TRUST PERFORMANCE SURVEY

Comprehensive Measurement / Actionable Data / Business Insights

Why Measure Trust?

On an unprecedented global scale, CEOs are feeling increased pressure from both employees and customers to address broader social issues. Over half of Australian CEOs (57%) are concerned about a lack of trust in business versus 40% in 2015[1].

High trust accelerates innovation, improves collaboration, stronger partnering, better execution and both customer and employee loyalty. It even improves employee well-being. High trust companies generate 2.5 times more revenue than low trust organisations[2].

Trust is a hidden variable that remains out of conscious awareness until you look for it. Economically, it dramatically affects speed and costs. When trust decreases, speed reduces and costs skyrocket.

If you think about leadership, a leader's most important role is to gain the trust of their team to come and work with them on a vision. This can be difficult if:

- You're a new leader who has **inherited a low trust environment** from previous leadership.
- There is **uncertainty due to turmoil in your industry**.
- A **recent company merger, acquisition or relocation** has been undertaken.
- **Employees are battling each other** – self-interest, paranoia and cynicism rule.
- The **most recent strategic plan failed**. In the fallout, jobs might have been lost and promises broken.

If employees don't trust their organisation, leadership or workmates, they're more likely to focus their energies on survival rather than creation and contribution. This stymies execution and change, making the organisation vulnerable to competitive threats.

Trust is essential. Without it, social groups can't function properly. Without trust, you generate a dysfunctional organisation and teams. There is no meaningful connection between a group of people. It's just meaningless coordination. It's trust that shifts a group of people into a team.

Trust is the cornerstone of business. It's the basis of every human relationship. Without it, organisations lose their 'license to operate'.

Why Not Just Measure Employee Engagement?

Around the world there's growing discontent about the ineffectiveness of employee engagement surveys. Over the last fifteen years, employee engagement has remained static, despite company efforts to improve it.

The question to ask is, **if employee-engagement programs are effective, why are so many workers disgruntled?**

Problems with Employee Engagement

There are several reasons why employee engagement surveys are broken:

Based on an old paradigm – Employee engagement is focused on the out-dated assumption that people find work boring and need to be motivated to work. Yet, science has been telling us for forty years that this is not true. Humans perform best when they are intrinsically motivated - not extrinsically. Most employee engagement surveys are created from a one-way management perspective that treats employees like tools of productivity, rather than human beings. Employees are quizzed on perceived transactional benefits or functional needs (eg: pay, rewards) rather than the emotional benefits of work. Skewed to the rational side of business, the emotional benefits are often misinterpreted and misunderstood from the data.

Outdated analysis – It uses old-fashioned regression analysis, which has been found to be highly ineffective. Results tend to provide statistical significances that only uncover trivial differences of no importance or "statistical fairy tales….composed of cherry-picked engagement drivers." This is one of the reasons results are not actionable or produce little positive impact.

Superficially measures the general trust level – Employee engagement surveys usually have no comprehensive measures on the trust components that actually affect trust. They measure trust at a general level, when it needs to go deeper into actual **trust effects**. This limits the ability to solve the problem. To measure trust accurately, it's important to measure the trust level towards the organisation, the trust levels towards leadership (including behaviours that create or destroy trust) and trust within teams.

Creates a culture of entitlement – Employee engagement surveys are often blamed for employees expecting more rewards to do work at the same level. Throwing more engagement activities at employees will always backfire, if the organisation or leadership is mistrusted. They will simply be viewed cynically as another attempt to force people to enjoy their work, without addressing the core issues at play.

Change structural measures - In an effort to improve performance most organisations change structural measures because they are visible and concrete. This provides short-term efficiencies that only address the symptoms of dysfunction, not the root cause. Years down the track, companies usually find themselves in the same place.

Stuck in the past – Many HR manager and leaders feel they need to repeat past employee engagement surveys, so they can benchmark performance. A "fear of losing track of previous results" wastes time focusing on lag indicators that have little impact on the future. Measuring trust means challenging old assumptions and ensures the right behaviours are being measured to support the new strategy going forward. Past data will not provide insight into relationships and processes that are inhibiting trust throughout the organisation and slowing down execution.

To impact engagement and performance, we really do need to understand how trust comprehensively affects an organisation.

