

## CREATING A CULTURE OF TRUST IN THE WORKPLACE

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**A**t a half-day seminar on trust by Franklin Covey, several hundred participants were asked to write down how their companies demonstrated trust with employees. Jack, the human resources director of a company that focused on creating a culture of high-performance, started writing right away and continued for the next three or four minutes. When he'd run out of steam, he looked around the room, only to see that others were having trouble writing much of anything. The Covey facilitator noticed him and asked him to share. Jack stood up.

"We are all salaried, including our production employees," he said. "The company trusts us to fulfill our responsibilities and pays accordingly. There are no time clocks. Our non-exempt team members who work overtime enter that time themselves in a system that goes directly to payroll. We have no set number of sick days for anyone; we never ask for doctor's notes or proof for bereavement. We expect and trust that people will come to work every day unless there is some necessary reason for them to be absent—in which case it's almost always paid."

fifteen years. He was well known and liked by the management and owners. One day a team member, Scott, saw Jimmy take two reams of paper from the company supply room to his car. When Scott asked him what he was doing, Jimmy responded, "Let's just say you didn't see this." Scott had a dilemma. If he looked the other way, he was minimizing Jimmy's action.

For team members in a high-trust culture, reporting this kind of incident is expected. Management was visibly upset the day Jimmy was terminated, but there was no outcry from fellow team members, as might be expected. Some had their suspicions, but this was the first time a violation of this sort had come to light. After he left, Jimmy asked the company to post a letter he wrote to everyone apologizing for his betrayal. He urged fellow team members to value the freedom and security they had in working for this kind of company, and cautioned them never to do anything as stupid as what he had done.

As soon as people start to muddy the water, saying, "but it was just a little white lie," or "it wasn't that big of a deal," there is no longer zero tolerance. A zero-tolerance policy creates a workplace where everyone can leave personal property unlocked and company tools and equipment openly accessible. It also expands the responsibility for safety and security to every person who works there, and people take it seriously. There is an extremely high level of pride in being part of this type of organization.

### **Address the 5 percent, not the 95 percent**

In my experience, only 5 percent of employees put in minimal effort and take unethical shortcuts. The other 95 percent are responsible adults who take pride in their work.

Even in the most trusting of environments, there may still be instances of theft or deceit. It is important not to let the bad apple that has slipped by your selection process dictate how you treat the majority of your trustworthy adults. Avoid the following:

- Requiring all employees to carry transparent purses/bags or do trunk checks. If the company believes it must have a guard gate, expect the guard to act as an ambassador for the company and be welcoming as people come and go—visitors and employees alike.
- Installing internal cameras or trying to trap people. If there is a problem of theft, publicly acknowledge the occurrence, asking for everyone's help in solving the issue while simultaneously reinforcing the company's belief in the integrity of the workforce. When trust is a clearly established value, team members will hold each other accountable.
- Overreacting to an instance of theft. Acknowledge it happened, but reinforce that it is not going to keep the company from maintaining faith in the integrity of its workforce.
- Letting an act of mistrust change company behavior or policies. Use it to reinforce trusting behaviors.

### **HOW LEADERS TAKE THE RISK**

It's a leadership responsibility to take risks, use judgment, and operate from positive motives. No one wants to be fooled or viewed as naïve, but if leaders want to create a trusting workplace, it must start with them.

- Look at how locked doors, tool cribs, and supply cabinets communicate a lack of trust in everyone—not just a few.

Of course, "remote" and "flexible" are two different issues. People might have a set schedule and work remotely, or they might report to the office but have a flexible schedule.

Flexibility is, inherently, an issue of fairness. Organizations regularly ask employees to remain "connected" while off work (evenings, weekends, and vacations), which most employees actually want to do. However, it's not fair to expect this of employees and not reciprocate in terms of flexibility of schedule when they're working in the office. Such expectations are too one-sided. While people will support and even own the need to be constantly connected, resentment will erode their motivation if the company doesn't provide flexibility in return.

Managing remotely is all about building mutual trust. Yet, decisions made in an attempt to mitigate a lack of trust don't always serve the organization regarding results.

Managers frequently require "activity" reporting. While some organizations use activities as lead measures for predicting results, other organizations use them to try to monitor performance. Sometimes companies rely on online or internet activity to monitor what's going on. Forty-three percent of U.S. employers<sup>55</sup> monitor their employees' emails, 45 percent focus on key logging, and 66 percent track the internet activity of their employees.

However, activity alone often doesn't reflect results. Most employees find activity reporting non-productive and a waste of time. Activity reporting communicates the not-so-subtle message that employees are not fully trusted to perform without needing to account for how they spend their time. Measure results instead. Leaders need to

remember that they hired a trusted adult, and they should continuously communicate with them about their progress. Not trusting employees to perform out of sight makes hiring and retaining high-performance people a challenge in a rapidly declining labor pool.

## CREATING A CULTURE OF TRUST

Establishing a trusting culture that will lead to high-performance must start with leadership. For leaders to feel comfortable in demonstrating trust, three things need to happen first.

### Hire for trust as an attribute

Many companies say that hiring and promoting the best people is "job one," but often there are flaws in this system, such as overrating technical knowledge and emphasizing experience over character. These flaws are perpetuated with interviews that frequently don't include behaviorally based interview questions that can help define unknown personal attributes; a lack of in-depth reference checking; and failure to seriously consider feedback from one person on the interview team who has real reservations about a candidate.

### Communicate trust as a value

Some companies place such a high value on trust that they have the same kind of *zero tolerance policy* for betraying trust as most companies have for working under the influence of drugs or alcohol. It starts with communicating the clear expectation that any violation of trust, no matter how small or large, is unacceptable. Once this expectation is very clear, anyone who violates trust loses their job.

