

THE MAGAZINE OF TRUST ACROSS AMERICA-TRUST AROUND THE WORLD SPRING 2015 WWW.TRUSTACROSSAMERICA.COM VOL. 1 • NO. 3



Most Trustworthy Public Companies and Special Awards 2014



Spring 2015 | Vol. 1 • No. 3

FOUNDER AND EXECUTIVE EDITOR:
Barbara Brooks Kimmel

ABOUT TRUST! MAGAZINE

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Editorial correspondence and press releases to:
Barbara Brooks Kimmel
Barbara@trustacrossamerica.com

Advertising correspondence to: Barbara Brooks Kimmel Barbara@trustacrossamerica.com



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WELCOME PAGE

Founder and Executive Editor Barbara Brooks Kimmel

Trust! The Magazine of Trust Across America— Trust Around the World

What is TRUST! Magazine

TRUST! Is a digital magazine published 4 times each year and dedicated to helping leaders and organizations build long-term trust.

http://trustacrossamerica.com/magazine.shtml

What do we mean by trust? Trust is built through:

VISION: An understanding that building trust into an organization's DNA will lead to long-term profitability.

CULTURE: Instilling the values, principles and beliefs essential to building a foundation of trust.

LEADERSHIP: The implementation of trust strategies that separate great leaders from their competitors.

ACTION: The key actions that characterize a commitment to building stakeholder trust.

TRANSFORMATION: The newly adopted behaviors that build high trust and collaboration.

By producing this magazine in digital format, we can expand our offerings beyond just articles. Each edition may include instructional videos, links to interviews, photos and many other features not found in traditional print magazines.

We hope you find the presentation of our content both valuable and interesting. We always welcome your suggestions for ways to improve.

Barbara Brooks Kimmel

A NOTE FROM THE EXECUTIVE EDITOR

Nothing impacts an organization's bottom line more than trust.

Trustworthy organizations have an "edge" over their competitors via:

- Faster decision making
- Speed of innovation
- Higher employee retention with better overall health and well-being
- Increased customer loyalty
- Long-term focus and less short-term pressure
- Fewer crises
- Improved hiring- people want to work for trustworthy employers
- · Elevated reputation with all stakeholders
- Holistic organizational "wellness"

Trust is a top down deliberate business strategy. When the leader lays it on the line that character and integrity matter more than short-term profitability, the entire organization shifts to a long-term perspective and the way it "does" business. Excellence is ever present via character, competence and consistency combined with a bit of generosity.

Companies that proactively build trust into their DNA see expenses decrease and profitability increase.

Need more proof? Unni Krishnan <u>provides an</u> <u>interesting perspective</u> on where we are today in corporate America and where we might be heading if we maintain the "low trust" status quo.

In our Spring 2015 issue we shine the spotlight on public companies and other organizations that have chosen to place trust on their agenda.

Barbara Brooks Kimmel, Executive Editor, TRUST! Magazine

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"Return on Trust" The Business Case



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In the short-term "low trust" businesses can be very profitable. Corporate executives who "legally" cheat, steal, lie, avoiding paying taxes, and stay just on the "right side" of compliance may produce the profits that both their Board and shareholders crave, but these "business as usual" trust violations are not conducive to long-term business success. But just how is that success built? By embracing trust as both a business "imperative" and long-term strategy. This translates to practicing "trust" on a daily basis by treating your customers and suppliers "right", by having superior products, great service, high performing teams, low employee turnover, and a high degree of innovation.

A person "like yourself" is now trusted nearly two times as much as a CEO or government official.

Ben Boyd, Edelman

Employees learn to trust when leaders provide adequate information about decisions they're making



What Does Low Trust Cost an Organization?

The Hard Costs of Low Trust

♦ A <u>study</u> by Murphy, Shrieves and Tibbs called "Determinants of the Stock Price Reaction to Allegations of Corporate Misconduct" finds that "allegations of misconduct are accompanied by statistically significant control-firm adjusted declines in reported earnings, increases in stock return variability, and a decline in concordance among analysts' earnings estimates."

Murphy, Deborah L., Ronald E. Shrieves, and Samuel L. Tibbs, "Understanding the Penalties Associated with Corporate Misconduct: An Empirical Examination of Earnings and Risk," Journal of Financial and Quantitative Analysis, February 2009, Vol. 44, No. 1, pp. 55-83.

♦ In a 2008 study by Karpoff, Lee and Martin

called "The Cost to Firm's of Cooking the Books," the authors find "The penalties imposed on firms through the legal system average only \$23.5 million per firm. The penalties imposed by the market, in contrast, are huge."

- Less than one-third of US workers were engaged in their jobs in 2014, with millenials the least engaged. (Gallup) and this is costing the US economy \$450-550 billion a year, which is over 15% of payroll costs. (Gallup, 2013)
- The Washington Post reported that "the federal government imposed an estimated \$216 billion in regulatory costs on the economy (in 2012), nearly double its previous record."
- The cost of the tort litigation system alone in the United States is over \$250 billion. – or 2% of GDP (Forbes, January 2012)
- The six biggest U.S. banks, led by JP Morgan Chase & Co. and Bank of America Corp. have piled up \$103 billion in legal costs since the financial crisis (Bloomberg, August 2013)
- ♦ According to The Economist Intelligence Unit (2010), 84% of senior leaders say disengaged employees are considered one of the biggest threats facing their business. However, only 12% of them reported doing anything about this problem.
- Recently, the New York Times reported that the daily cost to house, feed and guard a single prison inmate in New York City is \$459.54. In the sharpest of contrasts to the cementblock walls of a cold jail cell, the Ritz Carlton

Hotel is the paragon of luxury. World-class service, beautiful design, 600 thread-count sheets. And yet, the average cost for a night at the Ritz — \$323, according to its public filings — is 30% less than the cost of a night in city jail. (Josh Linkner, Detroit Free Press, November 9, 2014)

 The PR firm Edelman finds in their 2015 "Trust Barometer" that

For the first time, nearly two-thirds of the 27 nations surveyed fell on the "distrustful" end of Edelman's index, gauging respondents' trust in government, business, media and non-governmental organisations. Among the informed public segment of the 33,000-person survey — a group of 700 wealthy, welleducated, well-informed individuals — 57 per cent said they trusted business, down from 59 per cent last year. (Financial Times, January 20, 2015)

The trust gap not only negatively impacts a company's revenue, market share, brand reputation, employee engagement and turnover, stock price, and bottom line profitability, but every facet of society.

What happens when trust increases?

The Low Cost of Hard Trust

Building a trustworthy business will improve a company's profitability and organizational sustainability. A growing body of evidence shows increasing correlation between trustworthiness and superior financial performance. Over the past decade, a series of qualitative and quantitative studies have built a strong case for senior

business leaders to place building trust among stakeholders high on their priority list. While none of these studies are perfect, over the next decade their results will be increasingly difficult to ignore.

In this <u>brand-new research from Interaction</u>
 Associates

It is demonstrated that companies that enjoy high levels of trust among their employees are two and a half times more likely than those that don't to enjoy superior revenue growth. High-trust businesses significantly outperform all other organizations in achieving a wide variety of business goals, including customer loyalty and retention; competitive market position; values-driven behavior and actions; predictable business and financial results; and profit growth.

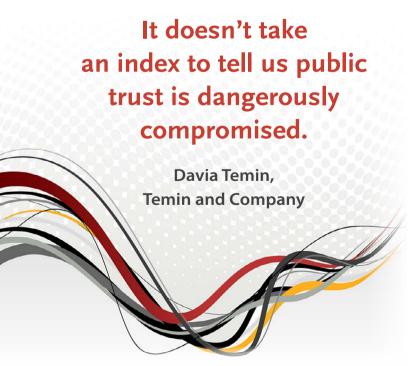
 and more from the Chartered Management Institute follow this link.

