



Raymond A. Mason School of Business

WILLIAM & MARY

DIVERSITY GOES TO WORK PODCAST

EPISODE 28: SARAH FEDERMAN – SKELETONS IN YOUR ORGANIZATIONS CLOSET: RECKONING WITH CORPORATE WRONGDOING

Sarah Federman

And even if your company isn't dealing with these particular reckoning issues, I'm telling you, there is something.

Phil Wagner

Hello from the halls of the Mason School of Business here at William & Mary. I'm Phil, and this is Diversity Goes to Work. Buckle up because we're getting ready to take a deep dive into the real human lived experiences that shape and guide our diversity work in the world of work. Should be fun. Welcome, listeners, to our first-ever live in-person recording. That's right, today, even though it might sound the same on your end, I have the luxury of sitting across the table from a real, live human. And it's not just any live human. It's a live human that I have come to admire a great deal. I'm sitting here with Dr. Sarah Federman. She's an author, educator, and conflict resolution practitioner. She's currently a faculty member at the Kroc School of Peace Studies at the University of San Diego. And I met Sarah just like I imagine you're meeting her today. I was driving to DC, listening to a podcast, as I always do, and as episode after episode played, I remember just sitting up really straight in my car when her episode came on. Sarah studies and explores the concept of reckoning. And in no uncertain terms, she produces some of the coolest, most interesting, most engaging research I've read to date. She's been here on our campus, speaking to our students. And so it's a true delight to be able to sit across the table from a real, live human, this live human, and record an episode with her today. So, Sarah, thanks for being here.

Sarah Federman

Thank you.

Phil Wagner

Why don't you tell our listeners a little bit more about who you are, what you do, what you study?

Sarah Federman

Great. Well, thank you for this invitation. I came to this work may be in a surprising direction. I actually worked in business first. Ten years of running all around doing advertising in New

York and then throughout the United States. And then they sent me to Canada, and then they sent me to Europe, and then I started doing some business trips in Asia and the Middle East and so on. So I was kind of on this wild ride and the excitement of business because you just get to see so much and then to make things happen at such a rapid pace. And I was enjoying that. And then, when I was sent to Europe and living in Europe, I started to see the impact of the world wars in a way that I never had known. We'd read about it, of course, in school, seen all the movies, but there was something about standing in the trenches and thinking that, like, every French family lost a son in this trench, and German families too. Right? And then there was just a few memorials that just took my breath away, and I thought, we just can't do this again. This is craziness. And it wasn't that long ago. I don't know why the World Wars felt so long ago when I was younger than when I was older, but as they grew closer, I felt this urgency that I wanted to be a part of somehow working towards another pathway forward, having no idea if I could have any impact. But it just felt like something I wanted to do. So little by little, I moved in this direction. But how great that I had that business experience because now I feel didn't historically pay a lot of attention to business, and now businesses matter so much, and they have historically, but they weren't acknowledged in that way. So I'm just at this really exciting point of being able to bring together these two passions. And so I talk about it as like integrating business savvy with peace-building wisdom.

Phil Wagner

Yeah, the intersections, I think, are so pronounced, particularly right here, right now, even on our own campus, as we've talked about over the last few days. In this episode today, what I'm hoping we can focus on is a concept that you speak to regularly, but I think we might have some difficulty putting our finger on it. You came here to William & Mary to speak on doing business in an era of reckoning, and it's so profound, but can you unpack that term? What do you mean by this era of reckoning? And what does this era mean for business and the organizational enterprise?

Sarah Federman

So there are times when certain conversations are easier to have than others. So, for example, during the Cold War, there was not a lot of conversation about atonement for the Holocaust in World War Two. That decision to split up the USSR and Western Europe and kind of look the other way with what USSR was doing. There was a real fear of that power and that nuclear power. So there was not question of pushing Germany or pushing Switzerland to atone or France even. But when that wall fell, then the conversation opened. So that became an era of reckoning for Holocaust, and so many people don't know that because it seems like that the Holocaust survivors always had acknowledgment. But no, no, they sat in that silence for 50 years, many of them as well. But then there was kind of an era of reckoning for the Holocaust. Now we're seeing, for a number of reasons, Black Lives Matter has moved forward, and then the repeated police murders has culminating in George Floyd has pushed this other era of reckoning. But I want to be clear that people are doing this work all in the in-between times that new conversations open and that George Floyd, for whatever reason, when I first saw that image too, of him choking, it just hit something like what's happening in Iran right now. And

the woman journalist, the woman who was killed, beaten up for not wearing her hijab appropriately. And then conversations erupt. So we are in an era of reckoning in the United States, but it has exploded from its iterative. So it's the Holocaust, but now it's slavery, but also colonialism, and it's transnational. So these movements hop around the world, and these companies are now transnational. So that's where we are increasingly.

