

# You Don't Have an INNOVATION Problem, You Have a TRUST Problem!

Yoram Solomon, PhD, MBA, LLB  
Founder, Innovation Culture Institute LLC

When I was ready to find a topic for my PhD dissertation research in 2008, my mentor pushed me to find one that I would be proud of. "One that will have a positive impact on your life, and the lives of others," he said. A tall order. I still struggled with the topic and grew increasingly annoyed. Eventually, he asked the pivotal question:

*"What pisses you off?"*

I worked in many startup companies. I even founded a couple of startup companies in my own home, back in Israel. I sold one startup company, and I was involved in acquiring another. But in 2008, I worked for Texas Instruments, a company that, with 35,000 employees and a 75-year legacy, was anything but a startup. I felt the difference between the startups and the large company but couldn't really pinpoint it. So, when my mentor asked me what pissed me off, I almost instinctively replied:

*"Why are people so much more creative when they work in **startups** than when they work in **large, mature companies**?"*

There were a few seconds of silence on the other side of the line (this happened over a telephone call), and then he said: "I believe we have a topic..."

I spent the next two years researching the answer to this exact question. I interviewed 21 participants who worked in both startups and mature companies and were thus able to compare those environments. These were people who currently worked in startups, or currently worked in mature companies. They were all over the US (and by that, I don't mean just Texas...), Europe, Israel, and China. Some were technologists, and some were business or marketing people. When I was done, I published my findings in a 348-page dissertation, [\*From Startup to Maturity: A case study of employee creativity antecedents in high tech companies\*](#) (and yes, "antecedents" in a word. A fancy word for an Israeli...).

The next annoying question I would often get, after publishing my dissertation, defending it, and earning my PhD, was:

*"So, what is it?"*

Really??? You want me to boil two years of research and 348 pages down to a single sentence???

But my annoyance gave place to a realization. I could boil it down to not only one sentence, but to one word: **Innovation Culture**. OK, two words... My research led me to realize that there are really three components to a culture of innovation. In organizations that have a high level of innovation culture, leaders give **autonomy**, employees demonstrate **accountability**, and teams hold **constructive disagreement**. Everything else fits under those three terms.

Some of the **behaviors** that demonstrate the above three include: leaders who shielded their teams from the "diseases" in the organization (such as bureaucracy and other **internal** challenges) while exposing them to **external** challenges; employees who were willing to take risks and try new things, accepting the possibility of failure; and team members who were willing to be vulnerable with each another, provide direct feedback to one another, and be receptive to such feedback.

That's it! I thought I had the answer to what constitutes innovation culture in any company. I was ready to let my clients know that their leaders **must** give autonomy, employees **must** be willing to take risk, and team members **must** be vulnerable, **must** provide direct feedback, and **must** be receptive to such feedback.

Except that this sounds so much better on paper than in the real world. You cannot force employees to do any of the above. You see, leaders would not be willing to give autonomy to just any employee. Employees would not be willing to take risk when they work for just any boss, and team members would not be willing to be vulnerable, provide feedback, and be receptive to it with just any other employee.

One day, while facilitating a workshop, I asked participants the following questions:

- As a **leader**, what would allow you to give your employees autonomy?
- As an **employee**, what would allow you to take risk?
- As a **team member**, what would allow you to be vulnerable, give direct feedback, and be receptive to such feedback?

Even as I was asking those questions, the answer became obvious to me, and was exactly what I was told by the participants:

- As a leader, I would be willing to give my employees autonomy only if I **trust** them to not abuse it;
- As an employee, I would be willing to take risk only if I **trust** my boss to accept the possibility of failure;
- As a team member, I'm willing to be vulnerable with another team member only if I **trust** them to not make me regret it;
- I'm willing to provide direct feedback only if I **trust** the other person to not take it personally and attack me back; and
- I will be receptive to such feedback only if I **trust** that the person giving it to me does it with my best interests in mind.

This realization gave me a new perspective on innovation, and innovation culture:

Organizations that are not innovative don't have a culture of innovation. The reason they don't have a culture of innovation is because they don't have enough **trust**.

