

# **The First Wave— Self Trust**

*The Principle of Credibility*



The 5 Waves of Trust model serves as a metaphor for how trust operates in our lives. It begins with each of us personally, continues into our relationships, expands into our organizations, extends into our marketplace relationships, and encompasses our global society at large. This reflects the strength of the “inside-out” approach: to build trust with others, we must first start with ourselves.

The First Wave—Self Trust—is where we learn the foundational principle that enables us to establish and sustain trust at all levels. That principle is *credibility*, or believability. This is where we ask ourselves, Am I credible? Am I believable? Am I someone people (including myself) can trust?

The good news is that we can increase our credibility, and we can increase it fast, particularly if we understand the four key elements, or four “cores,” that are fundamental. Two of these cores deal with character; two with competence. What gives trust its harder, more pragmatic edge is recognizing that competence is as vital to trust as character, and that both character and competence are within our ability to create or to change.

As we develop these four cores, we increase our personal credibility. We then have the foundation from which we can establish and sustain trust in all relationships in life.

## The 4 Cores of Credibility

*Leadership may have to come in a different package. It's got to be credible.... Overall, it's about credibility, walking the talk.*

—ANNE MULCAHY, CHAIRMAN AND CEO, XEROX

**I**magine that you are in a court of law. You've been called as an expert witness, and the lawyer for the prosecution is attempting to convince the jury that you are a credible witness. What will he try to prove?

First, that you are a person of integrity—that you are honest and congruent, that you have a reputation for being truthful, and that you would not lie.

Second, that you have good intent—that you're not trying to deceive or protect anyone, that you don't have any hidden motive or agenda that would color your testimony.

Third, that your credentials are excellent, that you do, indeed, have expertise, knowledge, skill, and capability in the area in which you are called to testify.

And fourth, that you have a good track record, that you have demonstrated your capabilities effectively in other situations in the past, that you produce results, and that there is good reason to believe that you will do so now.

Now the lawyer for the defense gets up, and he's going to attempt to convince the jury that you're *not* credible. What will he try to prove? The exact opposite.

Perhaps that you lack integrity—that you are dishonest or have lied in the past, or that you're “flaky” or have some character flaw that would

discredit your testimony. Or that you have some hidden agenda or some motive to “spin” your testimony in the prosecutor’s behalf. Or that your credentials are lacking and you are not qualified to testify in the area of your supposed expertise. Or that your track record is tarnished or lacking—that you haven’t produced good results or demonstrated the ability to accurately discern the facts.

As my lawyer friends affirm, it basically boils down to these four issues: your integrity, your intent, your capabilities, and your results. Your credibility—as an expert witness, as a person, as a leader, as a family, as an organization—depends on these four factors. And that credibility would be vital to the case, particularly if there were no irrefutable physical evidence, thus implying that the verdict would really come down to the credibility of people’s testimonies. In such cases, it is the credibility of the witnesses that’s really on trial.

In a recent case that relied on testimony rather than tangible evidence, the defense attorney asked the judge to hold a pretrial hearing to “determine if the complaining witness is even credible enough to provide reliable testimony.” As a *USA Today* headline read in the midst of the Enron trial, “Verdict Could Hinge Solely on [Skilling’s] Credibility on Stand.” Following a “guilty” verdict, the new headline read, “Jurors: Ex-Enron Execs Not Credible.”

In court or in life, a lot can depend on whether you are believable—or not. For example, during the 2005 governmental investigation of the AIG insurance transaction with General Re (owned by a subsidiary of Warren Buffett’s company, Berkshire Hathaway), Warren Buffett’s reputation for ethics and integrity clearly gave him the benefit of the doubt even before any details of the transaction concerns were known. An ethics professor at Wharton Business School said, “Given his track record, I’d be inclined to give him the benefit of the doubt.” Another CEO said, “Here’s somebody who is wealthy and visible enough that everything has been scrutinized. He has not just a reputation, but a track record.” Buffett, of course, was cleared of any wrongdoing, but he never even suffered any taint for being “in the area” because of his unquestioned credibility.

*I have never had anyone refuse to deal with me for lack of trust.*

—JON HUNTSMAN, CHAIRMAN OF HUNTSMAN CORPORATION

## **Being Credible—to Yourself and to Others**

The First Wave of Trust—Self Trust—is all about credibility. It's about developing the integrity, intent, capabilities, and results that make you believable, both to yourself and to others. And it all boils down to two simple questions: 1) Do I trust myself? and 2) Am I someone others can trust?

With regard to having trust in self, it often begins with the little things. I remember one extremely busy time in my life where for about a five-month period I was staying up until 2:00 or 3:00A.M . every night to finish a project. I'd wake up to my alarm clock in the morning (which I had set quite early so I could exercise) only to reach over, turn it off, and go back to sleep. Since I was getting so little sleep at the time, I'd justify what I was doing by telling myself that I needed the sleep more than the exercise.

After I had done this for a time, I started thinking, Why am I setting this alarm so early? I know I'm not going to get up to exercise when it goes off. Why am I even doing this? Not only had this repeated behavior weakened my self-confidence, it had become a self-fulfilling prophecy. When I set the alarm, I didn't believe I was going to get up; instead, I believed I was going to rationalize why I shouldn't. Setting the alarm had become a joke.

Finally, I decided to change my approach. I determined that instead of using the ringing alarm each morning as a decision point, I would make a decision the night before and set my alarm when I really intended to get up. From that time forward, if I set it early, I would get up and follow through on my commitment to exercise, regardless of how little sleep I'd had. But sometimes I would set it to go off later because I genuinely felt I needed the sleep. Whatever decision I made when I set the alarm, I wanted my commitment to be clear and to act with integrity. Otherwise, I would continue to lose trust in my ability to do what I had made a personal commitment to do. While this may seem like a somewhat trivial example, it turned out to be very meaningful to me in terms of building self trust.

Research shows that many of us don't follow through on the goals we set or don't keep the promises and commitments we make to ourselves. For

example, while almost half of Americans set New Year's resolutions, research shows that only 8 percent actually keep them.

What happens when we do this time after time? What's the net result of repeated failure to make and keep commitments to ourselves? It hacks away at our self-confidence. Not only do we lose trust in our ability to make and keep commitments, we fail to project the personal strength of character that inspires trust. We may try to borrow strength from position or association. But it's not real. It's not ours...and people know it. And whether we realize it or not, that impacts the bottom line.

Though we all know it intuitively, research also validates that a person's self-confidence affects his or her performance. This is one reason why Jack Welch of GE always felt so strongly that "building self-confidence in others is a huge part of leadership."

The lack of self trust also undermines our ability to trust others. In the words of Cardinal de Retz, "A man who doesn't trust himself can never really trust anyone else."

The good news in all of this is that every time we do make and keep a commitment to ourselves or set and achieve a meaningful goal, we become more credible. The more we do it, the more confidence we have that *wecan* do it, that *wewill* do it. The more we trust ourselves.

*Self-trust is the first secret of success...the essence of heroism.*

—RALPH WALDO EMERSON

With regard to being someone others can trust, I'd like to share an experience my father had a few years ago in a men's clothing store in Canada. He was being helped by the manager of the store and a newly hired trainee. As he was considering the cost of purchasing a fairly expensive coat, he mentioned that he would have to add to the cost a duty tax that would be imposed on it when he came back into the United States.

"Don't worry about the duty," the store manager said with a quick smile. "Just wear it!"

"What?" my father said.

"Just wear the coat!" the manager repeated. "Then you won't have to pay the tax."

“But I have to sign a form,” my father exclaimed. “I have to declare the things I’ve bought and am bringing into the country.”

“Don’t declare it; just wear it,” the manager said once again. “Don’t worry about the tax.”

My father was silent for a moment, and then he said, “Look, frankly I’m not as worried about having to pay the tax as I am about this new salesman you’re training. He’s watching you. He’s learning from you. What is he going to think when you sign his commission? What kind of trust is he going to have in you in managing his career?”

Can you see why employees don’t trust their managers? Most of the time, it’s not the huge, visible withdrawals like Enron and WorldCom ethics violations that wipe out organizational trust. It’s the little things—a day at a time, a weak or dishonest act at a time—that gradually weaken and corrode credibility.

*Little things count. Like when someone calls in to talk to a manager and his assistant says he is in a meeting when he is not. It’s the little things that your employees notice.*

—FRANK VANDERSLOOT, PRESIDENT AND CEO OF MELALEUCA

What kind of impact do these constant withdrawals have on the effectiveness of the organization? On job satisfaction? On employee retention? On the bottom line? What kind of tax is the organization paying as a result? And what is the impact on the speed with which things are done?

On the other hand, what happens when you *do* give people someone credible whom they can trust? Let me share with you the story of Wally Thiim. Shortly before the Desert Storm campaign to liberate Kuwait in 1990, Thiim was made battalion commander of a cavalry unit of 2,000 men in Ft. Hood, Texas—by reputation, the worst unit there. But within a short time under his command, the unit made amazing progress, passing the other units to score so high on ARTEPS (army proficiency tests) that then Colonel Tommy Franks, division chief of staff, commended them for top performance.

When Thiim’s unit was deployed to Saudi Arabia, before they went into battle, Thiim asked his men to spontaneously point to those they would trust

to lead them in a life-and-death situation. They unanimously pointed to the officers who had led them from worst to best unit at Ft. Hood. Their credibility had been proven; they were clearly worthy of trust.

*You cannot prevent a major catastrophe, but you can build an organization that is battle-ready, that has high morale, that knows how to behave, that trusts itself, and where people trust one another. In military training, the first rule is to instill soldiers with trust in their officers, because without trust they won't fight.*

—PETER DRUCKER

A friend of mine recently shared an example of how the idea of giving people someone they can trust has impacted her on the family level. She said:

*Years ago as a young mother, I read an article entitled "Can Your Child Trust You?" The author pointed out how, as parents, we will often tell a young child "no!" over and over instead of following through in meaningful ways to ensure that he obeys the first time. As a result, children learn that if they keep at something long enough, they can usually wear a parent out and eventually get their way. They don't develop trust that adults mean what they say when they say "no."*

*This author then suggested effective ways to follow up and to build trust. For example, if you've said "no" to a toddler and he doesn't obey, then you immediately go pick him up and move him away from whatever he was doing.*

*This one idea has had a profound positive impact on the way I have interacted with my children over the years. It takes time and effort up front. It takes deep commitment and follow-through. But it pays incredible dividends. Instead of wasting time having to repeat yourself over and over, you answer once. Your child learns to trust that you mean what you say.*

You see the opposite of this in homes everywhere. You see parents who give their children instructions, and then fail to follow through when those instructions are ignored. You see children "get by" with things because their



parents are so caught up in their own projects or in conversation with other adults that they simply don't pay attention. And you see the results in teenagers who consistently push against the limits and ignore what their parents say. Granted, teenagers come with their own set of problems and are highly influenced by their peers. But I'm confident that building a high-trust relationship has a significant impact on the satisfaction of both parents and teens during those challenging years and also on the character those children develop and on the kind of parents, employees, and citizens they become.

One study by a leading consulting firm showed that building personal credibility was the second-most-identified behavior of leaders. Interestingly, Harvard Business School asks for input in three fundamental areas from those who write letters of recommendation for prospective students. One of the three is the following:

*The Harvard Business School is committed to developing outstanding leaders who can inspire trust and confidence in others. Please comment on the applicant's behavior (e.g., respect for others, honesty, integrity, accountability for personal behavior) within your organization in the community[emphasis added].*

*The only way to build trust professionally or personally is by being trustworthy.*

—GERARD ARPEY, CEO, AMERICAN AIRLINES

Keep in mind, credibility is something we *can* do something about. We can choose to increase the self trust that flows from the inside out and affects every dimension of our lives—and the lives of others, as well.

## **How Credible are You?**

In our on-site client programs, we often do a one-on-one, prework exercise with individual participants where we give them picture cards of the people

they work with and ask them to quickly sort them into two stacks: “I tend to trust this person” or “I tend to not trust this person.” If someone has very recently come into the organization, we allow a third possibility: “I don’t know this person well enough yet to determine whether or not I trust him or her.”

It’s always interesting to see how fast people can make these decisions. As they see each picture, most people have an immediate feeling of trust or distrust that is easy to discern. It’s also interesting that in most cases, the same people tend to be trusted or not trusted by all.

Think about the people you know, one by one. Which stack would you immediately put their pictures in? Why?

Now for the tougher questions: If your picture were included in a group of picture cards handed to the people who know you, which stack would they put your picture in? And why?

As I said in the beginning of this chapter, there are four factors that create credibility. Before proceeding further, you might be interested in taking the following self-analysis questionnaire that will help you evaluate where you think you are in each of these areas.

I’ll warn you in advance that these questions are challenging. They require sincere soul-searching and deep evaluation. But I encourage you to take the questionnaire and to be completely honest with yourself. It will help you understand the basic elements of personal credibility, evaluate where you may be lacking, and focus your efforts where they will bring the greatest results. The very act of truthfully answering these questions will help you increase Self Trust.

As you read each set of statements in each part of the questionnaire, circle the number that best describes where you feel you are on the continuum: 1 means you identify with the statement on the left; 5 means you feel best described by the statement on the right. 2, 3, or 4 mark various positions in between.\*

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**PART ONE**

I sometimes justify telling "white lies," misrepresent people or situations, or "spin" the truth to get the results I want.	<u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u>	At every level, I am thoroughly honest in my interactions with others.
At times, there's a mismatch between what I think and what I say, or between my actions and my values.	<u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u>	What I say and do is what I really think and feel; I consistently "walk" my "talk."
I am not fully clear on my values. It's difficult for me to stand up for something when others disagree.	<u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u>	I am clear on my values and courageous in standing up for them.

It's hard for me to acknowledge that someone else may be right, or that there is additional information out there that may cause me to change my mind.	1   2   3   4   5	I am genuinely open to the possibility of learning new ideas that may cause me to rethink issues or even redefine values.
I have a difficult time setting and achieving personal goals or commitments.	1   2   3   4   5	I am able to consistently make and keep commitments to myself and to others.

**TOTAL PART ONE SCORE** \_\_\_\_\_ **(Possible 25)**

PART TWO

I don't really care that much about people, except those closest to me. It's hard for me to think about concerns outside of my own challenges in life.	1 2 3 4 5	I genuinely care about other people and am deeply concerned about the well-being of others.
I don't think a lot about why I do what I do. I've rarely (if ever) tried to do deep interior work to improve my motives.	1 2 3 4 5	I am consciously aware of my motives and I refine them to make sure that I'm doing the right things for the right reasons.
In my dealings with others, I usually focus on getting what I want.	1 2 3 4 5	I actively seek solutions that provide a "win" for everyone involved.

Based on my behavior, most people wouldn't necessarily think I had their best interests in mind.	1   2   3   4   5	Other people can clearly tell by the things I do that I really do have their best interests in mind.
Deep down, I believe that if someone else gets something (resources, opportunities, credit), that means I don't.	1   2   3   4   5	I sincerely believe that there is more than enough of everything to go around.

**TOTAL PART TWO SCORE \_\_\_\_\_ (Possible 25)**

**PART THREE**

I feel like I'm not really utilizing my talents in my current job.	1 2 3 4 5	There is a high match between my talents and my opportunities in the work I'm doing.
I have not gained the knowledge or fully developed the skills I need to really be effective at work.	1 2 3 4 5	I have acquired the knowledge and mastered the skills required for my job.
I seldom take time to improve my knowledge and skills at work or in any other area in my life.	1 2 3 4 5	I relentlessly upgrade and increase my knowledge and skills in all the important areas of my life.
I'm not really sure what my strengths are; I'm more focused on trying to improve in my areas of weakness.	1 2 3 4 5	I've identified my strengths, and my greatest focus is on using them effectively.

**TOTAL PART THREE SCORE** \_\_\_\_\_ **(Possible 25)**

<b>PART FOUR</b>		
I don't have a very good track record. My résumé certainly won't knock anyone's socks off.	1   2   3   4   5	My track record clearly gives others the confidence that I will achieve desired results.
I focus my efforts on doing what I've been told to do.	1   2   3   4   5	I focus my efforts on delivering results, not activities.
When it comes to communicating my track record, either I don't say anything (I don't want to come across as bragging), or I say too much and turn people off.	1   2   3   4   5	I appropriately communicate my track record to others in a way that inspires confidence.
I often fail to finish what I start.	1   2   3   4   5	With rare exception, if I start something, I finish it.
I don't worry as much about how I get the results—just that I get them.	1   2   3   4   5	I consistently get results in ways that inspire trust.

**TOTAL PART FOUR SCORE \_\_\_\_\_ (Possible 25)**

**TOTAL QUESTIONNAIRE SCORE \_\_\_\_\_ (Possible 100)**

Now take a look at your scores. If your total score is between 90 and 100, you have high personal credibility. You demonstrate both character and competence. Likely, you know what's important to you and you translate it into action in your daily life. You care about people. You are aware of your own capabilities and you develop and use them effectively to produce positive outcomes. As a result, you feel confident and people tend to trust you.

If your score is between 70 and 90, you may have a bit of a credibility gap, which will manifest itself either in lower self trust or in some degree of failure to inspire the trust of others.

If you scored 70 or below, you likely have a more serious credibility problem. You may want to do some careful analysis of the specific areas in which you gave yourself lower marks. As we go through this chapter, you will be able to focus on specific ways to improve in those areas.



## The 4 Cores

Each part in the questionnaire corresponds to one of the “4 Cores of Credibility.” These are the foundational elements that make you believable, both to yourself and to others. You will recognize them as the same elements that would prove or destroy your credibility as an expert witness in a court of law.

The first two cores deal with character; the second two with competence. And all four are necessary to self trust.

### Core 1: Integrity

The first core deals with issues of *integrity*. This is what most people think about when they think of trust. To many, “integrity” basically means “honesty.” While integrity includes honesty, it’s much more. It’s integratedness. It’s walking your talk. It’s being congruent, inside and out. It’s having the courage to act in accordance with your values and beliefs. Interestingly, most massive violations of trust are violations of integrity.

### Core 2: Intent

The second core deals with issues of *intent*. This has to do with our motives, our agendas, and our resulting behavior. Trust grows when our motives are straightforward and based on mutual benefit—in other words, when we genuinely care not only for ourselves, but also for the people we interact with, lead, or serve. When we suspect a hidden agenda from someone or we don’t believe they are acting in our best interests, we are suspicious about everything they say and do.

Both integrity and intent are matters of *character*.

*There are no moral shortcuts in the game of business—or life. There are, basically, three kinds of people: the unsuccessful, the temporarily successful, and those who become and remain successful. The difference is character.*

—JON HUNTSMAN, CHAIRMAN, HUNTSMAN CHEMICAL

### **Core 3: Capabilities**

The third core deals with issues of *capabilities*. These are the abilities we have that inspire confidence—our talents, attitudes, skills, knowledge, and style. They are the means we use to produce results. A family doctor might have integrity and his motives might be good, but unless he's trained and skilled to perform the task at hand (brain surgery, for example) he'll be lacking in credibility in that area. Capabilities also deal with our ability to establish, grow, extend, and restore trust.

### **Core 4: Results**

The fourth core deals with issues around *results*. This refers to our track record, our performance, our getting the right things done. If we don't accomplish what we are expected to do, it diminishes our credibility. On the other hand, when we achieve the results we promised, we establish a positive reputation of performing, of being a producer...and our reputation precedes us.

Both capabilities and results are matters of *competence*.

*A good leader is probably no different in any culture in the sense that a good leader must have credibility. That is something one establishes... based on the way one handles himself and by his established track record.*

—DR. VICTOR K. FUNG, GROUP CHAIRMAN, LI & FUNG

As I've said, each of these cores is vital to credibility not only in a court of law, but in any situation. For example, you may have a person who has great integrity, good intent, and a marvelous track record. But if he/she doesn't have the capabilities necessary for a particular job, you won't trust that person to do that job. Or you may have a person who has great integrity, is extremely capable, and has produced excellent results. But if

you sense that he/she doesn't really care about you or about your "win" in a particular negotiation, you won't fully trust that person in that situation. In the following chapters, as we look at each core in depth, we will consider the impact of not having that particular core. We will also consider the impact of having that core, but not the other three.

