THE BEST OF THE TRUSTED ADVISOR BLOG VOL. 8

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

As the year wraps up, it's perhaps timely to elevate our business thinking to the level of principles and values. It must be stated that corporate values in recent years have been distinguished more by their absence than by their presence. All the more reason to highlight the issue in this edition of the Trust Primer. What is the role of values in establishing trust—and do those values work together with, or in opposition to, other management tools and processes?

We address these questions and more in our Trust Primer 8, featuring "Are Your Company Values Important Enough to Fire People Over?"; "Are Your Business Processes Destroying Trust in Your Business?"; and "Doing the Right Thing May Be Easier Than You Think." If you enjoy this ebook, 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.



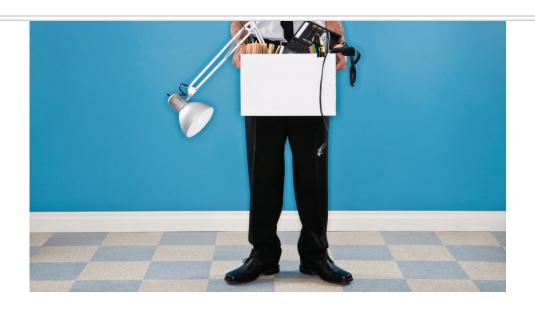
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THE BEST OF THE TRUSTED ADVISOR BLOG VOL. 8

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# Are Your Company Values IMPORTANT ENOUGH TO FIRE PEOPLE OVER?

CHARLES H. GREEN ON MONDAY, NOVEMBER 8, 2010 (POST #818)

Warning: Rant ahead.

Odds are the company you work for will fire employees for serious criminal conduct. And maybe for sexual harassment, or BSIP (Behaving Stupidly In Public).

But does your company fire people for VVs (values violations)? You know, values like respect and integrity (from Enron's values list), or performance, innovation, progressive, and green values (from BP's Lubricant Business).



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CHARLES H. GREEN NOVERMBER 8, 2010 #818

I got a call recently from a BWKC (Big Well Known Company); it employs many VSPs (Very Smart People). Here is what they said:

We have a group of VHPS (Very Highly Paid Salespeople). They're mainly commission-paid and very successful. Problem is, they don't pitch-in on corporate initiatives—recruiting, people development, internal sessions. They prefer to focus just on making more money.

We want to incent and motivate them to be more participative. We're looking for ideas from other commission structure industries that have figured out how to keep the high-pay but incent and motivate team behavior.

#### 1. "INCENTING VALUES" IS AN OXYMORON

OK. This is like meat to Pavlov's dogs. There is *such* a feast of things wrong with that statement: where, oh where, to begin!

The call came from a staff person. Which means somewhere, there's an RDB (Really Dumb Boss) who is thinking, "How do I motivate my employees to live the company values?" Here's what that boss should be saying:

"It has come to my attention that y'all are not showing up to do some real basic stuff. Further, I understand this is because you're not 'motivated' or 'incented' to do these things.

"Instead, y'all are getting rich at the corporate buffet by cutting in line. You're eating scrambled golden eggs while you're starving the goose that lays them. You're suckling at the teats of the money-pig and refusing to clean up the pen. So I got some motivatin' for you.

"First, TCSRN (This Crap Stops Right Now). Starting today, if I see any more of this, it's LDHYWGLSY (Let the Doorknob Hit You Where the Good Lord Split You). Adios.

"And if that's not incentive enough for you, I can OUCOWA (Open Up a Can of Whup Ass) and *show* you the door.

You don't "incent" values. Values are Jacks for openers, table stakes. If you're not motivated to live by your company's values, your company should tell you that you've got the wrong company. If you insist on incentive for living your company's values, your company should politely suggest that your employment contract should be incentive enough.

This company basically has three choices:

1. Exempt the salespeople from the values, and say so publicly; at least that'd be honest;



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- 2. Tell the salespeople this is non-negotiable, and a firing offense (fat chance);
- 3. Just keep the values on the website where they belong, away from the money, now walk away, nothing to see here...

