Building and Expanding Trust

Part One

Introduction to Building Trust

Preserving and Restoring Trust
The Business Apology

In the background of all human interaction is *trust.* Regardless of the nature or complexity of our interactions, from the most intimate, loving, and familiar – to the most distant, threatening, and strange – our survival, success, and ultimate happiness depend on our ability to trust and to be trusted by others.

If we intend to have our invitations, offers, and requests met quickly, enthusiastically, and purposefully, we must take into consideration that trust is a social practice that does not exist solely in the marketplace. In other words, trust is not domain specific. Building and expanding trust in the marketplace requires a greater understanding of the broader phenomenon of human interaction and coexistence across many domains and conditions of our life.

In this series, we focus and concentrate our study on *building and expanding trust* as we transact in the marketplace. We will rely heavily on the work of several respected scholars, psychologists, sociologists, and highly accomplished business professionals, but none more than Robert C. Solomon and Fernando Flores. Through their insightful and reality steeped text entitled *Building Trust in Business, Politics, Relationships, and Life*, we will discover a rare perspective on the subject that offers uncommonly compelling, rational, and complex thinking on the perhaps the most misunderstood subjects related to transacting in the marketplace and taking care of our *Conditions of Life*.

We begin in this first issue with an introduction of the basic understanding most people have of trust and why these common narratives lead to breaches of trust. We distinguish the kinds of breaches that exist both blameless to serious and, we end with a discussion of the importance of preserving and restoring trust through consistent dialog and the use of apology.

In future issues of this series, we will deal with understanding, developing, and building trust as a recurrent and dynamic set of habits and practices in the process of transacting in the marketplace. We will take an in-depth look at the impact marketplace indifference, moods, attitudes, and states of mind, and the use of weapons of influence play in our ability to trust and

be trusted. We will complete the series with a study of trust and the *Conditions of Life*, and we will consider the biological, linguistic, and transactional mechanics required to expand our capacities of trust in the marketplace.

We intend this study to be purposeful and useful. We will examine and consider both the conceptual (subjective) narratives and the practical (objective) application of the habits, practices, and moods required to maintain, build, and restore trust over time. Our ambition in this study is to offer new ways of thinking and new actions to take that allow us to build and expand the capacities to not only be trusted by those with whom we transact, but also to trust ourselves.

Preface – Starting with Apology

It may seem odd or counterintuitive for some that we have chosen to begin this series where most people would consider trust ends – when it is broken or betrayed in some way. But we begin at this point to draw attention to the most common mistake people make in their understanding on the subject, that trust can ever, once and for all, be handled. This kind of naïve and inaccurate thinking inevitably leads us into a false sense of confidence and self-importance, or worse – indifference. It is the reliance many have of the overly subjective concepts, or highly objective standards perpetuated in our society that necessitates our beginning with the consequences of losing trust before we go to work on the study of how to create, build, and expand it.

The Current and Common Narratives of Trust

Trust, in its most basic form, is understood as a fundamental reliance on one's dependability and integrity. When referenced we find words like strength, ability, surety, fidelity, truthfulness, reliability, predictability, loyalty, etc. While we accept these descriptions generally, we recognize a certain danger in "locking down" our interpretation and understanding of trust in such an objective fashion, as if one either is or isn't trustworthy, as a person, based on a purely objective criterion or rigid set of standards. At the same time, we caution any highly subjective view of trust that includes impulses, feelings, or intuitions or those broader societal notions such as invisible yet knowable mediums or atmospheres that bind groups together in a kind of "sprit of trust."

We will discover throughout this series that compliance practitioners (marketers, politicians, etc.) – those ethical and unethical professionals who study and practice marketplace compliance – hold a highly strategic advantage over those of us who do not understand that trust is not as subjective as many would like, or hope, it to be, nor is it as objective as these simple notions would have us believe.

Overly Objective

When people embody highly objective personalities and transactional behavior, they tend to view trustworthiness in a very black or white way. They embody a standard that people are either reliable or not, based on their actions and if their actions demonstrate that they cannot be trusted in area of their life, then they assess them as "being untrustworthy" people.

When this occurs, the highly objective among us closes off possibility for authentic trust to exist across other *Conditions of Life*. Professional practitioners understand and perpetuate this kind of thinking – they know the tactics, techniques, and weapons of influence to utilize to draw these personalities into rigid and standardized narratives of trust, shutting off possibility, imagination, accurate thinking, and re-invention.

Leaders who build organizations on highly or overly objective structures eventually find themselves obsolete and irrelevant.

Overly Subjective

The Current[i] (the most commonly accepted narratives of the marketplace) enables the notion that trust is a feeling or emotion. Popular business books and seminars teach this misbegotten notion and unthinkingly perpetuate it by locating trust in the same domain as *intuition*. On the surface it is easy to see how we may think of trust as an emotion or feeling (or our "gut"), but *there is no "feeling" of trust* as such, and reducing trust to a feeling ignores the interactive and dynamic aspects of trust in favor *of a more or less passive "intuition."* Upon careful examination we find the opposite tends to be true – it is the absence of 'feelings' that leaves open the possibility of trust. Trust is not a feeling, but because it so clearly evokes a range of emotions, moods, and affections, we may tend to think of trust in this way and it is an unfortunate and costly mistake to do so.

