

Trust is a Two-way Street

Compliance and Ethics





It’s often said that the basis for any productive relationship is communication and trust. This holds true for our relationships at work. Being able to trust your colleagues to do their part is essential to not only working well together, but also to producing the best work-product possible for your customers or members. To be successful, you need to be able to trust your team, and they need to be able to trust you.

In fact, public perception of a company’s trustworthiness is only as good as your employees’ trust in the organization. According to the 2019 *Edelman Trust Barometer* report, the global communications firm Edelman found that people tend to trust the relationships within their control, most notably the one with their *employers.* In fact, the study found that globally, “75 percent of people trust ‘my employer’ to do what is right, significantly more than non-governmental organizations (57 percent), business (56 percent), and media (47 percent).” Further, it found that 58 percent of employees look to their employer to be a trustworthy source of in-formation about contentious societal issues. That trust must be earned through more than “business as usual”; it is critically important for the CEO to respond to challenging times.

Our companies are in fact operating in challenging times; we see global regulations and policies changing on a regular basis. It’s true that those who do business with us notice how we respond to this change, and so do our employees. I’ve written about the increasing need for CLOs to be front

and center when it comes to developing company policies and programs related to sustainability and corporate social responsibility (CSR). This is just one area where you can demonstrate that your company is paying attention and trying to do good — which builds trust.

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It's not enough to just make money or provide a service. Our customers, members, shareholders, investors, and, yes, staff want to do business with companies they respect and can trust. This year, Edelman partnered with ACC to include several questions from their annual Trust Barometer survey in our 2020 CLO Survey related to "trust in business." We'll be creating a separate co-branded report with Edelman, comparing the results from both surveys, looking at the institutional investor perspective versus the CLO's perspective. The report will be released in the next couple months, but I'd like to share a couple of related key findings early.

We found that CLOs believe that "maintaining a healthy company culture" and "enforcing a corporate code of conduct at all levels of the company" have a significant impact on institutional investors' level of trust in the company.

What does this tell you? Well, it tells me that trustworthiness begins with us and that we have a reasonable expectation that our employers be trustworthy as well (and that our investors are paying attention). Do unto others as you'd have them do unto you — it's a code that everyone lives by or should live by — right? It's a code that carries over into our professional lives. Proper self-management leads to proper employee management, which can lead to a corporate culture that is based in sound, ethical business practices. Therefore, investing in the development of organizational leaders, frequently reviewing company codes of conduct, and participating in ethics-based trainings and programs focused on top-of-mind issues like CSR and sustainability are critical to succeeding in today's business environment.

Trust is a reciprocal relationship. From the executive to the human resources professionals to every employee in the company — we all have a responsibility to be respectful of not only our companies' policies and procedures, but on a basic level — to each other. In order to have any relationship that flourishes, it takes all parties to behave in a trustworthy fashion.

Good ethics is simply good business. It's been noted that those individuals who trust their organizations and leadership are typically "better" employees. That said, ethical companies don't just happen. The people within the organization determine "how good" we present to the world. People want to trust their organizations, and most importantly, their leaders. It's a two-way street.

ACC is committed to providing you with resources that strengthen not only your personal career growth, but your organization as well. Look for our upcoming report with Edelman and the release of ACC's 2020 CLO survey on Jan. 28. We invite you to watch for more information on this topic as my friend, Harlan Loeb, a partner at Edelman, will host a series of related webcasts to interview top CLOs on corporate culture and trust. The power of the world's largest PR firm working with ACC, the world's largest association for in-house counsel, to explore these interviews is not to be missed!

Veta T. Richardson



Former President & CEO

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Veta T. Richardson is the immediate past president and chief executive officer of the Association of Corporate Counsel (ACC). Headquartered in Washington, DC, ACC is the world's largest legal association dedicated exclusively to serving the interests of in-house counsel. With an international membership of more than 45,000 in-house lawyers at more than 10,000 organizations in 85 countries, ACC serves as the "voice of the in-house bar" for corporate lawyers at 98 percent of the Fortune 100 and 51 percent of the Global 1000.

With more than 60 chapter operations around the world, Richardson's top priorities as CEO involve continuing to increase ACC's global footprint and charting the organization through a strategic plan and vision designed to strengthen its position as the global voice for in-house counsel. Members look to ACC to advocate in support of their rights and interests as in-house counsel, as well as to offer the practice resources, education, global legal and regulatory analysis, and networking opportunities needed to advance their professional development.