

Deloitte.

Future of Trust
Overview

September 23, 2020



MAKING AN
IMPACT THAT
MATTERS
since 1845

“

Future of
Trust...
is here today

”

As we recover, reopen, rebuild and transition to Thrive, it's time to rethink **the importance of Trust**. At no time has it been more tested or more valued in our leaders and each other. **Trust is all encompassing. Physical. Emotional. Digital. Financial. Ethical.**

A nice-to-have is now a must-have, a principle is now a catalyst, a value is now invaluable.

Put Trust at the forefront of your planning, strategy and purpose, and people will put Trust in you.

Trust has never been more important



“ Fundamentally, the traditional drivers of trust have been shaken, and new ones will gain prominence, and there’s a possibility that the gulf between what markets value and what people value will close.

– Mark Carney
The Economist, 2020

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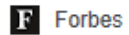
Trust is defined as “Our willingness to be vulnerable to the actions of others because we believe they have **good intentions and will behave well toward us**”.

— Professor Sandra Sucher, Harvard Business School

”



The impact of Trust (or lack thereof)



Forbes

Wells Fargo Fires More Than 100 Employees For Covid Relief Fund Abuse

Wells Fargo has fired more than 100 employees for improperly applying for federal coronavirus ... Wells Fargo's list of scandals keeps growing.

2 weeks ago



The Intercept - First Look Media

Trump's Taxes: A Thousand Scandals in One

The Horrifying Scandal Everyone Gets. According to the Times, Trump paid \$750 in federal income taxes in 2016 and 2017. The total of \$1,500 is ...

1 month ago



BBC News

Facebook: Privacy scandals take toll on profits

"The Cambridge Analytica scandal intensified regulatory scrutiny, and tightening data security as well as fighting fake news is an ongoing - and ...

Jan 29, 2020



CSO Online

Equifax data breach FAQ: What happened, who was affected, what was the impact?

How did the Equifax breach happen? Like plane crashes, major infosec disasters are typically the result of multiple failures. The Equifax breach ...

Feb 12, 2020

Globalnews.ca

Scott Thompson: Canadians want answers on WE Charity

...

Again, most Canadians don't want an election, they want answers to questions around the WE Charity scandal. Can we not get answers to those

...

6 days ago



CityNews Toronto

British Airways CEO replaced as company fights for survival

A racist tirade at a Georgetown golf course has been caught on video. The footage was taken at Georgetown Golf Club Saturday afternoon by ...

2 weeks ago

A lack of trust costs global brands **\$2.5 trillion per year** ³

The impact of Trust (or lack thereof)

Trust among Americans is fractured...

- **60%** of Americans don't trust others to
- social distance¹
- Of the most trusted sources to let people know when it is safe to resume normal activities, **businesses are 2nd to last** at 4%¹
- **42%** of employees are **not** highly trusting of their employer²

...but trust drives important human behaviors and business outcomes

Trust drives loyalty:

- 62% of customers who report "highly trusting" a brand **buy almost exclusively from that brand for the category**²
- Employees who highly trust their employer are about **half as likely to seek new job opportunities** as those who don't²
- **79%** of employees who **highly trust** their employer **feel motivated to work**, while only 29% of those who did not trust their employer are motivated to work²
- Of customers who highly trust a brand, **88% have bought again from that brand** and **73% have tried a new product** or service from that brand²
- **A lack of trust costs** global brands **\$2.5 trillion per year**³

Sources: (1) Deloitte HX in Uncertainty survey, May 2020 (2) Deloitte HX TrustID™ survey, May 2020 (3) Social Media Week

TRUST IS HUMAN AND Multi-dimensional

Recovery is a **human experience** and in order to shift the mindset to recovery, resilient leaders need to understand the **Four Human Dimensions of Trust** for their stakeholders:



Trust is a tangible exchange of value

It has **no value in isolation**, and represents value only in an interaction / relationships with others.

It is **accretive**: Invested wisely and prudently, it grows in repeated affirming experiences; invested poorly, it rapidly depreciates.

