



### E-Book

## Culture of High Trust starts with the Leadership

to become a practice by the whole organization

A guidebook on how to create and maintain an Organizational Culture of **High TRUST** through leadership practices.

Originated by Ketty Cipullo



This E-Book has been carefully written by **Ketty Cipullo** Executive **Coach**, **Mentor**, **Speaker and Training Facilitator**, **as a final project of the specialization**:

Organizational Psychology, Teams' Management & Well Being, by University PUC-PR, during the year of 2023.

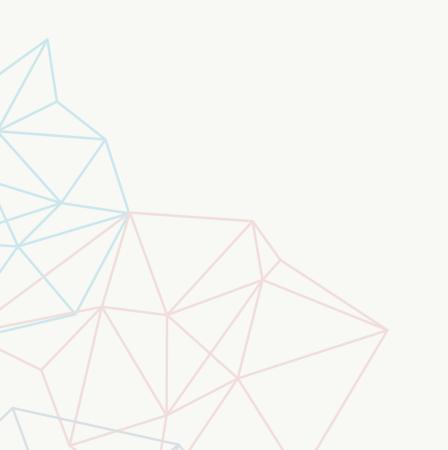
#### Target readers:

Leaders at all levels, professionals committed to the continuous development of their behavioral competencies, and enthusiasts of the themes of Human and Organizational Development (*just like me*).

Enjoy the reading and share it without restrictions!

### Table of Contents

- Glossary of the terms you will find here
- Why talking about Culture of High Trust?
- 1. What does TRUST mean?
- **07** 2. Trust starts with authentic connections and open dialogue
- 10 3. The example is the best teacher
- 4. Trust is the basis of everything
- 5. The effect of Psychological Safety
- 6. The beauty of Cognitive Diversity
- 7. Consistency before intensity
- Greetings
- References



### **GLOSSARY**

Terms you will find in this E-book:

**Organizational Culture:** set of beliefs, values, norms, and practices that influence the environment and climate of a company.

**Trust**: feeling of security in being vulnerable to the actions of the other party, based on the expectation that the other party will perform an action that is important to whom they have trusted.

**Psychological Safety**: the belief that the environment is safe for people to be themselves, to expose ideas, to ask questions and to raise concerns.

Cognitive Diversity: the diversity of ideas, opinions, experiences, and mental perspectives that a working group can present.

**Positive Feedback:** aims to praise a behavior or action in order to recognize the effort and motivate the repetition of the good result.

**Constructive Feedback:** aims to revisit actions or behaviors that may cause negative impacts, or simply can be improved. To be constructive, feedback should be focused on facts and impacts, and focused in supporting the construction of an improvement plan.

**Negative Feedback:** this one you will NOT find here. Feedback that only contains criticism, that doesn't support, that doesn't go deeper into the points that shall be improved in a respectful and constructive way, in my opinion, **is NOT feedback**.

# Why talking about Culture of High Trust?

Keeping employees engaged with the delivery of results, in order to keep the business **competitive** and **innovative** has been one of the great challenges of organizations today.

High turnover, low productivity, scarcity of innovation, low engagement and lack of cooperation among team members...

These are just some examples of the challenges that the middle and top leadership of organizations have been facing when it comes to team leadership and results management.

Creating and fostering a culture of high trust is essential to the success of any business.

It is through relationships of trust that the best results and most innovative ideas can be delivered by the employees.



Promote and maintain a culture of high trust is everybody's role within an organization.

And it is essential that it all starts by the Leaders.

But so what:

How to create and maintain an organizational culture based on high TRUST, through the Leadership?



### In this E-Book you will find:

- bennefits of a High Trust Culture in the working environment;
- content related to how to promote a collaborative environment, focused on results, with incentives for innovation and development of people through a

**Culture of High Trust.** 

### 1. What does TRUST mean?

The word TRUST in its most original meaning is:

"to trully believe, to rely on the integrity of a person or a thing ". (1)

Trust is a vital element in almost everything we do in life. Whether in personal, family, or professional relationships.

