

# THE ROI OF TRUST IN 15 HARD METRICS

BY KARIN VOLO

**Evoloshen**  
 Joy at work





We recently came across some interesting research from **neuro-economist Paul Zak** that has inspired us to do this report on the ROI of Trust.

Dr. Paul Zak is the founding director of the Center for Neuroeconomics Studies and a professor of economics, psychology, and management at Claremont Graduate University. He is the author of a number of books including *Trust Factor: The Science of Creating High-Performance Companies* (Amazon, 2017). His Ted Talks have had millions of views and he's working on cutting edge technology to measure trust and joy, particularly in the workplace. He is also a member of Evoloshen's Research Board.

He has been researching neuroscience as it relates to economics and high performance for over two decades. In this report, we will be sharing **15 hard metrics based on Paul Zak's work** that he found when there is a high level of trust in an organization along with some of our own observations and additional research....

We hope you enjoy this report and will be a champion for building a high-trust organization!

Karin Volo  
Chief Joy Bringer &  
CEO of Evoloshen





High Trust in organizations experience  
**74% less stress**



Stress is one of the biggest underlying causes of major diseases. Our bodies were not meant to take on excessive stress over long periods of time. This is why we see a big increase in burnout in organizations.

The World Health Organization states that stress costs businesses over \$300B per year in the US alone! According to Gallup, medical and sick leave costs contribute to roughly 42% of the \$550B per year that disengagement costs companies. If increasing levels of trust can decrease stress by 74%, then it is definitely worthwhile to look at increasing trust levels throughout the entire company!



Employees at **High Trust organizations** experience **106% more energy** at work according to research by neuro-economist Paul Zak

**Evoloshen**  
Joy at work

Neuro-economist Paul Zak has found that employees at high-trust organizations have more energy—106% more energy! Clearly, they feel more alive and enthusiastic about their work. Chances are they feel they are contributing and feel that their work is meaningful, which correlates directly to Maslow's Hierarchy of Needs as one of the basic human needs we all share.

If employees have more energy, they are likely to do their jobs better and if the entire workforce feels this way, it must show on the bottom-line results! Interesting that research can tie trust to high energy levels! What do you think? Is this your experience as well?







Employees  
have  
**50% higher  
productivity**  
in High Trust  
organizations

**Evoloshen**  
Joy at work



Imagine your team and employees being 50% more productive? What could get accomplished then? Paul Zak found in his research over two decades that this is the case in companies that have a high level of trust.

Gallup has also shown that productivity is linked to engagement. Companies that actively work with engagement and recognition show 17% higher productivity. Perhaps focusing on trust first will fix the engagement issue?

## Employees in High Trust organizations have 13% fewer sick days

According to Gallup research, disengagement costs companies upwards of \$550B per year just in the US. The statistics on burnout and stress are going through the roof. Doctors are now saying that the majority of illnesses they are treating are often related to extensive levels of stress.

Well-being has become a high priority for many companies and they work towards giving gym access, offering healthier foods, and doing team activities around exercising to give a few examples. Imagine the direct bottom line impact you can have just by focusing on increasing trust! What is your company doing either around trust or well-being?





#5

## There is 76% more engagement in high trust organizations



Wow! This is a big one! We often focus on how to increase engagement. In the years we've been working with engagement at Evoloshen, we've found that it is much easier to work on engagement when there is a high level of trust. This was one of the motivations to create our Ignite Your Trust Factor leadership training.

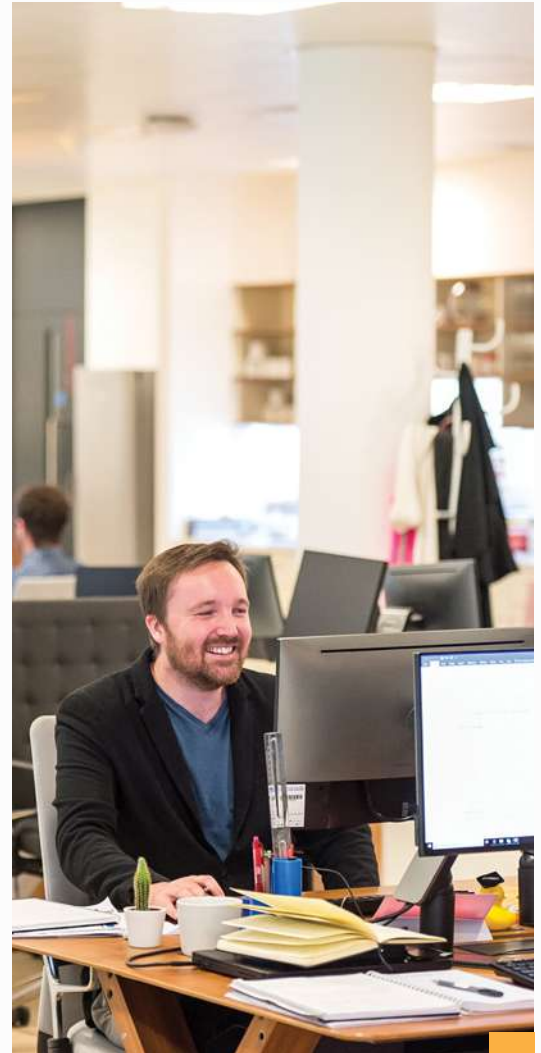
When managers in particular learn how to rapidly gain and increase trust, their teams are more productive—and engaged! This will certainly lead to more profits and the ability to have a more positive impact!

