

Papers 3 – Vantage Points

When ‘The Emperor Has No Clothes’: Performance, Complicity and Constraints on Communication in Corporate Attempts at Innovation

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When ethnographic or market research is employed to help de-risk potential products and services, the focus is typically on understanding markets, cultures and contexts external to the organization that would launch them. This paper shifts the focus to the sorts of organizational practices, beliefs, and dynamics inside large corporations, which can create the conditions in which new products are brought to market despite evidence of their risk of failure.

Keywords: Innovation, New Product Development, Ethnography, Risk

[CEO at a town hall meeting, announcing an upcoming, public sneak preview of a major product launch] ...I realize the full platform won't be ready until January, but our Nucleus division assures me they are ready for this challenge.

[Engineering teams following the meeting:]

[Speaker 1] He does know that converting the whole platform to middle out has put us six weeks behind schedule, right?

[Speaker 2] Well I'm not gonna be the one who tells him we're that far behind.

—Scene from *Silicon Valley* 2015, Season 2, Episode 5

In extreme cases, nobody believes in the truth of a certain proposition but everybody believes that everybody else believes it. In more realistic cases, most people do not believe it but believe that most people do

—Elster, 2007

In the space of a few weeks, two apparently unrelated events took place. A colleague working at a Fortune 500 company was stopped in the corporate cafeteria and asked, “Did you hear about [Product X]? You told us it would never succeed. It took four years before they finally took it off the market and there wasn't even an announcement.” This conversation took place shortly before a friend at another large company recounted to me how he had presented research indicating an unpromising outlook on a product that had recently been brought to market. He had been commissioned with assessing how to market this product more effectively but research revealed challenges that he felt would be unlikely to be resolved. Following the presentation, he was taken aside and heatedly told (referring to the senior stakeholder involved): “He knows he has a turd. You can't tell him he's holding a turd; you have to tell him what to do with it.”

If you're an anthropologist or ethnographer working in a large organization there's little doubt that you've experienced something along the lines of these two episodes.¹ Despite

¹ During the time of writing, when mentioning this phenomenon to other professionals working in large organizations, the response was almost invariably one of recognition: ‘Oh, yeah; this happens all the time where I work.’ Responses to Ladner's blog post in EPIC PEOPLE, (“Ethnographers, Bearers of Bad News”), run in a similar vein. Ladner writes, “Cursed with foresight, she is a modern-day Cassandra, warning her colleagues of

often occupying a role of ‘truth teller’ in their organizations, and with ample evidence at their disposal, anthropologists and ethnographers can sometimes do little to stop products and services at high risk of failure from being brought to market. The conditions that make this possible, even likely in some instances—is the subject of this paper. The specific reasons why a product might be at risk of failure are not at issue here, but rather the dynamics that can dispose actors in an organization to ignore, discount, or not consider the risks in the first place.

Few people in large business corporations tend to be given the explicit responsibility to “kill” products. Those few may be the ones who came up with the idea for a given product or have an attachment to it. Corporate practices of communication, including competition over, and monitoring of, who gets access to decision makers with the power to kill products, the optimistic tone often expected of communications up and down the chain of command, and the way research findings get abstracted and ‘rolled up’—combine to limit the probability that critical risk information is clearly conveyed to those with the power to kill (or delay a launch) and decrease the chances that they will recognize the degree of risk when presented.

Drawing on a series of formal and informal interviews with professionals in large business corporations and many years’ experience observing organizational dynamics as an insider anthropologist, this paper begins to examine not what gives ethnographic research its authority but what is at stake for many of its corporate audiences; what is implicitly acceptable to say and not say in different corporate contexts; the performance of roles and rituals of social interaction and the symbols and practices by which an organization maintains its legitimacy—not to mention the hierarchies, positions, and ways of thinking that come to be seen as their natural accompaniments. Each of these elements, always at threat of exposure as artifice—combine to create a climate of complicity, in which ‘everyone knows’ but does not explicitly acknowledge (e.g., the product is a dud; the launch will fail). In what follows, we take up each of these dynamics in turn.