Trust means: to **feel safe while being vulnerable** to the actions of the other party, based on the expectation that the other party will perform an action that is important to whom they have trusted.

When it comes to Organizational Culture, trust (or lack of it) can directly affect: productivity, capacity of innovation, organizational climate, employees's satisfaction, and eventually the financial health of the company.

"Trust influences our daily lives 24 hours a day, 7 days a week, 365 days a year.

Every conversation, meeting, proposal, discussion, project... Each question or answer is directly impacted by the level of trust that exists between the parties involved.

And this impact profoundly alters the results and trajectory of our lives in the present and in the future."(2)

"Trust is the glue of life.

The most important ingredient for effective communication.

Trust is the fundamental principle that holds all relationships together."

Stephen R. Covey

An organizational culture based on trust creates an environment in which people feel safe to take risks, to share ideas and to collaborate openly.

Nurturing Trust as a true value inside the organization leads to greater creativity and innovation, as well as greater employee and customer loyalty.

Trust is also an essential component of effective communication, as it allows people to be sincere and transparent, which in turn supports in building solid and lasting relationships.

# 2. Trust starts with authentic connections and open dialogue

"Trust is the result of our ability to generate authentic connections, which by the way, is one of the most basic human needs..." (3)

You won't be able to control the level of trust in the entire organization. But you can certainly influence it by building trusting relationships in your immediate work, in your day-to-day activities, and especially: with your working team.

Have you ever reflected about the positive impact that you (as a leader) can add to people's lives, if you have the ability to provide such basic need in your working environment?

### Honesty and room for open dialog

Even when the situation is difficult, always tell the truth and not just what is most interesting (to you) at that moment. Understand what is important to be communicated and do so based on facts and impact, and at the same time: caring about the effort people put into the task and caring about people's feelings.



### Show that you really care



A relationship between leader and empolyees is a true partnership. The business objectives, the goals, the problems to be solved are part of the routine of each and every job.

But the way in which team members will engage with all these demands is directly related to the working environment that welcomes (or not) people in an integral way (remember: your "self" in your personal life is the same "self" in your professional life).

The leader who shows empathy, who makes an effort to understand how the employees are doing and who makes himself available to support and provide direction will certainly see much greater engagement from his team than the leader who does not.

### Some basic practices that never become old-fashioned:



#### **Active Listening**

Knowing **how to listen** is an essential skill for every leader's success.

The ability to be trully present at the other's speaking moment, and the practice of confirming the understanding of the messages to better address the topics from that moment on, are crucial elements for establishing a good connection and for effective leadership.

"Human interaction is (4)
decisive in the processes
of any kind of organization,
management mode or
cultural construction."



José Carlos Zanelli



#### **CONSTRUCTIVE Feedback**

Feedback based on facts and impacts, on behavior and results, can be one of the most powerful tools for personal development and for continuous processes' improvement.

When we combine the factors: <u>respect</u>, <u>transparency</u>, and <u>support</u> (for an improvement plan), we have a powerful formula for giving feedback in a firm and constructive way. Remember:

"Nobody makes mistakes by wanting to make mistakes. But always willing to make it right." (5)

When giving a feedback on a 'less than expected' result, reflect on the effort that the person had put into the topic and reflect on the original intention: to GET IT RIGHT!

Present the points needing improvements in a constructive way and make yourself available to support the person in this process.

### ... the POSITIVE Feedback is as important as the constructive



#### **POSITIVE Feedback**

The positive feedback is as important as the constructive feedback.

It is the way to recognize, boost and validate a good result, a good performance or behavior of the other.

(6) A study conducted by Harvard Business Review pointed out that the **effects** of **positive feedback** to a co-worker go far beyond an upgrade in selfesteem.

This practice can create a positive impact on the team relationships, team engagement and it may increase the collective sense of belonging.

Moreover, according to neuroscience studies: when receiving a compliment our brain produces dopamine, which increases the feeling of well-being and consequently increases our productivity.