The Trust Performance Model

"Trust is like the air we breathe – when it's present, nobody really notices, when it's absent, everybody notices." Warren Buffett, Berkshire Hathaway

One of the first questions we ask ourselves when we meet a new person is **"Can I trust them?"**

From an evolutionary perspective, it's critical to our survival to know whether a person deserves our trust. In a business setting, relationships are everything. From the relationship employees have with customers, each other, leaders and the actual organisation itself.

When we first start working with a company or a new team, we quickly assess whether the team leader and our teammates can be trusted. This decision determines whether we will become fully productive and work above and beyond what is expected of us.

As Abraham Maslow taught in his Hierarchy of Needs, we can't concern ourselves with higher goals until we have the necessities of life, including safety, belonging and meaning. If we don't feel that, we're more likely to be focusing our energies on survival rather than creation. We're unable to commit and believe in the vision.

Ultimately, if the organisation and leaders has conveyed a message of security, good will and protection we will decide that it's safe for us to go the extra mile. In the workplace, employees need confirmation that their fellow co-workers are looking out for them. More importantly, workers need to feel connected to others and trust that their boss and their colleagues really care. At the same time, employees need to feel like the work they do matters, they're making an impact and others appreciate their work. It's once these three things have been taken care of that we can trust that the organisation and leaders will do the right thing by us. Then, we can move to the next level and become emotionally engaged. Trust is a precursor to emotional engagement. It's the missing variable in employee engagement surveys.

Safety + Meaning + Impact = TRUST = Employee Engagement

### Safety + Meaning + Impact - TRUST = Disengaged Employees
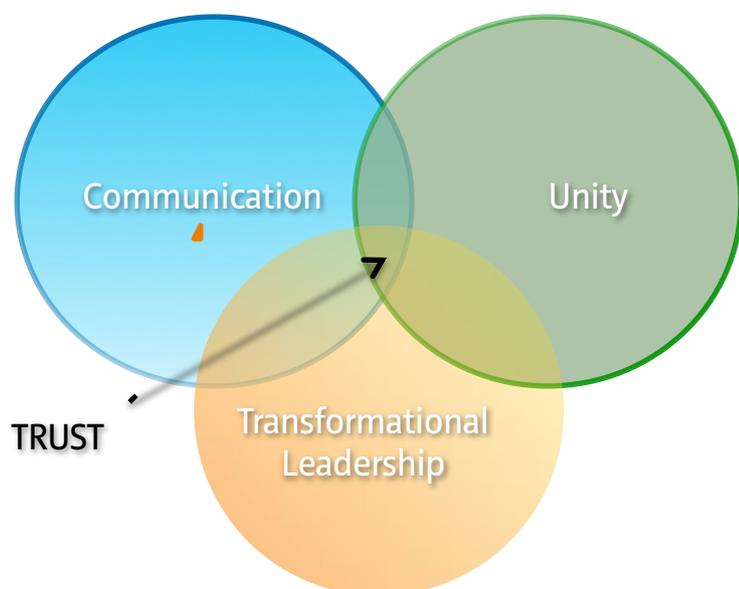
True competitive advantage can be found at the intersection of leadership, a unified culture and transparent communication. It's here that they catalyse to form trust.

The Trust High Performance Culture model stems from a decade of research and analysing the results from over thousands of employees.

Three Dimensions of Workplace Trust

Based on our extensive research from thousands of employee survey responses, we have discovered three dimensions of organisational trust.
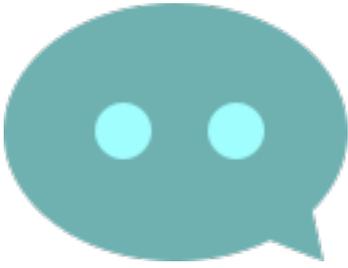
Communication: **Do employees feel certain that they know what's going on in the organisation? Do they understand how they make a contribution through clear goals, roles and execution plans?**

Company communication is a vital component linking leadership and trust. When effective, it aligns employees' self-interest to a more meaningful, bigger purpose set by the organisation.

Human beings need certainty. They need to feel safe and that they have a secure future.

