

The Speed of Trust

Stephen M.R. Covey with Rebecca R. Merrill

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Forward by Dr. Stephen R. Covey

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INSPIRING TRUST

Book Summary

The Speed of Trust, by Stephen M.R. Covey illustrates the exact needs for building trust in our private lives and in the business world. This book discussed the steps of trust as waves that ripple and affect each of the stages of trust building. The book goes through self, relationship, organizational, market, and societal trust. There is a section on restoring trust and how we should behave to establish trust. The book finishes with a section on how to put all of the pieces together so that you can trust smartly and be trusted



Doris Mthembu

EADM 826

Keith Walker and Bob Bayles

June 9, 2012

Trust

Trust can be defined as mutual confidence/loyalty/or ethical behavior. Trust is the ultimate root and source of our influence. Trust affects us on all levels-societal, institutional, organizational, relational, and personal.

Booker Washington, "Few things can help an individual more than to place responsibility on him and let him know that you trust him."

Trust is one of the most powerful forms of motivation and inspiration. People want to be trusted and they thrive on trust. Whatever our situation we need to get good at establishing, extending, and restoring trust. Trust should not be a manipulative technique but rather the most effective way of relating to and working with other. Trust is the most effective way of getting results.

Trust is a function of two factors: character and competence. Character relates to your integrity, your motive, your intentions with people. Competence relates to your capabilities, your skills, your results, even your track record.

Once you realize that both character and competence are necessary for trust, you can see how the combination of these two factors is reflected in the approach of effective leaders and people affected in whatever instance.

Covey, S.M.R. & Merrill, R.R. (2006). *The speed of trust: The one thing that changes everything*. New York: Free Press.

Stephen M.R. Covey

Stephen M.R. Covey is cofounder and CEO of Covey Link World-Wide. He is a sought-after keynote speaker and advisor on trust, leadership, ethics, and high performance. He is the former CEO of Covey Leadership Center. He is a Harvard MBA. Over the years, Covey has gained respect and influence with executives and leaders of Fortune 500 companies, as well as with other private-sector and public-sector organizations. Covey is recognized for his unique perspective and practical experience as a CEO. Covey currently serves on the board/advisory board of several entities.

Rebecca R. Merrill

Rebecca R. Merrill is a highly sought-after writer. She is coauthor with Dr. Stephen R. Covey and Roger Merrill of the *New York Times* bestseller *First Things First*. She is coauthor with Roger Merrill of *Life Matters and Connections*. She also gave assistance to Dr. Covey with 2 other books.

The 5 Waves of Trust

The Speed of Trust. You Can Do Something About This!

5 Waves of Trust & The Ripple Effect

- 1 Self Trust (credibility)
- 2 Relationship Trust (consistent behavior)
- 3 Organizational Trust (trust alignment)
- 4 Market Trust (reputation)
- 5 Societal Trust (giving back)

If we think of the 5 waves as the ripples of a wave as a pebble is thrown into water we can see how one wave affects another wave.

We have a lot of influence especially on the first two waves. Extending trust creates big dividends for everyone-it can build trust and also restore it. A good place to start to build trust is to always deliver on a promise.



The First Wave: Self Trust

The first wave relates to the confidence we have in ourselves. Or our ability to set and achieve goals, to keep commitments, and how we *walk the talk*. The key principle to the first wave is *credibility*. Later in this paper the “4 Cores of Credibility” will be explored.

The Second Wave: Relationship Trust

The second wave is about how to get and increase the “trust accounts” we have with other people. The key principle in the se-

cond wave is *consistent behavior*. Further in this review the “13 key behaviors” will be discussed. These behaviors are linked with high-trust leaders around the world. All of these behaviors can be learned and applied by any individual at any level in an organization.

The Third Wave: Organizational Trust

The third wave looks at how leaders can generate trust. The key principle is *alignment*. This alignment will help leaders to decrease or eliminate seven destructive and costly organizational trust taxes and create seven organizational trust dividends.

The Fourth Wave: Market Trust

This is the level that is most transparent about the impact of trust in an organization. The underlying principle is *reputation*.

