

## *Successful Boards and Presidents – Number I*

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*This is the first in a series of publications on Board-CEO success. From time-to-time, the District Boards Association will publish materials on successful boards that support successful presidencies and vice versa.*

*This first installment on “trust” is by well-known board consultant Dr. Gary Davis, who has worked with several Wisconsin Technical College District Boards and with the District Boards Association. Board-CEO relationships, like any relationship, require a level of mutual trust to be functional and healthy. Gary’s piece is both thought-provoking and extremely practical.*

## Trust

When working with boards, the questions I get most often are "How can we build trust?" and "How can we restore trust?"

One of the best answers I've heard to that question came from former Richland Community College president Charles Novak. Chuck argued that trust happens when people act in predictable ways. If the split end has always caught passes in the flat, the quarterback trusts him to catch this pass to the flat. If a wife always pays the telephone bill, her husband trusts (or expects) her to pay it this month.

An article in the September Harvard Business Review probes the issue of trust. Robert F. Hurley, professor of management at Fordham University, notes that "roughly half of all managers don't trust their leaders." That is what Hurley discovered when he surveyed 450 executives in 30 companies around the globe.

Hurley tells us what we already know about the effect of eroded trust. When we don't trust our colleagues or our bosses, the cost of doing business increases sharply. Efficiency falls off. Stress increases.

Clearly trust is good for organizational health. Hurley uses the research of social psychologist Morton Deutsch when he offers a model for trust. According to Deutsch and Hurley, the chances of my trusting another person increases to the degree that I:

- am risk tolerant,
- am well-adjusted (comfortable with myself, I see the world as generally a benign place),
- am secure in my position,
- am similar to the other person (with common experiences and common values),
- share the same interests as the other person,
- have been the beneficiary of the other person's concern,
- feel that the other person is competent,
- have observed the other person's integrity and predictability, and
- have open lines of communication with the other person.

I can't do much about items 1 and 2, for as Popeye says, "I am what I am." My organization and I can work on items 3 through 9, however:

*Security.* A board of trustees could lobby its legislature to increase the length of the trustee term. A board could extend a three year rolling contract to its president. Both moves would increase participants' sense of security.

*Similarity and Shared Interests.* Boards and presidents could take time to get to know each other better. As they share experiences and find common values, they will find that trust comes more easily. Presidents and trustees can identify common interests. Usually the students' success is a commonly shared interest and trusting boards spend time reviewing the success of the college's students.

*Beneficial Actions.* People can do nice things for each other. Boards can extend support to a president by demonstrating that the president's family's welfare is important to the board. If a president needs a special leave to address a family problem, the wise board will grant it knowing that its benevolent gesture will build trust with the CEO. The president can show an appreciation for the trustee as well. One successful (and trusted) president, never scheduled board meetings on the dates that the board chair planned to race his sailboat. It was a small gesture but it generated respect and appreciation.

*Addressing Competency.* When failures lead to a suspicion of incompetence, the wise board will address the issue swiftly and surely. Brooding and unexpressed feelings about the other person's incompetence destroys trust. Sometimes deficiencies can be quickly remedied.

Sometimes that is just not possible. Both boards and presidents should realize that removing a person (or persuading a person to leave a position for which he or she lacks requisite skills) actually constitutes a favor to the person affected.

*No Surprises.* Both boards and presidents should avoid erratic or unpredictable actions because erratic actions erode trust. On the other hand, the old rule of "no surprises" builds trust. The rule does not mean that the board will know everything that's going on at the college. Rather, it means that the board will not be jerked around by the erratic actions of the president. In a similar way, the board will not act erratically with the president.

*Honest Communication.* Finally, trust grows when the board and the president regularly -- at least once a year -- find a safe setting and put their cards on the table. Open lines of communication build trust. Both the president and the trustees must guard against defensiveness when their actions are questioned. First the criticism must be understood and the person making the criticism must be convinced that the person whose actions are being questioned understands the concern. Only when the critic believes that he has been heard is it time to move the discussion forward with a suggestion on how future challenges might be satisfactorily met.

Trust. It's worth its weight in gold and it can be nurtured. What has your board done this month to foster trust? After all, you are called the "trustees."

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*Submission of materials to be considered for publication in this series is very welcome.*