If employees suspect information is being hidden from them, they are more likely to assume the worst-case scenario which reduces productivity. In fact, a recent Geckoboard study uncovered that when employees hear nothing, more than half "resort to doing their own detective work" to find out what's going on. A further 90% of employees would rather hear bad news than be kept in the dark.

By having open and transparent communication, employees don't have to guess what leaders are thinking, and are less likely to gossip, take sickies and even conduct fraud.

Survey item: We are informed about important issues in a timely manner .

Transformational Leadership: **Can leaders be trusted to lead? Do people believe in the competency of their leaders?**

The central role of effective leadership communication is creating and repairing trust. In 20 years of research, Great Places to Work Institute found that **trust between managers and employees is the primary defining characteristic of the very best workplaces.** Employees are also more likely to trust leaders, if leaders are clear on their intent, perceived as being highly competent and create an environment where people can speak up and challenge leaders.

Without this, employees lose faith that they can can on leaders to do the right thing and are more likely to misinterpret their leader's rationale.

When a person's job role is ambiguous, a major change is occurring, the threat of job losses loom or even working with a new team, it produces fear and a lack of confidence in the organisation. Leaders need to exhibit the right trust behaviours, in order to reduce employee anxiety about their job and disengagement.

The Trust Performance survey uniquely examines employee's relationships between the company, departments, leaders, their team members and the work itself.

Survey item: Our leaders are highly competent.

"For it is mutual trust, even more than mutual interest, that holds human associations together." HL Mencken, author

Unity: **Who are we together?**

Does my work make a difference to others?

Companies with a strong sense of purpose enable their employees to relate more to each other through being able to collectively see the meaning in their work.

The central pillar for building trust is a **corporate purpose that's defined by a genuine commitment to social good.**

It lets everyone know – from employees through to customers – how much you care, which in turn makes them less likely to believe you just exist to make money.

It makes sense because we're more likely to trust a company if we can see evidence of consistent action and behaviour that indicates good intent. Focusing on purpose rather than profits is what builds business confidence and therefore, trust.

Companies who authentically live their purpose and values close the gap between executives and employees, through their sincere and focused efforts to build trust.

Furthermore, it activates intrinsic motivation which ensures a more productive workforce long term. Done well, it ensures that employees feel that they matter and improves autonomy, which all contribute towards intrinsic motivation.

People are more likely to get on board with your vision, if they can feel an emotional connection. It provides employees with the context they need to understand how their work makes a difference to the world and improves meaningful work connections and a sense of accomplishment.

Without unity, people feel disconnected to the company and to the value they are creating for customers and to their teams. It creates executional difficulty, with employees operating on false assumptions and applying valuable energy in the wrong direction.

Survey item: I understand how our organisation makes an important impact to the world.

Trust Performance Sample Items

The Trust Evaluation Survey is a subset of research-based anchor questions that are designed to measure overall trust within an organisation. This is a sample and shows a limited number of the 90 items found in the complete survey. It does not comprehensively address the high-impact areas for change that are calculated in the full survey. To find out more about the complete version, contact mc@corporateculturecreator.com or call 03 9696-4400.

Leadership:*	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Tell the truth at all times	O	O	O	O	O
Share the rationale behind decisions	O	O	O	O	O
Explain how we are contributing to the organisation's purpose	O	O	O	O	O
Involve people in decisions that affect them	O	O	O	O	O

Our Communication:	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Is open and transparent	O	O	O	O	O
Allows me to clearly understand how things affect me	O	O	O	O	O
Ensures meetings are efficiently run	O	O	O	O	O
Helps me to do my job better	O	O	O	O	O

Unity In my job:	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
The mission is important to me personally	O	O	O	O	O
I know why my job matters	O	O	O	O	O
I understand how my work positively impacts customers and society	O	O	O	O	O

The Trust Performance survey uniquely examines employee's relationships between the company, departments, their team members and the work itself. It also measures purpose (key driver to Gen X and Y engagement) and confidence. It is a much broader and more comprehensive ambition than simply focusing on engagement. It looks at the whole organisational system, leaders, managers and employees, and between departments.

*Leadership includes executives and CEO, direct managers/supervisors are also evaluated.

How the Data is Processed

Based on responses to the three dimensions on trust, as well as other pertinent questions, Corporate Culture Creator generates a robust Trust Performance Index. It's based on a multi-dimensional definition of trust, as a simplistic metric is less valid due to the complexity of trust and its related factors.

