Corporate Culture

Class #4

UC Berkeley School of Law

Professor Grennan

Reflection Paper #1

Thank you. All of the reflection papers were very well done. So many of you bring unique perspectives to the subject of culture. You are smart, thoughtful, and self-aware and I really enjoyed reading the essays.

Test Your Knowledge of Class #3

True of False

1. Culture can be thought of as an informal institution.
2. Formal and informal institutions define employees' incentives.
3. Formal and informal institutions can reinforce each other or work against one another.
4. Incentive compensation can undermine culture by crowding out intrinsic motivation.
5. Hiring, firing, and promotion processes can undermine culture by replacing those who are supposed to lead and teach with those not capable of leadership.

Linking Class #1 through #4

- We spent much of the first three classes learning about what culture is and how to define it.
  - We acknowledged the challenge firm's face – namely, that different people see the same thing different ways – and thus for an organization to coordinate effectively across a diverse set of people, a pattern of behavior that is consistent needs to be created. But the pattern also needs buy-in from those at the firm. That is, the actual values, need to reflect something the leaders and employees want to aspire to (e.g., integrity). That is, people reinforce the culture. We also learned that systems can be designed to reinforce the culture.
- Today, we will finally look at how a purposeful and well-designed culture is related to business outcomes.

Outline of Class #4

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Culture and business outcomes

- Groupthink
- How firm growth (and prospects of it) can change culture and undermine performance?
  - Enron
  - Theranos
- What is the value of corporate culture?
- What business outcomes are associated with corporate culture?
- What is an effective culture?

Networking

Please take a minute to think and respond in the chat

Networking with your classmates is half the fun of being a student! Please share something about you.

If you could visit a fictional town (movie/book/TV) which one would it be and why?

Corporate Culture #4: Groupthink

Reflection

Take a moment to think and raise hand to share.

What is groupthink? How is it related to corporate culture? Why might groupthink matter for the relationship between corporate culture and business outcomes?

Groupthink

- **"Groupthink"** occurs when individuals refrain from expressing doubt or disagreeing with the group for the sake of consensus in decision-making. Group members will often set aside their own personal beliefs in conforming.

- While well-functioning teams can make decisions harmoniously and with little disagreement what makes groupthink different is that the group makes an irrational or sub-optimal decisions in which some members overlooked ethics and morals in doing so.

- Commonly in firms, members may prioritize one goal while overlooking lower priority consequences (e.g., short-term vs. long-term value, or shareholder vs. stakeholder)

Groupthink – When Does It Happen?

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Broadly, evidence suggests, groupthink is most likely to occur:

1. Under stress
2. When rationalizing a decision made by a friend

In the context of the firm, groupthink happens when:

1. An employee is subject to bullying
2. The firm has evolved into a culture of fear
3. The firm has evolved into a culture of invulnerability and excessive optimism.
4. When groups prioritize the group's internal identity (i.e., we are the experts) overall external groups or ideas (i.e., they are the enemy)
5. When appropriate amounts of risk-taking are not rewarded or judged properly
6. Group hierarchy – self-appointed members protect the leader from information that is contradictory to cohesiveness.

Groupthink – Ways to Avoid It

Firms can protect against groupthink to an extent:

1. Diversity (backgrounds, job functions, personalities) can help
2. Appointing a devil's advocate for big decisions can help
3. Providing emotional safety, people are more open-minded when they feel safe to speak outside of their main area of specialty.
4. Focusing on the unknown and what critical information is missing (e.g., Jeff Bezos' ask why?)
5. Blind commitment to "best practices" or "this is the way we do things around here."
6. "Brainwriting" rather than brainstorming to allow introverts to be heard.
7. Frame the decision differently. Time pressure can create stress and groupthink in a rush to make a decision. Framing the decision as one that will take iterations and time can help.

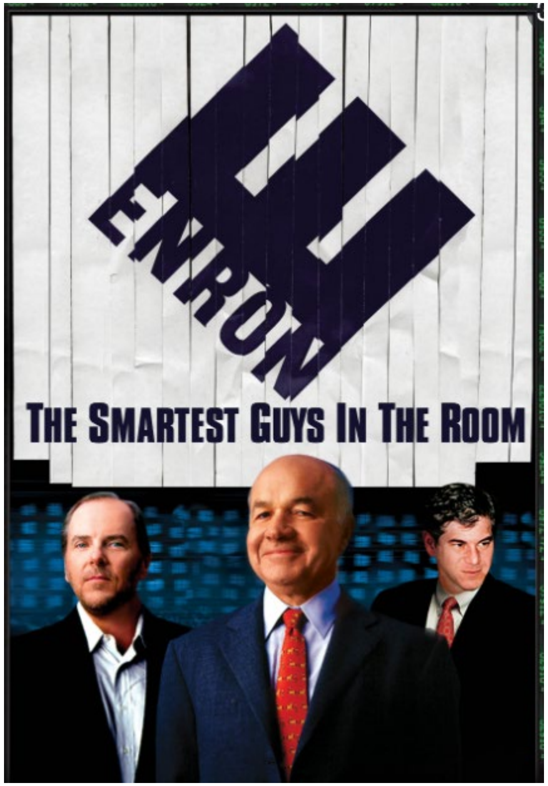
Corporate Culture #4:
Groupthink at Enron

Enron

Smartest Guys in the Room is an excellent documentary about Enron.

We will watch a short clip of it and then focus on the culture at Enron.

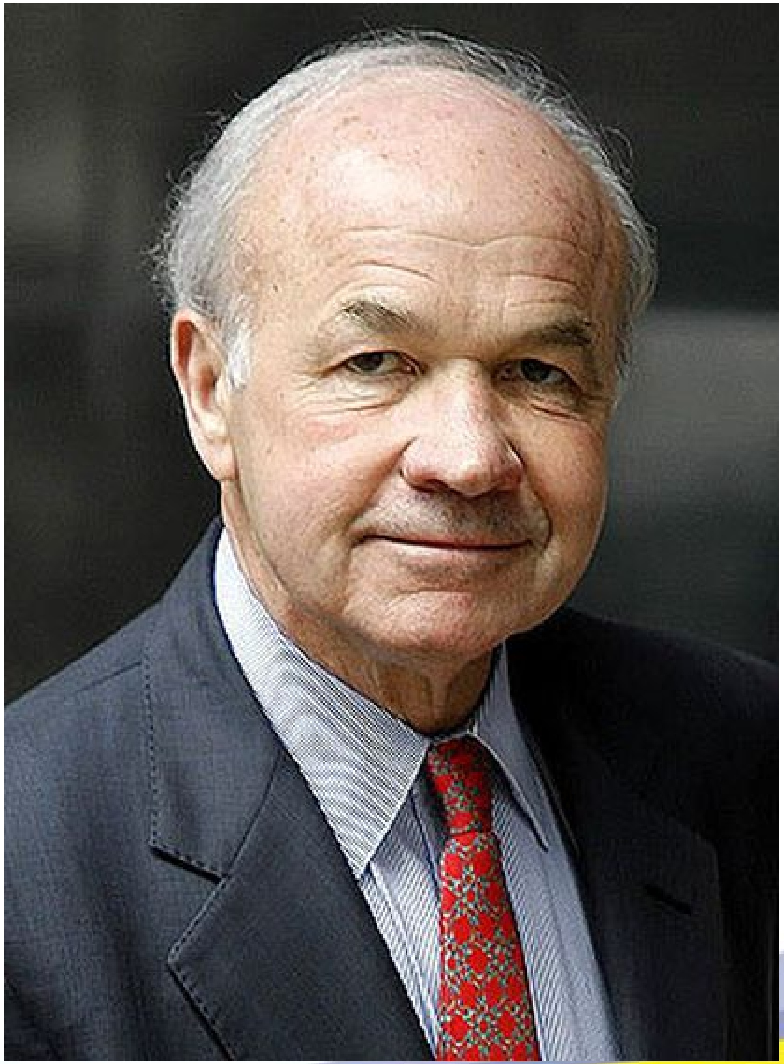
The point today is to appreciate the regulatory need for transparency, what went wrong, and what were the warnings signs.