When people trust an organization, they are more likely to exhibit supportive behavior.



As we look more closely at the morality of managers through the lens of MoralDNA, we see that being good and doing things right is mostly about our empathy, our reason and our values. It is much less about the achievement of narrow financial targets, or our robotic compliance with rules and regulations. And yet governments, businesses, public services and charities still persist in a focus on quantitative targets and bureaucratic red-tape that drive dysfunctional and unethical workplace cultures. This has to change.

- 2013 study by Guiso, Sapienza and Zingales called "The Value of Corporate Culture" finds that proclaimed values appear irrelevant. Yet, when employees perceive top managers as trustworthy and ethical, firm's performance is stronger.
- In a Harvard Business School working paper from July 2013 called The Impact of Corporate Sustainability on Organizational Pro-



cesses and Performance, Robert G. Eccles, Ioannis Ioannou, and George Serafeim provide evidence that High Sustainability companies (those integrating both environmental and social issues) significantly outperform their counterparts over the longterm, both in terms of stock market as well as accounting performance.

- Forbes and GMI Ratings have produced the "Most Trustworthy Companies" list for the past several years. They examine over 8,000 firms traded on U.S. stock exchanges using forensic accounting measures, a more limited definition of trustworthy companies than Trust Across America's FACTS Framework but still somewhat revealing. The conclusions they draw are:
 - "... the cost of capital of the most trustworthy companies is lower ..."
 - "... outperform their peers over the long run
 - "... their risk of negative events is minimized

From Deutsche Bank:

- 100% concurrence on Lower Cost of Capital ("... academic studies agree that companies with high ratings for CSR (corporate social responsibility) and ESG (environment, social responsibility, governance) factors have a lower cost of capital in terms of debt (loans and bonds) and equity.")
- 89% concurrence on Superior Market Performance ("... studies indicate companies

- with high ratings for ESG factors outperform market-based indices")
- 85% concurrence on Greater Performance on Accounting –Based Standards ("... studies reveal these types of company's consistently outperform their rivals on accounting-based criteria.")
- From Global Alliance for Banking on Values, (see more on the GABV in the first issue of our magazine,) which compared valuesbased and sustainable banks to their bigbank rivals and found:

7% higher Return on Equity for valuesbased banks (7.1% ROE compared to 6.6% for big banks).

51% higher Return On Assets for sustainable banks (.50% average ROA for sustainable banks compared to big bank earning 0.33%)

Another study has just been released measuring "Return on Character" and correlating it with profitability.

These studies are bolstered by analyses from dozens of other respected sources including the American Association of Individual Investors, the Dutch University of Maastricht, Erasmus University, and Harvard Business Review.

Business leaders may continue to challenge the "return on trust" but the evidence is mounting. There is not only a business case but also a financial case for trust. Trust works not only in business, but in all organizations regardless of their industry, size or location.

Form a Culture-**Guiding Coalition.**

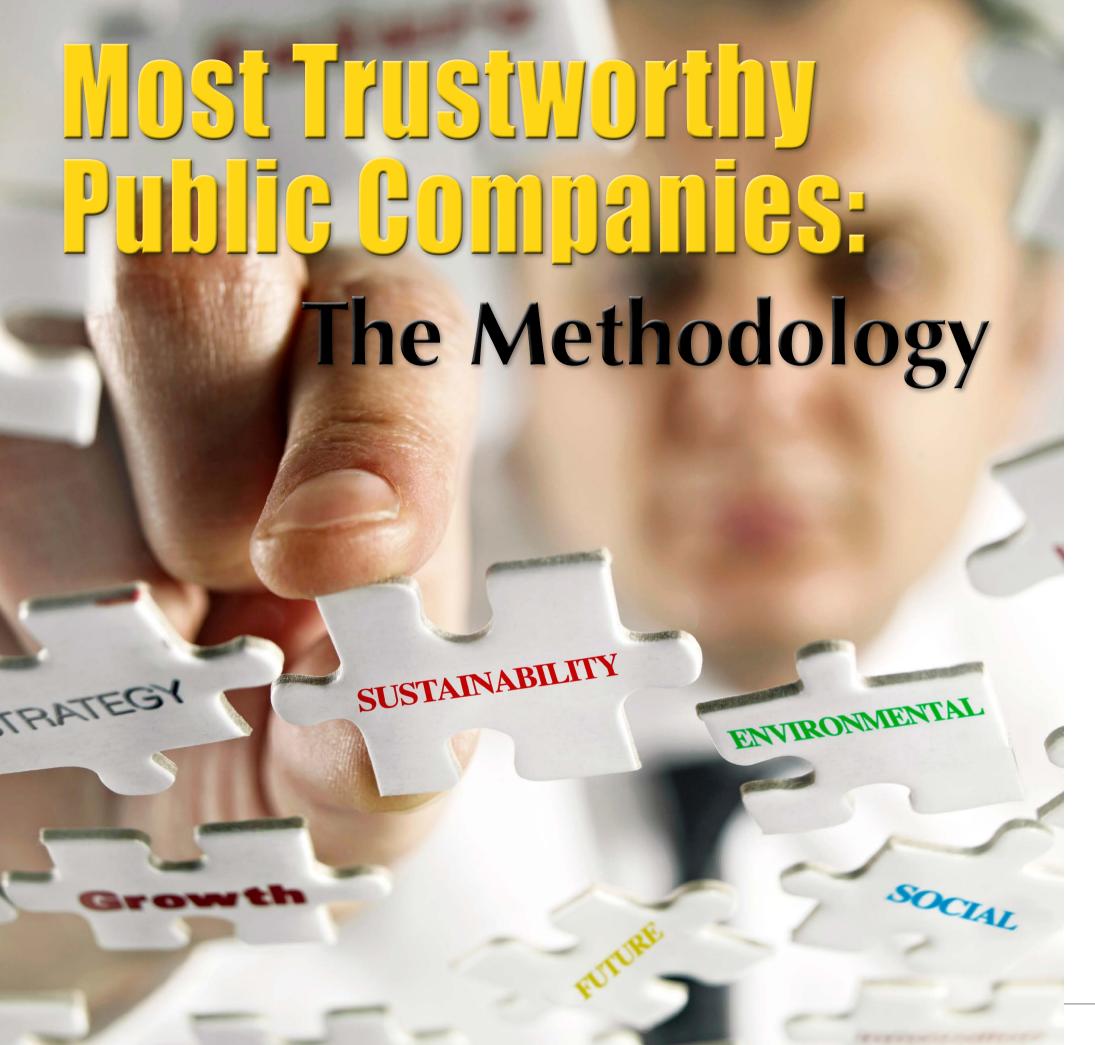


Improved Profitability

This growing body of evidence shows increasing correlation between trustworthiness and superior financial performance.

Companies exhibiting high levels of trustworthiness have a competitive advantage. Who are they and how do they build trust?

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The Purpose

There are many "top" lists and awards given to public companies for ethical cultures, great workplaces, corporate responsibility and a host of others. While each has it's merits, most are based on surveys, public opinions and other qualitative measures. For six years Trust Across America has been working with a growing team of experts to study, define and independently quantify organizational trustworthiness.