COMPLICITY, SAVING FACE, AND GAMES PROFESSIONALS PLAY

In Goffman’s classic work on social interaction, certain ways of speaking, dressing, and interacting are expected of people in any given situation; audiences support the roles enacted by ‘playing along’ and ‘saving face’; what is not acceptable to explicitly acknowledge is that these roles are performed in the first place (Goffman 1959). Much like a play, exposing the artifice during the play, *the acting*, undermines the belief in the realness of the play and its characters.

Seen from the vantage point of the organization, at stake in the exposure of the performance of the role is the legitimacy of the person occupying that role, the legitimacy of the role in general, and the ‘game’ in which it plays a part (Bourdieu 1994). Everyone who occupies what Bourdieu calls a ‘field’ has a stake in its perpetuation; so lawyers have a stake in the legitimacy of the law, legal institutions, and the legal professions, as well as their authority to make pronouncements on the subjects thought to be in their domain. At stake

impending doom that only she can see. Written comments signal the sort of reception such “bad news” often meets in corporate contexts: “I’ve noticed a tendency for managers to explain away inconvenient findings”; or, more telling: “After many years of listening to myself say, ‘I told you so,’ on failed projects, I’d given up on any expectation of having an impact on design processes” (Ladner 2015).

in lawyers performing their role in a manner that meets expectations is the legitimacy and authority of the entire field of law.

Seen from a different angle, the various actors in a given field need to be complicit in the basic fictions that make up the founding myths, the authority, and claims that field makes. This angle implies more conscious awareness of the various compromises involved: they ‘know’ the product is a dud; the game is rigged, the rich get rich.

...[E]veryone knows the system is compromised in a thousand different ways....The first criterion of loyalty to the organization becomes complicity. Career advancement is not based on merit...above all, it's based on a willingness to play along with the fiction that career advancement is *based* on merit, even though everyone knows this not to be true. (Graeber 2015, 27)

The notion of complicity explains – at least partly – how teams and stakeholders might act as if a failure isn't looming.² It is not necessarily that these people do not believe the researcher/truth teller or the real risk of failure the evidence implies. With the notion of complicity, people may conform outwardly but not inwardly (Elster 2007).³ They may not believe but they don't say so for fear of being seen as not adequately performing their station, or losing their station. As Tocqueville put it when describing why people with minority opinions often do not speak up once the majority appears already to have decided (for example to launch a product rather than investigate whether a launch is advisable): “When you approach your fellows, they will shun you as an impure being, and even those who believe in your innocence will abandon you, lest they in turn be shunned” (1988, 256). In such a context, a stated belief—the product is worth moving forward—might take years to unravel, when it is finally, quietly taken off the market.

THE CORPORATION IN RECENT (ANTHROPOLOGICAL) RESEARCH

Most work on corporations in academic anthropology has documented and critiqued the environmental, social, and political *effects* of corporate actors rather than attempting to understand how these entities actually work from the inside (Urban and Koh 2013, Welker *et*

² The formal meaning of the term complicity is revealing of the dynamics at play that we mean to describe. Thesaurus.com proposes three main groups of “words related to” complicity: *collusion* (secret understanding); *cover-up* (camouflage, concealment, dissimulation, masking, hush-up, seal or veil of secrecy, whitewash); and *plot* (conspiracy, frame, frameup, setup, game). Note the consistent theme of secrecy or hiding, the flipside of which is *exposure*, or revealing, unmasking. The antonym to complicity is *ignorance*, so a climate of complicity is literally one lacking in ignorance – in which everybody knows, but *acts as if* they don't know. This ‘acting as if’ or covering up could be part of the explanation to why doomed products move forward anyway.