Leadership and Financial Reports

"I don't think I'm a fool, but I think I was fooled … I can't take responsibility for the criminal conduct of someone inside the company."

-- Ken Lay, CEO/Chairman of Enron



Ken Lay (CEO/Chairman)

- Poor son of lay Baptist minister in southern Missouri
- Successful in school, earning his PhD in economics
- Went to work in DC and became an early advocate for deregulation
- Went to work in energy business in FL and TX eyeing a future for deregulated natural gas
- Made CEO of Houston Natural Gas (HNG) in 1984
- HNG and InterNorth, two small regional companies, merged and became Enron shortly thereafter
- At its peak, Enron employed 20,000 and was 7th largest firm by market capitalization (similar to Facebook, JP Morgan, or Visa)
- Enron regularly named to Fortune's "Most Innovative" company list
- Described as a big picture guy and always optimistic but often avoided confrontation
- Very close with the Bush family; at the time, Enron's donations to the Bush family was the biggest government-business relationship in history

What Is the Objective at Enron?

– Oil trading division in Valhalla, NY (inherited from merger)

– Racks up consistent profits betting on energy prices
  - Suspected of manipulating results to create illusion of steadiness
  - Suspected of ignoring capital limits

– January 1987, division head and CFO found involved in irregularities
  - Ken Lay imposed weak sanctions; allowed execs to continue
  - **The "tone from the top" set by Ken Lay was clear:** generate short-term profits at any cost (even if it compromises the long-term reputation of the firm)

What Is the Objective at Enron?

– Summer 1987, oil trading division faces devastating exposure
  • Markets kept moving against positions as they doubled-down
  • Lay brings in the guy that originally accused them of manipulation to clean up the position, fires both the CFO and head trader
  • Lay claims to be surprised both by losses and impropriety

– Recall <u>the goal of corporate finance is to maximize firm value</u>.
  • Some debate if continuously maximizing short-term value generates the same value as maximizing long-term value.
  • Most evidence suggests it doesn't. For example, that is the actions taken to maximize short-term value hurt long-term value.

Jeffrey Skilling (Visionary/CEO)

- Modest upbringing and considered very smart
- Received a scholarship to attend SMU and earned MBA from Harvard
- McKinsey consultant and head of its energy practice
- Joined Enron in 1990 to start gas trading operation
  - Had one stipulation: wanted to use fair value accounting treatment
  - Formed Enron Capital and Trade Resources
  - Became Enron President in 1995 then CEO 2001
- Described as a proponent of big, new ideas and thought one should get credit for the idea before someone stole it but not very interested in the details.
- Thought the only thing that motivated people was money
  - Implemented a “rank and yank” HR system
  - Created a culture of competitiveness, innovativeness, and risk-taking.
- Combative with sell-side analysts, famously calling one an “a**hole” on a conference call for asking him why Enron didn’t share balance sheets like everyone else.

Enron's Had Early Success

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- Enron's trading floor started by Jeff was extremely profitable
- Corporate leadership could be accredited with being:
  - Innovative: created energy derivatives markets.
    - Trading derivatives allowed energy producers and users to mitigate risk.
    - Thus, high demand for derivatives which then allowed Enron to grow substantially.
    - Enron's huge size then meant others had to trade through them.
  - Foresight: Enron benefitted from deregulation of the energy industry as prices no longer capped. This was Lay's big idea and Enron was long energy.
  - Master of regulatory arbitrage: e.g., California blackouts

- Enron's energy servicing business, also initially quite successful

Unsurprisingly Enron Won Awards

ENRON THE RIGHT CHOICE

Most Innovative Company 1 2 3 4 5 *Years in a Row!*
Fortune Magazine

America's Most Admired Companies 1 2
Fortune Magazine

100 Best Companies to Work For in America 1 2
Fortune Magazine

Forbes Platinum 400
Forbes Magazine

World's Most Respected Companies
Financial Times

Enron's Other Investments

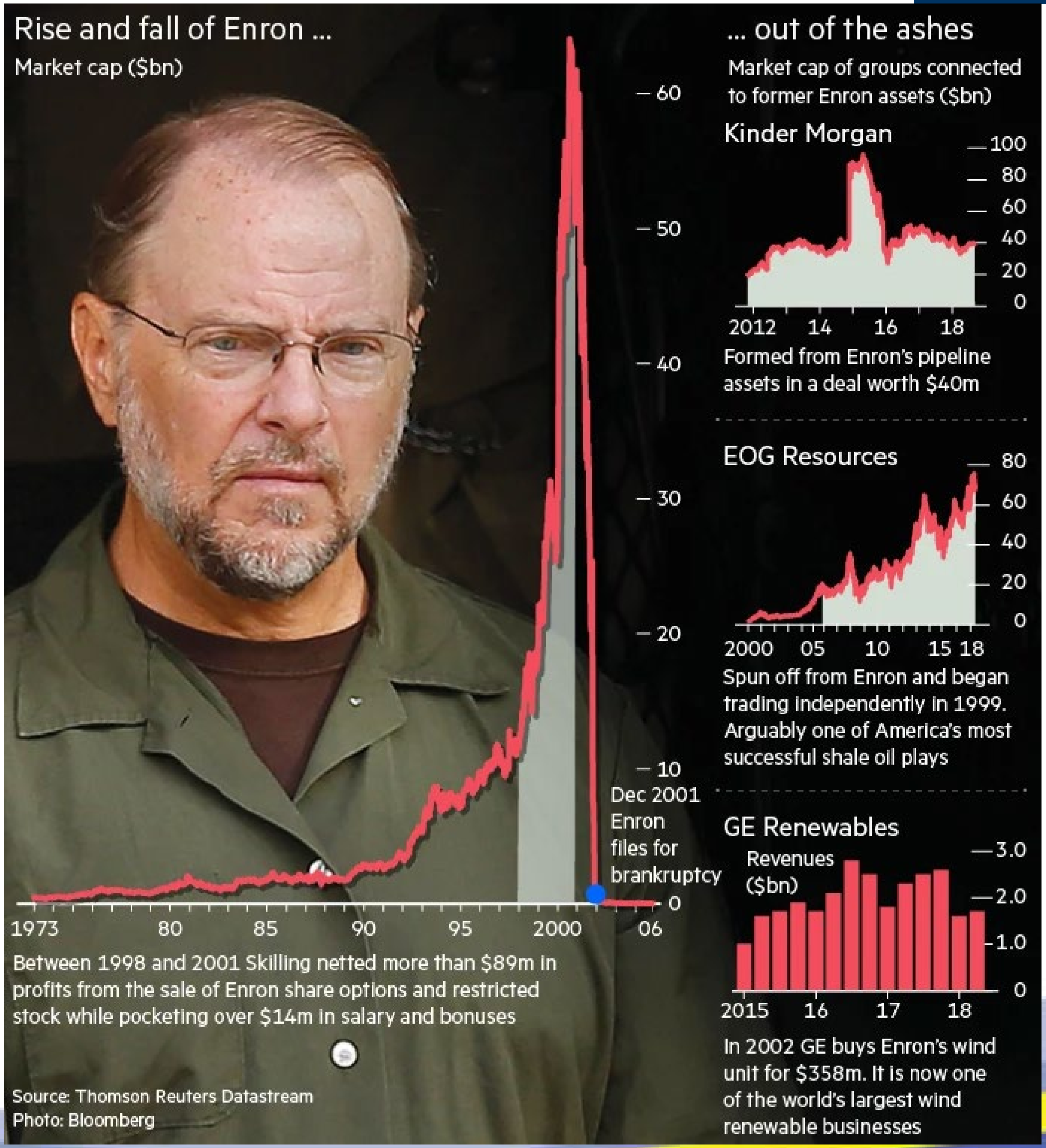
- Enron was an early investor in broadband.
  - But the boom of the late 1990s meant that it overpaid for broadband deals happen.

