



NAC Executive Insights

Trust

Key Points

- Trust is an essential ingredient in project leadership and success.
- Trust is multi-directional—up, down, sideways, and uniquely in projects, inside out.
- Trust is defined, but one really knows it when it is personally experienced.
- The special challenges of building trust in a project setting are described.
- Strategies for building trust in a project setting are described.
- Factors influencing trust in a project setting are outlined.

Introduction

Trust is the currency of relationships and, by extension, the management of people. It is slowly earned and accrues interest over time, growing in value, but can be quickly lost. In most relationships, trust building occurs over extended periods. It also may be quickly built in the face of crisis or threat. This accelerated trust building is often seen after disasters and in combat.

Trust is an essential characteristic of leadership. It is questionable whether true leadership is even possible without it.

Trust is the “currency” to purchase deep emotional buy-in and commitment to achieve a project’s vision and strategic business outcomes.

Many projects have neither the luxury of time associated with the building of relational trust nor the existential threats which have been seen to accelerate trust building. The challenge then is to create different mechanisms to quickly build trust in the management of projects. This Executive Insight looks at some of the challenges to quickly build trust in the delivery of a project as well as some unanswered challenges in building trust.

In this Executive Insight, trust will be considered in several contexts:

- Trust in those who manage (up)
- Trust of those who are managed (down)
- Trust of peers (sideways)
- Trust of stakeholders essential to project success (inside out)

What is Trust?

Trust is a willingness to accept that the trusted party will act in a consistent and predictable way, valuing both individuals and the trusting relationships between them. Trust is reliance on or confidence in the dependability of another. Trust is characterized by:

- Shared values, or noble purpose
- Honesty, including being vulnerable
- Transparency, clearly showing and demonstrating one's intentions
- Commitment, delivering on one's word
- Empathy, built on listening
- Availability, being there; *presence*; intimacy of a relationship in a positive way
- Humility (the greater the ego, the lower the trustworthiness)
- Authenticity, supporting intentions with consistent and valued behaviors
- Appreciation
- Consistency

Challenges of Building Trust in a Project Setting

Projects face several challenges to establish meaningful and enduring trust that differ from those faced in other contexts. Among these challenges are:

- *The nature of projects as temporary endeavors.* Successful projects are characterized by high levels of trust in many dimensions. The trust earned in these project settings may be transferrable to other projects or even back into the parent organization. It is not uncommon to see outstanding project leaders bring with them those they have previously worked with onto a new challenge.
- *The rapidity of project startup.* New players are constantly being introduced into the project team. Each must be aligned and assimilated without diminishing broader organizational trust. The degree of this challenge is often underestimated on large, complex projects and on fast-track projects. A team on a year-long

complex project may be many times larger than one assembled for a simpler 30-day duration project. Additionally, the team working together for one year may see increases both in span of control as well as in organizational layers compared to that on the shorter 30 day duration project.

- *Unforgiving emphasis on time.* Relationships develop in different ways at different rates. In a project faced with deadlines, the luxury of time does not typically exist.
- *The importance of multi-dimensional relationships.* Personal relationships—up, down, and sideways—are common. They usually occur within a well-defined social fabric, that is, such relationships may change over time but are nonetheless readily definable. Projects also face these relationship dimensions, but one other element is added: that of stakeholders, a relationship that may be inside out. Relationships with stakeholders might be described as a massive, enigmatic, throbbing amoeba engulfing a project. Engagement with only those directly touching the project does not account for the range of trusted relationships, which may span from the onsite project team to the more distant project stakeholders. Relating with those more remote and distant is just as required on a project as those seen on a daily basis.
- *Potential for multiple simultaneous crises that challenge trust in leadership.* While they may not rise to the challenges created by disasters, multiple simultaneous crises challenge trust in leadership as preparedness is called into question. Equally, the degree to which transparency and commitment to core beliefs and values is maintained in the face of adversity will be watched closely by all.
- *Rapid, often abrupt, ending of the context in which a relationship exists.* Relationships built over time and through various circumstances in a project's life cycle may abruptly end as projects rapidly demobilize or are cancelled.