### 2. WHEN DID WE START CALLING BONEHEADEDNESS "SMART?"

This company is hardly unique—and you all know it. We have an epidemic in Corporate America of what I'll call behavioralism, the beliefs that:

- a. nothing's real if you can't measure it;
- b. management consists largely of placing the correct amount of cheese in front of just the right rats at just the right points of the maze;
- c. really 'smart' people are the ones who can model, quantify and produce metrics with respect to cheese, rats and mazes.

Push this line of thinking far enough and you get entire BWKCs, with lots of VSPs, who don't have the commonsense to spot a values issue when it personally insults them to their face. And yet we call them 'smart.'

The word 'smart' has come to be, in the anthropological dictionary that is daily corporate usage, synonymous with high SAT scores, good colleges, spreadsheet-dexterity, quantitative skills and a belief that human-life-is-messy-but-fortunately-we're-figuring-out-the-neuro-secrets-behind-it-all-and-we're-nearly-there.

How else to describe VSPs (and the companies who hire them) who have no other mental construct for management besides money-cheese-rat-metrics? Concepts like wise, commonsense, intuition, curiosity, empathy, relationships—these have no place in the world of VSPs.

Let's all just give up on 'smart;' that word's been co-opted. Let's find something else. May I suggest we take 'wise' for a spin. And start by not using it lightly.

#### 3. TACTICS ARE NOT MANAGEMENT

Three years ago I wrote about <u>The CEO vs. the Bankers</u>. The CEO was an MBA from the late 1970s and was, as he put it, amazed at how little the newer MBAs seemed to know. He was talking about VSPs, too—from, as he put it, "Goldman Stanley, Morgan Sachs."

It's a great read, I don't want to spoil it for you, but the gist of it was: the new MBAs had been taught analytical techniques—tactics. The CEO had learned strategy: the wisdom kind, not the numbers kind. And when you read his story,



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you realize that in the real world, all those 'smart' models were dead wrong, and he was dead right.

Not only do we over-celebrate 'smart,' the concepts our 'smart' people are focusing on are not—systemically—wise. Our best and brightest are learning to do things that aren't good.

What things? Looking at transactions, not systems. Believing that everyone only pursues their own interest. Believing that letting those who do pursue only their own interest somehow magically produces wealth and happiness for all. Believing that human emotions are most effectively dealt with through physical abstractions like chemistry and behaviors.

Most of all: believing that values are something for which you can incent or motivate people.

What's to be done? A good start would be to find out if anyone ever got fired for a values violation in your company. And if not, to seriously question how seriously your company takes its values.

OK, end of rant-warning. All clear. Thanks for listening.

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# FROM THE CONVERSATION ON THE BLOG:

CLICK HERE TO READ (AND JOIN IN) THE REST OF THE CONVERSATION.

\*\*Thanks for your post! Well said! I appreciate your good sense delivered with such passion!

When a company has appropriate and well-chosen values that are sincere, it actually becomes easy to fire an employee who does not share those values. They can see for themselves that they do not fit and the termination conversation takes a very civil tone.

Well-chosen, appropriate, and sincere values also help everyone in the organization make better decisions - including who to hire, how to orient new hires, and how managers can provide meaningful feedback to the staff. [...]

—Comment by Billy Pittard



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# Are Your Businesses Processes DESTROYING TRUST IN YOUR BUSINESS

CHARLES H. GREEN ON FRIDAY, OCTOBER 19, 2009 (POST #581)

"Automation is sand in the social gearbox."

So says Axel Schultz at the end of a provocative blog on Customer Think called When the Social Media Bubble Burst. I think he's more right on his ending line than he is on his title. Automation does have a way of gumming up the social works.

I wrote a week ago about a large-scale example of this in the mortgage banking industry. Let's go micro now, and have a look at small-scale automation.

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# Are Your Business Processes DESTROYING TRUST IN YOUR BUSINESS

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CHARLES H. GREEN OCTOBER 28, 2010 #809

Let's have a look at the nuts and bolts of creating 'friends' on YouTube. The more friends you get, the more people look at you, the higher your ratings go on YouTube.

Here is a transcription of a video from <u>TubeToolBox.com</u>.

So you're looking for an automated way to get more views to your YouTube videos; but you don't want to risk losing your YouTube account by using tools that could get you flagged or banned. So you lead a lot of subscribers, and actual views, ratings and comments from other YouTubers so your videos get traffic. But you don't have the time or the money to spend marketing them.