Trust Across America – Trust Around the World accepted a seemingly impossible challenge based on a briefing paper published in the Economist in 2008. Sponsored by Cisco, it is called "The Role of Trust in Business Collaboration" http://graphics.eiu.com/upload/cisco_trust. pdf, stating that tens of millions of dollars had been spent evaluating corporate governance—but a definition of corporate trust continued to elude us. What if companies could be identified that exhibited high levels of trustworthiness?

What Makes This List Different?

Measured indictors are quantitative and derived from third party data

Companies do not know they are being evaluated

Companies cannot opt "in" or opt "out"

Trust Across America-Trust Around the World does not accept from nor provide any compensation to the companies evaluated and named to this list.

The Methodology

With the assistance of dozens of academic, financial, corporate and consulting experts, Trust Across America-Trust Around the World (TAA-TAW) began building a methodology incorporating only independent, quantifiable metrics that are "indicators" of a trustworthy business. We named it the FACTS® Framework, an acronym that draws on five categories of "holistic trustworthiness" and incorporates them into one quantitative model. The indicators are

Financial stability

- **♦** Transparency
- Accounting conservativeness
- **♦** Sustainability

Corporate governance

Recognizing that no company is perfect, dozens of data points from well-respected independent data providers are considered in this unbiased evaluation. Gone are the silos, replaced by a holistic view of trustworthy business practices, and a realistic opportunity and methodology for evaluating public companies.

Mistrust doubles the cost of doing business.
Reinforce that fact with your employees.

David Horsager

Our analysis begins with a universe of close to 3000 of America's largest public companies. Consideration is only given to those companies with complete data, reducing our universe to approximately 2000. The five trust indicators listed above are equally weighted in our analysis.

As a final step, while we do not "negative screen," we do research each "finalist" company and eliminate any that don't walk their talk- newsworthy trust violations such as leadership missteps, large product recalls, avoidable security breaches, excessive fines, etc.

The FACTS Framework looks like this (see below).

The FACTS™ Framework "High Trust" Company F A C T S Accounting Conservativeness Corporate Integrity Transparency Sustainability

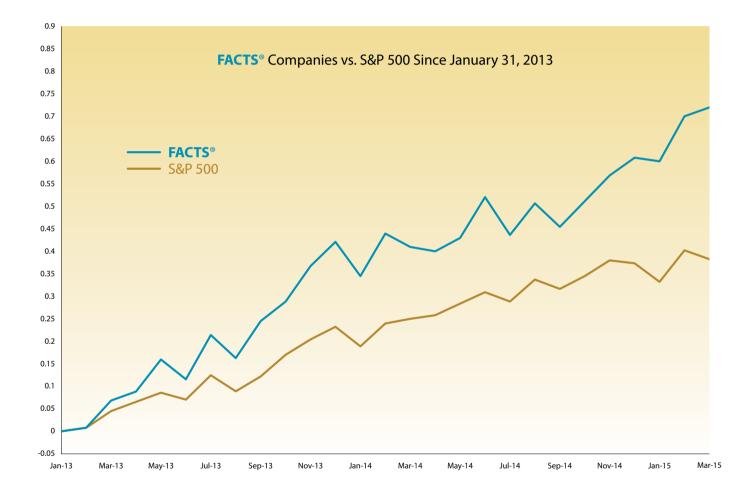


How Do Trustworthy Companies Fare Over Time?

TAA-TAW has been tracking the performance of America's most trustworthy public companies, and the results are nothing short of staggering. These companies have produced an 82.9% return vs. the S&P's 42.2% since August 2012. The results are based upon a monthly re-balanced list of selected companies in a live portfolio.

This year marks our 5th annual Most Trustworthy Public Companies. While in past years the honor has been given based only the past calendar year, this year's honorees are being recognized as the most trustworthy for the 5-year period from 2010 through 2014.

We hope you enjoy learning more about these outstanding organizations and their leaders.



Don't allow technology to erode trust by taking the personalization out of your organization.

Steven N. Pyser

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America's Most Trustworthy Public Companies



Listed below and in ranked order are Trust Across America-Trust Around the World's Most Trustworthy Public Companies for the period 2010-2014.

Only 4 points on a 100-point scale separate these organizations. Keeping in mind that no company is perfect, we have selected various highlights from the company's websites, CEO annual letters and other publicly available information.

It should be noted that while the <u>average tenure</u> of a Fortune 500 CEO has fallen to 4.6 years, the average tenure of the CEOs listed below is 8.4 years.



#10 THE WALT DISNEY COMPANY

Robert A. Iger, CEO since 2005

<u>Acting responsibly</u> is an integral part of the Disney brand.

Acting responsibly is an integral part of our brand. It strengthens the connection we have with consumers, makes our company a more desirable place to work, and helps us attract the very best and brightest to join our global cast. It builds goodwill in the communities in which we operate. All of these things contribute to The Walt Disney Company's continued growth and success.

Our commitment to conduct our business and create our products in an ethical manner focuses on six areas:

1. Ethical Conduct: Conduct business with honesty, integrity, and in compliance with the law everywhere we operate

Trust is an essential agent of social development and organizational sustainability.

Robert Easton, Accenture

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When deciding whom to trust remember this, people who will lie for you will lie to you.

Lea Brovedani

- Responsible Content: Create and market responsible, high-quality products and content
- 3. Environmental Stewardship: Use resources wisely and protect the planet as we operate and grow our business
- 4. Civic Engagement: Create lasting, positive change in the communities in which we live, work, and play
- 5. Respectful Workplaces: Foster safe, respectful, and inclusive workplaces wherever we do business
- 6. Responsible Supply Chain: Support the ethical production of Disney-branded merchandise through programs focused on safety, labor, and the environment



#9 STAPLES

Ronald L. Sargent, CEO since 2002

At Staples, doing right is just as important as doing well.

That's why we hold all our associates, from the boardroom to the store floor to the supply chain, to the highest standards of honesty, fairness and integrity. We also work hard to ensure all our associates, suppliers and partners understand and abide by our ethical standards.

In this letter, Staples CEO Ron Sargent discusses his holistic approach to building a trustworthy organization. It includes his focus on community engagement, ethics and integrity, diversity, environmental stewardship and corporate responsibility.



#8 WHIRLPOOL CORPORATION

Jeff M. Fettig, CEO since 2004

Whirlpool's is committed to innovation and their industry 'firsts' come from putting people first.

"We never let our passion for helping create today's special moments distract us from empowering even more purposeful innovations. We understand that innovation takes its first step backward when it stops moving forward. That's why we'll never stop pursuing new products that resonate with the people who use them. We work tirelessly to create exceptional design and purposeful technology that blends into the home rather than stands out in a house. Some companies want you to concentrate on them. We'd rather you concentrate on what matters most.

For more than a century, we've been innovating and implementing designs that free up more time for what's important. From the first washing machine to the first stand mixer to the first laundry pair with steam cycles, innovation is second nature to us and essential to our passion. We're extremely proud of our history of innovation, but we believe our greatest accomplishments are yet to come."

accenture

#7 ACCENTURE

Pierre Nanterme, CEO since 2011

Since its inception, Accenture has been governed by its <u>core values</u>.

"We have extensive relationships with the world's leading companies and governments and work with organizations of all sizes—including 89 of the Fortune Global 100 and more than three quarters of the Fortune Global 500. Our commitment to client satisfaction strengthens and extends our relationships. For example, all of our top 100 clients in fiscal year 2014, based on revenue, have been clients for at least five years, and 95 have been clients for at least 10 years.

We have a unique way of doing things—the Accenture Way. It's how we innovate, collaborate, operate and deliver value—for our clients, our shareholders and our business communities around the world. It is grounded in our core values, shared business ethics, and uncompromising standards for high performance. The Accenture Way is brought to life every day, in everything we do, through our unique passion, energy and style."

