

TRUST

4 WAYS TO BUILD

TRUST

THERE IS A CRISIS OF TRUST IN THE BUSINESS WORLD. ACCORDING TO THE 2016 EDELMAN TRUST BAROMETER, A GLOBAL SURVEY OF 33,000 PEOPLE, ALMOST ONE IN THREE PEOPLE DON'T TRUST THEIR EMPLOYER.

THAT'S BAD NEWS FOR BUSINESS.
COUNTLESS STUDIES SHOW THAT
EMPLOYEES WHO PERCEIVE THEIR
LEADERSHIP AS TRUSTWORTHY
ARE MORE ENGAGED, SATISFIED,
PRODUCTIVE, AND HONEST.

The problem is that the qualities required to get to the top of the pile are the same ones that erode trust among your subordinates once you get there. All humans have two competing needs – the need to get along with their peers and be accepted as part of a group, and the need to get ahead and gain power within the group.

Research shows that, in order to be successful at work, you need to balance your desire to get ahead with your ability to get along. If you focus too much on the former, you will come across as pushy and greedy, and others will dislike you.

Focus too much on the latter, and you might end up with a lot of friends at work at the expense of advancing your career.

Managing the tension between getting along and getting ahead is particularly important if you have leadership aspirations. A leader's job is to enable teams to get ahead of rival teams, but a prerequisite for this is that the team members first get along with each other. For leaders to gain the legitimate power to achieve team harmony, they need to first be able to advance their careers without antagonizing their colleagues.

SO HOW CAN YOU RECONCILE THE NEED TO
STAND OUT AND GET AHEAD WITH EARNING THE
TRUST OF YOUR EMPLOYEES?

THE COST —OF BEING— THE BOSS

In a perfect world, there would be a strong correlation between job performance and career success – the people best suited to leadership positions would naturally rise to the top by virtue of their talent and hard work.

Unfortunately, the people who typically advance in organizations do so by pleasing their bosses. Even in the age of people analytics, when organizations often track an unimaginable number of data points on each of their employees, performance reviews are still more a reflection of how much your supervisor notices and likes you.

So, rather than actual displays of leadership, people are promoted based on how well they manage their managers – how well they tell their bosses what they want to hear and keep their positive attributes in the spotlight while downplaying their shortcomings.

Although there are myriad factors that affect how your boss views your leadership potential – gender, age, attractiveness, and race are all predictive of leadership preferences, even though they have nothing to do with leaders' actual effectiveness – none is more powerful than charisma.

CHARISMA HAS LONG
PREVAILED AS ONE
OF THE MOST
CELEBRATED ATTRIBUTES
OF LEADERSHIP.

A global survey evaluating everyday perceptions of leadership across 62 countries identified 'charismatic' and 'inspirational' as two of the most recurrent attributes linked to leadership," says Hogan CEO Dr. Tomas Chamorro-Premuzic.

"Indeed, most people struggle to name a famous leader who does not exude charisma, and after decades of mass-media penetration... We seem to have habituated to the idea that leaders are worthless without it."



CHARISMA IS BEST DEFINED AS THE SUM OF FOUR DARK-SIDE PERSONALITY CHARACTERISTICS DESCRIBED BY THE HOGAN DEVELOPMENT SURVEY (HDS) MISCHIEVOUS, COLORFUL, BOLD, AND IMAGINATIVE SCALES.



MISCHIEVOUS

High Mischievous people tend to be charming and spontaneous. They're comfortable taking risks, and brush off failure easily. They seem skilled at influencing people's perceptions to advance their personal agendas and willing to circumvent rules and tradition when they interfere with their plan.

COLORFUL

People who score high on the Colorful scale are engaging and outgoing. They present ideas with enthusiasm and seek to be the center of attention. Early in their careers, these qualities and their skill at taking credit for group achievements helps them stand out from their peers and get noticed.

BOLD

High Bold people seem fearless and self-assured. They are skilled self-promotion, often overstating their strengths and downplaying their shortcomings. They're often hailed as the hungry go-getters of the office. They always expect to succeed and are often unable to admit mistakes or learn from experience.

IMAGINATIVE

Imaginative people are creative, often to the point of eccentricity. Early in their career, these qualities can help an individual seem bold and innovative, but his or her penchant for outside-the-box thinking comes at the price of practicality, and often leaves he or she bored with details and mundane office work.

PUT TOGETHER,
BEING MISCHIEVOUS,
COLORFUL, BOLD, AND
IMAGINATIVE CAN HELP
YOU STAND OUT.

These qualities can be effective in differentiating you from the dozens of other workers vying for that next promotion, and make you seem like a daring innovator and natural born leader.

But where rising to the top depends on impressing your boss, staying at the top is all about achieving results via an engaged, highly effective team. And that's where these characteristics can start to cause trouble.