Phil Wagner

And I really love this framing because you give us a vehicle for sense-making that I think we just haven't been able to identify. We talk a lot about D&I work not being so reactionary, right? Not being reactive but being proactive. But those inflection points, those George Floyd moments, those catalysts, are really powerful conversation openers. And so that reckoning is important. It's not always because something's been done incorrectly or we're just not addressing it until we have to. There's something about those moments, those points in time, that I think lead us to those conversations in a different way. Can you put some examples of companies in the public domain who have had to reckon with past? Of course, I think like BP and Enron. But, I mean, there's so many here.

Sarah Federman

Right, almost so many, in some ways, makes it typical because they get a lot of attention for a week, and then we're on to the next one. So when we were looking at companies pulling out of Russia during Putin's invade of Ukraine, there was a lot of attention in the beginning to those graphs, if you remember. Many of you maybe watch them. There's a professor in Yale who's really tracking with students, and then it's like, where did that go? Right? But some companies are pulled in longer. And the one that pulled my attention initially was the French National Railways. Yeah. Which is the SNCF. If anyone has been to France, you've been on that railway, and it's not a single them out as a worse perpetrator than anybody else in World War II. But when France was occupied, the Germans requisitioned the railways. This railway company had played many roles in the war, and one of them was transporting deportees, and that also spent 50 years. Kind of that story was suppressed, sort of, during that USSR nuclear arms race. But then it came out, and the company found itself repeatedly pulled into the public debate. And, you know, they're kind of like, wait a minute, why us? Why French trains? How did we get why us again and again? And there are interesting things for companies, and this is something for those who are brand managers may want to pay attention to, who are interested in brand management. The trains represent the Holocaust more than any other symbol. They are a moving what Pierre Nora calls a Les Lieux de Mémoire, a moving site of memory. And the gas chambers are symbolic, but nobody survived. Those people survived the trains. They can talk about it. Nobody. Holocaust couldn't have happened without trains. It represents industrialization and how industrialization contributed to the killing. Okay, so the way, maybe machetes represent the Rwanda if your company represents the thing.

Phil Wagner

Yeah.

Sarah Federman

You're going to stay in the limelight more, which also for advocates. Also, pay attention if you're focusing on one. Who are you missing? Like, the French police never had a reckoning. But why? Well, the French railway had more reckoning because the US had leverage because they were pitching for contracts in the United States. The French police, where are you going to get at them? Right, so that was one that I've studied, and it really lasted until 2016, blew up in the late in the 90s, really, I mean, at the end of the Cold War, and then has lasted until 2016.

Phil Wagner

And you speak of this then sort of corporate moral responsibility. Right. Like, that you now have to acknowledge. What are the steps that you would recommend you sort of put in place to acknowledge that past wrongdoing, to have that reckoning? Can you speak to how maybe the SNCF?

Sarah Federman

Yeah, so SNCF actually, I think, ended up being a good model for it, but not because they were maybe so interested in doing this work, but they just couldn't quite get rid of it. So they had to do everything. And what they didn't do is they didn't pay survivors right away, which ended up meaning they had to try everything else. So there's a field called transitional justice, which is post-conflict studies, but there's a number of mechanisms that happen after a war, and the SNCF engaged them. The first one is transparency. You need to know your own history. The SNCF executives were shocked at the time, too, because they didn't know they were also buying into the story of the singular story of heroism. So do an independent study. If you suspect any skeletons, do the research. I would actually do the research anyway. If you're older than 50 years old, there's been a moral shift. So definitely, you want to do that research. You do want to make it available. Now, I know that's complicated, and the legal departments are going to scream no because it's true that some of the materials the SNCF found were used against them in lawsuits. But the courts predominantly, they will expunge all corporations. They're not holding corporations accountable for this in the United States. You can't use the alien tort statute. The Supreme Court's not leaning in that direction these days. So right now, okay, it's not going to be probably legal, but it can lead to a lot of bad press and a lot of boycotting of the product. So you want to be transparent, you want to share that history, you want to update your timelines. If you've been managing a heritage brand and really burying that history, making a public statement, I recommend taking a look at what Lloyds of London has done. Their apology. They write like a full apology on their website. The other apology I love is the Baltimore Sun has come out with one and all the ways that the newspaper participated not only in slavery but Jim Crow and Redlining. And it is the coolest apology I've read to date. And they are a company, but they really want to repair their relationship with the community because here they are, they are The Baltimore Sun and doing that work. So I thought there are some great examples out there. Then you want to make a public statement about how you feel about this past the way the Baltimore Sun did, to show that we are not that company. Right. That you want a shift. There's been a shift. You acknowledge it was a

