

From” The Speed of Trust” by Stephen M. R. Covey

“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.”

Trust is the hidden variable in the formula for organizational success.

$$S \times E = R$$

(Strategy times Execution equals Results)

$$(S \times E) T = R$$

([Strategy times Execution] multiplied by Trust equals Results)

Strategy	X	Execution	=	Result	Tax or dividend	=	Net Result
10	X	10	=	100	Less 40% tax	=	60
10	X	10	=	100	Less 10% tax	=	90
10	X	10	=	100	Plus 20% dividend	=	120

The 80% Tax (Nonexistent Trust)

In the organization	In personal relationships
<ul style="list-style-type: none"> • Dysfunctional environment and toxic culture (open warfare, sabotage, grievances, lawsuits, criminal behavior) • Militant stakeholders • Intense micromanagement • Redundant hierarchy • Punishing systems and structures 	<ul style="list-style-type: none"> • Dysfunctional relationships • Hot, angry confrontations or cold, bitter withdrawal • Defensive posturing and legal positioning (“I’ll see you in court!”) • Labeling of others as enemies or allies • Verbal, emotional, and/or physical abuse

The 60% Tax (Very Low Trust)

In the organization	In personal relationships
<ul style="list-style-type: none"> • Unhealthy working environment • Unhappy employees and stakeholders • Intense political atmosphere with clear camps and parties • Excessive time wasted defending positions and decisions • Painful micromanagement 	<ul style="list-style-type: none"> • Hostile behaviors (yelling, blaming, accusing, name-calling) followed by periods of brief contrition • Guarded communication • Constant worrying and suspicion • Mistakes remembered and used as weapons • Real issues not surfaced or dealt with effectively

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The 40% Tax (Low Trust)

In the organization	In personal relationships
<ul style="list-style-type: none"> • Common "CYA" behaviors • Hidden agendas • Militant stakeholders • Political camps with allies and enemies • Many dissatisfied employees and stakeholders • Bureaucracy and redundancy in systems and structures 	<ul style="list-style-type: none"> • Energy draining and joyless interactions • Evidence gathering of other party's weaknesses and mistakes • Doubt about others' reliability or commitment • Hidden agendas • Guarded (often grudging) dispersing of information

The 20% Tax (Trust Issues)

In the organization	In personal relationships
<ul style="list-style-type: none"> • Some bureaucratic rules and procedures • Unnecessary hierarchy • Slow approvals • Misaligned systems and structures • Some dissatisfied employees and stakeholders 	<ul style="list-style-type: none"> • Regular misunderstandings • Concerns about intent and motive • Interactions characterized by tension • Communications colored by fear, uncertainty, doubt, and worry • Energy spent in maintaining (instead of growing relationships)

No Tax/No Dividend (Trust Is Not an Issue)

In the organization	In personal relationships
<ul style="list-style-type: none"> • Healthy workplace • Good communication • Aligned systems and structures • Few office politics 	<ul style="list-style-type: none"> • Polite, cordial, healthy communications • A focus on working together smoothly and efficiently • Mutual tolerance and acceptance • No worries

The 20% Dividend (Trust Is a Visible Asset)

In the organization	In personal relationships
<ul style="list-style-type: none"> • The focus is on work • Effective collaboration and execution • Positive partnering relationships with employees and stakeholders • Helpful systems and structures • Strong creativity and innovation 	<ul style="list-style-type: none"> • Cooperative, close, vibrant relationships • A focus on looking for and leveraging one another's strengths • Uplifting and positive communication • Mistakes seen as learning opportunities and quickly forgiven • Positive energy and positive people

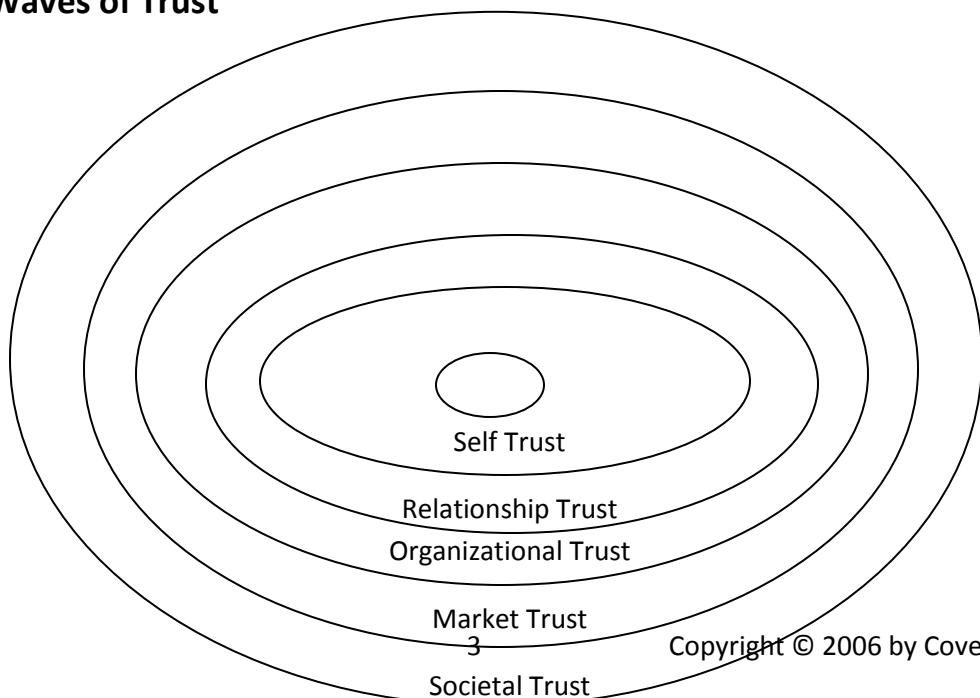
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The 40% Dividend (World-class Trust)