I conducted several additional primary research studies that confirmed that statement. More on those studies and the results from them later in this paper.

From that moment on, every time an organization asked me to help them innovate (translate: generate new ideas for them), I would start by asking questions that would give us an indication of the level of trust in that organization. Every time a company complained about not being innovative enough—they also reported very low levels of trust. The innovation problem is a symptom, not the disease.

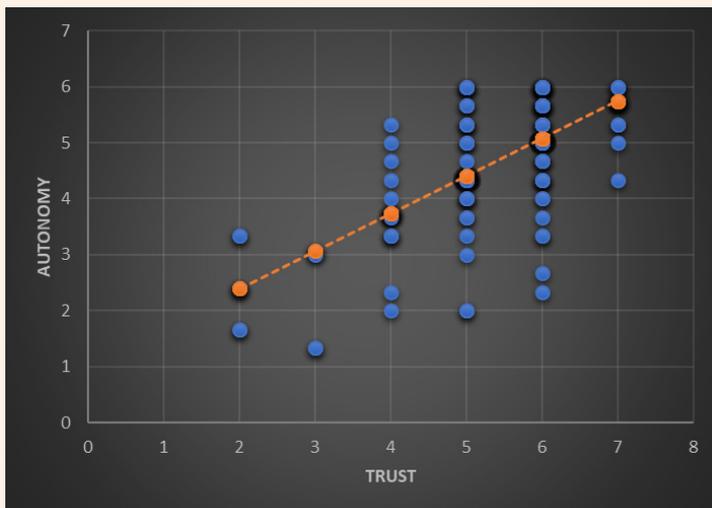
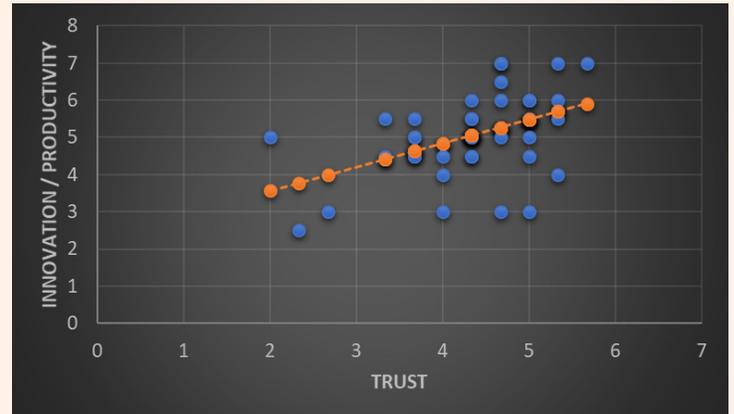
The conclusion was simple: If you think you have a low innovation level problem, what you really have is a low trust level problem. Solve that, and innovation will follow.

\*\*\*

So, in 2015, I founded the **Innovation Culture Institute LLC**, and started conducting additional original research.

In 2018, I conducted the *Innovation Culture & Trust survey*, and in this part of the paper, I am sharing with you some of the highlights of the first part of that study, linking trust to innovation culture and innovation. In the survey, I asked participants whether they worked with a colleague who they trusted, one who they didn't trust, and a boss. For both types of colleagues, I asked the exact same set of questions, and a slightly modified one regarding their bosses. Here are some of the findings.

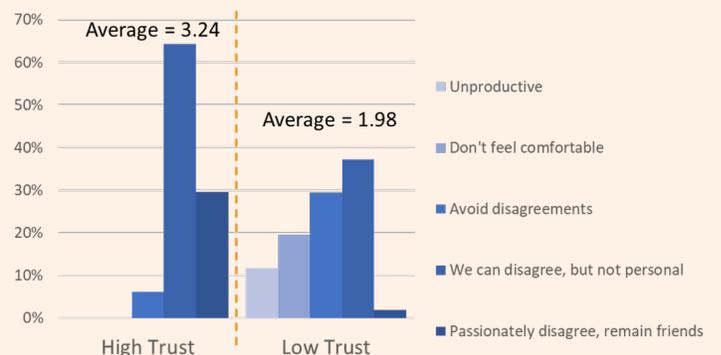
First, I found that wherever an environment of high-trust was described (the participant trusted both colleagues and their supervisor and reported being trusted by them as well), the reported levels of both innovation and productivity were 64% higher, as shown in the figure on the right. That, of course, is an indirect link between the level of trust and the outcome (innovation and productivity). However, this link goes through the elements of *innovation culture*, both at the vertical, hierarchical dimension and the horizontal, teamwork dimension.



