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LOL: The Trust Ceiling: An Upper Limit on Success

The data confirm that trust is critical to success.¹ No wonder so many firms reach out for help in this area. As a matter of common sense, leaders are getting it: *without high levels of trust, we are handicapping ourselves.* Indeed, the data support their hunch. Trust puts a ceiling—or upper limit—on how much success a firm will enjoy.

FCG performs Team Scorecards on intact investment teams. These scorecards include 24 well-researched factors that lead to team success. Given the nature of the questions and the quantity of data (i.e. lots), these Scorecards give us useful insights about trust, candor, debate, and many other factors, including success (defined as “achieving results”). In fact, our colleague Bryan Kozlowski and I are hard at work on a white paper digging deep into the data, but for now I want to tease out some headlines. These five factors are highly correlated with trust:

Factor Statement	Correlation
I experience a high level of candor and openness on our team.	.88
Conflict is addressed and resolved in a constructive way; we know how to “deal with it” and move on.	.83
We have common values and norms that promote good teamwork.	.83
We have a strong sense of team spirit ; we feel a sense of connection.	.82
We have open and productive debates .	.75

For starters, every team we work with wants more candor. They want frank discussions, lively exchanges, open kimonos. Is there a correlation between trust and candor? The data (from 29 teams that filled out our Scorecard) shout, “Yes!” to the tune of a correlation coefficient of .88. For these same teams, the mean score for trust (on a 1-7 likert scale, with 7 = strongly agree) is 5.40, and the average for candor is 4.80. Here’s the clincher: no team scored candor higher than trust. None. In every case, the teams are saying, “We will NOT achieve high candor without high trust.” Trust puts a ceiling on candor.

How about conflict resolution? Another frequent request of team leaders is, “Help us resolve tension on the team.” Conflict and team spirit are correlated: .80. That makes sense: the more conflict, the lower the team morale. So, does trust correlate with conflict? Indeed: .83. And the clincher again: no team scored “resolve conflict” higher than “high level of trust.” Trust also puts a ceiling on conflict resolution.

If you are thinking, “Well, trust probably correlates with everything on a team!” Not so. There are team factors that are not heavily dependent on high trust. These factors appear largely unrelated:

¹ I am apparently the last of a dying breed that still acknowledges “data” as the plural for datum. Eventually I will give in to popular opinion and write: “the data confirms...”

Factor Statement	Correlation
I have clear performance goals that measure my success on the team.	.30
My work allows me to use my talents and abilities .	.29
I know my role on the team and what is expected of me.	.24
I feel that my work is important to reaching our firm's goals.	.09
I have the resources I need to perform my work well.	.06

These results make intuitive sense. The first two factors—goals and roles—are more about clarity. Has the leader articulated them clearly? Leaders can achieve these ends without building high trust on the team. The next two factors seem more individually driven. A team member could be in a role that allows them to use their talents and contribute strongly, without experiencing a high level of trust on the team. Finally, budget constraints might limit resources but not damage trust. Or so the data suggest.

Four teams in the data base are what we call “Focus Elite” firms. These firms demonstrate strong leadership and culture and good success.² If we ask *how do their factors “trust” and “success” compare to the other firms in the database*, we can construct this table:

Team	Trust Factor (mean)	Success Factor (mean)
Focus Elite (4 firms)	6.6	5.9
Other firms (25 firms)	5.2	4.9

This comparison is not quite apples-to-apples. The Focus Elite data are from the leadership teams of these firms, whereas some of the remaining firms (the “25”) are functional teams. Nevertheless, the data are suggestive. (Our white paper will look at these comparisons more critically.)

The headline here is rather obvious: trust matters. A lot. That’s become conventional thinking for most leaders. But the underlying message is: teams need to move beyond acknowledging that trust is important to actually improving it. Perhaps seeing the data will motivate leaders and their teams to act. Trust is only improved through communication. Feedback is crucial. So is an honest self-assessment, a willingness to see that you might be part of the problem. On a positive note, FCG has seen many teams improve their trust scores. So, it is possible. But it takes commitment, courage, and communication.

² For more on these firms, read our white paper called, “[Linking Culture to Success](#)”

Stay tuned for our white paper on trust. And in the meantime, you may want to read some of FCG's prior blogs about building, repairing, and maintaining trust:

- [Treat Trust Issues Like Kitchen Fires](#)
- [Trust Repair Kit for Putting out Kitchen Fires](#)
- [FAQs on Trust](#)

Curiously,

Jim