

Maximizing Return on Assets

Adding Trust Capital to Your Strategic Portfolio

Trust: *-n-* Reliance on the integrity, strength, ability, surety, etc., of a person or thing; confidence

Capital: *-n-* Wealth used to produce more wealth; any source of benefit

Trust Capital: *-n-* Social relationships built on trust that produce wealth or benefit

When we think of capital, most of us think of financial capital and the benefits that can accrue from it such as interest, dividends or profits. Capital, by definition, is any source of benefit—or wealth used to produce more wealth. Trust capital, therefore, can be thought of as social relationships built on trust that produce wealth or benefit.

Strengthening trust can enable organizations to realize the gains that come from healthy relationships. If it has been weakened or broken, rebuilding trust can reverse the losses that come from damaged relationships. Either way—whether building a strong culture of trust or repairing trust when it is weakened or broken—trust capital produces benefits. Work and life become easier and more rewarding, which positively affects everything.

Reverse the Losses that Come From Broken Trust

After the initial ‘honeymoon’ phase of relationships, including newly formed teams or new roles in organizations, resistance often ensues. People naturally view things differently and often have unstated assumptions or competing interests, and this emerges.

While resistance is normal and can actually be healthy—shedding light on various perspectives that paint a fuller picture and can lead to more effective solutions—it is often not viewed as such and therefore not leveraged. Roadblocks, delays, stalemates and/or infighting can emerge as a result of resistance and turn things in harmful directions. And when things begin to head south, many people do not realize that actively working to rebuild trust is what it takes to turn things around.

If resistance is allowed to continue, people often ‘check out.’ This shows up as disengagement and can look like broken commitments, absenteeism, or ‘fizzling out’ of initiatives or relationships in which people were formerly engaged. Disengagement is more serious than resistance because energy has been lost. Things take longer to get accomplished, if they get

accomplished at all. While absenteeism can have a serious impact on an organization's bottom line, if a major change effort 'fizzles out', the cost can be *enormous*.

Although it becomes more difficult to turn things around when disengagement occurs, it can be done—by addressing relationships and the causes of their breakdown. A trust capital lens provides this critical perspective and trust rebuilding skills can make it happen.

In the worst-case scenarios, sabotage may ensue from relationships that have gone awry. Unlike disengagement, sabotage involves energy—but it is directed toward *revenge*. When anger and a sense of vengeance emerge, they can lead to things such as defamation of character, theft, or unwarranted lawsuits. Obviously, it is always best to rebuild trust *before* relationships deteriorate to this level.

While addressing trust can take place at any stage of deterioration in relationships, the sooner it is addressed the better. And, naturally, the most benefit can be gained from taking a proactive approach to building trust.

Like an oyster that coats a grain of sand and turns it into a pearl, we can turn the apparent irritants of opposing perspectives into things of great value by creating inclusive solutions that people embrace. When we do, trust is strengthened and engagement ensues. This is how innovation, sales and top performance flourish—and the treasures that come from them are rare.

Realize the Gains That Come From Trust

Building trust capital does not just stem the losses that emerged from its absence—it generates returns. Gains from trust capital take many forms and show up in all areas of our lives. In the world of work, trust capital leads to the engagement behind innovation and top performance. Treasures that were once hidden are now discovered and people work collectively to achieve common goals with greater ease.

Other benefits that come from trust include an enhanced reputation and the customer and employee loyalty that go with it. Trust capital can be built in relationships within organizations and between organizations and consumers, markets and communities. When these are strong and healthy, brand reputation gets stronger. And a positive brand reputation gives you a significant competitive advantage.

Profits naturally follow from innovation, top performance, and enhanced brand loyalty. Studies have shown that strong relationships between organizations and communities create the customer loyalty that impacts the bottom line. And strong relationships between organizations and employees decrease turnover, which can save an organization up to 2½ times an employee's annual salary.

Work and Life Become Easier and More Rewarding

So what is in it for *you*? It does not take much to see that work and life becomes easier and more rewarding when relationships are at their best. People trust one another and cooperate. Morale improves. Things happen with greater ease—including sales. And you cannot put a price on the ease of working with and relating to others. Now *that* is the kind of return we all want our portfolios to realize!

Isn't this just old pearls in new shells?

Yes and no. Relationships have been around since the dawn of man. Yet as more and more fields realize how vital trust is—from economics to sociology to psychology to business—evidence is mounting as to the real gains that accrue when it exists.

And we know more now—about what differentiates those who succeed from those who do not; about change efforts that fail vs. those that realize their intended outcomes. And we know the price we pay for failure all too well.

More and more leaders are realizing it is time to generate the returns that trust capital can bring to their portfolio—before their competitors do and they fall behind.

Why Trust Capital Institute?

Our proprietary Trust Infusion™ methodology is based on research and over 100 years of combined experience with what works. We are *thought leaders* on trust. Our work has been presented at numerous international conferences and cited in a Special Commission report that went to Congress and the President. We bring an international team of senior consultants to help you realize the gains that come from a sustainable culture of trust.