Intro: 00:00
Welcome to Brainfluence, where author and international keynote speaker, Roger Dooley, shares powerful but practical ideas from world-class experts, and sometimes a few of his own. To learn more about Roger's books, "Brain Fluence" and "Friction", and to find links to his latest articles and videos, the best place to start is rogerdooley.com. Roger's keynotes will keep your audience entertained and engaged. At the same time, he will change the way they think about customer and employee experience. To check availability for an in-person or virtual keynote or workshop, visit rogerdooley.com

Roger Dooley: 00:37
Welcome to Brainfluence, I'm Roger Dooley. I'm super excited about today's guest. Stephen M.R. Covey is not only a New York Times number one, Wall Street Journal bestselling author, his book, "The Speed of Trust", has achieved classic status with over 2 million copies sold. I guess I could account for a couple of those with both audio and paper versions in my library. He's the former president and CEO of The Covey Leadership Center, and he co-founded and currently leads Franklin Covey's Global Speed of Trust practice. Trust me, this will be an interesting conversation. Welcome to the show, Stephen.

Stephen M. R. Covey: 01:08
Hi, Roger, so great to be with you on this podcast, very excited for it.

Roger Dooley: 01:12
Great. Well, I'm excited because your new book is "Trust and Inspire", and it builds on the ideas in "The Speed of Trust." And you've devoted a good portion of your life to promoting the concept of trust, Stephen. I know you've obviously filled books with answers to this question, but why is trust so important?

Stephen M. R. Covey: 01:30
Yeah. It's because it really makes our world go round. Just try to imagine a world without trust. Try to imagine a relationship without trust in terms of being enduring and happy. An organization without trust, a team. And so, we have always assumed trust, take it for granted until we lose it. I love how Warren Buffett put it, he said, "Trust is like the air that we breathe. And when it's present we don't really notice, but when is absent, then everybody notices." And so, we're seeing increasingly today in our world an absence of trust, a loss of trust. And so, the need to become intentional and deliberate about building trust in a world of declining trust has never been greater than today. And matters enormously because it affects the speed at which we can move, it affects the cost of everything. It also makes life more fun, and pleasant, and organizations happier, and just everything good we want will increase with trust. And so, it's really an underestimated performance multiplier, and energizer for people, for relationships, for organizations. And so, I think it's just vital in our world today, in a world of declining trust.

Roger Dooley: 02:58
I think it's so important. You couldn't be more correct about the lack of trust. And I think it's obvious at the political and governmental level. You would think maybe businesses would be a bit more immune from that, but I still see certainly a lot of practices that are like that. One of my favorite quotes from "The Speed of Trust" is that low trust creates friction or causes friction. And I've been focused on friction not quite for as long as you've been focused on trust, but you use that word in of all-encompassing sense, including interpersonal friction, I focus more on friction in terms of wasted effort, bad processes, things that waste employees time, waste customers time and effort, and often lead to worse business results. But when I talk about friction, I sometimes get pushback that "Oh, yeah, we know all about that." And my counter to that is "Well, If everybody knows about it, then why is there still so much of it?" I'm wondering if you have ever had the same feeling about trust that people say, "Oh, yeah, we understand trust. Yeah, we were very trusting." but the actuality is different?

