

ECONOMIC POWER OF TRUST



Special Section on



ICLI International Collaborative Leadership Institute

ECONOMIC POWER OF TRUST

Why an Economics of Trust Workshop?

TRUST CREATES ENORMOUS COMPETITIVE & ECONOMIC ADVANTAGE

Did you know that HIGH TRUST companies have a 25% competitive advantage over their low trust rivals?

This is because HIGH TRUST companies run much more efficiently, and have far greater levels of innovation that enable them to adapt to change more rapidly.

Every business leader and entrepreneur is seeking to create a competitive advantage. Some do it with great strategy, some with technology, some with marketing, and some with speed.

But regardless of the strategy you use to build your business, it can be accelerated like a rocket by adding good “chemistry” – high trust.

HOW DISTRUST COSTS MONEY

Distrust causes extraordinary waste, kills morale, causes high turnover, and destroys cooperation. By removing the forces of distrust, companies can achieve phenomenal gains.



What Value Can I Expect?

This will be a real work session applying principles and practices to analyze the cost of trust, and build a *system of trust* that will result in your team learning the key principles and methods for shifting your organization to a high trust, high innovation, high efficiency group.

Our strategy and science methodology of building trust produced remarkable results in organizations, both in the private and public sector. Over 25,000 executives and managers have attended our alliance, innovation, and trust workshops like this around the world; and each person and team that has attended develops an action plan to put the new ideas, insights, and practices into operation in their organization.

Who Will I be Working with & Learning from?

Robert Porter Lynch has been in the vanguard in the field of alliances, collaborative innovation, and trust building, as both a thought leader and expert professional with an extensive world-wide track-record; his methods have produced the highest performing alliances. He's been acknowledged as one a top thought-leaders globally in the field of trust.

The author of several books, his work has been recognized across the globe, and he teaches in the business schools of three universities.



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The Economic Importance of Trust:

Every senior executive and finance professional knows the importance of increasing competitive advantage and profitability. Risk management is critical for success.

Few realize that the biggest risk any leader can incur is having a work force that is not aligned, motivated, and focused on common goals. Distrust creates enormous resistance to change, stifling efforts to innovate when it's needed most.

The Fatal Flaw in Economic Thinking:

Ask anyone who has ever balanced a checkbook about saving money – we all know that the simple, straight-forward way to save money is to cut costs.

However, saving money in a complex organization is much more than just cutting costs. It is also about efficient use of resources, especially how people use their time, their problem-solving skills, their creative talents, and their abilities to work in teams.

Creating trust increases speed, innovation, cooperation, and the productive use of time and critical organizational resources. Trust saves money, often better and faster than cost cutting.

The Competitive Power of Trust:

In the Economics of Trust Workshop, you will see exactly how trust creates at least a 25% competitive advantage, how trust is critically linked to innovation programs and the successful implementation of LEAN management.

You will see the evidence of how high trust companies triggers key behaviors that create more innovation, productivity, and ultimately profit. Learn specifically what strategies, principles, policies, processes, and programs the best companies use to create this enormous advantage.



How Trust Fuels Teams, Alliances, and Acquisitions:

Trust is the foundation of all collaborative enterprise, and without collaboration, efforts to generate teamwork will fail. Lack of trust is cited by authorities world-wide as one of the top three factors in teamwork failure. When internal divisions and business units distrust each other, productivity falls, and drive profits in the downward direction.

Collaboration is not just an internal affair. When trust is missing with customers, suppliers, and alliance partners, a company is competitively and economically disadvantaged. When this happens, evidence shows that innovation flow from suppliers dries up, customers are slow to buy, and distributors are reluctant to carry products. Alliances fail when trust is missing.

Companies spend billions every year on acquisitions, hoping that an acquired company will add profitability to their balance sheet. Sadly, two out of three acquisitions fail to achieve positive results, and the ones that fail do significant economic damage. In the assessment about which company to buy, if trust is lacking in the target company, the deal is probably dead upon arrival.

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AGENDA

1. WHY TRUST IS IMPORTANT

- The Impact of Trust on :
 - Teamwork
 - Productivity
 - Innovation
- Impact on Value Creation & Profitability
 - Workgroup Action Plan



2. CREATING COMPETITIVE ADVANTAGE

- Economics of Trust Exercise – Creating the Evidence
 - Workgroup Action Plan
- The Real Economics of Competitive Advantage
 - Transactional versus Synergistic Economics
 - Fallacies & Deceptions in Traditional Economic Theory
 - Critical Factors on Value Creation & Cost Cutting

DID YOU KNOW?

Without trust, the brain's chemistry actually shuts down our ability to collaborate *and* to innovate.