Strategies To Build Trust

Much has been written on the importance of trust and how to go about building it. The strategies which follow are based on the author's experience and observations. Before outlining these strategies, however, it may be worthwhile to highlight some popular strategies¹ that have received mixed reviews:

- *Team building activities (outings, paintball, picnics)* – only one percent of managers and employees rank this as the most effective way to build trust.
- *Recognition* – only four percent rank this as the most effective way to build trust. That is not to say it is not important but rather that it must be part of a broader trusting engagement.
- *Transparency* – only 10 percent rank this as the most important way to build trust. Like recognition, however, it is an important element. Transparency alone does not satisfy what is looked for in a trusting relationship, yet its absence does not bode well for the development of a trusting relationship.

Now for some strategies and tactics to build trusts in large, complex and fast-tracked projects:

- *Alignment and broad team motivation.* This is best accomplished through shared values and motivations. For many projects, this is represented by alignment around a set of well-defined strategic business outcomes (SBOs). In some instances these SBOs may concern responding to global climate change, redressing social injustices, or addressing global hunger and health. The importance of SBOs has been discussed in other Executive Insights. Trust is often not achieved due to the failure to articulate the SBOs, achieve agreement on them, and communicate them. Inadequately addressing SBOs is, in the author's experience, the number one reason large complex projects fail: inadequate trust, in all dimensions, is absent.
- *Being honest with others and, importantly, being honest with one's self.* This requires being vulnerable: admitting what is impossible to know and valuing the insights others can bring to address one's own shortcomings. Honesty is under increasing challenge today, exacerbated by "fake news." In some sense, the world may be in a post-truth era. While some of today's political leaders may

¹ The 3 most effective ways to build trust as a leader; Claire Lew; February 12, 2019, [knowyourteam.com/blog](https://www.knowyourteam.com/blog)

have their own sets of “facts” they repeat to the point where others accept them as true, project teams have no such luxury. The facts are the facts on projects and are there for all to see, even if they choose not to. Cost is cost and schedule is schedule.

In one recent abandonment of a multi-billion dollar project, the facts were there for an extended period, but dishonesty by key executives sought to obfuscate them. Four indictments later, it came to light that dishonesty doesn’t pay. The result was multi-billion dollar penalties and one firm had to be immediately sold.

In the survey previously referenced, honesty and the vulnerability that goes with it was judged to be the most effective way to build trust (28 percent). Such honesty and vulnerability often begins with SBO alignment.

- *Transparency*, but in a broader context than is typically interpreted (that is, sharing of information). Here, transparency refers not just to providing information broadly or the actions planned, but more importantly, explaining what the intentions are.

Trust does not survive in opaqueness. The communication of intent, including why one chose not to act, has been identified as a key element of building and sustaining trust (26 percent). This communication of intent in many ways is another dimension of honesty.

- *Commitment to taking actions*, both promised and unpromised consistent with the values and beliefs guiding the project and one’s own behavior. Words must be translated into action. Trusted leaders exhibit a visible drive to all they do. This energizes others and fosters the building of trust.
- *Empathy*, built on listening. Empathy has been defined as “the action of understanding, being aware of, being sensitive to, and vicariously experiencing the feelings, thoughts, and experience of another of either the past or present without having the feelings, thoughts, and experience fully communicated in an objectively explicit manner.” If trust is to be built, one must demonstrate and actually possess true empathy.

Communication, honest and two-way, is essential for trust to be built and sustained. Communication, however, is not enough. Having empathy means one fully understands the context of another's feelings and experiences. This challenge today is often seen in issues of social justice. True empathy requires effort. Too often, it is not attained.

