The Speed of Trust

Title: ***The Speed of Trust: The One Thing That Changes Everything***

Author: Stephen M. R. Covey

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Book Summary:

With nearly 750,000 copies in print, this instant classic shows that establishing trust is "the one thing that changes everything" (Marcus Buckingham, coauthor of Now, Discover Your Strengths) in both business and life.

Trust, says Stephen M.R. Covey, is the very basis of the new global economy, and he shows how trust—and the speed at which it is established with clients, employees, and constituents—is the essential ingredient for any high–performance, successful organization.

For business leaders and public figures in any arena, The Speed of Trust offers an unprecedented and eminently practical look at exactly how trust functions in our every transaction and relationship—from the most personal to the broadest, most indirect interaction—and how to establish trust immediately so that you and your organization can forego the time–killing, bureaucratic check–and–balance processes so often deployed in lieu of actual trust.

Book Notes:

Low trust causes friction, whether it is caused by unethical behavior or by ethical but incompetent behavior (because even good intentions can never take the place of bad judgment). Low trust is the greatest cost in life and in organizations, including families. Low trust creates hidden agendas, politics, interpersonal conflict, interdepartmental rivalries, win-lose thinking, defensive and protective communication—all of which reduce the speed of trust. Low trust slows everything—every decision, every communication, and every relationship. Location 430

There is one thing that is common to every individual, relationship, team, family, organization, nation, economy, and civilization throughout the world—one thing which, if removed, will destroy the most powerful government, the most successful business, the most thriving economy, the most influential leadership, the greatest friendship, the strongest character, the deepest love. On the other hand, if developed and leveraged, that one thing has the potential to create unparalleled success and prosperity in every dimension of life. Yet, it is the least understood, most neglected, and most underestimated possibility of our time. That one thing is trust. Location 455

Contrary to what most people believe, trust is not some soft, illusive quality that you either have or you don't; rather, trust is a pragmatic, tangible, actionable asset that you can create—much faster than you probably think possible. Location 463

Simply put, trust means confidence. The opposite of trust—distrust—is suspicion. When you trust people, you have confidence in them—in their integrity and in their abilities. When you distrust people, you are suspicious of them—of their integrity, their agenda, their capabilities, or their track record. It's that simple. Location 516

Once you create trust—genuine character and competence-based trust—almost everything else falls into place. Location 619

Here's a simple formula that will enable you to take trust from an intangible and unquantifiable variable to an indispensable factor that is both tangible and quantifiable. The formula is based on this critical insight: Trust always affects two outcomes—speed and cost. When trust goes down, speed will also go down and costs will go up. When trust goes up, speed will also go up and costs will go down. It's that simple, that real, that predictable. Location 679

When trust is high, the dividend you receive is like a performance multiplier, elevating and improving every dimension of your organization and your life. High trust is like the leaven in bread, which lifts everything around it. Location 799

A company can have an excellent strategy and a strong ability to execute, but the net result can be either torpedoed by a low-trust tax or multiplied by a high-trust dividend. Location 823

This is why I again affirm: The ability to establish, grow, extend, and restore trust with all stakeholders—customers, business partners, investors, and coworkers—is the key leadership competency of the new global economy. Location 841

One myth, for example, is that trust is "soft"—it's something that's nice to have, but you really can't define it, quantify it, and measure it. As I hope you can tell by now, the exact opposite is true. Trust is hard. It's real. It's quantifiable. It's measurable. In every instance, it affects both speed and cost, and speed and cost can be measured and quantified. To change the level of trust in a relationship, on a team, or in an organization is to dramatically impact both time and money—and quality and value, as well. Another myth is that trust is slow. While restoring trust may take time, both establishing and extending trust can be done quite fast, and, once established, trust makes the playing field exceptionally quick. Location 869

And in all of my experience, I have never seen an exception to the basic premise of this book: Trust is something you can do something about—and probably much faster than you think! Location 897

Once again, I affirm that nothing is as fast as the speed of trust. Nothing is as fulfilling as a relationship of trust. Nothing is as inspiring as an offering of trust. Nothing is as profitable as the economics of trust. Nothing has more influence than a reputation of trust. Location 899

As I learned that day with my father (and have relearned on almost every level since), trust is one of the most powerful forms of motivation and inspiration. People want to be trusted. They respond to trust. They thrive on trust. Location 952

Trust is a function of two things: character and competence. Character includes your integrity, your motive, your intent with people. Competence includes your capabilities, your skills, your results, your track record. And both are vital. Location 964

The First Wave: Self Trust
The first wave, Self Trust, deals with the confidence we have in ourselves—in our ability to set and achieve goals, to keep commitments, to walk our talk—and also with our ability to inspire trust in others. Location 1041

The Second Wave: Relationship Trust
The second wave, Relationship Trust, is about how to establish and increase the "trust accounts" we have with

others. Location 1047

The Third Wave: Organizational Trust
The third wave, Organizational Trust, deals with how leaders can generate trust in all kinds of organizations, including businesses, not-for-profit organizations, government entities, educational institutions, and families, as well as in teams and other micro-units within organizations. Location 1053

