

To trust or not to trust?

Written by David Daly
Friday, 08 January 2016 12:12

A few weeks ago, my wife Angela and I were on a weekend break in the town of Trim, in the Republic of Ireland – about 100 miles from our home just outside Belfast. While passing a jeweller's window, Angela saw a piece of jewellery that she thought would make a nice gift for someone. However, it was a Sunday and the shop was shut, so I took the shop's details and called them from home the next day.

The owner, Brian, and I agreed a price of €50 to include postage and insurance. So far, so good.

Then came the payment – I used my Euro bank card. However, because I live in Northern Ireland, my bank had wisely placed a restriction on cardholder-not-present transactions, and try as he might, Brian couldn't process the payment.

After a short silence while we wondered what to do, Brian said: "I'll tell you what – I'll send you this now, and then you can find some way of getting the money to me". Sure enough, the package arrived two days later, and I managed to get Brian paid via my son, who lives in the Republic.

Although a small matter, it was a lovely experience to have been trusted by someone I'd never met, and the outcome was good for us both. However, it got me thinking about when it's good to trust and when it's not good to trust in business.

Some time ago, I consulted with a company which had an outsourcing contract that had been drawn up a few years earlier, by two people who had clearly got on well together, but who had since moved on and bequeathed the contract to their successors. The contract was, in retrospect, based more on trust than on how to manage any future issues or unexpected events.

When the inevitable issues did arise, the successors didn't see eye-to-eye, and as the original contract didn't envisage anyone ever really having to refer to it, they had very little on which to fall back. After much hearty discussion, we resolved the issues and a new agreement drawn up. It was a pain that could well have been avoided. It would have been better had the two original

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participants foreseen what might happen after they had left the stage.

Trust in business is wonderful, but it has its limits. The late Stephen Covey said that trust "is the glue of life. It's the most essential ingredient in effective communication. It's the foundational principle that holds all relationships." Maybe so, Stephen, but when the stakes are big enough, I'd still want a decent contract!