

# Trust Engenders Trust: A Q&A with Paul J. Zak

 [shrm.org/hr-today/news/hr-magazine/0317/pages/trust-engenders-trust-qa-with-paul-zak.aspx](http://shrm.org/hr-today/news/hr-magazine/0317/pages/trust-engenders-trust-qa-with-paul-zak.aspx)

2/27/2017

The neuroscientist's research shows that a culture of trust leads to better business outcomes.

Paul J. Zak, founding director of the Center for Neuroeconomics Studies

Do your colleagues trust each other? It turns out that the answer to that question is in their blood. Paul J. Zak was the first to discover a link between trust and the neurochemical oxytocin, a substance that is made in the brain and released into the bloodstream. In his new book, *Trust Factor: The Science of Creating High-Performance Companies* (Amacom, 2017), Zak shows how science can be used to create and sustain a culture that cultivates extraordinary results. Zak, founding director of the Center for Neuroeconomics Studies and a professor at Claremont Graduate University in Claremont, Calif., believes that it's incumbent on HR to create a climate where work is fulfilling and even fun. But first, you've got to have trust.



## What's the business value of trust?

Companies with cultures of high trust outperform low-trust businesses by a wide margin. They experience higher productivity, increased innovation, and improved employee engagement and retention. Business leaders need to continuously measure and manage their cultures. If they don't, culture will manage them.

## What is oxytocin and what triggers it?

It's a brain chemical that signals when someone appears to be trustworthy, and it motivates us to engage and work with them effectively. The building blocks of organizational trust that I identify in *Trust Factor* can be managed to create a culture in which colleagues produce oxytocin while they interact during the day. This cements social relationships so that work is done efficiently and is more enjoyable.

## What hinders the production of oxytocin?

The strongest inhibitors are high stress and high testosterone. Interestingly, testosterone rises when people get promotions or raises, causing them to behave more selfishly and reducing their teamwork. This effect is stronger in men than in women. Women also produce more oxytocin when they have positive interactions. As a result, I have found that many high-trust companies have women in leadership roles.

## What do companies commonly get wrong about culture?

The biggest mistake is to pit employees against each other. Enron did this, but so did "rank and yank" stalwarts like GE. It's a bad idea. Many companies, including Adobe, Google and even GE, have phased out performance reviews. From a brain perspective, performance will improve when people receive constant feedback on progress toward concrete goals and they are celebrated when they reach goals.

Another big mistake is thinking that culture is outside the company's purview. HR professionals should be culture mavens because high-trust cultures are people-centric. They improve engagement and energy at work, and they reduce turnover and sick days—all factors for which HR professionals are responsible.

*[SHRM members-only resource: Discuss this article on [SHRM Connect](#)]*

### **What aspects of a company's culture lead to high employee engagement?**

High engagement comes from being trusted and understanding the company's "transcendent purpose"—how the organization improves people's lives. This is highly motivating. The neuroscience also predicts—and multiple sources of data confirm—that trust and transcendent purpose reinforce each other and produce joy at work. Joy is the outcome of doing something important as a member of a trusted team, not the result of karaoke Fridays or pizza Wednesdays.

Joy is the outcome of doing something important as a member of a trusted team, not the result of karaoke Fridays or pizza Wednesdays.

### **What can HR look for to assess an organization's culture?**

The best indicator we have found for high-engagement cultures is joy at work because it reflects both trust and transcendent purpose. I use this simple question: "On a typical day, how much do you enjoy your job?" But if an HR professional asks this question, he or she has to be ready to address shortcomings or frustration will follow. So plan to collect more information about interpersonal interactions, too.

### **Does trust look different in companies that have different cultures?**

The neurologic basis for organizational trust holds true everywhere. The challenge arises when leaders and organizations seek to increase trust levels. The neuroscience described in the book shows how to do this to get the maximum effect on brains and behaviors. This is where measurement comes in. One cannot manage what cannot be measured.

I counsel leaders to take small but continuous steps toward building a culture of trust. I call these "management experiments" because not every policy change or intervention will work, so they are all just tests. Workers will be happy about these because they're meant to be empowering. If the changes are to have an effect, leaders need to clearly communicate what they're trying to do and fully support the changes.

### **What workplace practices strengthen trust?**

There are many, and they can be boiled down to this: Treat people at work as human beings, not human capital. Human beings have emotions and worries and joys that are shared by their colleagues. This means that HR professionals should intentionally build relationships among co-workers, while at the same time challenging them with stretch goals. They need to invest in training, empower employees to make decisions and celebrate them when they meet their goals. This creates a tight feedback loop in the brain that provides high expectations for performance so team members are not let down.

### **How effective is pay as a motivator?**

We've known for three decades that pay is a weak motivator. Neuroeconomics studies show why: The brain acclimates to higher pay very quickly, so it ceases to be an incentive. But positive feedback and the resulting oxytocin release stimulate people's intrinsic motivation to reach goals as trusted team members. As social creatures, we don't want to let down our teammates, so creating inclusive and empowered teams harnesses our social brain to accomplish goals together.

*John Scorza is associate editor of HR Magazine.*

