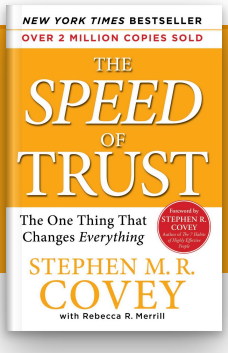
NEW YORK TIMES BESTSELLER · FREE PRESS, 2006 · FOREWORD BY STEPHEN R. COVEY

THE *SPEED* OF TRUST



Built from **SUMMARIES & COVEY'S OWN ARTICLES** *not the full book*

The One Thing That Changes *Everything*

STEPHEN M. R. COVEY with Rebecca R. Merrill

THE ONE THING

"Simply put, trust means confidence."

"Trust always affects two outcomes—speed and cost. When trust goes down, speed will also go down and costs will go up."

HIGH TRUST **speed up, cost down**: a **dividend** that multiplies performance

LOW TRUST **speed down, cost up**: a hidden **tax** on every transaction

"while high trust won't necessarily rescue a poor strategy, low trust will almost always derail a good one."

"Leadership is getting results in a way that inspires trust."

THE HANDSHAKE DEAL

The story Covey tells: Berkshire Hathaway buys McLane Distribution from Wal-Mart. Such deals normally take several months and several million dollars. This one took *"one two-hour meeting and a handshake"*.

$23bn
McLane's annual *sales* (not the price)

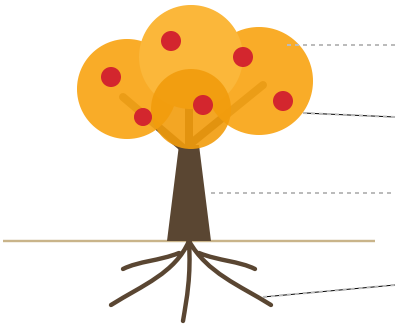
2 hrs
one meeting, about two hours long

29 days
until Wal-Mart was paid

Buffett's own letter: *"We did no "due diligence.""*

Covey, *Chief Executive*, 2007 · Buffett, Berkshire 2003 letter

THE 4 CORES OF CREDIBILITY



4 · RESULTS fruit
What's Your Track Record?

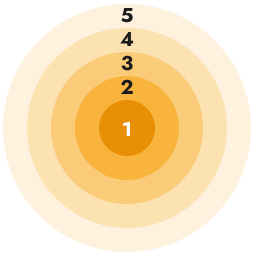
3 · CAPABILITIES branches
Are You Relevant?

2 · INTENT trunk
What's Your Agenda?

1 · INTEGRITY roots
Are You Congruent?

Integrity and intent are **character**; capabilities and results are **competence**. *"Trust is a function of two things: character and competence."*

THE 5 WAVES OF TRUST



1 · SELF: credibility · *else a credibility gap*

2 · RELATIONSHIP: consistent behavior · *"trust accounts"*

3 · ORGANIZATIONAL: alignment

4 · MARKET: reputation

5 · SOCIETAL: contribution

Each wave builds on the one before. Covey's action cards credit the book: *"As trust is manifest in each successive wave, the effect of trust becomes cumulative and exponential."*

THE 13 BEHAVIORS

· *one-liners verbatim from the book where available; each behavior also has a "counterfeit" (for Talk Straight, it is spin)*

1 Talk Straight
"Be honest. Tell the truth. Let people know where you stand."

2 Demonstrate Respect
CHARACTER

3 Create Transparency
CHARACTER

4 Right Wrongs
"Make things right when you're wrong. Apologize quickly. Make restitution where possible."

5 Show Loyalty
"Give credit freely. Acknowledge the contributions of others. Speak about people as if they were present."

6 Deliver Results
"Don't overpromise and underdeliver. Don't make excuses for not delivering."

7 Get Better
COMPETENCE

8 Confront Reality
"Address the tough stuff directly. Acknowledge the unsaid. Lead out courageously in conversation."

9 Clarify Expectations
"Disclose and reveal expectations. Discuss them. Validate them. Renegotiate them if needed and possible."

10 Practice Accountability
"Hold yourself accountable. Hold others accountable. Take responsibility for results."

11 Listen First
CHARACTER + COMPETENCE

12 Keep Commitments
CHARACTER + COMPETENCE

13 Extend Trust
CHARACTER + COMPETENCE

The behaviors balance one another: push any one to an extreme and it becomes a weakness. ORANGE = CHARACTER · GREY = COMPETENCE · RED = BOTH

BY THE NUMBERS

286%
higher shareholder return, high- vs low-trust firms (2002 study, Covey 2007)

45%
of employees trust senior management (the book)

MYTH BUSTING

- *"Trust is hard, real and quantifiable."*
- *"Though difficult, in most cases lost trust can be restored."*
- *"Not trusting people is a greater risk."*

DO IT MONDAY

- Go first: *"The job of a leader is to go first, to extend trust first."*
- Keep promises to yourself, and *"First, don't make too many commitments."*

HOW THIS PAGE WAS MADE. The full book was not available. Quotes come from verbatim book highlights (Kindle notes shared on Goodreads), Soundview's licensed executive summary, Covey's own articles (*Chief Executive* 2007; LeadershipNow), FranklinCovey's action cards and guides, and Buffett's 2003 letter. The Shortform summary was used as a guide only; its own examples and studies are left out.

"Nothing is as fast as the speed of trust." — STEPHEN M. R. COVEY