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REPUTATION MATTERS

HOW THE REPUTATION RISK OF #METOO IS FORCING BUSINESSES TO REEVALUATE THEIR CORPORATE CULTURE

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Real #MeToo incidents in the workplace aren't happening in a vacuum. Whether they are the most egregious examples of sexual harassment and abuse, or more subtle acts of unconscious bias, they all happen within a culture that somehow sanctions them.

NEW EXAMINATION OF CORPORATE CULTURE

That is why the reputational risks of #MeToo (we calculate that since the first Bill Cosby trial, over 670 high-profile public figures have been accused of sexual improprieties), as well as escalating global calls for gender equity, are sparking a whole new examination of corporate and organizational culture. What elements of culture enable abuse, or create a toxic work environment, and what elements preclude them?

These examinations are originating from boards and C-suites in the best instances, or — as we have seen at Nike — from employees themselves, when they feel their voices have been marginalized or ignored.

And the repercussions can upend business as usual, C-suites, and share price, or they can validate steps that have already been taken.

Of primary concern, of course, is whether there is active harassment or abuse going on in the organization. Second is how such cases have been handled, settled, and punished, as well as whether victims — or perpetrators — are still at the organization or have been compelled to leave. Third is whether there is complicity to support bad actors — or star performers — when they misbehave. And forth, whether women and men within the organization feel that jobs, salary, advancement, and seniority are limited by gender. And of course, these concerns are only the tip of the iceberg, because culture is also far bigger than #MeToo issues.

WHO CONDUCTS SUCH STUDIES?

All kinds of actors have joined the culture conversation: lawyers from a more "legally privileged" orientation; gender experts, who can sometimes address only one note of what is always a complex algorithm; behavioral economists and psychologists; consulting firms; and, yes, crisis/risk managers like my firm.

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In fact, due to the real worries around reputational risk, we are involved in conducting so many culture surveys right now I thought it might be helpful to share a few preliminary observations on how to best approach them:

WHAT DOES CORPORATE CULTURE REALLY MEAN?

Corporate culture is a term that is used everywhere, but means so many things to so many people, it almost means nothing. In fact, today it's a Rorschach test, where folks can project almost any definition on it they wish.

"Culture needs to be consciously redefined, and then that definition must be pushed down to the entire organization."

Discussed for over 50 years, at first models of corporate culture covered few of the "soft skills" that today we are realizing are key. Initially, models covered competitiveness, command, control, compliance — all critical of course — but mostly left out things like values, purpose, integrity, diversity, inclusion, emotional intelligence, respect.

And arguably it is these last attributes that are not only more important to Millennials in the age of social media, but that help define a culture where abuse and bias are eradicated versus allowed.

One of my favorite models to use is Harvard Business School Professor Boris Groysberg's model, "The Culture Factor: The Leader's Guide to Corporate Culture," featured in the January, 2018 issue of the *Harvard Business Review*.

TONE AT THE TOP, MOOD AT THE MIDDLE, BUZZ AT THE BOTTOM.

Today, you could say that the easiest way to describe corporate culture is "what behavior we tolerate or allow in the workplace," according my friend and colleague Ceree Eberly, former long-time corporate CHRO, and now Board Chair, with Gartner, of global CHROs of Fortune 500 companies.

I often quote experts who say culture is almost corporate personality. It is made up of the values, beliefs and behaviors that guide a company's practices, determine how its employees and management interact with one another, and handle outside business transactions.

It is often implied, not explicitly defined, and develops organically over time from

the cumulative traits of those who work and lead there.

Tone at the top, mood at the middle, and buzz at the bottom is another way to describe it. And a culture scan or survey is the only way to capture it.

THE RIGHT KIND OF CULTURE SURVEY

Employee engagement scores or diversity and inclusion studies don't quite capture it all. Nor do computerized multiple choice questions. Nor does only anecdotal evidence. What we have done is originate a bespoke interview system that captures all of the above and more — so that in the end, we have comparable group and sub-group metrics, individual stories, and solutions-based comments. Because of course, employees can often be terribly observant, and can sometimes come up with relatively easy fixes to the most intractable issues — if the issue is approached with an open mind.

And sometimes not. Sometimes interventions need to be far more rigorous. Culture needs to be consciously redefined, and then that definition must be pushed down to the entire organization. See Harvard Kennedy School Professor Iris Bohnet's exceptional book, *What Works*.

TURNING REPUTATIONAL RISKS INTO REPUTATIONAL ASSETS

There is no one-sized solution to any of these issues. Yet when companies get it right, they can experience tremendous benefits. And in my opinion, facts, fairness, insight, multi-disciplinary expertise, fearlessness — and compassion — are all needed to not only assess our corporate cultures correctly, but to turn them into reputational assets we can all be proud of.

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Temin and Company Incorporated creates, enhances, and saves reputations.

Temin and Company also markets by leveraging the expertise, ideas and insight of its clients to produce differentiated intellectual capital and content.

The firm helps corporations, professional services firms, and other institutions define and strengthen their public image – and their bottom line – through strategic marketing; branding; media relations; thought leadership; social media; speaker, media and leadership coaching; financial communications; and crisis and reputation management.

Strategists, coaches, writers, and social media experts are available “25/8” to assure that every crisis is addressed, and every opportunity leveraged.

Clients include the CEOs and Boards of some of the world’s largest and most well-known corporations, financial institutions, portfolio companies, pharma and biotech companies, law firms, consulting firms, publishing houses, venture capital and private equity firms, authors, politicians, and colleges and universities.