It **yields results** such as economic growth and shareholder value, increased innovation, greater community stability, and better health outcomes.

Crisis...a **catalyst** for rebuilding trust



Trust is a **What is your role?**

How does your commitment to inclusion and equity build trust? Does it?

Where do words become actions and what role does action, or inaction, play in building trust among your stakeholders?

What institutional processes exist which disproportionately impact individuals and how do you begin to identify and address those?

How are you contributing to the dialogue?

“

Trust is like the air we breathe – when
its present, nobody really notices;
when its absent – everybody notices

— **Warren Buffet**

”

“

The greatest danger in times of turbulence is not the turbulence itself but to act with yesterday's logic

— Peter Drucker

”

What does this mean for us today?

We are in uncharted waters, yet leaders must take **decisive action** to ensure their organizations are **resilient**.

Deloitte's Resilient Leadership framework defines three time frames of the crisis:



We **Responded** fast, put safety and people first, and successfully shifted from crisis mode.

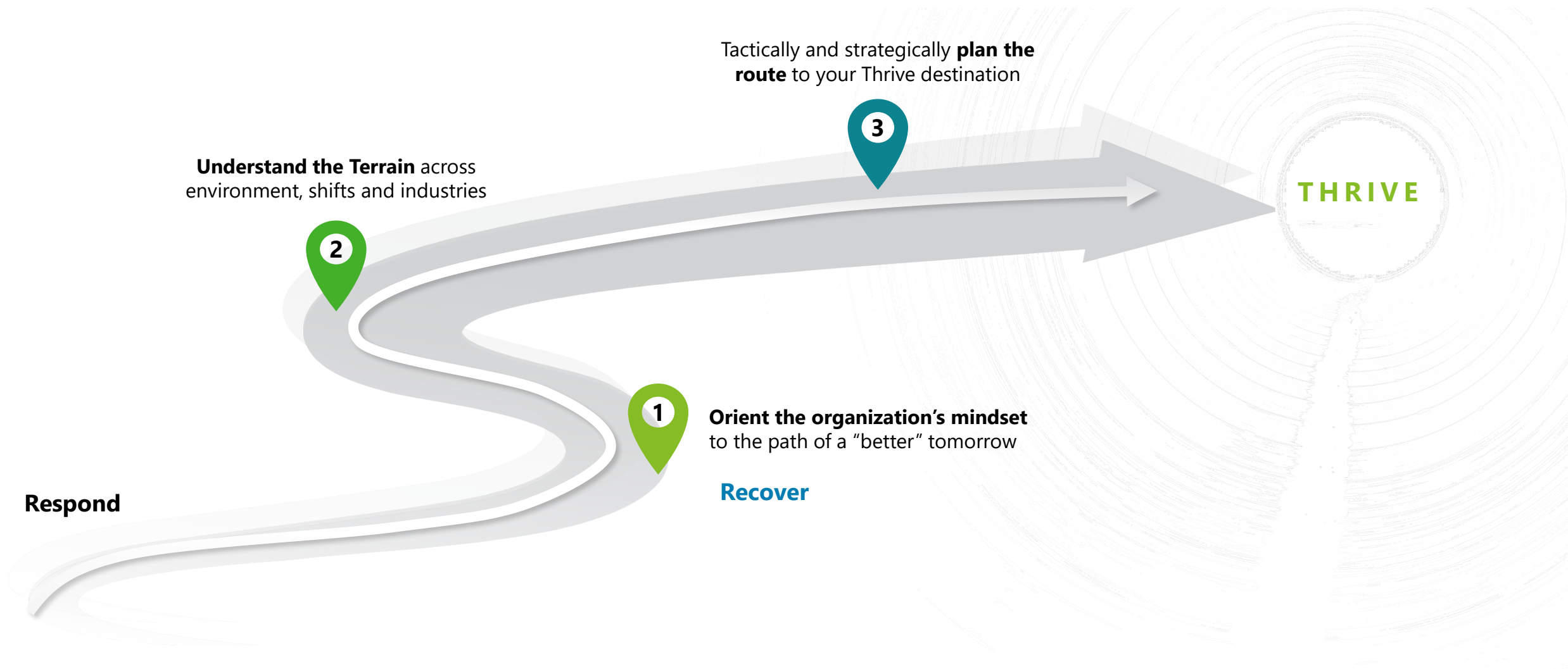


We developed medium term plans, reinvented our process management and put resources in place to **Recover** for the next normal.