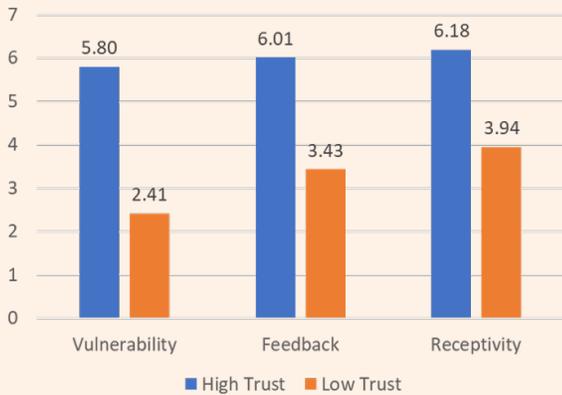
However, this link goes through the elements of *innovation culture*, both at the vertical, hierarchical dimension and the horizontal, teamwork dimension.

On the vertical axis, for an employee to be creative and productive, he or she must be getting autonomy from their boss. Where participants reported that they believed their bosses trusted them, they also reported having 67% higher autonomy to do their job, as the figure on the left shows. They didn't report having the autonomy to choose *what* task they will work on, but rather the autonomy to decide *how* they will perform that task.

On the horizontal, teamwork front, the ability to hold a *constructive disagreement* is critical for creativity, productivity, and innovation. As the figure on the right shows, in a high-trust environment, participants reported being able to passionately disagree and remain friends much more than in the low-trust environment. They also reported a much higher ability to disagree without having it become emotional or personal. Very few reported trying to avoid disagreements, and none (in the high-trust environment) reported being uncomfortable disagreeing with their peers, or that



disagreements were typically unproductive in their company. The same was *not* true for low-trust environments, where quite a few participants reported that disagreements were unproductive, or that they didn't feel comfortable disagreeing. On average, participants in high-trust organizations reported feeling 63.6% more comfortable arguing with their peers in a constructive and productive way. Participants described avoiding disagreements, not feeling comfortable having them, or describing them as unproductive 60.8% of the time, 10 times more than in high-trust environments (only 6.1% of the time).

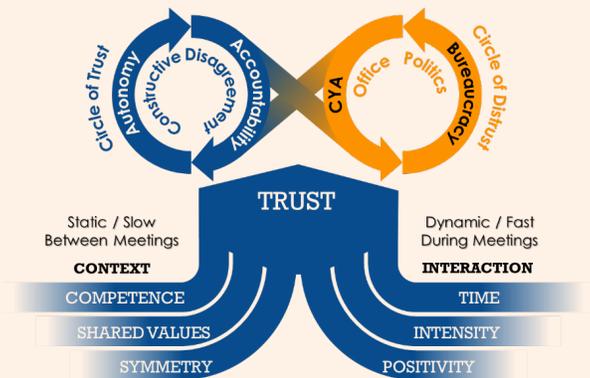


And there should be no surprise there. All three behaviors affecting the ability (and willingness) to argue constructively were reportedly much higher in the high-trust organization than in the low-trust organization. The willingness to be vulnerable with one another was 141% higher, the willingness to provide direct and honest feedback was 75% higher, and the receptivity to such feedback was 57% higher in the high-trust environments.

No doubt, you don't have an *innovation* problem. You have a *trust* problem.