³ In a chapter on collective belief formation and conformity, besides noting Tocqueville's astute observations on the subject, Elster reports on a series of experiments on group behavior (2007, 372-387). Subjects were asked to express their view on objectively determinable things, such as the proximity of one line to another on a page. In one experiment, when asked privately, participants were able to discern the correct answer 99% of the time. However, when others (strangers) were present and stated an incorrect answer, about 1/3 of participants indicated that same, incorrect answer. Elster suggests that the explanation for this outcome is most likely fear of disapproval. One can imagine that this phenomenon might be even more common in an environment in which fear of disapproval is heightened, such as in the context of job insecurity and internal competition for resources characteristic of many large, hierarchical business corporations in the United States.

al 2011). Popular depictions, American corporate law (Gordon and Orts 2014), and academic anthropologists alike have tended to speak of corporations as unified, rational actors. They might ask questions like: ‘how could they have fired that guy, let that happen, or launched that crappy commercial or product?’ Despite their internal complexity, Welker *et al* write, “these composite institutions give off the impression of unified thinking, talking, acting subjects” (2011, 54; Welker 2016). For the most part, Welker *et al* suggest, not only have academic anthropologists not brought to light such myths and misconceptions about corporations, by focusing on the harm such entities create or enable as apparently unified actors, they have tended to perpetuate and add color to them (*ibid*; Welker 2016).⁴

Meanwhile, business anthropologists and ethnographers, seemingly well-positioned to break up homogenous views of corporations, are more often paid to contribute to corporations’ ongoing operations than comment on them from an ethnographic standpoint. When anthropologists do engage in internal ethnographic work—workplace studies—the results are often written up for internal use and thus do little to contribute to a literature or research agenda on corporations themselves.⁵ Moreover, business anthropologists or ethnographers working *for* corporations are typically under non-disclosure agreements, limiting their ability to publish on the entities that have employed them. They may worry that publishing critical commentary on their employers or consulting clients—or commentary that might be construed as critical—could undermine their chances for future work as practicing business anthropologists.

When ethnographic research is employed to help de-risk potential products and services, the focus is typically on understanding markets, cultures and contexts external to the organization that would launch them. While this work can uncover important risks or obstacles a company might face in bringing a new offering to market, it does not attend to the constraints that organizational practices, beliefs, and dynamics can present to communicating and appreciating these obstacles once uncovered.⁶

FEAR, INSULARITY, INTERNAL COMPETITION OVER RESOURCES, AND THEIR EFFECT ON CONSTRAINING SPEECH

Pluralistic ignorance and cultures of hypocrisy can be sustained by the same mechanism, namely, fear of disapproval or punishment for stating deviant views. – Elster, 2007

⁴ And thus, Welker *et al* argue, despite the rise of anthropologists working for business and business corporations, the study of ‘corporations’ as such lacks sophistication – conceptual, topical and methodological. (2011) As an antidote, they suggest framing the object of study as ‘corporate forms’ as opposed to ‘the corporation.’ This framing emphasizes the diversity of instantiations corporations can take (public, private, large, small, religious, family-owned, and so on); as such, it might help shift assumptions away from “default conceptualizations of corporations as solid, unified, self-knowing, and self-present actors that relentlessly maximize profits and externalize harm” (*ibid*: S5).

⁵ There are exceptions, some of which are outlined in review articles like Cefkin (2009) and Urban and Koh (2013); such works include: Hepsö (2013), Hoh (2009), Jimenez (2007), Krause-Jensen (2010), and Mack and Kaplan (2009), among others.

⁶ While there is an abundant business literature on innovation, this work does not tend to focus on organizational practices, beliefs, and dynamics in anthropological fashion; it often takes the form of a ‘how-to’ as opposed to organizational diagnosis.

The particular sort of corporation referenced in this essay is assumed to be large, publicly-traded, multinational, hierarchical in structure, and headquartered in the United States. Common organizational characteristics relevant to our discussion include the following: insularity (an organization's tendency to look 'inward'; a small number of day-to-day working relationships for most staff); job insecurity and internal competition over resources and capital (including symbolic capital like access to senior executives); a related climate of distrust; organizational hierarchies; and how corporate professionals are expected to communicate information up (and down) the chain of command. As we describe in the pages that follow, this mix of characteristics combine to make complicity with initiatives one believes might fail more likely; it also limits the probability that critical risk information is circulated with sufficient authority to kill an initiative. Norms about how information is communicated upwards to senior management can make it more difficult for these audiences to discern critical risks when they are, in fact, presented.

