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Subject: Nancy B. Rapoport and Charlie Douglas - High Performance Organizational Teams

"My model for business is The Beatles. There were four guys who kept each other’s, kind of, negative tendencies in check. They balanced each other, and the total was greater than the sum of the parts. And that's how I see business. You know, great things in business are never done by one person. They're done by a team of people.”

-- Steve Jobs, "60 Minutes" interview in 2003[1]

Nancy Rapoport and **Charlie Douglas** provide members with commentary that helps to answer the following question: Why do some groups of people work wonderfully together and others fail catastrophically—and how can we produce more, better-performing organizational teams? As they suggest in their commentary, the answer for estate planning practitioners and organizations alike involves both a broadened understanding of the difference between teams and groups and an understanding of human nature in general.

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Charlie Douglas, JD, CFP®, CAP®, AEP® has practiced in the business, tax, estate and financial planning areas for over 30 years. He holds a J.D. from Case Western Reserve School of Law and possesses the Certified Financial Planner™ and Accredited Estate Planner designations. Charlie is the Director of Wealth Planning at Cedar Rowe Partners where he specializes in comprehensive planning solutions and services for business owners, high net-worth individuals and their families. Prior to joining Cedar Rowe Partners, Charlie held senior positions at a global wealth management company as well as various law firms and financial planning practices. A board member of the National Association of Estate Planners & Councils ("NAEPC"), Charlie is the past editor of the NAEPC *Journal of Estate & Tax Planning* and NAEPC's current Chairman of the Multi-Disciplinary Teaming Committee. He is also a member of Georgia's Fiduciary Law Executive Committee and a board member of the Atlanta Estate Planning Council. Charlie is a frequent lecturer to a number of professional organizations as well as a contributor and commentator to such national publications as *The Wall Street Journal, The New York Times, CNBC, Investment News, Kiplinger* and *Forbes.*

Here is their commentary:

EXECUTIVE SUMMARY:

Estate planning is not a solo sport but a multidisciplinary and collaborative team process. From estate attorneys, to life insurance agents, to accountants, to elder care specialists, to family dynamic facilitators, to trust and/or philanthropic officers, and to comprehensive financial planners, the estate planning industry is clearly more than any one planning professional.

Some of us may see ourselves as independent practitioners, yet our world (including the world of estate planning) is increasingly interdependent. In the history of humankind, most everything of significance was achieved by, through, and with other people. It is virtually impossible for any of us to properly serve the client, to reach the heights of our capabilities, or to make the kind of money that we want without becoming good at teamwork.

Many of us strive to accomplish our client's objectives mostly through teams inside our firms and organizations, along with teammates located outside who practice a complementary planning discipline. We all have heard about high-performing teams; too often, however, clusters of co-workers and complementary planning practitioners take on projects that achieve less than stellar results.

Why do some groups of people work wonderfully together and others fail catastrophically—and how can we produce more, better-performing organizational teams? The answer for estate planning practitioners and organizations alike involves both a broadened understanding of the difference between teams and groups and an understanding of human nature in general.

COMMENT:

Why Teamwork Matters

Groups are collections of individuals. Sometimes, those collections of individuals can end up producing great work, but that great work is an accident, not a plan. *Teams,* though, can take their organization farther. And teams are comprised of different people with different talents and perspectives. We spend a lot of time thinking about how to get our work done, and we spend a lot of time thinking about gender and racial diversity, but do we spend enough time thinking about *skill* diversity and how the right composition of our teams can make all of the difference in the world?