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It's going to take a substantial collaborative effort to bring trust back to the heart of how we live and work.

> Barbara Brooks Kimmel, Trust Across America -**Trust Around the World**



#6 SOUTHWEST AIRLINES

Gary Kelly, CEO since 2004

Southwest's success is based on two simple concepts according to CEO Gary Kelly, and they are reliability and hospitality.

The company has held true to their mission written in 1988.

The Mission of Southwest Airlines

The mission of Southwest Airlines is dedication to the highest quality of Customer Service delivered with a sense of warmth, friendliness, individual pride, and Company Spirit.

To Our Employees

We are committed to provide our Employees a stable work environment with equal opportunity for learning and personal growth. Creativity and innovation are encouraged for improving the effectiveness of Southwest Airlines. Above all, Employees will be provided the same concern, respect, and caring attitude within the organization that they are expected to share externally with every Southwest Customer. January 1988



#5 LEXMARK

Paul A. Rooke, CEO since 2010

Lexmark, a global technology company wants to create customers for life.

Their vision supports their mission:

Vision

We, the employees, are Lexmark - a dynamic, global information technology company.

We have a vision: Customers For Life. To earn our customers' loyalty, we must listen to them, anticipate their needs and act to create value in their eyes.

We want to be known for reliability, flexibility, responsiveness, innovative products and services and exemplary citizenship. Growth, longevity and financial success will naturally follow.

We will make this happen in an enriching environment of trust, cooperation and mutual respect.

Trust must be made real and earned every day.

Jeffrey C. Thomson, IMA



#4 HORMEL FOODS

Jeffrey Ettinger, CEO since 2005

A 120 year old company, founded by George A. Hormel, the company does things "Our Way"

The moral of our story is clear: Hormel Foods is a company choosing to lead rather than follow, with a clear vision and an understanding of emerging new market opportunities that are as crucial moving forward as they were back in the days of George A. Hormel.

The company describes its ethics, governance and risk as follows:

"Since the founding of Hormel Foods in 1891, strong ethics have been key to the way we operate, shaping our daily business decisions. While we aim to grow financially each year, we also acknowledge our duty to operate in an ethical manner each day. Throughout the years, we've accomplished strong financial performance, but we are equally as proud of the training and culture that reinforces ethical behavior in our employees' day-to-day business actions."

"Supporting the 5 key areas of their mission: our people, processes, products, performance and principles. Throughout the course of our history, we have maintained a firm commitment to innovation, integrity and philanthropy."

Asked about the values, principles or beliefs your organization follows that are essential to

How to repair damaged trust: Acknowledge, Admit, Apologize, Assess and Agree.

Randy Conley,
The Ken Blanchard Companies®

building a foundation of trust, CEO Jeffrey Ettinger responded with the following:

At Hormel Foods, our people are the driving force behind our innovation, improvement and success. We build trust within Hormel Foods through our values platform called Our Way, which focuses on the company's core vision for the future. Developed using the principles that have helped us grow and succeed for more than 120 years, Our Way guides our daily actions to support the five key areas of our mission: our people, processes, products, performance and principles. Whether we are developing innovative products, conducting cutting-edge research or engaging with our valued customers, we trust in the foundation of Our Way to create an environment where careers are fostered, people make a difference and integrity is absolute."

– Jeffrey M. Ettinger, chairman of the board, president and chief executive officer of Hormel Foods



#3 NIKE

Mark Parker, CEO since 2006

Sustainable innovation is at the core of NIKE, Inc.,

"Innovating across design and materials to manufacturing and retail, while driving cross-industry collaborations that bring game-changing solutions to scale."

Nike was once the archetypal ethical villain. But after a series of bust-ups with activists and a dip in profits linked to a boycott, the sports giant "learned to view transparency as an asset, not a risk", according to CEO Mark Parker. <u>Many now consider Nike a leader in sustainability.</u>



#2 INTEL

Brian Krzanich, CEO since 2013

Intel maintains an unwavering commitment to values and the highest ethical standards

The company's core values include

- Customer orientation
- Discipline
- Quality
- Risk Taking
- Great Place to Work
- Results Training



#1 TEXAS INSTRUMENTS

Richard (Rich) K. Templeton, CEO since 2004

For Texas Instruments, innovation isn't enough to succeed in the long run. <u>Trust matters</u>.

"We treat our customers with respect and deliver on our commitments, always with a keen eye on tomorrow's possibilities.

We're moving with you into a new century, one good decision at a time. Tlers embrace professionalism and honesty and see mistakes and setbacks as stepping-stones to success. Without first making some mistakes, Jack Kilby wouldn't have given us the integrated circuit, and Larry Hornbeck wouldn't have invented DLP technology.

Knowing what's right, doing what's right and valuing what's right are integral components of Tl's culture. This passion has always been a large part of our identity; and it will continue to be reflected in the way we treat our customers, each other, our shareholders and our communities.

Respecting differences is a top priority in high-trust organizations.

Linda Fisher Thornton, Leading in Context LLC

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Most Trustworthy Organizations Special Awards

Any organization is only as "good" as its leadership and its people. While we can independently and quantitatively measure the trustworthiness of public companies, a qualitative assessment completes what, in most cases, can't be measured.



Each year for the past five years, Trust Across America-Trust Around the World has been recognizing individuals who lead with trust, and honoring them as Top Thought Leaders in Trust. In 2015, a special "Lifetime Achievement Award" was given in recognition of those who have been honored by the program for five consecutive years.

All of our Lifetime Achievement Award Winners were given the option of having an award named in their honor and for their achievements in building organizational trust. With the permission of many of them, the following leaders and organizations are receiving special honors.

Hank Boerner: Accountability Award

Stephen MR Covey: Teamwork Award

Jed Emerson: Impact Award

Robert Galford: Board Leadership Award

Mary Gentile: Values Award

Bill George: Leading in Crisis Award

Charles H. Green: Sales Award

Barbara Brooks Kimmel: Customer "First" Award

Jim Kouzes: Organizational Leadership Award

Linda Locke: Reputation Award

Edward Marshall: Culture Award

Bob Whipple: Candor Award

These organizations were identified through a nomination process open to all our Top Thought Leaders and members of our Alliance.



Hank Boerner Accountability Award

Having also been named a Most Trustworthy Public Company, the Accountability Award is given to Intel.

Intel was an early adopter of tracking, measuring, disclosing, and reporting on its corporate governance policies and practices and its environmental management, and created a comprehensive issues management system to handle societal issues that mattered to stakeholders.

The view of stakeholders was forward looking: employees, investors, NGOs, community civic leaders, regulatory authorities, legislators, media, industry peers, customers...and more. The views of stakeholders were/are taken into account as the company develops strategies, initiatives, designs product and organizes and oversees the global supply chain.

In its earlier days, Intel's product line could be "invisible," with the commoditization of computers and components and peripherals. "Generic" PCs and internal parts were all the rage. Taking a bold move, the "Intel Inside" labeling and branding was pushed forward. The company's work stood behind the brand. The "Intel Inside" became the "sign" (the "logos") of the company's values, culture, product responsibility...and accountability.

Recently, the company visited analysts in New York and Boston to continue discussions on its

accountability, responsibility, sustainability and ethics. (These meetings occur at least annually and often twice a year). Accountability? Intel brought along the manager of supply chain, corporate governance, sustainability and others to discuss activities and answer questions.

Intel faces complex issues (some related to national security, customer privacy, environmental management in the context of supply chain and climate change), and the long-term issues management approach and process helps to keep the company "more accountable."