Similarly, we do not consider trust in a commonplace, high concept construct where individuals, organizations, governments, and other such societies perpetuate trust as some sort of invisible and yet knowable "medium" or "atmosphere" that somehow "binds us all together" in a spirit of trust as "togetherness." Intuitiveness and practical knowledge give way to certain and specific ways of thinking about trust that may at first seem counterintuitive, but upon careful reflection will prove far more effective in building a more lasting trust we identify as *authentic trust*.

Transactional Balance - Authentic Trust

The focus of trust as we will distinguish it is not just the hoped for outcome of some event or transaction. Trust is not merely reliability, predictability, or what is sometimes understood as *trustworthiness*. It is always the *relationship* within which trust is based and which trust itself helps create. Authentic trust does not necessitate the exclusion of distrust. To the contrary, it embraces the possibilities of distrust and betrayal as an essential part of trust. In fact, it *entails not just the possibility but the likelihood of betrayal*.

The loss of trust is not mere disappointment. That is why trust is often evident only in the event of a breakdown. Like love, trust often becomes most palpable in the breach. Building trust means coming to terms with the possibility of breach and betrayal. It is when trust is violated or betrayed that no simple answers suffice. When the difficult task of rebuilding trust begins, many people throw in the towel, giving up on what may have been a life-defining relationship by projecting future difficulties. In other words, when trust is most at issue, we all too easily tend to give up on it. [ii]

The common understanding most people have of trust is introduced and distinguished perfectly by Solomon and Flores as *simple trust,* and two other distinct forms of trust they identify as *blind trust* and *authentic trust.*

We will delve further into these forms of trust in later issues, but for now we introduce these forms briefly to establish the background you will need to understand and appreciate the importance of restoring trust when it is diminished or lost.

Trust in Practice

Trust is a practice. "Trust is something that we <u>do</u> *individually;* it is something we make, we create, we build, we maintain, we sustain, with our promises, our commitments, our emotions and [moods] – our own individual sense of *integrity.*"[iii] Trust is a practice, but trust is not a kind of business practice that you leave at the office at the end of the day and pick up again the next morning like an attitude or a proper bedside manner. Rather, trust, or more importantly building trust, is accomplished over time across the many domains of our public and private lives.

To understand trust is to be able to build trust into our everyday practices and relationships, and to develop [transactions], institutions, [ecologies] in which such practices and relationships are not only possible but mandatory. We are simply talking about ordinary trust, at home and at the office, where conversations are the only tool we need.[iv] But they must be the kind of conversations that produce moods and attitudes of ambition and not those that produce negative or bad moods. The question of trust then in our study is to ensure that we understand it in a meaningful way in the pursuit of a practice, a day-to-day routine, a way of being [individually][v] or, for organizations, the development of [ecologies] of trust.

As tidy as we would like for it to be, we cannot simply produce a set of rigid rules or a comprehensive to do list that when complete, handles trust once and for all. Instead, what we will find is that we will not be able to escape the subjective and dynamic nature of trust because we cannot escape the fact that trust doesn't exist as some concrete object that we can pick up and move around from location to location and use like a hammer. Trust is an option, a choice at all times. It is an active part of our daily lives, not something that <u>has</u> to be there from the beginning, or that can be taken for granted.[vi] We can't simply waltz into a situation and see that trust is needed, reach into our pocket and pull out some *trust* and go to work and complete the task by some deadline. Trust is a dynamic of human interaction that is built over time and requires skill to build effectively, which includes restoring trust when it has been lost or is betrayed.

Trust is not always a good thing. Trust can be foolish, naïve, gullible, and blind.[vii] Trust is a dynamic aspect of human relationship. We decide and choose to trust and act to the degree of our ability to see the opportunities and consequences related to it, now and in the future.

We make decisions to trust. We make promises and tacit commitments. We see them through. Most people live in a world of ungrounded expectations and don't embody practices related to the dangers inherent in them. When we come to have expectations of others, and we respond to the fulfillment or frustration of those expectations we put *trust* at risk or into *consideration.*

Trust isn't something we have or a medium or an atmosphere within which we operate. Trust is something we do, something we make. Our mutual choices of trust determine nothing less than the kinds of beings we are and the kinds of lives we will live together.[viii]

Three Kinds of Trust

The process of purposefully building trust requires an understanding of the kinds or forms of trust that are possible to produce in ourselves and others. The notion that there are different kinds of trust is almost always met with a kind of instinctual recognition – that we somehow have already known we trust in different ways, but have not clearly articulated. It is common to hear participants reflect on their feelings, emotions, and conflicting thoughts when conversations of trust arise. There are natural responses that occur for most of us as we move through the marketplace and are asked by others to trust them. How and why we trust is what we intend to investigate and discover in this series, and it is our intention to understand and build a form of trust that offers the greatest opportunity in our ambitions to coexist and transact with others. A form of trust we identify as *authentic trust*.