Stephen M. R. Covey: 03:55
Yeah, absolutely. You get the same kind of comments of who doesn't believe in trust, right? Everyone believes in trust. And yet, so much of our organizations are designed
for the 3% of the people that we can't trust, not for the 97% that we can. And we create policies and procedures for the few that can't be trusted and penalize the many that can be, and processes and all the like that our organizations are filled with it. I mentioned this in this "Trust and Inspire" book, I visited a university where they were recruiting this superstar professor to come in, and they put the red carpet treatment for him, and the president and everyone came out. And he loved the visit. He had reasons he wanted to move there to this school. And this would be a coup to land this professor because he was in such demand. But then it came time to get reimbursed for his trip, and on his expense report, he literally had to produce evidence of his paper ticket, not just the receipt, but the actual stab that showed you used it. But he didn't use a paper ticket, he just used his phone. And so, he said, "Well, I didn't use a paper ticket." And they said, "I'm sorry, we can't reimburse you without a paper ticket stub." Imagine where did that policy get put in place? It probably got put in place because someone along the way, probably created a fake ticket, got a reimbursement and they said, "Well, gosh, because this one person did it, now let's create a rule that penalizes everyone and cause this visiting professor to say, why would I want to come to this school where they don't trust anyone?" And it was never intended that way, but we put in place controls, policies, procedures designed because of the lack of trust. And it tends to perpetuate itself. And it creates a lot of friction. It slows everything down and increases costs. And I call it a tax. It's a low trust tax. And it's very real. As Emerson says, "Our distrust is very expensive. It creates a lot of friction."

Roger Dooley: 06:16
That's funny. In my book, I talk about expense reporting too, my own experiences, but I won't get into now, but just how these ridiculous rules ended up making things take far longer, not only for the employee who had to comply with all these documentation requirements, but then for the accounting people who had to verify that all the accounting requirements were met. A recent book I've enjoyed is "No Rules, Rules" about how Netflix pretty much eliminated all their rules and practices like that, including those related to expense reporting, they basically said, "Hey, do it smart, do what's good for the company. If you're doing what's good for the company, then it's okay with us. And if somebody does something that turns out to be dumb, well, they'll be told about it. And if they keep doing it, maybe I'll have a problem but it's a system built around trust."
Stephen M. R. Covey: 07:00
I loved "No Rules, Rules" I read it as well. And it's a great example of what I'm talking about in "Trust and Inspire." Because their whole premise is freedom and responsibility. And so, they try to hire good people, and they're constantly trying to what they call increased talent density. And then they're trying to increase the candor. So, it's very real, and then they're trying to release controls, release the rules, release the policies. So, they get rid of that friction, and they were giving people more freedom, that with that freedom comes responsibility. And people tend to live up to the responsibility. And they find it just a better way to run an organization. And it's also a better way to be creative, and innovative, and to collaborate and to do all the things we're trying to do, and to create a great culture that inspires people when you trust them, when you give them freedom, and get rid of the excessive policies, procedures, rules, regulations, that often scream, distrust, and have that counterfeit effect of causing everything to slow down and cost more, the friction you talk about.

Roger Dooley: 08:08
What do you say to executives who might say, "Well, okay, that's fine for Netflix, because they've got all these really smart, high end, high salary employees, have been carefully recruited. But I can extend that level of trust to my people, to our people in our company." How do you push back against that?

Stephen M. R. Covey: 08:26
Yeah. Well, I think that you do look at context, context does matter, and you've got to be smart about the trust being given. But you'll find that in most situations, sure, there might be a risk to extend trust, but quite often, maybe more of the time, the greater risk is not to extend the trust because of all that you have to do, the policies and procedures you put in place, the levels and the layers, the redundancy, the bureaucracy, that tends to get put in place in lower trust environments. And we've become very good at measuring the cost of trusting too much and being wrong, but we're not very good at all at measuring the cost of not trusting enough. And what it does to people, how it saps energy and joy, and how like the example you give on your expense reports, often, the oversight function over this, the verification function
tends to be far more expensive than any little violation that could happen here or there. And so, we've got to look at both sides of the equation, not just what if we trust too much and we're wrong, but what if we don't trust enough? What are the implications of that? And if you balance it out, you can come up with a good approach to it that is smart. I'm not advocating a blind trust, but a smart trust with expectations and accountability. I'll give you one quick illustration that's non-traditional. It's not a knowledge worker company like Netflix, in France, it's a foundry, an automobile manufacturing foundry component company called Favi. So, they're in France, a lower trust society relatively speaking in terms of... The word bureaucracy is a French word. So, there's lower trust, generally, in a manufacturing setting, the foundry, but they had time clocks, they had all the traditional things. And they said, "Look, we're going to change how we approach this, and we're going to lead out with trust. And we're going to have clear expectations, an agreed upon process to accountability to the expectations, but we're going to trust people and get rid of the time clocks, and get rid of all the controls they had put in place." And they would have self-control, self-governance, through expectations accountability, through building a culture, and they have had extraordinary success. They haven't had a late shipment in decades. And they are a huge, fast-growing market share foundry, that is outperforming the competition on the premise of a whole different model of trust in a manufacturing industry, in a bureaucratic society. But they found there's a sweet spot to do it. So, again, I'm not pollyannish on it, you've got to look at the data. But the data is pretty overwhelming that high trust organizations outperform low trust organizations by about three times in the economics, in total return to shareholders. And so, just do the math on it and look at it from your situation. I think as leaders, we need to challenge ourselves around becoming more trusting in order to create the trust that's needed in our world.

