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Trust Management: Economic Crisis Requires Rapid Rebuilding of Trust

The ability to create trust is seen as a core competency of modern leadership. However, business reality often lags behind management theory – and this becomes particularly apparent in times of crisis. A British coaching model looks at innovative ways to help managers rebuild their self-confidence, and ultimately their trustworthiness, in the short term as a response to change and crisis situations- with a view to building or regaining a corporate culture of trust.

World markets are shaken by a crisis of epic dimensions. Everybody is talking about a financial crisis, studiously ignoring the white elephant in the room: mistrust. Like a flu epidemic, mistrust has infiltrated the corporate world, public institutions and governments alike, reaching to the furthest corners of our global, interconnected society. So, is this so-called 'financial' crisis really a crisis of trust? Looking at the overall impact of this crisis, rather than its causes, the breakdown of communal trust on a worldwide scale is one of its most striking features. At the moment, the problem and its solution are seen as purely monetary: Governments keep pumping vast sums into the international finance system to stabilise the markets. The two central drivers of high finance, greed and fear, need to be fed to make the world, as we know it, go round. However, is this material approach enough to take the fear away und rebuild trust in the economy, and particularly the financial sector? The ongoing volatility of the stock markets doesn't seem to confirm this. A study published by Edelman PR last autumn shows that trust in American companies fell from 58% to 38% within one year.

The Nature of Trust

Trust is a dynamic, interactive process, that can be - and this is the good news actively influenced, in a positive or negative direction. Contrary to popular opinion, trust is not just a "given", a passive quality that is simply taken for granted or breaks down never to be regained. Trust is always a matter of human effort and must be conscientiously created. This is true for individuals as well as for companies and governments. However, the individual remains at the centre of this process as trust is first and foremost created through human interaction, in personal relationships. In today's business world, however, those personal, face-to-face relationships have often been replaced by virtual relationships, offering a weak new version of the traditional network of trust. Google has become the first port of call for information about new business partners or customers. In the current economic climate, this trend has had a far reaching impact. The decline in personal business relationships means a comparatively small base of trust, making it more susceptible to erosion. Increasing numbers of companies are facing difficult shareholder meetings, results announcements, board meetings and new business pitches. The immediate challenge arising here is this: how can managers (re)gain trust in the short term? How can difficult content be communicated in a trustworthy manner? Naturally, a company's entire trust "culture" cannot be changed in just one coaching session, but personal trustworthiness and credibility as well as the ability to trust can be improved significantly in the short term.

"Trust is not a 'soft factor', but a hard decision factor. The confidence and trustworthiness a management team projects in times of crisis often decides about a company's demise or survival," says Duncan Wiggetts, a lawyer with

PriceWaterhouseCoopers' Eurofirms OGC Assurance Counselling & Litigation Team in The Hague, who advises corporate clients whose disregard of accounting rules has led to a dramatic loss of overall trust.

Elements of Credibility

- Why do we perceive people as credible and what are the constituent parts of personal trustworthiness?
- How do we judge a person's sincerity?
- Why do we trust or distrust some people 'instinctively', often after only minutes of initial contact?
- Why do people often agree in their initial judgement of another's trustworthiness?

Research has found that humans come with a built-in 'instant valuation' system, of which 'instinct' or 'intuition' form a part, which is located in the non-conscious part of our brain. This valuation system does not respond to verbal content, but absorbs non-verbal aspects of communication, such as posture, eye contact, clothing, tone of voice and gestures. The 'mirroring' concept describes a basic form of creating rapport – someone who looks like me and behaves like me is more 'familiar' and hence more trustworthy. Behavioural scientist Desmond Morris calls this the 'postural echo', which helps to differentiate subconsciously between authentic and 'false' rapport.

Core qualities of Trust

On a content or intellectual level, most communications researchers agree, that *authentic* trust is based on three essential criteria: perceived competence, reliability and integrity or sincerity. Julia Olalla, Founder of the Newfield coaching network, illustrates these 'core qualities' of trust as follows:

- Sincerity Do you really mean what you say? Others often assess this purely on non-verbal behaviour such as eye contact.
- Competence: Can you do what you say? This aspect looks at feasibility and personal experience – "Walk the talk".
- Reliability: Have you done what you said in the past? The emphasis is on an individual's personal track record.

Whilst these building blocks of trust are often assessed, modified and re-evaluated over long periods of time, the question of *how* sincerity and competence are expressed on a non-verbal level, offers more direct and quicker access to change and transformation. The physical dimension of trust is based on a person's individual body language, which in turn depends on personality, physical features and the habitual response to external situations. First impressions are mainly made up of non-verbal information and the creation of rapport and ultimately trust firmly starts on a physical level. Trust Coaching helps to make individuals aware of their habitual body language and how it is perceived by others. The physical realm of trust gives us direct access to one of its most immediate and instinctive parts. The overall coaching objective is to achieve a congruence of content and delivery, to find a "trustworthy" and credible way to match verbal and non-verbal communication. This also means learning to trust your own body in its responses and a willingness to modify physical stress responses that might appear "shifty".

A person's self-image is strongly influenced by personal experience, self perception and other cognitive abilities. This self-image, which we can describe as the subjective base state or "natural self" is reflected in body posture. Individual body posture gives observers a first impression of a person's self-confidence: slouching or upright, mobility of the neck and the way people breathe and hold their head are all key elements. Under the influence of stress, physical tension is created which often

manifests itself in a tightening of the shoulders, neck, upper back, chest and abdomen. Breathing and speaking become more difficult. As a result, we hear thinner voices, shallow breathing and staccato-like sentences. The physical manifestations of stress and fear, which are noticed and commented on by others, often create a negative feedback cycle. Stress changes performance, which leads to lower self-esteem and therefore the ability to trust yourself diminishes. If I can't trust myself, others won't be able to trust me either. "Stress manifests itself physically mainly in three areas: the breathing apparatus, the nervous system, which decides over the fight-or-flight reflex, and the so-called 'posture triangle' which consists of the head, shoulders and thorax," says David Vaux, Senior Coaching Partner at London-based coaching consultancy MessageLab. (MessageLab's pioneering approach in Trust Coaching combines different practitioners and disciplines to achieve fast and measurable results, ranging from behavioural psychology and NLP to change management tools, stress management, intercultural coaching and occupational health as well as classic presentation and presence training.)*

Conscious changes in breathing and posture influence, in a reverse process, internal processes positively, often within a short period of time. Targeted exercises and awareness of postural traits and problems can transform individual stress responses and enable a different type of performance and communication.

Building on the physical achievements that lead to improved self-confidence and trust, executives are often able to perform differently in pressurised situations. The subsequent step in the coaching process focuses on matching the delivery, i.e. communication or presentation style, with content. In a business context, managers need to experience and deliver congruent communication to be trustworthy. A congruent solution which favours transparency and honesty, neither talking things more beautiful nor covering them up, helps to build individual self-esteem. There is more to trust management than "walking the talk": Emerging successfully from a crisis situation is often the first step to enhanced self confidence and a corporate culture of trust.

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