We can observe three forms of trust: they are: *simple trust*, *blind trust,* and *authentic trust*. We will delve further into these forms of trust in future issues of The Influence, but for our purposes in discussing how to restore trust when it is threatened, damaged, or lost, we need simply to introduce and acquaint you with them now.

Simple trust is essentially a form of trust that is unreflective, unthinking and is the kind of trust most people hold as their standard. It is most often best characterized as an innocent state of mind in a moment or an act of trust. It is the most basic and common way in which we interact on a day-to-day basis with people and things. It is the kind of trust that consists primarily of the most basic elements of what we generally understand *is* trust – a common and unthinking, default orientation, devoid of any sense of the possibility of distrust. The kind you might say exists in small children or families, the kind we generally have for our security, or even the kind we may have when we step into an elevator or onto an airplane. It is a state of mind we identify as naiveté and specifically our naiveté toward the kinds of thinking and consideration we may have about the consequences in which having *trust* in any person or thing evokes. *Simple trust* is the indifference to the facets and consequences of trusting another – the absence of distrust or betrayal as a possibility.

On the one hand, we could say we cannot coexist without a basic or *simple trust* in others and their concern for their own *Conditions of Life*. However, *all too often simple trust turns out to be nothing but false comfort in a situation that, if tested, proves not to be deserving of trust at all*.[ix]

Blind trust is much different than simple trust. Where simple trust is easily considered a kind of innocent way of behaving and interacting on a day-to-day basis, blind trust is not. Blind trust is not an innocent form of trust, but rather an orientation that includes some recognition or exposure to violation and betrayal. One who trusts another blindly, does so with some knowledge of the consequences of their actions and yet, acts (trusts) despite this evidence. It is a kind of orientation commonly referred to as denial, and is often related to generally as foolish (though it need not be). Blind trust is best characterized as essentially "self-deceptive" behavior. The refusal of consideration of evidence, taking the time for proper reflection and *accurate thinking*, or the willful act of not examining options or *specific knowledge of consequences* is blind trust. It [can and often does] work well, simplifying our lives when simple trust is no longer

an option and helping us stick with a valuable program that more acute reflection and thought would cause us to question [or quit].[x]

Authentic trust is a form of trust based on *accurate thinking*. It is reflective and open to evidence. It includes and accepts as a necessary element that trust exists because of the possibilities and eventualities of mistakes, violations, and betrayal. In other words, without the possibility of betrayal, trust as we know it, would not be necessary. There is no willful denial of the acts required to consider and even prepare for the consequences of betrayal. Authentic trust is not the denial of simple trust, but the recognition of it. It is a kind of trust that accepts a level of recognition of our own indifference and yet is not surprised or threatened when violations occur in the day-to-day activities of living life – and even more specifically – transacting in the marketplace.

We will expand our understanding of *authentic trust* and come to understand that it differs from simple trust because it demands reason for trusting, and unlike blind trust, it insists on an open mind in considering the evidence that leads to trust. But trust is always more than purely evidentiary; thus, we are careful about any approach that limits an understanding of *trust* to a strict, rational, or purely objective criterion. Trust is not based on evidence only. To treat *trust* as a black or white thing promises to make trust too rational and ignores a broader concept of trust. Trust outstrips the evidence that would rationally justify it in many cases. This does not mean that trust is irrational. Rationality is not only found in the accumulation of evidence; it is also identified in terms of *what one really cares about*. Trusting is also rational because it is a way of creating, maintaining, deepening, and restoring relationships. It is not the weight of the evidence that makes trust rational or irrational. It is the desirability of the end, the relationship – and in this case at least, the end justified the means.[xi]

Transactions are costly. Transactions require commitments and promises to be made and accepted at one moment in time, and then fulfilled at some other moment in time.

Highly valuable and complex transactions tend to occur over long periods of time and involve an enormous number of transactions made by many people on behalf of numerous organizations.

Our *Conditions of Life* are inescapably and inevitably subject to change. The same is true for those with whom we transact.

Human beings are always in a mood and will be more often than not, their individual transactional "Selves" (their personalities and transactional behaviors).

Given these premises, it is safe then to consider that transactions that are fulfilled to the satisfaction of all of the parties involved, and done so recurrently and over long periods of time, must take into account, plan for, and accept the inevitability of change in our *Conditions of Life*. This means, simply put, that as these conditions are affected, breakdowns occur in transactions. To ignore the likelihood of mistakes, disappointments, betrayal, and other forms of breakdowns, is to be naive or blind to the social and human dynamic of transacting, coexistence, and trust. To build trust we make and fulfill commitments, promises, choices, and decisions inside the dynamics of human relationship and coexistence. We live in an organic and ever-changing world where conditions, situations, institutions, and other constructs that seemed permanent and fixed at one moment can and do change overnight.