Consider this example from a marvelous book, *The Boys in the Boat,* about the United States crew team in the 1939 Olympics:

> [C]apitalizing on diversity is perhaps even more important when it comes to the characters of the oarsmen. A crew composed entirely of eight amped-up, overtly aggressive oarsmen will often degenerate into a dysfunctional brawl in a boat or exhaust itself in the first leg of a long race. Similarly, a boatload of quiet but strong introverts may never find the common core of fiery resolve that causes the boat to explode past its competitors when all seems lost. Good crews are good blends of personalities: someone to lead the charge, someone to hold something in reserve; someone to

> pick a fight, someone to make peace; someone to think things through, someone to charge ahead without thinking. Somehow all this must mesh. That's the challenge. Even after the right mixture is found, each man or woman in the boat must recognize his or her place in the fabric of the crew, accept it, and accept the others as they are. It is an exquisite thing when it all comes together in just the right way. The intense bonding and the sense of exhilaration that results from it are what many oarsmen row for, far more than for trophies or accolades. But it takes young men or women of extraordinary character as well as extraordinary physical ability to pull it off.[2]

We've both worked on a lot of "teams" over our careers, but most of those teams have been pulled together based on a combination of (1) people's titles at work, (2) gender and racial diversity reasons, and (3) who's around when something needs to get done. Sometimes, we really just need whoever's in the room at a given time. (Those times are called *emergencies*.) But organizations miss an opportunity to form truly high-functioning teams by not thinking more broadly about how to form a truly diverse team and how to manage the teams that already exist. And true teams will outperform randomly configured groups every single time.

Forming the Right Types of Teams.

According to the book *Team Genius,*[3] the larger the group, the less useful it is for decision-making.[4] We've all intuitively experienced this phenomenon. We get called into a large meeting because the leaders want to have key voices at the table—and there are a *lot* of key voices. There are so many key voices that more talking gets done than does any actual work. If these large committees are supposed to be doing the actual work, then a different model is necessary—a hub-and-spoke model. The idea is to have smaller subgroups that work on specific tasks, with those subgroups reporting up to the central groups. As long as there are people actively monitoring the assignments, the hub-and-spoke model can overcome the problem of a group being too large.

The group still has to understand, though, *why* it's doing whatever task it has to perform, though. Without a clear understanding of why each person is at the table and what the group's end project is supposed to be, the group simply can't achieve its true potential as a team. What keeps us from recognizing these formation issues (and acting on them)?

Unfortunately, we tend to winnow lists of eligible committee members not by skill diversity but by such factors as (1) who's already served on onerous committees, (2) who will actually do the work, when push comes to shove,[5] and (3) who is not particularly annoying.[6] Part of the reason that we don't focus more on skill diversity is that we're not comfortable enforcing our colleagues' accountability—and diversity of skills only works if each person is actually providing those skills. (More on that issue in the next section.) Another reason is that no one's probably asked us to form a team based on skill diversity.

It's not easy to figure out who has which skills, and a new manager needs time and experience with someone to be able to discern his or her skills (and gaps). But if a manager has a checklist of the types of skills that a project needs, the manager can start looking for people who can satisfy the checklist. Likewise, assessment profiles, such as Clifton StrengthFinders®, can also help a manager determine how best to use particular employee skills and strengths for maximum effect.

In contrast to forming the traditional team-based model, centered on position or diversity, the Gallup Organization, in StrengthFinders®, designed a "Signature Themes" report that depicts an individual's five most dominant themes of strengths in order of rank. According to the report, an individual's "strengths" are the collective sum of their natural talents, their learned knowledge, and their acquired skillsets.

Here, managers can leverage the themes of strengths in the report toward the top of one's sequence as they strive to balance team talent in four distinct domains:

1. Executing (making things happen),
2. Influencing (selling the team's ideas both inside and outside the organization)
3. Relationship Building (being the glue that holds the team together)
4. Strategic Thinking (keeping the team focused on what they could be).

Managers of cohesive and successful teams will, in many cases, create a list of team functions and then allocate leadership and responsibility in accordance with team members' skills and strengths. It is important for managers to ensure that the team is properly balanced across the four domains above.

Assessment profiles can also be an effective way for teammates to understand their strengths and where they might wish to play. Most individuals do not have a good understanding of themselves or their strengths. Management guru Peter Drucker put it this way: “Most Americans do not know what their strengths are. When you ask them, they look at you with a blank stare, or they respond in terms of subject knowledge, which is the wrong answer.”[7] There are many positions on the team, but understanding where one can genuinely contribute the most is essential. Teams with too many players trying to be the quarterback have great difficulty in moving the ball decisively down the field.

