

Trust has the power to generate more profit, says researcher

EXAME exame.abril.com.br/revista-exame/a-confianca-tem-o-poder-de-gerar-mais-lucro-diz-pesquisador/



Paul Zak: The secret is to create situations that stimulate the production of oxytocin (Marc Piron / Disclosure)

American economist Paul J. Zak, director of the center for neuroeconomics studies at Claremont University in California, has become one of the world's most respected researchers in the field of **neuroscience** applied to social behavior. Over the past two decades, he has devoted himself to the discovery of brain chemistry that fosters mutual trust between members of the same team. In field research, he found: environments in which people trust each other tend to be more productive.

The logic is explained by biology: the sense of confidence stimulates the natural production of oxytocin, a hormone that makes people more empathetic, collaborative and predisposed to share goals. A virtuous cycle is formed in which these attitudes generate more confidence. The thesis is in his **book** *Trust Factor: The Science of Creating High Performance Companies* (something like - "Factor trust: the science of setting up high-performance companies", released last year. During a visit to Brazil, Zak told EXAME.

What was your starting point in the study of the relationship between hormones and the feeling of trust between people?

There were already studies on the role of oxytocin in the social **behavior** of rodents. But little was known about the association of this hormone with trust between people. In the laboratory, I and my team of researchers have discovered that there is a direct correlation between oxytocin and trusts.

Is the same phenomenon occurring in companies?

Yes. Based on our scientific experiments in the field and in the laboratory, we tested the same concepts in companies that sought us interested in this research and found the same correlation between the culture of trust and the production of oxytocin. We have been for example the online retailer Zappos [*since 2009 controlled by Amazon*], in which the organizational culture is taken very seriously, we take blood samples and measure the employees' brain activity during the working day. At furniture maker Herman Miller we experimented to understand the impact of office architecture on factors such as innovation, collaboration, and productivity. We were also in some companies of the financial market during the crisis of 2008, as a counterpoint.

How does trust between people impact results?

With higher levels of oxytocin in the brain, people become more empathetic and willing to help others, which tends to increase collaboration and productivity at work. In a study of 300 large companies in the United States, we found that companies that evolved to a high level of confidence increased employee-generated revenue by \$ 10,000 per year. That is, in a company that has 5,000 employees, boosting the trust environment will bring \$ 5 million to results. The return is very high.

What are the triggers in this "culture of trust" that stimulate oxytocin production?

We identified eight main factors: recognize the outcome; provide challenges and give feedback; show empathy and consideration; grant autonomy; be transparent; encourage social interactions; and support personal and professional growth (*see box on page 32*). We tested all these elements in the lab and on the field - with 50 of the largest companies in the United States and a tribe in Papua New Guinea.

Why also in Papua New Guinea?

We went to a locality far from western culture to be sure that the effect of oxytocin was universal. And we come to the conclusion that, in fact, it is. In the group we analyzed, there is an interesting dynamic. The boss is not the strongest or smartest man in the tribe, but the one who is more dedicated to helping the other members of the group.

Are there differences between men and women in oxytocin production?

Women naturally produce more oxytocin. From the perspective of leadership, this means they tend to establish relationships and read the emotions around more easily. And, if someone wants to be the best manager, they need as much information as they can, far beyond numbers. In the experiments we did, we gave some groups extra doses of testosterone and they became more selfish and less able to read the emotions of others. Testosterone and also cortisol - hormone released under stress - inhibit oxytocin production. In the financial sector it is common to find high levels of testosterone, which makes people enjoy taking risks and having status. The ideal is to strike a balance between the action that testosterone provides and the cooperation and empathy stimulated by oxytocin.

How to start a successful transition to a culture of trust?

The main requirement is that the company president embrace the need for change and inform employees about the project. With data, it is possible to make a diagnosis. But it's no use collecting data and then doing nothing with them. If employees respond to questionnaires and then nothing happens, leaders will lose credibility. It takes planning to implement the change from start to finish, tell who will lead it, and in the process send reminders to employees every week with examples of new desired behaviors.