Sharon Soliday

Jason Sutton

Traci Ray

Shon Holyfield

Brandy Thompson

Gene Pelham

Steve Klingman

Rick Martin

Ryan Gilyeat

The Importance of Trust In Becoming a Good Leader

100 Best business executives reveal their secrets to fostering successful workplaces.

BY SANDY CUTLER

IN 2005 SHARON SOLIDAY HAD TO MAKE a choice, drop off her six-year old daughter at school or be on time to work at her job. Since Soliday believes, "kids come first," she quit her job and started The Hello Foundation, a speech and occupational therapy business. Starting her own company enabled Soliday to spend time with her daughter and continue working as a professional occupational therapist.

Rick Martin worked for a large construction company and believed there was a better way to treat employees, vendors and customers. So, he parted ways with his employer and started Mid-Valley Commercial Construction in 2015.

When Gene Pelham became the CEO of Rogue Credit Union in 2007, he wanted to build a company based on loyalty and trust. As part of his Master's project he studied high-performance organizations and concluded that the most successful companies empower employees.

Jason Sutton, general manager of Crystal Greens Landscape, came from a broken home and often asked himself, "Where does love come from?" He's helped create a business that he hopes is filled with love and caring.

What do The Hello Foundation, Mid-Valley Construction, Rogue Credit Union and Crystal Greens Landscape share in common?

They have all been recognized as *Oregon Business* magazine's 100 Best Companies to Work for in Oregon. Every year *Oregon Business* holds an employee survey in which staffers are asked to rate how satisfied they are with a range of workplace practices, including work environment, management & communications, decision-making & trust, career development & learning, and benefits & compensation.

In 1990, while doing research for my PhD regarding organizational culture and leadership, I discovered "trust" was the word

most often used to describe good leaders. I've learned it is a key element in creating successful and long-lasting businesses.

For this article, I reviewed results of the 2018 and 2019 Oregon 100 Best Companies to Work For in Oregon winners (large, medium and small companies) and contacted organizations with the highest scores in the decision-making & trust category to find out what is the secret sauce of creating a workplace in which employees trust managers and their co-workers.

Research shows that companies with a high level of trust outperform low-trust organizations in the areas of productivity, employee engagement and revenues.

Paul Zak, a neuroscience researcher, wrote in the Harvard Business Review article, "The Neuroscience of Trust" that compared with people in low-trust companies, people at high-trust companies reported 74% less stress, 106% more energy at work, 50% higher productivity, 13% fewer sick days, 76% more engagement, 29% more satisfaction with their lives and 40% less burnout.

How did the 100 Best Companies to Work For in Oregon with the highest scores on decision-making & trust perform so well in that category? Three common themes emerged from leaders who prioritize a workplace that values decision-making & trust.

Enthusiasm, authenticity, humility

Every leader of a 100 Best Company spoke with enthusiasm, authenticity and passion about their company, their employees, their customers and the topic of trust. They were also quick to give credit to their employees and others.

Here is how Sutton described his relationship with his employees. "I care deeply about the heartbeat of the people at Crystal Greens and I trust everyone. Trust is the foundation of any relationship. People need to feel important and they need to feel safe and loved. We promote hope, love and human flourishing."

Without question the executives included in the 100 Best are successful. Yet when asked about their success these executives frequently talked about humility and the importance of not taking credit for everything.

Rick Martin, founder and president of Mid-Valley Commercial Construction, says, "Our core values include honesty, fairness and humility. Humility is a very important aspect of building trust."

Higher purpose and core values

These 100 Best business leaders also spoke of a "higher purpose" for themselves and their business. It was interesting to learn that for these companies the bottom line is secondary to their higher purpose.

Steve Klingman, president of homebuilder Hayden Homes, says, "Growing is great but it's not the end goal. Our goal is supporting and helping others. Our focus and first priority are to take care of people. I believe it's important to understand your purpose in life and then hire people who share those values."

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For others, increasing profits and expanding the business are not the sole priority. Ryan Gilyeat, president of building repair company Oregon Restoration, says his "moral compass" helps guide his decisions. "When I'm tired or having a bad day, it helps to weigh my options against my moral compass. It makes deciding easier and focused on the right path."

Sutton summarized his commitment to a higher purpose as this: "I like to work from a place of love. What's interesting is that it doesn't affect the bottom line. In fact, I think it helps the bottom line."

Core company values – not just words on paper

The most successful companies have core company values that guide and direct people's behaviors. These core values are the foundation of the business and provide guidelines for decision-making and building trust. Research shows that companies with congruent core values are more successful than companies without common core values.

Values are like the glue that binds people together. They are the crucible that helps

people know to do the right thing – even when it's not something spelled out in the employee manual. One business leader says their core values are much more important and valuable than an employee manual.

"Everything we do is about creating trust with our members and staff," says Pelham. "I challenge our leaders to make the words on the wall live in the hearts and minds of our staff members."

When building a culture of trust it's the leaders of the company who establish, maintain and reinforce the core company values.

Traci Ray, executive director of law firm Barran Liebman explains how the leadership team works to uphold the core company values. "Our leadership goal is to earn the trust of everyone in the firm. For us, trust is a team effort. It's all about relationships; relationships are the building blocks to build trust. We want people to feel empowered. When people trust you, oh my gosh, it creates an environment where anything is possible."

How do these successful companies get everyone to believe in and share the company values? I found five primary approaches:

Onboarding and communication

Many of the top executives actively participate in the hiring and onboarding process. These executives are firmly committed to discussing and instilling core values from the very beginning with all employees. This commitment is a key factor in building a culture of trust.