Trust requires an understanding of causality, identity, consistency, and commitment. Trust is not simply a mutual understanding between parties. Though arguably, a mutual understanding of the conditions that make up a transaction is fundamental to trust, a mutual understanding is not *trust*. Trust, and our ability to stay present to it, is far more substantial than can be captured in a simple context such as a list of conditions or a contract that lives as a determinate that if satisfied demonstrates trustworthiness. Rather it is a highly involved set of habits and practices that requires continuous attentiveness and development. To build wealth we must build highly valuable and recurrent transactions and this is achieved through trust. Through trust, we are able to have our commitments, promises, choices, and decisions accepted by others, and we see them through inside the dynamics of human relationship and coexistence. We live in an organic and ever-changing world where conditions, situations, institutions, and other constructs that seemed permanent and fixed at one moment can change overnight. Authentic trust allows for, anticipates, and plans for the inevitabilities of change – simple and blind trust do not.

As we enter into new transactions we move carefully depending in large part on the level of trust we have that our concerns will be met. What we trust about those with whom we consider transacting includes reputations, identities, social proof, and many other factors. Trust lowers the cost of transacting for those who know how to build and expand it for themselves, their organizations, and their communities (ecologies). Trust speeds up transactions. Trust builds our identities as powerful centers of influence in our own ecologies and as such, attracts more beneficial invitations, offers, and requests from centers of influence in higher ecologies[xii].

We will study the habits and practices that build "recognition of trust" in the marketplace and we will examine and consider how the invitations, offers, and requests we decline (and how we go about declining them publicly) mean as much if not more to building and expanding *authentic trust* than those we accept. But before we do, it is worth considering the costs and consequences associated with the loss of trust. We have noticed that when people have *specific knowledge of the consequences* and costs when trust is threatened, damaged, or lost, they tend to construct their moves, actions, and transactions in a way that keeps *authentic trust* in the forefront of their thinking.

With this brief introduction of *simple, blind,* and *authentic trust* in the background, we can now consider that what we intend to produce in our efforts to build and expand trust, is an identity that creates, cultivates, and supports an authentic interaction between us and those with whom we intend a future.

If we are to transact effectively in the marketplace, we must be able to coordinate the action of many people and organizations and do so in a way that produces consistent and coherent narratives and good moods about our collective futures (subjective) and specific results (objective) over time. Coordinating the actions of many people over a long period of time requires skill in producing a level of trust that extends beyond having people accept the invitations, offers, and requests we make of them. It requires that our transactions attract help from higher ecologies because of the recurrent narratives about us being trustworthy and trusting.

No individual has sufficient experience, education, native ability, and knowledge to ensure the accumulation of a great fortune, without the cooperation of other people.[xiii]

Breaches, Breakdowns, and Betrayals of Trust

Authentic trust includes the inevitability of breakdowns resulting in breaches or betrayals of trust. Without the possibility of betrayal, there can be no trust, only reliance or predictability.

Not all betrayals are equal, however, and one of the reasons we mistakenly think of trust as so fragile is that we comingle any number of breakdowns in the *Conditions of Life*, including disappointments or failures, into one category: the category of *betrayal*. Trust involves risk, and authentic trust involves knowingly going into the unknown with others. The consequences of risk always include the inevitability of some disappointment and even failure. That does not necessarily mean that the trust has been betrayed or that the trust has been or need be permanently in question, or worse, destroyed altogether.

Here we distinguish some of the breaches of trust that are often comingled with betrayal. We will come to know that relationships built on authentic trust focus not just on a particular outcome but also on the intent and overall purpose of the relationship itself. An authentic trusting relationship is able to weather all sorts of mishaps and disappointments with little and even no diminishment of authentic trust. Indeed, every entrepreneur will testify, without hesitation, that trusting – whether yourself or anyone else – means first the ability to tolerate and learn from disappointments and mistakes. To confuse these kinds of failures with betrayals, for example, is to set yourself and others up for no creativity, no innovation, no adventure, no intimacy, no trust, or in our way of thinking – no way to pursue happiness at all.

Disappointments

The first category of breach is best described as a disappointment. We like to think of disappointments as "things that didn't work out." In all transactions, in all interpersonal relationships, in all things where human beings and the complex world in which we live collide and are concerned – sometimes, some things simply do not work out. Accidents happen that are unforeseeable. For all the reasons that there are, or sometimes for reasons that should have been clear from the outset, or could never be repeated again – things just do not work out. We cannot control all things in life. Sometimes, even when every other condition was perfect the fish didn't bite, the backhand missed, the client didn't buy, the target wasn't hit, and on and on it goes. Too many times we are compelled or driven to find fault and assign meaning and significance to situations that simply are not meant to work out for whatever reason. It doesn't mean that we should no longer trust the processes and people involved, or immediately find fault or assign blame. It doesn't mean that it is any one's fault at all. Something worked out yesterday, and everything pointed to the same being true today, that it should have worked again, but it didn't – and it doesn't mean that it won't work in the future.