Roger Dooley: 11:41
Stephen, you bring up an interesting point about international differences. We've got audience members in all parts of the globe. I was surprised, just a few weeks ago, I was looking at employee engagement levels in different countries, and the US was about one in three. It was down actually a little bit during the pandemic. That had been steadily rising. It may have dropped a couple of points, but still, about one in three employees is considered to be engaged with their work or their workplace.
I thought that that's pretty terrible. But then I looked internationally and it's about one in five, on average, internationally. And in fact, I was working on a virtual talk for an Italian audience. And I looked at Italy, Italy was actually I think the worst country in the EU, with about one in twenty, which is really an insane number. How do your trust ideas translate into different cultures? Again, that was a great example from France. But will this work everywhere in the world?

Stephen M. R. Covey: 12:34
The short answer is yes, absolutely. Trust is a universal principle. It applies everywhere. Now, the practices, the applications of how you would implement this are going to be different and vary by country by culture. Again, cultural context does matter, but the principles are universal. So, I've learned if you separate the principle from the practice, from the application, focus on the principle, and let people come up with their own practices and applications in their environment, in their construct. So, for example, in my book, "The Speed of Trust", one of the behaviors that builds trust is to talk straight. Now, that's a behavior, a manifestation of a principle. The principle behind talk straight is truth, and trying to convey truth. But talk straight is going to look different, let's say, in the Netherlands than it might look in Japan. The Dutch are notorious straight talkers. There's an expression that goes, "Nothing offends the Dutch." So, you can be very blunt and just talk straight. It's just to the point blunt in the Netherlands. In Japan, you'd be far more nuanced on how you would approach, less you'd be offensive, and actually lose effectiveness. But the principle is truth, you're trying to convey truth, but the context and the cultural manifestations of that principle are going to vary in different societies, different places. But I have personally presented on trust in 55 countries, personally on-site, in person, as well as another 20 or so virtually to the particular country. And I find that the principles around trust are universal. The practices, the applications, the context is very cultural. And so, I've just learned to separate the principle from the practice. And if you do that, then you let people come up with their own practices, own applications in the context of their culture, and then you don't confuse the two. And people can then focus on the principle and not get lost by saying that won't work here. The principle will work, but that practice may not work there. You're right. So, that's a key distinction that as a global audience, you'll find trust is a universal principle.
principle, how we implement and apply it might vary in different cultures and contexts.

Roger Dooley: 14:58
Stephen, the book is "Trust and Inspire", and those two words aren't exactly parallels or counterparts to each other. Trust can be a behavior. I can behave in a trustworthy way. I can extend trust, even if maybe it's a little bit uncomfortable at first, but I can show trust in other people and see what happens. So, that's maybe a relatively simple... maybe not all that simple structure you found behavior modification. But inspire seems like it would require more charisma, more of an authority role. How do you inspire? What are some steps that people can take to match up with the inspire part?