In the organization	In personal relationships
<ul style="list-style-type: none"> • High collaboration and partnering • Effortless communication • Positive, transparent relationships with employees and all stakeholders • Fully aligned systems and structures • Strong innovation, engagement, confidence and loyalty 	<ul style="list-style-type: none"> • True joy in family and friendships, characterized by caring and love • Free, effortless communication • Inspiring work done together and characterized by purpose, creativity and excitement • Completely open, transparent relationships • Amazing energy created by relationships

MYTH	REALITY
Trust is soft	Trust is hard, real, and quantifiable. It measurably affects both speed and cost
Trust is slow	Nothing is as fast as the speed of trust
Trust is built solely on integrity	Trust is a function of both character (which includes integrity) and competence
You either have trust or you don't	Trust can be both created and destroyed
Once lost, trust cannot be restored	Trust can be effectively taught and learned, and it can become a leverageable, strategic advantage
Trusting people is too risky	Not trusting people is a greater risk
Trust is established one person at a time	Establishing trust with the one establishes trust with the many

The Five Waves of Trust



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PART ONE						
I sometimes justify telling "white lies" misrepresent people or situations or "spin" the truth to get the results I want.	<u>1</u>	2	3	4	5	At every level, I am thoroughly honest in my interactions with others
At times there is a mismatch between what I think and what I say, or between my actions and my values	<u>1</u>	2	3	4	5	What I say and do is what I really think and feel; I consistently "walk" my "talk"
I am not fully clear on my values. It's difficult for me to stand up for something when others disagree	<u>1</u>	2	3	4	5	I am clear on my values and courageous in standing up for them.
Its hard for me to acknowledge that someone else may be right, or that there is additional information out there that may cause me to change my mind	<u>1</u>	2	3	4	5	I am genuinely open to the possibility of learning new ideas that may cause me to rethink issues or even redefine values
I have a difficult time setting and achieving personal goals or commitments	<u>1</u>	2	3	4	5	I am able to consistently make and keep commitments to myself and others

TOTAL PART ONE SCORE _____ (Possible 25)

PART TWO						
I don't really care that much about people, except those closest to me. It's hard for me to think about concerns outside of my own challenges in life	<u>1</u>	2	3	4	5	I genuinely care about other people and am deeply concerned about the well-being of others
I don't think a lot about why I do what I do. I've rarely (if ever) tried to do interior work to improve my motives.	<u>1</u>	2	3	4	5	I am consciously aware of my motives and I refine them to make sure that I'm doing the right things for the right reasons
In my dealing with others, I usually focus on getting what I want	<u>1</u>	2	3	4	5	I actively seek solutions that provide a "win" for everyone involved.
Based on my behavior, most people wouldn't necessarily think I had their best interests in mind	<u>1</u>	2	3	4	5	Other people can clearly tell by the things that I do that I really do have their best interests in mind.
Deep down, I believe that if someone else gets something (resources, opportunities, credit), that means I don't	<u>1</u>	2	3	4	5	I sincerely believe that there is more than enough of everything to go around.

