Culture, Brand & the Board

Marc Benioff, the CEO of Salesforce, got a letter from his employees recently asking him to sever the company’s ties with U.S. Customs and Border Protection because of the agency’s enforcement of the Trump administration’s policies to separate children from their families at the border.

The letter published by Buzzfeed stated, “Many of us choose to work at Salesforce because of Salesforce’s reputation as a company that stands up against injustice.”

Benioff sent a response, obtained by Bloomberg:

“I’m opposed to separating children from their families at the border. It is immoral. I also wrote to the White House to encourage them to end this horrible situation.”

The company ultimately decided not to sever ties.

The exchange, however, is just one example of how deep the sense of purpose runs through Salesforce as an organization.

Benioff can take a lot of credit for that. He is considered one of the most effective brand and culture drivers in corporate America today, and it’s a role CEOs and all top managers should play, says Denise Lee Yohn, a brand leadership consultant and the author of Fusion: How Integrating Brand and Culture Powers the World’s Greatest Companies.

“He has grown that organization to be so successful because he’s the culture champion for the organization,” she explains. But, she has a warning for boards.

“If you only put it on the CEO then that is risky. You could end up with a situation like Uber’s CEO Travis Kalanick who ruined the culture of that company,” she says. “The board needs to be actively involved and have active conversations with the CEOs and other leaders.”

Most boards, she continues, separate strategy from culture and brand. “They see their role as focusing on strategy and don’t understand that the two things are inextricably linked,” she maintains. “If they truly want to fulfill their responsibility when it comes to talent and managing risk, they need to see how critical it is for them to engage on those issues.”

This is a common misconception among executives, she points out, who delegate culture building to human resources and marketing. Alas, few companies have a Benioff-type chief executive, so that means the board has to play a key role to ensure the C-suite is proactively managing it.

So what should boards do at their next meeting to shepherd the integration of brand and culture? Yohn offers two key steps:

• Culture needs to be a topic in board meetings. If it’s not something that’s naturally on the board’s radar screen make it an agenda item; something you talk about briefly in each board meeting and then once a year do a deep dive. Go through measurements that your organization has, and see where the potential risks and challenges are.

• Make sure the executive committee is measuring culture and taking responsibility for it, and hold the executives accountable for measuring and leading culture.

At some point, after you put it on the agenda, over time it will become part of the natural conversations.

You can reach me at eve@directorsandboards.com.