Interested in Intel's Triangle of Trust? You can read more about it at this link.



Stephen M.R. Covey Teamwork Award

NATO Air Training Command-Afghanistan and its leader John E. Michel, Brig Gen, USAF (Ret)

Brig. Gen. John E. Michel was the Commanding General, NATO Air Training Command-Afghanistan; NATO Training Mission/Combined Security Transition Command-Afghanistan; and Commander, 438th Air Expeditionary Wing, Kabul, Afghanistan.

General Michel entered the Air Force in 1988. He served in a number of command and staff assignments, including USTRANSCOM Liaison to North American Aerospace Defense Command-U.S. Northern Command; Chief, Rated Staff

Assignments and Deputy for Senior Officer Matters, Headquarters Air Mobility Command; and Deputy Director, Air, Central Command Deployment and Distribution Operations Center.

He has commanded a tanker squadron, expeditionary operations group, air refueling wing, air expeditionary wing, and deployed NATO major command.

General Michel spent some time answering a few questions about the role of trust in building effective teams through trustworthy leadership.

How is trust tied to high performance, innovation, and sustainability?

Since the days of Aristotle, trust has been recognized as the critical enabler of sustained exceptional performance. Writing in Rhetoric over 2,300 years ago, Aristotle suggested that Ethos, the Trust of a speaker by the listener, was based on the listener's perception of three characteristics of the speaker. Specifically, the intelligence of the speaker (correctness of opinions, or competence), the character of the speaker (reliability - a competence factor, and honesty - a measure of intentions), and the goodwill of the speaker (favorable intentions towards the listener). Little (if anything) has changed today.

Trust, it turns out, is a force multiplier equipping people with the confidence to risk exploring new and novel ways to accomplish the task or address the challenge at hand. Without trust, productivity plummets, morale tanks, and survival rather than sustainability becomes the norm.

What types of leadership behaviors build high trust and collaboration in your organization?

When I arrived in Afghanistan in August 2013 to assume my command responsibilities for building the \$6.7 Billion Afghan Air Force, progress was stalled. Over the two previous years, the Afghan Air Force encountered several devastating setbacks that left it operating far below what was required to successfully meet desired mission objectives. Couple the anemic rate of growth with the complexities of leading a diverse multinational team (14 different nations) tasked with accomplishing something never before attempted in history--namely, build an independent, sustainable and credible

Afghan Air Force comprised of sixty different operational specialties, 119 diverse skills sets, a cradleto-grave ability to recruit, train, sustain, and retain the human talent needed to successfully employ seven different types of aircraft across their country, simultaneously—and the likelihood of failure was high. Better yet, it was immense.

Our efforts were further complicated by the fact the decision was made to terminate coalition combat operations several years sooner than anticipated, resulting in significant pressures to reduce costs, accelerate development and consolidate personnel. Nonetheless, we managed to achieve previously unimaginable success (see results below).

How did we accomplish this feat? Simple. We emphasized the value of forging positive, trustbased connections. In addition to utilizing a series of intentional relationship and trust building methodologies, to include instituting emotional intelligence training and value stream mapping to maximize experience and foster

engagement, we also leveraged technology to accelerate growth and build confidence.

But the key enabler of our superior organizational performance was our highly inclusive, transparent and collaborative means of operating. I believe the genius of our effort was our focus on creating an others-centered environment of mutual respect, trust, empowerment, and shared purpose that liberated the latent potential of everyone in our path—American, Brit, Croat, Dane, Greek, Hungarian, El Salvadorian, Ukrainian, Italian, Czech, Canadian, Portuguese, Lithuanian, Mongolian, Latvian, and Afghan, alike.

Having now led three large-scale, multibilliondollar transformation efforts. I've learned several key behaviors foster trust and enhance collaboration and commitment. Specifically, these crossboundary attitudes and actions include:

- Making relationship development a priority to instill a deep-seated sense everyone could rely on those around them;
- Maximizing opportunities to promote cooperation amongst all stakeholders—both formally and socially;
- Rewarding smart risk taking and encouraging innovation at every level of the enterprise; and,
- Consistently ensuring we communicated effectively, clearly, and continuously across every dimension of our business. This translated into a single, clear and compelling vision, shared performance metrics (six total), regular updates to all via email and

three weekly meetings; and routine town hall and other mass dialogue meetings.

The best way to maintain a trusting work environment is to operate with integrity at all times. The truthfulness and transparency of routine communication with all constituents, coupled with the presence of a strong, unifying mission and <u>vision</u>, fosters a prime environment for trust to flourish.

What verifiable evidence can you provide that these trust actions create substantive and positive impacts for stakeholders?

Despite being charged with accomplishing something never before attempted in US History, amidst ever shrinking timelines and growing financial challenges, not to mention the ever present threat posed by a very resilient (and hostile) enemy in the Taliban, our organization succeeded in achieving remarkable progress, netting three digit growth in every mission area, accelerating Afghan capability progress by twoand-a-half years, and saving over \$2 billion in anticipated costs. In fact, a very senior coalition four-star general deemed our results nothing short of "miraculous." Furthermore, in November of 2014, the Secretary of Defense recognized my organization as the global winner of the Department of Defense's annual Excellence in Advising Award for our innovative, best-in-class Nation Building efforts.

(With special thanks to <u>Deb Mills-Scofield</u> for facilitating this interview and special award.)



Jed Emerson Impact Award

Co-founded by Dave Kirkpatrick and Rick Defieux, <u>SJF Ventures</u> is a venture capital partnership with offices in Durham, New York and San Francisco. Through its investment funds, the firm provides equity financings from \$1MM to \$10MM, solo or in syndicates, to companies seeking growth capital.

"SJF values the passion and dedication needed by entrepreneurs to convert brilliant ideas into extraordinary businesses. We help companies succeed by providing growth capital and assisting entrepreneurs with the demanding challenges they face.

Since establishing its first venture fund in 1999, SJF has provided venture financing for and assisted companies with innovative ideas in resource efficiency & sustainability and techenhanced services. Representative investment areas include asset recovery and reverse logistics, efficiency and infrastructure, sustainable agriculture and food safety, health and wellness, education, digital media, and technologyenhanced services. The firm's principals work closely with entrepreneurs to develop and pursue growth strategies, recruit additional management, obtain debt and equity capital, and execute company acquisitions.

SJF believes companies can generate exceptional returns by creating disruptive solutions

to some of the world's greatest environmental and social problems. Moreover, many of the best and brightest entrepreneurs and management teams are looking to work in positive impact enterprises and partner with investors that share a similar vision."

Additional information on the impact SJF has had can be <u>found here</u>. We particularly like <u>this case</u> <u>study</u> on Excellence in Employee Engagement.



Robert Galford Board Leadership Award Hartford HealthCare operates major hospitals and health facilities in Connecticut. It has performed admirably in building trust and confidence in ways that many other healthcare boards have not.

Hartford HealthCare, which is not a for-profit entity with no shareholders, includes Hartford Hospital, a large tertiary-care hospital, five additional teaching and community hospitals, two regional behavioral health centers, a statewide clinical laboratory operation, a large primary care physician practice group, a regional home care system and a physical therapy and rehabilitation network serving the people of Connecticut.

In the midst of the well-known changes facing healthcare across the nation, hospitals and healthcare organizations have had substantial challenges in upgrading the quality, sophistication and effectiveness of their boards, and their connections with the communities and constituents they serve. Hartford Healthcare began addressing this challenge a number of years ago, paying particular attention to the transition from traditionally local board structures and memberships to an entity that has retained its community roots while considerably adding to its strength. It has done so in a number of ways, including the addition of nationally recognized physician leaders of organizations from other parts of the country. This attention to the balance of top tier board composition and community connection has been a meaningful contributor to the organization's effectiveness.