- In 2000, Enron partnered with Blockbuster to build video-on-demand and content streaming services (before Netflix, YouTube, or Roku).
  - The technology, content creators, and infrastructure (cable boxes) weren't there.
  - The deal fell apart within months. Normally, failed deals are written off.
  - But Enron booked a gain!!! Wait…why?! Enron argued that the idea was good and now they wouldn't need to share the profit. How is this even possible?! Jeff Skilling's fair value accounting.

Accounting for an Idea or Realization?

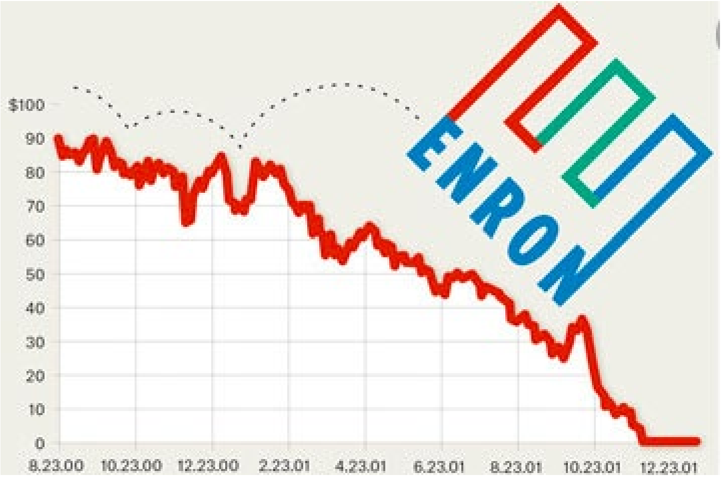
Many of Jeff's investment ideas were ultimately good but also highly speculative.

The quick demise of Enron reinforces a key dilemma all leaders seeking rapid growth face: How can the culture be maintained or used to enable rapid growth? We will discuss more next class.



Enron's Collapse

Feb. 20, 2001 ($75.09): Article expose calling Enron a "largely impenetrable" company that is piling on debt while keeping Wall Street in the dark.
Aug. 14, 2001 ($39.55): CEO Skilling resigns. Lay takes over and says in call with analysts, Skilling claims, "I never felt better about the company."



Aug. 15, 2001: Whistleblower raises concern.
Oct. 12, 2001: Arthur Andersen legal counsel instructs workers who audit Enron to shred all but the most basic documents.
Oct. 16, 2001 ($33.84): Enron reports a third-quarter loss of $618 million. Moody's downgrades.
Oct. 22, 2001: SEC opens investigation
Nov. 8, 2001: Enron admits more accounting errors.
December 2, 2001 ($0.26): Enron files for bankruptcy.

Enron’s Auditors

Enron auditors: We knew nothin’

By TIMOTHY J. BURGER
DAILY NEWS WASHINGTON BUREAU

WASHINGTON — Top officials of Enron's disgraced ex-accounting firm pleaded ignorance yesterday about murky partnerships that apparently were key to the energy giant's collapse into bankruptcy.

Arthur Andersen brass also swore to a House Energy and Commerce subcommittee that they knew nothing about alleged improper document destruction and accounting glitches until it was too late.

Andersen officials C.E. Andrews, Michael Odom and Nancy Temple, an in-house lawyer, tried to pin the debacle on fired partner David Duncan — after he invoked the Fifth Amendment in an apparent bid for immunity.

A competing hearing led by Sen. Joseph Lieberman (D-Conn.) featured former Securities and Exchange Commission Chairman Arthur Levitt, who recommended new regulations to boost the SEC's power.

Levitt described a "cultural economic erosion" during the 1990s in which companies used questionable accounting practices to meet profit expectations. Once some started, others had to do the same to remain competitive, Levitt said.

Lieberman said he will seek subpoenas for Enron's and

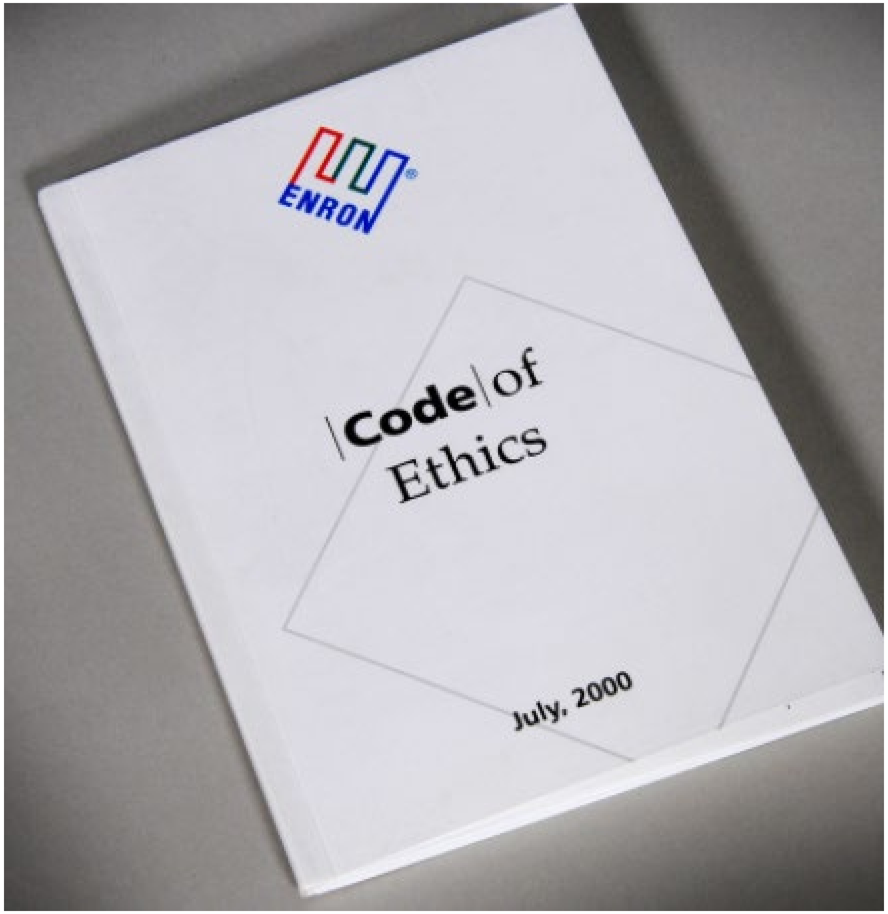
IN HOT SEAT Fired Arthur Andersen auditor David Duncan (r) took the Fifth during hearing in Washington yesterday.