Here is where trust in oneself, one's knowledge, and trust in the practices and processes in which one is engaged, become crucial. An essential part of those practices and processes is continuing to trust other people – as coauthors and co-inventors of the future, as potential good customers, as managers who will learn by doing, as possible mates or possible lifelong friends. "Sometimes things don't work out." That is and should be part of our everyday wisdom and acceptance. To say that any situation where some circumstance did not turn out means something universal about that particular situation is foolishness.

Most situations include some degree of unpredictability. In our studies, we have learned that ecologies (groups) are more predictable than an individual. People are not infallible and the *Conditions of Life* for which they are concerned affects their individual behavior. What we are suggesting is that sometimes there are simple disappointments in life and it is not worth the cost and effort to assess a single mistake or disappointment as an all out betrayal of trustworthiness. Water is wet, glass breaks, shit happens, and sometimes *things just don't work out*.

Mistakes

The second type of breach has to do with mistakes. Sometimes things don't work out someone is responsible. A single mistake or human error that goes beyond what we might classify as a disappointment is likely in all situations. Misjudgment, miscalculations, and missed opportunities that are foreseeable and made anyway, fall into another category of breach which might be considered accidents that are predictable and avoidable. We expect disappointments in life but as disappointments become repeated occurrences, we begin to examine them as mistakes.

If we trust someone enough to transact with them in the first place, we must learn and plan to deal with and trust them in their failures as well as their wins. Mistakes are often disappointing, costly, or even catastrophic. Focusing on the relationship, rather than on the outcome, gives us the navigational tools to overcome, if not overlook, mere mistakes.

Any practice that has some value (*sacrifice in exchange*) carries with it the opportunity of error or the possibility of a foreseeable, predictable accident. The more specialized the skill, the more likely it involves a high degree of risk and cost. But blameworthiness does not necessarily signify a breach of trust. What it signifies is the need for understanding, the need for further resolve and a reaffirming of commitments, in other words, the need for authentic trust.

We expect people to learn from their experiences, not just their disappointments and mistakes but also their accomplishments. Mistakes made repeatedly are indicators of, among other things, poor assessment skills (or general analytical skills), lack of accurate thinking and planning, indifference, or insanity.[xiv] When we consider authentic trust and act accordingly, we consider the intent, purposes, and commitments of all involved. If we assess that our mutual concerns and commitments remain aligned and we are open to criticism and evaluation in a way that is purpose-driven, not for the purpose of finding and assigning blame, we able to preserve the initial subjective moods that gave the original transaction life, and continue on with the objective reality of fulfilling on the obligations and commitments required to satisfy all parties involved.

Serious Breaches of Trust

Breaches of trust that we consider more serious are acts that go beyond mere disappointments, accidents, or mistakes. These require something more than looking askance or simply reaffirming commitments. These breaches fall into a category whereby the offending party is aware of the possibility of a breach and does not act to correct it, or knowingly causes a breach.

Mischief

The first level of breach that we will identify is mischief. Mischief is any action we take that is not in service of our chief aims. We all have likely committed and know that we are capable

committing again those "small wrongs" that occur in the form of little white lies, omissions of truth, minor cover-ups of mistakes, and accidents among many more. These include the seemingly minor conspiracies of gossip and undignified behavior that diminish others, and we know that they are inherently "wrong" but we do not recognize them as serious breaches. When we allow ourselves to take action that is against our ethics, commitments, chief aims, and promises to others as well as ourselves, that at first glance may seem minor, we commit a dangerous act of character – that of being mischievous.

Mischief is the crack in the armor of integrity and does far more damage than we recognize. As we transact with others, when we commit mischief, we are forecasting our behavior to those most able to identify it. We are always transacting and as we do so, the simple practices of recurrent mischief trains those in our ecologies to move and transact with us accordingly. There is no good reason for any adult to assume that how you are transacting today with others will be any different in how you will be transacting with them tomorrow.

When we "get away with something" or knowingly take advantage of others in some mischievous way, we may not be committing an illegal, immoral, or unethical act but we are committing an act that is against what we declared for ourselves. If we have to stop and consider if an act is wrongful in some way, chances are, it is. Cheating on a diet, not correcting a mistake made by others that falls to your benefit, omitting a "fine detail," bullshitting or puffing, and many more offenses fall into this seemingly nit-picking category. If not corrected, mischief quickly and easily transmutes itself into the higher and more costly categories discussed below.

Misrepresentation

The world is full of ignorant arrogance. People who are incompetent behave as if they can fulfill on the promises and/or claims they make simply out of their high concept desires rather than objective reality and evidence. The boastful enthusiasts who proffer the ungrounded dogmatic nonsense of *The Current*, make claims and promises grounded in beliefs rather than facts, confident in their opinions, or maliciously masquerade as knowledgeable in areas where they are not, is common in the marketplace. This kind of behavior is a growing and common phenomenon of western culture.