"I interview every new employee and the executive team and I participate with every new orientation. I give the presentation. The most important thing we do is the onboarding process," says Klingman.

Ray says half of her interview questions relate to trust. "I use the onboarding process to mentor and introduce new employees to the culture. After people are onboard for two weeks, we revisit the process and make changes and improvements."

Frequent communication and employee feedback are another important component of building and reinforcing core company values. Consistency in all communications, including meetings, emails and written correspondence, helps ensure everyone is on the same page.

"Every person is on a team that has a daily huddle where they discuss priorities and roadblocks. The meetings are timed and held at 9:15 AM. This allows "real time"

discussion of issues. The information funnels to operations so action may be taken by the appropriate teams," says Brandy Thompson, president of Cardinal Services.

At tax information company Transaction Tax Resources, CEO Shon Holyfield says that every week each manager creates a report of accomplishments (he reads every report). "The executive team meets every morning for 5 – 15 minutes to check-in. We pay close attention to the format of communication. We prefer one-on-one communication to deal with issues or challenges."

Transparency

Transparency is a term companies use to describe openness and sharing sensitive information such as financials, goals and company operations. Increasingly transparency is becoming a key element in building trust within an organization. All of the executives I interviewed spoke about the importance of transparency.

"We made the decision early on to be as transparent as possible with everyone in the company. We're a construction company and we share the budget for every project with the foreman and teams doing the work. Most companies keep the budget and financial details about projects confidential," says Martin at Mid-Valley Commercial Construction.

Secrets can result in employees losing trust in leaders, says Ray. "All attorneys get to see the financials, not just the partners. We want everyone to be informed and part of the team."

At the end of the day, if there is no transparency in an organization it is hard to create trust, says Thompson. "We encourage people to be honest and open and encourage everyone to question what we're doing and how we're doing what we do."

Strong interpersonal relationships

Creating strong interpersonal relationships is another important factor when building a culture of trust within a company. Nearly everyone emphasized how employees are treated like family or friends.

Ray recalls a time when colleagues helped her in a time of need. "While I was pregnant we moved into a new house. On moving day, leadership executives came to the house and helped us move. I was shocked and asked them how they knew we were moving. "It was on your calendar," they said."

At The Hello Foundation one of the company's core values is to balance work life and personal life. It is a strategy that helps build trust and employee retention.

"One morning I got a call from an employee in crisis needing someone to come be with her," says Soliday. "I went and helped her navigate the personal crisis, later learning The Hello Foundation was one of the few numbers she was encouraged to keep in her phone. What if I had ignored her call? Whenever anyone needs help, someone from our team steps up and helps out."

Innovation and risk-taking

The most successful companies innovate and continually seek new ways to improve their business. How do companies create an atmosphere or environment where innovation and risk-taking are encouraged? It's a delicate balance between doing the right thing, experimenting, failing and doing something wrong. Here is what the 100 Best executives say about innovation and risk-taking:

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"We allow people to fail and we enable people to innovate. Leadership believes in people enough that even when something doesn't work, it's OK. Building trust means allowing people to fail and enabling people to innovate," says Ray.

Encouraging people to "think outside the box" is an essential component to growing companies in today's economy. Most often it's the employees engaged in the day-to-day operations who can best see opportunities for improvement and innovation.

Allowing employees to take risks and learn from their mistakes is what creates a "safe" place for employees to excel, says Holyfield at TTR. "We want employees to try new things and learn. We talk about if you're not making mistakes then you're probably not leading."

Recognize excellence and celebrate success

The Oregon 100 Best Companies like to celebrate. Celebrations and employee recognition help ensure continued success. The executives all spoke proudly of how they recognize excellence.

"We celebrate everything: court wins; people getting selected to boards and committees; birthdays, marriages, anniversaries, both personal and professional achievement. Everyone get kudos," says Ray.

At Crystal Greens Landscape, managers look for ways to recognize and acknowledge employees through emails, events, public recognition and team gatherings. They hold a monthly BBQ and get together for Thanksgiving and Christmas celebrations.

Oregon Restoration has an "Atta Boy" award. "I like to catch someone doing something great and recognize and reward him or her. Every month we have a drawing where everyone can nominate someone to be recognized and rewarded. It's cool because it gets everyone involved," says president Gilyeat.

Is there a secret sauce for building a high-trust organization? Like a great recipe, it's the ingredients that make the difference. Building a high-trust company culture requires the following key elements:

- Make it safe
- Make it fun
- Make it interesting and challenging
- Demonstrate consistent actions that match core company values

It's the CEO, president and executives who set the standards for creating a culture of trust. Just like the captain of a ship, the chief executive is responsible for making the workplace safe, fun and interesting.

It's also the CEO's obligation to reinforce core company values. This is accomplished by walking the talk. Trust is like a bank account. Every time someone in the organization takes an action or a stance that reinforces company values and norms it creates a deposit into the trust bank account.

Conversely, when someone deviates from core company values or norms, it's a withdrawal from the trust account. The cumulative deposits and withdrawals result in the overall amount of trust "currency" of the company.

These 100 Best company executives have created an environment where employees are safe to innovate and take risks – without worrying about reprisals. When people feel safe they're more willing to experiment, stretch and put themselves "out there" to accomplish both business and personal goals.

These executives treat employees like family, another factor in creating a safe place to work. They have also managed to create an environment where work is fun, interesting and challenging. They continually reinforce core company values that are the foundation of a culture of trust.

Any business owner can learn something from these outstanding companies. The 100 Best Companies to Work For in Oregon offer an excellent recipe for building trust and creating success.

Sandy Cutler is the president of BizCoach and was the founding director of the Oregon Small Business Development Center Network.