Stephen M. R. Covey: 15:39
Yeah, beautiful. I love this question. Any first, pivot back and just say this, that the idea of trust and inspire is a leadership style in contrast to the traditional style of command and control. And so, I came up with the phrase trust and inspiring in juxtaposition, in contrast to command and control, which is most people would get command and control, we've grown up in it, it's a relic of the industrial age, and yet, it still remains the prevailing style of leadership, we've just become better at it more enlightened. So, I'm suggesting we need to shift from command and control, to trust and inspire. So, the trust, your right, we get that we've got to be trusting, but you're asking the question, how do you inspire? Do you have to be charismatic? And I'm making the point that we need to separate inspiring others from charisma. They're not the same. And I know a lot of people who are charismatic, but who don't inspire at all. I know other people who no one would call charismatic, necessarily, but who are extremely inspiring because of who they are, and how they lead and how they care about people and others, and how they're tied to purpose. and how they help connect you to purpose. They can be very inspiring. So, the premise is that inspiring others is actually a learnable skill, everyone can inspire, and how you inspire, you inspire when you model the behavior, when you live by your values in a new model, that behavior that inspires people you inspire when you trust people. In fact, I like to say this, to be trusted is the most inspiring form of human motivation. It brings out the best in people. They rise to the occasion. They're inspired by it. So, already,
those are the first two steps of becoming a trust-inspired leader. You model you trust, that already helps you start to inspire. You're halfway home, halfway there. But what brings you home, what really completes this is you inspire others when you connect with people and connect to purpose. And so, you connect with people through caring and belonging. Caring at the personal level, relationship, showing that you care, and really demonstrating that concern, that care, the love, whatever you might call it, but it's caring. That actually inspires people, when they feel like you care about them. It's like the expression goes, "People don't care how much you know, until they know how much you care." It's really true. It's simple but true. Caring inspires. And then when you connect people to purpose, to meaning, to contribution, that inspires as well. And the premise is that we can learn to create and embed, purpose, meaning, and contribution into almost any role, into almost any organization, and inspire people. And so, inspiring others is a learnable skill. It's a competency, and it's a source of huge competitive advantage in our world today. Because people don't want to be managed, people want to be led. They want to be trusted. They want to be inspired. We all do. I do, you do, our listeners do. And when people are inspired, that motivates them to another level. It is just different and kind. And it's even another level beyond engagement. A new frontier of engagement is inspiration. It is a paradigm shift that everyone can inspire. It's not just for the charismatic. You can learn how through connecting with people connecting to purpose. That's learnable. And that's exciting.

**Roger Dooley: 19:33**

What I hear you saying Stephen is that it isn't necessarily all about something innate in your personality, but you can adopt behaviors that will inspire. So, that too can be a behavior. If you behave in a trusting manner, if you behave in a caring manner, and of course behavior yourself in a trustworthy manner, all those things will be served as inspiration to those around you. You speak of inspiration, one mutual inspiration that we have is Dilbert the cartoon series. And one of the few illustrations in your book is a Dilbert cartoon about working from home. And I think we're now at a transition point or an inflection point where the pandemic does seem to be winding down (I hope I'm not jinxing us here by saying that) and companies are thinking about returning to the office. And the approaches varied from companies saying okay, you will be back in the office so work from home was an aberration.
that we're going to fix versus some companies that have been very flexible with their employees. And employee reaction is different too. Some employees can't wait to get back in. Others say, hey, this really works better with my lifestyle. And a key element in this though, I think, is trust. What's your take on this when you're talking to companies that are going through this kind of transition now to a post-pandemic world? What's your take on that?