We are no longer limited to a reactionary environment. The next normal is **now**, and to be successful we must navigate how to **Thrive** in our new environment.

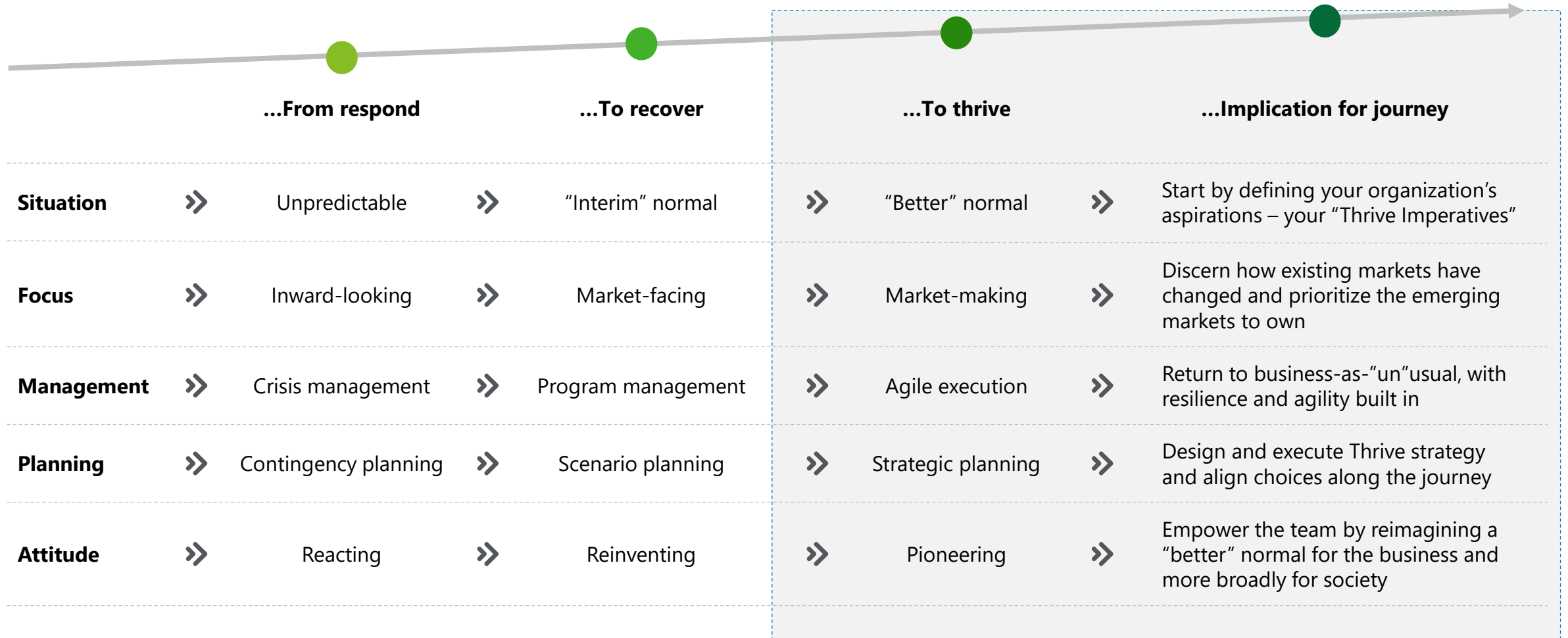
Resilient leaders embody important actions to manage uncertainty *and chart a path to Thrive*



Planning for **Thrive** is a long term endeavor and should be conducted in parallel with the recovery efforts to optimize investments and accelerate the overall journey