It’s also important that the manager be aware of prior relationships that have formed among possible team members. A team comprised of people who have worked well together in the past is likely to be more successful than a team comprised of people who have longstanding grudges or constantly rub each other the wrong way.[8]

Let’s say that our organization[9] has asked us to lead the effort to create a new strategic plan. We’re going to need people who know how our organization works now—and what’s not working well. We’re going to need people who can figure out what the current competitive environment is and people who can forecast what the competitive environment might look like in ten or twenty years. We’re going to need people to gather information, to lead discussions, to interpret the data coming from a wide variety of sources, and to communicate to the organization as a whole each major stage of the process and its tentative conclusions. We’re going to need people skilled with budgets, as well as facilities management, and we’re going to need people who can figure out what the draft strategic plan is missing. We’re also going to need a superb manager who can coordinate all of these people. Using a hub-and-spoke model, we’d have to create a core group of people who have demonstrated their gravitas and who are willing to put aside their own needs for the good of the organization, and we’d need each of the core group members to take on a specific task, accomplish it, and report back.

Then we’d need to find the right people. We’d huddle together to form a checklist of skills based on these many needs, and then we’d look for people who match that checklist. If our wish list of people ended up looking as though everyone came from the same background, or looked the same, or tended to approach issues from the same perspective, then we'd have to change up that wish list to provide a better diversity of views, experiences, and approaches. Then, and only then, would we have a shot at creating a team that could help to develop a real strategic plan.

In short, if we want to form a true team, we need four factors:

(1) A thorough understanding of the team's assignment;
(2) A diversity of skills, experiences, and approaches that will enable the team to complete that assignment;
(3) The management skills necessary to keep the team performing as a team, instead of as a group of people who might, but might not, be willing and able to do the work; and
(4) A mindset that seeks interdependence and collaboration.

Our world and our workplaces are increasingly interdependent. Technological advancements surrounding the internet are helping to pave the way for greater interdependence in a global marketplace among individuals and institutions alike. In the past, workplace teams were often enduring, fixed, and confined to a geographical location. Today, however, workplace teams need to become provisional, adaptable, and virtual in order to increase their effectiveness.

High performing organizational teams are keenly aware that they are interdependent. These types of teams have members who appreciate the importance of being able to rely on each other. Such teammates commit more fully to mutual communication, cooperation, and coordination—and that commitment tends to produce a synergistic and successful outcome.

What Gets in the Way of Teamwork.

We're both fans of Patrick Lencioni's book, THE FIVE DYSFUNCTIONS OF A TEAM: A LEADERSHIP FABLE (2002). He created a pyramid that describes five related, but separate, problems that prevent groups from becoming teams. The pyramid looks like this:[10]

The progression of problems starts with the foundational problem of a lack of trust among group members: they're not ready to share their "real" selves—including their mistakes—with their colleagues. They don't believe that their colleagues will use that information fairly; instead, they fear that their colleagues will use any admission of weakness against them.[11] That's the "absence of trust" part of the pyramid.[12] An absence of trust can often manifest in passive-aggressive behavior.

When there's no foundational trust, people aren't willing to speak their minds; hence, the group avoids the necessary conflict that must occur when trying out ideas and approaches to problem-solving. Instead of healthy debate, there are side conversations or unsaid thoughts.[13] Fear of conflict prevents the give-and-take of healthy and respectful dialogue. Teams cannot truly collaborate if there is no healthy conflict from time to time. Rubber-stamping recommendations passed down from on high creates a group sheep mentality that deters true collaboration. Teams must seek out respectful dissent, even if it means saying, "we are not leaving this meeting until we have some disagreement and discussion."

