

Trust: The Forgotten Virtue

Improve Results by Building Internal Trust

Trust Deserves a Higher Bar

The cliché “team-building” exercise is the trust fall. Despite the questionable benefit, the classic approaches to forming strong bonds in the workplace emphasize trust to a large degree.

Yet trust in the private sector is sorely lacking. In contrast...

The Navy trusted me with a half-billion-dollar warship and 800 lives at 24 years old.

Humor me as I pose some questions:

- Would you trust your colleagues to rig enough explosives to blow up multiple skyscrapers – as you both swim underwater?
- Would you trust your new-joiners to fire machine guns and rocket launchers mere feet away from the rest of the team?
- Can you leave priceless possessions around the office?
- Are you certain that every single word you hear from your leaders, peers, *and* subordinates is true to the best of their knowledge?
- Would you trust your kids with them?

If you are a Navy SEAL, the answer to all these questions is a resounding “YES.”

Businesses obviously do not engage in these particular activities; nor do they need to pursue trust to such an extreme. Yet it seems obvious that teams with high trust will perform better, have higher retention, and make employees happier.

The level of trust in the private sector is far too low despite tangible benefits to high-trust organizations.

Warning: This is a how-to guide. I am a practitioner, not a researcher. My recommendations are based on what I’ve seen work at an elite level in 30 years of leadership.

Killing You Softly

“Trust is like blood pressure. It’s silent, vital to good health, and if abused, it can be deadly.”

— Frank Sonnenberg

Imagine if you applied the oversight and bureaucracy of the average company to the kid who mows your lawn? He’d say the money wasn’t worth it.

This is how lack of trust manifests. Yet trust is perhaps the most overlooked factor that distinguishes strong teams from weak ones. To be clear, the focus here is on trust *inside* the organization.

Trust is perhaps the most overlooked factor that distinguishes strong teams from weak ones.

In the several companies that I have worked for including Amazon, Wayfair, and Capital One, I seldom if ever heard anyone use the word “trust.” I

argue that **mistrust is actually the norm** within companies. Yet trust pervades the military and a limited number of other settings.

How can we increase trust?

What is trust?

The Oxford English Dictionary provides the following:

trust (n.): *firm belief in the reliability, truth, ability, or strength of someone or something.*

Let's translate that into concrete work examples:

- I can believe what my manager, direct reports, and others tell me.
- They don't lie by omission. We tell each other the *whole* truth.
- There are no hidden agendas. We are transparent about our goals and incentives.
- We deliver on our commitments.
- In times of stress or ambiguity, everyone contributes in a calm and ethical manner.

Two Independent Aspects of Trust

Our confidence in either someone's character and their competence are both referred to colloquially as "trust." A genius could steal from us, while a devout nun might be unskilled in a job function. We can't trust either!

This document doesn't obsess about this point, but it may matter in your organization.

Why is trust important?

Trust allows decisions to be made at lower levels in the organization. This has multiple benefits:

1. *Better* decisions, because they are closer to the problem ("local")¹
2. *Faster* decisions, because permission is not needed
3. Faster implementation, due to high understanding of the roles of other individuals and teams combined with a low amount of second-guessing about intentions.
4. Faster pace of innovation, because of #1 and #2
5. Better work satisfaction for individuals and managers:
 - a. Individuals get the fulfillment of deciding.
 - b. Managers are freed up to do other activities.
 - c. All parties respect – and (gasp) might actually *like* – each other.

Trust is not rocket science

Much of the popular research around high-performing teams has three main flaws:

1. It is at the level of the "team," i.e. the smallest possible group. E.g. handful of engineers at a tech company.²
2. The emphasis is generally on variables and measures that are touchy-feely and politically en vogue rather than reflecting sizable differentials in results and individual satisfaction.

¹ See Friedrich Hayek's seminal article "The Use of Knowledge in Society." Other work confirms the thesis' applicability to business. It is a main principle of Agile software development, for instance.

² Usually there is a product manager and/or designer attached, though opinion and application differ widely and will overcomplicate things for many readers.

3. The experiments are run within a single company. Patterns in hiring and culture will necessarily bias the results.

Trust is multidimensional

It is natural for each of us to insist, "Others should trust me more." We're obviously biased, so it's easy to overlook the overall dynamic.

Ideally, trust should flow in all directions:

1. **Down:** Leaders need to trust their people (all the way down). This is the most important direction, as it creates fertile ground for the other dimensions of trust.
2. **Across:** Peers and distant parts of the organization need trust.
3. **Up:** Lastly, an organization cannot perform well over the long term if people do not trust their leaders. But while leaders must grant trust abundantly, they must *show* that they can be trusted.