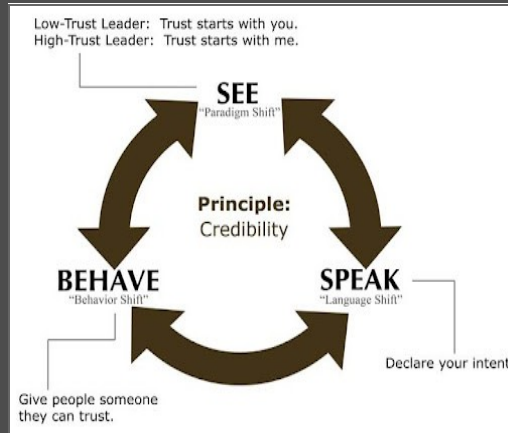
The Fifth Wave: Societal Trust

This wave is about crating value for other and society as a whole. The key principle is *contribution*.

Restoring Trust

There are some situations where you cannot build or restore trust.

After reading this book you will be able to see, speak and behave in ways that build trust.



Making It Happen

You must learn how trust works to be able to go through the steps to build, restore, and extend trust. Definition of leadership by Stephen M.R. Covey, “Leadership is getting results in a way that inspires trust.” Sir Ernest Shackleton put it, “Life to me is the greatest of all games. The danger lies in treating it as a trivial game, a game to be taken lightly, and a game in which the rules don’t matter much. The rules matter a great deal. The game has to be played fairly or it is no game at all. And even to win the game is unto the chief end. The chief end is to win it honorable and splendidly.”

Jim Burke said, “Trust is absolutely key to long-term success.”

The First Wave-Self Trust The Principle of Credibility

In this first wave we will learn how to establish trust and sustain it at all levels.

The 4 Cores of Credibility-walk the talk

- 1 Integrity
- 2 Good intent
- 3 Excellent credentials
- 4 Good track record

Two simple questions to ask yourself

1) Do I trust myself? 2) Am I someone that others can trust?

Ralph Waldo Emerson said, “Self-trust is the first secret of success...the essence of heroism.”

To find out how credible you are fill out the chart page 50-53.

Economics of Trust



The 4 Cores of Credibility

Each part in the questionnaire corresponds to one of the “4 Cores of Credibility”

Core 1: Integrity

Humility. This includes doing what is right rather than being right. It also looks like acting on good ideas rather than having the ideas. It could mean that you embrace new truth rather than defend outdated position and you are building the team not just exalting yourself. Ultimately it is *doing the right thing even when it is hard*.

How to Increase Integrity

- 1) Make and keep commitments to yourself
- 2) Stand for something (principles)
- 3) Be open

Core 2: Intent

This is your plan or purpose. It could be real intent or there may be a motive or agenda attached.

-Motive (why do?)

-Agenda (agenda could grow out of motive)

-Behavior (what do you do)

There could be bad execution with good intent. **Trustee Standard Definition: someone who is given legal authority to manage money on behalf of someone else.**

Ways to Improve Intent

- 1) Examine and redefine your motive
- 2) Declare your intent
- 3) Choose abundance (realize that there is enough for everyone)

Core 3: Capabilities

Capabilities are your talents, skills, knowledge, capacities, and abilities.

Capable people are credible

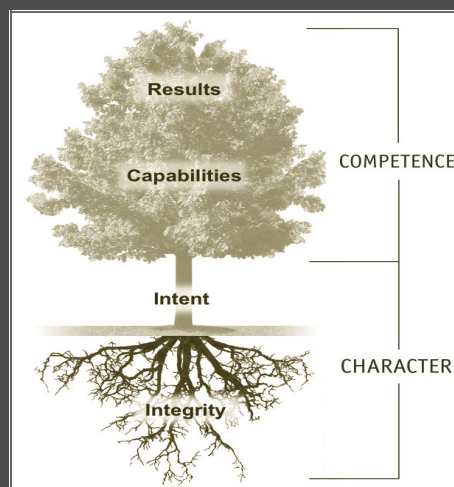
Talents (Gifts & Strengths)
Attitudes (Paradigms)
Skills (Proficiencies)
Knowledge (Learning & Insight)
Styl e (Approach & Personality)

How to Improve Capabilities

- 1) Run with your Strengths (& Purpose)
- 2) Keep yourself relevant (Lifelong Learning)
- 3) Know where you are going (Trust Abilities)

Core 4: Results

This is really your track record. Results cover a multitude of short comings. Results can encompass past, present, and future endeavors.