- Arthur Andersen (a “Big 4” accounting firm of its era, think of it like an Ernst and Young, Deloitte, PwC, or KPMG).
- Single office (Houston) signed off on all transactions
- Enron provided big fees to Andersen
    - Andersen served as both its auditor, and its consultant (provided expert opinion on the “fair value” of Enron’s network of SPEs, about half of the $60 mil. in fees per year came from consulting
- Audit fees represented 27% of Houston office income

Enron's Board

- Enron had an experienced, independent board
  - Lay, Skilling, and one retired executive were the only insiders among 17 directors
- Median tenure was 7 years
- Audit committee was headed by Stanford accounting professor

Enron's Code of Ethics



Enron's Other Gatekeepers

- Enron's outside counsel, Vinson & Elkins, signed off on transactions
  - Relied on auditors for accounting propriety
- Sell-side analysts had conflicts of interest that biased them toward optimism
  - Enron provided $125 million in underwriting fees from 1998-2000
    - Analysts bonuses typically came from pools funded by these fees
    - Enron execs punished "unenthusiastic" analysts
- Investors bought into story of high growth and that Enron could continue its success by investing in new, high margin businesses
  - As of December 2000, Enron had P/E ratio of 70.
  - As comparison Exxon has a P/E ratio of 10, historical median for S&P 500 is 15, but… Tesla has a P/E of 180 today, and Amazon 60.

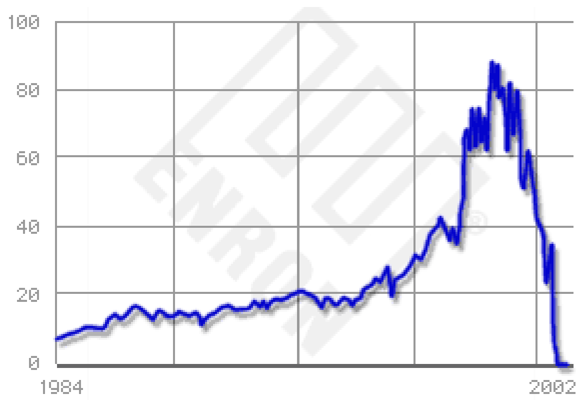
Enron's Whistleblower

Sherron Watkins, received a BA and MA in accounting from UT-Austin. She worked at Arthur Andersen before joining Enron in 1993. She had risen to VP of Development. She noticed the fuzzy accounting that had been in the relationship to the partnerships that Andy Fastow had created and wrote an anonymous letter to Ken Lay and to Arthur Anderson warning them that Enron was unstable and subject to accounting fraud.

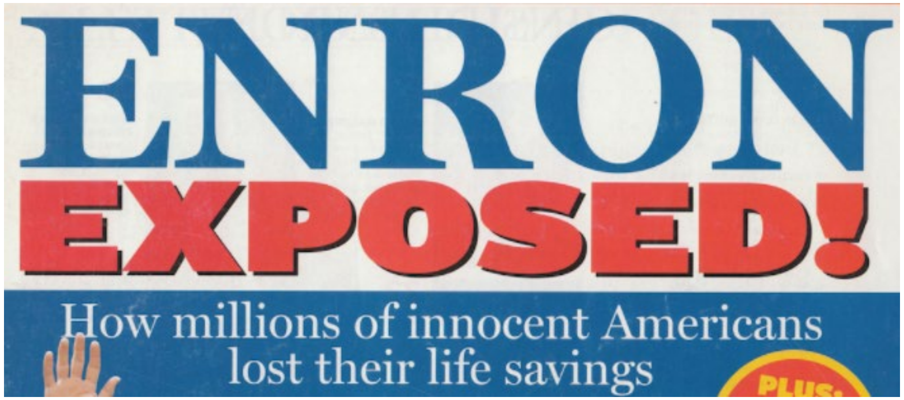
Aftermath and Public Perception

$74 billion

The amount that shareholders lost in the four years leading up to Enron's bankruptcy.



ENRON FORCED UP CALIFORNIA PRICES, DOCUMENTS SHOW



Note: In 2004, those that lost their pension won a lawsuit for $85 million, or $3100 per person.

Reflection #1

Take a moment to independently think and raise your hand to share.

Question: Was Enron about a few bad apples in leadership spreading via groupthink? If so, what does this tell you about getting to know your clients? Or was Enron more a reflection of an inadequate system of financial reporting? Or both?

Reflection #2

Take a moment to independently think and raise your hand to share.

Question: Enron grew from a small, regional firm to a stock market leader. What concerns would you have about small vs. large firms. Should firm size play a role in the questions you ask of a firm when doing due diligence or requiring disclosures. Why or why not?

Corporate Culture #4: Entrepreneurs

Entrepreneurs

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- Two different kinds of entrepreneurs: mom-and-pop entrepreneurs and high-growth start-up entrepreneurs
- What makes high-growth entrepreneurs unique?
  - **Uncertainty**: entrepreneurs face meaningful risk yet still choose to pursue the endeavor with energy and enthusiasm.
    - Examples of uncertainty: Will the product work? How will it be manufactured? Who will the customers be? Etc…
  - **Inspiring:** entrepreneurs need to inspire others to invest, to work for them rather than in some cushy tech job, etc..

Startups as a Market for Lemons

- Uncertainty and always needing to be “on” make entrepreneurs unique.
- The startups they run are also unique because of “**information asymmetry**” (i.e., quality uncertainty)
  - High-growth startups are not public firms. They are not subject to the same disclosure requirements.
  - Startups typically raise money from friends and family first who trust rather than understand the business.
  - Even with VC money, only a few people are privy to the internal workings of the firm. Also, even with VC money increasingly low due diligence and oversight early on.

What We Know About Entrepreneurs

The Returns Just Aren't There

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The Returns to Entrepreneurial Investment: A Private Equity Premium Puzzle?

By Tobias J. Moskowitz and Annette Vissing-Jørgensen*

We document the return to investing in U.S. nonpublicly traded equity. Entrepreneurial investment is extremely concentrated, yet despite its poor diversification, we find that the returns to private equity are no higher than the returns to public equity. Given the large public equity premium, it is puzzling why households willingly invest substantial amounts in a single privately held firm with a seemingly far worse risk-return trade-off. We briefly discuss how large nonpecuniary benefits, a preference for skewness, or overestimates of the probability of survival could potentially explain investment in private equity despite these findings. (JEL G11, G12, M13)

Entrepreneurial Distortions

- Entrepreneurs must inspire their audience (investors, customers, employees) to temporarily suspend disbelief and see what could be possible.

- Such distortions can have a powerful influence on culture. When distortions are a desirable action or not is a learned pattern of behavior.

Enthusiasm → Exaggeration → Falsity → Fraud

Rationalizing Lies

How entrepreneurs rationalize their lies:

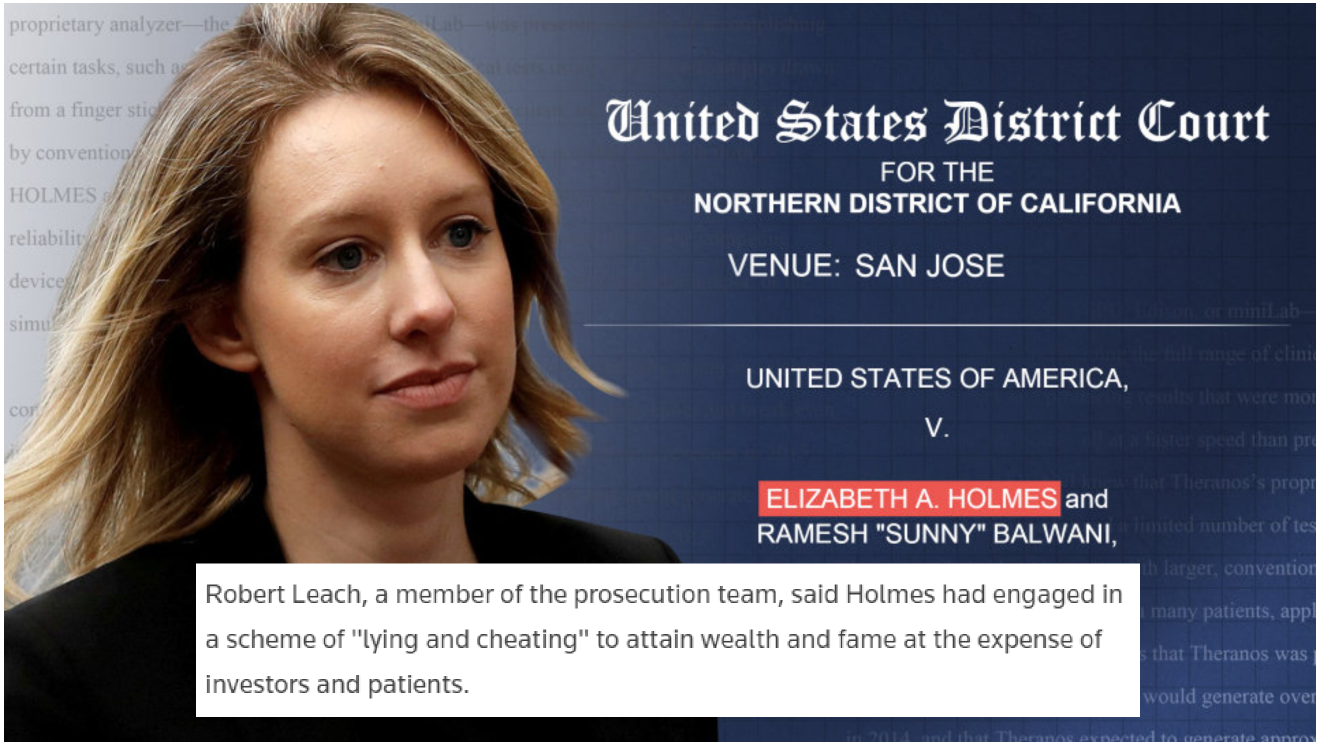
1. “It’s for the greater good” or “the ends justify the means” – essentially lying to a creditor or supplier so as to not go into bankruptcy

2. “I’m protecting my people, my employees and my friends’ investment, etc…” This is really just another variant of “the ends justify the means.”

3. “Everybody does it” or “business is business” mentality. Everyone says they will generate more revenue than expected or that the market is bigger than it really is.

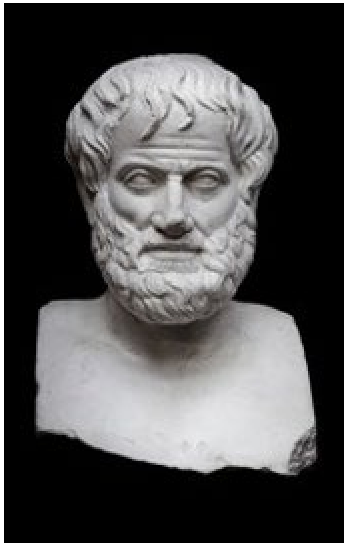
Reflection

Is Startup Failure a Crime?



How can investors and leaders eliminate deception as part of the startup culture while also encouraging entrepreneurs to take risks and be innovative?

Best Practices to Prevent This



1. **Follow Aristotle's worldview.** Be a leader or employee of a leader who believe that actions are right if they are what a virtuous person would do.

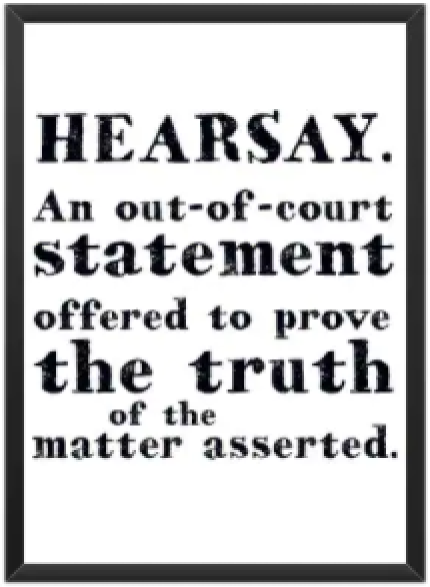
...being virtuous is more than having a particular habit of acting, e.g. generosity. Rather, it means having a fundamental set of related virtues that enable a person to live and act morally well.

James F Keenan, Proposing Cardinal Virtues, Theological Studies, 1995

Best Practices to Prevent This

2. **Evidence.** While entrepreneurs must paint a picture, the best pictures are not all make-believe but evidence-based guesses.

    - The evidence consists of the actual data collected through experiments, traction gained with a product, and third-party data like website analytics—in short, things most know and can understand.



Best Practices to Prevent This

3. **Pick friends who have your back and represent a moral social circle.**

Wise entrepreneurs surround themselves with cofounders, mentors, board members, and investors who will help them become their best selves.

Corporate Culture #4: New Groupthink

The Rise of the New Groupthink

By SUSAN CAIN

Jan. 13, 2012

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SOLITUDE is out of fashion. Our companies, our schools and our culture are in thrall to an idea I call the New Groupthink, which holds that creativity and achievement come from an oddly gregarious place. Most of us now work in teams, in offices without walls, for managers who prize people skills above all. Lone geniuses are out. Collaboration is in.

Reflection

Collaboration and creativity

vs

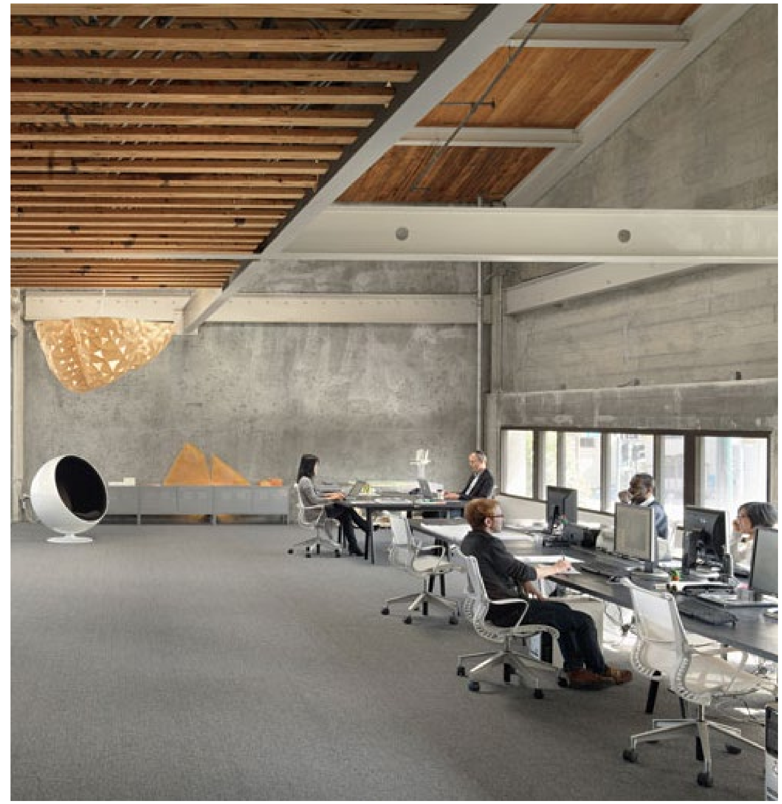
You have a client that wants their firm to aspire to be more innovative? In your experiences, what aspect of culture help to spur creativity? Team vs. lone wolf?