Situations Modulate Trust

In order to create a trusting environment we need to focus on more than just the individuals we hire and develop. For all but a few stalwart angels and villains, other factors inevitably influence how much employees will trust each other:

- How the business is doing (to include probability of being fired)
- Whether the company has an altruistic mission (e.g. healthcare)
- Org changes
- How much the company trains employees, especially when they first join
- Professional codes, licensing, oaths, or ethos (See the [Navy SEAL Ethos.](#))
- Harsh consequences for untrustworthy behavior:

e.g. court martial, getting kicked out of the SEALs, a minister being defrocked, a lawyer being disbarred.

- Shame: Usually not a good thing but useful here
- Small community: Reputation is everything in the SEAL Teams, where everyone knows each other.
- Time together as a team
- Shared hardship³
- Geographic collocation vs. separation
- Maturity of the business or project: Managers have no choice but to trust their people when projects are complex and greenfield due to finite time.

The Curious Case of Vendors

I have witnessed more than one company place significantly more trust in vendors than in even its own senior managers.

Experience Modulates Trust

I have been stabbed in the back at more than one company. Unfortunately I see now that I overreacted to the first experience, ashamed that I had been naive about the real world outside the military. For years after, I was not as generous with my trust.

Your people will have similar experiences.

Beware those who have just been hired from dog-eat-dog cultures. And help protect the guy who just left the Peace Corps.

³ This doesn't always have to be together to be effective. It is possible for two people to bond based on having gone through the same challenges at different times.

Meet the Enemy: Mistrust

We have met the enemy, and he is us.

– Walt Kelly⁴

Mistrust comes from two main sources: **(1) fear** and **(2) inertia**.

1. Fear

Fear and mistrust, especially of outgroups, is the DEFAULT behavior for humans, sometimes leading to aggression. *Generalized* fear manifests as selfishness, leading a person to not only be untrustworthy but also to project the assumption of devious intentions on others (thus rationalizing their own behavior).⁵

2. Inertia

People and organizations are loathe to change. Much business process was originally instituted by rich, educated people in order to manage poorly educated, lower-class citizens. We haven't changed much.

Compared to today these businesses had far less upside potential. They could be thought of as "cash cows." In that situation the one thing to make sure to do is to *not* kill the cow. Management's job was to minimize errors and optimize observable processes by exercising control over subordinates.⁶

Technology, education, freer economies, and startup culture changed the game. Not only are the masses now well educated, but the probability distributions for the returns of a business are

⁴ Earth Day poster, 1970 & famous Pogo comic, 1971

⁵ Mistrust is essentially a prisoner's dilemma in Game Theory. (More [here](#).)

⁶ [Taylorism](#) is largely to blame.

fundamentally different as illustrated in Figure A below.

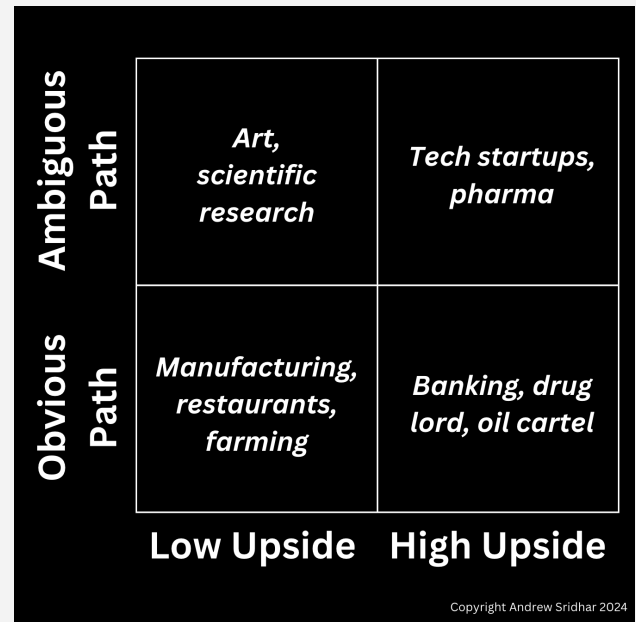


Figure A: Strategic Prospects Framework⁷

In the upper right quadrant especially but in all innovative endeavors, modern management's approach to risk needs to change so that they explore and exploit the innovative sphere (read: upside risk). This requires trust, since a few leaders at the top cannot know exactly what to build upfront.

At Amazon once the main retail business was established, Jeff Bezos' resource allocation was similar to how a venture capital firm looks at investing. He made lots of diverse bets, knowing many would not pay off. Of course, several did. One of these, Amazon Web Services, soon came to financially dwarf the original Amazon business model. Bezos' pursuit of upside required massive amounts of ambiguity, autonomy, and trust within the organization.

