BCG

Weekly Brief

November 17, 2026

Trust Busted, and the Hard Road Back

Over the past couple weeks, I've often been asked what I think about the US midterm elections. Like anyone, I have my personal views on the issues and outcomes. But when I put on my BCG hat, the idea I keep coming back to, both after the midterms and in response to many of the headlines of the past month, is the importance of trust.

It's said that trust is built in drops and lost in buckets. That holds for leaders, for companies, and increasingly for technology, starting with AI. Citizens, governments, investors, employees, and customers are all asking some version of the same question: can I count on leaders and organizations to do what they promise and to act in my interest? That question applies to every kind of leader. For CEOs, it's one I've been thinking about for a long time.

The CEO as Chief Trust Officer

Next April, I'm publishing my first book, The Six-in-One CEO: Redefining Leadership for a High-Speed, High-Stakes World, which dives into six roles that CEOs increasingly need to embody. I look forward to sharing more about the book in the coming months. But in the current moment, I couldn't wait to talk about one of the six roles: the CEO as chief trust officer.

Trust is one of a business leader's crown jewels. It's embedded in your organization's valuation multiple and your license to operate. It determines whether employees, customers, regulators, and communities will give you the benefit of the doubt when things get

hard.

That's especially true when it comes to AI. Our research shows that among employees who say their CEO's approach to AI has increased their trust, half are more willing to go above and beyond on the job. Among those who say it has eroded their trust, less than 10% are.

The Hard Road Back

Losing trust is painfully easy. BCG's research indicates that 30% of large companies have experienced events that led to a large-scale decline in trust. For those companies, only one-quarter recovered to previous trust levels within a three-year period. When you lose trust, you destroy value, economically and in many other ways. And as hard as it is to earn it, it's much harder to rebuild.

Being a chief trust officer requires five disciplines:

- **Institutionalizing vigilance and transparency on trust perception and risk.** The warning signs of a breakdown in trust are usually there, but they often go unheeded if word doesn't make it to the top. And since people will only speak up if they feel comfortable doing so, psychological safety within an organization is critical.
- **Grounding choices in purpose and values.** Without that clear anchor, leaders make decisions situationally and, therefore, without consistency—maybe even opportunistically.
- **Aligning words, decisions, and actions with proven delivery.** Every aligned move deposits more trust capital for the future.
- **Hard-wiring trust into the operating and measurement system.** If promotion decisions elevate those who win at any cost, for example, a values-based culture will drift and internal trust will erode.
- **Attacking cynicism while inviting skepticism.** Skepticism is possible—and healthy—when leaders

demonstrate the traits that minimize cynicism: transparency, honesty, admitting mistakes, and celebrating those who push back.

If there's one lesson from the past month, it's that trust is an asset no leader can afford to squander. The CEOs who build it before they need it, and protect it once they have it, will have far more room to act boldly in the years ahead.

Until next time,



Rich Lesser
Global Chair

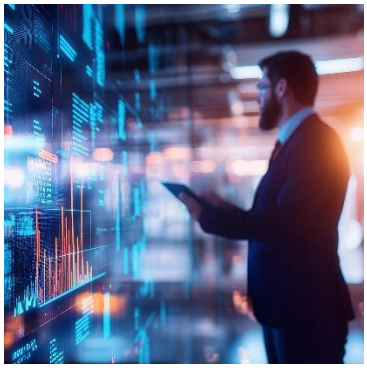
Further Insights



Trust Imperative 5.0: Building Trust in Government Through Practical AI Assurance

Most governments around the world have built the foundational principles and frameworks for AI, but organizations still struggle to apply these frameworks consistently in practice.

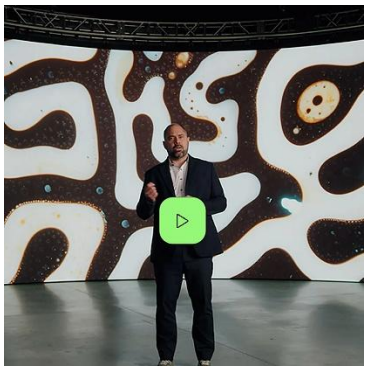
STRENGTHEN AI ASSURANCE



How to Create AI Value by Balancing Innovation and Risk

Companies can triple ROI by scaling AI innovation alongside AI governance. New research identifies six steps to foster transparency and accountability.

ALIGN INNOVATION AND GOVERNANCE



Pattern Seekers: Don’t Confuse AI Activity with AI Value

Why are some companies capturing two to three times more value from AI than others? BCG’s Vlad Lukic draws on research covering more than 1,300 companies and the thinking behind the growth share matrix.

WATCH THE AI VALUE BRIEFING

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