**Ongoing Discussion "Thought Piece"**

*Trust as a Systemic Structure for Innovation in Schools and Organizations*

Prepared and Presented by Doug Stilwell

stilwelld@urbandaleschools.com

September 2014

Ongoing Discussion Host: Bill Bellows
william.bellows@rocket.com

for

Aerojet Rocketdyne's
InThinking Network

For the past 15 years I have had a keen interest in the concept of trust, particularly as it applies to organizational climate and performance. As I read and considered what trust was, a great deal of the focus was on interpersonal trust. However, given my introduction to and study of systems thinking a new perspective was formed. Trust is not only an interpersonal transaction. More importantly, trust is a systemic structure that permeates an entire organization.

In 2002 I was invited to present at the National Systems Thinking Conference on the topic as Trust as a Systemic Structure in our Organizations. I found that this was a new paradigm for people and the presentation was well received. Following the presentation I was approached by editors of the "Systems Thinker" magazine and asked to author an article on the topic, to serve as the feature article in the March, 2003 publication (of which you should have a copy).

I had always felt something was missing from that article. While I wrote about "behaviors, patterns of behaviors, and systemic structures," I honestly could not articulate the "systemic structures," although I knew they existed. However, over the past seven years as I was introduced to and began studying the work of Dr. Deming, it has become clear to me that what my previous article was indeed missing something foundational; Dr. Deming's "System of Profound Knowledge" (SoPK). It is finally at this point I am able to better identify and "fill in the blanks" from my previous article in 2003 that have haunted me over the past 11 years. An understanding of the system of profound knowledge undergirds my past work and adds a greater depth of meaning to it.

The SoPK is fundamental because it "provides a framework of thought and action for any leader wishing to transform and create a thriving organization, with the aim for everybody to win" (https://www.deming.org/theman/theories/profoundknowledge). In this particular instance, it provides the framework to develop and sustain a culture of trust. Studies have shown that when a sense of trust is established the workplace, productivity increases.

In this paper I will identify how each aspect of the SoPK impacts and supports trust. I will then reintegrate the parts, creating a systemic perspective connecting SoPK and trust.

**Trust and Psychology**

There are multiple ways to examine trust through the lens of psychology, for trust and psychology seem to have an obvious connection. Psychology from the perspective of the SoPK focuses a great deal on motivation, particularly regarding organizational change. In his book, *Drive*, Daniel Pink supports Dr. Deming's view that people are born with intrinsic motivation and "drive." Multiple research studies conducted by psychologists Edward Deci and Richard Ryan support that view and go as far as to say that extrinsic reward systems can actually diminish intrinsic motivation, creating a continual need to find adequate "rewards" (because the effect of extrinsic rewards tends to fade after time) that cause people to continue or improve desired behaviors. Creating environments where people can take pride in their work, work collaboratively with others, and build effective relationships support trust. According to Daniel Pink this boils down to creating environments that support autonomy, mastery, and purpose. In Urbandale we approach this through the "tight-loose" approach. Some issues that are "tight" including curriculum; commitment to mission, vision, and values; and use of data to make

decisions.  Instructional decisions are "loose" and left to teacher discretion.  Conversely, environments based in a "carrot and stick" reward and punishment system; those that are driven by quotas, the merit rating system, and where blame is part of the culture erode both motivation and trust.

One idea that I found helpful came from Maria Popova.  Although not a psychologist, she offered that trust is "more than isolated gestures or actions – it is (actually developed by) patterns over time."  It will serve leaders well, if interested in building and sustaining effective organizations, to understand that psychology, particularly human motivation, heavily influences trust, both on interpersonal and organizational levels.

## Trust and the Theory of Knowledge

Theory of knowledge, from the SoPK perspective does not mean just knowing a lot of information.  Information, Dr. Deming would tell us, is not knowledge.  Rather, the theory of knowledge is about the 'Plan-Do-Study-Act" (PDSA) process embedded in the continual improvement process and the concept of "managing by fact."

On our "continual improvement journey" in our district, we have found that utilization of the PDSA process and making decisions based on facts is helping to build trust.  The PDSA process is utilized across the district to make decisions, from the district level to the classroom level. When teachers use this process and involve students, a greater level of trust is developed between teachers and students.  When administration does likewise, greater trust is developed with teachers and other staff.

Decision-making based on predictable processes (PDSA and management by fact), rather than opinions, build organizational trust.  People within an organization will recognize that decisions are based on processes that will not change.  They will have confidence that the "truth" (as best as we can determine it) will drive decisions throughout the entire organizations.  In our case that includes the district, department, building, and classroom levels.  People's opinions, personal theories, beliefs, and hypotheses will be scrutinized and tested by what the data has to "say" before decisions are made.

