



Jane McCann MHRINZ FNZIM is a Director at Thought Partners Limited. She specialises in working with CEOs and senior teams. She shadows them and asks the tough questions about their performance as leaders. Jane spoke at the HRINZ Conference on Trust at the Top. Here she expands on her workshop session about how New Zealand leaders build and break trust.

how they trust at the top

The pressure to deliver more in the same time frame, in a fast paced technology-driven environment is the norm for Chief Executives and senior leaders.

Making time to build teams and establish trust within them is a major challenge. I will examine how CEOs define trust, what helps to build it and what breaks it.

Chief Executives' Definitions of Trust

These definitions were obtained in 2010 by interviewing CEOs as part of my on-going research into NZ Public Service leaders.

Definitions of Trust	Behaviours Expected
Dependability	Delivering and doing what they say they'll do
Participation	Being a full member of the team – attending planned and impromptu meetings and events (often at very short notice).
Co-operation and team work	Working as a team. Clarifying expectations of each other. Giving credit to other members of the top team; give and take.
Integrity	Keeping promises, being honest, sincere and open.
Sharing	Information/ideas and innovations – with no withholding.
Loyalty to the team	Putting the team before your own or your divisional interests. Talking positively about the team and its members across the organisation and externally.



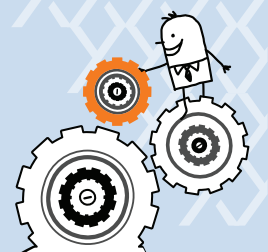
Respect	Listening to each others' point of view - without rancour or conflict.
Acting for the Collective Good	Putting the organisation first. Being seen to take your division's turn to share the 'pain' when resources are scarce. Taking off their divisional hats when making collective decisions.

Some CEOs felt that you either 'had trust' or 'you didn't' and that it was inherent in their organisational Code of Conduct and the recruitment processes for their top teams. As you'll know from the recent HRINZ Conference – Restoring Trust, it's a little more



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complicated and New Zealanders have their own beliefs around what is trustworthy and what's not. Under-promising and over-delivering is fine in the New Zealand context as long as it's done with humility and the credit shared with the team.

Like the CEs, Stephen Covey's Trust methodology includes 'talking straight', 'demonstrating respect', 'creating transparency', 'righting wrongs', 'showing loyalty' and 'clarifying expectations'. In essence he says that 'trust is about having confidence' in someone. Covey's thirteen factors map over neatly into the Lominger competencies of Integrity and Trust; Interpersonal Savvy and Managerial Courage.

Trust at the Top

New Zealand Chief Executives take the issue of trust seriously and are putting more emphasis on creating 'trust' in the top team early in their formation. Working together by establishing short term projects where team members take roles such as 'culture builders' 'boundary riders' or 'values champions' were seen as a team and trust-building mechanisms. These projects lasted from three to six months, during which the leaders had the mandate to identify 'ideal cultures' or 'ride between divisions gathering and distributing information' or, in the case of the 'values champions' reward (or sanction) the demonstration (or lack of) of the corporate values.

Some leaders are building elements of 'trust' into performance plans and personal contracts, while others relied on 'peer pressure to keep people honest'. Team Charters or Rules of Engagement were also common among senior teams, content of Charters included how to:

- Add value as a top team
- Have a fair fight
- Debate without rancour
- Model urgency of delivery
- Make heroes of each other
- Role model the values
- Make meetings more productive
- Create stories to take people into the future

Strategic vs Operational

Chief Executives in 2010 were more likely to separate out the operational from the strategic at their meetings. They were taking time-out for 'thinking days' and 'strategy meetings'. Time taken, ranged widely from four days a year to one day a month - this depended upon the life-stage of the team. Newer teams were taking more time out to develop trust with one another and form and move from a collective leadership group to a team that delivers results.

Senior teams that told each other the stories of their lives and did some kind of personal disclosure tended to form and bond faster. To trust each other, leaders need to get to know each other below the surface of the work environment. This takes time, energy and commitment. One long serving Chief Executive said that it was important to paint a picture of the future; create the story about the journey to get there; provide the means and then get out of people's way and allow them to do their jobs.

From my observations, if a top team doesn't 'form' well at the beginning and create trust, as well as its common purpose and ground-rules, it is likely to fall foul as the pressure comes on. CEs that made heroes of the existing members in their teams as well as the new recruits bonded and developed trust quicker.

Loss of Trust - The Slippery Slope

So what happens when trust is lost? Chief Executives said that 'once, it is broken trust is never really repaired'. The cracks get papered over for some, weeks, months or even a year - but often the relationship irretrievably breaks down and someone leaves.

Charles Handy likened loss of trust to a 'broken window' - it can't be repaired it has to be replaced. Covey says 'you can't talk yourself out of

a problem you've behaved yourself into - but you can behave yourself out of' such a problem. Seems fair. However, this does not appear to hold true in the New Zealand situation. Once a CE or senior leader had lost trust in a direct report it is often the start of the slippery slope.

The lack of ability to 'repair' trust easily, may have something to do with the New Zealand psyche; the size of our population or our three degrees of separation. Once trust is lost, often because results or competence have been compromised, the CE seems to assume that the non-deliverer can't redeem themselves, then they gather evidence to support their beliefs.

Implications for HR

HR has a pivotal role in identifying the early warning signs leading to loss of trust. Their challenge, when trust is broken and not easily repaired, is to find creative solutions. Instigating remedial leadership development or coaching may not be the only solution. HR have to have enough trust with the Chief Executive to be able to convince them of the need to act before the downward slide happens. This provides weight for the case that HR need to be very well connected to the top team.

Summary

My observations confirm that senior leaders jump to conclusions and make inferences in nanoseconds, and despite special pleadings, often from HR, once trust had been broken, no amount of evidence to the contrary will convince otherwise. A hypothesis is that CEs recruit for character - what Covey calls integrity and intention, then lose trust when things go wrong with results or competence. ■

References available upon request

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