Don't miss the opportunity to make a compliment to a subordinate or a co-worker!

Highlighting strengths, praising an accomplishment or a presented work...





# 3. The example is the best teacher

(Walking the talk...)

When leaders demonstrate behaviors consistent with trust, such as: honesty, transparency, and accountability in their actions, they create an working environment where trust is cultivated and valued.

This allows team members to feel safe to share ideas, take risks, and work as a team to achieve common goals.

On the other hand, if leaders do not show confidence in their actions or make questionable decisions, this can undermine the team members' confidence in the <u>leadership</u> and in the <u>organization</u> as a whole.(7)

It is essential that the culture of trust starts with the leadership of the organization so that it can be practiced and nurtured by the whole company.

### Why?

Cause Leadership is example. Leadership sets the tone. And Leadership influences!

# "Leadership is INFLUENCE.

It is to be capable to inspire and to influence people through your character, through who you are.

This kind of leadership is built on your authority, not your power. You have to earn it!

And how to get it?
We need to serve and to sacrifice. (8)

James Hunter

# Some ways to foster a culture of trust by example:

### 1. Cultivate your trust in others.

To develop trust it is necessary to TRUST as well.

One way to show trust is when we delegate a job (entrust a delivery) to someone else.

We can all agree that a "micromanagement" leadership style is completely outdated.

At the same time, when we talk about delegating, giving autonomy and trusting on the delivery from the other, we also talk about **DELEGATING with RESPONSIBILITY**.

An important role of the leader is to know which activities can be delegated with more autonomy and less support (attention: LESS does not mean NO support at all); and which activities still require more practice until they can be delegated.

"The good leader must demonstrate TRUST first (through attitudes).
Only then will he gain trust as well"
Simon Sinek (9)

### 2. Demonstrate your vulnerabilities.

### There is no perfect leader!

"Vulnerability is not knowing victory or defeat; it is understanding the need for both, it is getting involved, giving oneself entirely."

This is the description of vulnerability by writer and researcher Brené Brown, in her bestselling book "The Art of Imperfection".

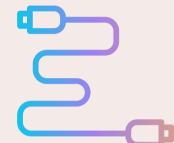
When a leader acknowledges his mistakes and shares his points of vulnerability, the leader is allowing him/ herself the opportunity to learn more from his team as well as to be more supported by his team.

It also opens the way for this team to understand that it is possible to make mistakes. That it is possible to ask for help, and that together we improve, correct, and grow faster and better!

### 3. Be a connector.

Be a leader who not only teach in a 'hands on' style, but who also explores (together with the person) all possible ways to accomplish an activity.

Delegate, agree on deadlines, and be available for eventual needed adjustments and idea's refinements with your team.



"The coolest part of being a manager is investing your energy and seeing it multiplied through your team. From the results they're going to deliver and the growth they're going to have" (10)

**Daniel Pretti** 

'Vulnerability

is an act of

of courage"

Brené Brown

# 4. Trust is the basis for everything

It wouldn't be different in organizations...

In his book "The 5 Dysfunctions of a Team", Patrick Lencioni describes that **trust is the basis for true teamwork** and that without it there is no understanding or complicity, making cooperation between people almost impossible.

"In teamwork, trust is the certainty that people have good intentions, and that there is no reason for defensive attitudes or any reservations towards the group".

Relationships of trust enable the team to deal transparently and productively with conflicts, generating greater commitment, responsibility and accountability.

...and consequently:

Better results!

The picture below is the illustration of behaviors of **High Performance Teams** versus **Dysfunctional Teams** – by Patrick Lencioni.



Figure adapted from books: "The 5 Dysfunctions of a Team" by Patrick Lencioni and "The Trust Factor" by Marco Fabossi.