TROUBLE

— AT THE —

TOP

Although those characteristics can help you get to the top, once you're there, they can quickly erode trust among your supervisors and more importantly your subordinates.

"People need to know that the person in charge won't take advantage of his or her position – that they won't lie, steal, play favorites, or betray subordinates," said Hogan Founder and President, Dr. Robert Hogan. "Once subordinates lose trust in their leaders, the relationship can never be repaired."

David Sirota, a pioneer of engagement research, notes that employees need to fulfill three major needs at work. The first is a need for achievement – satisfied when people are given important and challenging work, and their work is recognized. The second is a need for camaraderie – met when people are able to build relationships and bond with others. The third is a need for equity – fulfilled when people think they are treated fairly. Untrustworthy leaders threaten all three of these needs, and as a result cause their employees to become disengaged.

RESEARCH SHOWS THAT ENGAGEMENT IS THE KEY DRIVER OF GROUP PERFORMANCE.

Engaged employees are energetic, proud, enthusiastic, and have positive attitudes at work. Organizations whose employees are engaged show higher returns on assets, are more profitable, and yield nearly twice the value of their shareholders compared to companies characterized by low employee engagement. On the flip side, disengaged employees show counterproductive work behaviors, like depressed output, absenteeism, and burnout. It's been estimated that disengaged employees cost U.S. companies more than \$450 billion each year.

"When employees are engaged, they like their jobs, they work hard at their jobs, they take initiative, and they show loyalty," Hogan said. "When employees are alienated, they hate their jobs and don't work very hard."

Global surveys show that many employees dislike their jobs (Pfeffer, 2016). LinkedIn and other recruitment firms estimate that 70% of the workforce consist of passive job seekers – people who are not actively looking for jobs, yet still hopeful for better alternatives.

**IN THE REALM OF RELATIONSHIPS, THIS EQUATES TO
70% OF MARRIED PEOPLE BEING OPEN TO REPLACING
THEIR SPOUSE.**



**SO, HOW CAN YOU SEEM MORE TRUSTWORTHY WITHOUT LOSING THE
BENEFIT OF APPEARING LEADER-LIKE TO YOUR BOSSES, PEERS,
AND SUBORDINATES?**



1

BE MORE BORING

Many of us have a romantic view of the creative, eccentric leader – ala Steve Jobs, Mark Zuckerberg, or Richard Branson. But while these individuals and their adventures are interesting to read about, working for them can be a nightmare.

“It’s almost an insult to call someone predictable,” Chamorro-Premuzic wrote in a post for *Fast Company*. “It implies they’re simple and boring. But predictability is a major ingredient in trustworthiness. People who tend to be very creative and spontaneous may have trouble getting others to trust them simply

because it’s genuinely harder to predict what they’ll do next.”

In a meta-analysis of personality and leader performance that appeared in the *Journal of Applied Psychology*, Dr. Jeff Foster, Hogan vice president of science, and Dr. Blaine Gaddis, senior manager of product research, found scores along the Hogan Personality Inventory (HPI) Prudence scale had significant correlations with ratings of trustworthiness. The Prudence scale measures the degree to which a person exhibits self-discipline, responsibility, and thoroughness – qualities that would make them more

predictable to those around them. The study also found that scores along the Mischievous and Imaginative scales had strong negative correlation to ratings of trustworthiness.

“The more consistently you behave, and the more congruence there is between what you say and what you do, the more... trustworthy you’ll appear to others,” wrote Chamorro-Premuzic.

ALTHOUGH WE TEND TO THINK OF OURSELVES AS HIGHLY COMPLEX, UNPREDICTABLE CREATURES, IF YOU ASK THE PEOPLE AROUND YOU – WHETHER FRIENDS, COLLEAGUES, OR RELATIVES – CHANCES ARE THEY CAN PREDICT PRETTY ACCURATELY WHAT YOU ARE LIKELY TO DO IN A GIVEN SITUATION.

2

BE MORE EMPATHETIC

Predictability is most important for appearing to be trustworthy, but you don't get any points for predictably being terrible toward the people around you. Gaddis and Foster found a strong correlation between the HPI Interpersonal Sensitivity scale, which describes people's tact, perceptiveness and their ability to form and maintain relationships, and perception of overall trustworthiness.