Using in-depth meta-analysis, unimportant variables are dismissed and rigorous data mining uncovers statistically significant trust drivers. This ensures that only the top 3-5 top three factors that have the most impact and performance are recommended, so organisations don't waste time acting on trivial differences.

In addition, open-ended questions provide a wealth of qualitative information to detail what employees require to improve trust. Further, as the information has been collected externally, the employee response rate will be higher and the results more applicable to the workforce.

The team undertaking the survey has collectively over 90 years experience in conducting surveys. The analysis is conducted by one of Australia's top statisticians in this field, as well as one of the most stringent data managers, to ensure high quality trustworthy data.

What are You going to Find?

The Corporate Culture Creator Trust Performance survey is a starting point to creating a productive workplace. By measuring the underlying levels of trust, we will be able to provide you with actionable and targeted recommendations.

To improvement management accountability, we are also able to link our trust performance metric to your key performance indicators (KPIs). This will help you can understand the relationship between your employees' work experience and your actual business goals.

You will receive an easy to read, highly visual report that will comprehensively indicate key insights about trust throughout your organisation, as well as key actions for improvement.

What am I going to do with the Findings?

Some of the common gripes about employee engagement surveys are that they:

• Are perceived as a 'tick and flick' tool to make the organisation appear as if they care (and please shareholders).
• Have low employee response rates because past experience shows that nothing changes.
• Have results sitting on a shelf gathering dust because leaders don't know how to take action.
• Ask the wrong questions.
• Are ignored by leaders who aren't prepared to make the changes required.

The reality is that when results are used to improve, it provides employees with the feedback they need to see that their opinions matter. It automatically starts to increase employee trust because they can see evidence that the organisation means what it says. There are three actions that we undertake to ensure that your results make a long-lasting change:

1. We start with the right questions to ensure that your survey is customised to your strategic needs moving forward.
2. We use in-depth meta analysis that will provide the top 3-5 priorities to give you the most impact and highest performance.
3. We work with you on co-creating a strategic communication plan. This is to maximise buy-in from leadership and employees. It also provides a best practice blueprint, including meetings and communication, with staff to keep them informed about the results.

Leading with Trust

Trust underpins all successful social organisations – its principles apply to the whole of society, a nation, a business and even a family. Having trust brings us a sense of safety and security. It gives us the freedom to explore and understand our world. In a business context, it means that we can commit to actions and make faster decisions. It provides the confidence employees need to believe the company vision and get an innovative project off the ground.

Organisations have an opportunity for true competitive advantage at the intersection of a unified workforce, leadership and communication. Companies that regularly win distinction as being the best places to work have great leadership, a trusting work environment and strong performance. You can read more about this from our insights paper,
Building Trust: Why High-Trust Companies Out-Manoeuvre, Out-Perform and Out-Innovate the Competition.

Measuring trust through our Trust Performance Survey ensures employees feel heard and leadership understand why it's important. This creates the right parameters in which to operate and make decisions that inspire trust, not destroy it. Ultimately, it ensures improved strategic execution, through making faster team decisions as everyone is connected to working together and solving problems. This becomes your competitive advantage.

Your Personal Invitation

We can't solve a problem if we don't understand it. For too long, trust has been a problem we haven't properly understood.

The Trust Performance survey comprehensively measures trust and provides actionable results for long-term, sustainable performance.

If your organisation has recently gone through a period of change and your employees or customers, are lacking trust, call 03 9696 4400 or email mc@corporateculturecreator.com for more information about our trust performance survey and trust leadership workshops.

Notes

[1] PwC 19th Annual Global CEO Survey
[2] Interaction Associates, Building Workplace Trust

About The Author: Marie-Claire Ross is the **Chief Corporate Catalyst** at the **Corporate Culture Creator** which helps leaders create high trust organisations, in order to improve productivity and easily navigate during times of change. She is also the author of the number three ranked book on Amazon, **Transform your Safety Communication**. Marie-Claire works with companies such as Incitec Pivot, Domaine Chandon, CSR Viridian and Murray Goulburn to make work more meaningful. She has also been interviewed in BRW magazine, Facilities Management magazine and on "Technology Behind Business" for Sky Business News

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