

The Trust Matters Primer

THE BEST OF THE TRUSTED ADVISOR BLOG VOL. 9

This ebook series highlights some of the more provocative and insightful topics and conversations developed on the [TrustedAdvisor blog](#), [TrustMatters](#).

Recently, social trust has been at the center of our news stories, continuing a long, secular decline in the United States and other countries. It's an appropriate time for questions like: How is trust developed within a society? When trust is separated from truth, how can this destroy a society? What can be done to rebuild trust when the split between 'us' and 'them' has already been made? We address these questions and more in our Trust Primer 9, featuring, "[Social Trust: Revisiting Francis Fukuyama](#)"; "[When Journalistic Trust is a Matter of Life and Death](#)"; and "[Trust, Violence and Congresswoman Giffords](#)." If this ebook has motivated you to share the discussion on the subject of trust in today's society, you can [email it to friends](#) by following this [link](#). Better yet, [stop by the blog](#) and [join in the conversation](#). If you received this from a friend or colleague and would like to subscribe to this series, simply [click here](#).



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Trust, Violence AND CONGRESSWOMAN GIFFORDS

[CHARLES H. GREEN](#) ON MONDAY, JANUARY 10, 2011

[The attempted assassination of Congresswoman Giffords in Tucson this weekend is related to trust.](#)

I'm not talking here about interpersonal trustworthiness. Nor am I talking about polls and surveys about which institutions or professions are up or down in the public's sentiments.

I am talking about what the academics call "generalized trust." (See [interview with Dr. Eric Uslaner](#) for more on this). In a nutshell, generalized trust means our inclination to trust strangers, or to believe that people by and large have good intentions toward us.

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CHARLES H. GREEN
JANUARY 10, 2011

That kind of trust is suffering a long, slow, secular decline (again, [see Uslaner](#)). And the Tucson tragedy throws it into relief.

Politics, Psychology and Violence

Some people debate whether the killer was politically motivated or merely psychotic, or some combination of both. From a trust viewpoint, I think it's irrelevant.

[Similarly, it's also not always useful to debate cause and effect: did the shooter react to socio-political dialogues, or are those dialogues caused by events like Tucson? Does the media merely report polarizing events, or does its reporting contribute to the polarization? The answer is yes.](#)

We have seen in the US in recent years an increase in the willingness to trust “someone like me.” This is not a good thing; it mainly means a decline in the willingness to trust other sources—media, advertising, business, government. We are a society that seeks trust in self-defined groups (think inbound marketing), while seeking protection from ‘strangers.’

High trust people feel in control of their lives and expect well of others. Low trust people feel that others control their lives and that “they” have bad intentions.

Add it up and what have you got? A society increasingly polarized with declining social trust, increasing micro-tribal trust (and its cousin, demonization of other tribes), and declining civility. My tummy tells me the odds of a Jared Loughner are increased, not decreased, with this cultural soup.

Drivers of Social Trust Issues

I find myself linking to [Professor Uslaner](#) several times in this post. “Congress,” he says, “is much like the rest of us—the incivility in Congress reflects the declining trust among the public.” Congresspersons clearly have a responsibility to role model more trustworthy behavior. The business literature is replete with examples of followers emulating leaders’ behaviors; Congress should read it.

The media are another key constituency. The old media is under economic attack from other media—blogs, tweets, YouTube—which offer far greater immediacy. We all lose [when mainstream media start playing SEO games with headlines](#).

Business leadership is a critical part of the puzzle. [Steeped in a 40-year ideology of competition](#), and seasoned with neo-Randian economics, business has come to believe far too much that all business is about doing battle with regulators and customers, confusing ‘ethical’ with ‘legal.’ The belief that everyone’s out to get you is not conducive to social trust.

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What Pogo said is also true: we have met the enemy and he is us. I saw a blogpost today that was critical of [Francis Fukuyama's book Trust](#). Except that the blogger hadn't read the book. He was suspicious of it because he didn't like the title of [another Fukuyama book](#)—which, again, amazingly, the blogger had not read.

We accept far too readily emotional outbursts as substitutes for dialogue. The online comment columns on daily newspaper stories are full of graffiti—a (usually venomous) opinion with a name attached.

How to Restore Social Trust

[Uslaner is very clear](#) in his prescription. What destroys trust is corruption, economic inequality, suspicion, and lack of education. You may not like it, but the data show greater economic inequality and lower levels of education lead to lower social trust.

Leaders have to step up to the challenge of acting like leaders. The US Congress and politicians in general have done a conspicuously poor job of this. That Congresswoman Giffords appears to have been an exception to that rule simply draws the irony more sharply.

