

The One Thing That Makes Collaboration Work...TRUST!

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by Larry Prusak

If I had to pick the one thing to get right about any collaborative effort, I would choose trust. Yes, trust. More than incentives, technology, roles, missions, or structures, it is trust that makes collaboration really work. There can be collaboration without it, but it won't be very productive or sustainable in the long run.

You might rush to agree, but first consider that what a leader needs to do to generate trust in an organization:

1. Promote trustworthy people
2. Work with your own employees
3. Publicize the costs of distrust
4. Give people a reason beyond their pay to come to work
5. Reduce pay inequality

The first is the most important: it's the strongest signal by far you can send employees about the values you actually live by (rather than those you just talk about). And it looks like a no-brainer. Who doesn't promote trustworthy people?

Yet trustworthiness is pretty low on the scale of reasons for promotion in most firms. To pick just a few attributes (in no particular order), it ranks far behind sales records, skills, hard work, intense focus on one's advancement, the right background and social connections, acumen at office politics. Do you think **Dick Fuld** was really trusted at Lehman Brothers or **Chuck Prince** at Citicorp?

That second one looks simple enough, too. But it becomes more complicated when I suggest that by "your own employees" I mean not just your direct reports but people further down the hierarchy, and when I say "work with" I mean closely, physically, and socially. What I'm really talking about is a judgment about time priorities, which is far from simple.

As to toting up costs for number 3, that *is* fairly simple. Distrust raises transaction costs higher than they might otherwise be, causing real dollar-and-cents losses. Without trust, a company needs a plethora of lawyers, managers, and accountants watching and recording and negotiating. The absence of trust dampens the natural ease of human activities. Without trust, it's spectacularly difficult for collaboration to flourish, even between peers and within practices. But while the costs may be clear, the day-to-day effects of absent trust aren't obvious, and making them explicit takes effort.

And once we get down to numbers 4 and 5, we're talking about obvious commitment and some risk. What I mean by giving people a reason to come to work beyond their pay is embodying your strategic vision in a common narrative that everyone can believe in. This may be a bit of an oblique

way to establish trust but it works. I have seen such narratives cut through all sorts of distrust at Novartis, the World Bank, the Gates Foundation, the United Nations, even the CIA. Not all the time, admittedly, but it does work. And once we start talking about reducing pay disparities, we've moved to ground that is neither simple nor straightforward. Still, it's hard to establish trust between people supposedly working for a common good when one party is paid 400 times more than the other.

At this point, building trust begins to look like the serious commitment it is, and so perhaps it's surprising that before the last decade or so you would have struggled to find the word *trust* in any management (or even in any social science) text, except as a bromide like "Trust your workers." Although we all deal with trust issues every day, it was like a fish never noticing the water it swims in.

But not now. I personally own 12 books on the subject written within the past decade or so, and there are many, many others. Why have the fish finally woken up?

I'd say there are three major reasons — and only one has to do with the increase in anxiety brought on by the meltdown on Wall Street and the broader divisiveness in our political and social discourse. When so much is unprecedented, forecasting becomes obviously unreliable, and we end up depending more on the people we really trust when deciding whom to follow, to listen to, to take advice from, to confide in, to collaborate with. Added to this is the convergence of two longer-standing trends. First is the demise of the social contract between workers and management ("I will faithfully execute your orders, and you will faithfully continue to employ me"), as lifetime employment gives way to more increasingly short-term relationships. Second, the rise of virtual global teams has generated a lot of heat around the notion that a manager's physical presence is unnecessary. But establishing trust among far-flung colleagues is deeply problematic. We remain animals, after all, and we need to see, hear, maybe even sniff, a person to really trust him. Organizationally speaking, when we want more than mere compliance on a collaborative endeavor, there is no substitute for being there.

Trust tends to be asymmetric and once broken is hard to repair. This is as true for nations as it is in organizations. I remember being at a large conference a few years ago and talking to a professor from a former Yugoslav republic. He was telling me how much he hated the people from another such republic because of their betrayal of his people in ...1358! You can find such accounts throughout the world: just think for a moment of the Middle East, Ireland, South Africa.

However, now and then good sense breaks out and allows trust and collaboration to begin. Trust (like distrust) is contagious. It is carried socially and can flourish when enough people in a given population display their trustworthiness. This seems to have happened in Northern Ireland and Colombia. It is surely worth trying in an organization that suffers from a lack of trust in its management.

Trust is the new gold. Equally valuable, but for too many companies and too many leaders not nearly so obviously worth the effort.