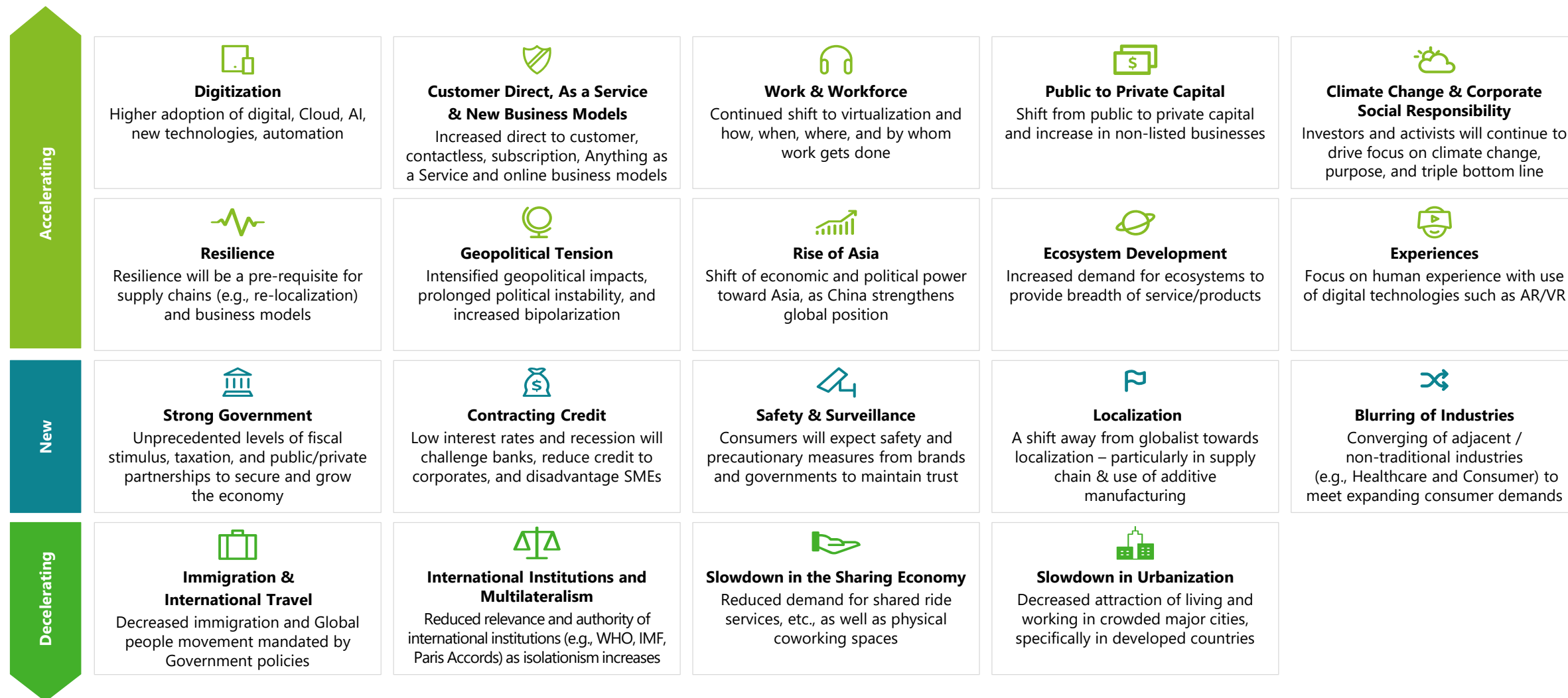
1 Mindset Shift.

Resilient leaders **orient the organization's mindset** to one of agility and adaptive thinking on the path to a "better normal" in Thrive



The New Terrain.