Insularity

The cast of characters in even the largest business corporations often feels to its participants like a small community:

The main points of reference, for most employees...are their supervisors and fellow workers, the main concerns on a day-to-day basis the mundane tasks of meetings, presentations, memos and 'deliverables.' (Galambos and Sturchio 2014, 24)

Despite their often global reach, modern business corporations tend to be quite insular in focus:

Few who have not worked in or studied modern multinational corporations up close realize how insular they can be. Despite being global corporations that may operate in more than 100 countries with tens of thousands of employees who interact daily with millions of customers and countless politicians, regulators, policy influencers...*there is a strong cultural bias to look inward rather than outward* (ibid, 24, emphasis added).

In such a context, to challenge decisions made by senior executives, at least publicly, can risk disapproval from the small group of coworkers and connections with whom a corporate staff person regularly works, potentially torpedoing the evaluation of their performance and undermining their everyday relationships – key currencies at play in such environments.

Job Insecurity and Internal Competition over Resources

In many corporations, much formal discourse is circulated about cooperation and collaboration – announcements 'cascaded' throughout the organization, CEO town halls, and policy memorandums. Internal collaboration is not infrequently an explicit corporate objective against which both teams and individuals are ostensibly measured. At the same time, both individual professionals and corporate functions are routinely in competition for 'resources' (staff, budget). Being granted more resources is a clear sign of success in corporate contexts—and typically seen as a bulwark against potential future staffing cuts.

Often the implication of a function or team being awarded resources is that it is recognized as strategically important to the business; those areas which have not been recently awarded resources could be taken to be less strategically important, and thus less needed for the corporation's future growth—opening up the possibility for elimination in a future reorganization. At bottom, fear of losing resources (or attempts to gain more) – one's staff, one's budget, or one's own job, motivates much behavior in corporate contexts.⁷ Indeed, corporate staff are regularly reminded of the fragility of their positions. This is true even for those specifically tasked with 'truth telling', such as market and design researchers or anthropologists; in one instance recounted to me, the results of a research project were delivered to a senior executive whose image had been on a loop in flat-screen monitors throughout corporate headquarters; days later, the executive and their team were quietly removed from their positions with no formal announcement, the image taken off the loop.

Access to senior executives is often jealously guarded and itself a 'resource' over which corporate staff and departments compete. Depending on one's station in the corporate hierarchy – for example, an analyst or mid-level research manager who uncovers important risks to a product initiative – a meeting with the CEO would not uncommonly include one's boss, their boss, their boss, and *their* boss as well. Any message in a research report shared in such a meeting is vetted at every level in that hierarchy. (In one instance of such vetting, the author was told by a senior executive referencing a draft report to be shared with other senior executives to replace any mention of the word "obstacle" with "opportunity"). The other effect of the close guarding of access to senior executives is the implicit feeling of a chain of command: a chain of bosses must be present to share reports with the CEO; communications to high-ranking executives are to be filtered through the heads of various corporate functions. The resulting output is more likely to be sanitized and abstracted. And because communications from middle management to senior executives are often 'rolled up' into highly abbreviated, abstracted, documents – sometimes a bullet point or two in someone else's document, information about critical risks associated with a product initiative might be overlooked.⁸

⁷ As Jordan observes, "A system of individualized accountability [reflected in, for example, a typical corporate performance evaluation] is virtually guaranteed to produce low trust by setting up conflict over who is responsible for problems and deficiencies" (2002). It equally engenders an environment in which competition and conflict over resources (staff, budget) and symbolic capital like access to senior executives and performance appraisals is likewise, "virtually guaranteed." The ever-present threat of job eliminations characteristic of publicly traded firms further heightens competition and lowers trust. If one is already reluctant to express a dissenting opinion because one believes that everyone (or most everyone) else agrees, one will be even less likely to do so in a context of pervasive distrust. Add to this the situation in which a senior executive is believed to have a special interest in a particular initiative (a product launch, say) and reluctance to express a critical view, seen to expose the apparent error of someone 'high-up', is even more likely.

