

# Strengthening the trust at Frito-Lay

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*Second of two parts*

**M**anagers sometimes pull out a deck of cards to liven up meetings at Frito-Lay Inc.

The mini-flashcards are teaching tools to build its corporate culture on a foundation of trust.

Some of the cards represent behaviors that engender trust, such as *talk straight, right wrongs, show loyalty, listen*

*first, practice accountability and deliver results.* On the back are crib notes to improve your abilities. Others are characteristics that are core to credibility: integrity, intent, capabilities and results.

The cards are critical to the Speed of Trust training program developed by Stephen M.R. Covey, who contends that trust is a learnable skill. And when an organization builds trustworthiness from top to bottom, it becomes not only a more humane place to work but also faster at decision-making and more profitable.

Covey, the son of Stephen R. Covey, who wrote *The 7 Habits of Highly Effective People*, calls the folks at Frito-Lay his poster children.

"Frito-Lay was never a low-trust company," Covey says during a recent visit. "But they took what was good and said, 'We're going to make this great.' They really moved the needle to become a high-trust culture. They now move fast and get marvelous results."

All true, says Cheryl Cerminara, Frito-Lay's vice president of talent management and development.

She told her boss, Al Carey, about Speed of Trust shortly after he rejoined Frito-Lay as chief executive in 2006.

Carey wanted to reignite the corporate culture. She suggested Speed of Trust, even though it was still being developed by CoveyLink Worldwide, now a division of FranklinCovey. Covey wrote a book of the same name in 2005.

"This was a big credibility issue for me," she says. "It could have failed."

But it didn't.

## Trust all over

Frito-Lay has since made a case study video about its experience with the program in which Carey tells how being an early adapter helped the company weather the economic storm of 2008-09.

When energy-fueled inflation — followed by economic destruction — throttled Frito-Lay's profit margins, the company's collapsed decision-making layers were able to restructure its pricing system in five weeks instead of 16 weeks that it previously took.

"We trust each other. There's no need for the extra bureaucracy," Carey says on the video. "The people at PepsiCo, when they come down here to visit Frito-Lay, will say, 'Something's changed here.' It's the Speed of Trust."

Buy-in from above was crucial, Cerminara says. "We started at the top and cascaded management by management level down through the front line of the organization."

Speed of Trust training takes from a half-day to two days and costs \$75 to \$295 per person for materials if you use your own facilitators trained by FranklinCovey. On-site training by FranklinCovey costs \$5,500 to \$8,000 for a half-day session for 20 people and \$13,900 to \$18,900 for a two-day session.

Most of Frito-Lay's nearly 50,000 U.S. and Canadian employees have been trained — as have many of its suppliers and retailer customers, Cerminara says.

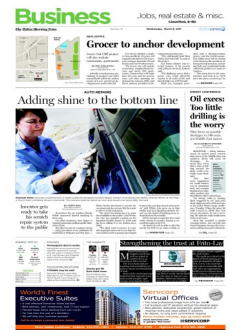
What about resistance?

"We've had very little pushback," she says, thanks to one training activity that produces instant awareness.

Pick two people: One you trust in both competency and character. The other you expect to flub up and/or stab you in the back. Then think about the extra work, energy, frustration and the untrustworthy person causes.

"Low trust is exhausting and stressful," Cerminara says. "You hear people say, 'I have to send a million follow-up e-mails.' 'I worry about it all the way home.' 'It upsets my work/life balance.' Everybody has been in a situation like this."

"It becomes much harder to not act with integrity when everyone around you is."



## What's your agenda?

Frito-Lay workers were asked to produce promotional posters. One was a finger-pointing Smokey the Bear: "Only you can prevent hidden agendas."

That backs up what Cerminara feels is the most potent card in the Speed of Trust deck: "Intent — What's your agenda?"

People get in trouble by not clearly stating their intent, she says, and that leads to misunderstandings. "When you're in a tough situation, [stating your intent] takes the emotion out of it," Cerminara says. "That intent — the desired outcome — should always be what's best for both of you. You become much kinder and more relevant."

Every year, Frito-Lay does an engagement survey that measures the satisfaction and commitment of its employees. Each year since implementing Speed of Trust, Frito-Lay's engagement index has gone up.

"We know there are other factors, so we can't say it's strictly because of Speed of Trust," Cerminara says. "But we can absolutely say our employees are aware of Speed of Trust and have seen improvement in trusting relationships. We can say that as rock-solid fact."



David Woo/Staff Photographer

**Cheryl Cerminara**, a Frito-Lay vice president, says, "Low trust is exhausting and stressful."



## AT A GLANCE

### Are you trustworthy?

Here are 13 behaviors that will make you more so:

**Talk straight.** Be honest. Tell the truth.

**Demonstrate respect.** Genuinely care for others.

**Create transparency.** Tell the truth in a way people can verify for themselves.

**Right wrongs.** Apologize quickly. Make restitution where possible.

**Show loyalty.** Give credit to others. Don't badmouth people behind their backs.

**Deliver results.** Get the right things done.

**Get better.** Be a constant learner.

**Confront reality.** Address the tough stuff directly.

**Clarify expectations.** Discuss them. Don't violate them.

**Practice accountability.** Take responsibility for results, good and bad.

**Listen first.** Don't assume that you know what matters most to others.

**Keep commitments.** Don't attempt to 'PR' your way out of a commitment you've broken.

**Extend trust.** Learn how to extend 'Smart Trust' to others appropriately, based on the situation, risk and credibility of the people involved.

### Are you credible?

Ask yourself about four core characteristics:

**Integrity.** Do you walk the talk?

**Intent.** What's your agenda?

**Capabilities.** Are you relevant?

**Results.** What's your track record?

**LEARN MORE** about Stephen M.R. Covey.

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## Apologize.



You'll both feel better.

the SPEED OF TRUST

Right Wrongs.

**Frito-Lay** employees made promotional posters as part of the Speed of Trust program.