“Rebuilding Trust and Confidence in the Financial Markets”

Bibliography

The Wharton School
Promises and Lies: Restoring Violated Trust. The intertwining issues of trust, deception, apologies, and promises are explored in a research paper by three Wharton professors who came up with a unique laboratory experiment to see what happens when trust has been violated. (July 1, 2006)
http://knowledge.wharton.upenn.edu/papers/1321.pdf

World Economic Forum
The Future of the Global Financial System: Navigating the Challenges Ahead. This report explores the forces that shape the financial services landscape in the near term and provides stakeholders with tools to approach two of the most pressing challenges of the post-crisis world: managing and resolving governments’ newly acquired equity interests in financial institutions and restoring trust in financial institutions. (2010)

Harvard Business Review
Rebuilding Trust, special issue of Harvard Business Review. The public’s trust in business leaders has never been weaker. According to a study released in January, trust in U.S. business dropped from 58% to 38% in one year. If companies can’t address this problem, an economic turnaround may be delayed indefinitely. A complex modern economy simply can’t function unless people believe that its institutions are fundamentally sound. (June 2009)
http://hbr.org/archive-toc/BR0906

Harvard Kennedy School
The Harvard Center for Public Leadership’s National Leadership Index: A National Study of Confidence in Leadership. Surveys show that while Americans are among the world’s most optimistic people, there is a clear leadership crisis as confidence in Wall Street has sunk to a new low. (2009)

Harvard Law School’s Negotiation
How Much Should You Trust? While negotiations are inherently risky, there are proven ways to reduce risk and improve your odds of success. To do so, you must focus on the very basis of your relationship with the other party: trust. This article explains why an excess of
trust in the early stages of negotiation can sour a relationship from the start – and why it’s better to build trust over time. (Iris Bohnet and Stephan Meier, March 2006)

**Did You Give at the Office? Leveraging the Power of Reciprocity.** According to the ‘norm of reciprocity,’ if you’re nice to me, I’ll be nice in return. Reciprocity can be beneficial, but depending upon the kindness of your fellow negotiators, it can also be risky. To avoid these pitfalls, follow these five steps to help deliver an act of generosity that will be welcomed and returned. (Iris Bohnet, July 2005)

**The Payoff of Trust.** Worrying about trust betrayal is natural, but it can hold you back as a negotiator. For maximum effectiveness at the bargaining table, learn to deal rationally with the risk of betrayal. (Iris Bohnet, July 2004)

**Harvard Business School’s Harvard Management Update**

**Trust: How to Build It, Earn It – And Reestablish It When It’s Broken.** In the search for the ‘new new’ thing, seasoned managers are turning to one of their oldest assets – trust – for ensuring high performance. (September 2000)

**Financial Times**

**Finance Needs Its Own Crash Safety Board.** The National Transportation Safety Board (NTSB) is a compelling model for financial reform, particularly as they take an active role in providing the media with information, reducing the likelihood of panic, and earning the public’s trust and confidence. The poor communication of the financial crisis and the cost of the bailout should be sufficient motivation to create a “Capital Markets Safety Board,” dedicated to investigating, reporting, and archiving the “accidents” of the financial industry. (Andrew Lo, March 1, 2010)


**How We Can Restore Trust in Financial Institutions.** UK Prime Minister Gordon Brown writes that the implicit economic and social contract between our financial institutions and the society they serve needs to be rethought and made explicit for new times, as the foundation of responsible stewardship of people’s money – trust – has been lost. (November 8, 2009)

http://www.ft.com/cms/s/0/a6ccb1d4-cc9a-11de-8e30-00144feabde0.html?nclick_check=1

**BusinessWeek**

**After the Crisis: Restoring Trust in U.S. Leaders.** Wall Street and U.S. business have lost the country’s confidence. We need leaders who build long-term shareholder value by serving customers and society. (Bill George, November 24, 2009)

http://www.businessweek.com/managing/content/nov2009/ca20091123_399003.htm
The Associated Press

**Analysis: A Week to Explain Public’s Lack of Faith.** To understand why people don’t trust institutions – and why America is so disgruntled – look no further than these doings in the nation’s capital this week: The health care debate is in gridlock; Toyota executives apologized for safety recalls; and lawmakers talk about job creation as companies continue to slice them. No wonder people are angry. From their vantage point, both the public sector and the private sector have let them down. But what now? (Liz Sidoti, February 27, 2010)


TheStreet.com

**Wealthy Investors Stand by Their Advisers.** Affluent investors may be disillusioned with financial institutions, and disheartened that their money-making strategies have been derailed. But that distrust doesn’t seem to be directed at their primary advisers. A survey found that, despite the stock-market crash that ended earlier this year, wealthy investors will continue to rely on financial advisers. By contrast, many of those who don’t have go-to advisers see no reason to hire such professionals. (Joe Mont, December 17, 2009)


The Charlie Rose Show

**Interview with David Brooks.** A columnist for *The New York Times*, David Brooks discusses the Obama presidency during the “great period of distrust of Washington” and how it has hampered support to tackle issues such as health care, energy, and financial reform. (February 9, 2010)

[http://www.charlierose.com/view/interview/10852#frame_top](http://www.charlierose.com/view/interview/10852#frame_top)

Egon Zehnder International

**Rebuilding Trust in Asset and Wealth Management: Strategic Marketing to Revive Brand and Client Connection.** The major upheavals that have recently shaken global financial markets are unlike anything experienced in decades. While short-term measures have focused on bringing stability and confidence in the overall financial system, it will take time and an unrelenting client-centric approach for firms to rebuild trust with their clients. As asset and wealth management firms go about rebuilding that trust, they could benefit from adopting a strategic marketing approach that has been a key to success in customer-centric industries like consumer goods and services. (2010)