⁸ The case of the NASA *Columbia* space shuttle crash represents a similar instance of significant risks to product failure inadequately communicated—in this case with human lives at stake. A NASA review board investigating the crash found "organizational barriers to effective communication" to be as important a factor as the physical causes of the crash: "We are convinced that the management practices overseeing the Space Shuttle Program are as much a cause of the accident as the foam that struck the left wing" (Columbia Accident Review Board: 2003, 11). Even when concerned engineers attempted to convey critical safety information up the chain of command, the way that information was 'rolled up', abstracted, and condensed, made it difficult for decision makers to recognize the degree of risk ("sometimes information gets lost altogether"). The board tellingly writes:

In theory, a middle manager could walk down the hall to the CEO's office or send an email, but stories of such instances often involve the counter machinations of some competitor, guarding their senior relationships, or a manager taking a direct report to task. In one instance reported to me, a staff member proposed a new initiative—an innovation practice often done at other corporations—in an email sent directly to the CEO. News of this event traveled as the CEO soon asked for staff in other functional areas to support the new effort; meanwhile, internal competitors set in motion attempts to undermine the offending staff member, who left the company soon after.

Fear, distrust of others, and caution often pervade such an environment. Before making critical comments, staff keep their voices hushed and check the sound isolation of meeting rooms to ensure no one overhears. Privately, they may complain about their job or question the wisdom of a senior-level decision. Staff do not need to be told what not to say in front of others; just like *doxa*, or common sense, it “*goes without saying because it comes without saying*” (Bourdieu 1977, 167).⁹ In this, the feeling of powerlessness is widespread:

What impressed me about the few middle managers I interviewed at length was the high degree of alienation they expressed in terms of the common indices of that condition: social isolation, *powerlessness*, meaninglessness, self-estrangement, and normlessness (Nash 1979, 424-425, emphasis added).

This context of fear, distrust, competition, and pressure to put a positive spin sends a message to corporate staff that whatever one says to senior executives, much less about them, will be closely monitored, so, at a minimum should be carefully considered (or not said at all).

Communication, then, is often constrained when moving either ‘up’ or ‘down’ the corporate hierarchy; in both directions, the tone is generally expected to emphasize the positive. We have already discussed how this happens when communicating ‘upwards.’ Memos circulated from senior leadership to professional staff tend to focus on recent ‘wins’; context is typically abbreviated or eliminated. That important pieces of strategic context are often not shared down the chain – whether due to competitive considerations, exposure to risk of insider trading, or the assumption that such context is not needed for more junior ranks—creates an implicit understanding that staff are meant to provide ‘inputs’ or ‘execute’ on strategy espoused by senior leadership, while important decisions are to be made at the top. Such a context creates the impression that research recommendations are not meant to be directive—‘kill this product’—so much as informative.

To summarize, a number of characteristics typical of large, publicly traded, corporate workplaces, taken together, lend themselves to a climate of silence or complicity with respect to potentially at-risk initiatives:

The initial damage assessment briefing prepared for the Mission Evaluation Room was cut down considerably in order to make it “fit” the schedule. Even so, it took 40 minutes. It was cut down further to a three-minute discussion topic at the Mission Management Team. Tapes of...[the] sessions reveal a noticeable ‘rush’ by the meeting’s leader.... (ibid, 192)

⁹ Distinct from *doxa*—“that which is beyond question and which each agent tacitly accords by the mere fact of acting in accord with social convention”—is the *official* norm, what actually *is* said. (Bourdieu 1977, 169).

- Insularity—the “strong cultural bias to look inward” rather than outward; the small number of other staff most employees typically interact with—can magnify the perceived stakes of going against what might appear to be consensus.
- Endemic competition over resources (staff, budget, access to senior executives), combined with job insecurity, can give rise to an environment of distrust in which actors are cautious about what they say and to whom, particularly with respect to comments that might be construed as critical of senior executives with the power to eliminate staff or entire teams.
- Expectations to abbreviate documents and pressure to put a positive spin—“opportunities not obstacles”—can disguise critical risks in abstract formulations or softened language.
- Differences in power and authority related to the speakers’ position in the organizational hierarchy can lead those who believe an initiative is substantially at risk to be reluctant to speak out and audiences less likely to take their claims seriously if they do.