Many of the people you interact with at this point will not recognize these vital 4 Cores of Credibility as parts of the greater whole. They won't realize that your credibility has four dimensions and that you can rate high in some and low in others. They will only see the whole—either you have credibility or you don't.

That's one reason why it's so important for you to understand these 4 Cores. They will help you understand your own credibility and focus on areas where you need to improve. They will give you the wisdom to know how to behave to establish trust. And, as we'll discuss later, they will also give you the judgment to learn how to extend "Smart Trust" to others.

*Ask yourself...mercilessly: Do I exude trust? **E-x-u-d-e**. Big word. Do I smack of "trust"? Think about it. Carefully.*

—TOMPETERS

One way to visualize the importance of all 4 Cores of Credibility is through the metaphor of a tree. *Integrity* is essentially below the surface. It is the root system out of which everything else grows. *Intent* becomes somewhat more visible. It is the trunk that emerges from beneath the surface out into the open. *Capabilities* are the branches. They are the capacities that enable us to produce. *Results* are the fruits—the visible, tangible, measurable outcomes that are most easily seen and evaluated by others.

To look at the 4 Cores of Credibility in this way will enable you to see the interrelatedness of all four and the vital importance of each. It will also help you see credibility as a living, growing thing that can be nurtured. As we go through each of the cores, we will come back to this metaphor of the tree to look more specifically at why each is important and how it relates to the other three.



## Charting Your Course

With an understanding of the 4 Cores of Credibility, I'd like you to now go back to the questionnaire results and reconsider your scores.

Part	Core	Score
1	Integrity	
2	Intent	
3	Capabilities	
4	Results	
Total		

What are your strengths? Which areas need the most improvement?

Whatever your current level of credibility, I am convinced this material will help. At the very least, it will give you language to understand and talk about credibility and trust issues and make them actionable. One of my associates who has taught the Speed of Trust content for several years now recently said, “It’s not that I was not credible to begin with. But simply becoming more aware of these things, having a language to talk about them, and behaving in ways that inspire trust has dramatically increased my credibility and my ability to influence others.”

As you read the following chapters, be aware that these 4 Cores of Credibility apply not only individually, but also organizationally. A vice president of marketing in a large company recently told me that these 4 Cores would become their marketing blueprint. He said, “We need to be credible as an organization. We need to ensure that customers understand our reputation around integrity. We need to declare our intent to help them win. We need to show them our capabilities to add value to their organizations. We need to demonstrate our results and track record to them so that they will stay with us. The net result of all of this will be credibility, and with that credibility we’ll be able to establish and sustain long-term relationships of trust. Our business has already demonstrated that long-term trust relationships are the key to profitable growth.”

Our purpose in the next four chapters is to explore each of the 4 Cores in depth—to understand more about what they are, why they are vital to credibility and trust, and how we can improve them in a way that increases trust on every level from the inside out. At the end of each chapter, I’ve zeroed in on the three top “accelerators,” or focused things you can do to make the greatest difference. I suggest you read each of the chapters for

understanding and context, then go back and start with the one or two action steps you feel will make the greatest difference for you.

\*For automatic scoring, take this questionnaire online at [www.speedoftrust.com](http://www.speedoftrust.com) and receive a complimentary analysis and specific tips to increase your personal credibility.

# Core 1—Integrity

## *Are You Congruent?*

*I look for three things in hiring people. The first is personal integrity, the second is intelligence, and the third is a high energy level. But, if you don't have the first, the other two will kill you.*

—WARREN BUFFETT, CEO, BERKSHIRE HATHAWAY

In the third round of the 2005 Italia Masters tournament in Rome, tennis champion Andy Roddick was paired against Fernando Verdasco from Spain. It was match point in favor of Roddick. When Verdasco hit his second serve, the line judge called the ball “out,” and the crowd began to cheer for Roddick. Verdasco moved toward the net to shake hands, as if the match were over.

But Andy Roddick didn't accept the point. Instead, he said that the ball was “in” and called the umpire's attention to a slight indentation on the clay court which showed that the ball had landed *on* —not *beyond* —the line. Surprised, the umpire allowed Roddick to overrule him and the point was awarded to Verdasco.

Everyone was amazed. In a game not typically played on the honor system—but on the umpire's calls—Roddick had made a call against himself and went on to lose the match.

Though Andy Roddick lost the match that day, he gained something far greater. He gained credibility. He gained trust. How did this display of integrity give him credibility? Look at it this way: How are the umpires going to respond the next time Andy Roddick challenges a call? Most likely, they will treat his challenge with the utmost respect. His reputation is known; his credibility will precede him.

Also, how do you think Andy Roddick felt about himself? How *might* he have felt if he chose to accept the win, knowing all along that the ball really wasn't out?

Andy Roddick's behavior on the court that day has become a symbol to me of what I now call "the Roddick Choice"—demonstrating integrity even when it is costly. It illustrates the clear connection between integrity, credibility, and trust—both with others and with ourselves.

*To me, integrity, the root word, really has to do with the whole man, with character, with completeness and goodness. I think of a man or woman of integrity as someone who is balanced and complete, with high character. A person of principle.*

—HANK PAULSON, CHAIRMAN AND CEO, GOLDMAN SACHS

To use the metaphor of the tree, integrity is the root. Even though it's underground and not even visible most of the time, it is absolutely vital to the nourishment, strength, stability, and growth of the entire tree. We've all seen people with enormous capability, strong results, even sometimes good intent who unfortunately go about what they're doing in a dishonest or unprincipled way. It's "the ends justify the means" mentality. It leads to manipulation, deceit, fraud, extortion, and scandal—to the Enrons, the WorldComs, the betrayals that destroy marriages and relationships of every kind. Going back to the metaphor of the expert witness, there's no way a person would be considered credible if the other side could prove that she lacked integrity.

On the other hand, to have integrity only—and not the other three cores—is to be a "nice guy," maybe even a thoroughly honest person, who is basically useless. In our tree metaphor, he's like a stump—not good for much. You might trust him to keep a confidence, but there's no way you would trust him to get anything done. He is honest—but irrelevant.

Again, all four cores are vital to credibility and trust.

## **The Problem with the Renaissance of "Ethics"**



So what is integrity? In today's world, many people equate integrity with "ethics." Perhaps at least one good outcome of the recent increase in corporate and other scandals is that it has incited a virtual renaissance of ethics. And most people recognize that the lack of ethics in today's world promotes distrust.

*[O]ut of the ashes of crisis, corruption, and public distrust, a grassroots movement to revitalize the ethics and spirit of free enterprise is gaining momentum and attracting millions.*

—PATRICIA ABURDENE, AUTHOR OF *MEGATRENDS 2010*

The problem in organizations, however, is that many "ethics" solutions focus on *compliance*. The compliance definition of "ethics" is not one of integrity or integratedness; it is a watered-down, devalued definition that essentially means "follow the rules." Ethics training, therefore, is often focused exclusively on conformity to Sarbanes-Oxley and other regulatory and rules-based legislation—and not on clarifying values and fostering integrity to those values and to enduring principles.

As a result, companies have huge, complex policy manuals. In addition, people can be duplicitous or even brutal in how they treat others, but unless they're caught fudging on an expense account or violating some other measurable rule, as long as they're getting results, most companies typically won't do anything about it.

*Rules cannot take the place of character.*

—ALAN GREENSPAN, FORMER CHAIRMAN, U.S. FEDERAL RESERVE

As we'll talk about later in the Third Wave—Organizational Trust—ultimately the problems we're facing in organizations today cannot be solved with this kind of "follow the rules," outside-in compliance approach. As Chris Bauer, a psychologist and corporate ethics trainer, has observed:

*What we're really talking about here isn't a law enforcement or regulatory issue. It's a psychological issue—an absence of core values, confusion about what is the right thing to do. I see a lot of companies*

*saying that they're going to tighten their rules. I don't see a lot of them saying that they're going to work to be extremely clear about what their values are, and give people training on how those values translate into actual behavior.*

Only as corporations focus on trust and integrity—on congruence rather than compliance—will they really be able to promote true organizational credibility and trust. As Albert Camus said, “Integrity has no need of rules.”

## **Defining Integrity**

To most people, integrity means honesty. Though some don't consciously realize it, honesty includes not only telling the truth, but also leaving the right impression. It's possible to tell the truth, but leave the wrong impression. And that's not being honest.

*Whoever is careless with the truth in small matters cannot be trusted with important matters.*

—ALBERT EINSTEIN

Most managers would describe themselves as honest, and yet research shows that most employees don't believe management is honest or communicates honestly. The English writer Maria Louise Ramé said, “I have known a thousand scamps; but I never met one who considered himself so.” Her point is humorously dramatized by Captain Jack Sparrow in the movie *Pirates of the Caribbean*, when he says: “I'm dishonest, and a dishonest man you can always trust to be dishonest...honestly. It's the honest ones you want to watch out for, because you can never predict when they're going to do something incredibly...stupid.”

Certainly integrity includes honesty—telling the truth and leaving the right impression. But there are at least three additional qualities that are equally vital.

**Congruence.**“Integrity” comes from the same Latin root as the words “integrated” and “integer.” A person has integrity when there is no gap between intent and behavior...when he or she is whole, seamless, the same—inside and out. I call this “congruence.” And it is congruence—not compliance—that will ultimately create credibility and trust.

People who are congruent act in harmony with their deepest values and beliefs. They walk their talk. When they feel they ought to do something, they do it. They’re not driven by extrinsic forces, including the opinions of others or the expediency of the moment. The voice they listen and respond to is the quiet voice of conscience.

A great example of congruence is Mahatma Gandhi. At one point in his life, he was invited to speak before the House of Commons in England. Using no notes, he spoke for two hours and brought an essentially hostile audience to a rousing standing ovation. Following his speech, some reporters approached his secretary, Mahadev Desai, incredulous that Gandhi could mesmerize his audience for such a long time with no notes. Desai responded:

*What Gandhi thinks, what he feels, what he says, and what he does are all the same. He does not need notes.... You and I, we think one thing, feel another, say a third, and do a fourth, so we need notes and files to keep track.*

Gandhi was not only congruent within himself, he was also congruent with the principles he stood for. Not only did he have roots, he had a taproot that plunged deep into the reservoir of timeless principles that govern in life.

*My life is an indivisible whole, and all my activities run into one another.... My life is my message.*

—MAHATMA GANDHI

By drawing on the power of such principles and living in a way that was totally congruent to them, Gandhi was able to produce amazing positive results in India and throughout the world—despite the fact that he never held public office or any formal leadership position.

When you consistently demonstrate inner congruence to your belief system and to principles, you inspire trust in both professional and personal relationships. People feel you are strong, solid, and dependable, and that you are committed to live in ways that are certain to bring positive results and validate their confidence in you.

**Humility.** Integrity also includes humility. In doing the research for *Good to Great*, renowned business expert Jim Collins examined good companies that were transformed into great companies to discover the reason for their extraordinary success. Two things he found surprised him.

The first was that, despite his desire to “ignore the executives” in his research, the data strongly demonstrated that leadership mattered a great deal. As Collins observed, “All the good-to-great companies had Level 5 leadership at the time of transition.”

The second was what characterized this “Level 5” leadership. Collins said:

*We were surprised, shocked really, to discover the type of leadership required for turning a good company into a great one. Compared to high-profile leaders with big personalities who make headlines and become celebrities, the good-to-great leaders seem to have come from Mars. Self-effacing, quiet, reserved, even shy—these leaders are a paradoxical blend of personal humility and professional will. They are more like Lincoln and Socrates than Patton or Caesar[emphasis added].*

So how does humility manifest itself in leadership and in life? A humble person is more concerned about *what* is right than about *being* right, about *acting* on good ideas than *having* the ideas, about *embracing* new truth than *defending* outdated position, about *building the team* than *exalting self*, about *recognizing contribution* than *being recognized* for making it.

Being humble does not mean being weak, reticent, or self-effacing. It means recognizing principle and putting it ahead of self. It means standing firmly for principle, even in the face of opposition. Humble people can negotiate intensely. They can drive hard bargains. They can express themselves firmly and clearly in intense situations in close personal

relationships. But they do not get caught up in arrogance, bravado, manipulation, or win-lose power plays. They recognize that there are timeless principles that govern in organizations and relationships, and they try to act in alignment with those principles. They do not seek to become a law unto themselves.

Humble people also realize clearly that they do not stand alone, but rather on the shoulders of those who have gone before, and that they move upward only with the help of others. As Alcoholics Anonymous and other recovery programs are quick to point out, the foundation of dealing with some of our most difficult life challenges is the wisdom and humility to accept the fact that there are some things we simply cannot do without help beyond ourselves.

The opposite of humility is arrogance and pride. It's putting ego first—above principles, above others.

**Courage.** Integrity also includes the courage to do the right thing—even when it's hard. This is the kind of courage demonstrated by people like Andy Roddick at the Italia Masters, or by Sherron Watkins, Cynthia Cooper, and Coleen Rowley, three courageous whistle-blowers at Enron, WorldCom, and the FBI respectively, who were honored as *Time* magazine's 2002 Persons of the Year.

To see this kind of courage in the lives of those around us inspires us all to be more courageous. I recently came across a story of courage related by the wife of a man who was in medical school some years ago. She said:

*Getting into medical school is pretty competitive, and the desire to do well and be successful puts a great deal of pressure on the new incoming freshmen. My husband had worked hard on his studies and went to attend his first examination. The honor system was expected behavior at the medical school. The professor passed out the examination and left the room. Within a short time, students started to pull little cheat papers out from under their papers or from their pockets. My husband recalled his heart beginning to pound as he realized it is pretty hard to compete against cheaters. About that time a tall, lanky student stood up in the back of the room and stated: "I left my hometown and put my wife and three little babies in an upstairs*

*apartment and worked very hard to get into medical school. And I'll turn in the first one of you who cheats, and you better believe it!" They believed it. There were many sheepish expressions, and those cheat papers started to disappear as fast as they had appeared. He set a standard for the class which eventually graduated the largest group in the school's history.*

The man who stood up in the classroom that day later became a respected physician. Certainly what he did was neither comfortable nor easy. But it demonstrated the kind of courage required by integrity—the kind of courage that affirmed timeless principles, lifted others, and made life better for all of us who depend on a physician's knowledge and skill when our health and our lives are at stake.

*Courage is the first of the human qualities because it is a quality which guarantees all the others.*

—WINSTON CHURCHILL

As you consider people you believe have integrity, can you see these qualities playing out in their lives? Undoubtedly, they are honest. But are they also congruent, humble, and courageous? What effect do you think their integrity has on the way they feel about themselves? What effect does this have on the way you feel about them? Are they credible in your eyes? Do you trust them?

To one degree or another, we can probably all improve in each of these areas. By doing so, we can also improve our own credibility and ultimately increase the speed and lower the cost of everything we do.

## **How to Increase Your Integrity**

So how do we go about increasing our integrity?

First, we need to consider what degree of integrity we currently have. At this point, you might find it helpful to review the following questions based on the self-assessment questionnaire.

- Do I genuinely try to be honest in all my interactions with others?
- Do I typically “walk my talk”?
- Am I clear on my values? Do I feel comfortable in standing up for them?
- Am I open to the possibility of learning new truths that may cause me to rethink issues or even redefine my values?
- Am I able to consistently make and keep commitments to myself?

I urge you to really think about these questions and answer them candidly. You may also want to do what we do in our Speed of Trust workshops—get feedback from your boss, peers, direct reports, customers, friends, or family members concerning their perception of you in each of these areas. Because we all have “blind spots,” we sometimes tend to overestimate or underestimate our own level of strength.

In addition, I’d like to suggest three high-leveraged “accelerators” that make a powerful difference in increasing integrity.

## **1. Make and Keep Commitments to Yourself**

There is absolutely nothing you can do that will increase integrity faster than learning how to make and keep commitments to yourself. In the Second Wave—Relationship Trust, we’ll talk about the power of making and keeping commitments to others. But there’s no way you will be able to do that effectively if you haven’t first learned to make and keep commitments to yourself.

Part of my family heritage is the story of how my great-grandfather Stephen Mack Covey started the Little America hotel chain. While working as a sheepherder in the 1890s, he got caught in a blizzard one winter night in the middle of Wyoming. As the storm raged, the effects of the 50-mile-per-hour winds and below-zero temperatures became so intense that he genuinely thought he wasn’t going to survive. As he hunkered down, he made a commitment to himself and to God that if he made it through the night, he would build a shelter for others right there in that obscure, unpopulated location as a symbol of his gratitude.

Well, he did make it through the night, and although it took some time, he eventually built that “shelter” out there in the middle of nowhere. Today, there’s only a gas station and the sprawling Little America Motel. But the town of Little America, Wyoming, now has its own place on the map, and it has become a popular tourist stop. It also became the foundation of an extraordinary business career. Before he died, my great-grandfather had established several strong regional businesses, including hotels, apartments, petroleum interests, and financial services.

Now, I’m sure it would have been easy for someone in my great-grandfather’s situation to say, “It would be ridiculous to build a motel out here in the middle of nowhere!” Nobody knew about that commitment except my great-grandfather and God. But Stephen Mack Covey had made a serious commitment to himself, and he kept it. And the power of his keeping that commitment has had a profound impact on all of his descendants, including me.

The more experience I’ve had, both personally and professionally, the more convinced I have become of the importance of making and keeping commitments to ourselves. These can be big commitments, like my great-grandfather’s, or they can be small commitments, even very small commitments, such as getting up when the alarm clock goes off, not overeating, or speaking respectfully to others, even when provoked to do otherwise. Every time we make and keep a commitment to ourselves—large or small—we increase our self-confidence. We build our reserves. We enlarge our capacity to make and keep greater commitments, both to ourselves and to others.

As you consider how you might step up your ability to make and keep commitments to yourself, let me suggest a few important things to keep in mind:

First, don’t make too many commitments. If you do, you’re setting yourself up for failure. Differentiate between a goal, a direction, a focus, and an actual commitment. When you make a commitment to yourself, do so with the clear understanding that you’re pledging your integrity.

Second, treat a commitment you make to yourself with as much respect as you do the commitments you make to others. Whether it’s a commitment of time (an appointment with yourself to exercise or read or sleep) or a commitment to prioritize your energy and focus, treat it—and yourself—with respect.



Third, don't make commitments impulsively. I learned this lesson the hard way one time when we were having a family discussion about health. It was around New Year's, and as we were talking, we decided that we all needed to drink more water instead of soda pop. I started to really get caught up in the spirit of improvement, and—filled with bravado (but no humility)—I said, "I'll tell you what I am going to do. I am going to make a commitment to myself to drink nothing but water for this entire year! No soda, no juices—nothing but water!" Well, that was foolish and I lived to regret it. I kept the commitment, but it was hard. Out of the experience, I learned to be careful about making commitments and to make sure they were made out of humility, and not pride.

Finally, understand that when keeping your commitment becomes hard, you have two choices: You can change your behavior to match your commitment, or you can lower your values to match your behavior. One choice will strengthen your integrity; the other will diminish it and erode your confidence in your ability to make and keep commitments in the future. In addition, that shift in direction with regard to values—even if it's slight—will create a change in trajectory that will create a far more significant difference in destination down the road.

So I encourage you to learn to make and keep commitments to yourself with wisdom. There is no faster way to build self trust.

## **2. Stand for Something**

*Be valued and principle based. Know what you stand for, and live by those standards.*

—GEORGE FISCHER, CHAIRMAN, EASTMAN KODAK

The chairman and CEO of American Express, Ken Chenault, has created a book for all employees called *Next Chapter (A Guide to the New American Express)*. This book provides an outline of where the company is going in the future and how it plans to get there. One of the key tenets reads as follows:

***Stand for Something.*** *Some value(s) can't be quantified. Success at any cost isn't the point. It's winning the right way that matters.... We also must consistently prove through our actions that we stand for the right things—customer commitment, quality, integrity, teamwork, respect for people, good citizenship, a will to win, personal accountability and so much more.*

If you're going to have integrity—or integratedness—you have to have a core, something to which you must be true. You can't work from the inside out if you don't even know what's inside. So you need to have a center. You need to have identified values. You need to know what you stand for and you need to stand for it, so that others know, too.