⁷ For simplicity I omit the downside risk, though I admit it is important.

The bottom line is this: Innovation is not a command-and-control activity.

Yet so much of tech-company process still resembles the tight coordination of a NASA launch.

Two Realities of Mistrust

It takes many good deeds to build a good reputation, and only one bad one to lose it.

— Benjamin Franklin

1. **Mistrust rolls downhill.** CEOs who can't trust others inevitably create organizations that are scheming and transactional.

2. **Mistrust compounds; trust does not.** Micromanaging a mid-level manager has a costly ripple effect all the way down. Letting a manipulative employee act with impunity encourages everyone around him to act similarly (if only in defense). Attempting to repair a relationship after a transgression is incredibly hard.

Solutions

Owwwwwwwww!

— Me, 1992

In high school during a trust fall demonstration, my classmates dropped me on a hard floor. My tailbone hurt for a week. So let's skip the team-building for now. How do we go about building trust?

Figure B on the next page shows several ways to start fighting fear and building trust in your company. What follows is some nuance.

Treat Mistrust Like a Weed

Unless you consistently organize for trust, mistrust will gradually appear. Mistrust is a weed.

Homeowners know that eliminating weeds in a lawn is a never-ending battle, requiring a variety of methods: hand-pulling, so-called "pre-emergent" chemicals, weed-killer, and growing healthy "real" grass that will crowd out the weeds.

As a leader you need to aggressively and continually use multiple tools to eliminate mistrust while growing a solid foundation of trust.

Apply Solutions Enterprise-Wide

Companies often make the mistake of limiting trust-building to within small teams. Build connection and understanding between distant teams and colleagues who are strangers.

Trust Is Learned Not Earned *(for managers)*

I have witnessed experienced managers insist that their highly vetted and highly educated people need to earn their trust. This notion is backward for a variety of reasons.

It is condescending and puts undue pressure on someone, stressing risk over opportunity. The message is **"Don't screw things up, and maybe I'll give you the keys... until you screw up."**

Competence is built when people stretch.

Enemy of trust	Trust-Building Actions
Fixed mindset	<ul style="list-style-type: none"> ● Reward managers who give their employees space to grow (esp. to fail). ● Make personal growth a company value. The C-suite should talk about it often. ● Invest tangibly in individual growth. (Boring online training doesn't count!) ● Track how managers are growing scope for their teams.
Incompetence <i>(aka execution risk)</i>	<ul style="list-style-type: none"> ● Hold managers, not HR, accountable for training. ● Spend meaningful time on skill development at the individual and team level. ● Establish clear competence targets at a world-class level. ● Handoff risk: Expect 100% follow-through between teammates and partner teams. Delays are inevitable, but commitments deserve ultimate respect.
Ambiguity	<ul style="list-style-type: none"> ● Mission confusion: Be crystal clear on vision and goals. Limit priorities. ● Role confusion: Evaluate managers on how well they are deconflicting roles and responsibilities. Spot-check RASCI understanding directly with junior staff.⁸ ● Secrecy: Increase transparency, esp. re: incentives. Foster vulnerability.
Villains	<ul style="list-style-type: none"> ● Hire for trust: Include evaluation of character as part of the hiring process. Respond to toxic behavior ruthlessly, often via termination of employment. ● Come to your own conclusions about colleagues.
Outgrouping⁹	<ul style="list-style-type: none"> ● Geo risk: Compensate heavily for realities of remote/hybrid and time zones. ● Resentment: Identify us/them-prone situations early. Discuss routinely whether and how team members feel outgrouping is developing. ● Gossip: Call out gossip as an attempt to bond at the expense of others. ● Blame: Assume positive intent. Conduct blameless post-mortems.¹⁰
Selfishness	<ul style="list-style-type: none"> ● Hire and promote selfless leaders. Reward employees who help others. ● Build a culture that is committed to values, customer success, and group wins.
Fear	<ul style="list-style-type: none"> ● Hire, train, and evaluate based on ownership, low ego, and courage. ● Reward and train opportunity mindset over risk aversion.
Emotional distance	<ul style="list-style-type: none"> ● Build culture daily and with intention. Give the company a personality. ● Socialize formally and otherwise. Force bonding between teams. ● Consider ways to endure shared hardship in a way that is safe and constructive. ● Beware hiring sprees. They can result in cultural disconnects and coolness.

Figure B: Actions to Build Trust

⁸ <https://managementmania.com/en/rasci-responsibility-matrix>

⁹ I suggest we start using “outgroup” as a verb to clearly identify us-them behaviors exhibited by our employees.