different time. It was horrible. That's not who you are. This is like when you make any good apology. And what you're going to do now to address that. Now this will depend on exactly what the complicity was. The affected communities. If you can go local, that's great. And work with affected communities. Some have living survivors. Some don't. I mean, Agent Orange, all the chemical companies that were involved in that, that lawsuit has been going on for a long time about the chemical companies involved in that. And those survivors are dying, which, you know, sometimes these suits, I sometimes feel like they're waiting for these people to die.

Phil Wagner

Yeah just waiting.

Sarah Federman

Yeah. So then, really reforming the corporate ethos, you want to make sure that the company doesn't end up doing this again in other ways and using this reckoning as an opportunity and connected to the DEI work. Otherwise, it doesn't make sense. You have to address that past in the conversation about who you are today.

Phil Wagner

Yeah, and that's exactly what we're trying to do on our campus, too. We walked across campus together over the past few days to Hearsh memorial to be enslaved. Now, if you're not on our campus, if you come to William & Mary's beautiful campus here in Colonial Williamsburg, you'll see this beautiful, just magnificent architectural wonder that is a memorial to those who were enslaved on our campus as a consequence of our own actions. And it's a painful piece but a beautiful piece at the same time. And it's designed to be a conversation starter, not a conversation stop.

Sarah Federman

Yeah, it's a beautiful it's a really moving memorial. And unlike, it's very welcoming, and it really invites you into the conversation. Some memorials are just so gruesome that you just don't want to be near the conversation. I'm sure every student on campus has seen it. But if those who are listening from abroad, when you come to graduate, I do want come visit. Yeah.

Phil Wagner

Let's go back to the who question here. So who should be responsible? Who should acknowledge past, right? Clearly, these are not leaders who were in leadership or even alive when those wrongdoings happen. So it's 2022. It's 2023, and you find skeletons in your organization's closet. Do you try to shove them aside? Do you say, well, this had nothing to do with me? How does that moral responsibility or accountability become individualized?

Sarah Federman

Yeah. And that initial reaction of, like, that wasn't me is a healthy reaction because it wasn't you. That's actually correct. But I talk about it thinking about when a person becomes a president or a prime minister or a monarch. They inherit the entire history of that country. So

they have to take responsibility. President Biden has to take responsibility. He has an opportunity to apologize for slavery. Should he rush to Obama, almost apologize for the dropping of the atomic bomb? You inherit these histories. Now, business leaders aren't as accustomed to that. They're more accustomed to inherited business problems, failed product lines, a team that might be embezzling money, a bad attitude, a bad culture. I don't know all outdated systems used to that. And they don't say, well, this isn't for me to handle because I didn't pick this software. You just accept that shit. It's just what I inherited. So to think of it as an opportunity of, yes, you didn't do it. I do encourage advocates to not treat the CEOs like they did it if they didn't do it, but to partner with them and employees, to see it as an opportunity to move along some of these issues. Now, it's going to be difficult. And if the CEOs do engage with affected communities, it's not always going to be comfortable because people who have been harmed or had ancestors who were harmed do not always see you in the best light, and you come to represent for them the pain.

Phil Wagner

Yeah.

Sarah Federman

That's why I'm happy to work and talk to CEOs and other leaders about how to handle this, how to work together with affected communities.

Phil Wagner

But your work also suggests that they're not just lined up, ready to cut you down. That there is this sense that, in some cases, we really do want to partner together. That we acknowledge, this wasn't you. Right.

Sarah Federman

Yeah.

Phil Wagner

Research there as well.

Sarah Federman

Absolutely. So I interviewed 90 Holocaust survivors about the train issue because it blew up in the United States. So my book, Last Train to Auschwitz, talks about this train conflict for the French over time in the US. But most of the survivors did not want to go after the train company. They just saw that it was a complicated time, or they thought that it was too long ago. But what I thought was interesting is that the ones who fought actually did push something forward, which so I didn't want to judge how people make sense of their pain. They're going to make sense of it in different ways. But it's true. Not everybody is going to have that same opinion. You will not please everybody. But it's like there's a little piece of it left, or it wouldn't be a conversation. And the past, it'll erupt periodically. And what piece can we take care of now? And if you're going to do DEI work, you might as well. And you might find that

there's a lot of history about the indigenous, but right now, it's a moment for Black Lives Matter. But I think on the heels of it, we're going to see the indigenous.

