

# TRUST:

## The Foundation of Great Leadership

Trust is the foundation of great leadership. The level of trust that we have in our leaders, co-workers and partners ultimately determines our confidence in their ability to effectively deliver results. Distrust, on the other hand, can breed disengagement, lack of loyalty, diminished returns on investment, and reduced productivity.

Building a culture of trust starts at the top. Leaders must work to break down barriers and embrace a transparent leadership style that is open and honest to gain true buy-in from employees. Trust is an intangible and elusive characteristic that takes a long time to earn and almost no time to burn, requiring leaders to be mindful of their actions on a daily basis or risk eroding all the goodwill they've created.

### **BUILDING A SOLID FOUNDATION**

A leader does not merely impact the behavior of an employee through one or two interactions. Rather, exerting influence on an individual employee is a constantly evolving process, affected by the consistency of the character of the leader over time as well as the perceptions and reactions of co-workers toward the leader.

"Trust is an investment that you make every day," said Dr. Sam Shriver, senior vice president of commercial operations and product development at The Center for Leadership Studies. "People pay attention to what you do and what you don't do every day, whether they're doing it consciously or subconsciously. If you are going to be an effective leader, you absolutely have to garner the trust of the people that you work with and those who work for you."

According to a recent research study, "Influence in Leadership Development: Bases of Power in Modern Organizations," conducted by The Center for Leadership Studies and Training Industry, Inc., referent power, which is based on the perception that one displays behaviors and personal characteristics that earn the respect and trust

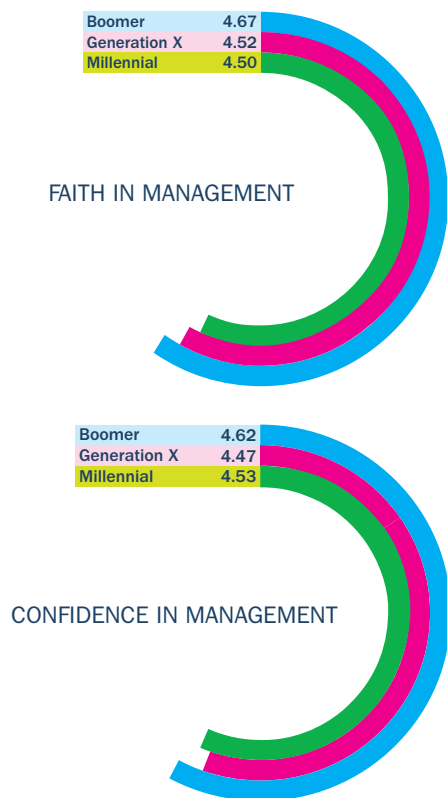
of others, is one of the most important bases of power to managing employees. This finding emphasizes the important role trust plays in leadership and how it can be used to influence the behavior of a follower.

A sister study, "Influenced by Others: Bases of Power Across Employee Generations," revealed that behavior change is more likely to occur because a manager has built trust and respect, as well as having expert knowledge and judgment (expert power). While this is not surprising that followers respond to managers that they trust, it bears to reiterate that trust can play an important role when trying to initiate change and improve performance. When an employee feels "safe" in a relationship then the likelihood that they will be more receptive to change is greater.

**The basis of strong leadership starts with the core principles of trust and credibility.**

To better prepare leaders to influence the behavior of followers, organizations can create leadership development programs that target the soft skills that managers need to build referent power, such as effective communication and listening skills. This will allow leaders to better understand why their own attempts to direct behavior succeed or fail in the day-to-day cycle of management.

**FIGURE 1 Organizational Trust (Management)**



Participants were asked to rate on a scale of 1 (Very Unimportant) to 7 (Very Important)

**FIGURE 2 Organizational Trust (Co-Workers)**



Participants were asked to rate on a scale of 1 (Very Unimportant) to 7 (Very Important)

## TRUST ACROSS THE ORGANIZATION

When measuring organizational trust based on faith in the trustworthy intentions of others and confidence in the ability of others, the research revealed that employees have slightly more faith and confidence in their peers than in management, but these perceptions do not significantly vary across generations. (See Figures 1 & 2.)

While baby boomers rated the highest in trust across both peers and managers, millennials rated lowest with the exception of confidence in management. The slight difference in these perceptions of trust across generations indicates that age does not have a significant impact in determining levels of trust in peers and management.

Although influence in organizations is commonly conceptualized as a leader-follower dynamic, there are instances where interpersonal influence functions outside of the formal structure of a leadership hierarchy. When considering how co-workers/peers can influence each other, referent and expert power are the main drivers of influence, regardless of generation. While influence between co-workers is a factor that impacts workplace behavior, the effects of influence are of greater consequence in the context of a leader-follower dynamic.

These research findings highlight the importance for employees at every level to build relationships that garner trust and mutual respect. Employees have the ability to influence up, down and across the organization and need to be mindful of how their actions can impact workplace performance, both positively and negatively.

## MOVING FORWARD

The basis of strong leadership starts with the core principles of trust and credibility. Before you can effectively lead and execute on your vision, managers must first establish trust and credibility with their peers and followers.

High-performance organizations provide leaders with the tools and skills they need to be successful. By implementing a quality leadership development program, organizations can better prepare leaders to drive behavior change to achieve business goals. Immersing leaders in training programs provides them with a fresh perspective and shows them the impact that effective leadership can have on the organization as a whole.

“Trust is so important and crucial,” Shriver added. “It’s something you have to be very mindful of on a daily basis. If you have established trusting relationships, then you need to guard them with passion.”

For more information, read the full research report on [“Influence in Leadership Development: Bases of Power in Modern Organizations.”](#)