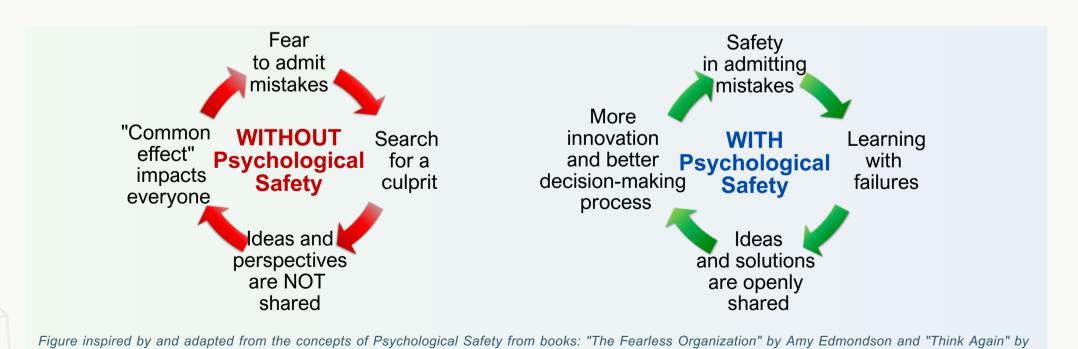
# 5. The effect of Psychological Safety

Lencioni's insight into the importance of trust for a well-functioning team can be nicely complemented by the concept of Psychological Safety - which has been so much explored in recent years.

Researcher and writer Amy Edmondson (a true authority on the subject) describes psychological safety as follows:

"In psychologically safe environments people believe that if they make a mistake or ask for help, others will <u>not</u> react negatively. <u>Instead: sincerity is both allowed and expected.</u>

Psychological safety exists when people feel that their workplace is an environment where they can express themselves, give ideas, and ask questions without fear of being punished or shamed." (12)



>>> Trust & Psychological Safety should always walk along together!



Have you observed how **Psychologically SAFE** is your team?

"If people can't perceive and quickly address their mistakes, how will they LEARN from them?

The best way to prevent new mistakes is LEARNING from them."

**Adam Grant** 

For Adam Grant, researcher, writer and Organizational Psychologist: "carelessly accusing and exposing people will not stop them from making mistakes."
But the opposite...



## 6. The beauty of Cognitive Diversity

The best use of all the cognitive DIVERSITY that a team can have is another great opportunity that a psychologically safe environment with a strong culture of high trust can provide!

A research commissioned by GOOGLE in 2012 sought to analyze the factors that could determine a high performance team. Teams with people of similar psychological profile, same academic background, same age generation, etc. were analyzed. And teams formed by people with totally different profiles from each other.

The conclusion was that: the way people interact, the way they communicate and expose their ideas is much more important than the profile of the team members.

In teams where an environment of **trust** and **respect** was noted, which allows team members to position themselves freely, without oppression and without fear about reactions, **performance was better** than in teams where people preferred not to express themselves, especially if their ideas were very different from the vast majority. (13)



The leader's watchful eye on each team member is as important as the safe environment.

Knowing well the profile, skills and aptitudes of those being led will allow the leader to exploit positively the best from each person.

This (positive) exposure of employee's strengths will make the whole team learn, develop and grow together!

These may be seing as basic concepts. However, it takes a lot of awareness and investment of time and energy from the leader to promote a safe environment in which the team can perform at their highest level.

Transforming these concepts into daily practices is key to effectively produce positive business impacts.

## 7. Consistency before intensity

Trusting relationships are not built on intensity, but on consistency.

And all the practices and examples mentioned so far, will only work if you practice them with intention...

...intention to lead your team and manage the business activities having the Culture of High Trust as a true foundation for your team!

### Some final thoughts:



You have delegated a job and the person has not delivered as expected: do not fail to give the necessary (constructive) feedback. Point out **facts and impacts** without forgetting to maintain **active and empathetic listening**, recognizing the effort from the person being led. Encourage the exposure of difficulties and problems in the task accomplished. This is how we improve performance and work towards excellence in delivery.