So you run Tube Toolbox, and you collect a few thousand users in just a few minutes who have watched and commented on videos similar to yours. You know that they're the best friends and subscribers to have, because they watch videos in your niche, and leave comments on them.

So now that you have your list of targeted YouTube users, you start sending automated friend request and auto-subscribe to their channels. This software runs in the background, which means you're free to do other work while Tube ToolBox is hard at work. You can even let it run overnight, and pick up friends and subscribers while you sleep.

Then when you come out with your next video, you just send your video to all your friends with a friendly message letting them know about your new video, asking them to rate and comment on it.

As comments on videos increase, you will start to notice your videos making it to be the most discussed, most viewed and top-rated sections in addition to others where the bulk of YouTubers watch videos.

Now your videos will get thousands of views with people subscribing to your channel, and adding you as a friend on auto-pilot. As you build momentum, your reach increases, and your videos have their best shot at going viral.

Before you know it, you'll add thousands of friends, subscribers and views to your YouTube videos.

TubeToolbox is hardly unique. Nor are they doing anything wrong or illegal. But what they are doing is yet another version of "sand in the social gearbox."

Take the germ of a social idea: a video, together with a way for people to "like" it and pass on their likes to others. Now automate it. Va-voom. Instant increases in friends, followers, statistics, etc.



# Are Your Business Processes DESTROYING TRUST IN YOUR BUSINESS

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CHARLES H. GREEN OCTOBER 28, 2010 #809

As long as there remains a glimmer of personal connection, the automation of a function, driven to the limits of scale, will drive it further down the road of impersonality.

This is the story of spam. It is the story of customer 'loyalty,' as an emotional feeling got re-born as a statistical movement. It is what happened in the mortgage business, as mentioned previously.

It isn't automation per se that is the villain. It is the substitution of process for interaction; the substitution of transactions for relationships.

Much of our time is spent designing businesses that are by bots, of bots and for bots. If management equals measurement—the dominant managerial philosophy of the day—then all we need are sensors and calculators. We can manage in our sleep.

And when we can create 'friends' in our sleep, on auto-pilot, we are nearly there. He who gains the most friends wins, so everyone tries to gain more friends. The usual end is either a monopoly or scorched earth. Certainly there aren't many friends left.

Unlike Axel Schultz, I think we'll evolve an answer. It will have to look like opting out of the mechanical arms race, because Schultz is right about the sand and the gearbox.



# Are Your Business Processes DESTROYING TRUST IN YOUR BUSINESS

The Best of the Trusted Advisor Blog

CHARLES H. GREEN OCTOBER 28, 2010 #809

# FROM THE CONVERSATION ON THE BLOG:

CLICK HERE TO READ (AND JOIN IN) THE REST OF THE CONVERSATION.

\*\*Charlie, maybe my kids are right when they roll their eyes.

Maybe I am totally out of synch with modern social interaction, but someone please tell me why I should care even a smidgen about "instant increases in friends, followers, statitics, etc."

I can't conceive of wanting, valuing or needing a relationship that is created over the internet on YouTube or any other site. I need direct human contact, eye contact. touch contact and all the rest. I can't deny the success of YouTube and similar social media, but I also can't understand it.

I do consider myself a forward thinker and open-minded, but I have a lot of sand in my social gearbox and no desire to remove it. Comment by James A. Boyd

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# Doing the Right Thing MAY BE EASIER THAN YOU THINK

CHARLES H. GREEN ON WEDNESDAY, OCTOBER 20, 2010 (POST #805)

We all know the hard stories of corporate whistleblowers. <u>Sharon Watkins</u> at Enron, <u>Cynthia Cooper</u> at Worldcom, for example. We view such people—quite rightly—as having not just the courage of their convictions, but courage enough to put their social and economic lives at risk for the sake of what they see as right. We all live in a better world because of the risks taken by such people.

Most of us think that such whistleblowers are rare, and perhaps they are. But we also think the cards are stacked against them—that the reason they are so rare is the likelihood of retaliation against someone going up against 'the system.'

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# Doing the Right Thing MAY BE EASIER THAN YOU THINK

The Best of the Trusted Advisor Blog

CHARLES H. GREEN OCTOBER 20, 2010 #805

What if that's not true? What if the risk of doing the right thing is in fact vastly overstated? That virtue is in fact appreciated more than we think? If that's true, then what excuse do we all have for not doing the right thing more often?

