The Naked Truth: Trust Unites

By Melanie Lockwood Herman

Executive Director

Resource Type: Risk eNews

Topic: HR Risk and Employment Practices, Organizational Culture

"The process of building trust takes risk. We start by taking small risks, and if we feel safe, we take bigger risks. Sometimes there are missteps. Then we try again. Until, eventually, we feel we can be completely ourselves." – Simon Sinek, *The Infinite Game*

This week I've been reflecting on the role of trust in nonprofit leadership and risk management. I've also been thinking about some of the lessons I've learned from my Dad, who turns 83 tomorrow.

My Dad's stories, expressions, and admonitions are legendary in our family. One of his favorite cautionary tales is about telling the truth. To paraphrase Dad: "Always tell the truth. That way, you'll never have to keep track of the lies you've told." I was a pretty typical teenager who groaned and rolled her eyes when Dad got on his soapbox. Imagine my surprise when I discovered—as an adult—that he actually knew what he was talking about!

Truth and trust are symbiotic: you are far more likely to accept as *truth* a statement of 'fact' from someone you trust. And you're inclined to *trust* someone who you believe regularly and consistently speaks the truth. Risk professionals occupy a unique role in a nonprofit organization; their success and ultimate contributions depend on the entire team's support and cooperation. Yet, few risk leaders have the authority to command compliance. Trust establishes a foundation upon which the trusses of compliance are erected. Staff teams who trust their risk leaders will see these champions as partners, mentors, and guides to navigate organizational risks. Without trust, the ambitious goals of a risk management program are doomed to fail.

Even if risk leaders were to sit at the top of the org chart, trust is not something you can demand or a currency you can lock away in a vault. Trust cannot be assumed, presumed, or neglected; it must be carefully tended and nurtured every day. Trust built over months and years of hard work can be lost or squandered in an instant when you're caught telling an untruth—or hiding something that should have been shared. How can risk leaders fortify trust in the teams they serve and lead? If trust is a currency that your risk program requires, ensure you are making regular deposits.

Transparency

Secrecy impedes trust, while transparency is the ultimate trust booster. Unfortunately, the risk realm is full of secrets. Risk leaders often worry about what will happen when an organization shares its top risks with the staff,

reveals risks to the board, or discloses risks to an external partner. The NRMC team believes that it is impossible to fully understand and unearth the nuances and nature of risk when the issue, event, or possibility is cloistered. Ask:

- What risks are we reluctant to talk about?
- How might our reluctance to air the risks we fear cause unnecessary worry by members of the team?
- What issues, concerns, risks, and challenges should be discussed this year so we can begin to address them openly and honestly?

For additional insights on transparency and the 'elephants' in the room, see "Name the Elephant: Coping with the Biggest Risk to Your Mission."

Reckoning

Three years ago, I replaced the ring of sticky note reminders that once framed the monitor on my desk with a single note containing two tips:

1. Work harder on doing less, better, and
2. Growth happens when people experience the good, the bad, and the ugly together.

That note was a way of reckoning with the inner voice telling me to 'do more and more and more' every year and to expect the same of my colleagues. If you've ever worked in—or led—a workplace where the drumbeat of "doing more with less and less" drowned out the joy of your mission, I encourage you to break the cycle this year and resolve to help your team "do less, better."

As you gear up to face whatever disruptions, mistakes, and misfortunes await your mission this year, remember that one of the hardest parts of changing the world around you is taking time to truly see and change the person in the mirror. When you reckon with the impossibility of doing everything better, and in greater quantities, you create an exponentially rising bar that is exhausting to the people who pledge their talents to support your nonprofit's ambitious mission. Following this practice is a trap for burnout and broken trust. In his book, *The Infinite Game*, Simon Sinek reminds leaders, "People are not like wet towels to be wrung out. They are not objects from which we can squeeze every last drop of performance." A better question to ask is: "How do I create an environment in which my people can work to their natural best?"

To reckon with trust-eroding, unrealistic expectations of your team, ask:

- What messages about setting realistic expectations does my behavior send?
- How does our environment support staff in bringing their best to our mission?

Understanding

Recently my daughter and I were chatting about the (f)laws of attraction and implicit bias. Without realizing it, interviewers are drawn to interviewees who seem comfortably familiar. We want to hire people we can imagine working with, side-by-side, and without realizing it, we hire people who look like us. Research on this topic has led to the advice to stop focusing on 'cultural fit.' A WSJ article cautions that "Employers often aim to hire people they think will be a good fit, but their efforts can easily veer into a ditch where new hires all look, think and act alike."

Uniformity is the executioner of innovation. Invest in diversity to breathe life into the new ideas that will uplift and advance your mission. In his volume *The Art of the Idea*, John Hunt reminds us: "By channeling our differences at a problem, something richer seems to appear….Working with people of different backgrounds doesn't just give the group a different point of view, it makes you reassess your own. This is extremely powerful because we're all trapped in what we've previously learnt… And that's often not true or entirely accurate."

Ask:

- How can I widen the perspectives in our organization?
- What viewpoints are we missing?
- What actions can we take to encourage diverse opinions and innovative ideas and fully embrace these perspectives?

Suspicion and fear

In her book, *Teaming: How Organizations Learn, Innovate and Compete in the Knowledge Economy*, Amy Edmondson writes: “As a society, we are still largely inured to a fear-based work environment. We believe (most of the time, erroneously) that fear increases control. Control reinforces certainty—and predictability. We don’t immediately see the costs of fear. . . In fact, many managers believe that without fear people will not work hard enough.”

Leaders who are feared fail to inspire trust. In “Advice for Living,” Dr. Martin Luther King, Jr. writes: “People fail to get along because they fear each other; they fear each other because they don’t know each other; they don’t know each other because they have not communicated with each other.”

Ask:

- In what ways and under what circumstances might my actions inspire fear?
- How can I encourage learning, transparency, and communication among my staff?

Trustworthy

The ultimate strategy to *inspire* trust is to be trustworthy. Trustworthiness is how others view us, not how we view ourselves. Being trustworthy means that others can rely on you, to be honest, truthful, transparent, and accountable.

- Do you consistently live up to the promises and commitments you make to others?
- Are you someone who can be relied on to ‘do the right thing,’ even what that thing is difficult, humbling, or requires admitting you were wrong?
- By your words and actions, are you someone who acknowledges hard truths and the fact that you don’t have all the answers?

Trust is the requisite cornerstone of mission-advancing risk leadership and organizational effectiveness. Yet too often, we take trust for granted, believing that the position we occupy or our expertise and experience demand trust, just as they demand respect. Unlike knowledge that can be acquired through academic pursuits and observation, trust is built through consistent action: aligning your actions with your pronouncements. Rules that protect the safety of clientele, staff, and your mission, must apply to everyone. Therefore, holding yourself accountable to the values you espouse and the commitments you make to others, is the form of accountability that truly matters.

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She welcomes your stories and comments about the intersection of risk leadership and trust. Reach out to Melanie at 703.777.3504 or Melanie@nonprofitrisk.org.