Empathy

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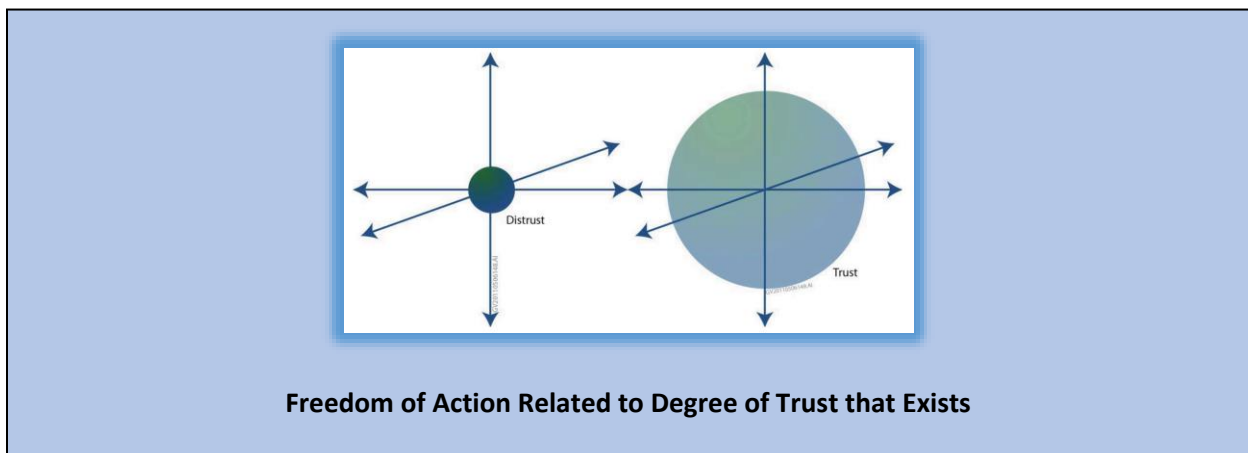
- *Presence* is essential in building trust. Earlier management theory defined presence as “management by walking about” or MBWA. In today’s distributed execution and Zoom™ environments, presence is being redefined. As much as anything it speaks to being available and approachable. It requires one to be attentive, engaged, and in the moment.
- *There can be no ego in a trusting relationship.* All must be aligned and share a deeper bond. Egos only get in the way. Trust involves a heavy dose of humility. Leaders know to share success even more than failure.
- *Always lend a hand.* The offer to help, especially when the situation is bad, is a high risk personal decision. But the reward, which is *trust earned*, is worth it. A kindergarten teacher’s admonishment to “hold hands when crossing the street” is still valid today.

A helping hand—extended or received—imbues trust. Those who help others around them to achieve success are in the process becoming a leader. Go the extra mile. Always. Help peers be successful. They are not competitors but colleagues. “Growing up together” builds bonds that cannot be bought. Support each other directly and indirectly.

- *Do not micromanage.* Micromanaging conveys a lack of confidence or, worse, a lack of trust. Trust people to succeed. Importantly, trust them even more in failure.
- *Always* remember that trust is hard work; a 24/7, 365 days a year job.

Trust is Essential in Projects

Trust is an essential ingredient in well-performing projects. It is, however, regularly absent or extremely damaged in poor performing ones. Trust provides an expanded range of options in project execution. A distrustful environment limits one's freedom of action.



Building stakeholder trust in large engineering and construction projects is not a one-act show. Rather, it is a multi-dimensional, never stopping, three-ring performance. Trust building and trust sustenance must occur within the “executive” organization to which the project is ultimately accountable. This also includes the project’s organizational peers in key corporate functions such as legal, audit, safety, and the all-important accounts payable operation. Trust must exist throughout the extended project team, including owner and project management consulting staffs as well as contractors and key suppliers. Finally, trust must exist between the project and the myriad of external stakeholders. Trust is influenced by many factors, both positive and negative, as shown in the following table.

Trust Influencing Factors in Large Engineering & Construction Programs

- Confidence in the integrity, ability, and good character of others
- Transparency of actions
- Cultural sensitivity and context
- Predictability of action
- Certainty of information
- Emotional engagement
- Frequency of interactions
- Physical and cultural distance
- Moral assessment
- Commitment against corruption
- Purposes as viewed by others
- Access to information
- Assessment of competence
- Degree and nature of social certainty/uncertainty
- Connectedness
- Visual perception
- Timeliness of engagement
- Acceptance of delayed reciprocity

Summary

Trust is a prerequisite for project success. Building trust in a project setting represents a special challenge, tougher than what one might face in a more permanent organization. In this Executive Insight trust has been defined, challenges have been considered, and some strategies have been highlighted. Lastly, its importance has been underscored in providing projects and project teams with the freedom of action that success requires.

How might leadership styles and management of projects change if a daily project dashboard featured a trust barometer showing the current level of trust within the project team?

Trust is earned slowly, but lost quickly.

Trust is the *sine qua non* of a leader. It is the basis for all meaningful relationships and is necessary to develop the industry, client, and internal team relationships that are a mark of leadership. In its simplest form, it is about keeping one's word, honoring commitments made no matter how painful it is to do so. It is about dealing fairly and never operating unilaterally. Leaders who lose the trust of others or who do not bring their clients or other employees "along" before making needed changes do not remain leaders for long.

About the Author

Bob Prieto was elected to the National Academy of Construction in 2011. He is a senior executive who is effective in shaping and executing business strategy and a recognized leader within the infrastructure, engineering, and construction industries.

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