Institutional Metaphor, Myth, and Reproduction

Patterns of authority or precedence enjoy a privileged status, because as Thomas Schelling has well said, their smallest indivisible parts are persons (Schelling 1978). A person cannot be divided, cannot be in two places at once, cannot be both superior and inferior within the same context, cannot have cake and eat it. —Mary Douglas (1986, 65)

In a now largely neglected school of anthropology, structural functionalism, a heavy focus was placed on how cultures, societies, and institutions are reproduced or perpetuated. Structural functionalist anthropologists like Radcliffe-Brown and Gluckman attended to patterns in culture that came to appear as natural, and therefore inevitable: male is to female as left is to right, as the people to the sovereign (Douglas 1986). As Mary Douglas has observed, the more it is assumed that right is superior to left, North to South, male to female, the sovereign over the people, the more such hierarchies are perceived to be not only justified but ‘natural’ (Douglas 1986). Here what has become natural is assumed to the point of ‘it goes without saying.’

The stabilizing principle [of an institution] is the naturalization of social classifications. There needs to be an analogy by which the formal structure of a crucial set of social relations is found in the physical world, or in the supernatural world, or in eternity, anywhere, so long as it is not seen as a socially contrived arrangement. (1986, 48, emphasis added)

This last point, a condition really—that classifications not be seen as “socially contrived”—is important because without it, the institution’s equilibrium, the assumption that it will continue existing largely as it is, will not be taken for granted. This is because anything clearly socially contrived is immediately exposed as arbitrary, changeable—not given.

Thus in corporate contexts, it is no doubt no accident that division presidents and functional leaders are often referred to as “heads” (division head, Head of Marketing). This naming convention lends itself to the notion that if a head were removed, the (corporate) organism would be functioning headless. Professional workers, whose jobs may exist thanks

to the head, whose jobs could be removed at any moment at the displeasure of the head – might be reluctant to speak up and risk making the head appear less head-like. As Douglas puts it, “By casting decisions in the language of the body, they are given their legitimacy by being naturalized” (1986).

Institutions...fix processes that are essentially dynamic, they hide their influence...Add to this that they endow themselves with rightness and send their mutual corroboration cascading through all levels of our information system. (ibid, 92)

Add to this the pervasive difference in power between the head and the professional staff that make up the corporate body and we have yet another reason staff might refrain from what might be taken as criticism: “In situations where there is a power differential, that is, when one party is vulnerable to the actions of the other, there is a risk of harm: (Jordan 2002, 1).¹⁰

The naturalized metaphor of head and body further implies that important decisions, like whether to kill a product, are to be made in the head and not the body.¹¹ This is another means by which those more likely to uncover key risks to the success of a product, such as researchers, are made to understand that their role is to provide input, not make decisions.

Obedience in Action and Discourse, if not in Thought

One might reasonably assume that some aspects of prevailing norms in the country or city in which a corporate headquarters is located might find their way inside that corporation—all the more likely in the case of fundamental norms at the center of the justification for the given society’s existence and the particular form given to its political system. Since our discussion is focused on corporations headquartered in the United States, at issue are prevailing norms and values in that country. And few observers have better described the crux of American values than Alexis de Tocqueville.

Laying out the risks of the tyranny of the majority in American democracy, Tocqueville describes how obedience and conformity work—not just in political institutions but on what gets thought, or more precisely, expressed by most citizens in the US. The most telling section of his *Democracy in America*, and certainly the most apt for our purposes here—

¹⁰ Most large corporations today routinely undergo a variety of ‘change initiatives’ (Krause-Jensen 2011). One regularly reads about such efforts in business publications like the *Wall Street Journal*, *Forbes*, *Harvard Business Review* or the *MIT Sloan Management Review*. A corporation seen as needed to make a particularly sharp transition in how it does business or what business it’s in, engages in a ‘transformation,’ which could be positioned to Wall Street and investors as planned over a period of, say, 3 to 5 years. In these contexts, ‘change agents,’ those seen to spark or lead formally announced efforts at change, are valorized. So it is not the case that corporations and their employees resist change of all types; corporate transformations and the change agents seen as enabling them are often *officially announced*, some to the point of being externally positioned to the market, shareholders, and staff alike—thereby sanctioning change explicitly attached to the announced transformation, and potentially delegitimizing what might be seen to get in its way (Krause-Jensen 2011).