Without the healthy and respectful dialogue, the group can reach "agreement" without actually agreeing. People will give lip-service to a plan but, because they never shared their own views with their colleagues, they don't really buy in to the final decision. Therefore, the plans never really seem to work.[14] That's the "lack of commitment" factor. Without true commitment, there's no follow-through. People aren't willing to say to their teammates, "hey, you were supposed to do X by Y date," because the plan isn't really a plan: it's just wishful thinking by some members of the team. If everyone had actually agreed to the plan (even if their side of the debate lost), then people would be more willing to help each other move the plan forward—assuming that their colleagues aren't being jerks (see "absence of trust").[15]

Productive team-conflict can produce positive organizational results. Yum! Brands CEO David Novak has said: "The road to real alignment is often paved with conflict, so eliminating it would, inevitably, also discourage valuable ideas and opinions that naturally accompany the brainstorming sessions. Realize that conflict can be productive and make an effort to embrace it. Expect to be challenged on your ideas."[16]

Even a plan that avoids the first four problems of bad team dynamics can fail, though. Real plans require metrics for measuring progress. People who are committed to an organization's plan should be curious as to whether the plan is progressing or whether it needs to be adjusted.[17] So how do we move from a group to a team? It takes effort from the members of the group *and* a strong leader who can give appropriate feedback to individual group members—and who is willing to fire someone who cannot put the needs of the team first. We'll build on that last point—willingness to fire someone from the team—in the next section.

What are the hallmarks of an actual team? The members:

1. … trust one another.
2. … engage in unfiltered conflict around ideas.
3. … commit to decisions and plans of action.
4. … hold one another accountable for delivering against those plans.
5. … focus on the achievement of collective results.[18]

We want to be on teams like that—a team that is selfless and that focuses on building on each other's contributions. Not only can that team accomplish its assignments, but it is also likely to be able to solve any hiccups in its own internal dynamics *by itself,* without managerial intervention. Let's use the military to give us an example of a skill-based, high-functioning organizational team. When a Special Forces team is assembled, each person is chosen based on mission-critical skills. Each team will probably have a medical specialist, a communications specialist, a light-weapons specialist, and a heavy-weapons specialist, and—in that unit—one of them will serve as the team leader. Special Ops teams cross-train in skill sets, for the obvious reason that there's a high risk that not all of them will come back from the mission. It's hard to imagine a better example of a team that knows why each member is there or that puts mission above self.

Get Rid of the Bad Apples, Especially if They're Managers

Sometimes, try as you might, someone does not want to commit to trust, debate, commitment, accountability, and measurement. Keep that person in the organization, and the organization's morale suffers—and no teamwork happens. Why? Because keeping a bad apple in the team sends a signal to the rest of the organization that the leader values the contributions of that bad apple more than he does the overall functioning of the organization. We keep what we value. We jettison what we don't value.

Here's an example, and it comes from Mitt Regan's study of John Gellene in *Eat What You Kill*.[19] John Gellene went to federal prison for his misconduct during a bankruptcy case, but his law firm had several earlier examples of serious misconduct, including stating in affidavits that he was a member of the New York Bar when he wasn't, and filing his timesheets extraordinarily late (and with consistently, and exceptionally high, annual billable hours).[20] We doubt that the fact that Mr. Gellene had been caught lying about his bar admission was a deep secret within the firm. The signal that the firm gave to its associates by not firing him was, basically, "keep billing what you're billing, and we'll deal with any lying." Ken Lay, the former CEO of Enron, gave the same signal to his Valhalla traders, who were caught overexposing Enron to billions of dollars of risk—and keeping two sets of books, to boot.[21] He should have fired those traders, at the very least. He didn't. Lesson to Enron employees: as long as you come up with a way to cover your bad dealing, you're safe.