3. THE ECONOMIC ADVANTAGE OF TRUST

- Industry Analysis Demonstrates Major Trust Advantage
- Country Analysis Demonstrates Major Trust Advantage
- Economic Impact of Trust on Personal Wellbeing
 - Workgroup Action Plan



Special Section on

4. HOW HUMAN BEINGS BUILD & DESTROY TRUST

- Key Causes of all Distrust & Early Warning Signals
- Four Drives of Human Behavior
- Understanding the Neuro-Chemistry of Trust
- What Leaders must do to maximize Trust
 - Workgroup Action Plan

5. ASSESSING THE ECONOMIC IMPACT OF TRUST & DISTRUST

- Economic Impact Analysis using the Trust Meter/Ladder
 - Workgroup Action Plan

6. LINKING TRUST TO ADVANTAGE-BUILDING INNOVATION

- Elimination of Non-Valued Work
 - How Non-Value Add is the Hidden Cost Creator
 - Making Every Employee an Innovation & Value Generator
 - Workgroup Action Plan
- Cost Reduction & Innovation Methods Requiring Trust
 - How to make LEAN Management Work
 - Cost Reduction versus Target Costing in the Supply Chain
 - Rapid Implementation & Speeding the Flow
 - Workgroup Action Plan
- What Really Motivates People & Sustaining Innovation
 - Some Fallacies of Financial Rewards
 - Profit versus Performance
 - Workgroup Action Plan

7. BUILDING THE HIGH VALUE, HIGH PERFORMANCE TEAM

- Six Essential Qualities of All Team Members
- Establishing Breakthrough Operating Principles
 - Workgroup Action Plan
 - Finalizing the Go-Forward Plan

Available in Four Formats

- ½ Day
- 1 Day
- 1 ½ Day
- 2 Days

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You Will Learn:



This is a hands-on, interactive workshop where you can address real issues you and your team are dealing with now!

- The Economics of Trust:
 - a powerful and simple cost/benefit analysis
 - how to gain a 25% competitive/economic advantage
- What Root Cause economic analysis reveals about real costs
- How adversarial relationships trigger enormous cost escalations
- How extensive legal agreements actually increase costs
- How to work with your legal staff to limit or prevent trust breakdowns
- How to leverage the four driving forces of human behavior, making trust an economic and competitive advantage
- Detect and correct number one (and most frequent) cause of distrust
- How not all trust is created equal
 - different types of trust
 - how to create and build on each type of trust
- How to use high impact engagement tools to build strong trust
- Using trust to ferret out wasted effort and drive productivity
- Early warning signs that signal a trust breakdown is immanent
- Identifying/neutralizing the untrustworthy at an earliest stage
- Core characteristics of individuals that innovate and reduce costs
- What HR staff must do to accelerate trust building & cost reduction
- Bonus: Twelve Most Effective Actions to Create Trust

“Exhilarating and Inspiring!

This is the next breakthrough in trust and human interaction.

The “Architecture of Trust“ is a Grand Unifying Principle that makes sense of lots of seemingly disparate phenomenon and ideas.”

– Tom Halle, Hitachi

What Benefits Can I Expect?

During this Workshop you will:

- Discover the Economic Costs of Distrust and the real value of Trust
- Understand how Four Forces Drive All Human Behavior, and how these forces can either create or eliminate invisible costs
- Identify the Primary Causes Of Distrust, and the Seven Typical Trust “Busters” that can be prevented or eliminated
- Ferret out the biggest yet Invisible Costs in your organization, then gain alignment to chisel away at costs, while creating more innovation
- Be able to Recognize People that will either be highly capable of sustaining trust, or will destroy it time and again
- Engage the Legal & Procurement Teams in a way that will enhance your trust building and innovation capability
- Learn the Early Warning Signals that will enable you to foresee impending cost-creators before they escalate
- Hire & Retain people who will be the best at reducing costs and creating competitive advantage
- Eliminate the Failure Factors in implementing LEAN management



Economic Power of TRUST

Why Should I Use a Workshop Approach?

When making a decision about how to improve team performance, any ardent follower of winning sports teams knows that behind great stars invariably there is a great coach. Often great coaches take losing teams to the top of their game in only one season.

How can you inject the impact of a great coach into your organization or team quickly, economically, and with the expectation of great results in rapid order? The answer is through a two-fold strategy:

- First, reveal which best practices produce dramatic improvements.
- Second, avoid the biggest mistake in learning: *believing knowledge brings results*. Studies show that simply having individuals attain knowledge does *not* improve results. Results come when teams apply their learnings together, immediately upon their joint learning.

Using these two strategies is why our workshops are so successful.



What can I expect?

Participants develop their own strategies & action plans that they can begin applying immediately into their organization.

Learnings will be offered through case examples, interactive sharing of ideas, and practical project development sessions.



About your Workshop Leader

Robert Porter Lynch has been creating breakthroughs in the architecture of collaboration for over thirty years, resulting in thousands of successful alliances and collaborative innovations all over the world. Over 25,000 executives and managers have attended his programs and workshops worldwide.