"Trust is actually a central part of our ability to survive in complex environments," wrote Dr. Art Markman, a professor of Psychology at the University of Texas. "In general, humans aren't

physically imposing organisms. Alone and without tools, we're little match for many predators, not to mention the elements." According to social psychologist

"WHEN WE COOPERATE, WE'RE ABLE TO OVERCOME JUST ABOUT ANY OBSTACLE. THAT, OF COURSE, TAKES TRUST, NOT JUST IN ONE ANOTHER, BUT IN THE LEADERS WHO ORGANIZE US." – DR. ART MARKMAN

Amy Cuddy of the Harvard Business School, every personal interaction involves subconscious judgment of how friendly and empathetic the other person seems. "When we form a first impression

of another person...we're judging how warm and trustworthy the person is, and that's trying to answer the question, 'What are this person's intentions toward

me?'" Cuddy said in an interview with *Wired*. "I think people make the mistake, especially in business settings, of thinking that everything is negotiation. They think, 'I better get the floor first

so that I can be in charge of what happens.' The problem with this is that you don't make the other person feel warmth toward you. Warmth is really about making the other person feel understood. They want to know that you understand them. And doing that is incredibly disarming."

"You can also establish trust by collecting information about the other person's interests," she continued. "Just making small talk helps enormously. Research proves that five minutes of chit-chat before a negotiation increases the amount of value that's created in the negotiation."

3

BE MORE RESILIENT

Modern business changes at remarkable speed, and that instability can cause stress and disengagement among employees. Leaders who maintain their cool in a crisis seem more trustworthy to their employees.

Foster and Gaddis found a strong correlation between the HPI adjustment scale, which measures confidence and composure under pressure, and ratings of trustworthiness.

That ability to remain calm and resilient under pressure depends on high emotional intelligence

(EQ). Although for years the term EQ was a huge buzzword in the HR community – a sexy alternative to IQ – studies show that people with high EQ are actually quite boring: they are emotionally stable rather than neurotic; agreeable rather than argumentative; and prudent rather than reckless. The epitome of someone with high EQ is a person who never loses his/her temper – even when deliberately provoked – and maintains a calm and positive outlook in life.

“Whether it’s steering through a business downturn or getting struggling employees back on track,

the most effective leaders meet these challenges openly,” Gwen Morgan, co-author of *The Complete Idiot’s Guide to Business Plans*, wrote in *Entrepreneur*. “Regular communications with your staff,

informing them of both good news and how the company is reacting to challenges will go a long way toward making employees feel like you trust them.”

“GREAT LEADERS ARE BRAVE ENOUGH TO FACE UP TO CHALLENGING SITUATIONS AND DEAL WITH THEM HONESTLY.” – GWEN MORGAN

4

BE MORE HUMBLE

Nobody really likes to admit it, but self-promotion is an essential skill for getting ahead in most modern organizations.

In their meta-analysis, Gaddis and Foster found strong negative correlations between high scores on the HDS Colorful and Bold scales, both of which measure people's tendency to seek the spotlight and take credit for others' accomplishments, and ratings of trustworthiness.

Jim Collins, a leading authority on management and author of *Good to Great*, spent more than 30 years investigating why

certain organizations tend to be more successful than others. He found that companies led by modest managers consistently outperformed their competitors, and tended to be the dominant

WHERE SELF-PROMOTION IS ONE OF THE KEYS TO MAKING IT INTO THE CORNER OFFICE, HUMILITY MAY BE THE KEY TO STAYING THERE.

players in their sectors. He also found humble leaders tended to stay at their organizations longer than their arrogant counterparts, and that their companies continue to perform well even after they

leave because humble leaders often ensure a succession plan before they depart.

Accordingly, humility also has its upsides for team performance.

According to a *Catalyst* study on inclusive leadership, employees with humble-acting managers reported being more innovative and "engaging in team citizenship behavior, going beyond the call of

duty, picking up the slack for an absent colleague."

The key, said Chamorro-Premuzic, is to make sure you're match your modesty with your actual level of competence.

"False modesty is only effective in obviously talented people," he said. "When your competence is beyond question, it implies that you're better than you allow yourself to admit. In fact, when two people are seen as equally competent, the more modest of them is typically more likable."

— HOW TO BE —

TRUSTED

— WITHOUT BEING —

TRUSTING

In the quest to seem more trustworthy, you might assume one of the first steps would be becoming more trustworthy of others. However, in their extensive meta-analysis, Foster and Gaddis found that there was no significant correlation between the Hogan Development Survey (HDS) Skeptical scale and ratings of trustworthiness by subordinates.

“In other words, whether or not you actually trust others doesn’t have a significant impact on whether or not other people trust you, at least up to a point,” Gaddis said. “Obviously if you constantly seem paranoid, your followers aren’t going to trust you as much,

but the effect isn’t even close to what we see for HDS scales like Mischievous, Bold, Colorful, or Imaginative.”

And that’s a good thing—because although it sounds horribly cynical, there can be a big upside to being a little suspicious of the people around you. Contrary to popular belief, trustworthiness is best in moderation. Clearly, trust someone excessively and you risk being naive, increasing your chances of getting taken advantage of. On the other hand, if you’re completely unable or unwilling to trust others, you won’t be able to build and maintain relationships.