In one incident, a long-term employee named Jimmy had worked at a highly respected company in Georgia for

<sup>55</sup> <http://www.recruitingblogs.com/profiles/blogs/how-do-big-companies-monitor-their-employees>

- Evaluate company policies. Do they require an employee's signature on documents (even employee handbooks) so that the company feels more legally protected if a policy is violated and the employee claims not to know the policies? Does the company require documentation to prove that an illness was valid or the funeral attendance real?
- Engage and empower people to solve problems and make decisions. They're adults. They solve problems outside the workplace all the time.

When companies show trust and respect by eliminating the actions intended to protect them, they will see loyalty, dedication, and higher performance from those most critical to the company's success.

## ASSESSING YOUR OWN TRUST ORIENTATION

To know your orientation to trust others, ask yourself:

Do people need to earn my trust?

Or,

Do I generally trust people until they demonstrate they can't be trusted?

Whichever question you answered "yes" or "no" to is simply a reflection of your life experiences. If you grew up in an overpopulated city where crime was more common, you learned to lock your doors and be wary of strangers. If you grew up in the countryside where everyone knew one another, you probably left your keys in the car without a thought.

So why does your personal orientation to trust matter? It matters because it may drive your assumptions about people, or certain groups of people. And your assumptions drive your behavior.

Also, in your personal life and your work life, you may have encountered people who have taken advantage of you, and these painful experiences can make you cynical. For managers, that cynicism can manifest as negative assumptions: employees are lazy, they are incapable of directing their own behavior, or they lack integrity. Managers who hold negative assumptions tend toward micromanaging, locking up needed supplies, withholding important information, and creating senseless rules and policies, causing even the best people to lose passion for what they do.

Years ago I worked with an executive who told me he wanted his employees to act like owners—but he refused to give keys to plant workers who arrived before the office staff. He wasn't making a positive assumption that employees could be trusted to enter and exit the building as they pleased. How were they supposed to feel ownership if they weren't even allowed a key to the building?

To demonstrate positive assumptions, show that you reject micromanaging. Give challenging assignments with the clear and confident belief that your expectations will be met. And promote transparency. Don't hide information based on the assumption that people will mishandle it. (Try adding a "through the grapevine" agenda item to meetings as a fun, informal way for people to share company information they've heard so you can either confirm it or debunk the rumor.)

When managers demonstrate positive assumptions, employees respond in kind. A management action or decision that might normally be questioned or unpopular is accepted because employees trust that there is more to the story. This will provide everyone with a level of comfort during times of rapid change and growth.

“There are no locked supply cabinets or tool cabs. Everyone has a key that opens every door, even the front door.” Jack smiled as he held up a small brass key. “We use key cards, of course, but we still give a regular key to every new employee as a symbol of our trust.”

“The guys in our lab leave their wallets on the table, so whoever picks up for lunch for everyone can help themselves to the amount the coworker owes for their share. And when it comes to our work, we are trusted to solve problems and make decisions at all levels. Any line operator can shut down the line if he or she finds a problem.”

He went on. “We have no guard gate and would never think of checking people’s bags or car trunks as they leave the property. And as for security, our management realized some time ago that having 230 employees committed to protecting the company and its property was a lot better than a guard at a gate.”

The facilitator started, “That’s a good list...” Then Jack interrupted. “I’m not quite done.” He continued to share the hard work his company invested in creating a culture of trust.

## TRUST & REPORTING RELATIONSHIPS

Business trends—more people working remotely, baby boomers leaving the workforce—are raising the bar on the need for trust. Many traditional management and leadership practices, such as autocratic leadership styles and 9-to-5 work environments, are becoming obsolete.

However, many company cultures share an *unstated* belief that direct supervision of employees is the key to productivity. And there are a lot of misconceptions about a remote workforce, the biggest being that work won’t get done at home. Managers fear that letting one person work from home will make others want to do the same. There’s

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also the assumption that managing remote workers is too different from managing employees in person. The job is the same: All you need to do is use technology more creatively, be sensitive to people feeling isolated, and schedule regular communication.

These misconceptions center on a lack of trust, which leads to a desire for control. This can make leaders unreasonable. For example, one of our team members had a terrible commute at a former job. When she asked to come in earlier and leave earlier to reduce the hours of unproductive time that she spent in gridlock, she was told “no.” They weren’t willing to let her work from home, either, and they soon lost her as a result.

Because people know when they’re most productive during the day, flexible work situations attract and retain talent, especially Millennials. In fact, 75 percent of Millennials<sup>52</sup> feel more productive working outside the office, but only about 43 percent get their wish. Remote working also greatly reduces turnover.<sup>53</sup>

When leaders trust employees to work from home, they feel empowered and trusted. They have the opportunity to be their own managers, which drives personal accountability. Fifty-nine percent<sup>54</sup> of Millennials say they are more productive when they have a flexible schedule, and 49 percent say they are happier this way. With high levels of trust, both flexible hours and remote working will lead to more productivity, not less.

<sup>52</sup> <https://www2.deloitte.com/global/en/pages/about-deloitte/articles/millennialsurvey.html>

<sup>53</sup> <https://remote.co/10-stats-about-remote-work>

<sup>54</sup> <https://www.apqc.org/blog/four-myths-about-millennials-workplace-debunked>

## THE BOTTOM LINE

Creating trusting relationships, developing a workplace where trust is a basic expectation, and being aware of how your own trust orientation drives your behaviors are requirements for the changes happening now and the dramatic changes that are forecast for the future. Be an exemplary leader by creating trust through your thoughts, words, and actions. High trust adds exponentially to positive business results—the lack of it only adds to costs.