PUSt defined



"An individual's belief in, and willingness to act on the basis of the words, actions, and decisions of another." – 1998 Lewicki, McAllister, & Bies

Managing your stakeholder's trust in your organisation is key

Internal trust

"The ability of a general manager to earn higher trust from her or his employees likely creates a competitive advantage for a firm over its rivals, in terms of sales, profitability and turnover."

External trust

More than half (57%) of customers refuse to buy products and services from a company they do not trust, while **49% will criticize them** to a friend or colleague. Conversely, 76% chose to buy products from companies they trusted.

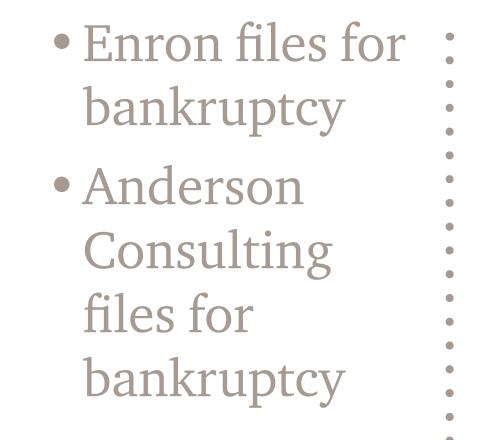
– 2008 Thompson Learning

– 2015 Edelman Trust Barometer

Trust in the media

"People's panels' could build public's trust in politics"

– ABC Local June 2015



•	• Greek
	government
	debt crisis

• Pope Francis apologises to clerical sex abuse victims and asks forgiveness Malaysia Airlines plane MH370 lost

NO 2014 2015 2009 $\overline{\bigcirc}$ \bigcirc N N

"Abuse victims seeking compensation" told Catholic Church would endure long after they died, royal commission hears"

– The Age May 2015

"Win flights, fly for cheap: Malaysia Airlines struggles to rebuild trust"

– News.com.au August 2014

"Greece has become the first developed"

• Johnson &

Johnson 7 people killed • First case of child

- sexual abuse by
- catholic church



- : Lehman
 - Brothers
 - files for
 - Bankruptcy
 - Iceland
 - Financial
 - Crisis

- Qantas
- industrial
- disputes
- Trust in Australian
 - politicians
 - drop from
 - 56% to 49%
 - of people

nation to default on an International Monetary Fund loan"

– News.com.au July 2015

"QANTAS chief executive Alan Joyce" says the troubled airline is on track to return to an underlying profit in the first half of this financial year"