The Fourth Wave: Market Trust
The fourth wave, Market Trust, is the level at which almost everyone clearly understands the impact of trust. The underlying principle behind this wave is reputation. It's about your company brand (as well as your personal brand), which reflects the trust customers, investors, and others in the marketplace have in you. Location 1060

The Fifth Wave: Societal Trust
The fifth wave, Societal Trust, is about creating value for others and for society at large. The principle underlying this wave is contribution. By contributing or "giving back," we counteract the suspicion, cynicism, and low-trust inheritance taxes within our society. We also inspire others to create value and contribute, as well. Location 1067

However, from a pragmatic standpoint, I am equally convinced that speaking and behaving differently can also have an enormous impact on the way you see and the results you get. The very act of serving someone, for example, can quickly cause you to see that person differently—even to feel love and compassion which you have not felt before. I call this a behavior shift —a shift in which our behaviors ultimately bring about a shift in the way we see the world. I am also convinced of the power of a language shift. The way we talk about things can create a shift in how we see and how we behave, as well as in how others see us. Location 1149

Over time, I have come to this simple definition of leadership: Leadership is getting results in a way that inspires trust. It's maximizing both your current contribution and your ability to contribute in the future by establishing the trust that makes it possible. Location 1161

The First Wave—Self Trust—is where we learn the foundational principle that enables us to establish and sustain trust at all levels. That principle is credibility, or believability. This is where we ask ourselves, Am I credible? Am I believable? Am I someone people (including myself) can trust? Location 1186

> *Core 1: Integrity*
> The first core deals with issues of integrity. This is what most people think about when they think of trust. To many, "integrity" basically means "honesty." While integrity includes honesty, it's much more. It's integratedness. It's walking your talk. It's being congruent, inside and out. Location 1363
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> *Core 2: Intent*
> The second core deals with issues of intent. This has to do with our motives, our agendas, and our resulting behavior. Trust grows when our motives are straightforward and based on mutual benefit—in other words, when we genuinely care not only for ourselves, but also for the people we interact with, lead, or serve. Location 1368
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> *Core 3: Capabilities*
> The third core deals with issues of capabilities. These are the abilities we have that inspire confidence—our talents, attitudes, skills, knowledge, and style. They are the means we use to produce results. Location 1377
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> *Core 4: Results*

> The fourth core deals with issues around results. This refers to our track record, our performance, our getting the right things done. Location 1382

One way to visualize the importance of all 4 Cores of Credibility is through the metaphor of a tree. Integrity is essentially below the surface. It is the root system out of which everything else grows. Intent becomes somewhat more visible. It is the trunk that emerges from beneath the surface out into the open. Capabilities are the branches. They are the capacities that enable us to produce. Results are the fruits—the visible, tangible, measurable outcomes that are most easily seen and evaluated by others. Location 1405

So how does humility manifest itself in leadership and in life? A humble person is more concerned about what is right than about being right, about acting on good ideas than having the ideas, about embracing new truth than defending outdated position, about building the team than exalting self, about recognizing contribution than being recognized for making it. Location 1538

In addition, I'd like to suggest three high-leveraged "accelerators" that make a powerful difference in increasing integrity.

1. Make and Keep Commitments to Yourself – Every time we make and keep a commitment to ourselves—large or small—we increase our self-confidence. We build our reserves. We enlarge our capacity to make and keep greater commitments, both to ourselves and to others.
2. Stand for Something
3. Be Open

The greater your integrity—the more honest, congruent, humble, and courageous you are—the more credibility you will have and the more trust you will inspire. The more you will be able to transform trust taxes into trust dividends in every dimension of your life. Location 1702

The motive that inspires the greatest trust is genuine caring—caring about people, caring about purposes, caring about the quality of what you do, caring about society as a whole. Location 1824

When we believe people truly are acting in our best interest, we tend to trust them. When we believe that they are not acting in our best interest, we do not trust them. Location 1920

Generally, after "five whys," you're either down to the real intent or very close to it. Once you discover the real "why," you can decide whether you're satisfied with your intent or you want to change it. Location 1994

Capable people are credible. They inspire trust. It's that simple. You can have the other three cores—you can have integrity and good intent, and you can have even produced good results in the past. But at the end of the day—especially in this rapidly changing knowledge worker economy—if you don't have current capabilities, if you are not relevant, you will not have credibility. Location 2103

A transparent culture of learning and growing will generally create credibility and trust, even when the immediate results are not the best. The more important desired result is growth, and growth cannot happen without risk. Location 2603

Results matter! They matter to your credibility. They matter to your ability to establish and maintain trust with others. Location 2772

This is important to recognize because generally, the quickest way to decrease trust is to violate a behavior of character, while the quickest way to increase trust is to demonstrate a behavior of competence. Location 3239