*To believe in something, and not to live it, is dishonest.*

—MAHATMA GANDHI

A great example of integrity, both in keeping a commitment and in standing for something, is Jon Huntsman, chairman of Huntsman Chemical. As he relates in his book, *Winners Never Cheat*, following lengthy negotiations, Huntsman agreed to sell 40 percent of a division of his company to Great Lakes Chemical. A simple handshake with Emerson Kampen, chairman and CEO of Great Lakes, sealed the \$54 million deal.

However, Great Lakes dragged their feet in preparing the written agreement. In the six and a half months it took them to get the deal down on paper, the price of raw materials had decreased substantially, Huntsman profits had tripled, and Huntsman margins had reached an all-time high. Forty percent of the division had increased in value from \$54 million to \$250 million.

With the deal not yet signed, Kampen called Huntsman and said that while he didn't feel he should pay the full difference in value, he thought it was only fair that he should pay half. So he offered to split the difference. But Huntsman said no; they had shaken hands and agreed on \$54 million and he would stick to that price.

Kampen said, "But that's not fair to you!"

Huntsman's response was, "You negotiate for your company, Emerson, and let me negotiate for mine."

Kampen was so impressed with this display of integrity that, even though he and Huntsman were never personally close, he prearranged for Huntsman to be one of two people to speak at his funeral.

Obviously, Jon Huntsman stood for something. As he said in writing about this experience, “Even though I could have forced Great Lakes to pay an extra \$200 million for that 40 percent ownership stake in my company, I never had to wrestle with my conscience or to look over my shoulder. My word was my bond.”

Jon Huntsman knew what was important to him. His values were clear. He didn’t have to struggle when circumstances challenged those values. And clearly, standing for his values inspired trust.

*It’s not hard to make decisions when you know what your values are.*

—ROY DISNEY, FORMER VICE CHAIRMAN, WALT DISNEY COMPANY

An excellent way to identify the values you want to stand for is to go through some kind of purpose- or values-clarification process. I have found nothing more valuable than the creation of a mission statement or credo, whether it be personal, family, or organizational. Creating an expression of what you stand for—and living by it—will pay great dividends in helping you become credible and trusted.

*Who you are, what your values are, what you stand for... They are your anchor, your north star. You won’t find them in a book. You’ll find them in your soul.*

—ANNE MULCAHY, CHAIRMAN AND CEO, XEROX

### **3. Be Open**

You’ve probably been around people you consider close-minded or arrogant—people who don’t really listen to you because they think there’s nothing you could say they don’t already know; people who refuse to consider new ways of looking at things because they are convinced that theirs is the only accurate way of thinking; people who will stare truth in the face and reject

it because they're not willing to accept the possibility that there is some reality, some principle out there, they weren't even aware of. How does that ego-invested attitude affect your ability to relate to these people? How does it affect your perception of their credibility? How does it affect your willingness to extend trust?

Openness is vital to integrity. It takes both humility and courage—humility to acknowledge that there are principles out there you may not currently be aware of, and courage to follow them once you discover them. Throughout history, most paradigm shifts in science have been shifts from traditional thinking—shifts that took this kind of humility and courage.

A good way to increase integrity, then, is to work on being open. Consider Anwar Sadat, who served as the third president of Egypt from 1970 until his assassination in 1981. Raised in a culture and leading the government of one nation among many that were strongly anti-Israeli, Sadat nevertheless demonstrated openness when the voice of conscience urged him to pursue peace. Despite the outrage of his Arab neighbors, he drew upon a lesson he had learned earlier in life as he sat in a cell in the Cairo Central Prison: “[H]e who cannot change the very fabric of his thought will never be able to change reality, and will never, therefore, make any progress.” He traveled to Israel, met with Israeli Prime Minister Menachem Begin, and spoke to the Knesset. He subsequently traveled to the United States and met with Begin and then U.S. President Jimmy Carter. Their discussions led to the Camp David Accords, for which both Begin and Sadat received the Nobel Peace Prize.

A few years ago, both my father and I had the privilege of having lunch with Sadat's widow, Jehan, and then hearing her speak. What I remember best about her description of her husband's experience was his willingness to be open and to relearn what he thought he had already known.

People like Anwar Sadat or South Africa's Nelson Mandela or Mikhail Gorbachev of the former Soviet Union play out on the main stage of human drama the same theme we see repeated in our own interactions with coworkers, family members, and friends. To be open inspires credibility and trust; to be closed fosters suspicion and mistrust.

As you evaluate your own openness, you might ask yourself:

- Do I believe that the way I see the world is totally accurate and complete—or am I honestly willing to listen to and consider new viewpoints and ideas?
- Do I seriously consider differing points of view (from a boss, direct report, team member, spouse, or child), and am I willing to be influenced by them?
- Do I believe there may be principles that I have not yet discovered? Am I determined to live in harmony with them, even if it means developing new thinking patterns and habits?
- Do I value—and am I involved in—continual learning?

To the degree to which you remain open to new ideas, possibilities, and growth, you create a trust dividend; to the degree you do not, you create a trust tax that impacts both your current and future performance.

## **The Impact on Speed and Cost**

*Greed destroys wealth. Trust and integrity, by contrast, foster prosperity.*

—PATRICIA ABURDENE, AUTHOR OF *MEGATRENDS 2010*

These three “accelerators”—make and keep commitments to yourself, stand for something, and be open—will help you increase your integrity. They will also increase the speed and decrease the cost with which you do the important things in your life—every time!

The greater your integrity—the more honest, congruent, humble, and courageous you are—the more credibility you will have and the more trust you will inspire. The more you will be able to transform trust taxes into trust dividends in every dimension of your life.

## Core 2—Intent

### *What's Your Agenda?*

*In law, a man is guilty when he violates the rights of another. In ethics, he is guilty if he only thinks of doing so.*

—IMMANUEL KANT

I hope my parents will forgive me for sharing a rather funny story about them, but it really does help me make the point.

One day this past winter, my dad and mom (whom I'll refer to by name—Stephen and Sandra) were returning from their cabin in Montana. They were extremely tired, as they had spent the morning snowmobiling with young family members. Stephen felt he was too tired to drive, so Sandra took the wheel while he lay down in the backseat of the car and instantly fell asleep.

After a couple of hours, Sandra could barely keep her eyes open, so she pulled to the side of the freeway and woke Stephen, saying she couldn't wait to crawl into the backseat and have her turn to sleep. They opened the car doors and got out to make the switch. Stephen slipped into the driver's seat, and as Sandra was about to shut his door and go to the back, she suddenly remembered that their new car had a special feature that allowed people to raise or lower the chassis for convenience. Because of her bad knee, she said to Stephen, "Please lower the car so I can get in easier," and she slammed the doors so he could do it.

Almost immediately, Sandra was surprised to see the car begin to quickly move forward. Thinking Stephen was pretending to leave her (which was a logical conclusion, given his sense of humor), she started chasing after the car. Suddenly, the car sped up, and she was left standing on the side of the freeway all alone.

As it was winter and she didn't have a coat on and was in her stocking feet, Sandra thought this was not the right time for a joke, and Stephen was really going to get it when he came back! But after ten minutes of standing alone on the freeway freezing, she finally came to the conclusion that Stephen must have thought she had gotten into the car and was asleep in the backseat!

Apparently, Stephen never heard Sandra ask for the car to be lowered, and when he heard the back door slam, he assumed she was in. Knowing how exhausted she was, he thought that she had instantly fallen asleep among the cozy blankets and pillows. Since Sandra liked to make a lot of stops for restroom breaks and snacks, Stephen thought if he remained really quiet, she might just sleep the whole way and he could make good time getting home.

As luck would have it, a man in another car had seen Stephen drive off and leave Sandra, and he saw her chase the car down the freeway. Doing what he thought was his civic duty, he called the highway patrol and reported that he had just seen a man abandon a woman on the side of the road.

Soon, a patrol car pulled up to Sandra, and the patrolman asked Sandra what had happened.

"My husband left me here, but I don't think he knows," she said.

Suspecting potential domestic abuse, he asked, "Did you have a fight, ma'am? Why would he leave you and drive off?"

"I'm sure he thinks I'm in the backseat asleep."

"He thinks you're in the backseat of his car? Don't you think it's strange that he wouldn't notice you weren't there?"

"No, I'm sure he thinks I'm sound asleep."

"What's your name?"

"Sandra Covey."

There was a long pause. "Are you any relation to Stephen Covey, the author? I had a class from him once!"

"He's the one who left me!"

As Sandra and the patrolman continued to talk, Sandra remembered Stephen had a cell phone with him, so they called him.

"Mr. Covey, this is the highway patrol. You need to pull over immediately, and I need to know your exact location."

Confused as to how the highway patrol had his cell phone number, and wondering if he was speeding, he said, “All right, officer. I think I’m somewhere by Idaho Falls, but I don’t know exactly because I’ve been asleep. My wife has been driving up until about 10 or 15 minutes ago. I’ll ask her where we are.”

Then he yelled toward the backseat, “Sandra! Sandra! Wake up! There’s a highway patrolman on the phone and he wants to know our exact location.”

“Mr. Covey! Mr. Covey!” the patrolman said loudly into the phone. “Your wife isn’t there.”

“She’s just asleep in the backseat,” Stephen replied impatiently. “Wait! I’ll pull over and wake her up.” So Stephen pulled over and looked in the backseat. Then he began frantically searching through the blankets and pillows. Sandra wasn’t there!

“My wife is missing!” he exclaimed.

“She’s in the car with me!” the patrolman replied.

“With you? Well, how did she get there?”

“You left her on the side of the road a while ago.”

“What?” he said incredulously. “You mean she didn’t get in? Oh, I can’t believe it! I wondered why she was so quiet!”

Well, the patrol car finally found Stephen and they all had a good laugh as they pieced together what happened. Stephen said, “My kids just won’t believe this one.”

The patrolman said, “That’s nothing! Wait until I tell the guys down at the department. It’s a classic!”

## **The Importance of Intent**

Now here’s a question for you: If you’d seen all this going on, what would you have thought was Stephen’s *sintent* ?

At first, Sandra assumed his intent was to play a joke by pretending to leave her. Why? Because he has quite a sense of humor and he’s done many things like that before. Once she realized what had happened, however, she assumed Stephen had not known she was not in the car, and that his intent in not trying to interact with her was to let her sleep. Why? Because she



knew his character. She knew he cared about her, would want her to rest, and would never consciously leave her in that situation.

The man who phoned the highway patrol, on the other hand, didn't know Stephen's character, and he evidently assumed Stephen's intent was to abandon Sandra. Why? Who knows? Maybe he'd had experience with abandonment in his own life. Or maybe he had been sensitized to the possibility (as most of us have) by our social culture of increasing abandonment and abuse.

The highway patrolman also didn't know Stephen's character, and at first, he assumed there was some kind of bad intent involved. Why? Likely because he had seen a lot of domestic abuse in his profession, and his experience created the lens through which he initially viewed the events.

What was Stephen's real intent? Obviously, there was *no* intent to leave Sandra freezing at the side of the road. I'd like to say that his whole intent in not trying to talk to her was to give her the chance to get a good rest. But, as he himself admitted, he also really wanted to get home as quickly as possible, and he knew she would want to stop along the way if she were awake.

This whole experience brings up some of the important issues we're dealing with when we talk about intent:

- Intent matters.
- It grows out of character.
- While we tend to judge ourselves by our intent, we tend to judge others by their behavior.
- We also tend to judge others' intent based on our own paradigms and experience.
- Our perception of intent has a huge impact on trust.
- People often distrust us because of the conclusions they draw about what we do.
- It is important for us to actively influence the conclusions others draw by "declaring our intent."

## **The Impact of Intent on Trust**

The World Economic Forum does an annual worldwide study comparing the amount of trust people have in various institutions, including national governments, global companies, and large local companies. Can you guess who has come out on top every year since the survey began? It's the NGOs—those private national and international not-for-profit “Non-Governmental Organizations” involved in addressing societal issues such as health, human rights, poverty, and the environment.

In surveys comparing trust levels in various professions, can you guess who consistently comes out dead last? It's the politicians.

So what's the difference? Why is our trust in NGOs so high and our trust in politicians so low? Think about the 4 Cores of Credibility. For the most part, both NGOs and politicians have strong capabilities. Both have established track records of results. To some extent, integrity may be more of an issue for politicians (or political opponents or the media may try to ascribe problems to integrity issues).

I contend that, by far, the primary differentiator between our perceptions of NGOs and politicians is a matter of *intent*—either the real intent or the assumed or ascribed intent of those involved. What is their motive or agenda? Do they really care about what's best for everyone involved? Or are they primarily interested in political power, party politics, their own ego, or in what they can get out of it for themselves?

With NGOs, the motives are generally honorable and clear; the agenda is to add value to a specific, beneficial purpose or mission. With politicians, however, intent is often seen as doing what is best for the politician or for the party, but not necessarily for the whole.

The impact of intent issues on trust is dramatic. Some time ago, a translator for CNN mistranslated one word in a speech given by President Mahmoud Ahmadinejad of Iran. Instead of developing “*nuclear technology*,” President Ahmadinejad was reported to have talked about developing “*nuclear weapons*.” In the already highly charged political environment surrounding Iran's nuclear interests, CNN was immediately thrown out of Iran. Hossein Shariatmadari, chief editor of the *Kayhan* newspaper, said, “*The distortion was deliberate with the aim of preventing the impact of the president's comments on the public opinion.*”

Notice the immediate focus on and ascription of motive or intent...and the result. Following a public apology, CNN was allowed back into Iran.

But in this instance—and in dozens of interactions each day, if we have eyes to see—the dramatic impact of intent issues becomes blazingly apparent.

Going back to our “expert witness” metaphor, one of the focal efforts of the opposition would be to discredit a witness based on intent: Why would this person be giving this testimony? What is she going to get out of it? Is there a conflict of interest? Is she getting paid by the company she’s testifying for? If the opposition can give any cause to suspect intent, the witness’s testimony will be tainted.

The intent focus becomes an even more important issue—in fact, a pivotal issue—for the person who is on trial. “What motive might this person have for committing this crime?” In most trials, intent, or motive, is a major determining factor.

As illustrated in the tree metaphor, intent is represented by the trunk—partly unseen underground, partly visible above. While our motives and agendas are deep inside in our own hearts and minds, they become visible to others through our behaviors and as we share them with others.

Like each of the other cores, intent is vital to trust. A person with integrity, capability, and results—but poor intent—would be someone who is honest and has capabilities and results, but whose motive is suspect. Maybe he/she wants to win, even at the expense of others. And others can sense that, and thus feel that they can’t fully extend trust. On the other hand, a person of good intent without the other three cores (integrity, capability, and results) would be a caring person who is dishonest or cowardly with no developed talents or skills and no track record. Again, all 4 Cores are vital.

As we prepare to explore the issue of intent, you may want to ask yourself questions such as the following:

- How often do I discount (or “tax”) what someone says because I am suspicious about that person’s intent?
- What kind of tax is my organization paying because employees don’t trust management’s intent? What is the impact on speed and cost?
- What kind of tax are we paying as a team because we are suspicious of one another’s motives?

- What kind of tax am I paying because people question my own intent?
- What can I do to improve and better communicate my intent?

Questions such as these will help you prepare your mind and heart as we look at what constitutes intent and how we can improve it.

## What is “Intent”?

In the dictionary, intent is defined as “plan” or “purpose.” I am convinced that no discussion of intent would be complete without talking about three things: motive, agenda, and behavior.

**Motive.** Motive is your reason for doing something. It’s the “why” that motivates the “what.”

*The motive that inspires the greatest trust is genuine caring—caring about people, caring about purposes, caring about the quality of what you do, caring about society as a whole. Think about it: Are you going to trust someone who could really care less about you...or about work...or about principles, or values, or anyone or anything else?*

*People just want to know that somebody knows, and cares.*

—DENNIS P. LE STRANGE, FORMER SENIOR VICE PRESIDENT, IKON  
OFFICE SOLUTIONS

The trust we have in people and in organizations comes, in part, from believing that they do care. I remember as a child when my parents had to discipline me for one infraction or another, they always did it with love. I didn’t like the discipline. Often I resented it. But there was never a question in my mind or heart that my parents were doing it because they cared. I always knew that I could trust their love for me.

Companies worldwide recognize the importance of caring. How many advertisements do you see that communicate—either in words or through visual image association—messages such as these: “We care about you.”

“We care about quality.” “We care about the environment.” “We care about our communities and making a positive difference.” Companies hope that by communicating this image of caring, you will have trust in and buy their services and products.

Much has been written recently about how caring actually leads to better performance. Works such as *The Art of Caring Leadership* and *Contented Cows Give Better Milk* clearly validate the strong connection between concern for others and performance. Yahoo executive Tim Sanders writes about the impact of caring in very practical terms in *Love Is the Killer App*, in which he shows how caring and compassion for others can be translated into specific behaviors that constitute a better way of doing business for all. I maintain that this undeniable connection between caring and performance exists because caring and concern engender trust.

Clearly, motive matters, and the motive of caring will do more than anything else to build credibility and trust. But what if you genuinely don’t care? What if your real motive is profit or accumulation or recognition—period? What if you really don’t care about customers or employees? Should you try to convince them that you do?

If you really don’t care—and you don’t want to care—that’s fine. But you need to understand that *you will pay a tax because of it!* Whatever you say or do will take more time and it will cost more because you will not gain the credibility and trust that come from caring. You may think you’re already getting good results, but you need to ask yourself a bigger question: What am I leaving on the table?

You also need to understand that if you act like you care when you really don’t, ultimately—if not immediately—you will have a “comeuppance” and the tax will be even greater. In fact, there are few trust taxes that are higher than those attached to duplicity, particularly regarding motive.

*The only thing worse than a coach or CEO who doesn’t care about his people is one who pretends to care. People can spot a phony every time. They know he doesn’t care about them, and worse, his act insults their intelligence.*

—JIMMY JOHNSON, FORMER COACH DALLAS COWBOYS  
AND MIAMI DOLPHINS

So if you really don't care—and you have no intent to change—you're generally much better off being transparent about it and simply recognizing that you're paying a tax because of it. However, if you don't care now, but *you sincerely desire to care*, there are definitely things you can do to elevate your motive, to improve your intent. I will address this issue in the last part of this chapter.

**Agenda.** Agenda grows out of motive. It's what you intend to do or promote because of your motive.

*The agenda that generally inspires the greatest trust is seeking mutual benefit—genuinely wanting what's best for everyone involved. It's not just that you care about others; you also genuinely want them to win. Yes, you're seeking a win for yourself; that's natural, desirable, and to be expected. But you're also seeking a win for all others involved. You recognize that life is interdependent, so you seek out solutions that build trust and benefit all.*

*Having spent many years trying to define the essentials of trust, I arrived at the position that if two people could say two things to each other and mean them, then there was the basis for real trust. The two things were “I mean you no harm” and “I seek your greatest good.”*

—JIM MEEHAN, BRITISH PSYCHOLOGIST AND POET

The opposite of a mutual benefit agenda is a self-serving agenda: “I want to win—period.” If that's your agenda, you might get results. But you need to ask yourself: Are these the best possible results I could be getting? And: Are these results sustainable over time? The answer to both of these questions is “no.” Sooner or later, you will pay a huge tax. And your approach will not be sustainable. Instead of building bridges of credibility and trust, you're creating roadblocks of suspicion and distrust.

Let me share with you the experience of Shea Homes—an outstanding example of the dividends that come from a genuine mutual benefit agenda. In the construction industry, which is typically very “win/lose” and adversarial between contractors and subcontractors, Shea Homes decided to create a different model. Among the many steps they took, they renamed

their subs as “trade partners” and opened their financials to them on shared projects. They were transparent. Their operating premise was, “We want to win, but we want you to win, too. And together, we can better help our customers win. So how can we make this work?”

