

***Kellogg Insight* Podcast Transcript:**

Building Trust as a Leader

Jessica LOVE: In July of last year, Kathleen Hagerty was named interim dean of the Kellogg School. That role, interim dean, is a strange one. Essentially, you're a leader with an expiration date. Meaning, you have limited time to establish yourself as someone who knows what they're doing. So as Kathleen Hagerty realized, she would need to give Kellogg faculty, students, staff, and donors a good reason to trust her – and quick.

Kathleen HAGERTY: You know, to be a leader you have to have some credibility. And so what was going to be my source of credibility?

[musical interlude]

LOVE: Welcome to the *Kellogg Insight* podcast. I'm your host, Jessica Love. As Kathleen Hagerty concludes her term as interim dean of the Kellogg School, she sat down with us to reflect on her year in this role. What stood out from that conversation were three lessons about how leaders can quickly build the trust they need to get things done. Today on the podcast, Hagerty describes how she bolstered her own credibility as a leader and what the tough-but-frank culture of academia can teach us about establishing trust.

As Hagerty discovered when she became interim dean, there's a big question any new leader has to address: Why should anyone listen to me, anyway?

HAGERTY: Alice Eagly who's a professor in the psych department at Northwestern, she's written these books on women's leadership. And one of the things she'd always say is that part of being a leader is people accepting you as a leader. And so you need something about your position that will lead them to accept you in that role.

LOVE: So lesson number one: Figure out why people should trust you. Now, finding that "why" typically takes a bit of introspection. You have to ask yourself, what are you bringing to the table that people can really believe in? For Hagerty, this kind of introspection did not come naturally.

HAGERTY: You know, I'm a finance professor. And in finance we don't spend a lot of time thinking about our journey. You know? It's all about economics, and what we're teaching, that's just the culture of the group. But I have spent more time thinking about it this year. And my role was really to be someone who'd been at the school for a really long time, who really knew a lot about the school, who knew everybody at the school—like an expert.

You're just an expert in the school, and you can keep it warm and safe to hand it off to the new person.

LOVE: If you don't have decades of expertise and experience, that's OK. You might find your credibility somewhere else. Maybe you led a successful project, or you have an inspiring vision for the organization that people want to get behind. And others can help you see where your credibility comes from, too. For example, Hagerty noticed early on that when people would introduce her at events, they would always mention her deep knowledge of Kellogg, and the fact that she'd been at the school for 30 years, and that she'd been caring for, and committed to, the school for all that time. As she reflected on that, she eventually realized that those things really were tremendous assets for her as a leader.

Of course, figuring out why other people should trust you is critical. But in the end, trust is a two-way street.

HAGERTY: Keith Murnighan, who is a professor in the MORS department here, he did academic studies on trust. And he said, "If you trust them, they'll trust you."

LOVE: That's our second lesson: Leaders looking to gain the trust of others need to give trust in return. Just saying "I trust you" is rarely enough to demonstrate real confidence. Instead, it comes down to the way you treat people. As tempting as it can be for a leader to control every little detail in an organization, that's deadly for trust. Which is why Hagerty says she tried to give others the autonomy to solve problems on their own.

HAGERTY: When you first come in, you sort of check a little bit about what people are doing, and then after that you just say, "I genuinely trust you to do a good job. So, I'm really not going to micromanage you, I'm not going to tell you what to do." And then if occasionally we're a little out of sync then we just kind of correct. But people like that vote of confidence. And I don't blame them, because that's what I like. That's how I like to be treated.

LOVE: But when it comes to making big decisions, how much responsibility should a leader hand off to others? It depends on the culture of your organization. You may want to think about how flat or hierarchical the org chart is, and which people should have a say in deciding where you're headed. For instance, in academia, professors play a major role in setting a school's agenda. Hagerty took that to heart when figuring out how she would lead.

HAGERTY: It's not like the person at the top says, okay, "We're all heading off in this direction" and then we all go. It's a place where everything's bottom up and it relies on the creativity of a lot of different people. Professors are very creative people. They're doing research and what you're doing is you're helping them deliver on their vision.

[musical interlude]

LOVE: Higher education reveals something else about the value of trust, too.

HAGERTY: Academics is also full of very harsh evaluation. So seminars are harsh, publishing's harsh, every time you turn around there's a teaching course evaluation. So you're in an ocean of criticism all the time that makes you better. And if you understand it that way, then it's good. If you give a paper and nobody says anything negative, you think, "Man, they didn't even care enough to come up with something to say about how I could make the paper better," because you never have a perfect paper. So, I think criticism and comment is a sign of investment in the institution and in what you're doing.

LOVE: Which is the basis of lesson number three: To build trust, you have to cultivate a culture of frank, constructive criticism. And for leaders, this can be uncomfortable. Because it means that when you have to have a tough conversation, you shouldn't beat around the bush. But Hagerty says honesty usually works out better than you think.

HAGERTY: People know they're going to get bad news occasionally, I think. And so I think being really straight with them about what worked and what didn't, and being very respectful of them, and part of being respectful is just being really honest.

LOVE: But if you're going to be frank with people, you should give them a chance to be frank in return. When she's having difficult conversations, Hagerty sometimes tells the person, "I know this didn't go the way you wanted, but how could we have done better?" This can help turn the conversation into more of a dialogue. Of course, it's scary to ask for critical feedback as a leader. It can seem like an insult, or a challenge to your authority. But establishing a real culture of trust might require you to see criticism more like Hagerty does.

HAGERTY: I mean I actually love it when people complain because it makes me feel a lot safer. That, you know, people can come down and tell me – because you can't think of everything. So, when people come down and they tell you, "You're making mistakes," or something's wrong, I think, "Good." It's helpful. And I don't take it personally, at all. Because I really, really think you can't think of everything. So, I view it as just an opportunity for us to do better.

LOVE: When you're a leader, none of this is easy. If you try to have honest conversations, there's always a chance that people will take it the wrong way. If you trust your employees to solve their own problems, there's a chance they'll mess up and you'll be left holding the bag. But in Hagerty's experience, as long as you surround yourself with good people, the odds of things blowing up stay pretty small.

HAGERTY: I always assume, genuinely, that people are going to do a good job, and I kind of go out on a limb with someone. And the number of times that I've been burned for doing that is just tiny.

[musical interlude]

LOVE: This program was produced by Kevin Bailey, Jessica Love, Fred Schmalz, Jake Smith, Michael Spikes, and Emily Stone. It was written by Jake Smith, and edited by Michael Spikes.

Special thanks to Kathleen Hagerty.

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We'll be back in a couple weeks with another episode of the *Kellogg Insight* podcast.