**Stephen M. R. Covey:** 20:48
Yeah. I think that there are multiple right answers. There are many right answers. It's going to vary, and we're going to see some combination of intentionally flexible work, some hybrid work, some combinations. And it's as hard to give a one size fits all in that. Context will matter. The nature of the work matters, the company, different approaches. Here's one thing that will be common though, across the board, whether it's come back to the office everyone, or it's... I just was with last week a company that's 100% remote, they were created during the pandemic, they've never been together and version until this conference, and 100%, remote, and then some hybrids. And I think most will go to a hybrid. But here's the key thing, I could do any of those approaches, and still, I could trust my people or not trust my people in all of those approaches. And what we've seen during the pandemic, people working from home, and many still not feeling trusted, even when they're working from home. And that was a Dilbert cartoon I put in there. They're just now being micromanaged from a distance. But I've also seen people working from home where the company has built enormous trust because they have declared their intent to their people, "We trust you." And the people feel trusted. And they've responded to that. And so, whether it's working from home or working on-site, or a hybrid, the question is are we leading out and trusting people. And in extending that trust because when you do people receive it, and they return it, there's a reciprocity of trust. When we don't trust people, they tend to not trust us back. Like you, I've worked all over the world and I found this, that in low-trust companies. The number one reason why employees don't trust their management, is first and foremost because the management doesn't trust the employees, and the employees reciprocate that distrust right back at them. Same thing can happen with partners, customers, but it works the other direction. So, while distrust is contagious, so is trust. You tell your people you trust them, and it's not just words, it's actions. It's a smart trust with expectations and
accountability. And certainly, working from home, or remote work, or hybrid work can be all of that, as well as on-site work. I trust you, and I extend the trust with expectations and accountability, and I create an agreement around that, and I let you govern yourself against the agreement, manage yourself against the agreement, you report back, as we agreed. And that is an extraordinary approach that will work in our current world, and in any future world of hybrid or what have you. Because ultimately, people don't want to manage, they want to be led, they want to be trusted in any of these scenarios. And so, that's why this approach is going to be far more relevant. A new world of work requires a new way to lead and you can't do it through command and control. You can't command and control your way to a great culture, and you can't command and control your way to collaboration and innovation. You've got to do it through trust and inspire. And you've got to trust people, and you've got to see got to inspire them in the ways we talked about, connecting with people through caring, connecting to purpose, meaning, contribution. That inspires. We can do this, it's learnable. And it's the kind of leadership that's needed in our world today. In traditional command, control leaders, even enlightened ones, are going to become increasingly irrelevant, and not able to connect to this new world of work and also to this new generation of workers and people, and what they're seeking, and wanting and how best to bring out the best in people. It's just a new environment. We need a new way to lead in this new world.

Roger Dooley: 24:48
That's great. That's probably a pretty good place to wrap up, Stephen. How can our audience members find you and your ideas online?

Stephen M. R. Covey: 24:56
You can go to trustandinspire.com The name of this new book. And there's a whole host of ideas, both for "Trust and Inspire", as well as for "Speed of Trust", and all my work, and some videos and some different things that you can get and learn. And then the book is out, it's out just this month, and it's everywhere available. And I think it's really practical and tangible. Because people want to get into real action in practice. And at one level, as you know, these ideas, just like the idea is you work on with friction, that is kind of like common sense, but it's not common practice. The common practice tends to be a counterfeit version of it where we're just not quite
doing it. So, to know and not to do is not to know. So, the whole idea of the book is to try to say y we know this, but we're not doing it, here are some ideas to help us become a trusted inspire leader by modeling, by trusting, by inspiring. And that's the point, that we can get good at this, we can learn to do this, we can rescript ourselves, and our leadership style, and it's needed now more than ever before.

Roger Dooley: 26:06
Great. I love that common sense is not common practice. That is so true. And we will link to the places that you mentioned on the show notes page at rogerdooley.com/podcast, where we'll have audio, video, and text versions of this conversation. And Stephen, it's been a real pleasure having you on. I know that we could have gone for hours here. Our thinking has a lot in common. I hope to have you back on the show before too long.

Stephen M. R. Covey: 26:31
I'd love to do it. I really admire you Roger, your work that you're doing in marketing and everything else, as well as "Friction" and your other works as well as this podcast, Brainfluence podcast. This is exciting. What a thrill to be with you. Thank you.

Outro: 26:46
Thank you for tuning into Brainfluence. To find more episodes like this one, and to access all of Roger's books, articles, videos, and resources, the best starting point is rogerdooley.com. To check availability for a game-changing keynote or workshop, in person or virtual, visit rogerdooley.com