We've seen bad managers cause wholesale employee departures and freeze out genuine discussion of issues, even by peers, in meetings. We've seen them humiliate their direct reports, bringing grown-ups to tears. The cost of bad managers includes not just lost opportunities to excel but also health issues and attrition through bad morale. Bad managers are never, ever worth it, even if they have some strong individual talent. No one's irreplaceable, and your employees are always watching your signals to determine your true values.[22]

Organizational and Team Culture Counts

Leaders and managers are not naïve about the importance that culture plays in their organization's long-term success. The problem is, however, that a shortsighted view of unfettered capitalism (particularly in public companies) can make it challenging to see much beyond next quarter's earnings or the next new client.

After all, capitalism runs on a healthy dose of self-interest. A company pays bonuses and award promotions when employees (both as individuals and as team members) contribute to the company's current bottom-line. All too often, companies are financially focused on adding the next client, not on giving existing clients great treatment. Consider, for example, that major mobile phone carriers such as Verizon Wireless, AT&T Mobility, T-Mobile US, Sprint Corporation, U.S. Cellular generally provide much more favorable cellular plans to new customers than they do to existing customers who may have faithfully been with a given carrier for many years. Major carriers create incentives to tempt customers to switch in the marketplace, not to remain loyal and stay put. Likewise, leaders and managers are often incentivized to garner new customers more than they are to keep existing clients, who have stealthily slipped into becoming part of the "rank and file."

Wall Street is not designed to necessarily reward those non-shareholder stakeholders for the more amorphous goal of "doing the right thing." Most of the time, maximizing profit and doing the right thing are not equally weighted or rewarded.[23] We have witnessed many cases in which employees are visibly and financially rewarded for having achieved a quantitative goal like sales production or billable hours. In comparison, we have seldom seen situations where an employee was publicly praised or financially rewarded for qualitative acts involving ethical conduct.

Vision and mission statements, business ethics, and doing the right thing--all so essential to culture and long-term success—can easily be cast aside in favor of maximizing profit in the short-run. And leaders can delude themselves into believing that maximizing profit is their sole and only charge as a "fiduciary" to their shareholders.[24] But we believe that the best leaders understand their larger role to many stakeholders; leaders need to be the stewards of the organization's culture.

Numerous companies such as Enron, Volkswagen, Fox News and Wells Fargo, have all experienced various degrees of cultural calamites. Those who lead teams need to pay close attention to the company's culture. Wells Fargo's recent scandal alone, while not unique within the financial industry, demonstrates the correlation between financial incentives and bad decisions that can cloud a company's culture.[25]

Consider the following excerpts from ***The Vision & Values of Wells Fargo,*** one of the preeminent cross-sell, team-based organizations, from John G. Stump, former Chairman & CEO.

> **[Our Vision]**
>
> "The reason we wake up in the morning is to help our customers succeed financially and to satisfy their financial needs, and the result is that we make money. It's never the other way around."[26]
>
> **[Our Values]**
>
> "We have five primary values that are based on our vision and provide the foundation for everything we do:
>
> - **People as a competitive advantage**
> - **Ethics**
> - **What's right for customers**
> - **Diversity and inclusion**
> - **Leadership"**[27]
>
> **[Ethics]**
>
> "We have to earn that trust every day by behaving ethically; rewarding open, honest, two-way communication; and holding ourselves accountable for the decisions we make and the actions we take."[28]

[What's right for customers]

"We value what's right for our customers in everything we do."[29]

[Our culture]

"We define our culture as understanding our vision and values so well that you instinctively know what you need to do when you come to work each day."[30]

[Culture first, size second]

"Our stock should be the best performers in any industry. But we think about achieving these goals in a very different way. If we do what's right for our team members, customers, and communities, then--and only then--will we earn sustained profits and have our shareholders see us as a great investment."[31]

[Our brand]

"The Wells Fargo brand is consistently ranked as one of the most valuable banking brands in the world. Our brand is what people say about Wells Fargo to their friends and family."[32]

[Our strategy]

"We start with what the customer needs--not with what we want to sell him."[33]

An organizational culture refers to the shared beliefs held by the organization's members which makes that organization unique.[34] In a positive and productive culture, the organization's core values are both deeply held and widely shared—starting with the those at the top.[35] Notwithstanding the principled published values and a clear clarion call for employees within "One Wells Fargo" to maintain a caring and ethical culture, Wells Fargo may have overlooked creating the types of incentives to encourage such a culture.