Vulnerabilities should not only be exposed when you are on a bad day, after a difficult meeting with the board, or at a time of high business pressure. You can show yourself vulnerable (and human that you are) in many ways. By sharing commom daily situations, recurring difficulties... This sense of humanity - and why not to say - of humbleness is what brings people together and motivates them to exposure their difficulties to the leader, in order to improve them too!



The leader will not always have time to be promplty engaged in helping the employees to find their way through some complex problems. Fact! Time is the scarcest of all the resources we have. So, the more you practice connecting the team with other professionals who can cooperate with the solution of a problem, the more they will do it autonomously without waiting for your impulse in this direction.



...only practice leads us to excellence!

"Small and simple positive actions done consistently, create big results!" (14)

Let's practice? -



### Greetings

Thank you for your attention and for reading this far!

I hope this content can be useful in your exercise of leadership - no matter if it is people, projects or business' leadership. And may it serve as inspiration for the continuous development of your behavioral skills.

I thank the whole team from the post graduation of University PUC-PR for this educational journey. In special: to professor and coordinator Marciano Cunha, for his guidance in this project, and to professors Gabriela Mantovani, Daniela do Lago, Daniel Hosken and Evary Anghinoni, for the exchanges and learning.

I would love to receive your feedback: contato@kettycipullo.com.br / kettycipullo.com.br



"We evolve by being able to face new challenges, learn from experience, and set a new standard for who we are from that moment on."

Luiz França in his book: Culture of Trust.

Curitiba, April of 2023. Ketty Cipullo

### References

FABOSSI, Marco. "The Trust Factor: the basis for an extraordinary leadership" - São Paulo, Benvirá, 2019.

FRANÇA, Luiz. "Culture of Trust" - São Paulo, Editora Gente. 2022.

EDMONDSON, Amy. "The Fearless Organization" - Rio de Janeiro, Altas Book, 2021.

SCHEIN, Edgard e SCHEIN, Peter. "Organizational Culture and Leadership" - Rio de Janeiro, Atlas, 2022.

LENCIONI, Patrick. "The 5 Dysfunctions of a Team" - Rio de Janeiro, Ed Sextante, 2015.

GRANT, Adam. "Think Again" - Rio de Janeiro, Ed Sextante, 2021.

BROWN, Brené. "The Art of Imperfection" - Rio de Janeiro, Ed Sextante, 2013.

SINEK, Simon. "Leaders Eat Last: Why some teams pull together and others don't" - Rio de Janeiro, Altas Book, 2021.

- (1) From website: www.significados.com.br/significado-de-confianca.
- (2) From book: "O Fator Confiança" de Marco Fabossi pág 11.
- (3) From the article: "Leaders: Are You Building a Culture of Trust?" (ddiworld.com) escrito por Tara Robison 02/02/2022.
- (4) José Carlos Zanelli course Human Management and Behavior Post graduation PUC-PR. EP 01 "Organization Management and Culture".
- (5) Daniela do Lago course Strategic Communication Post graduation PUC-PR. EP 04 "Feedback".
- (6) From article: "A simple compliment can make a big difference" (harvardbusiness.org) Harvard Business Review 24/02/2021.
- (7) Inspired in the article: "How Leaders Build Trust?" (harvardbusiness.org) Harvard Business Review 26/10/2022.
- (8) James Hunter course New Times, New Leadership Post graduation PUC-PR. EP 04 "Leadership and Love".
- (9) From book: "Leaders Eat Last" from Simon Sinek.
- (10) Daniel Pretti course Managing Remote Teams Post graduation PUC-PR. EP 02 "Hiring, Onboarding and Relationship".
- (11) From book: "The 5 Dysfunctions of a Team" from Patrick Lencioni.
- (12) From book: o livro "The Fearless Organization" from Amy Edmondson. Page 45.
- (13) From the study: "How Google builds the perfect team" The Aristhoteles Project. Link: video link Insider tech 18/07/2016.
- (14) Daniel Hosken- course Soft Skills for Decision Making Post graduation PUC-PR. EP 02 "Human Behavior and its impacts".