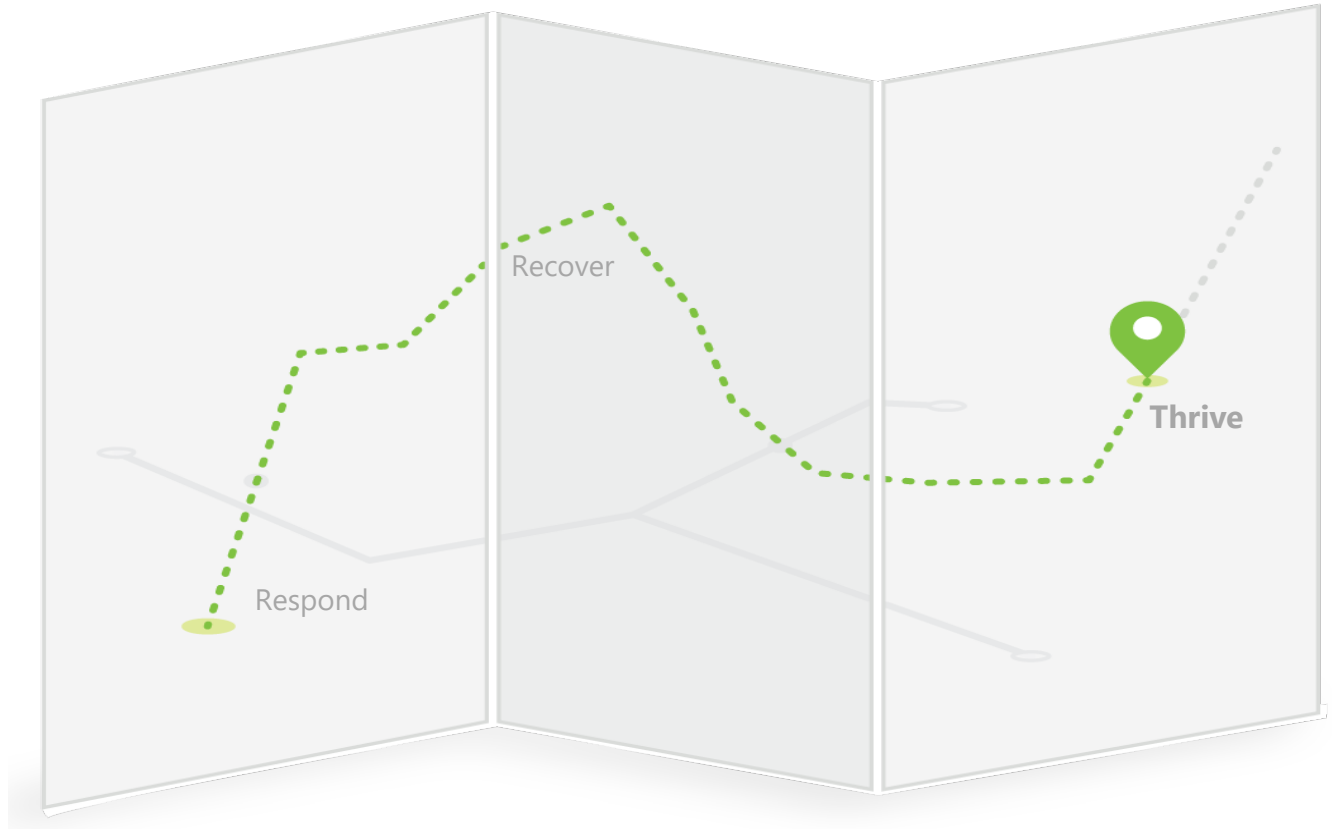
The post-COVID, “better normal” world will be defined by next normal shifts – accelerating, decelerating, and new – shaping a new competitive environment and organizational needs



3 Strategically plan the route to your Thrive destination

Resilient leaders look ahead to envision the Thrive destination and develop and launch the strategy, plan, and business model to navigate the journey

What are things we should consider in our Thrive destination?



3

Embed Trust into your Thrive journey

Resilient leaders understand, trust is foundational to an organization's success and will strategically consider Trust as they plan their **Thrive** journey



Resilient leaders consider the following questions:

- Which **dimensions matter most** to each of our stakeholders, and what will **matter to them as we shift into Thrive?**
- Are we **communicating our intentions clearly and transparently** to our stakeholders – even when we don't have all the answers?
- Can we **competently deliver** on what we are promising to our stakeholders?
- How are we **monitoring and measuring our progress** in addressing stakeholders' needs across the four dimensions of trust?



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