Mary Gentile Values Award

The Arthur W. Page Society is the membership association for corporate chief communications officers and the CEOs of leading public relations agencies. The Page Society's founders made two critical decisions: First, they named the organization after a real person, a man of character named Arthur W. Page, whose life was dedicated to making his company, AT&T, deserving of trust. (This was from the years 1927-1946, when AT&T was a regulated monopoly.) Second, they adopted a set of values, called the Page Principles, which capture the tenets by which Page practiced public relations. "Tell the truth. Prove it with action. Realize a company's true

character is expressed by its people."These three, plus four others, provide guidance for Page members as they advise their enterprises on how to earn public trust.

Through its groundbreaking reports "The Authentic Enterprise and Building Belief Among Them" and its programs for members, today's Page Society advises members how to help their enterprises build a strong corporate character, which consists of mission, purpose, values, culture, strategy, business model, operations and brand, all aligned to create a unique differentiating, trustworthy identity. Based upon that strong character, Page members then build shared belief with stakeholders, leading to positive actions, confidence and advocacy.

This values-based approach to trust-building works. Page members companies consistently work to build strong cultures based on values, in the belief that trust must be earned, as Arthur W. Page would say, by telling the truth and proving it with action.



Bill George Leading in Crisis Award

Also named a "Top Ten Most Trustworthy Public Company" Walt Disney Company's CEO Bob Iger addressed the company's culture issues head on with both a long-term strategy and persistence that has paid off.

Bob Iger was interviewed by J.P. Donlon, Editor in Chief of Chief Executive Magazine in August, 2014:

When he became CEO in October 2005, Iger faced a time of extended turmoil. The preceding five years had been marked by a hostile takeover attempt, a shareholder revolt, a board in conflict and years when performance fizzled. The once leading animation department hadn't had a hit in years. The brand had become somewhat tarnished and employees no longer believed in Disney's greatness. One of Iger's first tasks was to make peace with dissident shareholders Roy Disney and Stanley Gold and to convince them to drop their lawsuit challenging the choice of Eisner's successor.

Donlon concluded the interview with the following question posed to Bob Iger:

If Walt were alive today, what do you reckon he might say about you?

Funny you would ask. I spoke with Diane Disney, one of his daughters, about that before she died. I actually wrote her a note: "If Walt were to see those gorgeous cruise ships plying the oceans, or even Walt Disney World, or imagine Shanghai, what would he think?" Interestingly enough, for a guy from the Midwest, he had a real curiosity about the world. He would be blown away to know that China would be the home to a product that was so much a part of who he was and what he stood for—Disneyland.

But if he also saw Pixar, or Star Wars or Marvel think of the storytelling and the characters and the places that these stories exist. [Take] ESPN, for that matter. I think he would be unbelievably proud. This is a bit presumptuous of me, but what the heck, maybe I've earned the right to be and also to

see, on any list about brand respect and admiration that exists in the world today. [This is] a company that he founded; the brand that he created is still at or near the top of those lists. I mean, what could be a better affirmation for the principles that he embedded in the company that he created?



Charles H. Green Sales Award

Bangor Savings Bank has been recognized over the years as an institution that lives trust values. In addition, its business performance testifies to the effectiveness of a trust-based culture. making it a shining example of rising-tide-liftsall-ships nature of trust in business, if applied throughout a corporate culture and approach to business.

The bank looks to the long term; "When you are charged with the management responsibility of a bank that's been around for over 160 years, and it's a mutual, it's all about stewardship, says departing CEO James Conlon. Conlon spent 20 years running the bank.

"The only reason we exist is that the people, businesses and organizations in our markets have chosen to do business with us. If you do the right things for the right reasons, good outcomes will ensue." Conlon talks of outcomes as results of principled behavior, not as goals per se.

At an annual employees event " featuring blue jeans and pizza" a series of awards were given,

highlighting the values of long-term focus, customer orientation, direct communication, and open and honest sharing of values.

Conlon's successor, 48-year old Robert Montgomery-Rice, came up through the HR function, unusual for a bank, and pointing to the relevance of people in the BSB approach to business. He says, "we really take to heart how we treat customers, employees and really live in our communities." For years, the bank's tagline catchphrase has been "You Matter More." They mean it.

Bangor Savings Bank was recognized by J.D. Power & Associates® as a 2014 Customer Champion; one of only 50 companies nationally to earn this honor.

The bank itself created the Bangor Savings Bank Foundation in 1997. Together the Bank and its Foundation invest more than \$1 million per year into the community in the form of nonprofit sponsorships, grants and partnership initiatives.



Barbara Brooks Kimmel Customer "First" Award

Sometimes companies just choose to "do the right thing." The Kohler Company, a family business founded in 1873, is best known for its plumbing products, but the company also manufactures furniture, cabinetry, tile, engines, and generators.

I wrote about them in a July 2014 blog post:

Yesterday I called <u>Kohler</u> to inquire about replacing a broken head on my kitchen faucet. The call wait time was very short, an English-speaking customer service rep answered, some basic information was collected (name, address, phone) and the matter was resolved in less than 5 minutes. The outcome: The part is being replaced at no charge. There was little discussion of warranties. The closest was the question of when the item was purchased. I told the CSR I had no idea, as I could not remember when we had our kitchen remodeled.

So hat's off to Kohler for standing behind their product and "doing what is right" instead of only "what is legal." The way they choose to treat their customers is not an accident.

Their employees seem happy and they have won many awards. The CEO, Herbert Kohler, Jr. is the founder's grandson. And I'll bet you didn't know that the company owns several golf courses and an arts center in Wisconsin! Do you think culture and values are high on the priority list of this company? Are you surprised they have been in business for so long? I'm not. It seems they try to "do right" by all their stakeholders. I doubt the company is perfect, but they certainly set high standards.

Kohler has built trust with this customer, and based on the success of the company, with many others as well. Thank you Kohler. You are truly a role model for trustworthy business that places the customer first.



Jim Kouzes Organizational Leadership Award

When you read the mission and vision statement of <u>Luck Companies</u>, it's clearly a very different kind of place. The statement says, in part,

At Luck Companies our mission is to ignite human potential through Values Based Leadership and positively impact lives around the world. People- our associates and their families, customers, vendors, business partners, friends and community representatives- have been our priority for almost 90 years.

Charles Luck Jr. started the company with the philosophy of "do right by your people and they will do right by you." His son, Charles Luck III, coined the tagline "We Care," and Charles Luck IV, the current president, is passionate about people "exceeding their wildest dreams. Our orientation toward others is authentic and central to what we value as an organization."

What is even more amazing about this company is that it is in one of the most basic of industries. Starting as a business that produced high quality crushed stone, sand and gravel, Luck now includes specialty stone products for residential and business use and clay courts for tennis. Charles S. Luck IV, has dedicated himself to not only making Values Based Leadership a way of life at Luck Companies, he is taking that message to other businesses around the world. Championing that effort is Mark Fernandes, the Chief Leadership Officer of Luck, who speaks globally on Values Based

Leadership and the Luck Companies, journey on that path. Mark has been named a <u>Top Thought</u> <u>Leader in Trust</u> by Trust Across America-Trust Around the World for the past two years.