During the late summer of 2016, the public was shocked to learn that Wells Fargo had fired 5,300 employees over the past five years for opening an absurd two million dollars' worth of unauthorized accounts. Mr. Stumpf initially accused those. terminated employees as failing to honor the bank's vision and values. He said, "there was no incentive to do bad things."[36] The independent directors of the board disagreed.[37] Query, whether a compensated board of directors should be more engaged and responsible for the ongoing oversight of a company's culture and incentives? In an eight-page letter to the Federal Reserve, Massachusetts' Senator Elizabeth Warren wrote that the sales-practices scandal "revealed severe problems with the bank's risk management practices—problems that justify the Federal Reserve's removal of all responsible Board members."[38]

Was it the simply the case of an overabundance of bad apple employees at Wells Fargo, or did Wells Fargo have a high-pressure sales culture that may have started at the top? Both of us know many good and capable Wells Fargo employees. Even so, it is interesting to note that at the time of the debacle, the average bank customer (industry-wide) had 2.71 products at his or her primary bank, but the average retail customer at Wells Fargo had 6.3 products,[39] and the 2010 annual report of Wells Fargo set out a cross selling goal of eight (because according to Mr. Stumpf, it rhymed with great). Stumpf further added, "Perhaps our new cheer should be: Let's go again, for ten!"[40]

A Few Final Thoughts

Even with a great team, there will still be pitfalls stemming from cognitive errors. "The person and the situation" errors co-exist. People can fool themselves (through such errors as cognitive dissonance and diffusion of responsibility) and people can find themselves unduly influenced by their peers (social pressure).[41] There will always be some bad apples, of course, but often even good people make bad decisions because of the cognitive errors to which all humans are susceptible.

As with the case of Wells Fargo, even the best-intentioned incentives can have unanticipated consequences. Tenure is an obvious example: it's designed to protect faculty members from retribution for exploring ideas that might be unpopular.[42] But it can also protect bad actors: people who are bullies; people who do the bare minimum of work; people who fail to mentor their more junior colleagues. It's important to monitor incentives on a regular basis in order to make sure that the behavior that you want to elicit is the behavior that you're actually getting.

If your organization learns both how to form teams and how to manage teams, you'll find that it will become a better place to work, with a happier and more productive workforce and better service to your customers. It's time to add teamwork facilitation to the list of requirements for managers, and it's time to reward those who are already great at creating and managing their teams—and to reward those high-performing teams as well.

HOPE THIS HELPS YOU HELP OTHERS MAKE A *POSITIVE* DIFFERENCE!

Nancy Rapoport

Charlie Douglas

CITE AS:

CITATIONS:

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[1] *See* http://www.cnn.com/2012/10/04/tech/innovation/steve-jobs-quotes/.

[2] DANIEL JAMES BROWN, THE BOYS IN THE BOAT: NINE AMERICANS AND THEIR EPIC QUEST FOR GOLD AT THE 1936 BERLIN OLYMPICS 179-80 (2014).

[3] RICH KARLGAARD & MICHAEL MALONE, TEAM GENIUS (2015).

[4] TEAM GENIUS, *supra* n. 3, at 90-91.

[5] Service on onerous committees and who will actually do the work often provide an almost perfect overlap.

[6] Unlike the skill sets referenced in the prior footnote, this factor has no particular relationship with the other two factors.

[7] DONALD O. CLIFTON & MARCUS BUCKINGHAM, NOW, DISCOVER YOUR STRENGTHS (2001). *See* https://www.amazon.com/Discover-Your-Strengths-Marcus-Buckingham/dp/0743518144.

[8] *See* TEAM GENIUS*, supra* n. 3, at 90-91 ("In my experience, relationships and relationship skills (or lack of) [are some] of the primary causes of team breakdown or lack of performance.").

[9] In a perfect world, the two of us would work together more often.