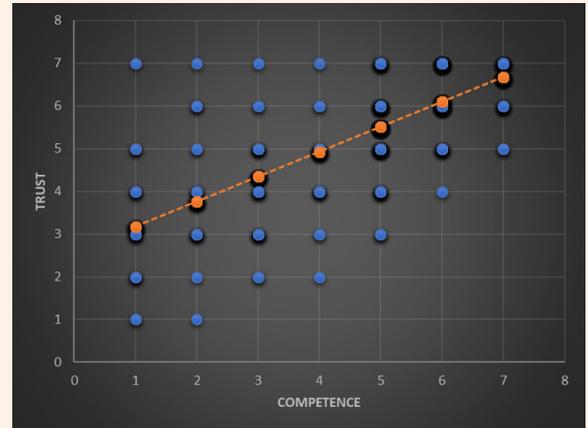
\*\*\*

So, *trust* is the foundation for innovation. To wrap up this paper, I want to offer what my research showed are the prerequisites for trust. Trust develops (or diminishes) during interactions, and between them. During a meeting, the level of trust changes with the amount of *time* spent together (the more time you spend with another person, the more you have the *opportunity* to develop trust). The amount of time is compounded by the *intimacy* (or intensity) of that interaction. A face-to-face meeting will have a much bigger effect on converting time into trust. A phone call has less. An email has the least. Albert Mehrabian, in his 1971 book *Silent Messages*, claimed that 7% of our communication is conveyed through the *words* we use, 38% through our *tone of voice*, and 55% through our *body language*. Many have argued against this breakdown, and over what exactly did Mehrabian really mean. Regardless, a face-to-face meeting, I found, is so much more effective than an email in building trust.

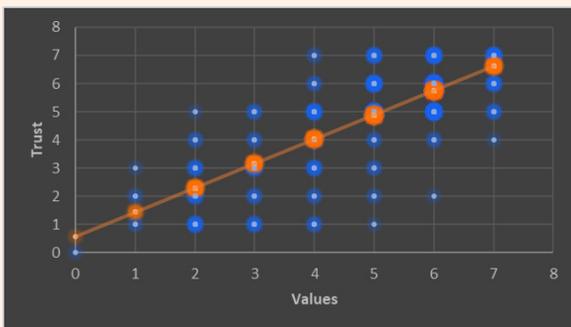


Finally, the *positivity* of the interaction has not only a compounding effect, but also the ability to determine whether trust is *built* or *destroyed* in that interaction. The *positivity* in question does not refer to the positivity of the *situation*, but is rather measured as the answer to the question: how would you rate the behavior of the other *person* in this interaction?

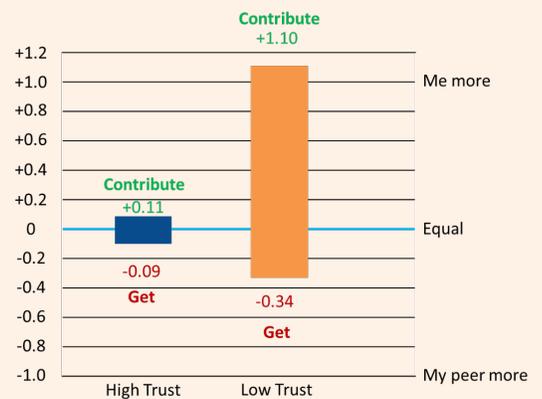
The second set of factors affecting trust-building occurs between interactions. They can be bundled under different names. Call them respect that one team member has towards another. Call them the context of the relationship. Whatever you call them, they are made of the level of **competence** you believe the other person has (in the context of this relationship), the level of **shared values**, and the **fairness**, or symmetry of the relationship with that person. My research showed that the more competent you think someone is, the more you would be willing to trust them. In fact, if I asked you to rank how much you trust another person and how competent you think they are, then if you think they are more competent, you also believe they are 58.4% more trustworthy and you trust them more.



The second contextual element of trust is having shared values. Values could be universal (for example, nobody trusts someone who lies to them), personal (such as different personality profiles, or even as simple as your attitude towards using a laptop or a cell phone during a meeting), or interpersonal, unique to the specific relationship between you and that other person. When asked to rank the level of shared values with another person, I found that the more you believe you share values with the other person, you would be 86.4% more willing to trust them.