The media have to figure out another economic model besides emulating the tabloids and creating blogsteria. [The Shirley Sherrod case](#) was a lesson for anyone listening. Thus far, it seems like it's been relegated to the archives.

Business has simply got to drop the selfish ideology it has embraced. Institutions like the Chamber of Commerce need to stop fighting government and begin working with it. Business schools have got to stop teaching ethics in one classroom and contradicting it in strategy classes down the hall.

[And the rest of us: we all need, in our little daily behaviors, to adopt better manners. Civility. Respect. Empathy. Listening to the other person.](#)

The link between an uncivil society and a society terrorized by psychotics is hard to prove, but not hard to feel. Aristotle [suggested](#) that actions arose from character and from thoughts. Combative people talking hard-talk are suborning bad behavior from those around them.

There are no quick fixes to trust. Seeing this as mainly an issue of better police protection would be a profound mistake.

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FROM THE CONVERSATION ON THE BLOG:

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“Charlie – what an excellent post. You’ve pulled so many important elements together here – and AMEN (seems to be the operative word) for including the reference to the role of business and its reverence to competition. There is nothing wrong with healthy competition but in our experience in the workplace, the language of work is riddled with war, sports and “entertainment” metaphors that are destructive at many levels. Not uncommon to hear words like “enemy” and phrases like “take them out,” when describing competing companies and the products people are selling. This often at the same time that biz leaders are yearning for more engagement and trust. A massive disconnect here.”

—Comment by Louise Altman

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When Journalistic Trust IS A MATTER OF LIFE AND DEATH

[CHARLES H. GREEN](#) ON WEDNESDAY, NOVEMBER 24, 2010

We in the US are frequently critical of the media. And when we talk about trust, it is often in at a luxury level.

But tonight I attended the [20th Press Freedom Awards](#), presented by the [Committee to Project Journalists](#) –and got rudely reminded of how trust and journalism and life and death play intricate dances with each other in this world.

Yes, it was a swish event: black-tie, about a thousand guests, celebrity hosts—Tom Brokaw (who pinch-hit for Brian Williams—something to do with his day job and Korea), Christiane Amanpour, Gwen Ifill, Sir Howard Stringer.

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But it was a very serious event too.

Journalism is Hazardous to Your Health

39 journalists have been killed in 2010. Since 1992, 840 journalists have been murdered with impunity. Murder may be the leading cause of death for journalists—and the killers are rarely prosecuted, or even sought. At this moment, 140 journalists are imprisoned around the world. The Committee to Protect Journalists fights on their behalf; in Iran, Sri Lanka, Venezuela, Russia, Mexico. They provide legal assistance, personal help—and aggressively intercede with national governments.

Interestingly, virtually every government at least admits the principle that they shouldn't be harming journalists. And thus the power of the press to "name and shame," as one awardee put it, is far-reaching.

The Power of Truth and Trust

One of the most basic parts of [the Trust Equation](#) is credibility—can we believe what we are told. At a social level, this is a critical question: are we being told the truth?

If a social group believes it is being told the truth, then we can trust what we hear, and trust the teller. If we do not believe we are being told the truth, then we don't trust the teller—and it all goes downhill from there.

In society, the enemy of truth-telling is typically a government, a would-be government, or a quasi-government: some group of people who want to control others, and who fear that the truth will get in their way of doing so.

And in society, it is the job of journalists to tell the truth. By that definition, it is journalists who are in charge of the level of trust in society. If they are allowed to operate, they oxygenate our dialogue. If they are repressed (or, as one awardee pointed out, simply denigrated over and over), then our oxygen flow is reduced. We don't believe. And then we don't trust—government, business, the other political party, our neighbors.

Is Truth Relative? Come On

Some critics will say that 'truth' and a 'free press' are bourgeois affectations of a society that is itself corrupt. Sara Palin talks about the 'lamestream' press, and both right- and left-wing critics say there can be no such thing as 'truth.'

And then there are the facts staring you in the face in that room tonight.

Journalists are convicted of terrorism for reporting the facts of arrest in Russia. A journalist 'disappeared' in Sri Lanka 300 days ago, but the government hasn't initiated efforts to 'find' him. 30 journalists were massacred in the Philippines, but attorneys are not being granted access to the evidence.

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You have to be Taliban-far out of the mainstream to argue that this kind of suppression isn't a bad thing. We can all agree.

And if so, there you go. Social trust thrives on truth. Truth is sought by journalists. The attempt to suppress or neutralize them is anti-truth, and anti-trust.

As Tom Brokaw pointed out in his closing, we have luxury debates in the US. Our freedom of speech is enshrined in a constitutional amendment—the first one, in fact. Watching five people from foreign lands who put their freedom and even their lives at risk in search of those rights is a humbling experience.