The mistakes here are not just concerned with one's competence, but rather misrepresentation or deceit. The blameworthiness concerns the person's arrogance, insincerity, or lack of self-understanding. And this is no longer merely a matter of making a mistake. Pretending or representing to have some skill or knowledge on which others agree to risk their time, energy, wellbeing, or money is a kind of breach that exists on many levels in our marketplace today. It is common to find multitudes of practitioners in any field who misrepresent themselves and many are simply ignorant and naïve to the costs and consequences to themselves, and especially to those who accept their offers.

When we allow ourselves to accept these kinds of acts, (these ungrounded claims and promises) on face value, and they to exist recurrently, we allow them to perpetuate a much more dangerous dynamic to a community, organization or nation than we typically recognize. It is not difficult to observe the results. In our culture the value of enthusiasm for moral character, pride, hope, and self esteem rank high compared to competence in skills of reason, logic, objectivity, and authentic trust rank low. Unethical compliance practitioners know this. They

know that generally, most claims made in our marketplace go unchecked and they know how to benefit from this phenomenon through misrepresentation and fraud.

Indifference

Another kind of breach of trust is indifference distinguished simply as a lack of sufficient sensitivity, caring or concern. Indifference has many forms and may manifest itself as innocent inattention to detail or, in the extreme – gross negligence. Flores and Solomon acknowledge indifference in the same way. "*Care is essential for trust to exist. The lack of sufficient caring is the antitheses to trust*. Additionally they relate cynicism to indifference in a thoughtful way. "*Cynicism, even when it presents itself as serious and sincere, is often a self-deceived form of indifference. One pretends not to care when one really does care, or one intends not to care because one does not want to be responsible for doing anything about the situation. But between cynicism and indifference, there is only a philosophical difference: the cynic claims to have a philosophy of life to justify his or her irresponsibility.*"

In our studies we have observed that indifference occurs to most people as a kind of 'neutral ground' between the acceptance and denial (decline) of the existence of a thing and its value, as in the case of an invitation, offer or request for example. But this is an insufficient and inaccurate context to have of indifference in terms of marketplace transactions. It is more advantageous to us to understand as we consider it and Gerog Simmel puts it in his classic *The Philosophy of Money*, that, "*Indifference is a rejection of positive value; the possibility of interest [concern] remains inactive but is always in the background.*" One rejects their recognition of positive value through their indifference, and by virtue of their actions, or more accurately – their inaction – demonstrate it. We will expand on the study of this important distinction in the next issue of *The Influence* but for our purposes here we cannot stress enough that indifference is a serious breach of trust, and ought not be related to as if it is some bland or neutral space to put the concerns of others on hold or in the same category of error, mistake as in mere forgetfulness.

Reneging

When a promise is made insincerely or one intentionally goes back on their word or breaks a promise, we consider this a form of lying known as reneging. Reneging on a promise is a clear case of a breach of trust. We renege on our promises when it is clear and evident in a most objective way that a specific promise (most of time made with 'good intentions') will not be kept. In its weakest form we may simply realize at some point that the likelihood or absolute result of a promise will go unfulfilled but we renege when we withhold or lie about the condition, rather than communicate this to parties to the promise. We may knowingly allow time to pass or situations to occur that result in a promise going unfulfilled, or simply decline to be in communication at all. This is often the case in long term contractual obligations where *Conditions of Life* change but there is no dynamic opportunity for one party to renegotiate. There are any number of moves that people make that fall into the category of reneging on a promise which include what some would say are 'legitimate excuses, to those more overt acts which are much more closely associated with and are easily transmuted into situations that result in lying. Reneging is a serious breach of trust, and one that can, and is avoided with little cost for those who have established authentic trusting relationships.

Lying

Historically, the act of making a statement that is knowingly false and intended solely for the benefit of the speaker, is considered in every culture as a serious, and in many cases criminal perpetration. Lying embodies a wholesale amalgamation of all breaches of trust and is perhaps the underling foundation of the conditions that produce breaches at all. It is because human beings 'can and do lie' have the capacity to say, at any time and in many different ways – something that is not truthful – we must concern ourselves with the habits and practices to build authentic trust and cannot allow ourselves to be seduced into the concepts and misbegotten notions of simple trust.

Lying is most often perpetrated by those attempting to protect themselves from the consequences of their actions. Thus Kant, in a judgment that captures the essence of the sentiment, says that "[…*lying] is a violation of the very humanity of the person lied to, a denial of his or her human dignity. For a lie always harms another if not some other human being, then it nevertheless does harm to humanity in general."*[xv] It is no accident that virtually all of the major philosophical thinkers of the Western civilization including Aristotle, Aquinas, Kant, Nietzsche, Russell, Wittgenstein, and Rand regard lying as a most immoral, unethical and even vicious act and do so in the most unambiguous terms.

Membership and Social Norms

Obviously there are many types of wrongs, injustices and unlawful perpetrations that could and perhaps deserve space for discussion in any discussion on building and expanding trust beyond the fore-mentioned, however, for our purposes we will concern ourselves with these most common and most often confrontations and address the need for dealing with them in the form of apologies.