Team Objectives:

- | | |
|--------------------|--------------------------|
| 1) play hard | 4) be a good team player |
| 2) have fun | 5) to learn something |
| 3) be a good sport | 6) to win |

Recognize capacity of people to learn from their mistakes. Create a culture that makes it safe for that to happen.

Ways to improve Results

- 1) Take Responsibility for results
- 2) Expect to win “Pygmalion effect” (We get what we expect)
- 3) Finish strong

The Second Wave-Relationship Trust

The second wave basis is the principle of behaviors. You can change behaviors-“behavior shifts”. You need to build *Trust Accounts*:

- each trust account is unique
- all deposits & withdrawals are not created equal
- what constitutes a ‘deposit’ to one person may not to another
- withdrawal are typically greater than deposits
- sometimes the fastest way to build trust is to stop making withdrawals
- recognize that each relationship has two trust accounts

You must make it personal; people need to work on trust and be honest, and sincerely, and diligently work to restore trust.

Behavior #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 leave false impressions.

Behavior #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.

Jack Welch, "For some people, becoming a leader can be a real power trip. They relish the feeling of control over both people and information. And so they keep secrets, reveal little of their thinking about people and their performance, and board what they know about the business and its future. This kind of behavior certainly establishes the leader as boss, but it drains trust right out of a team."

Behavior #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.

Confucius, "To know what is right and not to do it is the worst cowardice."

Behavior #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.

Robert Townsend, "It's been my experience that the people who gain trust, loyalty, excitement, and energy fast are the ones who pass on the credit to the people who have really done the work. A leader doesn't need any credit...He's getting more credit than he deserves anyway."


Behavior #5-Show Loyalty

Give credit freely. Acknowledge the contributions of others. Speak about people as if they were present. Represent others who aren't there to speak for themselves. Don't badmouth others behind their backs. Don't disclose others' private information.

Dave Ulrich, "Future leaders will be less concerned with saying what they will deliver and more concerned with delivering what they have said they would."

Behavior #6-Deliver Results

Establish a track record of results. Get the right things done. Make things happen. Accomplish what you are hired to do. Be on time and within budget. Do not overpromise and under deliver. Do not make excuses for not delivering.



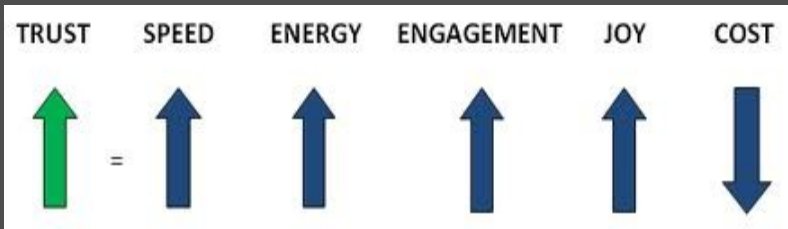
Alvin Toffler, "The illiterate of the 21st century will not be those who cannot read and write but those who cannot learn, unlearn, and relearn."

Trust Tips

- 1-Do not take things too far
 - Get to the point quickly
 - Become aware of the conversation
 - Involve other people
- 2-Apply the "waiter rule"
 - Think about specific things you can do to show others that you care for them
 - Never take existing relationships for granted
- 3-Think about what information should be shared and what is too much information for wrong reason
 - Rate the transparency of organization with regard to various stakeholders
 - If you share financial stewardship consider how transparent you are in dealing with financial issues.
- 4-Pay attention to your response when you make a mistake
 - Give thought to past (Are there wrongs to right?)
 - If someone wrongs you be quick to forgive
- 5-If people are badmouthing a person not there consider your options (eg. Leave or stay silent)
 - Work on projects with others
 - Go out of your way to give credit freely
 - make a rule never to talk about family members in a negative way
- 6-Next time you plan to deliver results make sure you thoroughly understand the expectations.
 - Next time you plan to make a commitment to deliver results stop and ask yourself if commitment is realistic
 - Try to anticipate needs in advance and deliver before requests even come

The 13 Behaviors Continued

Stephen R. Covey, "You can't talk yourself out of a problem you've behaved yourself into."



Behavior #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. Do not consider yourself above feedback. Do not assume today's knowledge and skills will be sufficient for tomorrow's challenges.

Max DePree, "The first responsibility of a leader is to define reality."

Behavior #8-Confront Reality

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

Blaine Lee, "Almost all conflict is a result of violated expectations."