Among the recognitions: Charles S. Luck IV is an Ernst & Young Entrepreneur of the Year Award recipient. The National Institute of Occupational Safety and Health awarded Luck Stone with the inaugural award for Mine Safety and Health Technology Innovations for the stone, sand and gravel sector in 2014. Also in 2014 it was presented with the Special Achievement in GIS Award at the Environmental Systems Research Institute User Conference. The Virginia Department of Environmental Quality has recognized Luck Stone as an Environmental Enterprise (E2) in the Virginia Environmental Excellence Program.

When speaking about trust with Mark Fernandes, Charles S. Luck IV had the following to say:

Trust is built through relationships and as a leader it starts with the belief that people don't care how much you know until they know how much you care. And when the caring is grounded in the fundamental belief that there is extraordinary, untapped potential in everyone, leaders will have the tendency to go first. First in a sense that they will initiate relationships by being personable, transparent and vulnerable - extending trust early even when it may not be warranted.

Trustworthy leaders are also those who exhibit confidence and competence as employees take the majority of their emotional cues from those at the top. And leaders who can envision a clear and compelling future and posses the power (socialized) to move the organization forward will gain the trust required to do so.



Linda Locke Reputation Award

Harris Poll's <u>Reputation Quotient Survey</u> places <u>Wegmans</u> at the top of the reputation pyramid and as a Wegmans shopper, I couldn't agree more.

The study ranks respondents based on six reputation attributes: Emotional Appeal, Products & Services, Social Responsibility, Vision & Leadership, Workplace Environment, and Financial Performance. Wegmans was the only company on the Harris list to rank in the top five of all six.

Wegmans has won <u>dozens of awards</u> and distinctions for making the shopping experience better, and for treating customers, employees, and communities in an exemplary manner.



Edward Marshall Culture Award

Rho, Inc., a contract research organization founded in 1984 by Ronald W. Helms, PhD and his wife Mary Helms, and currently run by Russ Helms, has undergone a fundamental transformation in the past seven years from a command and control, fire-fighting culture to a collaborative, team-based trust culture. Their focus as a clinical trials organization is on healing the world.

The leadership decided seven years ago to become a values-driven company. Their values, vision, and mission are infused into every aspect of the business. Their people come first. Where once they were structured as a pyramid, now they are organized into four sectors, with sector leaders who lead teams to get the work done. There is a leadership team that provides strategic direction. The CEO is the "chief cultural officer". It is a company people are lined up to get into, in an industry driven by thin profit margins and intense competition.

People who work at Rho have nothing but wonderful things to say about the quality of their work life, work-home balance, and the collaborative way in which problems get solved, decisions made, and how the business is managed.

Rho's CEO Russ Helms was kind enough to share his trust building strategy and best practices with our readers via Trust Across America-Trust Around the World's **Leader's Project**.

What role does trust play in ensuring the success of your organization?

Attracting and retaining top talent is a key to success in our industry. A major motivator for our employees, particularly top performers, is autonomy. Granting employees autonomy requires a trusting relationship between our employees and our leadership. We provide our employees with a fair degree of latitude in how they get their work done, and, in many cases, in what work they do. This creates greater employee engagement, and, as a result, our turnover rate is approximately half that of our competitors (9% versus an industry average of 18%). A low turnover rate reduces our recruitment and train-

ing costs. Additionally, stable project teams are important to our clients, and help us maintain a high rate of repeat business.

How is trust tied to high performance, innovation, and sustainability in your organization?

We have two innovation programs that require trust to be successful. In our 20% time program, participants can use up to 20% of their working time to work on innovations of their choice. The other program, which we've named Rho24, is a twice-yearly event where all employees can take 24 hours away from their regular work to innovate. Both programs rely on employees to use good judgment in how they use their time and in selecting innovations that will be useful to our business. Both have resulted in innovations that have increased the performance of and improved the sustainability of our business. For an example of an innovation that improved sustainability, one Rho24 resulted in an interactive map that helped employees identify co-workers that lived nearby for carpooling purposes (participation in the map was optional).

What are the costs/implications of not having a high level of trust in your organization?

Lack of trust drives costs up in several ways. Trusting our employees allows us to have a flat organizational structure. If we didn't trust our employees, we would need more management. In a professional services business, more management (an overhead cost) means less profit since our rates are driven by market value, not our costs. Additionally, as mentioned above, lack of trust can decrease employee engagement

leading to an increase in turnover rates, leading to increased training and recruiting costs.

What are the payoffs of a trust-based organization for the workforce, customers, leadership and shareholders?

Workforce: Autonomy is a major motivator for many employees. Additionally, developing a culture of trust, where co-workers trust each other, company leadership trust staff, and staff trust company leadership just makes work life more enjoyable for everyone.

Customers: Happy employees make for happy customers, and a trust-based workplace plays a big role in that. Based on a survey of our customers, one reason they choose us is that they enjoy working with us, and they like their project contacts.

Leadership: When leaders can trust employees, less oversight is needed and they can shift their focus to addressing other challenges the company faces. When employees trust company leadership, it is far easier to gain buy-in on company initiatives.

Shareholders: As a privately held company, we don't have shareholders in the traditional sense. Our shareholders are also part of our company leadership.

How do you transform a siloed, reactive, heroic leadership culture to one that is trust-based, team-focused, and collaborative?

Transformation starts from the top. Company leaders must model the behavior they want to see from the rest of the company. Communication is also critical. Leaders should praise teams that are collaborating and voice support for team-based decision making, even when the

decisions aren't perfect. In our organization, we made a decision to move from a traditional, hierarchical organization structure to a flat, projectteam-oriented structure. While the transition wasn't always easy, it is a decision that definitely has paid off.

What values, principles or beliefs does your organization follow that are essential to building a foundation of trust?

Rho's core values include integrity and great people. Hiring great people who have integrity allow us to be a trust-based organization. Our core values are something we screen for during hiring and are expectations for each of our employees. The four specific expectations we set with regard to integrity are:

- Do not gossip or speak ill of those who are not present.
- Catch people doing things right and tell them so.
- Be accountable for your own work; no blaming or complaining.
- Always tell the whole truth as fast as you can.
- ♦ Talk straight: express yourself without laying blame. Fulfill your commitments. Be on time to work and to meetings. The expectations set for our core value of great people include:
 - Celebrate your own and others' successes: share the credit.
 - Assume the best from your teammates.
 - Do not impugn the motives of colleagues. Assume their motives are in the best interest of Rho.

- Respect your co-workers.
- Even when using persuasion by reason and facts, be careful that you are not bullying or manipulating.
- Be coachable; accept feedback on its merits even if you don't necessarily agree with it.

By fulfilling these expectations, we are able to trust each other.

What are the key actions that characterize your commitment to building stakeholder trust?

The most important thing I can do as a leader to demonstrate my commitment is to model the behavior I expect from others. The same expectations I have for employees related to trust (see above) are the expectations I set for myself. When I trust them, they trust me.

Which do you consider your "Best Practice" in trustworthy business behavior—the strategy that separates you from your competitors? Trusting our employees sets us apart from our competitors. Rather than working in an environment controlled by management hierarchy and rigid procedures, we trust our employees to do what is right for our customers, our company, their teams, and themselves.

What types of leadership behaviors build high trust and collaboration in your organization?

The types of behaviors leaders should exhibit to help build trust are the same as the behaviors we ask of employees—don't gossip, be accountable, tell the truth, talk straight, share credit, assume the best of others, and don't bully or manipulate. In addition, leaders must actively voice these expec-

What verifiable evidence can you provide that these trust actions create substantive and positive impacts for stakeholders?

tations and reward them when they see them.