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Social Trust: REVISITING FRANCIS FUKUYAMA

[CHARLES H. GREEN](#) ON MONDAY, NOVEMBER 15, 2010

Trust is a hot topic these days. We sometimes forget how many flavors it comes in.

[There is the Edelman Trust Barometer](#), a periodic survey of public opinion about institutions and business sectors.

(There is also its tweetin' cousin [TweetLevel](#), which includes a trust component for your twitter handle).

There is no end of [advice to the lovelorn](#) about whether you can trust a love-interest.

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[Reputation Garage](#) is one of many companies who talk about trust and reputation in companies.

And if I do say so myself, there are those of us who help advice-givers become better [trusted business advisors](#);

You can even buy “trust me...” [t-shirts for your dog](#).

But there’s one sense of trust that we don’t talk enough about. I’ll call it “social trust,” and the person who arguably Wrote The Book on the subject is Francis Fukuyama. The book, published in 1996, is titled [Trust: The Social Virtues and The Creation of Prosperity](#). The book is well-known in academic circles, but not enough in business and public dialogue.

I often hate it when people say this, but: if you’re going to talk about trust, you need to have read this book.

A Definition of Trust

Fukuyama defines trust this way:

The expectation that arises within a community of regular, honest, and cooperative behavior, based on commonly shared norms, on the part of other members of that community.

He takes the definition in breathtaking directions:

Although it involves an exchange of information, trust is not reducible to information.

[The greatest economic efficiency was not necessarily achieved by rational self-interested individuals but rather by groups of individuals who, because of a pre-existing moral community, are able to work together effectively.](#)

One of the most important lessons we can learn from an examination of economic life is that a nation’s well-being, as well as its ability to compete, is conditioned by a single pervasive cultural characteristic: the level of trust inherent in the society.

The entire imposing edifice of contemporary neoclassical economic theory rests on a relatively simple model of human nature: that human beings are “rational utility-maximizing individuals.”... But everyone of the terms of the neoclassical premise is subject to significant qualification or exception... between 40 and 60% of those [in an experiment] contributed altruistically to the groups well-being. The only exception was a group of entering graduate students in economics.

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The greatest economic efficiency was not necessarily achieved by rational self-interested individuals but rather by groups of individuals who, because of a pre-existing moral community, are able to work together effectively.

If you think this sounds like dry stuff, then read on to the part where he talks about high-trust in low-trust cultures. And he names names.

Trusting Economies and Cultures

The French, for historical reasons Fukuyama explains, have trouble trusting peers: but they are very good at trusting central authority, hence have very competent national institutions and companies.

The Chinese, on the other hand, have a largely familistic society, which stresses family bonds over other social loyalties. This explains not only why there are few Chinese companies with global brand names like Wang laboratories, but also the reason for Wang's dissolution—An Wang's inability to break the chain of family management.

In contrast to familistic trust in countries like China, Italy, and parts of France, Fukuyama highlights high trust societies like Holland, Sweden, and Switzerland—small countries without classical economic scale, which nonetheless host major global corporations.

Thinking this way leads to Fukuyama to talk about trust as social capital. “There is no necessary trade-off, in other words between community and efficiency; those who pay attention to community may indeed become the most efficient of all.”

Trust and the United States of today

Much of the book rebuts the surface idea that individualism in the United States was responsible for the US economic success. Going back to 19th century Toqueville's work, he makes the distinction between a government-focused society (which the US never was), and a collaborative society—which the US historically always has been.

These same Americans who are against state regulation, taxation, oversight and ownership of productive resources can be extraordinarily cooperative and sociable in their companies, voluntary associations, churches, newspapers, universities, and the like Americans say they feel a strong distrust of “big government,” but they are good at creating and maintaining a very large, cohesive private organizations; they pioneered the development of the modern hierarchical (and later multinational) Corporation, as well as the huge labor unions spawned by them.

The real challenge for us today—and he identified it 15 years ago—is whether US society still maintains that collaborative instinct, or whether it has been

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washed away by greater levels of divorce, economic inequality, assertion of individual rights, business ideologies built on competition, and a press increasingly dependent on sound bites.

I read this book many years ago, and have gotten even more out of it on re-reading recently. My Kindle software supports digital yellow highlighting, and this is one book which is now half-yellow.