The difference between this and the traditional adversarial approach was like night and day. And the results they achieved reflected an enormous trust dividend on nearly every measure: the number of days it took them to build homes went down, costs went down, quality errors decreased, customer satisfaction increased, and referrals from customers increased. They made more money. Their partners made more money. Their customers were happier. Everybody won.

The Shea Homes example clearly shows the impact of a mutual benefit agenda on trust. It also shows the power of having an agenda that is *open* as opposed to *hidden* or *closed*. You’ve probably been in dozens, if not hundreds, of meetings or interactions where you felt that people were not being up-front with you about what they really wanted or were trying to accomplish—in other words, they were operating with hidden agendas. Most likely, these agendas were recognizable to you to one degree or another, and they made you feel suspicious, wary, guarded, and uncomfortable. Think about the tax that was being paid as a result. Think about the impact on speed and cost. Think about the dividend everyone could have enjoyed instead had there been no concern about veiled motives or disguised intent—if all agendas had been out in the open, and particularly if the main agenda had been to do what was genuinely best for all involved.

**Behavior.** Typically, behavior is the manifestation of motive and agenda. *The behavior that best creates credibility and inspires trust is acting in the best interest of others.* When we do so, we clearly demonstrate the intent of caring and the agenda of seeking mutual benefit. And this is where the rubber meets the road. It’s easy to say “I care” and “I want you to win,” but it is our actual behavior that demonstrates whether or not we mean it.

*I feel that you have to be with your employees through all their difficulties, that you have to be interested in them personally. I want them to know that Southwest will always be there for them.*

An excellent example of behaving in a way that demonstrates caring and inspires trust is Howard Shultz, founder and chairman of Starbucks. In 1997, three Starbucks employees were murdered during a robbery attempt at one of the Starbucks stores in Washington, D.C. On hearing about it, Howard Shultz immediately chartered a plane to D.C. He spent an entire week there, working with the police, consoling the victims' families, and meeting with employees. He attended the funerals. But then he went well beyond what might be expected by announcing that he was going to devote all future profits from the store to "organizations working for victims' rights and violence prevention."

By demonstrating such deep caring and concern for these three employees and their families, Howard Shultz demonstrated care and concern for the thousands of Starbucks employees and their families. And they felt it. There was no doubt in anybody's mind that he cared. They thought, "Wow, if he would do this for these people and their families, he would do that for me. I'm proud to work for this company."

Putting a positive twist on the mafia creed—"Punish one, teach a hundred"—Shultz demonstrated that in showing profound concern for the few, you teach an entire company. And those who worked for the company extended the caring they felt to the way in which they treated their customers, resulting in what Schultz has called "a higher-quality employee, an employee that cares more." This is one of the reasons why Starbucks has such a great culture, performs well, and has been named as one of the 100 Best Companies to Work for in America.

Unfortunately, this outstanding example is not the norm. In many organizations, the message communicated by behavior is not "We care"; it's "You're expendable, replaceable. What we care about is profit." In fact, research shows that:

- Only 29% of employees believe that management cares about them developing their skills.
- Only 42% believe that management cares about them at all.



What kind of impact is that having on trust and on the speed and cost required in these organizations to get things done?

Acting in the best interest of others is a behavior that typically flows out of a caring motive and an agenda of mutual benefit. However, there are times when observable behavior that communicates one message is, in reality, an act of duplicity or deceit. It's the "I care about you" show of an "I really could care less about you, but I want to project the image of caring" person. Don't forget that *the real behavior here is deceit*, and this is what will almost always come across in the end. The show is not sustainable, and the resulting devastation to one's credibility—and ultimately to trust—is immense.

## **The Trustee Standard**

When we believe people truly are acting in our best interest, we tend to trust them. When we believe that they are not acting in our best interest, we do not trust them.

It's that simple.

Think about the word "trustee." A "trustee" is someone who is given legal authority to manage money or property on behalf of someone else. The fiduciary standard is that a trustee will act in the "best interest" of the person he/she represents. The very word "trustee" communicates the idea that this person is "entrusted" to do so. This is what I call the "trustee standard": acting in the best interest of others.

Think about the whole issue of unionism. Unions are a reality in much of organizational life worldwide and aren't necessarily bad. They represent good people and are often found in great companies such as Southwest, Toyota, and Saturn.

But the fundamental reason most unions are formed (particularly in the U.S.) is that employee groups *do not* trust that management will act in their best interests. In other words, employees feel they need to organize to act in their own best interests because management will not. Thus, unionism itself is typically a fruit of distrust, coming from a perceived violation of the trustee standard.

*I think every good company has got to have...a partnership relationship, really, with their employees. You have got to work in their best interest...and eventually it will come back to the company.*

—SAM WALTON, FOUNDER, WAL-MART AND SAM'S CLUB

## **Bad Execution of Good Intent**

It's important to keep in mind that sometimes, unfortunately, poor behavior turns out to be bad execution of good intent. That certainly was the case when my father left my mother stranded alone on the highway! His intent was good, but his execution was poor.

It's also good to keep in mind that people typically judge us—and we judge them—based on observable behavior. Thus, we need to do all we can to ensure that our behavior accurately reflects our true motives and agendas.

Also, we need to be careful how we judge others. I have a friend who constantly ascribes negative motives to drivers who exhibit what he considers inappropriate behavior (such as cutting him off) when he's on the road. His wife always comes up with other possibilities: "Well, maybe he has to get to the hospital" or "Maybe he's late to pick up his little daughter" or "Maybe his dog died." As Scottish author J. M. Barrie said, "Never ascribe to an opponent [or I would say to anyone] motives meaner than your own."

I would also say to be careful to not interpret the intent of others by projecting your own intent onto their behavior—and also to realize that often others may be interpreting your intent in this way. As your experience will undoubtedly tell you (and as I discovered deeply and personally through the FranklinCovey merger experience a few years ago), none of us likes to have bad motives unfairly attributed to our behavior. Again, we tend to judge others based on their behavior, and ourselves based on our intent. In almost all situations, we would do well to recognize the possibility—even probability—of good intent in others...sometimes despite their observable behavior.

In choosing to look beyond the behavior of others (especially teenage children or troubled coworkers) and affirming our belief in them and in

their positive intent, we lift them. Our own behavior in doing so gives expression to our higher motives and caring intent.

## **How to Improve Intent**

Fundamentally, intent is a matter of the heart. It's something you can't fake—at least not for long. But it is something you can definitely work on and improve.

Some people genuinely have poor intent. Though they may not be aware of it or even admit it, deep inside they seek their own profit, position, or possessions above people, above principle, above everything else.

Others have good intent—they sincerely want to do what's right and seek the welfare of others—but their expression or execution of intent is poor.

Though we may not realize it, most of us deal with at least some degree of challenge in both of these areas. If we're really honest, we have to admit that sometimes our motives are not completely pure. Sometimes we approach situations with hidden agendas—even tiny ones—that keep us from being appropriately transparent with others. Sometimes we manifest behaviors that don't demonstrate caring, openness, and concern. To whatever degree these challenges are part of our lives, we are being taxed, both personally and professionally.

The challenge, then, is to improve intent. So here are the top three accelerators I recommend to help you do it.

### **1. Examine and Refine Your Motives**

It's human tendency to assume we have good—or at least, justifiable—intent. At times, our intent genuinely is good; at other times, we rationalize (tell ourselves “rational lies”) in order to justify our intent to ourselves and to others. So how do we get down to the deepest level to really examine our motives, discover why we really do what we do, and change what needs to be changed?

One good way is to regularly ask soul-searching questions, such as the following:

- ***In an interaction with a child:***Are my actions motivated by genuine caring and love? Am I really seeking the best interests of this child? Am I humble enough to admit it if I am wrong? Or am I really trying to impose my will on this child?
- ***In an interaction with a spouse:***Am I sincerely listening to what my spouse has to say? Am I genuinely open to his/her influence? Do I understand where he/she is coming from? Or am I focused on explaining my point of view, being right, or getting my way?
- ***In an interaction with a work team:***Am I quick to see and acknowledge the contribution of every team member? Am I focused on a “win” for the entire team? Or am I primarily focused on my own “win”—on being the “hero,” on being recognized for my own ideas?
- ***In a business deal:***Do I genuinely want what’s best for us both? Do I really understand what constitutes a “win” for the other party? Have I clearly thought through and can I express what constitutes a “win” for me? Am I open to synergy and third alternatives? Or do I really want to “win,” regardless of what happens to the other party?

In my own life, the more I have interacted with others on every level of life—in my family, friendships, work, church, and community associations—the more I have come to realize the importance of regularly examining my motives. As I have had occasion to speak to groups in my church, for example, I have come to realize the value of constantly asking myself this question: Am I seeking to bless, or to impress? This helps me keep my purpose in mind and to speak with greater openness and integrity.

Another good way to examine your motives is to use an adaptation of the “five whys”—a simple problem-solving technique made popular in the 1970s by the Toyota Production System. Toyota’s idea was to start with the end problem and work backward through a series of “whys” until you get to the root cause. We have found this process works very well with self and others to discover real intent.

For example, suppose you're feeling undervalued, unappreciated, and generally upset about your current situation at work, and you set up a meeting with your boss to discuss it. Going through the "five whys" with yourself in advance could have a significant effect on the content of the meeting and on the outcome.

1. Why am I feeling unappreciated and undervalued?*Because I don't think the people around here see the good work I do.*
2. Why do I think they don't see the good work I do?*Because they seem to be totally focused on the new blood—the "rising stars."*
3. What makes me think they're focused on the rising stars?*The fact that Sarah got promoted last week—and it should have been me!*
4. Why do I think Sarah got promoted instead of me?*I don't know. Maybe that's what I really want to talk to my boss about.*
5. Why do I want to talk to the boss about it?*Well, I suppose my original intent was to vent and complain about Sarah's promotion. But I guess what I really want to understand is what I can do to add more value to the company so that I will be considered more seriously when future promotions come around.*

Generally, after "five whys," you're either down to the real intent or very close to it. Once you discover the real "why," you can decide whether you're satisfied with your intent or you want to change it. The key is simple: If your intent is based on principles (caring, contributing, seeking mutual benefit, acting in the best interest of others), it will bring you trust dividends; if it's not, you're going to be paying a tax.

So if you need to refine or elevate your intent, I suggest a few ideas:

First, make sure you have identified the principles that will bring the results you want.

Second, recognize that you may need help to create this deep inner change—and seek it. For some, this will involve searching out role models, reading biographies of caring people, or creating a mental/spiritual daily diet of the uplifting, caring thoughts expressed in the wisdom literature throughout the ages. It might include seeking help from caring mentors or through meditation and prayer. At the very least—and foundational to all

other help—rescripting will require the constant assistance of our own conscience. Listening and responding to that deep inner voice will lead us to higher motives and clearer intent.

Third, behave your way into the person you want to be. Behavior is not only the outgrowth of motive and agenda; it is also an important tool in improving intent. For example, if you're not now a person who cares much about others—but you have the desire to be—then act on that desire. Behave in caring ways. Do caring things. In the doing—with desire—we are re-created better than we were.

## **2. Declare Your Intent**

Recently a man asked me how he could properly communicate his company's strengths and results to prospective clients without coming across as being arrogant and bragging and turning them off in the process (which had been a problem). I told him, "Declare your intent. Let your clients know why you're sharing your strengths and results—that it's not to build yourself up; it's to gain their confidence that you have the abilities and track record to serve them well."

Declaring your intent and expressing your agenda and motives can be very powerful, particularly if your behavior is being misinterpreted or misconstrued by others. It's also valuable as a means of establishing trust in new relationships.

Doug Conant, CEO of Campbell Soup Company, recently told me that within the first hour of working with new coworkers or other business partners, he lets them know how he operates so that people can know what to expect. He tells them explicitly that his agenda includes building trust with them, and that he wants them to gain trust in him as they see him do what he says he will do. Additionally, Doug finds that declaring his intent not only builds trust, it also puts more accountability on him to be true to what he's said.

The main reason why declaring intent increases trust is that it "signals your behavior"—it lets people know what to look for so that they can recognize, understand, and acknowledge it when they see it. Their response, then, is much like what happens when someone buys a new car and then suddenly starts noticing the same kind of car everywhere on the road. It's

not that there are suddenly more of those cars on the road; it's that their awareness is enhanced.

One watch-out in declaring intent is to always be sure that you're being honest and real about it. To do otherwise is to come across as duplicitous and deplete trust. You also want to ensure that your intent is not merely self-serving. The very process of considering how to declare your intent will help you improve it.

### **3. Choose Abundance**

Abundance means that there is enough for everybody. The opposite—scarcity—says that there is only so much to go around, and if you get it, I won't. While scarcity may be a reality in some areas (such as competitive sports or forced grading curves), in most of the important things in life—such as love, success, energy, results, and trust—abundance is not only a reality, it is an attractor and generator of even more.

According to former New York University economist Paul Zane Pilzer, “economic alchemy” is derived from principles of abundance—not scarcity—and technology has liberated us from the zero-sum game of traditional economics into the new world of unlimited abundance.

The important thing to understand is this: *Abundance is a choice!*

I am personally convinced that, regardless of our economic status, abundance is a choice that each of us can make. It is not the exclusive domain of the well-to-do. I know wealthy individuals who are extremely scarcity-minded and much less fortunate people who are very abundance-minded.

*The measure of your life will not be in what you accumulate, but in what you give away.*

—DR. WAYNE DYER, AUTHOR, *THE POWER OF INTENTION*

In the previous chapter, I told you how Jon Huntsman (CEO of Huntsman Chemical) kept his word on a handshake deal, even though it cost him millions of dollars. Huntsman is one of the most abundant and philanthropic persons in the world. He is also one of the wealthiest persons

in the world (#198 on the Forbes 400 in 2005). But interestingly, he decided to be abundant and to share significantly with others when he was poor. Perhaps one of the reasons for his success was his decision—and behavior—to be abundant, even when he didn't have any economic reason to be. His son Peter, who now runs Huntsman Chemical, says, “Our whole goal is to make money faster than Dad can give it away.”

Abundance is a mind-set, a way of being and becoming. It is also a foundational element of improving intent, which will make us more credible—believable—with others.

So how do you create abundance?

First—as with the other accelerators in this chapter—I suggest that you examine your current thinking. Ask yourself:

- When I'm in the middle of a negotiation, do I really believe it's possible to come up with a solution that will provide benefit for us both—or deep down, do I believe that the other person can gain benefit only at my expense?
- When I'm in a meeting and ideas are being tossed around, do I really believe there's enough credit and recognition for everyone—or do I feel like someone is going to get it, and I want to make sure that someone is me?
- Do I believe that if I love other people, my own supply of love will be replenished—or diminished?
- Do I believe that there's room for other people to see things differently than I do...and still be right?
- Do I believe that, whatever my economic circumstances, I can share with and benefit others?

Questions such as these will help you explore whether you currently have an abundance or a scarcity mind-set. To whatever degree you do have scarcity thinking, recognizing it is the first step toward creating a mind-set of abundance.

Once again, great role models will help. Some excellent role models seem to come by abundance naturally. Mother Teresa devoted her entire life to lifting the less fortunate. At one point, entrepreneur Ted Turner pledged



one billion dollars, one-third of his net worth, to United Nations charities and then challenged other well-off people to do the same. In our own neighborhoods, many schoolteachers elevate the lives of our children through their skill, dedication, and belief in their students. And community volunteers give their time and energy to create and sustain literacy centers, youth sports programs, senior citizens events, and other projects that benefit many.

Some role models show us clearly that whatever our past experience—even if it includes a painful and unfair childhood—we can rescript ourselves to create abundance in our lives and in the lives of others. Consider Oprah Winfrey, who was raised in rural Mississippi by her grandparents and abused by a relative as a youth. She chose to reframe her circumstances and rise above them. As she put it:

*I don't think of myself as a poor deprived ghetto girl who made good. I think of myself as somebody who from an early age knew I was responsible for myself, and I had to make good.*

From her first media job where she earned \$100 a week, Oprah created abundance for herself and for others, and she has become one of the wealthiest, most influential, and most generous people of our time. Her generosity is evidenced by her support of causes and charities too numerous to mention, including her own Angel Network and her personal service in South Africa. Years ago—despite a temporary drop in ratings—Oprah transformed the very nature of her show from a generic “talk show” into one that makes an enormous positive difference. A few years ago, after wrestling with whether to continue her show, she ended a particularly inspiring show with the comment, “Now that is worth staying on the air for.”

As noted psychologist and author Dr. Laura Schlessinger observes in her book *Bad Childhood—Good Life: How to Blossom and Thrive in Spite of an Unhappy Childhood*:

*You should not be satisfied with being a victim, nor with being a survivor. You should aim to be a conqueror. There is an extraordinary*

*quality of spirit that leads one to aspire to conquering rather than surviving. I hope you discover that spirit in yourself.*

Role models, insightful thought leaders, and practitioners such as these serve as powerful reminders that we can do something about even the very deep, personal, character-based issues that impact our credibility. And remember, credibility is the prerequisite for trust.

We can increase our integrity. We can improve our intent. And we can likely do it faster than we imagine.

## Core 3—Capabilities

### *Are You Relevant?*

*[People] of capability inspire us.*

—SAMAVEDA (SACRED HINDU TEXT)

In this chapter, we move from the cores of credibility that focus on character to those that focus on competence. The first dimension of competence is *capabilities* —the talents, skills, knowledge, capacities, and abilities we have that enable us to perform with excellence.

Going back to the metaphor of the tree, capabilities are the branches that produce the fruits or results. With regard to our example of the expert witness, capabilities are a glaring necessity. Who would even begin to pay attention to the testimony of an “expert” who had no capability in her supposed area of expertise?

My father tells of an experience he had some years ago making a presentation to generals in the air force of a small country. He asked one of the generals about the effectiveness of their 360-degree feedback process where the pilots rated one another’s capabilities. He wanted to know how they kept it from becoming a “you scratch my back, I’ll scratch yours” situation in which pilots would praise one another’s capabilities so that both could get promoted. Evidently, the general was completely taken aback by the question. In essence, he said, “Don’t you realize that we are surrounded by our enemies on every side, and our very survival as a nation depends upon our skill? No one would even think of misrepresenting the capabilities of anyone on this force.”

As this experience clearly shows, capabilities are vital to creating credibility—both personally and organizationally. Our capabilities inspire the trust of others, particularly when they are specifically those needed for

the task at hand. Our capabilities also give us the self-confidence that we can do what needs to be done.

Think about the difference between a child who has learned to play a musical instrument or excel in sports or drama or some area of academics, compared to one who has essentially wasted his time. Think about the difference in the confidence and discipline he has—not only that he can do what he has learned to do well, but also in his ability to learn and do other things in life. As he reaches his teenage years and applies for a job, think of the confidence potential employers will have in him. Even if the job doesn't require his currently developed talents or skills, employers will recognize his desire and ability to develop skills as demonstrated by his past. As he moves on into higher education, family, career, and contribution, his capabilities—and the desire and ability to develop his capabilities—will be a huge trust builder and will have a dramatic, positive impact throughout his life.

Capable people are credible. They inspire trust. It's that simple. You can have the other three cores—you can have integrity and good intent, and you can have even produced good results in the past. But at the end of the day—especially in this rapidly changing knowledge worker economy—if you don't have current capabilities, if you are not relevant, you will not have credibility. You'll be taxed. You won't get the dividends of trust.

An example of someone who has the other three cores—but not capabilities—would be someone who is honest and caring and produces the results necessary to be promoted to a new level of responsibility that he doesn't have the competence to handle. This is the Peter Principle in action—of promoting people to the level of their incompetence. If he simply relies on the skills that got him to where he is—if he isn't involved in constantly learning, growing, and developing new skills—he won't have what's necessary to succeed in his new situation. He's like a family doctor who is asked to perform brain surgery; he may be very competent in the practice of family medicine, but he doesn't have what it takes to perform with excellence in his new assignment.