[10] PATRICK LENCIONI, THE FIVE DYSFUNCTIONS OF A TEAM: A LEADERSHIP FABLE at 188 ("hand-drawn" version). *Cf.* Maslow's Hierarchy of Needs, http://www.simplypsychology.org/maslow.html.

[11] *See* LENCIONI, *supra* n. 10, at 188.

[12] How do you get people past their fears that keep them from being a team? You might look at books like this one: ROBERT KEGAN & LISA LASKOW LAHEY, IMMUNITY TO CHANGE: HOW TO OVERCOME IT AND UNLOCK THE POTENTIAL IN YOURSELF AND YOUR ORGANIZATION (LEADERSHIP FOR THE COMMON GOOD) (2009). You might also want to take a look at their website: http://mindsatwork.com/. It provides ways for people to figure out what makes them (rationally) reluctant to change, and their theory is a powerful way to help people—those who are willing to try—reason through their fears. Here's the "Rapoport short version" of their theory:

- People only complain about things that really bother them.
- People would like to change some of those things (goals).
- The things that people want to change are preventing them from doing something they really want to do.
- But people also have valid reasons (the "big, scary reasons") for NOT wanting to change.
- In order to test whether those reasons would lead to the results that they fear, people need to come up with mini-experiments to see if the big, scary reasons actually would come to pass.

- It's good to test-drive those mini-experiments (and stay true to the goal in question) by partnering up with someone not in your chain of command.

[13] *See* LENCIONI, *supra* n. 10, at 188. For the attorney working on a team, there will be an inherent tension between the limitations imposed on the attorney's participation in the team by state ethics rules and the free flow of information. The tie always goes to compliance with the state ethics rules.

[14] *See* LENCIONI, *supra* n. 10, at 188-89.

[15] *See* LENCIONI, *supra* n. 10, at 189.

[16] *See* Vivian Giang, *Why Embracing Conflict In The Workplace Is Highly Productive,* BUSINESS INSIDER (April 6, 2012), available at http://www.businessinsider.com/fighting-will-make-your-office-more-productive-2012-4.

[17] *See* LENCIONI, *supra* n. 10, at 189.

[18] *See* LENCIONI, *supra* n. 10, at 189-90.

[19] MILTON C. REGAN, EAT WHAT YOU KILL: THE FALL OF A WALL STREET LAWYER (2005).

[20] For a discussion of the various missed signals that the law firm had, you can read Nancy B. Rapoport, *The Curious Incident of the Law Firm That Did Nothing in the Night-Time* (reviewing MILTON C. REGAN, JR., EAT WHAT YOU KILL: THE FALL OF A WALL STREET LAWYER (Univ. of Michigan Press 2004)), in 10 LEGAL ETHICS 98 (2007), available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1017627 and at http://www.hartjournals.co.uk/le/index.html. But, really, you should read Mitt's whole book.

[21] *See, e.g.,* http://www.pbs.org/independentlens/enron/timeline80s.html.

[22] Here's a fancier way of making this point:

> Social information-processing theory argues that if one is a member of a work group in which misbehavior such as pilfering or false reporting go unsanctioned, he or she is more likely to engage in

> such misbehavior as well. That is, this theory posits that individuals adapt their behavior based on consequences that are observed and not experienced directly. If a worker is aware of misbehavior by a fellow employee and knows that he or she was punished for it, that worker may change his intention toward that misbehavior.
>
> Furthermore, employees who are inclined to misbehave may be attracted to and selected by work groups that support and reinforce this behavior.

YOAV VARDI & ELY WEITZ, MISBEHAVIOR IN ORGANIZATIONS: THEORY, RESEARCH AND MANAGEMENT 41 (2004) (citation omitted).

[23] The Tylenol poisonings and Johnson & Johnson's response provide a notable exception to this general rule. *See, e.g.,* Jennifer Letson, *How Poisoned Tylenol Became a Crisis-Management Teaching Model,* TIME (Sept. 29, 2014), available at http://time.com/3423136/tylenol-deaths-1982/.

