Pillar Awards"
- ★ 8-Pillar Trust Edge Framework™ used to make faster, more consistent decisions across the organization

"Trust Edge was a vehicle for a common language and it has worked extremely well."
—CEO

Case Study: Dealership

Multinational Fortune 500 organization

CHALLENGE

Decreased performance, profitability stress, and inconsistent customer service were creating havoc.

SOLUTION

Utilize the Trust Edge Inspire-Clarify-Equip (ICE) Process to...

INSPIRE a shift of thinking and give a common language.

- COO engaged David Horsager for regional annual meetings to inspire thinking bigger about increasing consistency
- Keynoted meeting for corporate leadership to generate buy-in and discuss roll out of deeper Trust Edge impact

CLARIFY and benchmark performance improvement.

- Performed Trust Edge audit of organization and designed a transformative solution
- Provided Trust Edge 360™ Assessments on all managers and leaders with coaching and training

EQUIP with actionable tools.

- Sent all General Managers and location managers through Trust Edge Leadership Coaching
- Implemented expedited Trust Edge Performance Coaching for high-potential leaders
- Consulted with Senior Leadership team
- Enrolled top producers in Trust Edge Online Course

RESULTS

Measurable results included:

★ Became one of the top three dealership groups

★ $4.2 million in revenue in 90 days from one top producer

★ Sold more new equipment than prior year

★ Increased market share by 10%

★ Delivered more to bottom line

David's work is not just about strengthening our business. It's really about establishing the right foundation and fundamentals."

—COO

Case Study:
Professional Development

International organization of 2,100 members

Organization was losing members and rapidly shrinking.

Utilize the Trust Edge Inspire-Clarify-Equip (ICE) Process to...

INSPIRE a shift of thinking and give a common language.

- Delivered keynote at national meetings and president's meetings to create buy-in and shift thinking about trust and its bottom line impact

CLARIFY and benchmark performance improvement.

- Planned board retreats and created strategic plan
- Established standards of excellence
- Led strategic planning and roll out

EQUIP with actionable tools.

- Invested in Board of Directors and Senior Leadership team with a three-year coaching and consulting commitment
- Rolled out new mission statement and values
- Trained chapter leadership
- Implemented executive advising with Board of Directors and Senior Leadership
- Infused a variety of Trust Edge training and keynotes throughout organization
- Integrated 8-Pillar Trust Edge Framework™ into organizational culture and decision making

Measurable results included:

★ Decreased attrition by 20% in three-year period
★ Established common language across organization
★ Increased alignment

"David showed us how to reframe our thinking with the Trust Edge pillars and tools. This framework helped us by answering a lot of unanswered questions."

**Because trust is
more crucial
than ever.**