People who  
work in  
**high trust**  
environments  
have **29%**  
more  
**satisfaction**  
with their lives



Trust truly is the foundation for any relationship! When people are working in an environment that they feel has a high level of trust, they enjoy their days more, go home happier, and have an overall higher feeling of contentment with their lives. This leads to better long-term health and well-being and we can even say it impacts not only their home life, but their communities and society as well.

Companies have a HUGE opportunity to create a culture that allows people to thrive, to reach their full potential and in turn, the company will also thrive. And the core foundation to building this amazing culture starts with trust. What are your thoughts on this one?







High Trust organizations experience  
**40% LESS burnout**  
than low trust organizations!



The World Health Organization (WHO) estimates that 25% of every adult will experience burnout at some point in their lives. A recent Gallup poll stated that one in four employees feel burned out at work very often or always and half reported feeling it sometimes. Deloitte did a study on workplace health in the US that stated 84% of millennials have experienced burnout in their jobs—already!—and that women are more likely to experience than men. Even though the global economic impact has not officially been calculated yet, it is estimated that at this rate, the costs of mental illness will grow to \$16 trillion by 2030—with a big part due to burnout!

If this is NOT deal with NOW, there is going to be a huge burden for companies and on our societies in the future. However, high-trust organizations fare much better when it comes to people feeling burned out. So if the burnout epidemic can be nipped in the bud by creating a high level of trust, isn't it worthwhile to be proactive rather than reactive? Isn't it time to increase the levels of trust in your company?

**50% more** of employees working at high-trust organizations **plan to stay** with their employer over the next year

Continuing on with Paul Zak's research, he found that 50% more of employees planned to stay with their employer at a high-trust organization. This has a HUGE impact to the bottom line!

If the average cost of employee turnover is 150% of the annual salary for regular employees and upwards of 400% for management, then having employees committed to their jobs—and not actively or even passively looking for other opportunities—means they are focused, productive, engaged at work and contributing in very positive ways. What's not to like about that?







In High Trust organizations, **88% more** said they **would recommend their company** to family and friends as a place to work



Talking to employees of companies that have gone through major scandals, I've heard personally how they felt so ashamed to work at their company during that time. They dreaded the typical question of "where do you work?" at dinner parties and the negativity permeated throughout the organization, even to the detriment of their health. It's sad that any employee should feel that way about their job!

A common question in engagement surveys is: would you recommend your friends to work at our company? This question gives an indication of pride, of enjoying their workplace well enough that they could think to recruit people they care about. And Gallup research shows that people are more likely to stay at a company when they feel they have a friend at work. It's a good sign—and a fabulous resource—when employees can recommend their personal network as potential employees! Do you have a system in place for this?

#10

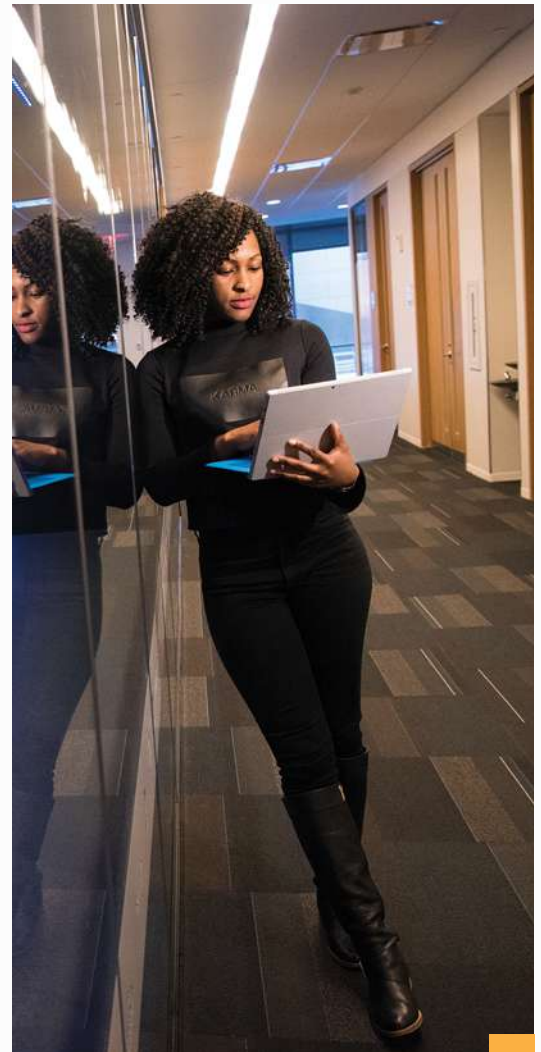
People working  
in high-trust  
companies  
enjoy their  
jobs 60%  
more