As Co-Founder of the Leadership Institute, he has consulted widely for scores of major companies in the high tech, communications, pharmaceutical, natural resources, financial services, healthcare and consumer products industries, as well as government, among others. He's also assisted numerous smaller business, private-public partnerships, and government agencies.

Robert teaches at the Universities of Alberta, British Columbia, and San Diego; he's the author of nearly a dozen books and numerous articles. His current book, *Trusted to Lead* will hit the bookstores early next year.

What's Unique?

For the first time we are presenting a workshop that integrates scientific studies with the wisdom of the best practices, along with operational strategies and fundamentals of human behavior a holistic, unified, easy-to-use architecture that will culminate in a revelation that will show you:

- What really causes humans to act the way they do
- The best leadership methods that will produce highest performance
- What causes people to distrust, fight, and destroy each other
- How trust is actually hard-wired into the brain's DNA and how to access it quickly
- How to build a world of trust and avoid the traps of guile and manipulation
- How to align teams on a common goal
- How to create synergy and unleash innovation
- How to spot the untrustworthy and limit any damage they might do

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Who should Attend?

This workshop program is designed for senior executives and middle management who have financial/budgetary responsibilities and are seeking new ways to reduce costs, while simultaneously increasing alignment, teamwork, collaborative innovation, and communications, particularly across organizational boundaries. This workshop has been extremely valuable to:

- Senior Executives and Boards of Directors
- Team, Project, and Organizational Leaders
- Strategic Alliance, Merger & Acquisition Professionals
- Procurement and Supply Chain Professionals
- Licensing, Negotiations and Contract Managers
- Human Resource Professionals
- Mediators and Peace Makers
- Scientific Collaborative Researcher Teams
- Cross-boundary Innovation Teams



What others have said about this workshop

“An extraordinary experience. Your approach to trust is one of the most insightful and empowering experiences of my business career. I’ve used your method extensively and can say without reservation that the Architecture of Trust has profoundly changed the way I do businesshugely important and very powerful.”

– Ninon Prozonic, Vice President, Connect America

“You had great impact!.... both educational and inspiring.”

– Pat Garcia, Director, Sanofi-Aventis

“Invaluable in seeing how building trust contributes to achieving our top organizational priorities: Profit/ROI, Competitive Advantage, and Innovation.”

– Kim Castagnetta, Director, Richoh

“A most compelling and insightful framework about trust yet. Robert’s insight....is unexcelled. Senior executives will benefit enormously from his monumental work.”

– Paul R. Lawrence, Professor Emeritus, Harvard Business School



“Very applicable...critical to the future success of our company.... Great way to articulate how we should shape our company’s future..... Can’t wait to share this with my executive teams, peers, and staff Very insightful, inspiring, and valuable.”

– Chad Compton, Director, Xerox

“...the missing code on trust...truly exceptional.”

– Paul G. Stoltz, Ph.D. Author: *Adversity Advantage* and *Adversity Quotient*, CEO, PEAK Learning, Inc.

“Robert Porter Lynch may be one of the best trust thinkers today.”

– Charles H. Green, Author: *The Trusted Advisor*

“Thank you for your passion and wisdom by faithfully speaking the truth to business! These messages are critical at such a time as this!!”

-- Michael Allen, CEO, Ventura Mfg.

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Don't Miss this Unique Opportunity

What You Will Learn – One to Eight

- The **One** Most Destructive Act that Consistently Kills Trust
- The **Two** Economic Misconceptions Revealed that actually damage the creation of economic value
- The **Three** High Impact Engagement Tools to build strong Trust
- The **Four** Driving Forces of Human Behavior that make trust a Natural Act
- The **Five** Steps in Building Trust that will double economic value
- The **Six** Reasons why High Trust organizations outperform their rivals by a factor of 2X
- The **Seven** Characteristics of People you need to hire or promote to build enormous economic value
- The **Eight** Principles you must adhere to in creating high trust, high performance teams



In addition you gain important advantage understanding:

- Why Values & Ethics Statements have limited effect in building trust
- How Legal Agreements & Traditional Negotiations Drive Distrust
- Using Trust to Drive Innovation and Collaboration
- Early Warning Signs that signal a Trust Breakdown is ready to happen
- Identifying & neutralizing the Untrustworthy in early interactions
- What the HR staff must do to accelerate trust building
- Bonus: Twelve Most Effective Actions to Create Trust

This program is an important breakthrough because it represents a real **“Cracking of the Trust Code,”** including:

- what drives human behavior,
- what causes distrust,
- what types of trust are necessary to produce innovation,
- the unprecedented “economic modeling” of trust
- how to identify the untrustworthy
- how to protect against predators
- how to measure and reward trust
- how to recruit and promote people who are trust creators
- how to use trust to improve innovation streams