As noted earlier, we made a decision to move from a traditional, hierarchical organization structure to a flat, project-team-oriented structure in part because we know we can trust our employees. As a result, we've seen considerable growth since that time in revenue, profitability, and number of employees. Additionally, our low employee turnover rate speaks to the culture of trust that we've built.

How will your trust building practices grow over the next five years?

One of our greatest challenges is to maintain our culture as the company grows. New hires participate in a number of activities during their first few months with us. One of these is a new hire breakfast where they meet with company leaders who share our core values. Additionally, employees who are hired into leadership positions are assigned a cultural mentor who works with them one-on-one to help them understand our culture and values during their first few months.



Bob Whipple Candor Award

Dixon Schwabl, a full service marketing and communications firm located in Rochester NY, employs 88 people and is experiencing rapid growth. The entire culture at Dixon Schwabl is highly transparent and open. The outstanding behaviors championed by CEO Lauren Dixon and President Mike Schwabl has permeated the entire organization.

Each week the entire team assembles for a debriefing of activities, and individuals are encouraged to ask whatever questions they want in these sessions. The entire organization passionately models their five core values: Respect, Integrity, Teamwork, Community, and Fun. All employees are highly engaged in their work because they are given the autonomy to create brilliant content with the support of the entire organization.

From the custom-designed facility that employees created themselves, to the ice cream socials in the summer, to the numerous community events and charities they sponsor (over 10,000 hours annually), to their own band, wellness programs, and the generous benefits package, this organization is a true model of how a great culture leads to a highly successful business as well as a fantastic place to work.

Trust is extremely high at Dixon Schwabl because the top leaders are candid and transparent about everything they do, and demonstrate high faith in the employees to do the right things. This reciprocal trust is rare to find in an organization, but you can witness it in every action at Dixon Schwabl. Employees willingly give their maximum discretionary effort because they are trusted, respected, and treated very well. As a result, the company has won numerous national awards.

Lauren Dixon was asked the following question:

What role does trust play in ensuring the success of your organization?

Trust is absolutely everything. You can't begin to build a great place to work without it. Trusting our team members to make the right decisions and do their best and take risks is essential. Then our team members must have trust in management's decisions to do the right things.

Whenever we win a new piece of business, the first question I ask is why? Nine times out of ten the client says, "I'm so intrigued about your corporate culture. I want to have a great culture here." That is proof positive that a great culture can turn your business in a positive direction.

We're always thinking of ways to deliver the "WOW" to our team members. If you make your team members #1, then great customer service is a natural outcome. Our team members are really jazzed because they take ownership and know they are making a real difference in contributing to the culture. It is not top down; it's all throughout the building that we're creating this sense of a wonderful corporate culture.

Our culture thrives on diversity. There is a whole cast of characters at Dixon Schwabl, but the key is they all share the same core values.

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Is Trust Working in Your Organization?

A practical way to think about trust is to distinguish between how we tend to trust ourselves versus how we tend to trust others.

Peter DeMarco

If you are the leader of an organization, there's a good chance that you, like most of your peers, are suffering from the "better than average effect," a phrase coined by Duke University Professor Mark R. Leary and described in detail in this Psychology Today article by our Trust Alliance member and Top Thought Leader Nan Russell. Unfortunately, this "effect" may be keeping you from even thinking about trust.

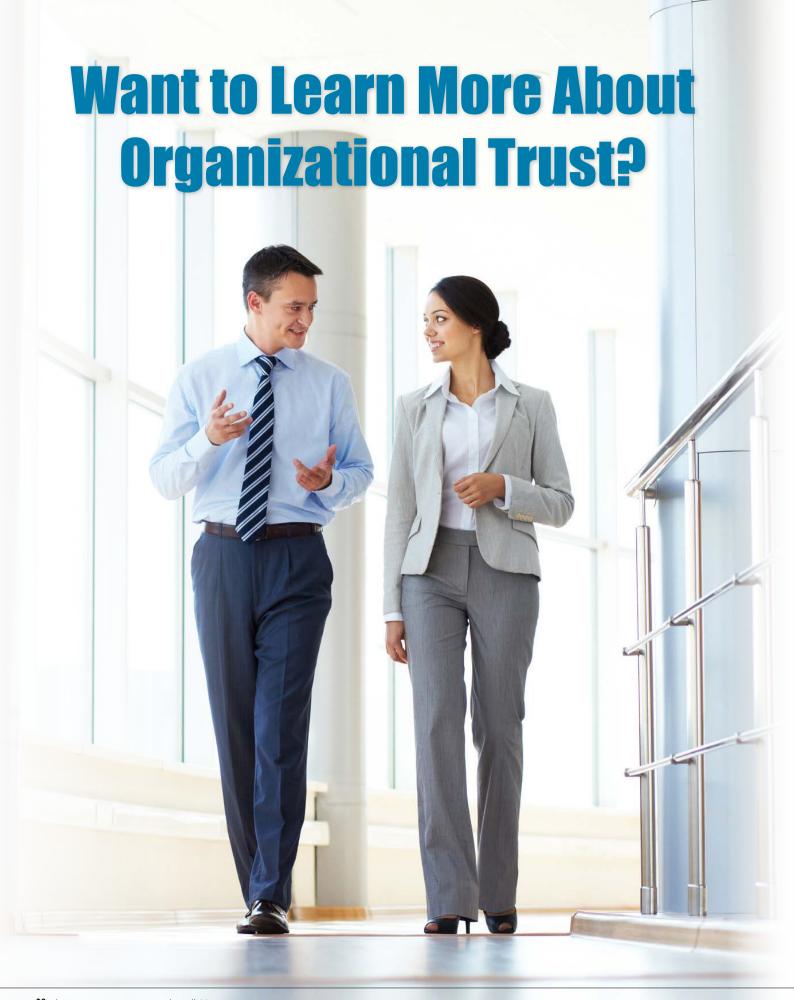
This is a quick test to determine whether your trust culture is thriving or starving.

Consider the following statements. How many are true, most of the time, for your staff or work group?

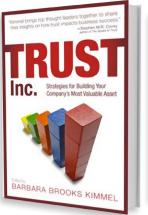
- People speak up and ask questions; there is honest feedback, communication, and thoughtful dialogue that spark ideas, innovation, and problem solving.
- There is a spirit of cooperation and collaboration around here and teamwork is a natural way to operate.
- Turnover is low, especially among top performers: there is a wealth of talent to turn to.
- The group keeps each other, and me, informed and up-to-date; there are few surprises and blind-sided occurrences.
- People volunteer to take on additional

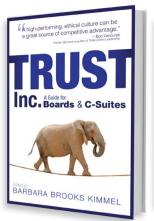
- responsibilities when needed, or put in extra effort without being asked.
- Other departments or leaders are eager to work with us.
- 7. Mistakes and errors are admitted freely, quickly corrected, and not repeated.
- Finger-pointing and complaints about others are infrequent.
- 9. Our group is known for getting results and we tend to be a go-to group.
- 10. There's energy here; people like and respect each other and it shows.
- 11. The group pulls together to meet difficult deadlines, handle unexpected issues, or pick up extra work when someone is away, without me having to ask.
- 12. People can count on each other, and count on me, to meet commitments, deadlines, and promises. A person's word means something on this team.

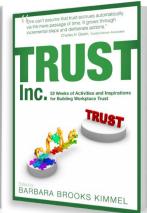
Better than average effect leaders will have difficulty answering these questions. If you want to build a culture of trust, the first step is to start thinking about it, then nurture it, operate with it and be worthy of it.



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Contact: Barbara Kimmel, Executive Director
Trust Across America-Trust Around the World
http://www.trustacrossamerica.com
or Barbara@trustacrossamerica.com