



Trust



You know trust is important in a relationship. We've all experienced the privilege of trust, as well as the pain of broken trust. Trust is the undercurrent in all relationships, business and personal.

Some of us readily trust; others of us hold off until we know more. Regardless, in every relationship there is a degree of trust.

In business, trust is the foundation for doing business together. People want to do business with people they trust. They believe they can count on them to deliver as promised, to be there as needed, and on time.

In How To Who, we use a simple formula to articulate the elements that establish and build trust:

$$\text{Trust } \neq = \frac{\text{Expertise} + \text{Time} + \text{Quality Communication}}{\text{Perceived Risk}}$$

This says that Trust is a function of Expertise, plus the length of Time in the relationship, plus the Quality of Communication, considered altogether. And, most important, that these 3 elements are all factored by the **other** person's perception of their risk.

The Trust Formula tells us that not only do we need to know what we're talking about and have a solid solution/reputation (Expertise); we also need to be able to Communicate effectively. And we need to do both of these from the listener's point of view.

Time is out of our control, so the only factors where we have any control to build trust are Expertise and Quality of Communication. This is why it's smart to know your business, your products, your industry, etc.

And, it's also why it's important to develop and use savvy communication tools. Effective communications enable you to understand the other person's view of the world, which makes them comfortable, which builds trust.

Perceived Risk is the big player here. If the listener perceives high risk, then clearly the first two factors have much less influence.

Further, trust is reciprocal. I'm more likely to trust you when you show your trust in me.

This is why trust is elusive – no one person is in control. Trust is a shared experience. The receiver needs to feel safe; the sender needs to be effective and clear.

I can't emphasize enough that the **perception of Risk** is the key variable in the equation, and it is the variable most out of our control because it resides in the other person. What's critical here is to recognize that the degree of risk is in the perception of the person extending trust. As you know, the perceptions held by others are not always obvious to us. It may not appear risky to me, yet you may feel high risk — often for reasons I don't know.

Now you can see why it's so important to communicate effectively. We can learn our business very well and develop our expertise, but if we cannot communicate it effectively, our chance of success is diminished.

If you want to build trust, it's important to be clear and unambiguous as you communicate. When you're not clearly understood, people begin to

wonder what you really mean, or question your motives. I.e., they begin to wonder if they can trust you.

Likewise, you need to gain a clear understanding of the other person's points of view. This increases their comfort level (less risky) and increases your ability to communicate effectively. So you can see why I keep emphasizing that we need to keep the other person's view of the world in mind when we want to build a relationship.

That old adage is true: *"Say what you mean and mean what you say."*