The Trusted Advisor
Agenda

- Trust-based relationships
- The components of trust
- The creation of trust
- Where trust applies
- Trust tools
- Implications for HR
Characteristics: Professional Services

1. Insight to Product
2. High Ticket Price
3. Large Risk to Client
4. Professional is the Expert
5. Sticky Economics

What About HR?
Benefits of Being a Trusted Advisor
Four Levels of Client Relationships

- Expertise-based: Answers
  - Focus on service itself
  - Limited business perspective
  - Responsive, not proactive
  - Contract-limited

- Needs-based: Solutions
  - Insights, not just answers
  - Problem definition, not just solution
  - Problems solved, not just insight

- Relationship-based: Customization
  - Insights, not just answers
  - Problem definition, not just solution
  - Ideas generation
  - Part of general business decision-making

- Trust-based: Personalization
  - Issues are personal, not just organizational
  - Called on for brainstorming, reflection
  - Proactively offer viewpoints

- Time Spent

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Trust—the CRIS Equation

\[ T = \frac{C + R + I}{S} \]

Where:
- \( T \) = trust
- \( C \) = credibility
- \( R \) = reliability
- \( I \) = intimacy
- \( S \) = self-orientation
The Four Factors of Trust

Trust Equation Factors

Credibility
- Truthfulness
- Credentials
- Openness
- References

Reliability
- Dependability
- Predictability
- Familiarity

Intimacy
- Discretion
- Empathy
- Objectivity

Orientation
- Motives
- Attention

Words
I can trust what he says about...

Actions
I can trust him to...

Security
I can trust him with...

Focus
I can trust that he cares about...
Diagnosing Lack of Trust

- Lack of Credibility
  - "I can't trust what he says about..."

- Lack of Reliability
  - "I can't trust him to..."

- Lack of Intimacy
  - "I can't trust him with..."

- High Self-Orientation
  - "I can't trust that he cares about..."
Trust Pathologies Aggregated

- Credibility
- Reliability
- Intimacy
- Self-Orientation
  - Cynicism

- Credibility
- Reliability
- Intimacy
- Self-Orientation
  - Frustration

- Credibility
- Reliability
- Intimacy
- Self-Orientation
  - Impersonal

- Credibility
- Reliability
- Intimacy
- Self-Orientation
  - Lack of Loyalty
The Trust-Building Process

Engage--offer something of value
Listen—to what is important and real.
Frame—state the true root issue without blame.
Envision, jointly, an alternate end-state.
Commit to constructive action.
Trust, Sales and Negotiation

**Engage**  **Listen**  **Frame**  **Envision**  **Commit**

**SPIN Selling**
- Situation
- Problem
- Implication
- Need
- Payoff

**Getting to Yes**
- People
- Interests
- Options
- Criteria
Most Common Trust Process Violations
Key Business Arenas Using Trust

- Selling
- Negotiation
- Teamwork
- Recruiting
- Leadership
Reasons for Failed Sales

Reasons Buyers Refuse to Agree to a Sale

- No Trust
- No need—no fit between the service and client wants
- No desire to make the requisite changes
- No urgency to make the change at this particular time
- Not enough money available to make buying desirable
- Other
- Other

Source: Miller, Haroon, *Conceptual Selling*, p. 219

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Sales--a Dictionary Definition

Sell. 1. to give up or make over to another for a consideration; dispose of to a purchase for a price. 2. to deal in; keep or offer for sale. 3. to make a sale or offer for sale to. 4. to persuade or induce (someone) to buy something. 5. to persuade or induce someone to buy (something). 6. to cause to be accepted. 7. to cause or persuade to accept; convince. 8. to accept a price for or make a profit of (something not a proper object for such action). 9. to force or exact a price for. 10. informal, to cheat, betray or hoax. 11. to make a sale of something. 12. to be on sale. 13. to offer something for sale. 14. to be employed to persuade or induce others to buy, as a salesman or a clerk in a store. 15. slang, a cheat; hoax. (see also sell up, sell down the river, sell out, hard sell, soft sell.)

Webster's Unabridged Dictionary of the English Language, 1996
Clients’ Buying Behavior

- Buyers rarely are given a choice; but when they are, they overwhelmingly prefer to buy what they need from people who understand what it is that they want.

- Buyers buy the seller, not the product

Bill Brooks, Tom Travesano
Customer Focus and Trust

- **Customer focus is not:**
  - A business process
  - A set of tools
  - A script for customer-facing staff
  - Metrics
  - Not even an organizational philosophy

- **Customer focus is a self-willed psychological state**

\[ T = \frac{C + R + I}{S} \]
The Root Cause of Low Trust is Fear

Fear of:

- Appearing Ignorant
- Appearing Stupid
- Not Having The Answer
- Not Being Accurate
- Not Knowing Where to Start
Trust, Risk and Fear

✓ Trust doesn’t come without risk

✓ Taking small personal risks early insures against large business risk later

✓ Key tool: radical truth-telling in a socially acceptable manner
Truth-Telling

Rules to live by:
1. Mostly tell the truth
2. Never tell a lie
3. Don’t live in the wiggle room
Making It Work
Trust Tools

- Earning the Right
- Rational Framing
- Language of Trust
- Metaphor
- Mindsets of Trust
- Name it and Claim it
Earning the Right: 3-Level Listening

1. Get the data
   - 3000 transactions
   - I was in charge

2. Get the context
   - The most ever
   - They doubted me

3. Acknowledge
   - Paraphrase: 3K highest ever, right?
   - Empathy: So, this was a really big win, eh?

Earn the Right
Empathy and Trust

• Pure empathy by itself is not a virtue
  • Co-dependency
  • Enables those dependent on other-validation

• Empathy’s value is as a catalyst
  • Demonstrates emotional comprehension, while
  • Maintaining value-adding outside objectivity
Name It and Claim It

- Use as many caveats as necessary to slightly overcompensate for the issue
  - "I may have missed this, but..."
  - "I realize this is awkward timing, but..."
  - "I wish this could wait, but..."
  - "I appreciate this must be difficult, but..."
  - "If this is not the right time, please say so, but..."
  - "I'm sure you've seen this many times, but..."

- Then speak the issue
Mindsets

- Envision a Better Reality
- Problem Definition
- Sales is Delivering
- Dare to Be Great
- Take Risk to Reduce Risk
- We Not Me

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Implications for Human Resources

- HR’s clients—sales, marketing, IT, customer-facing

- HR itself as consultative agent
  - Internal clients
  - Expertise
  - Need to influence effectively

- Context—individuals and organizations
Institutional Trust is an Oxymoron

• Trust gets talked about as:
  ▪ An attitude
  ▪ A set of behaviors
  ▪ A set of beliefs
  ▪ Expectations

• The plain language preponderance is personal
• People trust people, not companies
The Decline of Organizations and the Rise of Trust

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| Business Model        |          |              |
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