TOTAL PART TWO SCORE _____ (Possible 25)

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PART THREE		
I feel like I'm not really utilizing my talents in my current job	<u>1</u> 2 3 4 5	There is a high match between my talents and my opportunities in the work I'm doing
I have not gained the knowledge or fully developed the skills I need to be really effective at work	<u>1</u> 2 3 4 5	I have acquired the knowledge and mastered the skills required for my job
I seldom take time to improve my knowledge and skills at work or in any area in my life	<u>1</u> 2 3 4 5	I relentlessly upgrade and increase my knowledge and skills in all the important areas of my life
I'm not really sure what my strengths are; I'm more focused on trying to improve in my areas of weakness	<u>1</u> 2 3 4 5	I've identified my strengths, and my greatest focus is on using them effectively
At this point, I really don't know much about how to build trust	<u>1</u> 2 3 4 5	I know how to effectively establish, grow, extend, and restore trust, and I consciously work to make it happen

TOTAL PART THREE SCORE _____ (Possible 25)

PART FOUR		
I don't have a very good track record. My résumé certainly won't knock anyone's socks off	<u>1</u> 2 3 4 5	My track record clearly gives other the confidence that I will achieve desired results
I focus my efforts on doing what I've been told to do	<u>1</u> 2 3 4 5	I focus my efforts on delivering results, not activities
When it comes to communicating my track record, either I don't say anything (I don't want to come across as bragging), or I say too much and it turns people off	<u>1</u> 2 3 4 5	I appropriately communicate my track record to others in a way that inspires confidence
I often fail to finish what I start	<u>1</u> 2 3 4 5	With rare exception, if I start something, I finish it
I don't worry as much about how I get the results – just that I get them.	<u>1</u> 2 3 4 5	I consistently get results in ways that inspire trust

TOTAL PART FOUR SCORE _____ (Possible 25)

TOTAL QUESTIONNAIRE SCORE _____ (Possible 100)

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HOW TO INCREASE YOUR INTEGRITY

1. Make and Keep Commitments to Yourself
2. Stand for Something
3. Be Open

HOW TO IMPROVE INTENT

1. Examine and Refine Your Motives
2. Declare Your Intent
3. Choose Abundance

HOW TO INCREASE YOUR CAPABILITIES

1. Run with Your Strengths (and with Your Purpose)
2. Keep Yourself Relevant
3. Know Where You're Going

HOW TO IMPROVE YOUR RESULTS

1. Take Responsibility for Results
2. Expect to Win
3. Finish Strong

RELATIONAL TRUST – The 13 Behaviors

1. **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

2. **Demonstrate Respect**

Genuinely care for others. Show you care. Respect the dignity of every person and every role. Treat everyone with respect, especially those who can't do anything for you. Show kindness in the little things. Don't fake caring. Don't attempt to be "efficient" with people.

3. **Create Transparency**

Tell the truth in a way people can verify. Get real and genuine. Be open and authentic. Err on the side of disclosure. Operate on the premise of "What you see is what you get." Don't have hidden agendas. Don't hide information.

4. **Right Wrongs**

Make things right when you are wrong. Apologize quickly. Make restitution where possible. Practice "service recoveries." Demonstrate personal humility. Don't cover things up. Don't let pride get in the way of doing the right thing.

5. **Show Loyalty**

Give credit freely. Acknowledge the contributions of others. Speak about people as if they were

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present. Represent others who aren't there to speak for themselves. Don't bad-mouth others behind their backs. Don't disclose others' private information.

6. **Deliver Results**

Establish a track record of results. Get the right things done. Make things happen. Accomplish what you're hired to do. Be on time and within budget. Don't overpromise and underdeliver. Don't make excuses for not delivering.

7. **Get Better**

Continuously improve. Increase your capabilities. Be a constant learner. Develop feedback systems – both formal and informal. Act on the feedback you receive. Thank people for feedback. Don't assume today's knowledge and skills will be sufficient for tomorrow's challenges.

8. **Confront Reality**

Take issues head on, even the "undiscussables." Address the tough stuff directly. Acknowledge the unsaid. Lead out courageously in a conversation. Remove the "sword from their hands." Don't skirt the real issues. Don't bury your head in the sand.

9. **Clarify Expectations**

Disclose and reveal expectations. Discuss them. Validate them. Renegotiate them if needed and possible. Don't violate expectations. Don't assume that expectations are clear or shared.

10. **Practice Accountability**

Hold yourself accountable. Hold others accountable. Take responsibility for results. Be clear on how you'll communicate how you're doing – and how others are doing. Don't avoid or shirk responsibility. Don't blame others or point fingers when things go wrong.

11. **Listen First**

Listen before you speak. Understand. Diagnose. Listen with your ears – and your eyes and heart. Find out what the most important behaviors are to the people you are working with. Don't assume you know what matters most to others. Don't presume you have all the answers – or all the questions.

12. **Keep Commitments**

Say what you're going to do then do what you say you're going to do. Make commitments carefully and keep them. Make keeping commitments the symbol of your honor. Don't break confidences. Don't attempt to "PR" your way out of a commitment you've broken.

13. **Extend Trust**

Demonstrate a propensity to trust. Extend trust abundantly to those who have earned your trust. Extend trust conditionally to those who are earning your trust. Learn how to appropriately extend trust to others based on the situation, risk and credibility (character and competence) of the people involved. But have a propensity to trust. Don't withhold trust because there is risk involved.