¹¹ “In modern industrial society the analogical relation of head to hand was frequently used to justify the class structure, the inequalities of the educational system, and the division of labor between manual and intellectual worker” (Douglas 1986, 49)

understanding why someone might not speak out against something with which they disagree—is fittingly entitled, “The Power Exercised by the Majority Over Thought”:

...[W]hile the majority is in doubt, one talks; but once it has irrevocably pronounced, everyone is silent, and friends and enemies alike seem to make for its bandwagon....I know of no country in which, speaking generally, there is less independence of mind and true freedom of discussion than in America.... (1988, 254-255)¹²

To translate the above comment to a business corporate context, consider the episode of HBO’s *Silicon Valley* referenced at the opening of this article. The CEO of a large tech corporation announces in a town hall meeting that the company will preview a product currently in development during a live sporting event. Immediately following this announcement, viewers witness conversations among different ranks of the engineering teams responsible for the launch; for example:

[Speaker 1] ...He does know that converting the whole platform to middle out has put us six weeks behind schedule, right?
[Speaker 2] Well I’m not gonna be the one who tells him we’re that far behind. If you want to, feel free.
[Speaker 3] I just heard you tell Heidi we’re six weeks behind. But remember that drop-frame issue I showed you? We’re easily 15 weeks behind.
[Speaker 4] Well, I’m not gonna be the one to tell Heidi about that. [Speaker 1] Feel free to tell her yourself.
(*Silicon Valley* 2015, Season 2, Episode 5)

Unsurprisingly, no one conveys the risk of failure up the chain of command (even though ‘everybody knows’ except the CEO), and in a subsequent episode, the technology crashes during the televised launch, publicly embarrassing the company and the CEO.

Tocqueville goes on to contrast this condition of “Power Exercised by the Majority over Thought” in democracy with the reign of princes and monarchs, who threaten violence on the body for non-conformity, whereas “in democratic republics that is not at all how tyranny behaves, it leaves the body alone and goes straight for the soul.”

The master no longer says: “Think like me or you die.” He does say: “You are free not to think as I do...but from this day you are a stranger among us. You can keep your privileges in the township, but they will be useless to you, for if you solicit your fellow citizens’ votes, they will not give them to you...When you approach your fellows, they will shun you as an impure being, and even those who believe in your innocence will abandon you too, lest they in turn be shunned. (1988, 255-256)

If this is at all descriptive of the cultural climate in the US, generally speaking – granting that Tocqueville may be exaggerating for effect – one can imagine how the insularity common among many large corporations, in which one regularly interacts with a small group of peers, supervisors, internal clients, and direct reports, and in which one’s financial security is

¹² Tocqueville continues, “In America, the majority has enclosed thought within a formidable fence. A writer is free inside that area but woe to the man who goes beyond it. [H]e must face all kinds of unpleasantness and everyday persecution... Those who condemn him express their views loudly, while those who think as he does, but without his courage, retreat into silence, as if ashamed of having told the truth” (ibid, 255)

perpetually at risk of ‘reorganization’—that fear of being shunned by going against majority (or sovereign, senior executive) thinking might be pervasive. Moreover, one might be predisposed to assume the majority is decided on a particular topic even where it is not.

CONCLUSION

While most corporations have sanctioned ‘truth-telling’ functions, such as market, design, or user research, which are given a sort of license to speak out critically about product development initiatives, the warnings such teams sometimes put forward are subject to a wide range of constraints on their interpretation and dissemination that can make formal recognition of risks less likely.

