Leadership – Growing Relationships, Building Trust, Creating Value

"Leadership without mutual trust is a contradiction in terms."
– Warren Bennis.

Much of the elusiveness of leading with influence lies in underestimating the significance of building relationships and establishing trust. There is a certain crucial point where leaders become leaders and this happens when they cross the fine line from technical competence into the realm of leadership competence. And a large part of leadership competence links directly with the ability to develop, nurture and leverage relationships based on trust.

As one advances in an organisation, technical skills become less and less important in relation to leadership skills. This is not to imply that technical or functional knowledge and ability is not important. It is indeed essential as it forms the basis of professional cogency and credibility. However, as one progresses and assumes positions of authority, he or she will have to rely less on being proficient in the functioning of the organisation, and instead, rely more on his or her ability to inspire, influence and work with others. Functional expertise thus becomes secondary.

In the public service, skill in the mechanics of governing and delivering services is necessary but it is not enough to garner trust. While there is no hard data that measures the trust level in government in Malaysia, one can discern a trust deficit just by looking at social media postings, blog commentaries and comments on online news articles. If there were indeed a trust deficit in government, Malaysia is not alone. Numerous global polls show that trust in governments worldwide is worryingly low. According to Edelman's 2016 Trust Barometer, the number of countries with trusted government institutions is very low although it has improved slightly in some countries as compared to 2015's data. Unfortunately, in Malaysia, trust in government has declined further in 2016 from 2015. Falling 11 percentage points from 2015, only 34 per cent of people now trust government institutions in Malaysia.

Only through building effective relationships between public service leaders and their employees, peers, superiors, people in other organizations, the legislative body and the citizenry, can trust develop. Leadership is a main contributing factor here as leaders determine to what extent organisations reach out and connect with its stakeholders, and how meaningful and convincing are such efforts.

Incidentally, Edelman's research also shows that on average, only about one third of employees trust their employers. Again leadership is a main contributing factor. In fact, employees say they trust their peers more than senior management when it comes to having access to company intelligence, news and information.

Authors of the study have noted that employees want to really understand who their CEOs are at a personal level, including the values that drive them. They want to know their CEOs as people. Indeed, 80 per cent of employees said they wanted to better understand their leaders' personal values, while 73 per cent wanted to

know about the obstacles that leaders have overcome, and 68 per cent said they wanted to hear about leaders' personal success stories.[1]

The fact that employees are not satisfied with the kind of relationship that exists between them and their leaders indicates that there is a disconnect between authority and influence, where the former does not beget the latter as leaders still seem to believe.

The significance of relationships

The extent to which leaders are able to influence others through persuasion, appeal and attraction, and not force or coercion, is consistent with what Joseph Nye, former Dean of Harvard's Kennedy School of Government, calls "soft power". Although Nye was primarily concerned with international political influence wielded by soft power, the importance of this soft side of influencing others matters immensely in the organisational context as well.

Leaders often underestimate by some huge margin the importance of relationships in creating meaning in organizational dynamics. Typically, the balance of power always tips on the side of the boss. However, apart from the obvious power distances, such as the leader having control over resources, information, and access to meaningful work, people also look to their leaders for validation of their personal worth to the organization. Such a validation can only come out of an established relationship between the leader and the follower. Over time, with feedback and continuous incremental improvements, it can be expected that the employee's sense of worth will get stronger. This in turn positively affects the employee's motivation levels and hence productivity.

Trust is all about relationships, and relationships are best built by establishing genuine connection. Needless to say, the bulk of leaders'

work should therefore be in interacting with others – sharing, asking questions, listening, explaining, reassuring, appreciating, guiding and facilitating aspects of performance – in other words, establishing sustainable relationships, where people are drawn together by an understanding and values that they share.

Relationship formation, however, requires determination, patience and a certain level of assiduousness. With the magnitude of responsibilities leaders have, it is certainly easier to exercise a no-questions-asked command and control style, but this is usually done at the expense of trust. Coercive power works only until it is overthrown from within or from the outside. Transactional leadership, on the other hand, where people follow because they are promised something in return, is also not trust-based. Eventually followers will arrive at a point where their end of the transaction is no longer attractive and hence will look elsewhere[2]. Both coercive and transactional styles of leadership are hence not only unsustainable; the absence of trust can also make them costly.