Quote from Apple's Co-Founder

"Most inventors and engineers I've met are like me ... they live in their heads. They're almost like artists. In fact, the very best of them are artists. And artists work best alone .... I'm going to give you some advice that might be hard to take. That advice is: Work alone... Not on a committee. Not on a team."
-- Steve Wozniak

Evidence for Introverts

Backbone, a videogame developer, adopted a fully-open industrial space in an arts district. It back-fired! Mistakes in the code, people taking longer to finish. They built cubicles and productivity increased.



Open offices can make workers hostile, insecure, distracted, and even to suffer from stress, sickness, and exhaustion.

The Watercooler Test

Yet a clever study based on watercoolers, found that meeting distant co-workers does lead to radical and breakthrough innovations.

Diverse Teams and Innovation

- Theory posits that diversity creates a trade-off between coordination and innovation.

- Recent 500+ firm study found trade-off but there was a silver lining. When the culture is framed as equality improves coordination then positive effects for innovation and coordination.

Corporate Culture #4: The Value of Corporate Culture

Culture Drives Failure/Success

Fact: Large persistent differences in outcomes across firms.

- Performance variation across firms is due to unobserved forces within the firm (Syverson (2011); Backus (2015)).
- Corporate culture is a difficult-to-observe force within companies that may explain these differences in performance.

Survey

14 questions + demographics, 1400 North American responses, another 700 international, 13.4% response rate

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Columbia Business School

DUKE THE FUQUA SCHOOL OF BUSINESS

CFO

Duke University/Columbia University/CFO Magazine Corporate Culture Survey 2015

Participation in this survey is voluntary. You do not have to answer every question and you can withdraw from participation at any time by closing your internet browser. The survey is anonymous and we will only report aggregated data. At the end of the survey, you can indicate whether you would like to receive a copy of our report.

1. Briefly, what words or phrases best describe the current corporate culture at your firm?

2. How important do you believe corporate culture is at your firm? (choose best option)

Very important	Important	Somewhat important	Not important	Don't know
○	○	○	○	○

3. In terms of all of the things that make your firm valuable, where would you place corporate culture? (choose best option)

- ○ Top 3
- ○ Top 5
- ○ Top 10
- ○ Not in Top 10

The Value of Culture

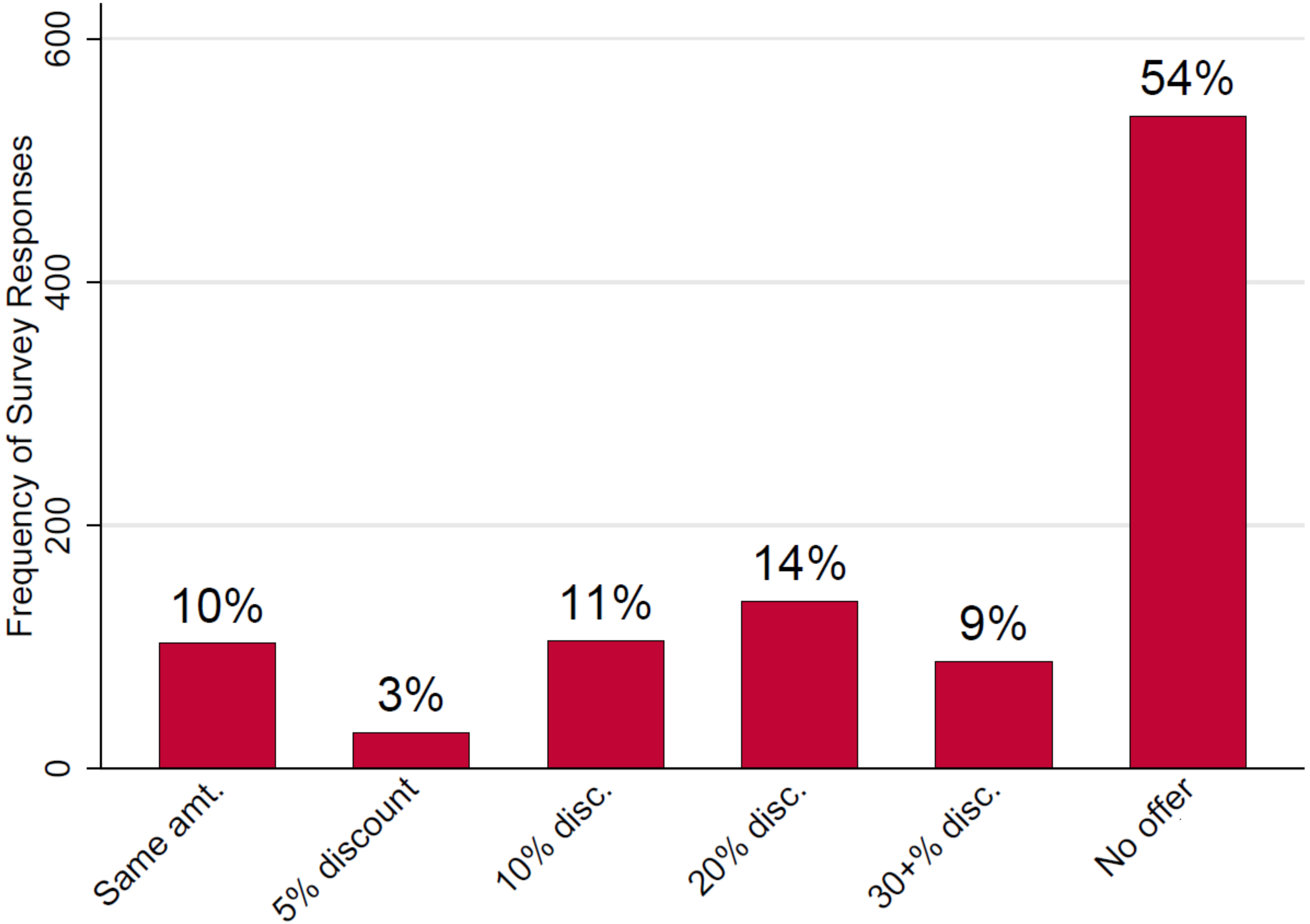
How important? 91% believe culture is "important" or "very important" at their firm.

Top value creator?
79% say at least "Top 5" and 54% say "Top 3" in terms of the things that make their firms valuable, overall ranking puts it at #1, just above strategy, operations, and leadership.

Will improving culture increase value? 92% believe improving culture will increase firm value.

Quantifying the Value of Culture

How would you discount an acquisition target that has a misaligned culture (bidder vs. target)?



Interviews Highlight M&A Value

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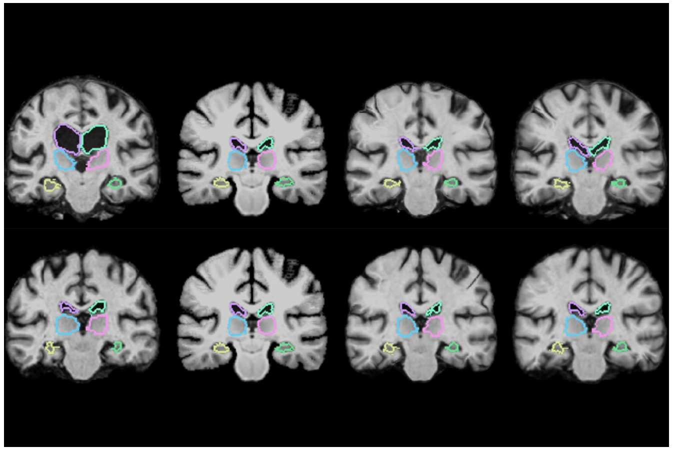
"We would test for cultural fit. If the gap is wide enough it does not matter if it is a great price. We won't move forward."