On the flip side, you could have enormous capabilities, but be lacking in integrity, intent, or results. For instance, you might have tremendous potential but never become able to translate it into results, so it remains just that—potential. Or you might use your great intelligence and skill to accomplish unworthy goals or to accomplish goals through unworthy

means. To sever capacities from their character roots is to engage in corruption and manipulation. It won't build credibility; it will destroy trust.

Again, all four cores are vital. And capabilities are particularly essential in today's changing economy, where technology and globalization are outdating skill-sets faster than ever before. The half-life of our current knowledge and skills is much shorter than it has ever been, and suddenly someone who was very competent and even had a great track record in yesterday's world may no longer be competent in today's world.\*

*Left untended, knowledge and skill, like all assets, depreciate in value  
—surprisingly quickly.*

—DAVID MAISTER, BUSINESS AUTHOR AND CONSULTANT

The main message here for both individuals and organizations is that to remain credible in today's world, we need to constantly improve our capabilities. I have one colleague who maintains that it's vital to "reinvent yourself" every three years to significantly upgrade your skill-set and knowledge so that you can remain relevant and able to make new contributions in a world of constant change. This three-year reinvention may be important for organizations, as well. As the American Express *Next Chapter* book asserts, "Reinvention is the key to longevity." This is probably never more vital than in today's changing global economy, where new competitors often emerge from a standing start and technology can make a once-successful strategy obsolete overnight.

As you prepare to consider Core 3—Capabilities, you might want to ask yourself:

- What capabilities do I have that make me credible and that inspire the trust and confidence of others?
- What experience have I had (or not had) in developing capabilities that affects the confidence I have in myself?
- What impact are factors such as technology and globalization having on the relevance of my current capabilities?
- What is my attitude and approach toward improving my current capabilities and gaining new ones?

In the first part of this chapter, we'll take a look at what we'll call our "technical abilities"—those skills that are specific to our job or situation or particular task at hand. In the last part, we'll focus on the one capability that is vital in every situation—the ability to establish, grow, extend, and restore trust, which I refer to as "trust abilities."

## Tasks

One way to think about the various dimensions of capabilities is to use the acronym "TASKS."

Talents  
Attitudes  
Skills  
Knowledge  
Style

*Talents* are our natural gifts and strengths. *Attitudes* represent our paradigms—our ways of seeing, as well as our ways of being. *Skills* are our proficiencies, the things we can do well. *Knowledge* represents our learning, insight, understanding, and awareness. *Style* represents our unique approach and personality.

These are all parts of what we call our capabilities. They are our means to produce results. By breaking them down into these components, we are able to more fully explore them, both independently and interdependently.

Here are some questions to consider:

**TALENTS:** What are my unique strengths or talents? What is the highest and best use of my talents? How can I better maximize the talents I have? What talents might I have that I have not yet developed?

*True happiness involves the full use of one's power and talents.*

“Talents” are those things that come to us naturally. I have one colleague who has a talent for public speaking. Where most people find it stressful, Barry finds it energizing and renewing. He has a natural ability to engage with people, to make learning fun, and to connect people and ideas. Skills and knowledge are helpful to him, but what’s at the heart of his ability and passion is talent.

Another acquaintance, Christi, had experience running home-based businesses, but was looking for something that more fully engaged her unique talents. Meeting with a coach who helps people discover their talents, she found that she loved organizing, so she ran with it. Today Christi is the president of her state chapter of the National Association of Professional Organizers and runs a home and office organizing business. Christi attributes her success not to hard work as much as to her talent and passion. She says, “I can’t believe I’m getting paid to do this!”

As we think about our talents, we need to realize that we may have talents within us that we don’t currently know we have. Maybe we haven’t really thought deeply about our talents. Or maybe we’ve allowed the demands of employment or other circumstances or people to identify our talents for us. Going through a deep, introspective, personal process of talent identification may reveal surprising and exciting avenues to pursue.

We might do well to consider the well-known parable of the talents. In this story, a man who is leaving on a journey entrusts his servants with his goods. To one servant, he gives five talents (meaning a sum of money). To another, he gives two. To the last, he gives one. In the man’s absence, the servants with the five and two talents trade with them and double them. The servant who is given only one talent, fearing that he might lose it, goes and buries it in the earth. When the man returns and calls for an accounting, he praises the two servants who increased their talents and tells them that because they were faithful over a few things, he would entrust them with many things. When the third servant tells the man he buried his talent out of fear, the man reprimands him and calls him an “unprofitable servant.” He takes the talent away, gives it to the servant who increased his five talents to ten, and casts the unprofitable servant out.

Whatever other purposes this parable may serve, it is a good reminder to us all of the importance of developing the talents we’ve been given and

of the credibility we create and the trust we inspire when we do. In the end, our greatest work and contributions flow from our talents.

**ATTITUDES:**What are my attitudes about work? About life? About learning? About myself, my capabilities, and my opportunities to contribute? Are there more productive attitudes and paradigms I could embrace that would help me create better results?

With regard to attitudes, consider the extraordinary way Eugene O’Kelly, former CEO of KPMG, chose to see the last 100 days of his life. Diagnosed at age 53 with incurable brain cancer, O’Kelly was told he had three months to live. How he approached his imminent death is a tale of courage and inspiration, described in his book, *Chasing Daylight: How My Forthcoming Death Transformed My Life*. He said:

*I was blessed. I was told I had three months to live.... The verdict I received the last week of May 2005...turned out to be a gift. Honestly.... In short, I asked myself to answer two questions: Must the end of life be the worst part? And, Can it be made a constructive experience—even the best part of life? No. Yes. That’s how I would answer those questions, respectively. I was able to approach the end while still mentally lucid (usually) and physically fit (sort of), with my loved ones near. As I said: a blessing.*

O’Kelly died on September 10, 2005, but not before being able to “beautifully resolve” personal relationships and experience an abundance of what he called “Perfect Moments” and “Perfect Days.”

Consider the difference the following attitudes might make in your personal enjoyment of life and your ability to perform:

<i>I have</i> to go to work.	or	I’m genuinely excited to go to work, where I can use my talents and skills to contribute and add value.
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I work like crazy and live for the weekends. I can hardly	or	I have a balanced life in which work, recreation, and rich relationships are all
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wait until I can retire and do what I want to do.

My partner isn't meeting my needs in this relationship.

I can hardly wait until my kids are grown.

important parts. I expect to have this kind of balance throughout my life.

or What can I do to help my partner be happy and fulfilled?

or I enjoy each day with my kids because I know we're building meaningful relationships that will last throughout our lives.

As well as the difference these attitudes might make in your own life, consider the difference it would make over time in the lives of your children. What would happen if they were to grow up constantly hearing comments like the ones on the left? How would their lives be different if they constantly heard comments like those on the right?

One attitude I believe we especially need to beware of is the "entitlement" mentality: "I'm the manager, I've got this position, so I can just coast while everyone else does the work." This depletes credibility fast and is a huge trust buster. When the manager coasts, the competence of the reports rapidly exceeds his/her own, and this creates dramatic tension that often leads the manager into a downward cycle of mediocrity. As Apple and Pixar CEO Steve Jobs has said, it's B grade managers hiring C grade reports and C grade managers hiring D grade reports.

Keep in mind that A grade managers (without such an "entitlement" mentality) hire A+ reports, which leads to greater capabilities, greater credibility, greater trust, and greater results all around. This practice demonstrates a leadership philosophy espoused by many excellent managers: Always surround yourself with people who are even more talented and competent than you. It takes tremendous self trust to do this—a confidence born of high integrity, positive intent, and an attitude of continuous improvement—but the results are incomparable.

**SKILLS:** What skills do I currently have? What skills will I need in the future that I do not currently have? To what degree am I involved in constantly upgrading my skills?

After winning the Masters tournament by a record 12 strokes in 1997 early in his career, Tiger Woods—widely recognized at the time as the best golfer in the world—decided that he wanted to improve his swing, and he was willing to pay the price of a year-and-a-half “slump” to make it happen. Why? Because he believed that in doing so, he would be able to play better longer. He said:

*You can have a wonderful week...even when your swing isn't sound. But can you still contend in tournaments with that swing when your timing isn't good? Will it hold up over a long period of time? The answer to those questions, with the swing I had, was no. And I wanted to change that.*

Tiger emerged from his slump to win what's been called the “Tiger slam,” holding all four major titles at once—a feat accomplished only one other time in golf history by golf legend Bobby Jones.

Then, unbelievably to almost everyone, Tiger decided to reinvent his swing yet again. He said:

*I'd like to play my best more frequently, and that's the whole idea. That's why you make changes. I thought I could become more consistent and play at a higher level more often.... I've always taken risks to try to become a better golfer, and that's one of the things that has gotten me this far.*

Although the jury is still out on Tiger's second major overhaul, he is clearly a great example of continuous improvement. *Golf Digest* referred to Tiger's relentless desire to improve as “the Tiger creed: *I improve, therefore I am.*” According to *Time* magazine:

*What is most remarkable about Woods is his restless drive for what the Japanese call kaizen, or continuous improvement. Toyota engineers will push a perfectly good assembly line until it breaks down. They'll find and fix the flaw and push the system again. That's kaizen. That's Tiger.*

Tiger Woods demonstrates the kind of attitude and motivation that is vital to success in today's flat, global economy. Unless you're continually improving your skills, you're quickly becoming irrelevant. And when you're irrelevant, you're no longer credible. And without credibility, you won't sustain trust—which will dramatically impact both speed and cost.

One thing to be careful of with regard to skills is what author Jim Collins calls “the curse of competence.” It's the idea that sometimes we become good at doing something we're not really talented in or passionate about. As my father often says, “Your current skill-set may or may not correspond with your natural talents.” We need to make certain that the skills we develop don't limit or define us. At the end of the day, talent provides a deeper well than skills.

**KNOWLEDGE:**What is my current level of knowledge in my specific field? What am I doing to stay current? What other areas of knowledge am I pursuing?

*I am still learning. That is an important mark of a good leader...to know you don't know it all and never will.*

—ANNE MULCAHY, CHAIRMAN AND CEO, XEROX

I'll never forget what one CEO said about the risk of investing in a focused training initiative for his company. Someone asked him, “What if you train everyone and they all leave?” He responded, “What if we don't train them and they all stay?”

Clearly, increasing knowledge is vital in today's global economy, where the world's fund of information now doubles every two to two and a half years. One way to accelerate the rate of learning, both individually and organizationally, is to learn with the intent to teach others what you learn. As Peter Drucker has observed, “Knowledge workers and services workers learn most when they teach.” When leaders structure opportunities and processes so that people teach what they learn to others within the organization, it dramatically increases individual and organizational learning and knowledge transfer. Mentoring, coaching, and other training processes can facilitate such learning, and becoming a teacher of whatever

you learn becomes a new life paradigm for many individuals who have experienced the power of such a process.

This point is well illustrated in the story told by Marion D. Hanks of an obscure woman in London. After attending a lecture by the distinguished naturalist Dr. Louis Agassiz, she complained that she never had a chance to learn. In response, he asked her what she did. She replied that she helped her sister run a boardinghouse by skinning potatoes and chopping onions.

He said, “Madam, where do you sit during these interesting but homely duties?”

“On the bottom step of the kitchen stairs.”

“Where do your feet rest?”

“On the glazed brick.”

“What is glazed brick?”

“I don’t know, sir.”

He said, “How long have you been sitting there?”

She said, “Fifteen years.”

“Madam, here is my personal card,” said Dr. Agassiz. “Would you kindly write me a letter concerning the nature of a glazed brick?”

She took him seriously. She looked it up in the dictionary. She read an article in the encyclopedia and discovered that a glazed brick is vitrified kaolin and hydrous aluminum silicate. Not knowing what that meant, she looked it up. She went to museums. She studied geology. She went to a brickyard and learned about more than 120 kinds of bricks and tiles. Then she wrote a 36-page treatise on the topic of glazed brick and tile, which she sent to Dr. Agassiz.

He wrote back, offering to pay her \$250 if she would allow him to publish the article. Then he asked: “What was under those bricks?”

She replied, “Ants.”

He said, “Tell me about the ants.”

She then researched ants in depth, after which she wrote 360 pages on the subject and sent it to Dr. Agassiz. He published it as a book, and with the proceeds she was able to travel to places she had always wanted to see.

In commenting on this experience, Hanks asks:

*Now as you hear this story, do you feel acutely that all of us are sitting with our feet on pieces of vitrified kaolin and hydrous aluminum*

*silicate—with ants under them? Lord Chesterton answers: “There are no uninteresting things; there are only uninterested people.”*

**STYLE:**How effective is my current style in approaching problems and opportunities and interacting with others? Does my approach facilitate or get in the way of accomplishing what needs to be done? What can I do to improve the way in which I go about doing things?

*Leaders come in many forms, with many styles and diverse qualities. There are quiet leaders and leaders one can hear in the next county. Some find strength in eloquence, some in judgment, some in courage.*

—JOHN GARDNER, AUTHOR OF *EXCELLENCE AND SELF-RENEWAL*

In the midst of the dot-com boom in the late 1990s, Candice Carpenter, cofounder, chairman, and CEO of iVillage, implemented a style of what she called “radical mentoring”—a hard-line, no-nonsense approach to teaching and training young employees. According to an article in *Fast Company* during that time, Carpenter liked to compare herself and business partner, Nancy Evans, to “drill sergeants who are running a boot camp for young leaders.”

*Every few months, Carpenter and Evans choose a different rising star to coach. There are lunches, private meetings, occasional late-night phone calls. More important, they give the staffer feedback—direct, sustained, brutally honest: “People don’t grow if you’re soft with them.”*

Operating in what some might consider the opposite end of the leadership universe is John Mackey, founder and CEO of Whole Foods (which, incidentally, topped Wal-Mart—the largest grocer in the U.S.—in both overall and comparable-store sales growth for four years in a row).

According to *Fast Company*, Mackey wears shorts and hiking boots to work. He closes every business meeting with a round of “appreciations” or nice expressions about those who attend. He publicly posts everyone’s pay.

He makes decisions by majority vote (including decisions concerning new hires), and he rarely overrules the majority decisions.

*[ John Mackey] doesn't just delegate; in fact, he can seem almost diffident about his company. Asked how 140 cashiers can function as a single team...he looks like an anthropologist who has just had a student ask a great question.*

*"That does sound like a problem," he says. "A team that large could confound the basic operating principle. But I'll tell you, I don't have the faintest idea how they've solved that problem. That's not my job anymore. But call them up, ask. I guarantee they have found a solution. I'd be curious to know what it is."*

Obviously, Candice Carpenter and John Mackey have totally different "styles," but both have been enormously effective in creating credibility and trust.

Clearly there is a wide variety of effective styles. The challenge is to match the style to the highest effectiveness for the task. The problem comes when you have a "style" that gets in the way and creates distrust. For example, several years ago, Al Dunlap—called "Chainsaw Al" by some and "Rambo in Pinstripes" by himself—gained the attention of Wall Street with his "slash and burn," "flatten the structure, fire half the company" approach. While he was a hero for a while on Wall Street, he was never a hero with the people. His "style"—getting shortterm results in a way that destroyed trust—also destroyed long term-sustainability and morale.

## **Matching T-A-S-K-S to Tasks**

The end in mind here is to develop our TASKS and to match them to the tasks at hand—to create the best possible alignment between our natural gifts, our passions, our skills, knowledge, and style and the opportunity to earn, to contribute, to make a difference.

According to the research from the Gallup organization, only 20 percent of employees working in large organizations surveyed feel their strengths

are in play every day. Thus, eight out of ten employees surveyed feel somewhat miscast in their role.

In *Good to Great*, Jim Collins talks about the importance in successful companies of having “the right people on the bus” and also of having “the right people in the right seats” on the bus. As a leader, you want to have capable people in your organization, but you also want to create the right match between a person’s specific capabilities and the job you’re asking that person to do.

More and more, organizations have become aware of the impact of the Peter Principle. Smart companies engage in practices such as competency modeling, training, mentoring, and coaching to help ensure that those who are promoted have the TASKS that will help them establish the credibility they need to succeed.

On the individual level, the problem is that many people aren’t into the idea of continuous improvement. So they’re working in a company—maybe they’ve been there for ten or fifteen years—but instead of having fifteen years of experience, they really have only one year of experience repeated fifteen times! They’re not adapting to the changes required by the new global economy. As a result, they don’t develop the credibility that would inspire greater trust and opportunity. Often they become obsolete. Their company and/or the external markets outgrow them.

The same is true of corporations that simply rely on what has been successful in the past and fail to respond to the needs and challenges of the new global economy. If corporations aren’t engaged in continuous improvement, and in some cases radical improvement, they risk becoming irrelevant and obsolete. They demonstrate the truth of the words spoken by the great historian Arnold Toynbee: “Nothing fails like success.” In other words, they keep doing the things that made them successful in yesterday’s market, but those same things don’t create success in today’s global economy.

*If you don’t like change, you’re going to like irrelevance even less.*

—GENERAL ERIC SHINSEKI, U.S. ARMY CHIEF OF STAFF

Companies that do invest in continually learning, growing, and reinventing themselves have a different story to tell. Consider the success of

Michael Dell and Kevin Rollins of Dell Inc. As leaders of one of the best-performing companies in the world, they have a massive 360-degree feedback process in place. And paying attention to this feedback to reinvent themselves—even when it has been hard—has been a big part of their success.

According to a 2003 article in *BusinessWeek*, Dell and Rollins had received disappointing personal feedback:

*[S]ubordinates thought Dell, 38, was impersonal and emotionally detached, while Rollins, 50, was seen as autocratic and antagonistic. Few felt strong loyalty to the company's leaders. Worse, the discontent was spreading: A survey taken over the summer, following the company's first-ever mass layoffs, found that half of Dell Inc.'s employees would leave if they got the chance.*

Instead of ignoring the feedback (which would have been easy and typical behavior for highly successful leaders such as these), they took immediate corrective action. Dell met with his top managers, critiqued his own shortcomings as a leader, and committed himself to making closer connections with his team. Dell's self-critique was videotaped and shown to every manager in the company, and Dell and Rollins both made serious efforts to improve. Dell used a "desktop prop"—a plastic bulldozer—to remind him not to bulldoze his way through ideas without involving others, and Rollins got a Curious George doll to help him remember to listen to others before making decisions.

By 2005, Dell Inc. was ranked the Most Admired Company in America and the Third-Most Admired Company in the World by *Fortune* magazine. *BusinessWeek* continues:

*What's Dell's secret? At its heart is his belief that the status quo is never good enough, even if it means painful changes for the man with his name on the door. When success is achieved, it's greeted with five seconds of praise followed by five hours of postmortem on what could have been done better. Says Michael Dell: "Celebrate for a nanosecond. Then move on."*



The attitude and habit of continually improving is one of the prime differentiators between companies that remain relevant and succeed and those that fall by the wayside in today's global economy.

*The complacent company is a dead company. Success today requires the agility and drive to constantly rethink, reinvigorate, react, and reinvent.*

—BILL GATES, CHAIRMAN, MICROSOFT

## **How to Increase Your Capabilities**

In working with clients, I've come across some excellent ideas to enhance credibility by increasing capabilities, but the three accelerators that make the greatest difference are the following:

### **1. Run with Your Strengths (and with Your Purpose)**

The idea here is simply to identify your strengths (whether they be Talents, Attitudes, Skills, Knowledge, or Style), and then focus on engaging, developing, and leveraging what's distinctly yours.

Peter Drucker encourages leaders to “feed opportunities and starve problems.” In the same vein, I contend that we need to “feed strengths and starve weaknesses.” It's not that we ignore our weaknesses; rather, we make our weaknesses irrelevant by working effectively with others so that we compensate for our weaknesses through their strengths and they compensate for their weaknesses through our strengths. That's making sure that everyone is on the right seat on the bus.