### EXAMPLES OF ETHICAL BEHAVIOR THAT EVOKE ADMIRATION

Twice in the past two weeks I have heard stories that make me think we underestimate the power of good behavior. Briefly:

**Story One**. I was brought in to manage a main stream of a major contract we had with the government. To my horror, I quickly realized it was over budget, behind schedule, and we were not in a position to attest otherwise. Yet we had a major meeting upcoming at which I would be asked to do just that.

My boss and my boss's boss had a lot riding on this. The government client had a lot riding on this. It was clear everyone wanted me to sign off and just deal with it, somehow, later. As I entered the headquarters building that day, I had this horrible feeling I was about to lose my job.

The moment came, and I was asked to publicly attest to our progress against milestones. "I simply cannot do that," I said. "We are not in compliance on a number of those items, and I can't claim otherwise." I went home that night prepared to clear out my desk the next day.

But when I went to work the following day, it was as if little had happened. "Good job," said one superior, "we had no business signing off." The client appeared relieved too. I later was promoted; we also got more client work. In both cases, this moment was cited as a positive example of my performance.

**Story Two**. I was a manager of a large client project, which involved a presentation to the client's Board of Directors. The CEO suggested that if our work turned out a certain way, we would receive a lot of business. I said I could not in good conscience bend the work the way he wanted it.

The next day, in front of the Board, the CEO put me on the spot, saying I was prepared to comment on my findings in a way that would have favored his request. I gulped. I didn't confront him head on; but I did say that the data and analysis that we had performed unfortunately did not, in fact, support the CEO's hoped-for outcome, but rather another.

I thought I would be in serious trouble with my boss. Instead, he told me that's why they hired me in the first place, to stand up to tough situations. A few weeks later, a board member—a director in half a dozen other, larger companies—came to me with invitations to present at those companies. He said he did so because he could read between the lines and knew what I had done.

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## Doing the Right Thing MAY BE EASIER THAN YOU THINK

The Best of the Trusted Advisor Blog

CHARLES H. GREEN OCTOBER 20, 2010 #805

### WE UNDERESTIMATE THE ATTRACTION OF ETHICAL BEHAVIOR

I have no idea how common these stories are. They could be the exception rather than the rule (though I rather think there are more than we hear about).

The real point, however, is how easily the two organizations fell in behind these two people to support them in doing the right thing. As it turned out, their fears were unfounded.

This I suspect is true: that we *overstate* the threat posed by 'them.' We overestimate the likelihood that no one would stand behind us, and that there is no support in our organizations for doing the right thing.

I suspect this too is true: that we *understate* the ability of people to appreciate the obviousness of the right thing. We under-state their hunger and willingness to follow someone who does the right thing, that there is in fact a reservoir of great good will and support.

Believing this doesn't take anything away from the true courage it takes to be a whistleblower. On the contrary, it may suggest that the truly unethical and anti-social organizations are fewer than we think.

The bigger problem may lie not in unethical leaders, but in managers and future leaders who are too afraid to try on ethical leadership for size.

Where's your whistle? What are you waiting for?

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# Doing the Right Thing MAY BE EASIER THAN YOU THINK

The Best of the Trusted Advisor Blog

CHARLES H. GREEN OCTOBER 20, 2010 #805

# FROM THE CONVERSATION ON THE BLOG:

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"Very refreshing stories, Charlie. There are those who live in integrity, regardless of the cost/risk.

Unfortunately, I think so few speak up or out because historically management "referees" view whistle-blowing as "unnecessary roughness" rather than a higher-level, "good sportsmanship" experience."

-Comment by Peter Vajda

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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  $Selling^{TM}$ , 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 <u>Trusted Advisor Mastery program</u>.

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.
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#### 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<sup>TM</sup> 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 professional 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

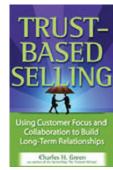


Charles H. Green is a speaker and executive educator on trust-based relationships and Trust-based Selling in complex businesses. He is author of Trust-based Selling (McGraw-Hill, 2005), and co-author of The Trusted Advisor (with David Maister and Rob Galford, Free Press, October 2000). Charles has spoken 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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