HOGAN MEASURES THE DEGREE TO WHICH WE NATURALLY TRUST OR DISTRUST OTHERS USING THE HDS SKEPTICAL SCALE.

It's healthy to exercise a certain amount of skepticism, especially at work. Between subordinates lying to get ahead or escape your wrath to colleagues jockeying for the same promotion, there are plenty of people around you that may be telling you half-truths. But although extreme skepticism may seem to some like an intellectual strength, but it can be as handicapping as unconditional trust. Leaders who are highly skeptical may have trouble engaging their teams and wind up demoralizing them instead. Few things are more tiring than having to demonstrate or prove everything to someone who then still fails to believe us.

HIGH-RISK SCORES

People with high-risk (90-100%) scores tend to believe that the world is a dangerous place. At their best they are perceived as bright, they are able to detect logical patterns in the behavior of others, and they can defend their views about the intentions of others with remarkable skill and conviction. At their worst, however, they can be cynical, suspicious, and alert for signs of betrayal in their friends, family, coworkers and employers. When they perceive mistreatment, they retaliate directly.

MODERATE-RISK SCORES

People with moderate-risk Skeptical scores (70-89%) often are critical consumers of information. They're skilled at reading others' motives, and in navigating office politics. Individuals with moderate scores can be uncooperative and difficult to work with when they don't understand why they should do something, and may also tend to exaggerate grievances, be sensitive to criticism, and become accusatory or argumentative when they feel wronged.

NO- OR LOW-RISK SCORES

People with no- (0-39%) or low-risk scores (40-69%) on the Skeptical scale tend to be trusting, optimistic, and eager to work with others. They are often open to feedback, easy to coach, and able to accept constructive criticism. On the low end of the scale, however, is a risk of being overly trusting in a world full of people who will take advantage of you if you're not careful. In a survey of 1,000 people, 8 in 10 said they'd been lied to, cheated, stolen from or otherwise treated dishonestly by a boss or coworker.

WALKING — THE — LINE

What matters most – in practice, anyway – is not how ethical you think you are, but what others think.

“Of course, that doesn’t mean it’s okay to feign ethical behavior only to secretly flout it,” Chamorro-Premuzic said. “But it does mean that appearances matter more than we tend to imagine.”

The key to seeming trustworthy is managing impressions. Almost everyone tries to manage the impressions we make on others. We pay attention to our hygiene and appearance, we show up to work on time, and we do our best not to offend our co-workers. But not everyone is equally successful. Here’s why:

We talk about personality from two distinct perspectives: identity and reputation. Identity is personality from the inside—how you see yourself. Reputation is personality from the outside—how others see you. For most people, there

is a sizeable gap between their identity and their reputation that can cause some pretty bad blind spots in terms of how they behave, especially when they’re under increased stress or scrutiny.

With this in mind, it’s easy to understand why the most important step for diagnosing the behaviors that erode trust among your subordinates starts with getting honest, critical feedback from them. Of course, that’s easier said than done. We’re predisposed to seeking positive rather than negative feedback—fishing for compliments from people who like us—and, even when we don’t, other people are usually uncomfortable providing constructive criticism, especially to the boss. That’s why personality assessment and 360° feedback are such important tools—they provide effective, anonymous methods for collecting unbiased feedback on which you can base a coaching effort.

SEEMING MORE TRUSTWORTHY WHILE STILL APPEARING TO BE A NATURAL LEADER IS A THIN LINE TO WALK.

Once you've identified the personality characteristics that are driving behaviors that cause you to seem less trustworthy, professional coaches can help you work around them. Just be careful not to do away with them completely. Remember, the same personality characteristics that are causing your employees to trust you less are the ones that make you seem leader-like to your employees and bosses alike.

"Our results show that not all dark side personality characteristics consistently have negative relationships with different work outcomes," Gaddis and Foster wrote in a report of their findings, published in the *Journal of Applied Psychology*. "Executive coaches can use this information to better target

behaviors likely to be impacted by an individual's specific dark side personality characteristics."

"For example, when working with a manager who received a high score on the HDS Colorful scale, it is important to note that others are likely to view this individual as leader-like and charismatic, but are less likely to view him or her as trustworthy. Therefore, simply encouraging this manager to be more subdued and less attention-seeking may, in fact, have a negative impact on how others see him or her as a leader. Instead, it would be more effective to focus specifically on concerns over trustworthiness by encouraging behaviors aimed at building perceptions of trust."

**RATHER THAN DISCOURAGING CHARISMATIC
BEHAVIOR, FOCUS ON ENCOURAGING BEHAVIORS
THAT BUILD PERCEPTIONS OF TRUST.**