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Trust is like water, life sustaining, yet difficult to grasp. Each of us aspires to be trustworthy, and the world runs smoothly when we can 'reliably rely' on each other.

Sadly, trust is elusive. Our trust in corporations, governments and currencies is routinely tested.

Something as fundamental as our own memory is fallible. Self-deception is rife (and strangely advantageous in an evolutionary context).

Deep trust is a scarce and precious resource. Sound investment philosophies are predicated on finding good businesses run by competent and trustworthy management.

But what is the nature of trust, what does it mean to be trustworthy and how do we calibrate trust?

One might think of trust as an elastic. There is a natural bond between most people. The bond can be stretched, but with too much strain it snaps, forever broken (unless tentatively re-tied with an awkward knot).

Or consider the cycle of a reservoir. The reservoir is filled with trust sustaining actions, thereby building a trust reserve, but it can be easily depleted through broken promises. The cycle repeats as the trust reservoir is slowly filled again, perhaps through genuine apology backed up with enough good behaviour.

The elastic and reservoir are helpful concepts, but I think they fail to fully capture the multi-dimensional nature of trust. It is not simply a case of A trusts B, but a more nuanced A trusts B to do C in circumstance D. We may trust company management not to excessively pay themselves (if for example they are already large shareholders), but that doesn't mean that we can trust them to treat their employees fairly.

Is there a better metaphor?

This got me thinking about Minnesota with its wonderful water wilderness. Minnesota's multiplicity of lakes nicely reflects the context-dependent nature of trust.

The most trustworthy people/companies are constantly filling numerous lakes, **sustaining a trusted ecosystem**. At the corporate level for example, a long-term oriented leadership team will continually strive to earn and sustain trust with customers, staff, suppliers, regulators, the community and shareholders. It will fill multiple lakes and will guard against leakage.

Taking this wider view of trust may help us in the quest to find genuinely great companies; i.e. those that can durably compound value without dis-enfranchising any part of the ecosystem on which their long-term success relies.

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