– News.com.au October 2014

Trust is both more important and difficult to achieve

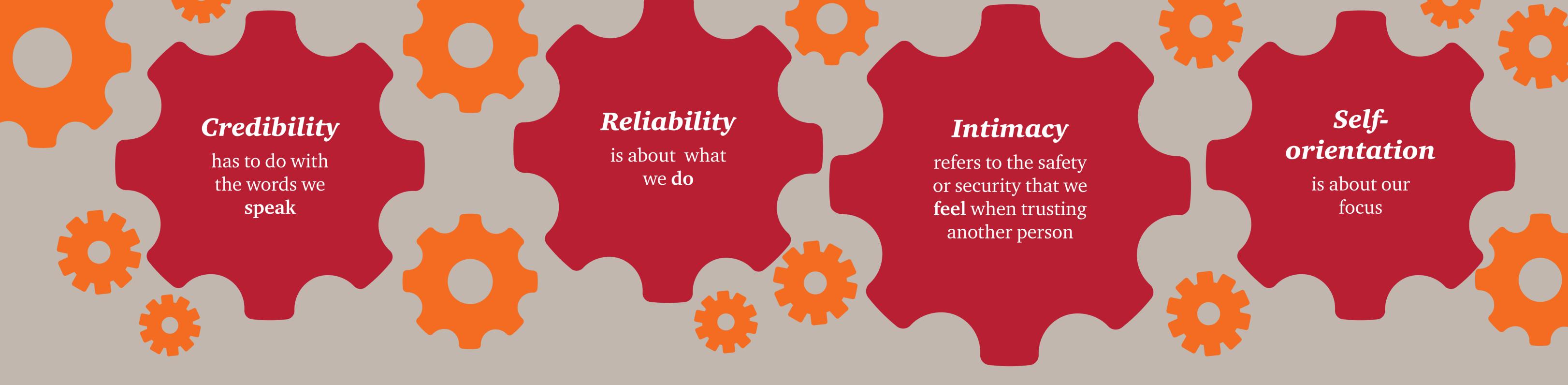


The Innusi equation

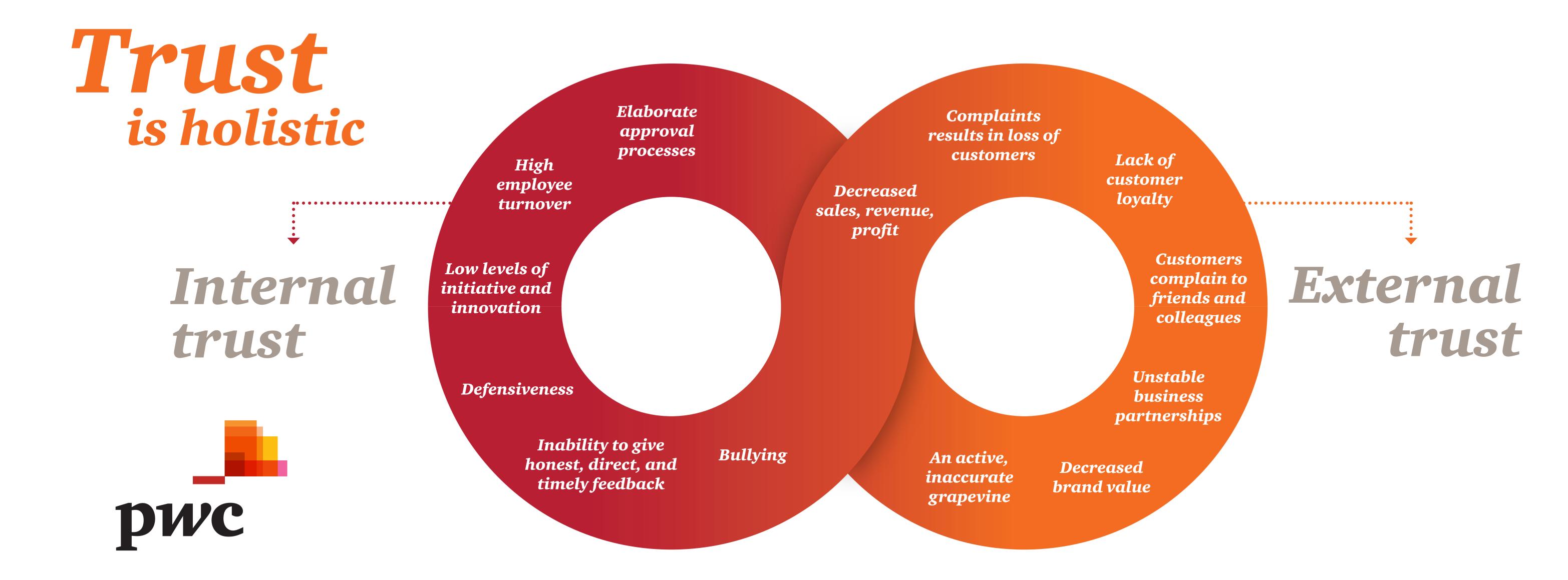


Credibility x Reliability x Intimacy

Self-orientation



*Source: The Trusted Advisor (Maister, Green, Galford. 2000)



The trusted organisation

Building reputation

• The executive leadership sends out clear messaging on the

Behaving reliably

• Be transparent about your offering and ensure consistency of operations over time

Focusing on doing good

 Leadership to drive the strategic priorities and representing shared value as part of the company value proposition

Enabling relationships

 Design and structure your organisation to enable connection, collaboration and knowledge sharing

- vision, strategy and stakeholder interests
- Stakeholder dialogue and client feedback are part of front office activities
- Marketing efforts resonate what your company stands for
- Accountability, performance indicators, incentives and consequence management, decision making, benefits and results visible
- Develop your people's communication skills and (subject matter) expertise

- The company vision and strategy is consistently supported and carried out by leaders
- Put in place processes to escalate inappropriate behaviours and practices, ranging from customer engagement and quality assurance to bullying
- Avoid over promising and under delivering
- Setting up systems to capture and learn from community views
- Building a safe culture of serving the interests of all stakeholders – internally and externally
- Ensuring a customer centric approach to doing business
- Integrating Corporate Responsibility in company operations
- Working with partners, customers and employees on issues beyond the core-business of the company

- Leadership to enable cross-divisional collaboration – establish forums for collaboration around strategic priorities
- Enabling a social network within the organisation to encourage friendships and integration
- Encouraging people to share knowledge, speak up and escalate inappropriate behaviours
- Skills development to manage constructive conflicts/give feedback



The trusted professional

Changes in occupational rust	

2011–2015 occ Nurses	cupational trust	2001-200 change %
	90.6%	0%
Pharmacists		
	85.8%	0%
Doctors		
	85.6%	+6.8%
Engineers		
	73%	+5.6%
Accounants		

2011–2015 occupational trust Directors of public companies	2001-2005 change %
23.2%	+5%
Newspaper journalists	
15.6%	+4.2%
Business executives	
18.8%	+0.2%
TV reporters	
15.8%	-2%
State MPs	
12.2%	-3.8%
Union leaders	
14.8%	-0.4%
Federal MPs	
12.6%	-4.2%
Real estate agents	
1 9.2%	0.2%
Advertising people	
^{Ad} 7%	-3.6%
Car salesmen	
i 3.2%	-0.2%

2001–2005 vs 2011–2015



\$	49.8%		+0.4%	
Minist	ers of religion			
	42.8%		-8.6%	
Public servants				
× .	33.6%		<i>N/A</i>	
Bank managers				
	38.4%		+5.6%	
Lawye	rs			
	34.6%		+3%	
Financial planners				
* 26	5.2%		<i>N/A</i>	