A host of institutional contextual factors can contribute to a felt need for corporate professionals to be guarded in their communication with coworkers, among them: the often regular sense of job and financial insecurity for professionals working at publicly traded companies, particularly those experiencing revenue contraction or organizational ‘transformation’ or restructuring.¹³ Moreover, institutional practices of communication can constrain the circulation of risk information and serve to disguise its import when circulated; such practices include: highly guarded communication up and down the organizational hierarchy; ‘rolling up’ research findings in abbreviated and, often, sanitized forms for senior executive consumption, such that risks may be difficult to discern or appreciate; and competition over, and restricted access to, direct communication with managers senior enough to wield the power to kill initiatives.

Organizational hierarchy, status, and the relative power of different corporate staff positions and ranks give rise to a sense of one’s ‘place’ in the chain of command. And along with implicit metaphors such as organizational ‘heads’ and ‘bodies’ which can serve to naturalize such organizational hierarchies, can give rise to felt constraints on speech and the notion that significant decisions—such as whether to kill a product—are to be made by the ‘head.’ We have seen how research inputs into such decisions are often highly monitored, abstracted, and seen to need a positive spin (demonstrating a ‘can do’ attitude, highlighting ‘opportunities not obstacles’). All this can contribute to creating a climate of complicity.

At the same time, none of the foregoing should be taken to mean that the circulation of risk information will *necessarily* be constrained, that products will not be killed, nor criticism silenced. Staff in business corporations routinely speak up about things with which they disagree or are concerned. Moreover, companies can make adjustments to mitigate the conditions that can give rise to constraints on the communication of risk information. Such adjustments might include: formally elevating the status of research teams, perhaps giving them a form of veto power on product initiatives; assuring job security for those speaking up about risks; or designing product development teams to focus on identifying potential Achilles heels rather than using research to ‘validate’ their direction.

¹³ It is worth stressing, as Karen Ho informs describes, that job insecurity—through the pervasiveness of restructurings and large-scale layoffs—is common among many Fortune 500 companies, regardless of their profitability (Ho 2009, 133, 135, 137). In Ho’s account, “the restructuring movement gained so much momentum that it left virtually no company untouched...” (2009, 133). In the United States, she reports, employment by F500 companies dropped substantially in the 1980s and 1990s—from 1/5 to 1/10 of the non-agricultural workforce (ibid).

X, formerly Google [X], is an example of a company that appears to have made these sorts of adjustments. Judging by public accounts, X may be at the opposite extreme of the sort of constrained environment for communicating risk information described thus far; there, failure in the form of killing projects or products is said to be explicitly encouraged from the top. The head of X, Astro Teller (whose official title is “Captain of Moonshots”), has spoken publicly about how this is done; he describes the organizational climate like this:

The Moonshot Factory is a *messy* place. But rather than avoid the mess—pretend it’s not there—we’ve tried to make that our strength. We spend most of our time *breaking* things. And trying to prove that we’re *wrong*. . . Run at all the hardest parts of the problem *first*. Get excited and cheer: hey, how are we going to kill our project today?! (Teller 2016, 1:54, emphasis in the original)

Teller describes a place where staff are supposed to routinely ask, “How can we kill this as fast as possible so we get on to something that is worth doing?”; where members of failed project teams are commended in full view of their colleagues—and given bonuses.

In this way, companies can play with organizational conditions to make ignoring or not speaking up about risk less likely. But while X may sound like the idyllic opposite of how many big corporations inadequately communicate risk information and move forward with projects that probably should be killed, there is at least one indication that even in an environment like X’s, staff may be reluctant to speak up. Imagine a case in which Teller, a charismatic speaker, and no doubt a charismatic leader, has expressed enthusiasm about a certain project. How much less likely would the team be to express their concerns? Perhaps not coincidentally, X has been regularly lampooned in HBO’s *Silicon Valley*—rather transparently represented as “Hooli XYZ”—and this Emperor-Has-No-Clothes type phenomenon was referenced earlier, including in the opening quote in which engineering teams refuse to speak up about their concerns about likely delays to a product launch. Such tendencies may be difficult to reverse, and even at a place like X, may need to be monitored—perhaps through unbiased observation or ethnography performed by a protected research function.

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