



## WHY TRUST TRUMPS ENGAGEMENT

### Three practical tips to build trust

Although it may not be surprising, the major insight from the trust research is that 'being trusted' boosts oxytocin production in most people. Here are three actions that could boost trust at work.

1. Thinks of ways in your context that will show you trust people. For example, outline the overall goal or deliverable and allow people to decide how they choose to get there.
2. Ensure that you engage the brain's reward centre. For example, frequently acknowledge good work through private and public praise. Ideally you'll give out small, meaningful tangible rewards. These might include movie tickets to a favourite show for movie buffs, or a dinner for foodies or a book voucher for readers. Personalising the gift is a key aspect.
3. Celebrate milestones often. Don't just wait until the end of a phase or the completion of a project. The celebrations don't need to be lavish, they just need to show that good work and commitment are both noted and appreciated.

#### *Winning (or losing) transactions*

Imagine for a moment that you've agreed to take part in a small experiment. You arrive at a room filled with office cubicles, along with other participants. You're seated at an assigned space and note that it has a computer terminal. Once everyone is seated, you receive instructions online. Everyone will have the chance of increasing their initial \$100 participation fee. It's not the value that interests you, but rather succeeding in the interesting challenge of growing your participation fee.

For the exercise, you are paired with someone else in the room. But, you don't know who they are. Communication is via computer. Further, your dash for cash depends on the exchange you have with your anonymous partner. Since you're randomly designated 'Party A', you're invited to allocate an amount (from nothing to your entire cash holding) to the other person, 'Party B'.

Critically, you know that any amount you send to Party B will be tripled. This is the only way in the entire exercise the money pot can grow. Party B gets the entire tripled amount. Then, as you did, they decide how much to return to you – from nothing to all they hold.

How much would you give to Party B, remembering that you control how big the money pot grows? You also realise that, while you can grow the pot, there is no onus on Party B to give anything back to you. How would you respond in the next round if you gave a lot but only got back a little of the tripled sum? And what if you received a good amount back – would you be willing to risk an even greater sum in the next, final round?

What if the roles were changed and, with a new partner, you are now Party B. How much will you give back if Party A contributes only a miserly sum in the first round? And, what if they give a good amount in the first round? Will you return an even bigger portion, in the hope that they might reciprocate and really multiply the earnings you might both make?

#### *The basis for the trust experiments*

In a moment, you'll be able to compare your responses with the many thousands who have participated in the experiment over time. But, having a little background into the research will make the insights a lot more meaningful.

Dr Paul Zak, an economist with a background in biological mathematics, designed and ran these experiments with a range of collaborators from 2001. Zak was disgruntled with the economic premise 'ceteris paribus' (holding other things constant) that is at the core of the 'rational man' theory of exchange. Rational self-interest predicts that in the

Trust Game, where anonymity means people don't have to be on their best social behaviour, they will be greedy, at the expense of others. But many prior experiments showed that most people were not "greedy bastards"!

#### *'Vampire' economics*

Having followed a variety of paths to find out more about exchange, Zak had a serendipitous meeting with another researcher. She suggested he explore oxytocin as possibly having a role in parental investment in children – Zak's then current avenue of enquiry into trust.

Having never heard of oxytocin before, Zak took a closer look at the substance that functions as both a neurotransmitter and a hormone. After reading a lot of mostly animal-based experimental literature, Zak quickly came to wonder if trust in humans might have a biological basis: oxytocin.

He tested his theory on an obstetrician friend who promptly remarked "That's the stupidest idea in the world. It's a *female* hormone". Undeterred, Zak pressed on with his idea. And that's when he engaged in 'vampire economics'. Put simply, he ran many, many rounds of the Trust Game and took blood samples of participants before and after the activity. After analysing thousands of samples, he showed that oxytocin is strongly implicated in exchange and trust. This was confirmed by other experiments that involved giving people doses of oxytocin before taking part in the Trust Game.

#### *Trust Game findings*

Overall, 85% of Player-As sent some money and 98% of Player-Bs who received money sent something back. Interestingly, Player-As who trusted their anonymous partners and sent larger amount of money walked away 40% up. The trusted Player-Bs increased their lot by 70%.

Most important, players who felt they were being trusted showed an increase in oxytocin – being trusted resulted in a self-produced spike in oxytocin levels. This, in turn, generally led to an increased willingness to reciprocate and pass back at least a reasonable portion. The 'rational self-interest' notion, along with the 1994 Nobel-winning Nash Equilibrium (as seen in the film 'A Beautiful Mind') was refuted.

The new trust evidence links closely with UGM's Contributing-Belonging model of inclusion and it gives it a biological basis. The research also offers a broader perspective on interpersonal transactions in organisations. Having a biological basis (blood tests vs questionnaires!) is much more compelling than traditional engagement surveys and resultant actions. New, trust-based organisational practice will emerge. Hopefully it will shift the engagement impasse.