

Trust Enablement™ Management Innovation

Frequently Asked Questions

What is Trust Enablement?

Trust Enablement™ is a proprietary management innovation, developed by Alex Todd, founder of Trust Enablement Incorporated, for helping organizations achieve their objectives by optimizing the trust of their stakeholders.

Trust Enablement™ helps to reduce costs and enhance business value in areas as diverse as corporate governance and supply chain management. It has broad applicability, similar to risk management, but its value to business is far greater. *Whereas risk management is defensively minded and preservation oriented, Trust Enablement™ is offensive and growth oriented. **Trust Enablement™ is a better approach for supporting the collaborative innovations required to compete in the 21st century.***

What is the business value of trust?

Trust has always been attributed to improving economic and business performance. Economists have found trust to reduce transaction costs and consumer confidence to improve economic growth. Nations with high trust, civil societies are more prosperous. And, counterintuitive to the popular notion that capitalism is based on self-interest and greed, capitalism itself has proliferated as a direct result of evolving conditions of trust that allowed people to increasingly trust strangers outside traditional familial and cultural boundaries. Trust is integral to every transaction and the foundation for business success. It drives the volume, velocity and value of every business transaction.

Researchers have attributed higher levels of trust to improvements in every significant business performance indicator: trust increases business valuation, market share, revenue, price, effectiveness, efficiency, productivity, employee attraction and retention, innovation, entrepreneurship, profitability, stakeholder acceptance, resilience, and sustainability; and trust reduces the costs of transactions, controls, monitoring and enforcement, the volatility of prices, and the time to affect change and adopt new technologies.

Where can Trust Enablement add value?

Despite compelling evidence supporting the business virtues of trust, business leaders lack the awareness, knowledge and skills required to create conditions for trust. Neither management schools nor professional associations offer anything more than platitudes, dismissing business trust as more an ethereal social science than a valid business competency. Instead, defensive, risk management considerations that yield control-based preservation-oriented solutions are dominating board and executive agendas.

Trust Enablement™ introduces a generalized methodology for assessing and designing trust structures. It fills a business practices void that counterbalances risk management based control mechanisms that preserve trust, with those that develop trust and thereby provides a complementary, foundational, new management competency. Trust Enablement™ is both a management philosophy and a blueprint for business best practices. It serves to fundamentally change the leadership mindset from an inside-out to an outside-in orientation.

Trust Enablement™ orients all decisions and business practices around optimizing the trust of key stakeholders upon whose critical resources the organization depends. With stakeholders' interests as the primary consideration, a Trust Enabled™ organization, in effect, practices reciprocal risk management on behalf of stakeholders. This reduces transaction costs and accelerates growth, based on collaboration.

Applications for Trust Enablement™ span every industry, including the public sector and NGOs. It can be used to increase business value by every department of every organization, starting with the board of directors. Trust Enablement™ has already demonstrated its value for assessing and designing conditions for trust in corporate governance practices, corporate policies, supply chain management, marketing and branding, law firm management, e-commerce and online exchanges, online collaboration, privacy protection, and identity management.