- Talk Straight – Be honest. Tell the truth. Let people know where you stand. Use simple language. Call things what they are. Demonstrate integrity. Don't manipulate people or distort facts. Don't spin the truth. Don't leave false impressions. Location 3412
- Demonstrate Respect. – There are two critical dimensions to this behavior—first, to behave in ways that show fundamental respect for people, and second, to behave in ways that demonstrate caring and concern. Location 3433
- Create Transparency—is about being open. It's about being real and genuine and telling the truth in a way people can verify. Location 3601
- Right Wrongs—is more than simply apologizing; it's also making restitution. It's making up and making whole. It's taking action. It's doing what you can to correct the mistake…and then a little more. Location 3707

The second dimension of Show Loyalty is to speak about others as if they were present. Location 3870

Results give you instant credibility and instant trust. They give you clout. They clearly demonstrate that you add value that you can contribute, that you can perform. Location 3949

- Confront Reality—is about taking the tough issues head-on. It's about sharing the bad news as well as the good, naming the "elephant in the room," addressing the "sacred cows," and discussing the "undiscussables". Location 4190
- Clarify Expectations—is to create shared vision and agreement about what is to be done up front. Location 4321
- Keep Commitments—is the "Big Kahuna" of all behaviors. It's the quickest way to build trust in any relationship—be it with an employee, a boss, a team member, a customer, a supplier, a spouse, a child, or the public in general. Its opposite —to break commitments or violate promises—is, without question, the quickest way to destroy trust. Location 4730

By extending trust, you empower people. You leverage your leadership. You create a high-trust culture that brings out the best in people, creates high-level synergy, and maximizes the ability of any organization—whether it be a business, a school, an NPO, or a family—to accomplish what it sets out to do. Location 4966

As a leader, you can be successful at the Self Trust and Relationship Trust levels so that people trust you as a person, but then fail at the Organizational Trust level by not designing and aligning systems that promote trust. Location 5074

The 7 Low-Trust Organizational Taxes

1. Redundancy—Redundancy is unnecessary duplication. Of course, redundant mission-critical systems and data management are necessary. But a redundancy tax is paid in excessive organizational hierarchy, layers of management, and overlapping structures all designed to ensure control. For the most part, it grows out of the paradigm that unless people are tightly supervised, they can't be trusted. Location 5247

2. Bureaucracy—Bureaucracy includes complex and cumbersome rules, regulations, policies, procedures, and processes. It's reflected in excessive paperwork, red tape, controls, multiple approval layers, and government regulations. Rather than focusing on continuous improvement and getting better, bureaucracy merely adds complexity and inefficiency—and costs—to the status quo. Location 5258

3. Politics—In an organization, "politics" is defined as the use of tactics and strategy to gain power. Office politics divide a culture against itself by creating conflict with what author Lawrence MacGregor Serven calls the "enemy within" instead of the enemy without. Office politics generate behaviors such as withholding information, infighting, trying to "read the tea leaves," operating with hidden agendas, interdepartmental rivalries, backbiting, and meetings after meetings. These behaviors result in all kinds of wasted time, talent, energy, and money. In addition, they poison company cultures, derail strategies, and sabotage initiatives, relationships, and careers. Location 5269

4. Disengagement—Disengagement is what happens when people continue to work at a company, but have effectively quit (commonly referred to as "quit and stay"). They put in what effort they must to get their paycheck and not get fired, but they're not giving their talent, creativity, energy, or passion. Their bodies are there, but not their hearts or their minds. Location 5277

5. Turnover—Employee turnover represents a huge cost for organizations, and in low-trust cultures, turnover is in excess of the industry or market standard. I'm not talking about the desirable turnover of nonperformers, but the undesirable turnover of performers. Location 5286

6. Churn—Churn is the turnover of stakeholders other than employees. When trust inside an organization is low, it gets perpetuated in interaction in the marketplace, causing greater turnover among customers, suppliers, distributors, and investors. Location 5299

7. Fraud—Fraud is flat-out dishonesty, sabotage, obstruction, deception, and disruption—and the cost is enormous. Location 5311

If you only remember one thing in your two years at Harvard Business School, let it be this: It is better to have grade-B strategy and grade-A execution than the other way around. Location 5380

As I've said: Nothing is as fast as the speed of trust. Nothing is as profitable as the economics of trust. Nothing is as relevant as the pervasive impact of trust. And if you have on glasses to see, these realities become unarguable when it comes to building trust with the internal stakeholders in your organization. Location 5399

Thus, I again affirm on the organizational level: The ability to establish, grow, extend, and restore trust truly is the key leadership competency of the new global economy. Location 5402

In a similar way, we as human beings discover trust last. Trust is an integral part of the fabric of our society. We depend on it. We take it for granted—unless it becomes polluted or destroyed. Then we come to the stark realization that trust may well be as vital to our own well-being as water is to a fish. Without trust, society closes down and will ultimately self-destruct. Location 5662

Trust is not something to be taken for granted; it is something to be built up, valued, cherished, protected, and carefully preserved. Location 6143

As I've said before, the first job of a leader—at work or at home—is to inspire trust. It's to bring out the best in people by entrusting them with meaningful stewardships, and to create an environment in which high-trust interaction inspires creativity and possibility. Location 6504

Trust is reciprocal—in other words, the more you trust others, the more you, yourself, are trusted in return.
Location 6519

Note: should you wish to find any quote in its original context, the Kindle "location" is provided after each entry.