One well-known example of running with one's strengths is the amazing athlete Michael Jordan. At one point, he decided to retire from his highly successful basketball career to play baseball, a sport he had always loved and wanted to prove he could play at a high level. However, in leaving basketball for baseball, he moved from “best in the world” to “mediocre.” So Jordan decided to go back to basketball, where he won

three additional championships on top of the three he had previously won. He ran with his strengths. As a result, not only was his own career more successful and enjoyable, he was able to make a unique and much appreciated contribution to basketball and to the world of sports at large.

For a business example, I once had a salesperson who was the “Michael Jordan” of salespeople. He was fantastic—extraordinary at sales and great with clients. He was truly world-class. But this man didn’t want to be a salesperson; he wanted to be a general manager. Finally, he persuaded me to let him try—despite the fact that he had tried the same thing in two prior companies and had failed. He was mediocre at best—Michael Jordan playing baseball—and I offered to put him back into sales. But he didn’t want to go there. This man became a powerful example to me of the personal and organizational loss created when people don’t run with their strengths.

It’s important to realize that there are times when the importance of running with whatever personal strengths we may have is outweighed by another kind of strength—strength of purpose. It may be something that’s conscience-driven or some purpose we feel compelled to pursue. And we may not yet have developed the TASKS strengths we need to do it.

In my own life, I have found great satisfaction in pursuing education and opportunities to work and contribute in fields in which I feel I have natural strengths. But I have also felt a sense of excitement and pleasure in responding to an inner voice that has urged me at times into undeveloped territory, forcing me—sometimes even uncomfortably—to discover new strengths or to build new skills to face the task at hand.

## **2. Keep Yourself Relevant**

For years, people have recognized the value of a four-year degree, but to succeed in today’s economy, you really need a forty-year degree. In other words, you need to be engaged in lifelong learning. The four-year degree may teach you how to read, write, think, and reason, but its main purpose is to set you up for ongoing learning.

I know of one extraordinary man who for years would get up very early every morning and read for two hours. His goal was to learn everything possible about organizational behavior and development, human behavior,

management, and leadership. And he did. I watched him become extremely competent. Each time he was given more responsibility, he raised his competence to the level of his promotion—what I call the Reverse Peter Principle in action.

Going back to the Dell/Rollins example, it would have been easy, even justifiable, for Michael Dell and Kevin Rollins to ignore the feedback they had been given. After all, they were already eminently successful as leaders. But instead they were driven to relentlessly improve. Not only did this result in their increasing their already high credibility, it enabled them to increase trust and improve results.

*I am always learning and working at the margin of my ignorance.*

—HARVEY GOLUB, CHAIRMAN OF CAMPBELL SOUP COMPANY AND  
FORMER CEO OF AMERICAN EXPRESS

### **3. Know Where You're Going**

In a recent conversation with strategist and marketing expert Jack Trout, I asked him what, in his view, was the key to leadership. I'll never forget his simple and resounding response: "At the end of the day, people follow those who know where they're going."

*It is a terrible thing to look over your shoulder when you are trying to lead and find nobody there.*

—FRANKLIN DELANO ROOSEVELT

I remember years ago when my father decided to give up his teaching position at the university to form his own training and consulting company at the age of 50. Many of his friends thought he was crazy to do so and advised against it. He had a good life at the university. He was contributing, and he could always consult on the side. But my father had a clear, distinct vision of where he was going—a vision of a different-in-kind contribution that he believed he could make only by having an organization behind him. So he took the leap...and others followed. And together, they ultimately

built the Covey Leadership Center—and later FranklinCovey—into one of the largest and most influential leadership development companies in the world.

To know where you're going and to have the capabilities to get there is another way of demonstrating competence. And that competence, coupled with character, creates a credible leader whom others will follow—not because they're forced, but because they're inspired to do so.

*The people you lead want to know where they're going.*

—CHRISTOPHER GALVIN, CHAIRMAN AND CEO, MOTOROLA

## **Trust Abilities**

As I mentioned earlier, while character is constant, competence—at least most competence—is situational. It depends on what the circumstance requires.

However, there are a few areas of competence that are vital in every situation, and what I call “trust abilities” are at the top of the list. This is basically what this book is all about—your ability to establish, grow, extend, and restore trust. I would go so far as to say that your technical capabilities are taxed dramatically—sometimes even becoming irrelevant—in direct relation to your trust abilities. And because of this, I once again affirm that it is not only vital to individual success, it is the key leadership competency of the new global economy.

Even considering how important technical abilities are with regard to trust, I am convinced that the most important thing you can get out of this chapter is the awareness of the supreme importance of trust abilities. To get a better grip on these abilities, you could once again overlay the template of TASKS—talent, attitude, skills, knowledge, and style—and assess where you can work to create the most effective improvement in your trust abilities. You might ask yourself:

- To what degree do I have some degree of natural *talent* in the area of trust abilities? Do things such as integrity and good intent come naturally to me? Do I naturally seek for mutual benefit? Do I inherently know and do things that inspire trust?
- What are my *attitudes* in this area? Do I recognize and respect the need for trust? Do I approach issues and try to get things done in ways that build trust?
- Do I have trust-building *skills* ? Do I interact with others in ways that build trust?
- What *knowledge* and understanding do I have about establishing, growing, extending, and restoring trust?
- Is my *style* of action and interaction one that inspires trust? Is my style one that extends trust to others?

The best “accelerator” I can think of to improve your trust abilities is to immerse yourself in the content of this book. As you learn to establish, grow, extend, and restore trust from the inside out, you will be amazed at the credibility this will give you, the confidence you will feel, and the results you will get in every dimension of life.

\*To access my free audio discussion on why high trust is *the* critical career skill in the new global economy, go to [www.speedoftrust.com](http://www.speedoftrust.com).

## Core 4—Results

### *What's Your Track Record?*

*You can't create a high-trust culture unless people perform.*

—CRAIG WEATHERUP, FORMER CEO, PEPSICO

In December of 1994, I was asked to step in as president and CEO of the Covey Leadership Center. Within the first week, I had a difficult meeting with the bank. The good news was that the company had been creating value for clients quite well, as was evidenced by our growth. The bad news was that we hadn't yet figured out our own business model, as was evidenced by our lack of profit and cash.

Despite the great intellectual capital, some terrific people, and amazing growth, the company was in dire straits. We'd had 11 straight years of negative cash flow. We had no outside capital, no margins, and nothing in the bank. We were totally extended on our accounts payable and our credit lines were maxed out. Our "debt to tangible net worth" ratio was 223 to 1. Basically, we were growing ourselves out of business, and the bank's confidence and trust was practically nil. They demanded that we go back on personal guarantees, and they were in the process of deciding whether or not to pull the plug.

Fortunately for us, and for our clients, they didn't.

Within two and a half years of that meeting, we established a sustainable business model that made it possible for us to increase the value of the company from \$2.4 million to \$160 million. We increased profit by 1,200 percent. We decreased day's receivables from 87 to 48. We decreased the "debt to tangible net worth" ratio from 223 to 1 to less than 2 to 1. Not only were we high growth; we were also high profit.

One of the most interesting things about this whole experience was seeing the effect those results had on our relationship with our bankers. As they saw us reaching milestone after milestone during those two and a half years—producing, hitting the numbers, increasing the margins, and increasing the cash as we had committed to do—we could see their confidence in us grow. They began to see us as a good risk. They significantly increased our credit line—again and again and again. They wanted to give us more business.

What made them want to extend more trust? Results!

## **Results Matter!**

Results matter! They matter to your credibility. They matter to your ability to establish and maintain trust with others. In the words of Jack Welch, having results is like having “performance chits” on the table. They give you clout. They classify you as a producer, as a performer. Without the results, you simply don’t have that same kind of clout.

Returning once again to the metaphor of the tree, results are the fruits—the tangible, measurable end purpose and product of the roots, trunk, and branches. To have the other three cores without results is like having a barren tree. It won’t create credibility, no matter how strong the other three cores may be. And it won’t inspire confidence because the tree doesn’t produce what it was intended to produce.

Let’s come back to the idea of establishing the credibility of an expert witness in a court of law. A witness may be seen as an honest person with no hidden agenda and plenty of credentials. But if she doesn’t have a good track record—a solid history of results—her credibility will be called into question and her testimony significantly discounted.

Bottom line, without results, you don’t have credibility. It’s like the old Texas saying “All hat, no cattle” or the California racing phrase “All show and no go.” People don’t trust you because you don’t get things done. And there’s no place to hide here—either you produce or you don’t. You may have excuses. You may even have good reasons. But at the end of the day, if the results aren’t there, neither is the credibility and neither is the trust. It’s just that simple; it’s just that harsh.

On the other hand, if you are getting results but you're violating one of the other three cores—say you get the numbers in a way that violates integrity, or creates a “lose” for others—your production will not be sustainable, nor will the fruit be good. It will taste bad. It will smell bad. Even if it looks good on the outside, it will be rotten inside, and it won't create long-term credibility and trust. You simply can't get a sustainable yield of good fruit if the results are severed from the character roots.

This creates a huge issue for organizations today. What do you do with someone who gets the results, but in ways that violate company values? The GE approach, which illustrates the dynamic between “getting results” and “living the values,” recognizes four possibilities. They say it's fairly easy to know what to do with the first category of people, who both deliver results and live the values. They should be retained and promoted. It's also fairly easy to know what to do with the second category, who neither deliver results nor live the values. They should be let go.

The other two categories, however, are tougher to deal with. Those who live the values but achieve low results can often be trained, coached, or moved to another role. If they don't improve, they may need to be let go. The hardest of all to deal with are those who have high results but are poor in living the values. They achieve the end that everybody wants, but they do it a way that blatantly defies organizational values. According to GE, people in this category need to learn to operate within the company's values—or be let go, despite their results. To keep them on as they are is not only unsustainable, it is damaging to the organization and destroys credibility and trust.

According to Jack Welch:

*Clarity around values and behaviors is not much good unless it is backed up. To make values really mean something, companies have to reward the people who exhibit them and “punish” those who don't. Believe me, it will make winning easier. I say that because every time we asked one of our high-performing managers to leave because he didn't demonstrate the values—and we said as much publicly—the organization responded incredibly well. In annual surveys over a decade, employees would tell us that we were a company that increasingly lived its values. That made people even more committed*



*to living them too. And as our employee satisfaction results improved, so did our financial results.*

There's no doubt that results will cover a multitude of shortcomings. If you're a top producer, for example, management will likely be more lenient in dealing with expense reports that don't make it in on time. We've all seen the equivalent of this in our companies—where it sometimes creates a double standard that produces its own cynicism. But in the long run, even top results will not offset a lack of integrity.

On the other hand, strength in integrity will also not offset an absence of results. Again, *all* four cores are vital to personal and organizational credibility, which is the basis for establishing trust.

As we prepare to explore this fourth core, you may want to ask yourself:

- What kind of results am I currently producing? Do those results increase or diminish my personal credibility?
- If I were considering hiring someone, to what extent would that person's track record and current performance influence my decision?
- How good is my own track record? How likely would someone be to hire me based on it?
- How good am I at identifying desired results and executing effectively to accomplish those results? Does my performance inspire confidence and trust?

## **Results—Past, Present, and Future**

I have worked briefly on Wall Street and been an executive in a public company, and it's clear to me that there are three key indicators by which people evaluate results. One is past performance—your track record, your reputation, the things you've done, and the results you've already achieved. Another is current performance—how you are performing today. And the

third is anticipated performance—how people think you will perform in the future.

You see these three dimensions come into play clearly when outside entities place a value on a company. They look at historical earnings (past performance). They may put a multiple on that and come up with a value. Or they look at current, real-time data and results (present performance), and they may put a multiple on that and come up with a value. Or (as is effectively the case with Wall Street) they take the anticipated, expected results (future performance) and then discount them back to arrive at a present value. All three dimensions of results—past, present, and future—are important in considering a company's worth.

These three dimensions also come into play with each of us as individuals. Our credibility comes not only from our past results and our present results, but also from the degree of confidence others have in our ability to produce results in the future.

At one time I worked with a person who was honest, had great intent, and was extremely talented, but for the life of him, he couldn't seem to make anything happen. We were part of a team that was working on a rotation system to follow through on leads. When a big opportunity came along and it was time for this person to get it, I was hesitant—in fact, everyone on the team was hesitant—to give it to this person because he hadn't produced results. As we projected his past track record on his future anticipated performance, we didn't feel we could trust him to come through for the team. Over time, in spite of his talents, he became increasingly irrelevant and left the company.

On the other hand, when you have a person or a company that builds a reputation of always delivering results, it's a whole different story. Just think about the overnight delivery industry many years ago when reliability was good, but not 100 percent. FedEx came along with the tagline, "When it absolutely, positively has to get there overnight!" Not only did they have the tagline, they had the service to back it up. They performed. They consistently produced the results. As their founder, Frederick Smith, said, "We thought that we were selling the transportation of goods; in fact, we were selling peace of mind." In consequence of their performance, they earned credibility...and trust...and business. Today, people anticipate that FedEx will deliver on time because they *have* delivered on time—time and time again.

Many companies, such as The Hartford, use their track record to build trust and court new business. Even advertising references such as “serving you for over 50 years” or “in business since 1925” are designed to communicate a track record that inspires trust. One of the more exciting developments of this new global economy, however, is the fact that a relatively new business such as JetBlue can establish a successful track record quickly. Started in 2000, JetBlue was one of the few U.S. airlines to make a profit during the sharp downturn following 9/11, and is recognized for its customer service. Similarly, Google, established in 1999, has been recognized as the third-strongest brand in the U.S. according to the *Wall Street Journal*’s 2006 Reputation Quotient survey. Examples such as these confirm the fact that, through results, you can establish trust faster than you think.

The experience of one of JetBlue’s competitors, Continental Airlines, confirms another point—that through results, you can also *restore* trust faster than you think. Following their declaration of bankruptcy in 1991, Continental significantly improved performance and went on to earn recognition for highest on-time performance and lowest rate for mishandled baggage. They have also won more J.D. Power awards for customer service than any other airline. In 2005, Continental was recognized as the Most Admired Global Airline by *Fortune* magazine.

Bottom line, whether you’re dealing with restoring trust or establishing it in the first place, it is results that will convert the cynics.

The impact of results on trust plays out in every dimension of life. I have a friend who was going on a trip for a few days and planned to leave his home in the care of his teenage daughter and her friend. He said he felt perfectly comfortable doing this, but confided that he never would have even thought about doing such a thing with his son when he was a teenager. Why? Both his daughter and his son were “good” kids. However, the daughter had a track record of maturity and responsibility; the son did not. The degree of confidence this man had in each child—and thus the degree of trust that he was willing to extend—was a projection of past performance on future results.

## **“What” and “How”**

In considering results, you always need to ask two critical questions: *What* results am I getting? and *How* am I getting those results? Most people only ask the *what*. They have no idea that the answer to the *how* may be doing them in.

For example, suppose you get your team to hit the numbers, but in the process you create an adversarial win-lose competition between team members, push them until they reach burnout, and take all the credit for your team's performance. What's going to be the attitude of those team members the next time you challenge them to hit the numbers? Will it be easier—or harder—for you to get results?

On the other hand, suppose you hit the numbers, but you do it by creating a team spirit of abundance and collaboration. You help team members work together so that everyone succeeds, no one reaches burnout, and the credit is freely shared. What's going to be their attitude the next time the challenge comes up? What if you can get the same great results—only this time, it's going to be 30 percent faster and easier?

That's why you have to ask the question: *How* am I getting the results? The *how* can generate huge roadblocks to future results—or it can grease the skids. It's so much easier to get results the next time around if people trust you...if they know you're going to give credit, to seek mutual benefit, to not place blame. They will want to engage with you, to give you information, to help you because you've become credible with them. They trust that you will go for results in a way that will benefit them and everyone involved.

This is why the trust abilities I mentioned in the last chapter are so important. And this is why I define leadership as *getting results in a way that inspires trust*. I am convinced that with regard to results, the *how* matters every bit as much as the *what*. And you see it manifest on every level—individual, relationship, team, organizational, and societal.

In this rapidly changing economy, I've seen a lot of companies that have had to change their business model, pare back their cost structure, and lay off employees in order to get sustainable results. Some have created a huge tax in the process—not only with those they let go, but also with those who remained and saw what happened to those who were let go.

I've also seen some outstanding companies that have actually built trust in the process. In one instance, I advised a company that was in the process of having to radically undergo a painful transformation to remain relevant

and viable. After making many cost-cutting changes, they had reached a point where, in order to regain profitability, they needed to significantly downsize. At that point, they were open, transparent, and honest with their people. Through creating generous severance packages and help with placement, they demonstrated such concern for the people who were leaving that it actually increased confidence and trust with them and also with those who were staying. Everyone realized that they were confronting reality, but they were doing it in a principled way that demonstrated care and concern for all.

Keep in mind that “results” can’t always be measured in dollars and cents. In fact, to ignore the trust tax or dividend in any analysis is to skew the results. The greatest profit may not be in the current transaction, but in the credibility and trust that comes from that transaction that paves the way for even greater results in the future.

## **Defining “Results”**

On Wall Street, I learned that “results” are bottom line and the connection between results and credibility is often brutal. A company can get consistently good results, but if they miss one quarter—even by a small amount—it can be as if the prior results weren’t even there. In some ways it’s worse because the organization is now seen as unpredictable.

Off Wall Street, however, I’ve learned that wisdom suggests that we sometimes look at “results” in other ways. As Robert S. Kaplan and David P. Norton point out in *The Balanced Scorecard*, there are multiple stakeholders and measures that serve as indicators of the sustainability of financial results. One vital thing to consider is the trust tax or dividend we just discussed. There’s no way to get an accurate picture of the result of anything you do without taking that multiplier or divisor into consideration.

Another thing to consider is your definition of results. It’s possible that you could do everything right—you could have integrity, good intent, and capabilities and you could do everything in a principled way to achieve a good result—but still your business might fail, your spouse might walk out on you, your children might make bad choices, or you might have a tsunami or a Hurricane Katrina that wipes out your home and everything you’ve worked for. There are some things that are simply not in your control, and

there are times when you have to define “results” in a different way than you might have thought:

*Yes, my business is going through a rough time. But what am I discovering? What strengths am I gaining? What increased capacity will I have to apply to future efforts?*

*Yes, my marriage failed. But what is the result? What have I learned? Did I do my best? Have I come through it with my integrity intact? Am I a better, stronger person because of it? Am I modeling the kind of behavior I want my children to see?*

*Yes, this disaster has wiped out my home and my business. But what new opportunities do I have as a result? Is there some better way I can now use my talents and abilities to make a difference? What strengths do I have that will enable me to work with others to rebuild?*

Even when the observable results appear to be negative, you can still make huge progress in increasing your self-trust and self-confidence by recognizing, defining, and evaluating yourself on results that are not only positive, but are, perhaps, even more important in the long run.

I had the opportunity to coach Little League flag football for nine years, and I saw the impact on young kids whose parents and coaches thought that winning was the only legitimate desired result. In my mind, there were other results that—particularly at that age—were even more important. So I worked with the teams I coached to come up with a list of six objectives:

1. To play hard
2. To have fun
3. To be a good sport
4. To be a good team player
5. To learn something
6. To win

You'll notice that "to win" was the last objective on the list. There were plenty of good results, plenty of things to celebrate, even if the other team won the game. And those results needed to be celebrated. They were things that would benefit those kids throughout their lives.

On the flip side, you see marriages or families who appear to have it all together—but really don't. You have businesses or enterprises that seem to be profitable and thriving—but they're not. You have students who get all As but have no real education. We need to be careful that we don't become superficial in defining or evaluating results, both in our own lives and in the lives of others. And when we're in the evaluating role, we also need to exercise wisdom in projecting past performance on future results. Like the standard investment prospectus says, "Past performance is no guarantee of future results."

As reported in the *Wall Street Journal*, at one time, David Sokol, CEO of MidAmerican Energy (a wholly owned subsidiary of Berkshire Hathaway) had to face Berkshire Hathaway's CEO—Warren Buffett—with some highly disturbing news. It appeared that the Iowa utility needed to write off some \$360 million for a zinc project that had gone south. Sokol braced himself to be fired, but he was totally unprepared for Warren Buffett's response. "David," he said, "we all make mistakes. If you can't make mistakes, you can't make decisions. I've made a lot bigger mistakes myself." The entire meeting was over in 10 minutes.