Behavior #9 Clarify Expectations

Disclose and reveal expectations. Discuss them. Validate them. Renegotiate them if needed and possible. Do not violate expectations. Do not assume that expectations are clear or shared.

Benjamin Disraeli, "All power is a trust; and we are accountable for its exercise."

Behavior #10-Practice Accountability

Hold yourself accountable. Hold others accountable. Take responsibility for results. Be clear on how you will communicate how you are doing-and how others are doing. Do not avoid or shirk responsibility. Do not blame others or point fingers when things go wrong.

Henry Ford, "If there is any great secret of success in life, it lies in the ability to put yourself in the other person's place and to see things from his point of view-as well as your own."

Behavior #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. Do not assume you know what matters most to others. Do not presume you have all the answers-or the questions.

Reuben Mark, "Stand up for what's right, in small matters and large ones, and always do what you promise."

Trust Tips

7-Ask for feedback from customers, members of a team, or family members

-Reframe feedback (identify learning)

-Create an environment that makes it safe to make mistakes

8-If hesitant to confront reality-explore your feelings.

-Confront reality

-Treat people with respect

-Be honest with yourself

9-When communicating with others recognize that clarity is power

-When you have a project create a clear project agreement in advance

10-Listen to your words and thoughts (Are you blaming?)

-Always clarify expectations

-Follow through with consequences

-Create an environment of accountability

11-Reflect on interactions (when listened first and when not listened first)

-After a conversation consider whether you have really listened

-Take time to understand stakeholders



Create An Action Plan

Rate Your Behaviors (low)1-5(high)

Behavior 1-13	Current Performance	Opposite/ Counterfeit
1)	1,2,3,4,5	lie, spin, flatter
2)	1,2,3,4,5	don't care
3)	1,2,3,4,5	keep secrets
4)	1,2,3,4,5	cover up
5)	1,2,3,4,5	take credit
6)	1,2,3,4,5	fail to deliver
7)	1,2,3,4,5	deteriorate
8)	1,2,3,4,5	skirt real issues
9)	1,2,3,4,5	vague expectation
10)	1,2,3,4,5	not responsible
11)	1,2,3,4,5	don't listen
12)	1,2,3,4,5	violate promise
13)	1,2,3,4,5	withhold trust

Behavior #12-Keep Commitments

Say what you are going to do, then do what you say you are going to do. Make commitments carefully and keep them. Make keeping commitments the symbol of your honor. Do not break confidences. Do not attempt to "PR" your way out of a commitment you have broken.

Ralph Waldo Emerson, "Trust men and they will be true to you; treat them greatly and they will show themselves great."

Behavior #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. Do not withhold trust because there is risk involved.

Trust Tips

12-When making new relationship that you want to build trust make a commitment and keep it... repeat...repeat...repeat (Notice how quickly the Trust Account grows
 -Make a commitment that is realistic
 -If you have to miss a deadline attempt to renegotiate expectations at the earliest time possible
 -Pay attention to language. When you say you will do something people see it as a commitment.

The Tools-4 Cores of Credibility & 13 Behaviors

The trust-building tools have been discussed and now the focus will be how to use the tools to increase speed, lower cost, create value, establish trust, and maximize the influence you have.

In the Third Wave-Organizational Trust-the focus will be on creating alignment and eliminate the taxes and increase the dividends inside the organization.

In the Fourth Wave-Market Trust-the focus will be on building a reputation that inspires trust.

In the Fifth Wave-Societal Trust-the focus will be on building trust within society looking at contribution and global citizenship.

Define "organization"-Example (School you are a leader in.)



The Third, Fourth, And Fifth Waves—Stakeholder Trust

The Third Wave - Organizational Trust

The Principle of Alignment

Think about how you would describe low or high trust organizations...

Trust Symbols can be tangible (systems or processes or applied behaviors or stories). Large policy manuals may give away low trust. Managers parking in reserved executive parking spaces or managers showing intimate concern. Whether or not concerns are addressed from feedback can be very telling.

How to Effect Organizational Change

Look at the 4 Cores with your organizational hat on. If your organization is lacking in any areas begin with those. Create or improve organizational mission or value statement (Engage all stakeholders in process). Make and keep commitments within organization. Ensure that your mission & values reflect motives and principles that build trust. Set an example of caring. Remember impact in organization when leader demonstrates respect or shows concern. Create systems that carry out a mutual benefit agenda. Create systems that use stewardship accountability agreements. Reward cooperation instead of competition. Demonstrate trust.

