

## ***There is Nothing as Fast as the Speed of Trust***

**Stephen M. R. Covey**

Scan newspaper headlines almost any day and you're likely to see any of the following:

- "Employees' new motto: Trust no one"
- "Leader's integrity is questioned"
- "Greenspan urges companies to rebuild trust"

Trust in almost every societal institution is significantly lower than a generation ago and in many cases sits at historic lows. Trust within companies has also sharply declined: in a recent Watson Wyatt survey of nearly 12,000 workers, only 39% of the workforce trusted their senior managers, while only 45% had confidence in their management's abilities.

What are the organizational and societal consequences of low trust? Most people don't really even know how to think about this question because they don't know how to quantify or measure the costs of such a so called "soft" factor as trust. But the fact that it's hidden doesn't mean it's not there. The reality is this: the costs of low trust are very real, they are quantifiable, and they are staggering!

A way to think about the cost of low trust is to compare it to receiving a paycheck. On your paystub you can see the taxes that are taken from your salary right off the top. Similarly, when trust is low, in a company or in a relationship, it places a hidden "tax" on every transaction: every communication, every interaction, every strategy, every decision is taxed. In low trust situations, people don't hear fully what their leaders are saying; rather, people only hear a portion of what their leaders are communicating because the leaders are being taxed right off the top.

By contrast, individuals and companies that have earned and operate with high trust experience the opposite of a tax—they receive a "dividend" that is like a performance multiplier, enabling them to succeed in their communications, interactions, and decisions and to move with incredible speed. Watson Wyatt's study showed that high trust organizations outperformed low trust companies by nearly 300%!

Think of your own situation: what is communication like when you're talking with people who trust you? You can say the wrong thing and people will still get your meaning. But what is it like when trust is low? You can be precise and measured and people will still interpret it the wrong way. The difference is evident to all of us.

In the new knowledge worker economy, the importance of people—rather than things—is greatly magnified, making the importance of creating and restoring trust more vital than ever before. The ability to create, extend and restore trust with all stakeholders

(employees, customers, investors, etc.) is *the* critical leadership competency required of any leader or influencer today.

There is no quick fix to establishing and restoring trust because trust demands both character and competence, cannot be manipulated and values actions over words. Destroying trust, on the other hand, can happen almost overnight.

In today's knowledge worker age, the returns of generating trust, the results that flow from it, and the abundant dividends that surround it make it clear—there is nothing as fast as the speed of trust.