Phil Wagner

Yeah, cause it's a conversation opener, conversation stop. Okay, so I am a leader. It's 2022/23, and I do find those skeletons in my closet. What does your work suggest I do? Do I just handle it myself? Do I hire PR firm like a crisis? What happens when I find those things?

Sarah Federman

Yeah, so first, I recommend getting an independent historian because you may have in-house historians or people who manage the brand, but they're going to probably be have a little sympathy for the company. So you do want to get someone independent. There are independent historians that can do this work. These archives are sometimes difficult to find, but you do want that help or to call in historians who have been working in this area for a long time. So that's very important. So that's the first thing. The PR division, so the PR team, and the legal team might not be as supportive of what I'm saying, but I want you to listen to me too when you're talking to them because they have their important roles to play. When there's spin of a failed product line, just remember, this is a slightly different level, right? This is not there was too much salt in this bag of pretzels, or this is huge amounts of harm and irreparable harm. And that you might want to talk to people who are expert in the kind of harm and the way harm shows up transgenerationally because this is another thing people say, yeah, but okay, that happened a few hundred years ago. Like, these people aren't harmed, but there are people who can very well trace that harm.

Phil Wagner

Oh, yeah.

Sarah Federman

So separating kind of the PR from reckoning, it's a slightly different work, and the legal teams are going to be very careful because they're going to try to control the apology. So it doesn't sound like that there's some liability there. Do take a look at the Lloyd's of London and Baltimore Sun. When you do it well, and you own it, you actually earn more points than if you like hedge and sidestep. People know.

Phil Wagner

Yes, people know see right through it.

Sarah Federman

So those are really important. And then what's that commitment that you're going to do going forward? How are you going to work with affected communities? How are you going to work with your own employees and watch your product line going forward?

Phil Wagner

So is that the act of atonement? The collaboration, the working with is the act of atonement like reparations? We check the box, of course. It's beyond that, but what's that aspect?

Sarah Federman

It's the combination of transparency, apology, compensation, commemoration, victim services, and institutional reform.

Phil Wagner

So no wonder people hedge away from this because that's a huge package. Like, that's a big ask.

Sarah Federman

Yeah. And it doesn't all take huge amounts of time, but it can be emotionally powerful. When the SNCF comes to memorial events, it means something to people when they see that the company sponsored or they're there to just stand in and say, we care to lay a wreath. It's like the acknowledgment that people live with this harm and that somebody actually cares. So Donna Hicks work on dignity. You like Donna?

Phil Wagner

I love Donna Hicks. I talked about Donna Hicks on this podcast many times. Many times.

Sarah Federman

Yeah, she's wonderful. She talks about dignity violations and that her work in conflict has shown around the world that if you don't address the violation of dignity, then it doesn't matter what you pay, what you say. Survivors told me that Germany had written them such a beautiful letter after the Holocaust with this check, and a few of them told me that the letter was more important than the money.

Phil Wagner

Wow.

Sarah Federman

Because someone actually saw their pain.

Phil Wagner

Acknowledgment.

Sarah Federman

Yeah, so some of the behavior you see is a lack of acknowledgment, but you see the Armenians struggling for acknowledgment. Just say that you murdered us, right?

Phil Wagner

Yeah. You've talked about how you've made the leap from Auschwitz to where we are. I mean, this is diversity goes to work. And how can you make the leap? How do we trace this path from SNCF to BLM to George Floyd to other issues of maybe racial reckoning where we are right here, right now?

Sarah Federman

Yeah, I didn't expect to end up in the right here right now, but I taught in Baltimore after the Trains book. That's where I had a job. I worked with students who had grown up in Baltimore, largely predominantly black students, some from Africa, but predominantly black from the Baltimore area. And they really pushed me on this question of what about slavery? What about us? Why the Jews? And I thought, yeah, well, what is it about? Like, why did the Jews why were they so successful? And then we had that question last night, a student asking, well, what can we learn from how the Jews got reparations? And there is a lot to learn. And I wanted to share some of that because I know there's, like, some tensions between the Jewish community and the black community that have gone on in various ways. And I think there could be real allyship there in kind of saying, well, here's what worked. We didn't do so well, but maybe what will work for you? And there's so much beautiful work actually happening, of course, within the black community, but that we can partner on that. So they pushed me, and their push led me to study in Baltimore in the history of cotton capitalism and understanding that investment banking grew out of cotton capitalism in ways I had not expected.