Improve Organizational Capabilities

Design systems to attract & retain talent you need for job. Provide ongoing training & monitoring. Make sure decision-making systems are aligned to meet needs of stakeholders.

Improve Organizational Results

Help people create shared vision. Meet the needs of all stakeholders. Have people accountable for results.

Shift- See how trust affects every relationship or outcome. Speak about trust in ways that promote understanding dialogue and problem solving. Behave in ways to build trust.

It “Costs” too much to not be high-trust organization!

Low-Trust Organization Costs (Taxes)

- 1) Redundancy
- 2) Beauacracy
- 3) Politics
- 4) Disengagement
- 5) Turnover of staff
- 6) Churn (Turnover of Stakeholders)
- 7) Fraud

High-Trust Organizational Dividends

- 1) Increased Value (Stakeholder Value)
- 2) Accelerated Growth
- 3) Enhanced Innovation
- 4) Imprved Collaboration
- 5) Stronger Partnering
- 6) Better Execution
- 7) Heightened Loyalty

Stephen M. R. Covey, “The ability to establish, grow extend, and restore trust with all stakeholders-customers, suppliers, investors, and coworkers-is the key leadership competency of the new global economy.”

Families are Organizations too, so everything about trust applies to families.



The Fourth Wave—Market

The Principle of Reputation

Build Reputation

- 1) Talk Straight
- 2) Create Transparency
- 3) Listen First

***You must know what your reputation is to address your trust issues.

The Fifth Wave—Societal Trust

The Principle of Contribution

You need to create value and learn to give back.

Smart Trust™ Matrix

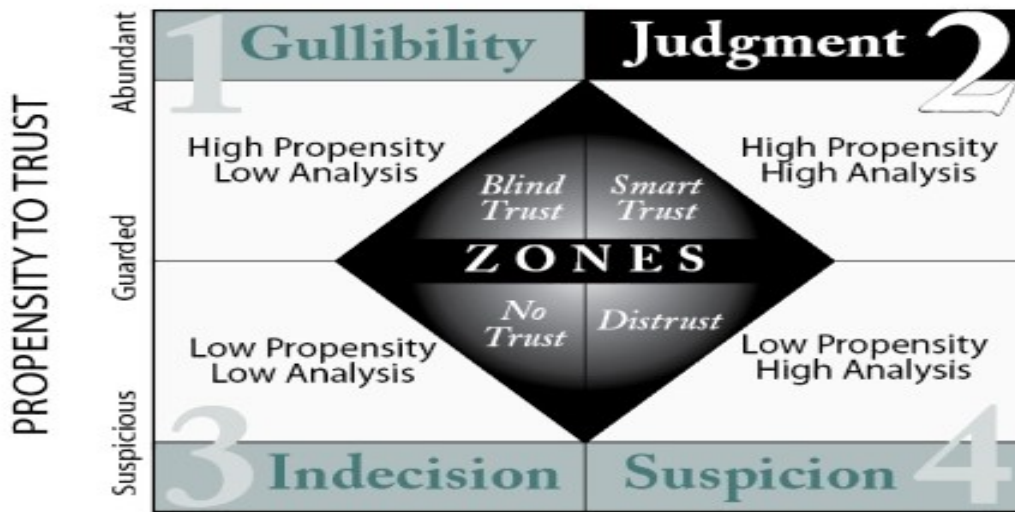


Figure 1 - The Stages of Trust & How They Affect Relationships

Smart Trust Matrix

Zone 1-(High Propensity to Trust; Low Analysis)-"Blind Trust"-
ZONE OF GULLIBILITY

Zone 2-(High Propensity to Trust; High Analysis)-"Smart Trust"
ZONE OF JUDGEMENT

Zone 3-(Low Propensity to Trust; Low Analysis)-"No Trust"
ZONE OF INDECISION

Zone 4-(Low Propensity to Trust; High Analysis)-"Distrust"
ZONE OF SUSPICION

Inspiring Trust

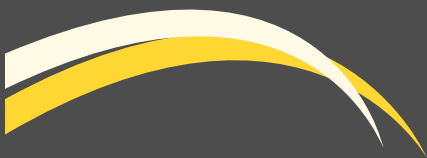
Learn to extend "Smart Trust"

Some trusted managers never become leaders because they do not know how to extend "smart trust". They may delegate or extend "fake trust" while micromanaging but they do not fully entrust. They do not give others the steward-

How Do You Inspire Trust?