Finally, the third contextual element of building trust is the level by which you believe your relationship with the other person is fair and symmetrical. The elements of fair and symmetrical relationship are: how much more (or less) is your contribution (time, effort, energy) compared to the other person's, and how much more (or less) are you getting (pay, resources, recognition) compared to that other person. What I found was that in general, we believe that we contribute more than the other person, and we believe that we get less than them... However, the gap between the two is 7.2 times higher when you don't trust the other person, than if you did.



\*\*\*

Some companies believe they have an innovation problem. They are probably right, except that the lack of innovation is a **symptom**, and not the **problem**. Those companies lack innovation because they don't have a culture of innovation. Even that is not the real problem, but rather a symptom of the real problem: those companies don't have trust.

If you think you have an innovation problem, think again. You don't have an **innovation** problem. You have a **trust** problem.

# About us.

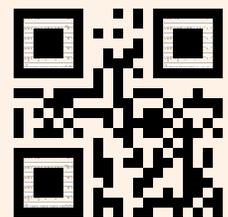
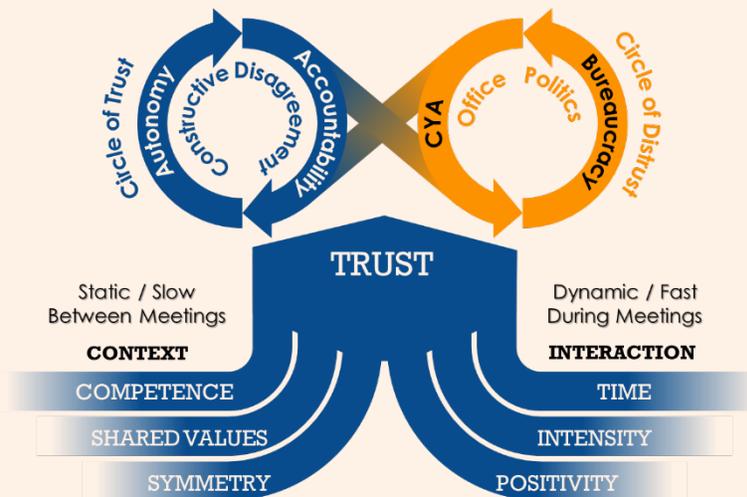
Dr. Yoram Solomon is the founder of the *Innovation Culture Institute LLC* and an Innovation Culture and Trust expert. He published 9 books, 22 patents, more than 200 articles, and was one of the creators of Wi-Fi and USB 3.0. Named one of the Top 40 Innovation Bloggers in 2015, 2016, 2017, and 2018, named one of the Top 20 Global Thought Leaders in the Category of Corporate Culture in 2019, and a columnist at *Inc. Magazine* and *Innovation Excellence*.

Dr. Solomon is a Professional Member of the National Speakers Association and an adjunct Professor of entrepreneurship at the Southern Methodist University, the University of Texas at Dallas, and the Hadassah Academic College in Jerusalem. He was the host of the first TEDxPlano in 2014, and a speaker at the [TEDxOakLawn 2018](#) ([click](#) to watch). Dr. Solomon was elected in 2015 to the Plano Independent School District, where he served a four-year term.



## TrustActions™

Over the past decade, Dr. Solomon developed the trust-building TrustActions™ model, shown below, and formula. Using this formula, and through engaging keynotes, interactive full-day and half-day workshops, and more recently, through an interactive Innovation Culture & Trust Masterclass, he is helping companies build trust, and a culture of innovation. He delivered these workshops to companies such as AT&T, Qorvo, Dannon, Texas Instruments, Amway, VCE, Northrop Grumman, DRS, and many more. Participants described his workshops and programs as “transformative.” Find out more at [www.innovationcultureinstitute.com](http://www.innovationcultureinstitute.com)



Text **TRUST** to **21000**

**Get in touch!**  
**(972) 332-1490**

[info@innovationcultureinstitute.com](mailto:info@innovationcultureinstitute.com)