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“I would add to your list of reasons why the United States is having serious trust problems – divorce, economic inequality, assertion of individual rights, business ideologies built on competition, and a press increasingly dependent on sound bites – the decisions that have been made over the last three decades to stop teaching in our public schools the “dead white men” philosophies that formed this nation. [...] No longer are we able to expect – to trust – that the person with whom we are dealing has a set of views that are reasonably consistent with those we hold.” —Comment by Jim Monk

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SPEAKING ENGAGEMENTS

Charles H. Green, co-author of [The Trusted Advisor](#) (Free Press, October 2000) and [Trust-based Selling](#) (McGraw-Hill, December 2005) presents and speaks on the nature of trusted client relationships in business, with experience built from 25 years of consulting to the professional services industry. His presentations are rich with real examples, as well as drawing from current business events. He speaks effectively before any size group. Dynamic and literate, his talks are fact-based, provocative, and highly practical. [FIND OUT MORE](#)

SEMINARS AND COACHING SERVICES

Helping people become trusted advisors is the core of our work. We customize client relationship strengthening programs for your firm by building from two basic templates: [Trust-Based Selling™](#), and [Building Trusted Advisor Relationships](#).

[FIND OUT MORE](#)

In November we launched the [Trusted Advisor Mastery](#) program. A hybrid of personal coaching, group online discussion, and customized webcast content delivery, it represents a fast-track approach for professionals who are serious about getting very good, very fast, at the mindsets and skillsets of a Trusted Advisor and of [Trust-based Selling](#). For more information about the program, visit this [Introduction to the \[Trusted Advisor Mastery program\]\(#\)](#).

[FIND OUT MORE](#)

To get your name on the list for an opening in the next session, email us at mastery@trustedadvisor.com

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SERVICE OFFERINGS

TRUST DIAGNOSTICS

We believe that both people and organizations can become more trustworthy — if they have the right tools. And we believe that building trust builds business.

*We offers services for diagnosing the trustworthiness of individuals and organizations, and the tools for increasing that trustworthiness. All are based on the work of Charles H. Green in the area of trust over the last 12 years, including the [Trust Equation](#) and the [Trust Principles](#).
[FIND OUT MORE](#)*

TRUST ROADMAPS

Where can the power of trust best work for your organization? Exactly how can you build more business by building more trust within and around your organization?

*The Trust Roadmap™ is a tool for assessing the trustworthiness of an organization. Based on the four [Trust Principles](#), it highlights dimensions where your company or organization is already strong on trustworthiness, and areas where trust can be improved.
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TRUST WORKSHOPS

Do your professionals shy away from “selling?” Do they rely solely on their expertise to sustain client relationships and to build new business? Is the effectiveness of your organization limited by a lack of trust among your people?

*Lively, interactive, and practical, our workshop learning programs are based on real-life problems the participants bring to their sessions. Each program is a customized session for you based on our core programs.
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TRUST-BASED COACHING

Trust coaching is executive coaching with a point of view. It’s based on the four factors of the Trust Equation, and works to help you or your executives gain confidence in selling, build trust-based relationships, and perform at your highest levels.

*Our coaches combine coaching expertise with business experience, and are willing to challenge executives throughout the coaching process.
[Contact us](#) to discuss how coaching can benefit your team or organization.
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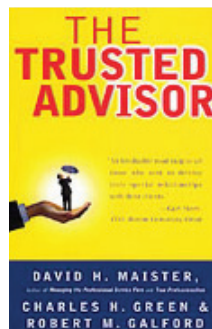
ABOUT CHARLES H. GREEN



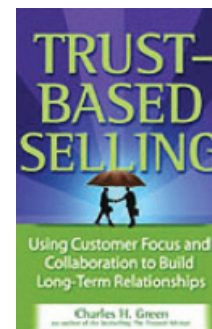
Charles H. Green is a speaker and executive educator on trust-based relationships and Trust-based Selling in complex businesses. He is author of [Trust-based Selling](#) (McGraw-Hill, 2005), and co-author of [The Trusted Advisor](#) (with David Maister and Rob Galford, Free Press, October 2000). Charles has spoken before a variety of industry and functional groups. An engaging and content-rich speaker, he has taught in executive education programs for the Kellogg Graduate School of Business at Northwestern, and for Columbia University Graduate School of Business, as well as through his own firm, [Trusted Advisor Associates](#). His work centers

on improving trust-based relationship and business development skills for businesses with complex service offerings. Business development, and on building profitable trust-based relationships.

CHARLES H. GREEN BOOKS



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Answer 20 simple questions based on the [Trust Equation](#), and you will discover a powerful tool for business success—your Trust Quotient and your Trust Temperament™. These revealing answers will tell what you do that helps people trust you, and the things you can do to improve the way you are perceived.

Your Trust Temperament report will tell you whose trust you are most likely to gain, what about you


people are likely to trust, and specific actions you can take to be as trustworthy, and as trusted, as possible, so you can:


- » Increase sales results
- » Improve credibility in business
- » Build deeper and more satisfying personal relationships with people who matter

Invest in yourself now! Take the Trust Quotient diagnostics now and get your 20+ page personal report

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