- 1) Inspire trust by starting with yourself and your own credibility
- 2) Inspire trust by consistently behaving in trust-building ways with other people

The ability to establish, grow, extend, and restore trust is the key professional & personal competency of our time.



Restoring Trust is Difficult

First understand how trust was lost in the first place.

*****A loss of trust created by a violation of character (integrity or intent) is far more difficult to restore than a loss of trust created by a violation of competence.

Analysis

- 1) What is the opportunity?
- 2) What is the risk involved?
- 3) What is the credibility of people involved?

Restoring Trust When It Has Been Lost

**In some situations trust cannot be restored!

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

Restoring Trust On All Levels

Societal Trust

Restoring trust on the societal level means rebuilding trust in countries, institutions, industries, professions, and in people generally. You must be able to show contribution, value creation, and ethical behavior to restore trust.

Restoring Trust

Dealing with Broken Trust Provides the Foundation for even Greater Trust in Many Situations

Market Trust

It is true that in many cases if you break a customer's trust you will not get a second chance but with work using the 4 Cores and the 13 Behaviors you may be able to restore and even enhance Market Trust.

Mark Parker and Charlie Denson, "We want to build trust and enable stakeholders to judge us not on perception, but fact. Transparency is an essential tool in this process."

Organizational Trust

High-trust organizations outperform low-trust organizations by three times. High trust not only creates a great working environment, it also provides a powerful competitive edge.

Relationship Trust

So often people in low-trust situations feel they cannot create positive change but with the tools in this book trust can be built, improved, and restored.

Self Trust

Often it is the most difficult thing to trust or restore trust in ourselves. Demonstrate Respect for yourself. Don't beat yourself up over what you think are weaknesses or mistakes. Be exactly what you can be today and work on being better tomorrow.

When Others Have Lost Your Trust

Do not be too quick to judge and give others the benefit of the doubt. Be quick to forgive and free yourself physically, mentally spiritually, and emotionally from responding to the mistakes, weaknesses, and bad choices of others. Until we forgive we are not free to exercise Smart Trust.

Prioritize Restoring Trust

Restoring trust in close relationships may be difficult and painful, and may take a long time.

Broken Trust: A Beginning

Broken trust does not need to be viewed as a dead end, it can actually become a beginning. When you have broken trust with someone else it can be an opportunity to change your behavior, to improve your character and competence, and inspire trust. As you try to restore trust you will grow and gain confidence in your own discernment and ability to establish, grow, restore, and extend trust on every level of your life.

A Propensity To Trust

Being trusted brings out the best in individuals.

Inspiring Trust

The first job of a leader, whether at home or on the job, is to inspire trust. We must bring out the best in others by entrusting the with meaningful stewardships, and to create an environment that inspires trust interactions.

Most Respond Well To Trust

Trust is reciprocal so the more you trust others, the more you, yourself, are trusted in return.

Profound Moments of Trust

Many meaningful events in business, history, literature and life have hinged on profound moments of trust.

Choosing To Trust

Extending trust to others rekindles the inner spirit-both theirs and others.



Book Evaluation

This book is very easily read and it is relevant. Trust is the key to the speed of growth and therefore it is important to learn how to gain trust, keep trust, and regain it if you lose trust.

I think this book is a good read for anyone. It is very helpful when working on building relationships and also when working through difficult situations. This book worked through a highly effective common-sense approach with practical guidance for anyone to use in all relationships in life.

After I read this book I thought of everything differently. I look at how and why trust is so important in my personal and professional life. I look forward to working through the waves and the 13 behaviors in my everyday.

Author's Aims and Perspectives

Stephen Covey wrote this book to improve leaders' ability to gain, keep, and regain trust in as many areas as they can. He wrote that trust is the one thing that changes everything. The issues of trust impact us 24/7, 365 days a year. Covey stated that trust underlies everything we do and affects every relationship we have. He wrote this book to improve people's approach to affecting positive change in their approach to improve the trust people have in them. The steps he outlined are simple and easy to follow. Covey used his own experiences to illustrate the steps people should take to improve the trust that they have in themselves and others have in them. life.