"I would definitely pay more for the company whose culture is closer. Less friction and assimilation cost, we can get it all done easier, faster and at lower cost."

"We had a checklist set of questions that we would ask about the elements of the culture and we would compare them with the key elements of our culture. For example, we would look for strong focus on customer, high levels of integrity, open door communication and so on, ... among a list of 10-12 items."

Lab Experiment to Measure M&A

- The experiment involved a manager and employee forming a "firm" and then independently developing a culture using conversational norms for quickly describing a pre-specified set of medical images.



- Next, the firms merge. One manager must now work with the original and acquired employee.

- Subjects are asked to estimate how quickly the task can be completed post-merger, the difficulty of their job, and the quality of their co-workers and boss.

Key Findings from Lab Experiment

- Managers were overly optimistic about post-merger performance and underestimated cultural conflict.

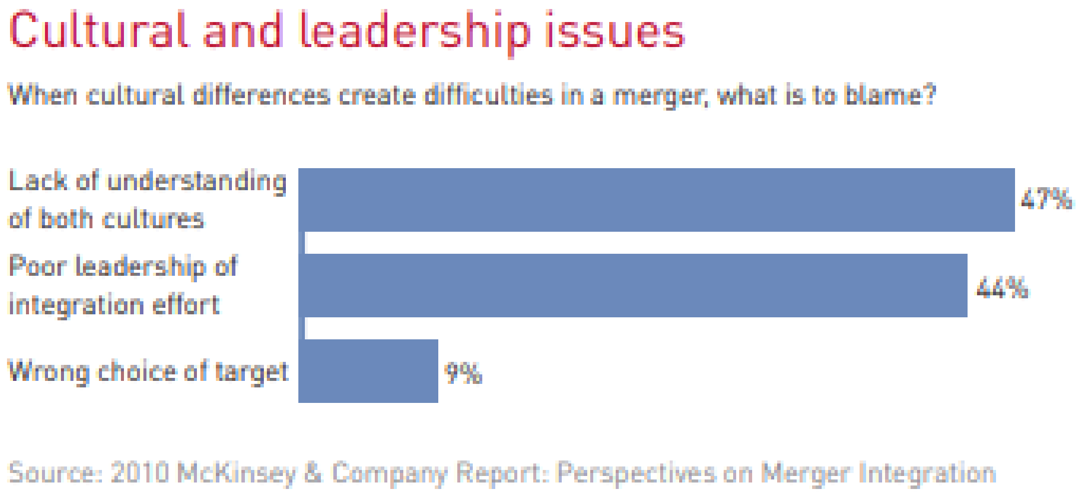
- The managers' ratings from employees meaningfully drop despite recognition of the task being more difficult post-merger.

- The ratings drop is consistent with blame being excessively assigned to the person or personality traits than culture or context.

- Findings align with real world. McKinsey study showed that 70% of mergers fail to achieve projected synergies.

Can Due Diligence Improve Outcomes?

- **Evidence is mixed on due diligence. Some claim to be able to predict which mergers will fail and succeed ahead of time. Of course, if you could you'd make a lot of money.**
- **McKinsey study suggests the key to improving M&A success is leadership and teaching/learning the culture.**



Other Actions Influenced (CEO survey)

- **Investment risk** 70% believe an effective culture is an important reason their firms take on the appropriate amount of investment risk. 29% believe ineffective culture leads them to take on too little investment risk.

- **Short-termism** 41% pass up NPV-maximizing projects and go for a project with short-term characteristics. 80% indicate their firm's culture influence their selection.

- **Ethics** 85% believe ineffective culture increases the chance that an employee might act unethically or even illegally.

- **Earnings management** 53% say an effective culture reduces the tendency to engage in end-of-quarter earnings management practices.

Are Actions Influenced By Specific Values or Norms? Ethics Example.

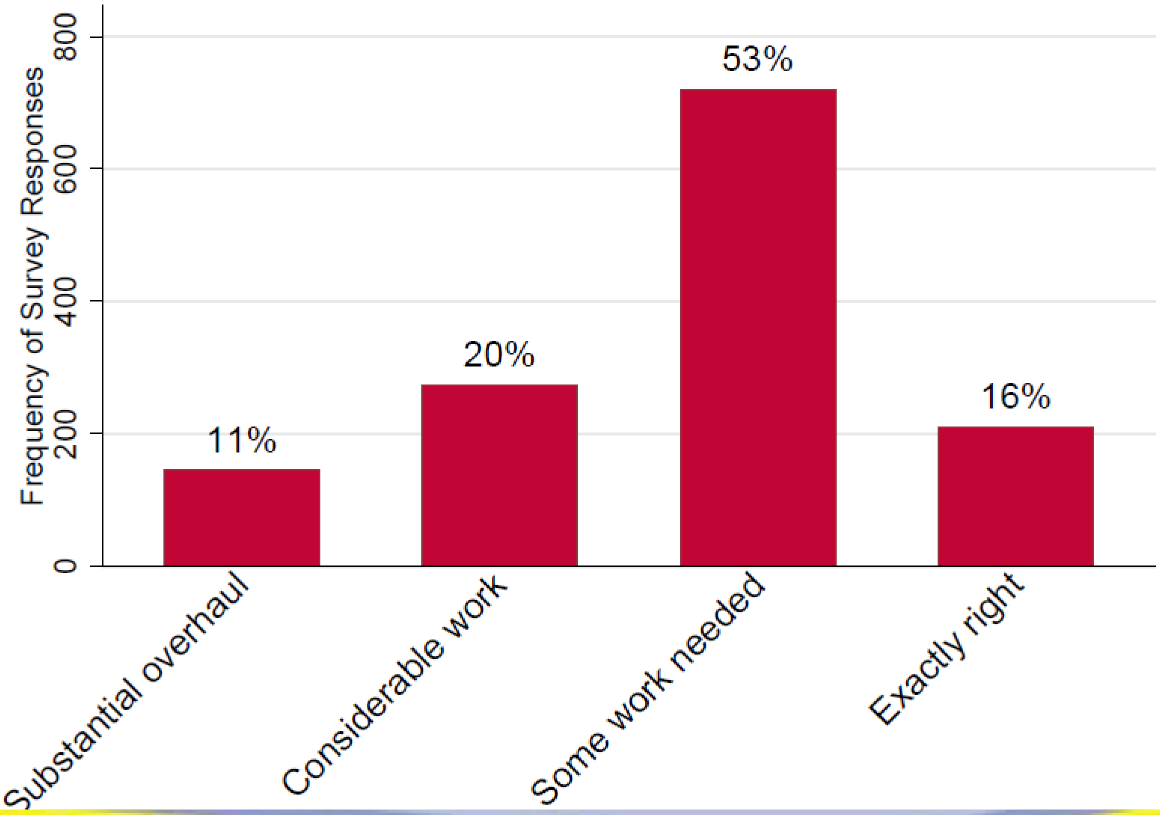
Example Ethics Outcome	Dep. Var. = Being Compliant (Q14)
Cultural values	
Integrity	**0.20***** **(0.03)**
Social norms	
Trust among employees	**0.11***** **(0.04)**
Willingness to report unethical behavior	**0.09***** **(0.03)**
Consistency and predictability of actions	**0.08**** **(0.03)**
Decision-making reflects long-term	**0.07*** **(0.04)**
Other Cultural Values & Social Norms	Yes
Formal Institutiton Controls	Yes
Noise & Demographic Controls	Yes
Observations	1115
Adjusted R-squared	23.2%

Are Actions Influenced By Specific Values or Norms? Innovation Example.