**Evoloshen**  
Joy at work



It may not seem so vital that people enjoy their jobs....but the reality is that when people are happy and excited to go to work, they are more engaged and more productive in general. They actually have better health and are taking less sick days.

All of these things have a direct impact to the profitability and success of a company. We are starting to see all the metrics that show that your company culture may just be one of your biggest assets—if it's done well!





#11

Employees are 70% more aligned with their organization's purpose in High Trust companies



**Evoloshen**  
Joy at work.



Having a clearly defined bigger purpose as to why you do what you do in your company is becoming a business imperative. The Millennials and the Gen Z's are looking for and choosing companies that are purpose-driven. Without that purpose, there will be a lack of talent for the next decade that could potentially cripple a business.

Having a bigger purpose correlates directly to our basic human needs of wanting to feel like what we do matters—it gives us meaning and significance in our lives. Clearly there is a strong link between purpose and trust....and creating an amazing company culture! Is your company purpose-driven? If not, why not? And what will it take to get there?





Employees feel  
**66% closer**  
to their  
colleagues  
when there is a  
**high level** of  
**trust** at work

**Evoloshen**  
Joy at work

When you focus on increasing trust, so many other issues fall into line. People feel closer to their employees because it creates a safe space—it ties into some of our most basic human needs. There is a ripple effect when you create a high-trust culture...and there are so many metrics that show just how much of a positive impact it has on the bottom line!

What are YOU doing to create a high-trust organization? If you'd like to discuss HOW to increase trust in your company, reach out to us at Evoloshen--we are here to serve and empower people and companies!





#13

High-trust folks have  
**11% more  
empathy**  
for their workmates  
and depersonalized  
them 41% less often

**Evoloshen**  
Joy at work



When you have empathy at work, it creates a caring culture that connects employees on a deeper level. In this day and age of digital connections, the personal interactions matters even more. The research shows that the more connected you are online, the higher levels of depression. The world becomes more impersonal so empathy helps to bridge that gap.

We've been witnessing a polarization in our world recently that only forces even more gaps between people, rather than uniting them. It's OK to disagree....as long as you can treat others with respect. That takes maturity and high emotional intelligence. Let's work to create more connection through empathy, caring and compassion, especially at the workplace! Curious to know...what do you think?



## Employees feel a **41% greater** **sense of accomplishment** in High Trust organizations

Having a sense of accomplishment gives a person a boost in energy. This ties into Maslow's Hierarchy of Needs where we want to feel like what we do matters; we need to feel significant and that we are contributing. It is important to celebrate the small wins along the way to those bigger wins to keep the motivation and drive up.

When you make it a part of your culture to recognize accomplishments, regardless of how big or small, it spreads positive energy into the organization. It reinforces the behaviors you want to see from your employees and co-workers. What are you doing to lift people up and shine a light on all they are accomplishing?





**Employees earn an additional \$6,450 a year, or 17% more, at companies in the highest quartile of trust, compared with those in the lowest quartile**



Paul Zak's research points out that the only way this can occur in a competitive labor market is if employees in high-trust companies are more productive and innovative. So a high-trust organization is not only good for the bottom line of a company, it is good for the employees! Who couldn't use a few extra thousand in their bank account? A great case study for this is the difference between Walmart and Costco. Walmart pays bare minimum wage while Costco has significantly higher wages. The culture gap between how these two companies treat their employees is pretty huge!

Although money is generally not the key motivator for people these days, it certainly helps in creating a quality life so why not take care of your employees by giving back to them financially as well? What are your thoughts on this one?

We hope you have gotten a lot out of this special report. We appreciate the work of Dr. Paul Zak. We did a great interview with him on [www.TheAmazingLeaderSeries.com](http://www.TheAmazingLeaderSeries.com) if you'd like to dive deeper into his perspectives, especially around the neuroscience as it applies to business.

Our purpose at Evoloshen is bringing joy to the workplace and we do this by supporting CEOs and management teams to work with their culture strategically. We help to increase engagement, build trust, and become purpose-driven so that both the business and the employees thrive.

Reach out to us at [support@evoloshen.com](mailto:support@evoloshen.com) if you'd like to have a Culture Strategy Session to explore where you may be able to boost your culture and ROI on trust.