Adults demonstrate their general and specialized knowledge of the mechanics and practices associated with specific ecologies through their behavior and interactions. Proper behavior in social group dynamics indicates to its members the 'level of belonging or participation' in a community or specific ecology. Traditions, customs and other 'protocol' are historical constructs, and are in place to take care of concerns of the group.

Adherence to, and respect of, proper social norms, customs, and traditions is a demonstration to the members of any ecology that the individual understands the playing field, the rules of the game, and is participating not to excite or agitate the constructs but to accept them as a member in order to transact in it effectively and to his or her benefit.

The marketplace is a social phenomenon. Its purpose is to offer an environment for exchange. Adults who enter the marketplace bring invitations, offers, and request that are in concert with the protocol of the marketplace. They seek to transact and behave in ways that are in line with this understanding and support the continuation of the marketplace' role and existence as an important social construct. How adults choose to behave in the marketplace demonstrates their willingness, ambition or indifference to the invitations, offers and requests made by others to participate. Adults, who transact powerfully, watch carefully and seek out those people who can demonstrate behaviors, practices and recurrent actions that are in line with their ethics and ambitions. They quickly notice and avoid those who are naïve or ignorant to the importance of this phenomenon.

Ambitious adults understand that they are always transacting. They recognize that their identity and reputation are in a state of constant assessment and that their general and specific behavior indicates a command or a naivety of the proper conduct and norms of their society. Professional courtesy and appropriateness give way to indications of trust, which naturally lead to more invitations, offers and requests from those whose offers are of the greatest help to them.

One indication of the kind of transactional behavior and social skill required to transact powerfully, effectively and quickly is the use and skill of apology.

Apology

The origin of the word 'apology' is from the Greek 'Apologia', which means a defense or justification of one's beliefs or actions. This latter definition was the original meaning of the word 'apology' (As in Plato's *The Apology of Socrates*) but has since morphed into the modern *expression of regret, contrition, sorrow or* remorse.[xvi]

The act itself is a speech act which we further distinguish as *a purposeful articulation of one's role in (responsibility for) and regret of a particular occurrence that has caused some form of harm to another.* In the broadest and most general sense, apologies exists in all social groups, and are called for when social norms have been violated, whether the offence is real, potential, eminent, or perceived.[xvii] The act of apologizing requires an action or an utterance that is intended to 'set things right' between the maker of the apology and the recipient of the apology.[xviii]

Generally we can lump apologies into a number of categories ranging from simple manners as the apologetic use of "excuse me" for example, to the more formal declarations of contrition, remorse, or even confessions in social group and even legal structures.

Most people customarily include a number of other elements when apologizing which may include asking for forgiveness or pardon for a breach, transgression or wrongful act. Some are appropriate and others are not, depending on the offense and consequences.

For those who enter into relationships with the proper orientation, that of an authentic trusting dialog, an opportunity to communicate sincerely will already exist, and the possibilities for preserving and protecting the transaction are far less confrontational or damaging. However, when these kinds of relationships do not exist, the need for swift and objective action becomes imperative.

As a general rule, regardless of the breach in any move in the transaction cycle it is and ought to remain a policy to apologize for any act, innocent or otherwise, where any party to the transaction is wronged or otherwise hurt or damaged. Instead of considering an apology some kind of unfortunate and necessary evil, we must consider it as integral a move as any of the moves and phases of the transaction cycle we study. Instead of looking at an apology as an admittance of guilt or weakness, we should always consider our ability to take responsibility for ALL acts generated in our transaction, good and bad.

Apologies as speech-acts preserve and produce valuable opportunity to solidify and build authentic and trusting relationships. If followed by effective objective action, they become part of one's identity of trust. Effective apologies are demonstrations of adult behavior and if executed properly, can open up new possibilities for action where no other demonstration can. It is easy to coexist with others where no breakdown occurs and our satisfaction metrics are on target. But it is in those situations where there are no easy answers that one is most able to demonstrate their character, ethics and intention for authentic relationships.

Basic Elements of Apology

There may be as many books, formulas, outlines, and rules for making apologies as there are breaches that cause them. However, we find, with very little exception that too few people hold and have at their ready, even the most basic elements required to make an effective and appropriate apology. We must study and practice making apologies if we intend to be trusted in highly valued transactions and expect to build and expand their own influence ecologies.

In its most accepted and basic form, a proper apology include at a minimum some form of the following elements:

A detailed account of the situation:
Be clear and objective about exactly what happened. Do this not only to ensure that the events for which you are making an apology are accurate in the mind of the recipient but also to be clear about the specific actions required to correct the breach.

Recognition and Responsibility of the wrong hurt and damage:
State your acknowledgment of the breach and your responsibility and role in it without excuses or any reasons, generalizations or rationalizations.

Expression of regret (if appropriate) request for forgiveness:
Speak directly and authentically the regret you have for the damage or hurt caused by the breach.

Promise to correct the breach in the future:
Be prepared to speak to the specific actions you intend to take to correct the objective actions that lead to and resulted in the breach.