According to Stephen Covey, when trust is low in an organisation or in a relationship, it places a kind of hidden "tax" on every transaction, bringing speed down and sending costs up. By contrast, individuals and organizations that have earned and operate with high trust experience a "dividend" instead – which is a performance multiplier, enabling them to succeed in their communications, interactions, and decisions, and to move with incredible speed.[3]

Communication is key

High-performing, well-respected companies are usually distinguishable by their open-style communications culture. Leaders in such organisations create an environment of trust by sharing information quickly and freely, and

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[1] Lydia Dishman, "Why Employees Don't Trust Their Leadership" in *Fast Company,* 6 April 2016.

[2] James McGregor Burns, *Leadership,* (New York: Harper Collins), 1978.

[3] Stephen Covey, "How the Best Leaders Build Trust" in *Leadership Now, 2009.*
http://www.leadershipnow.com/CoveyOnTrust.html
(accessed on 25 April 2016)

building relationships with employees and other stakeholders that enable their organizations to deliver high performance and high value.

Communication also has to be two-way – a dialogue – not just to provide information, but to create the right channels that give employees and other stakeholders more of a voice and encourage discussion around what needs to be done or how to address a challenge or seize an opportunity. In such a culture there are always opportunities for feedback, which if used constructively, reinforces links between stakeholders.

Oftentimes, leaders of large organisations (and sometimes even small ones) enjoy and try to maintain a certain level of protective distance from employees. This automatically creates a barrier and widens the power gap. Leaders who are genuine about creating meaningful connections with people, however, are comfortable with being accessible at any time. This gives employees the assurance that they can call on their leader in moments of distress or uncertainty, knowing that their problem will be treated with sensitivity and care. It is a powerful reminder to employees that every voice has a way of being heard and the organisation is there for them.

With public sector organisations especially, this culture of openness and accessibility is also vital in garnering the trust of the public at large. People trust clarity and mistrust or distrust the ambiguous. When leaders and organisations are clear about their activities, expectations, mission, purpose and even mistakes, it creates confidence among the interested public, and this in turn accords the organisation with the unspoken public sanctions and support to go about its business productively and effectively.

Character and core values

The power of communication lies in honesty and consistency. Too often, actions speak louder than words, and the way leaders communicate or don't communicate; how often or seldom they communicate; and whether their messages are credible or questionable; either puts up or brings down barriers. Audiences look for consistency in words and actions over time. Occasional sincerity cannot convert into trust. Even little things done consistently make for a higher level of trust and better results.

Leaders who have built this pillar of consistency do what needs to be done when it needs to be done, whether they feel like doing it or not. It is about doing the right thing, and this emerges from character and core values. In the book, *Built to Last,* Jim Collins and Jerry Porras show that companies that last for generations share few commonalities, but the one thing they all have in common is a set of unchanging core values that is carried by a succession of leaders who embed these values in the organisation's culture.[4]

People are naturally inclined to trust leaders and organisations where core values are deeply ingrained in their character and fabric, guiding behavior, decisions and actions. While there are hundreds of stated values in organisations' ethos, the same few seem to crop up in those of the most recognised high performance organisations across various industries. They include: honesty and integrity; compassion; responsibility and reverence for life; passion and commitment to high performance/ quality; and fairness, respect and diversity.

A question that often crops up when discussing core values is: "can core values be learned or is it innate?" Most leadership gurus believe it can indeed be taught, studied, understood and practiced. However, it is one thing to have an intellectual apprehension of it, but quite another to internalise and apply the learning. The latter

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[4] Jim Collins & Jerry I. Porras, *Built to Last,* (New York: Harper Business) 1994.

comes from a genuine desire for continuous self-improvement. A teachable person is one with humility and self-awareness – one who keeps learning new ways of doing things and stays current on ideas and trends. On the other hand, arrogance, a "know-it-all" or "been there, done that", attitude prevents certain individuals from growing, and that compromises others' trust and confidence in them.

Moreover, it is only from self-improvement and enrichment that leaders can deliver real results over the long term. Without demonstrable results, even if one is of good character and with compassion for others, people will not trust them as leaders.

Conclusion

As the nation pursues transformation, particularly transformation of government and public services, most efforts have focused on macro-level changes – to alter the performance of agencies so as to address deficiencies, improve efficiency in terms of numbers and bring about more positive public perceptions. This is no doubt important, but what makes these efforts sustainable has much to do with making the necessary micro-level changes, that is: to instil shared values; to establish effective relationships; and thereby to enhance the level of trust.

Often, the designers of macro-level transformation plans take for granted these "soft" elements with the assumption that they either already exist or that these are part of the less important "touchy feely" side that can be left to someone else to deal with. However, building shared values, effective relationships, and trust can neither be assumed nor ignored in fostering high performance.