In our businesses, relationships, families, and personal lives, there is wisdom in recognizing the capacity of people to learn from their mistakes and to change. There is also wisdom in creating a culture that makes it safe for that to happen. A transparent culture of learning and growing will generally create credibility and trust, even when the immediate results are not the best. The more important desired result is growth, and growth cannot happen without risk. To always make decisions and give opportunity based on past observable performance is to severely limit our ability to achieve great results in the future.

Finally, we need to be aware and appreciate the value of playing a supporting role in achieving results that may be primarily attributed to others. The reality is that no results ever come exclusively from the work of one individual or organization; they represent the efforts of many. You can see it in the world of science, where most new "discoveries" clearly come out of the work, and even sometimes the mistakes, of those of the past. You

see it recognized in sports such as basketball, where statisticians measure not only points but also assists, and baseball, where they measure sacrifices as well as runs. Understanding and appreciating the importance of a supportive role in getting results helps us all to more appropriately value our own contributions, as well as the contributions of others.

## **Communicating Results**

As a teenager, I worked in an organization that had a set of requirements I needed to pass off before I could be considered for promotion. Excited about the work and wanting to do well, I worked hard to prepare ahead of time and passed them off my first day there. As it turned out, my first day there was also the first day for the new boss, and in the midst of all that was going on (and unknown to me), it never reached his attention that I had passed the requirements off.

During the next eight months, no matter how hard I worked, others were advanced, but not me. I wondered about it, but I didn't say anything. I just tried to work even harder. Finally, this leader said to me, "Stephen, I just can't understand it. You're an excellent worker. You're doing everything else right. I don't understand why you won't pass off these requirements so we can put you in a position to manage others."

Shocked, I exclaimed, "But I did pass them off—the first day I was here!" We were both dismayed to realize all that could have happened if he had known. I had delivered results, but the fact that they were not appropriately recognized affected his perception of me and my credibility, and therefore the level of trust he was willing to extend. However, once those results were recognized—and particularly when they were combined with the results I'd had even in the limited opportunities of the past few months—the whole perception changed. Trust was extended in abundance, and I was able to contribute in far more meaningful ways.

In creating credibility with others, it's not just the results that count; it's people's awareness of the results. Thus, it's important to be able to appropriately communicate results to others.

## **How to Improve Your Results**



Given the importance of results in establishing credibility and trust both with ourselves and with others, the question is: How can we improve our results? I believe the three accelerators below are most effective.

## 1. Take Responsibility for Results

As my father taught me when I was seven years old, a real key to success is in taking responsibility for results—not activities. He told me I was responsible to keep the yard “green” and “clean”; he didn’t tell me I was to water the lawn twice a week, mow it on Saturdays, or pick up the garbage and put it in the can. In fact, he told me I could get the yard “green” and “clean” any way I liked. The point was that when I accounted to him, I had to account for results.

That lesson turned out to be the beginning of a major learning in my life: It’s vital to take responsibility for results—not just activities. This approach unleashes creativity. It helps you understand that if you can’t get results one way, you try another way—you don’t just sit there and whine, “Well, I did what you told me to do!” It’s helped me to release ingenuity in working with coworkers and children alike.

Just consider the contrast:

### ACTIVITIES

I called the customer.

I did the research, I wrote the report.

I took the class.

I stayed on my diet.

I tried.

### RESULTS

I made the sale.

I got the grant.

I learned how to give an effective presentation.

I lost 13 pounds.

*“Do or do not; there is no try.”*

—Master Yoda

A results focus is a way of thinking. It’s a different mentality than an activities focus. Kozo Ohson of Sony once brought a small piece of wood

to his engineering team and told them he wanted a personal stereo built to that size. As a result, the Walkman was born. In his book, *Thriving on Chaos*, Tom Peters tells the story of how Lee Iacocca, former chairman and CEO of Chrysler, wanted to add a convertible to Chrysler's line. He writes:

*Following standard operating procedures, he[Iacocca]asked his chief engineer to craft a model. The engineer, consistent with industry standards, replied, "Certainly. We can put together a prototype in nine months." Several bystanders report Iacocca's furious response: "You just don't understand. Go find a car and saw the top off the damn thing!"*

Iacocca got his prototype in short order, and it resulted in a huge success. Regarding the development of both the Discman and the Chrysler convertible, the focus was clearly *not* on activities, but on results.

In addition to the benefit of differentiating between results and activities, there's another positive dimension to taking responsibility for results. As I've emphasized over and over in this chapter, *accomplishing* results will build credibility and trust. But simply *taking responsibility for results* will also build credibility and trust—sometimes even when the results are not good...and sometimes when they were not even your fault.

You may remember the situation in 1982 when seven people in the U.S. died from ingesting Tylenol that had been laced with cyanide. The nation panicked. Some predicted that Johnson & Johnson would never be able to sell another product under that name. But Johnson & Johnson took responsibility for the situation. They immediately alerted consumers to stop using Tylenol until they could determine the extent of the tampering. They recalled approximately 31 million bottles of Tylenol, retailing at more than \$100 million. They offered to exchange all Tylenol capsules that had already been purchased for Tylenol tablets, which cost them millions more. They established relations with law enforcement officers on every level to help search for the person who laced the medication and to help prevent further tampering. They put up a reward of \$100,000 for the person who committed the crime. When they reintroduced the product back in the market, it had new triple-seal, tamper-resistant packaging. As a result of their actions, they turned what could have been a disaster into a victory in credibility and public trust.

Interestingly, the basis for their decision making was a “credo” written in the mid-1940s by Robert Wood Johnson, the company’s leader for 50 years. Their values were clear, and they were clearly “mutual benefit.” As one observer reported:

*Johnson outlined his company’s responsibilities to “consumers and medical professionals using its products, employees, the communities where its people work and live, and its stockholders.” Johnson believed that if his company stayed true to these responsibilities, his business would flourish in the long run. He felt that his credo was not only moral, but profitable, as well.*

And so it turned out to be. By focusing on mutual benefit and accepting responsibility for results and even bad results and even when they were not Johnson & Johnson’s fault—the company was able to restore credibility and trust.

It’s amazing how the impact of taking responsibility for results plays out in personal and family life—where instead of blaming and accusing, a spouse will say, “I’m sorry for my part in this. What can I do to make it better?” Or a parent will say, “Maybe I didn’t communicate clearly on this issue. Let me try to explain a little better.” Or an estranged brother or sister will accept responsibility for the breach and take the initiative to mend it. When you say, “I accept responsibility for my part in this, whatever it may be...” and also “I accept responsibility to help find a solution,” you build credibility and trust...and get better results all around.

*It’s no use saying, “We are doing our best.” You have got to succeed in doing what is necessary.*

—WINSTON CHURCHILL

## **2. Expect to Win**

According to Greek mythology, Pygmalion, the king of Cyprus, carved an ivory statue of the ideal woman. He named her Galatea. She was so

beautiful that Pygmalion fell in love with her, and because of his deep desire and will for her to be real, with the help of the goddess Venus, he was actually able to bring her to life, and they lived happily ever after.

This ancient myth has come to serve as a metaphor that illustrates the power of expectation. While this phenomenon is commonly referred to as “the Pygmalion effect,” it’s also been called the Galatea effect, the Rosenthal effect, self-fulfilling prophecy, positive self-expectancy, confidence, optimism, or just plain faith. In modern times, it’s been made popular through the musical *My Fair Lady*, a modern Pygmalion story in which a speech professor’s expectations become the catalyst that inspires the transformation of a Cockney flower girl into a lady.

The principle is simply this: We tend to get what we expect—both from ourselves and from others. When we expect more, we tend to get more; when we expect less, we tend to get less.

This phenomenon was clearly manifest in a 1968 study by Dr. Robert Rosenthal in which teachers were told that, based on IQ testing, students in a control group were high achievers—though in fact they had been randomly assigned. When the students were tested several months later, the control group students performed measurably better than their peers. Higher teacher expectations of students had been translated into increased student learning.

In our own lives, having a mind-set of expecting to win increases our odds of winning. It helps us get better results. And better results help us increase our credibility and self-confidence, which leads to more positive self-expectancy, and then more winning—and the upward cycle continues. It becomes a self-fulfilling prophecy.

As Harvard Business School professor and writer Rosabeth Moss Kanter has observed, “Confidence consists of positive expectations for favorable outcomes...winning begets winning, because it produces confidence at four levels.” The first of those levels, she says, is “self-confidence: an emotional climate of high expectations.” The second level is “confidence in one another.”

So if you want to increase your results, expect to win—not only for yourself, but also for your team. Not at all costs, but honorably. Not at the expense of others, but in conjunction with others. Expecting to win—and expecting others to win—is a fundamental approach of helping to bring it about.

### 3. Finish Strong

One year my son Stephen, who was an outstanding football player and captain of his high school team, decided that he wanted to go out for basketball. He made the team, but to his disappointment, he was only average and spent most of the year on the bench. A month before the season ended, he hurt his shoulder, and the doctor said he would not be able to play anymore that year. His initial response was to quit the team. He was injured and he wasn't going to play, so in his mind, there was no reason to stay.

But Jeri and I had another view. To us, there was a principle involved. Stephen was on a team, and the team was still playing. Whether he played or not was irrelevant; the team needed his support.

At first, Stephen grumbled. He said it would be a waste of time. He even went for the ultimate parental "button": "But, Dad, I could *bestudy*ing!" But in the end, he hung in there and stayed on the team until the season was over. He helped out at practices. He supported the team. And both his coaches and his teammates commended him for it.

After he graduated from high school, he gave a speech in which he thanked his coaches and said that as a result of sports, he had learned two great lessons in life: The first was to work hard; the second was to finish strong. And we've seen the positive results of those lessons play out in everything he's taken on since.

Results are all about finishing. You're probably aware of the old adage, Beginners are many; finishers are few. Increasingly, it seems, we live in a society of victims and quitters. The sheer number of people quitting their jobs, fathers abandoning children (both physically and financially), couples divorcing, and teenagers who don't even graduate from high school indicates, that at least in some situations, when the going gets tough people simply quit. Of course, there are circumstances in which making some of these decisions may be the best thing to do. But in many situations and for no good reason, people just don't have the motivation and stamina to finish strong.

Clearly, finishing strong is a powerful antidote to a culture of quitting. But have you ever thought of it in terms of its even greater impact on credibility and trust?

My motto is: Whenever possible, finish, and finish strong. A colleague of mine who was training for a marathon shared some excellent advice he

received from a world-class runner. “When you ‘hit the wall,’” the runner said, “and you feel like you can’t go on, instead of focusing on your exhaustion and going into the ‘survival shuffle,’ lift up your head and *pick up your pace*. ” At first glance, that advice may sound counterintuitive. But on reflection, it makes great sense. By picking up the pace, you’re really saying to yourself that you’re not just going to finish; you’re going to finish strong.

## **A Summary of the Four Cores**

In this section, we’ve explored the First Wave of Self Trust. We’ve looked at the Four Cores that create credibility—the character and competence necessary for us to trust ourselves and to be deserving of the trust of others. We’ve talked about ways to build character by increasing integrity and improving intent. We’ve talking about ways to build competence by increasing capabilities and improving results. In doing these things, we build credibility and inspire trust.

As I mentioned earlier, in our Speed of Trust workshops, one of the exercises we do with the participants is send out a 360-degree trust feedback tool to get input from their boss, peers, reports, and others whose names they provide. The feedback is then compiled and run through an analysis by an independent firm—we don’t even see it. The following day, we allow time for those who would like to discuss the feedback with their coaches and to share with the group.

For many, it is very surprising to see how others rate them on these 4 Cores.

At one recent workshop, one CEO said:

*I graded myself very hard, but my perception was that I was terrific at getting results. But they said, “You don’t deliver,” and that was eye-opening. My company’s doing great, but I started to think, If I listen to them more and I step aside and stop micromanaging—if I just move over and get out of the way—think of how big the company could be!*

A leader in a nonprofit entity said:

*One of the things that really shocked me was one of the comments that I was selfish. I thought, Selfish? How can someone say that I'm selfish? But as I met with my coach and started talking through some of the issues, I had to stop and say, "Well, maybe I am selfish because my whole thing is 'cover your tail at all costs.' Maybe I need to change that so they realize, 'Hey, this is a win for all of us.'"*

Whether you're aware of it or not, people notice the 4 Cores. They affect your credibility. Understanding them will give you conscious competence. It's like putting on your trust glasses. It will enable you to see beneath the surface, to see specifically why you—or others—are trusted or not. It will also enable you to pinpoint what you can do in your own life to increase trust, and also how you can work with others to help them increase trust in your organization or at home.

## Core 4—Results

### *What's Your Track Record?*

*You can't create a high-trust culture unless people perform.*

—CRAIG WEATHERUP, FORMER CEO, PEPSICO

In December of 1994, I was asked to step in as president and CEO of the Covey Leadership Center. Within the first week, I had a difficult meeting with the bank. The good news was that the company had been creating value for clients quite well, as was evidenced by our growth. The bad news was that we hadn't yet figured out our own business model, as was evidenced by our lack of profit and cash.

Despite the great intellectual capital, some terrific people, and amazing growth, the company was in dire straits. We'd had 11 straight years of negative cash flow. We had no outside capital, no margins, and nothing in the bank. We were totally extended on our accounts payable and our credit lines were maxed out. Our "debt to tangible net worth" ratio was 223 to 1. Basically, we were growing ourselves out of business, and the bank's confidence and trust was practically nil. They demanded that we go back on personal guarantees, and they were in the process of deciding whether or not to pull the plug.

Fortunately for us, and for our clients, they didn't.

Within two and a half years of that meeting, we established a sustainable business model that made it possible for us to increase the value of the company from \$2.4 million to \$160 million. We increased profit by 1,200 percent. We decreased day's receivables from 87 to 48. We decreased the "debt to tangible net worth" ratio from 223 to 1 to less than 2 to 1. Not only were we high growth; we were also high profit.



One of the most interesting things about this whole experience was seeing the effect those results had on our relationship with our bankers. As they saw us reaching milestone after milestone during those two and a half years—producing, hitting the numbers, increasing the margins, and increasing the cash as we had committed to do—we could see their confidence in us grow. They began to see us as a good risk. They significantly increased our credit line—again and again and again. They wanted to give us more business.

What made them want to extend more trust? Results!

## **Results Matter!**

Results matter! They matter to your credibility. They matter to your ability to establish and maintain trust with others. In the words of Jack Welch, having results is like having “performance chits” on the table. They give you clout. They classify you as a producer, as a performer. Without the results, you simply don’t have that same kind of clout.

Returning once again to the metaphor of the tree, results are the fruits—the tangible, measurable end purpose and product of the roots, trunk, and branches. To have the other three cores without results is like having a barren tree. It won’t create credibility, no matter how strong the other three cores may be. And it won’t inspire confidence because the tree doesn’t produce what it was intended to produce.

Let’s come back to the idea of establishing the credibility of an expert witness in a court of law. A witness may be seen as an honest person with no hidden agenda and plenty of credentials. But if she doesn’t have a good track record—a solid history of results—her credibility will be called into question and her testimony significantly discounted.

Bottom line, without results, you don’t have credibility. It’s like the old Texas saying “All hat, no cattle” or the California racing phrase “All show and no go.” People don’t trust you because you don’t get things done. And there’s no place to hide here—either you produce or you don’t. You may have excuses. You may even have good reasons. But at the end of the day, if the results aren’t there, neither is the credibility and neither is the trust. It’s just that simple; it’s just that harsh.

On the other hand, if you are getting results but you're violating one of the other three cores—say you get the numbers in a way that violates integrity, or creates a “lose” for others—your production will not be sustainable, nor will the fruit be good. It will taste bad. It will smell bad. Even if it looks good on the outside, it will be rotten inside, and it won't create long-term credibility and trust. You simply can't get a sustainable yield of good fruit if the results are severed from the character roots.

This creates a huge issue for organizations today. What do you do with someone who gets the results, but in ways that violate company values? The GE approach, which illustrates the dynamic between “getting results” and “living the values,” recognizes four possibilities. They say it's fairly easy to know what to do with the first category of people, who both deliver results and live the values. They should be retained and promoted. It's also fairly easy to know what to do with the second category, who neither deliver results nor live the values. They should be let go.

The other two categories, however, are tougher to deal with. Those who live the values but achieve low results can often be trained, coached, or moved to another role. If they don't improve, they may need to be let go. The hardest of all to deal with are those who have high results but are poor in living the values. They achieve the end that everybody wants, but they do it a way that blatantly defies organizational values. According to GE, people in this category need to learn to operate within the company's values—or be let go, despite their results. To keep them on as they are is not only unsustainable, it is damaging to the organization and destroys credibility and trust.

According to Jack Welch:

*Clarity around values and behaviors is not much good unless it is backed up. To make values really mean something, companies have to reward the people who exhibit them and “punish” those who don't. Believe me, it will make winning easier. I say that because every time we asked one of our high-performing managers to leave because he didn't demonstrate the values—and we said as much publicly—the organization responded incredibly well. In annual surveys over a decade, employees would tell us that we were a company that increasingly lived its values. That made people even more committed*

*to living them too. And as our employee satisfaction results improved, so did our financial results.*

There's no doubt that results will cover a multitude of shortcomings. If you're a top producer, for example, management will likely be more lenient in dealing with expense reports that don't make it in on time. We've all seen the equivalent of this in our companies—where it sometimes creates a double standard that produces its own cynicism. But in the long run, even top results will not offset a lack of integrity.

On the other hand, strength in integrity will also not offset an absence of results. Again, *all* four cores are vital to personal and organizational credibility, which is the basis for establishing trust.

As we prepare to explore this fourth core, you may want to ask yourself:

- What kind of results am I currently producing? Do those results increase or diminish my personal credibility?
- If I were considering hiring someone, to what extent would that person's track record and current performance influence my decision?
- How good is my own track record? How likely would someone be to hire me based on it?
- How good am I at identifying desired results and executing effectively to accomplish those results? Does my performance inspire confidence and trust?

## **Results—Past, Present, and Future**

I have worked briefly on Wall Street and been an executive in a public company, and it's clear to me that there are three key indicators by which people evaluate results. One is past performance—your track record, your reputation, the things you've done, and the results you've already achieved. Another is current performance—how you are performing today. And the

third is anticipated performance—how people think you will perform in the future.

You see these three dimensions come into play clearly when outside entities place a value on a company. They look at historical earnings (past performance). They may put a multiple on that and come up with a value. Or they look at current, real-time data and results (present performance), and they may put a multiple on that and come up with a value. Or (as is effectively the case with Wall Street) they take the anticipated, expected results (future performance) and then discount them back to arrive at a present value. All three dimensions of results—past, present, and future—are important in considering a company's worth.

These three dimensions also come into play with each of us as individuals. Our credibility comes not only from our past results and our present results, but also from the degree of confidence others have in our ability to produce results in the future.

At one time I worked with a person who was honest, had great intent, and was extremely talented, but for the life of him, he couldn't seem to make anything happen. We were part of a team that was working on a rotation system to follow through on leads. When a big opportunity came along and it was time for this person to get it, I was hesitant—in fact, everyone on the team was hesitant—to give it to this person because he hadn't produced results. As we projected his past track record on his future anticipated performance, we didn't feel we could trust him to come through for the team. Over time, in spite of his talents, he became increasingly irrelevant and left the company.

On the other hand, when you have a person or a company that builds a reputation of always delivering results, it's a whole different story. Just think about the overnight delivery industry many years ago when reliability was good, but not 100 percent. FedEx came along with the tagline, "When it absolutely, positively has to get there overnight!" Not only did they have the tagline, they had the service to back it up. They performed. They consistently produced the results. As their founder, Frederick Smith, said, "We thought that we were selling the transportation of goods; in fact, we were selling peace of mind." In consequence of their performance, they earned credibility...and trust...and business. Today, people anticipate that FedEx will deliver on time because they *have* delivered on time—time and time again.