[24] For one take on how a chief legal officer can counterbalance this tendency to seek profits over ethics, see, e.g., Colin Marks & Nancy B. Rapoport, *Corporate Ethical Responsibility and the Lawyer's Role in a Contemporary Democracy,* 77 FORDHAM L. REV. 1269 (2009), available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1376475.

[25] *See* Independent Directors of the Board of Wells Fargo & Company, *Sales Practices Investigation Report* [hereinafter *Board Report*]*,* April 10, 2017, at https://www08.wellsfargomedia.com/assets/pdf/about/investor-relations/presentations/2017/board-report.pdf.

[26] John F. Stumpf, *The Vision & Values of Wells Fargo* 5 (2015), available at https://www08.wellsfargomedia.com/pdf/invest_relations/VisionandValues04.pdf.

[27] *Id.* at 6.

[28] *Id.* at 9 (original was in boldface).

[29] *Id.* at 9.

[30] *Id.* at 14 (original was in boldface).

[31] *Id.* at 23.

[32] *Id.* at 26.

[33] *Id.* at 29 (original was in boldface).

[34] *See* E.H SCHEIN, CULTURE: THE MISSING CONCEPT IN ORGANIZATION STUDIES, 2 ADMIN. SCI. Q. 41, 229-40 (1996).

[35] *See* Y. Wiener, *Forms of Value Systems: A Focus on Organizational Effectiveness and Cultural Change and Maintenance,* ACADEMY OF MANAGEMENT REVIEW 536 (Oct, 1988); B. Schneider, A. N. Salvaggio, & M. Subirats, *Climate Strength: A New Direction for Climate Research,* J. APPLIED PSYCH. 87, 220-29 (2002).

[36] *See* Rachel Louise Ensign, *What The Wells Fargo Cross-Selling Mess Means for Banks,* WALL ST. J. (Sept. 15, 2016), available at https://www.wsj.com/articles/what-the-wells-fargo-cross-selling-mess-means-for-banks-1473965166.

[37] *See Board Report, supra* n. 25.

[38] *See* Emily Glazer, Sen. Warren Calls for Removal of 12 Wells Fargo Directors*,* WALL ST. J. (June 19, 2017), available at https://www.wsj.com/article_email/sen-warren-calls-for-removal-of-12-wells-fargo-directors-1497879475-lMyQjAxMTI3NzEwOTgxMTk2Wj/

[39] *See* Emily Glazer, *How Wells Fargo's High-Pressure Sales Culture Spiraled Out of Control,* WALL ST. J. (Sept. 16, 2016), available at https://www.wsj.com/articles/how-wells-fargos-high-pressure-sales-culture-spiraled-out-of-control-1474053044.

[40] *See id.*

[41] For a phenomenal walk through the hundreds of variants of cognitive errors, see JENNIFER K. ROBBENNOLT & JEAN R. STERNLIGHT, PSYCHOLOGY FOR LAWYERS: UNDERSTANDING THE HUMAN FACTORS IN NEGOTIATION, LITIGATION, AND DECISION MAKING (2013). *See also* Nancy B. Rapoport, *The Client Who Did Too Much,* 47 AKRON L. REV. 121 (2014), available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2412496; Nancy B.

Rapoport, *Black Swans, Ostriches, and Ponzi Schemes,* 42 GOLDEN GATE L. REV. 627 (2012), available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2131393.

[42] For a brief discussion of tenure, see, e.g., Nancy B. Rapoport, *Academic Freedom and Academic Responsibility* (reviewing MATTHEW W. FINKIN & ROBERT C. POST, FOR THE COMMON GOOD: PRINCIPLES OF AMERICAN ACADEMIC FREEDOM (Yale University Press 2009)), in 13 GREEN BAG 2D 189, 190 (Winter 2010) (quoting American Association of University Professors' classic *1940 Statement of Principles on Academic Freedom and Tenure*), available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1544932.