¹⁰ <https://www.atlassian.com/incident-management/postmortem/blameless>

Meanwhile, new founders often delude themselves into thinking that staff bonding just happens if they hire well. Or that “culture” is something the Chief People Officer (read: HR) will handle one day.

Trust most of all requires bonds. Bonding requires culture, leadership, vulnerability, shared hardship, and fun. You can’t delegate this.

It all starts at the top!

[Scroll down for appendices]

About the Author

I’m Andrew “Sri” Sridhar. I’m a former Navy SEAL officer with experience leading AI teams at Amazon, Wayfair, Capital One, and a16z startups.

→ I **coach** high performers how to get out of their own way and reach the next level of impact for their customers, employees, and families. Schedule a discovery call [here](#).

→ I **train** teams on elite execution and decision-making under pressure.

→ I **motivate** ambitious organizations through keynotes packed with firsthand stories and actionable frameworks.

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🔍 More info on [The Warrior Poet](#) site

Appendix A

How to Measure Trust

I recommend a mix of surveys, KPI analysis, and qualitative observation at scale.

Surveys: I plan to develop a survey that companies can use. More soon!

KPIs: The following data-based indicators may be correlated with trust challenges in your organization:

- Attrition
- Terminations
- Exit interview sentiment
- Median time to promotion, broken out by level¹¹

Qualitative observation: As I look back at my experience in the military and the private sector, the teams that were the most trusting had the below relevant qualities.

Warning: Clearly I am biased. Take these as potential indicators of trust – not as gospel. Some of these may have a causal relationship with trust; others may not.

1. Strong work ethic: No one was hurrying to clock out. Few if anyone was shirking.
2. Drive, mission focus: While people had fun, there was a seriousness of focus and drive that was the foundation for our time together and apart.
3. Felt tight: There was a closeness and a feeling of “we’re all in this together.” It was clear that everyone felt they belonged despite differences. People enjoyed being with each other, even if not especially outside working hours.
4. Lack of drama
5. People held each other accountable.
6. Trust in senior leadership
7. Integrity: Doing the right thing to each other and for customers was paramount in everyone’s mind (even beyond what was strictly illegal). People went out of their way to admit their own mistakes and give credit to others. In an interesting coincidence, before Hell Week, equipment was stolen all the time. After Hell Week, I can’t recall a single incident.
8. Respect for experience, disdain for convention
9. Frequent yet healthy disagreement
10. No one kept track of favors. Relationships were not transactional.
11. Vulnerability

¹¹ It is possible that fast-promoting teams are *too* trusting. Slow promotions can be an indicator of poor management and/or low trust.

12. Heavy investment of time and money in training as individuals and teams.
13. Fewer and shorter meetings
14. Insanely clear roles and responsibilities
15. Obsession about clear communication
16. Tons of time spent together
17. Routine discussion of ethics and values
18. Willingness to do the right thing, even when it's unpopular

Appendix B

Case Study: “Paved with Good Intentions”

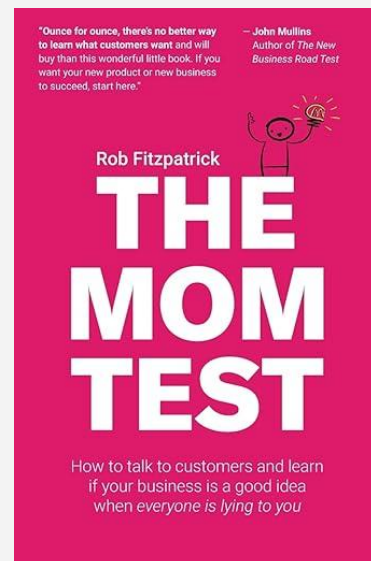
I spent much of my post-military career in technology in product management. As Rob Fitzpatrick makes abundantly clear in his book [The Mom Test](#), people lie to you when you ask them for feedback. It's not that these interviewees are bad people; they just don't want you to feel bad.

My team at Wayfair experienced this firsthand. We built platforms for the company's engineers and data scientists. One would think that having customers that were internal would make things *easier*. This is true to an extent. I have found that Slack-message response rates are nearly 100% from an employee of the same company, even if we don't know each other *and* even if I'm clearly making a pitch.

But that is where the smooth road ends. Our team found it shockingly hard to pin potential customers down on pain points and adoption commitments (even if it was just to test out or QA a proof of concept, or “POC”). Politics and incentives were muddier than traditional product scenarios where customers are external.¹²

The issue is not limited to the field of software product development:

- Sales professionals experience a tendency amongst prospects to continue to take meetings and return emails, yet they may not have the authority or the desire to get a deal done.
- Founders often receive comments from investors post-pitch that aren't clearly negative even though the investors have no intention of engaging further.



¹² I mean “politics” in the most benign way.