Many companies, such as The Hartford, use their track record to build trust and court new business. Even advertising references such as “serving you for over 50 years” or “in business since 1925” are designed to communicate a track record that inspires trust. One of the more exciting developments of this new global economy, however, is the fact that a relatively new business such as JetBlue can establish a successful track record quickly. Started in 2000, JetBlue was one of the few U.S. airlines to make a profit during the sharp downturn following 9/11, and is recognized for its customer service. Similarly, Google, established in 1999, has been recognized as the third-strongest brand in the U.S. according to the *Wall Street Journal*’s 2006 Reputation Quotient survey. Examples such as these confirm the fact that, through results, you can establish trust faster than you think.

The experience of one of JetBlue’s competitors, Continental Airlines, confirms another point—that through results, you can also *restore* trust faster than you think. Following their declaration of bankruptcy in 1991, Continental significantly improved performance and went on to earn recognition for highest on-time performance and lowest rate for mishandled baggage. They have also won more J.D. Power awards for customer service than any other airline. In 2005, Continental was recognized as the Most Admired Global Airline by *Fortune* magazine.

Bottom line, whether you’re dealing with restoring trust or establishing it in the first place, it is results that will convert the cynics.

The impact of results on trust plays out in every dimension of life. I have a friend who was going on a trip for a few days and planned to leave his home in the care of his teenage daughter and her friend. He said he felt perfectly comfortable doing this, but confided that he never would have even thought about doing such a thing with his son when he was a teenager. Why? Both his daughter and his son were “good” kids. However, the daughter had a track record of maturity and responsibility; the son did not. The degree of confidence this man had in each child—and thus the degree of trust that he was willing to extend—was a projection of past performance on future results.

## **“What” and “How”**

In considering results, you always need to ask two critical questions: *What* results am I getting? and *How* am I getting those results? Most people only ask the *what*. They have no idea that the answer to the *how* may be doing them in.

For example, suppose you get your team to hit the numbers, but in the process you create an adversarial win-lose competition between team members, push them until they reach burnout, and take all the credit for your team's performance. What's going to be the attitude of those team members the next time you challenge them to hit the numbers? Will it be easier—or harder—for you to get results?

On the other hand, suppose you hit the numbers, but you do it by creating a team spirit of abundance and collaboration. You help team members work together so that everyone succeeds, no one reaches burnout, and the credit is freely shared. What's going to be their attitude the next time the challenge comes up? What if you can get the same great results—only this time, it's going to be 30 percent faster and easier?

That's why you have to ask the question: *How* am I getting the results? The *how* can generate huge roadblocks to future results—or it can grease the skids. It's so much easier to get results the next time around if people trust you...if they know you're going to give credit, to seek mutual benefit, to not place blame. They will want to engage with you, to give you information, to help you because you've become credible with them. They trust that you will go for results in a way that will benefit them and everyone involved.

This is why the trust abilities I mentioned in the last chapter are so important. And this is why I define leadership as *getting results in a way that inspires trust*. I am convinced that with regard to results, the *how* matters every bit as much as the *what*. And you see it manifest on every level—individual, relationship, team, organizational, and societal.

In this rapidly changing economy, I've seen a lot of companies that have had to change their business model, pare back their cost structure, and lay off employees in order to get sustainable results. Some have created a huge tax in the process—not only with those they let go, but also with those who remained and saw what happened to those who were let go.

I've also seen some outstanding companies that have actually built trust in the process. In one instance, I advised a company that was in the process of having to radically undergo a painful transformation to remain relevant

and viable. After making many cost-cutting changes, they had reached a point where, in order to regain profitability, they needed to significantly downsize. At that point, they were open, transparent, and honest with their people. Through creating generous severance packages and help with placement, they demonstrated such concern for the people who were leaving that it actually increased confidence and trust with them and also with those who were staying. Everyone realized that they were confronting reality, but they were doing it in a principled way that demonstrated care and concern for all.

Keep in mind that “results” can’t always be measured in dollars and cents. In fact, to ignore the trust tax or dividend in any analysis is to skew the results. The greatest profit may not be in the current transaction, but in the credibility and trust that comes from that transaction that paves the way for even greater results in the future.

## **Defining “Results”**

On Wall Street, I learned that “results” are bottom line and the connection between results and credibility is often brutal. A company can get consistently good results, but if they miss one quarter—even by a small amount—it can be as if the prior results weren’t even there. In some ways it’s worse because the organization is now seen as unpredictable.

Off Wall Street, however, I’ve learned that wisdom suggests that we sometimes look at “results” in other ways. As Robert S. Kaplan and David P. Norton point out in *The Balanced Scorecard*, there are multiple stakeholders and measures that serve as indicators of the sustainability of financial results. One vital thing to consider is the trust tax or dividend we just discussed. There’s no way to get an accurate picture of the result of anything you do without taking that multiplier or divisor into consideration.

Another thing to consider is your definition of results. It’s possible that you could do everything right—you could have integrity, good intent, and capabilities and you could do everything in a principled way to achieve a good result—but still your business might fail, your spouse might walk out on you, your children might make bad choices, or you might have a tsunami or a Hurricane Katrina that wipes out your home and everything you’ve worked for. There are some things that are simply not in your control, and

there are times when you have to define “results” in a different way than you might have thought:

*Yes, my business is going through a rough time. But what am I discovering? What strengths am I gaining? What increased capacity will I have to apply to future efforts?*

*Yes, my marriage failed. But what is the result? What have I learned? Did I do my best? Have I come through it with my integrity intact? Am I a better, stronger person because of it? Am I modeling the kind of behavior I want my children to see?*

*Yes, this disaster has wiped out my home and my business. But what new opportunities do I have as a result? Is there some better way I can now use my talents and abilities to make a difference? What strengths do I have that will enable me to work with others to rebuild?*

Even when the observable results appear to be negative, you can still make huge progress in increasing your self-trust and self-confidence by recognizing, defining, and evaluating yourself on results that are not only positive, but are, perhaps, even more important in the long run.

I had the opportunity to coach Little League flag football for nine years, and I saw the impact on young kids whose parents and coaches thought that winning was the only legitimate desired result. In my mind, there were other results that—particularly at that age—were even more important. So I worked with the teams I coached to come up with a list of six objectives:

1. To play hard
2. To have fun
3. To be a good sport
4. To be a good team player
5. To learn something
6. To win



You'll notice that "to win" was the last objective on the list. There were plenty of good results, plenty of things to celebrate, even if the other team won the game. And those results needed to be celebrated. They were things that would benefit those kids throughout their lives.

On the flip side, you see marriages or families who appear to have it all together—but really don't. You have businesses or enterprises that seem to be profitable and thriving—but they're not. You have students who get all As but have no real education. We need to be careful that we don't become superficial in defining or evaluating results, both in our own lives and in the lives of others. And when we're in the evaluating role, we also need to exercise wisdom in projecting past performance on future results. Like the standard investment prospectus says, "Past performance is no guarantee of future results."

As reported in the *Wall Street Journal*, at one time, David Sokol, CEO of MidAmerican Energy (a wholly owned subsidiary of Berkshire Hathaway) had to face Berkshire Hathaway's CEO—Warren Buffett—with some highly disturbing news. It appeared that the Iowa utility needed to write off some \$360 million for a zinc project that had gone south. Sokol braced himself to be fired, but he was totally unprepared for Warren Buffett's response. "David," he said, "we all make mistakes. If you can't make mistakes, you can't make decisions. I've made a lot bigger mistakes myself." The entire meeting was over in 10 minutes.

In our businesses, relationships, families, and personal lives, there is wisdom in recognizing the capacity of people to learn from their mistakes and to change. There is also wisdom in creating a culture that makes it safe for that to happen. A transparent culture of learning and growing will generally create credibility and trust, even when the immediate results are not the best. The more important desired result is growth, and growth cannot happen without risk. To always make decisions and give opportunity based on past observable performance is to severely limit our ability to achieve great results in the future.

Finally, we need to be aware and appreciate the value of playing a supporting role in achieving results that may be primarily attributed to others. The reality is that no results ever come exclusively from the work of one individual or organization; they represent the efforts of many. You can see it in the world of science, where most new "discoveries" clearly come out of the work, and even sometimes the mistakes, of those of the past. You

see it recognized in sports such as basketball, where statisticians measure not only points but also assists, and baseball, where they measure sacrifices as well as runs. Understanding and appreciating the importance of a supportive role in getting results helps us all to more appropriately value our own contributions, as well as the contributions of others.

## **Communicating Results**

As a teenager, I worked in an organization that had a set of requirements I needed to pass off before I could be considered for promotion. Excited about the work and wanting to do well, I worked hard to prepare ahead of time and passed them off my first day there. As it turned out, my first day there was also the first day for the new boss, and in the midst of all that was going on (and unknown to me), it never reached his attention that I had passed the requirements off.

During the next eight months, no matter how hard I worked, others were advanced, but not me. I wondered about it, but I didn't say anything. I just tried to work even harder. Finally, this leader said to me, "Stephen, I just can't understand it. You're an excellent worker. You're doing everything else right. I don't understand why you won't pass off these requirements so we can put you in a position to manage others."

Shocked, I exclaimed, "But I did pass them off—the first day I was here!" We were both dismayed to realize all that could have happened if he had known. I had delivered results, but the fact that they were not appropriately recognized affected his perception of me and my credibility, and therefore the level of trust he was willing to extend. However, once those results were recognized—and particularly when they were combined with the results I'd had even in the limited opportunities of the past few months—the whole perception changed. Trust was extended in abundance, and I was able to contribute in far more meaningful ways.

In creating credibility with others, it's not just the results that count; it's people's awareness of the results. Thus, it's important to be able to appropriately communicate results to others.

## **How to Improve Your Results**

Given the importance of results in establishing credibility and trust both with ourselves and with others, the question is: How can we improve our results? I believe the three accelerators below are most effective.

## 1. Take Responsibility for Results

As my father taught me when I was seven years old, a real key to success is in taking responsibility for results—not activities. He told me I was responsible to keep the yard “green” and “clean”; he didn’t tell me I was to water the lawn twice a week, mow it on Saturdays, or pick up the garbage and put it in the can. In fact, he told me I could get the yard “green” and “clean” any way I liked. The point was that when I accounted to him, I had to account for results.

That lesson turned out to be the beginning of a major learning in my life: It’s vital to take responsibility for results—not just activities. This approach unleashes creativity. It helps you understand that if you can’t get results one way, you try another way—you don’t just sit there and whine, “Well, I did what you told me to do!” It’s helped me to release ingenuity in working with coworkers and children alike.

Just consider the contrast:

### ACTIVITIES

I called the customer.

I did the research, I wrote the report.

I took the class.

I stayed on my diet.

I tried.

### RESULTS

I made the sale.

I got the grant.

I learned how to give an effective presentation.

I lost 13 pounds.

*“Do or do not; there is no try.”*

—Master Yoda

A results focus is a way of thinking. It’s a different mentality than an activities focus. Kozo Ohson of Sony once brought a small piece of wood

to his engineering team and told them he wanted a personal stereo built to that size. As a result, the Walkman was born. In his book, *Thriving on Chaos*, Tom Peters tells the story of how Lee Iacocca, former chairman and CEO of Chrysler, wanted to add a convertible to Chrysler's line. He writes:

*Following standard operating procedures, he[Iacocca]asked his chief engineer to craft a model. The engineer, consistent with industry standards, replied, "Certainly. We can put together a prototype in nine months." Several bystanders report Iacocca's furious response: "You just don't understand. Go find a car and saw the top off the damn thing!"*

Iacocca got his prototype in short order, and it resulted in a huge success. Regarding the development of both the Discman and the Chrysler convertible, the focus was clearly *not* on activities, but on results.

In addition to the benefit of differentiating between results and activities, there's another positive dimension to taking responsibility for results. As I've emphasized over and over in this chapter, *accomplishing* results will build credibility and trust. But simply *taking responsibility for results* will also build credibility and trust—sometimes even when the results are not good...and sometimes when they were not even your fault.

You may remember the situation in 1982 when seven people in the U.S. died from ingesting Tylenol that had been laced with cyanide. The nation panicked. Some predicted that Johnson & Johnson would never be able to sell another product under that name. But Johnson & Johnson took responsibility for the situation. They immediately alerted consumers to stop using Tylenol until they could determine the extent of the tampering. They recalled approximately 31 million bottles of Tylenol, retailing at more than \$100 million. They offered to exchange all Tylenol capsules that had already been purchased for Tylenol tablets, which cost them millions more. They established relations with law enforcement officers on every level to help search for the person who laced the medication and to help prevent further tampering. They put up a reward of \$100,000 for the person who committed the crime. When they reintroduced the product back in the market, it had new triple-seal, tamper-resistant packaging. As a result of their actions, they turned what could have been a disaster into a victory in credibility and public trust.

Interestingly, the basis for their decision making was a “credo” written in the mid-1940s by Robert Wood Johnson, the company’s leader for 50 years. Their values were clear, and they were clearly “mutual benefit.” As one observer reported:

*Johnson outlined his company’s responsibilities to “consumers and medical professionals using its products, employees, the communities where its people work and live, and its stockholders.” Johnson believed that if his company stayed true to these responsibilities, his business would flourish in the long run. He felt that his credo was not only moral, but profitable, as well.*

And so it turned out to be. By focusing on mutual benefit and accepting responsibility for results and even bad results and even when they were not Johnson & Johnson’s fault—the company was able to restore credibility and trust.

It’s amazing how the impact of taking responsibility for results plays out in personal and family life—where instead of blaming and accusing, a spouse will say, “I’m sorry for my part in this. What can I do to make it better?” Or a parent will say, “Maybe I didn’t communicate clearly on this issue. Let me try to explain a little better.” Or an estranged brother or sister will accept responsibility for the breach and take the initiative to mend it. When you say, “I accept responsibility for my part in this, whatever it may be...” and also “I accept responsibility to help find a solution,” you build credibility and trust...and get better results all around.

*It’s no use saying, “We are doing our best.” You have got to succeed in doing what is necessary.*

—WINSTON CHURCHILL

## **2. Expect to Win**

According to Greek mythology, Pygmalion, the king of Cyprus, carved an ivory statue of the ideal woman. He named her Galatea. She was so

beautiful that Pygmalion fell in love with her, and because of his deep desire and will for her to be real, with the help of the goddess Venus, he was actually able to bring her to life, and they lived happily ever after.

This ancient myth has come to serve as a metaphor that illustrates the power of expectation. While this phenomenon is commonly referred to as “the Pygmalion effect,” it’s also been called the Galatea effect, the Rosenthal effect, self-fulfilling prophecy, positive self-expectancy, confidence, optimism, or just plain faith. In modern times, it’s been made popular through the musical *My Fair Lady*, a modern Pygmalion story in which a speech professor’s expectations become the catalyst that inspires the transformation of a Cockney flower girl into a lady.

The principle is simply this: We tend to get what we expect—both from ourselves and from others. When we expect more, we tend to get more; when we expect less, we tend to get less.

This phenomenon was clearly manifest in a 1968 study by Dr. Robert Rosenthal in which teachers were told that, based on IQ testing, students in a control group were high achievers—though in fact they had been randomly assigned. When the students were tested several months later, the control group students performed measurably better than their peers. Higher teacher expectations of students had been translated into increased student learning.

In our own lives, having a mind-set of expecting to win increases our odds of winning. It helps us get better results. And better results help us increase our credibility and self-confidence, which leads to more positive self-expectancy, and then more winning—and the upward cycle continues. It becomes a self-fulfilling prophecy.

As Harvard Business School professor and writer Rosabeth Moss Kanter has observed, “Confidence consists of positive expectations for favorable outcomes...winning begets winning, because it produces confidence at four levels.” The first of those levels, she says, is “self-confidence: an emotional climate of high expectations.” The second level is “confidence in one another.”

So if you want to increase your results, expect to win—not only for yourself, but also for your team. Not at all costs, but honorably. Not at the expense of others, but in conjunction with others. Expecting to win—and expecting others to win—is a fundamental approach of helping to bring it about.

### 3. Finish Strong

One year my son Stephen, who was an outstanding football player and captain of his high school team, decided that he wanted to go out for basketball. He made the team, but to his disappointment, he was only average and spent most of the year on the bench. A month before the season ended, he hurt his shoulder, and the doctor said he would not be able to play anymore that year. His initial response was to quit the team. He was injured and he wasn't going to play, so in his mind, there was no reason to stay.

But Jeri and I had another view. To us, there was a principle involved. Stephen was on a team, and the team was still playing. Whether he played or not was irrelevant; the team needed his support.

At first, Stephen grumbled. He said it would be a waste of time. He even went for the ultimate parental "button": "But, Dad, I could *bestudying*!" But in the end, he hung in there and stayed on the team until the season was over. He helped out at practices. He supported the team. And both his coaches and his teammates commended him for it.

After he graduated from high school, he gave a speech in which he thanked his coaches and said that as a result of sports, he had learned two great lessons in life: The first was to work hard; the second was to finish strong. And we've seen the positive results of those lessons play out in everything he's taken on since.

Results are all about finishing. You're probably aware of the old adage, Beginners are many; finishers are few. Increasingly, it seems, we live in a society of victims and quitters. The sheer number of people quitting their jobs, fathers abandoning children (both physically and financially), couples divorcing, and teenagers who don't even graduate from high school indicates, that at least in some situations, when the going gets tough people simply quit. Of course, there are circumstances in which making some of these decisions may be the best thing to do. But in many situations and for no good reason, people just don't have the motivation and stamina to finish strong.

Clearly, finishing strong is a powerful antidote to a culture of quitting. But have you ever thought of it in terms of its even greater impact on credibility and trust?

My motto is: Whenever possible, finish, and finish strong. A colleague of mine who was training for a marathon shared some excellent advice he

received from a world-class runner. “When you ‘hit the wall,’” the runner said, “and you feel like you can’t go on, instead of focusing on your exhaustion and going into the ‘survival shuffle,’ lift up your head and *pick up your pace*. ” At first glance, that advice may sound counterintuitive. But on reflection, it makes great sense. By picking up the pace, you’re really saying to yourself that you’re not just going to finish; you’re going to finish strong.

## **A Summary of the Four Cores**

In this section, we’ve explored the First Wave of Self Trust. We’ve looked at the Four Cores that create credibility—the character and competence necessary for us to trust ourselves and to be deserving of the trust of others. We’ve talked about ways to build character by increasing integrity and improving intent. We’ve talking about ways to build competence by increasing capabilities and improving results. In doing these things, we build credibility and inspire trust.

As I mentioned earlier, in our Speed of Trust workshops, one of the exercises we do with the participants is send out a 360-degree trust feedback tool to get input from their boss, peers, reports, and others whose names they provide. The feedback is then compiled and run through an analysis by an independent firm—we don’t even see it. The following day, we allow time for those who would like to discuss the feedback with their coaches and to share with the group.

For many, it is very surprising to see how others rate them on these 4 Cores.

At one recent workshop, one CEO said:

*I graded myself very hard, but my perception was that I was terrific at getting results. But they said, “You don’t deliver,” and that was eye-opening. My company’s doing great, but I started to think, If I listen to them more and I step aside and stop micromanaging—if I just move over and get out of the way—think of how big the company could be!*

A leader in a nonprofit entity said:



*One of the things that really shocked me was one of the comments that I was selfish. I thought, Selfish? How can someone say that I'm selfish? But as I met with my coach and started talking through some of the issues, I had to stop and say, "Well, maybe I am selfish because my whole thing is 'cover your tail at all costs.' Maybe I need to change that so they realize, 'Hey, this is a win for all of us.'"*

Whether you're aware of it or not, people notice the 4 Cores. They affect your credibility. Understanding them will give you conscious competence. It's like putting on your trust glasses. It will enable you to see beneath the surface, to see specifically why you—or others—are trusted or not. It will also enable you to pinpoint what you can do in your own life to increase trust, and also how you can work with others to help them increase trust in your organization or at home.