## Trust and Variation

We understand that variation is a normal and natural part of life.  This is no different when it comes to trust in organizations.  People are different: genetically, intellectually, socially, and emotionally.  People have different mental models about how the world "works."  These differences in people and their past experiences result in a variation of people's readiness levels to trust and the time it will take to build a trustworthy organization.  Not everyone is ready to trust at the same time or to the same degree as others.

As systems leaders we believe that 95% of the behaviors in a system are caused by the system itself.  If there is, as an example, widespread mistrust throughout an organization, it should follow that leaders understand it is a (common cause) systems issue and not look to place blame

upon individuals or groups of individuals.  Rather, they should examine what it may be about the system that is causing the lack of trust and work through the PDSA cycle to make improvements.  If, on the other hand, mistrust is isolated to individuals or small groups of individuals it would then be considered "special cause" and leaders should be careful not to tamper with the system, for doing so could likely result in increased variation throughout the system.  For the "special cause" cases, leaders may wish to find "entry points" for individuals that will lead to a greater trust.

Given the concept of variation, it may be important for leaders to regularly monitor employee attitudes (perhaps through satisfaction surveys).  If there is widespread dissatisfaction or mistrust, leaders can review systemic processes and procedures and work to improve those processes, perhaps in collaboration with employees.

**Trust and Appreciation of a System**

My thesis from 11 years ago remains a truism for me today.  Trust is a system within any group of people, including organizations.  Trust is highly complex and interconnects every relationship within an organization, whether it is person-to-person or department-to-department.  Trust permeates the entire organization.  Further, I continue to believe that trust is a foundational system in organizations.  In my original article from 2003 I cited the "iceberg" model for trust.  Above the surface were individual interactions.  Just below the surface these individual interactions became patterns of behaviors.  Finally, at the deepest levels were systemic structures that supported and were supported by patterns of behaviors and individual behaviors.  While at that time I wrote the article I was not able to identify those systemic structures, I believe I can today.  Specific to the Urbandale Community School District (and perhaps global in nature) the systemic structures that undergird trust in our organization include our vision, mission, values a culture of learning, and intelligent risk-taking (innovation), all of which are based on and make up our belief system.  These structures have been "encoded" into our district through board policy and our strategic plan.  However, most important is that individuals and groups within the district support and work within these structures as well as ensuring that our strategic plan is aligned from the classroom to the district level.

**Trust and the SoPK**

Although each component of the SoPK has its own individual influence on trust, they are indeed interrelated.  As an example, if there is a common cause (variation) issue negatively influencing trust it may well be that there is widespread use of extrinsic motivators (psychology) in the organization or that there are not consistent and systematic procedures for improvement processes or decision-making (theory of knowledge).  These may all be influenced by the fact that there are no clearly defined mission, vision, or values (appreciation of a system) to serve as the bedrock of the organization.

**The Impact of Trust**

Trust can be as varied as an elusive philosophical concept or be understood as a systemic structure that influences behaviors in an organization.  Understood as a systemic structure,

leaders can leverage trust by understanding how it is embedded in the SoPK and applying those principles throughout the organization.

The focus of this year's Annual Conference of the Deming Institute is "Innovation for Success." Innovation, we might all agree, is a key process for organizational improvement and is yet another benefit of a high trust culture. The spirit of innovation cannot thrive where a lack of organizational trust exists. The system of management, the people, and the interrelationships that exist within the organization must be supportive of innovation. This is where trust becomes fundamental and why I continue to think of it as a systemic structure.

**Summary**

Understanding and implementing the principles of the SoPK is key to building and supporting a system of trust in organizations. When leaders and managers understand that intrinsic motivation is lasting motivation; when they implement systemic and systematic processes for improvement and decision-making; when they understand the system is responsible for most of the behaviors and don't look to blame individuals for "common causes" issues; and finally when they understand and appreciate the interconnectedness and interdependence within their organizations and what that means pragmatically, they will be well on their way to building and maintaining a socio-cultural system of trust that permeates and supports the entire organization.

**BIOGRAPHY**

Doug Stilwell currently serves as superintendent of the Urbandale Community School District in Urbandale, Iowa.  His 35 years of educational experience includes 13 years as a classroom teacher and 22 years as an administrator, holding the positions of building principal, director of human resources, and associate superintendent.  Upon being named superintendent of Urbandale in 2010, Doug has led and facilitated a district-wide effort focused on continual improvement to increase student learning, engagement, and satisfaction as well as overall organizational effectiveness.

Doug also serves as an adjunct professor in the graduate program at Drake University (where he earned his doctorate), teaching "Organizational Systems Behavior" for up and coming school administrators.  He is currently a member of the Iowa Quality Center's board of directors.

**CONTACT**

Doug can be reached by e-mail at stilwelld@urbandaleschools.com for additional information about this Ongoing Discussion.

**WEBSITE**

www.urbandaleschools.com/our-district/superintendent/

**LINKEDIN**

www.linkedin.com/pub/doug-stilwell/47/13/703