Phil Wagner

Yeah.

Sarah Federman

I mean, I love research in that way. You just discover, and if we can take this attitude of mutual discovery, I don't know what all happened. And, wow, how did that unfold? And how does it relate today?

Phil Wagner

Yeah, so beyond today and beyond Auschwitz, beyond BLM, do you see this work, this reckoning, moving beyond human rights? Are there other opportunities where you see this in climate moving beyond?

Sarah Federman

So climate, of course, is the most prevalent. I mean, right when Pakistan asked for reparations for the floods, the recent floods, saying we are the least contributors to climate change and we are suffering more than any other country right now. And that will continue. We're going to continue to see those who contributed the least suffering the most. They'll be reckoning, and there's going to be a lot of digging up of the companies. But also, when we're doing this, we, as consumers like you, can't raise your fist and pull up at Exxon. So we're all in this with the stocks that we hold, with our consumer decisions. But if we can work together and not just like

blame and shame each other but I definitely see climate, the other is animals and nature getting personhood. I don't know if I didn't mention this last night, but there were pigs that had personhood who were tried for murder.

Phil Wagner

Okay, we definitely did not talk about that.

Sarah Federman

In the oldie times, pigs were tried in court for the murder of their owners. Yeah.

Phil Wagner

Okay.

Sarah Federman

So this idea that animals might have rights, we're seeing rivers get personhood, some forests may get that as well. And then, groups will be given the opportunity to defend those legally. So I think our factory farming practices will come into question as we look ahead. But clearly, we're going to be judged for single-use plastic, and why are we desalinating and all of the things because we have so many solutions, and your students are going to be in positions to bring those solutions into the world?

Phil Wagner

So as leaders, we know that we're going to lead in times of reckoning. How do we set our minds so we don't fear that process? This isn't something to shy away from. This can actually be advantageous and mindset primarily.

Sarah Federman

Well, I think people want meaningful work, and you know, when I worked in business, people weren't all about destroying the planet. They weren't about that at all. They loved their jobs. They were looking for fulfillment. They were looking to provide for their families and feel good and that this work can be part of that fulfillment. It is interesting to study the past and to understand the roles we play, to think about the kind of world we want to leave behind for other generations. So I don't think that's any more than being a human who is just navigating complicated world. And even if your company isn't dealing with these particular reckoning issues, I'm telling you there is something right. There's something. I mean, you look back even 20 years ago to we didn't talk about me too. And companies are reckoning for that, right? Climates where women were sexually harassed, and all of that still kind of coming out, and there will be more. In a free society, there will be more, but we're seeing even in less free societies in Iran right now there's a huge, huge movement. So we're not ever given a past on doing ethical work and being alive.

Phil Wagner

That's a great sort of ending point here. I do have one more question for you, which is, I'm so glad I found you and found your work. Tell our listeners how they can do the same, how they can follow you, how they can support your work, where they can grab copies of your books.

Sarah Federman

Great. Yeah. So thank you. So the book last train to Auschwitz, which is the French National Railways, and The Journey to Accountability, that's available independent bookstores, available on Amazon, libraries. And I have some other books. You'll see my website, sarahfederman.com, has the books and articles that I've done for general business ethics and others. And you can send me an email on that website. I'm at Sarah Federman on all the social media platforms. I guess I was very excited when they all snagged all the Sarah Federmans, but yeah, on Twitter, I'm not posting about my breakfast. I will be writing things about corporate atonement, sometimes asking corporate leaders to please pay attention to certain things and really shining a light on some of the good things that businesses are doing. I mean, mushrooms, the amount that fungi are doing for replacing plastic packaging. I'm like so fascinated with, actually, this issue of the way in which that whole industry is exploding. So I'm looking for interesting ideas. As we know, the head of Patagonia is now investing his money in preventing more climate change. There's a good tax advantage to that for the family so that you get to see that there are some win-wins there.

Phil Wagner

Interesting. Definitely check out Sarah's work. Sarah, my friend, thank you for being here. Thanks for being on our podcast. Always just so inspiring to come into contact with your work and your ideas.

Sarah Federman

Thank you so much. Thanks for the invitation.

Phil Wagner

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