

TRUST AND CONFIDENCE

Keys to Transparency

In the wake of recent corporate scandals, one of the greatest casualties has been the level of perceived trust and confidence between management and employees plus companies and customers throughout the US economy and the world. Those greedy and dishonest executives will never fully realize the massive collateral damage they inflicted on the business community.

Our task as leaders is to facilitate and accelerate the development of those elusive, but all important intangibles – trust and confidence. There are many approaches to that end; what follows is one strategy I have found effective.

First, in order to create trust, every employee from the CEO to the janitor must know and understand the organization's mission – its reason for being. You should be able to wake any employee at every level from a dead sleep and ask “what is our mission?” They should be able to spout it instantly – everyone should say the same thing. The mission has got to be in the organization's bone marrow – it's part of the company's DNA. In business, everybody is selling something. I know a preacher who says, “I sell fire insurance.” In any sales situation the two basic questions that must be answered “yes” before the sales process continues are:

1. Do I have trust and confidence in this person? If this is answered “no” or “I am not sure,” nothing else happens – fold your tent and go home. If this is answered “yes,” you then face the second question.
2. Do I have trust and confidence in the company or organization this person represents? If this is answered “no,” the customer will not do business with your company, but may try to hire your employee whom they may trust. If it is answered “yes,” then the discussion moves to such mundane topics as quality, cost, benefits, features, schedules, etc. Now you are in head-to-head competition with the other vendors who passed these two questions. But, if you fail one of the two trust and confidence questions, you don't even get in the game.

In order to create trust and confidence, one must understand two important aspects of effective communication. First, there are two types of communication systems; one is a PULL system, in which information flows *upon demand*. The demand is a question or request. For example, I need some information to accomplish a task. I think Barbara, my administrative assistant, has the information. I might ask (pull), “Barbara, what is the status of the Pennzoil project?” She tells me. All recurring reports are pull systems. The other type of communication system is a PUSH system, in which information flows *without demand*. Barbara might become aware of some information she thinks would be of value to me, so she tells me or “pushes” it to me without my asking.

The great difference between pull and push systems is that pull systems meet the needs of the person pulling the information; push systems not only meet those same needs, but they build positive relationships.

Let us assume that a co-worker of mine from the accounting department is on a jetliner. She browses through the airline magazine and notices an article on organizational

development. She might think, “This article could be of value to Pete Land since he is a management consultant.” She will clip out the article and send it to me with a note. “Pete, I saw this article on a recent flight; thought you might appreciate it.”

What is my reaction when I receive this information that my colleague “pushed” to me? I not only gain from reading an article in my field, but I also have a very positive feeling about my colleague who was thoughtful enough to (1) know enough about me and my business to realize what was of value to me and (2) take the time and trouble to send or “push” it to me. I also sensed her primary motivation was to help me win.

You may rest assured that I will be sensitive to articles on accounting and will “push” valued information to her. One note of caution: push information only works when you know enough about the other party to know what information has high value and which information might be viewed as junk mail by the recipient.

Bottom line – in order for push systems to truly build positive relationships, there must be sufficient understanding about your colleague’s business to know what information is important to that individual.

Finally, there are two parts to every communication. First, there is the “what” part. The “what” is the rule or policy. For example, “we are going to work late tonight” --“we have decided to raise prices” – “our policy does not allow smoking in the office.” You get the picture.

The second part to every communication is the “why,” which is the supporting rationale and logic that makes the “what” make sense. The glue that bonds the “what” and “why” together is the word BECAUSE. For example, “We are going to work late tonight, BECAUSE there is a power outage scheduled for tomorrow” – “we decided to raise prices BECAUSE our major supplier has raised its prices” -- “our policy does not allow smoking in the office, BECAUSE of the health hazard to our employees and customers, and the smoke damages our computers.”

When we attach the “what” and “why” in every communication, we are creating understanding which builds trust and confidence, particularly when all the “whats” and “whys” support the basic mission of the organization. When everyone understands the rules, policies and decisions, the organization become transparent. Those trust-destroying games of hidden agendas, half-truths, and self-serving politics cannot survive in a transparent organization.

In conclusion, when the corporate culture is sensitive to “push” and “pull” and routinely packages the “whats” and “whys” together and drives them to the bottom of the organization in a reasonable window of time, this powerful communication system inevitably establishes and maintains between the CEO and the janitor (and everyone in between) that all important bridge of trust and confidence. Effective communication which helps create trust and confidence are the keys to transparency and organizational survival.