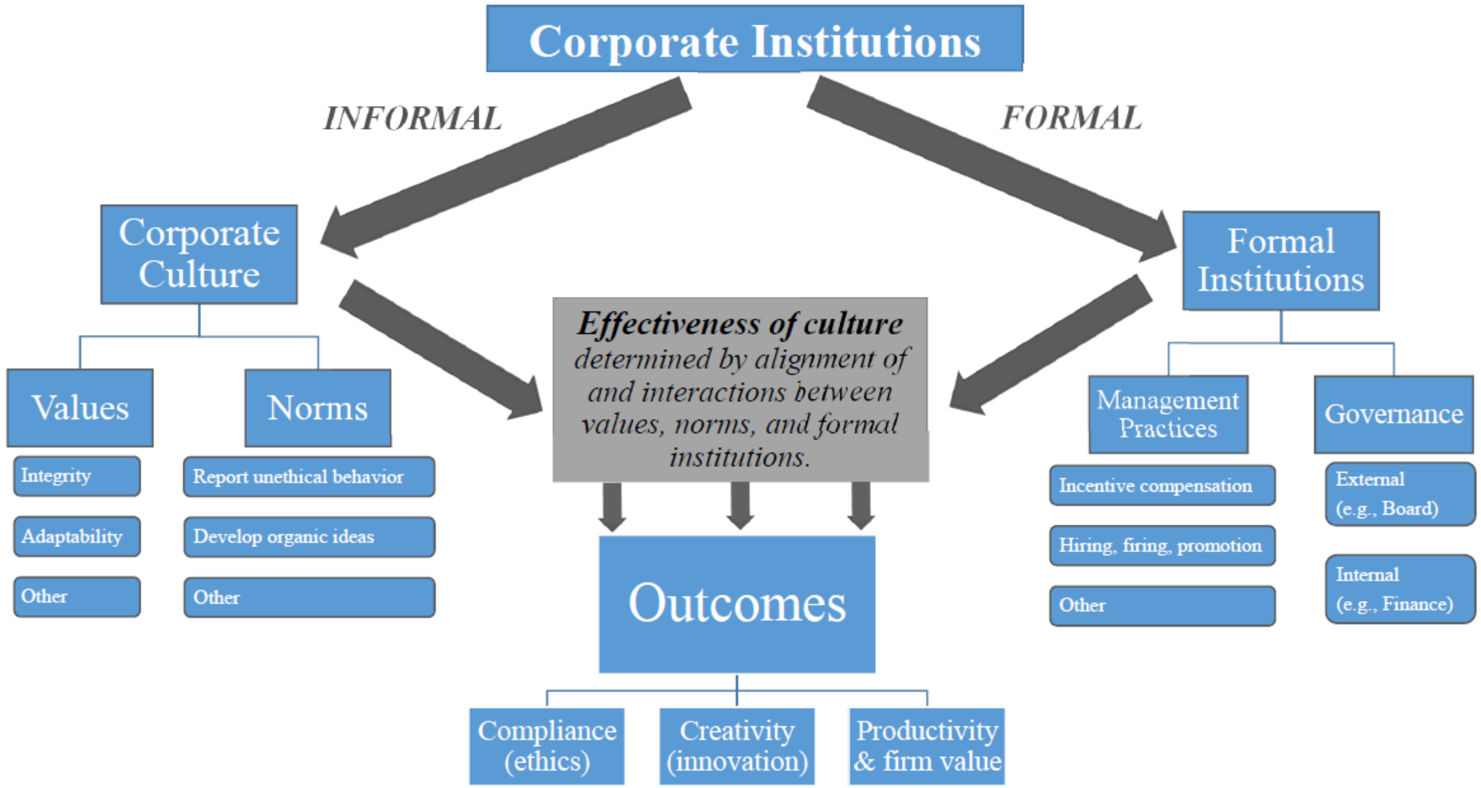
Example Innovation Outcome	Dep. Var. = Creativity (Q14)
Cultural values	
Adaptability	**0.07****
	(0.03)
Results-oriented	**-0.05***
	(0.03)
Social norms	
New ideas develop organically	**0.11*****
	(0.04)
Employees comfort in suggesting critiques	**0.11*****
	(0.04)
Urgency with which employees work	**0.08****
	(0.03)
Other Cultural Values & Social Norms	Yes
Formal Institutiton Controls	Yes
Noise & Demographic Controls	Yes
Observations	1132
Adjusted R-squared	21.4%

How Effective is Culture in Practice?

84% of respondents indicate their firm's culture is not exactly where it should be (yet 52% indicate their firm's culture very closely tracks with their stated cultural values).



Recall Our Effective Culture Definition



Linking an Effective Culture to Firm Value

Panel A. Dependent variable = Tobin's Q	Survey year (1)	2-year avg. (2)	3-year avg. (3)	4-year avg. (4)	5-year avg. (5)
Culture is where it should be (Q4b)	0.402**	0.434**	0.453**	0.440**	0.425**
	(0.184)	(0.181)	(0.178)	(0.175)	(0.170)
Firm-level controls	Yes	Yes	Yes	Yes	Yes
Formal institution and leadership controls	Yes	Yes	Yes	Yes	Yes
Noise and question controls	Yes	Yes	Yes	Yes	Yes
Industry fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	158	158	158	158	158
Adjusted R-squared	62.2%	64.0%	63.9%	62.6%	62.1%

An "effective culture" is positively related to performance in the short and long-run.

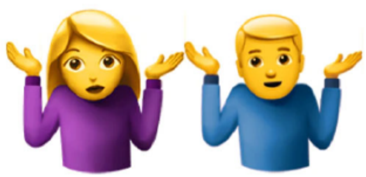
Further, evidence links culture to patenting, earnings surprises, accounting restatements, brand reputation, ESG scores, etc…

Another Take on Effective

Berkeley Law

Consensus: High / Low

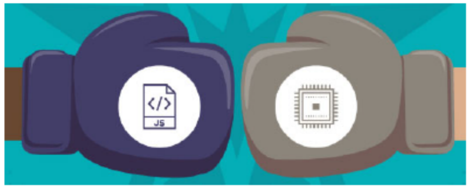
Lip-service culture: employees agree but norms do not reinforce values



Effective culture: employees agree and norms reinforce values

Silo culture: Employees disagree and few norms established

Warring culture: low agreement, high intensity for factions' norms (e.g., customer vs. engineering-driven)



Intensity: Low / High

Summary of Today's Class

<u>Culture and business outcomes</u>

- Groupthink
- How firm growth (and prospects of it) can change culture and undermine performance?
  - Enron
  - Theranos
- What is the value of corporate culture?
- What business outcomes are associated with corporate culture?
- What is an effective culture?

For Next Time

Assignment due September 15th

- Like the first assignment, 1-page reflection but on more recent material.

Reading:

- New York Times. Feb. 25, 2016, “What Google Learned From Its Quest to Build the Perfect Team” by Charles Duhigg

- (Read intro) Contreras, A. A. Dey, and C. Hill, 2020, "Tone at the Top" and the Communication of Corporate Values: Lost in Translation?” *Seattle University Law Review* 43, pg. 4974.

- (Read intro) O'Reilly, C., B. Doerr, and J. Chatman, 2018, "See you in court": How CEO narcissism increases firms' vulnerability to lawsuits. *The Leadership Quarterly* 28, pg. 365-378.