Offer of Restitution:
Regardless of the nature of the breach, even in situations where value and damage of a breach may by highly subjective, it is almost an imperative that you make an offer to restore the breach if possible. Keep in mind that the offer of restitution needs to be made by you, rather than you approaching the offended party with an open-ended request for an offer to be made by them.

Legal Concerns

Each situation must be carefully considered for the concerns to the overall legal implications of making any statement before admitting guilt. Though we find very little exception to the need and appropriateness of making effective apologies, there are always the exceptions. We make

the following statement in service of accurate thinking and not as a tactic to otherwise excuse the need to make ethical moves of apology.

Seek legal counsel in serious matters of injury or breach. In ANY matter where personal injury of another is concerned, do not make any statements prior to consulting your attorney. If you are <u>not certain</u> that making an apology is safe – and poses no threat to you or your enterprise - we highly recommend that you seek legal council on the matter before making any statement or move to apologize.

The Business Apology

The business apology is a transaction. We must know and be able to apply a high level of skill to the mechanics and practices required to produce extremely valued transactions in the marketplace. It is insufficient to simply rely on the most basic and common elements of any move we make, when making them concerns the transactions we have carefully invented to care for our Conditions of Life. What is required is advanced, competitive, and specialized knowledge and skill in building and expanding relationships if we are to learn to transact powerfully.

Like any transaction, apologies should be considered for their purpose, importance and relevance to our chief aims. It is unlikely that we will not face at least one situation in any highly valued, recurrent and long-term transaction where an apology is needed and/or required to complete the transaction effectively. In many cases apologies are the reasons transactions complete successfully or complete at all.

Business Apologies preserve and expand the range of possibilities and opportunities to build trusting relationships.

Primary Transaction Cycle & The Business Apology

Since breaches of trust put transactions at risk, we recommend approaching the apology in the same manner and with the same rigor, commitment and understanding one applies to the process of inventing transactions. This requires studied and accurate thinking in each move in the cycle.

Assess
Your assessment should be objective and intended to gather facts about what happened and the extent of the 'real' damage.

Invent
Based on your assessment, you Invent the entire transaction before you make any move. This means that you will not have time to learn how when the offense occurs, you will need to do already be prepared.

Invite

The first gesture must be that of a sincere request to have a conversation or meeting. This move can offer the most accurate thinking and information about the state of mind, mood and attitudes of the offended party.

Present
As with any presentation, it must be a sincere and authentic performance of your apology and your offer of restitution and plan to fulfill on it.

Contract
Be prepared and make a promise at the conclusion of your Presentation, if it requires any consideration of an existing contract, be prepared to make the legal action at that time.

Fulfill
Make and present a rigorous plan for the fulfillment of the terms promised in your apology.

Satisfaction Metrics
Know what metrics are satisfactory for you and the recipient to be able to complete the apology.

Complete
Know and design what constitutes a demonstration of the completion (acceptance or decline) of your apology.

In the next issue of The Influence we will further distinguish and elaborate on each move in the transaction cycle for *Inventing and Making the Business Apology*. We will detail each move in order to help facilitate fast and powerful moves of apology that are consistent with your chief aims in life. You will learn how to effectively apply the same moods and attitude to apologies that apply in every transaction. We will discuss the four major personalities and how each should make apologies and how to make apologies to each.

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[i] The Current is how we describe the dominant cultural narrative(s) of the marketplace. The analogy is used to demonstrate that if we are not present to it, we are easily swept up in fads, common and ungrounded notions, beliefs and dialog that are arbitrary, irrational and simply inaccurate. The Current is a collective of narratives that include the most general public sentiments to narrative of a particular community, organization or other social network.
[iii] R. Solomon & F. Flores, *Building Trust in Business, Politics, and Relationships (*2001) Oxford University Press
[iii] Op.cit
[iv] Op.cit
[v] Op.cit
[vi] Op.cit
[vii] Op.cit
[viii] Op.cit
[ix] Op.cit
[x] Op.cit
[xi] Op.cit
[xii] Higher Ecologies – Specific networks, communities, groups and organizations that offer the greatest collection of centers of influence able to make and accepts valuable invitations, offers and request to satisfy one's chief aims in life.
[xiii] N. Hill, *Think and Grow Rich*. (1937/Rev 1960/1988) Random House/Fawcett Columbine
[xiv] Insanity - *doing the same thing repeatedly expecting a different result* (definition of original source unknown)
[xv] I. Kant *"On the Supposed Right to Lie* – supplement to *"Grounding for the Metaphysics of Morals"* trans/J.W. Ellington (1992) Indianapolis: Hacket Publishing
[xvi] N. Smith, JD, Phd, *I Was Wrong, The Meaning of Apology* (2008) Cambridge University Press

[xvii] Olshtain,& Cohen, A. *Apology: A speech act set*. In N. Wolfson & E. Judd (Eds.), (unknown) *Sociolinguistics and Language acquisition*. Mass: Newbury House.
[xviii] Edmonson. & House, (1981). *Let's talk and talk about it.* München:
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