



# The Business of Trust launch

16 November 2017

Mansion House

The Rt. Hon. The Lord Mayor  
Alderman Charles Bowman

My Lord, Minister, Sheriffs, Ladies and Gentlemen.

Welcome, all of you, to the Mansion House for what is a really important day in the modern evolution of the City of London.

*'Dictum meum pactum'*. My word is my bond. Five words that encapsulate the City of London's status as the most trusted place to do business anywhere in the world. Words that describe our position as a cornerstone of the world's financial architecture. Words that I had in my mind and on my lips when I first joined PwC 34 years ago.

But who among us would feel entirely comfortable using those words now?

Tragically few.

As we all know, public trust in business, and financial and professional services in particular, remains low – compounded by well-publicised examples of poor behaviour.

Bearing this out is the 2017 Edelman Trust Barometer, which shows a huge drop-off in public trust in institutions.

And research from my own firm, PwC, shows that fewer than 1 in 3 UK consumers trust their bank.

When you move off the high street, things look bleaker still – with only 15% of people trusting investment banks and barely one in ten trusting fund managers.

The tragedy of this pandemic of distrust is that we all rely on the services that the City provides. We all have a stake in its success and its trustworthiness.

Given this, and given the increase in global instability of which Brexit is only one manifestation, it's absolutely vital that the sector preserves its licence to operate. We must do more to meet the growing expectations of customers, stakeholders, and wider society – and preserve the sustainability of their services long into the future.

This is not a PR issue. There is no spin doctor in the world who can magic away these issues, or whisk stories like the Paradise Papers from the front pages.

It has to be positive action....across the sector.

The potential gains are huge.

Behavioural insights researchers say that social trust is one of the most important and underappreciated economic indicators that we possess.

And this is backed up by anecdotal evidence from CEOs, who say that when trust in their firms improves, so do results.

Particularly since the advent of social media, technology has brought us all closer together.

But as connectivity rises, public scrutiny intensifies.

And trust becomes the lifeblood of any and all organisations...the single biggest determinant of success – success measured in wealth created, jobs generated and prosperity spread.

That's what the Business of Trust is all about.

Working with you, we want to help create a sustainable legacy of better business... trusted by society.

Starting off by exploring exactly why this trust deficit exists...then using that information to develop a set of guiding principles that can help to shape organisational behaviour...and finally defining the practical steps that businesses can take to bring the guiding principles to life.

Exploring, developing and defining the building blocks of public trust.

We began by convening a series of day-long citizens' juries in London, Nottingham and Edinburgh, made up of small groups of citizens who broadly reflect society.

Jurors received briefings on the issue of trust and explored the topic in depth, both by discussing it themselves and by quizzing practitioners. And based on those sessions, they identified the ways in which businesses could better gain their trust.

I attended one of these sessions and quite aside from the Juries' findings, what shone through was how obvious it was that they wanted things to get better.

They were tired of distrusting their banks. They understood the contribution of the sector to employment, to tax revenue and to trade – and they wanted that broader

success to be reflected in their own relationship with the sector. And they were clear that this was possible...IF firms concentrated on the following things:

- Doing what they do well,
- Doing the right thing,
- Having a wider purpose,
- Focusing on customers, and
- Communicating clearly.

Alongside this, an advisory group of industry leaders were carrying out a separate process of reviewing and distilling thousands of years of guidelines, standards and codes of conduct. From the earliest merchants to the most cutting-edge fintech firms. Distilling them into a separate set of findings... at least we thought they'd be separate. In reality, there was a huge overlap between these professionally-developed guidelines, and the findings of our Citizen's Juries. This gave us immense confidence that we were really onto something.

Combining the two sets of findings led us to five principles, with the mnemonic 'CIVIC'.

- Competence and skills – or doing what you do well.
- Integrity – or being straightforward and reliable.
- Value to society – and helps to meet wider societal needs.
- The interests of others – and respects the interests of customers, employees and investors.
- And finally clear communication – or transparency, responsiveness and accountability.

The third step was to test these principles on a new group we've convened – the Leaders of Tomorrow. A network of the next generation of business leaders. City ambassadors and enthusiastic advocates for greater public trust in the sector. That

was last month. And they leapt at the opportunity to take our findings into their own firms and begin the process of propagation.

The fourth step is to bring the financial and professional services community together – and start defining the practical steps that we can take to bring the guiding principles to life.

That's why we're here today.

The City Corporation is already working with a huge range of financial and professional services firms to make a positive difference to public levels of trust in financial and professional services.

But with the publication of 'The Business of Trust', we're taking it up a notch...publicising our five objectives that we believe can begin to rebuild public trust in our sector. And doing so hand-in-hand with you, the City's firms.

Objective one: inspiring business to grow their positive impact. We will encourage and assist City businesses to embed the guiding principles of trust into their core functions.

Objective two: helping businesses to meet tomorrow's challenges. We are supporting the Leaders of Tomorrow network to become agents of change within their organisations and wider sectors.

Objective three: exploring the changing role of business in society. We will share research on the public perception of business, and provide a platform to debate the common characteristics of better, more trusted business.

Objective four: working with others, at home and overseas, to build trust in business. As Lord Mayor I will promote the City as a trusted cluster of choice. And

at home and abroad, we will conduct a series of live interviews with local captains of industry, creating a 'scrapbook of trust' that we can then share throughout our networks.

And objective five: we will connect with communities to take this discussion further. For example, I'm looking forward to welcoming some of London's young people into Mansion House itself, as part of a new work shadowing programme.

Those are our five, ambitious but straightforward strands of activity.

But here's the thing: we can't do it alone.

My ask of you is: consider how these same principles might be woven into the very fabric of your firms...how we can all live and breathe the business of trust.

And beyond that: I want to hear what works! I can publicise your experiences and your findings – but only if I know about them.

As an example, yesterday I opened the new Liverpool Street branch of Metro Bank. Customer service is their USP – and it's helped them to establish a foothold on the High Street. The first new High Street bank for a century. That's what happens when you put these principles into practice.

But however it works for your specific firms, one thing is certain: taking action to rebuild trust is not just vital for the long-term health of the sector as a whole. It is also important to every individual business across the country, to government, to civil society and the wider public.

I hope the many organisations represented here tonight will join us in putting responsible business practices at the heart of what we do. My door is always open to those who want to talk with me about how we can best take this forward.

You will have my backing.

You will have the backing of the City Corporation.

You will have the backing of investors, of staff, of stakeholders of all types.

And most importantly, you will have the backing of the public – the ultimate value-creators – who are so, so keen to see a new wave of better business...trusted by society.

Thank you – and I'd now like to hand over to Lord Henley, minister at the Department for Business, Energy and Industrial Strategy.

I know that the Business of Trust fits perfectly with his government's quest to make a fairer economy for all, so I'd like to extend sincere thanks to him for speaking here this evening. Lord Henley – over to you.