1 views | Nov 28, 2018, 10:38am

Should We Trust Institutions Like Facebook, Or Quit Them?

Chloe Demrovsky Contributor ⓘ

Leadership Strategy
I write about risk and resilience both personal and professional.

TWEET THIS

🐦 The advances that the digital transformation promises are tremendous, but the trust crisis created by institutions whose bad behavior is laid bare by transparency is a big obstacle.

In a recent New York Times investigation, Facebook's leadership is again facing criticism for their mishandling of crises ranging from election interference to data misuse: "As evidence accumulated that Facebook's power could also be exploited to disrupt elections, broadcast viral propaganda and inspire deadly campaigns of hate around the globe, Mr. Zuckerberg and Ms. Sandberg stumbled." Is it possible to trust the leaders of institutions like Facebook in this age of radical transparency?

Facebook is hardly alone in facing public scandal over trust. We've seen a wave of recent scandals involving institutions that we trust with critical aspects of our lives and communications:

- Uber suffers many scandals from sexual harassment to a toxic corporate culture.
- Toyota recalls millions of cars because of faulty airbag and emissions units.
- Equifax bungled its response to a massive data breach affecting nearly half of Americans.
- Oxfam concealed findings of the repeated sexual misconduct of aid workers after the Haiti Earthquake.

- The Red Cross was fiercely criticized for its sloppy response to Hurricane Sandy.

There will surely be another example when you next open your news app or scroll through your Twitter feed. The 2018 Edelman Trust Barometer shows that trust in U.S. institutions declined 9 points from the previous year, the steepest decline ever measured. The advances that the digital transformation promises are tremendous, but the trust crisis created by institutions whose bad behavior is laid bare by transparency is a big obstacle. 🐦

Will governments or business leaders find the key to data protection first? Facebook's CEO Mark Zuckerberg, right, meets with French President Emmanuel Macron in Paris in May 2018. Macron seeks to persuade Zuckerberg and other internet giants to discuss data protection issues at a Paris meeting set to focus on how they could use their global influence for the public good. (Christophe Petit Tesson/Pool via AP) ASSOCIATED PRESS

The Challenge of Change

Our institutions, including our businesses, need to change. They need to find a way to thrive in the era of digital supremacy and live up to the scrutiny. How should they reposition themselves to embrace this transition in a way that is sustainable, inclusive and resilient? Is it possible to design a strategy for

navigating the information age that fosters trust rather than eroding it? What would that look like?

We perform many acts requiring trust—both in institutions and in each other—over the daily course of our lives. We still rely on these trusting relationships to collectively move forward. As a result, amazing advances have been made in terms of life expectancy, poverty reduction, technology, and production capacity over the last century. There has never been a better time to be alive in human history, a point made eloquently by Yuval Noah Harari. We need to trust each other. Nevertheless, many people across the globe feel uncertain about their futures.

YOU MAY ALSO LIKE

Governments around the globe are finding it challenging to address the discontent and uncertainty. This was clearly on display during Facebook's Congressional hearings. The oncoming digital transformation will make this even harder as new technologies mature, including machine intelligence, gene editing, mixed reality, robotics, cyberwarfare. How can our leaders guide us through this monumental impending challenge when many of them have no idea how the basics work? This lack of clarity from regulators creates ongoing challenges for business leaders.

A Radical Solution?

Radical transparency suggests that they should embrace the openness by reorganizing into loose networks rather than hierarchical systems and that the default should be to allow access to data rather than try to prevent it. This idea relies on extreme trust and willfully ignores the impact that nefarious actors can have. Is it even possible to prevent breaches from happening in a time in which the barriers to entry have been dramatically reduced? A determined actor can leak the contents of an email server to attempt to disrupt an election or as Ted

Koppell warns us, could even take out an aging national power grid with just a computer, which is much easier to obtain than a nuclear warhead. Our leaders need to find a way to lead us through these challenges, but the lack of societal trust is resulting more in a paralysis of inaction than a new era of thoughtful, forward-looking policymaking that would restore trust in leadership and the institutions that they represent.

The European Union is trying to carve out a policymaking leadership role for itself in data privacy through its new General Data Protection Regulation (GDPR). I am far from sure that this regulation will generate solutions, but it has surely identified a major piece of the problem -- a critical component of designing systems of trust is how we treat the right to privacy. When our trust is broken, it is often related to an invasion of privacy.

Time Will Tell

So, what is to be done? It is unlikely, undesirable, and probably impossible to try to reverse the course of this powerful digital disruption. In the long run, history shows us that it will lead to unforeseen advances, but it also tells us that the periods of transition often result in massive human suffering. Some leaders have tried to earn our trust by proposing ideas to innovate or retrain our way out of the problem or even experimented with universal basic income, as was done in Finland, with mixed results. There is reason to hope that market forces will sort out some of the problems as consumers become more conscious of the problem.

So yes, trusting an institution or another person with your privacy is a tremendous leap of faith, and yet it is one that we take all the time, according to the research of Rachel Botsman. Do you trust Google or Siri with your most intimate medical questions? Does the hive mind get to weigh in on what you plan to wear tomorrow? Does your Fitbit tell you when to go to bed at night? When did you last hop into a car with a total and complete stranger—were you hitchhiking or catching a Lyft? What's the difference? And I for one, can't break my Facebook habit in spite of their myriad issues. People will choose convenience over safety nearly every time and, in an odd way, that means trust is not dead—it's just shifting. Time will tell if our institutions can keep up.

I am the president and CEO of Disaster Recovery Institute International (DRI), where I help organizations prepare for and recover from disasters both natural and manmade. Through DRI and as an adjunct professor at New York University, I have worked with the public, private a... **MORE**
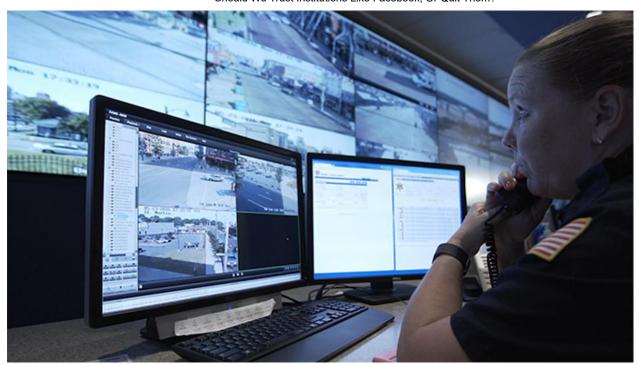
12,104 views | Nov 26, 2018, 05:00am

How An HR Overhaul Helped Memphis Strengthen Its Emergency Services

Linda Currey Post Brand Contributor
Oracle BRANDVOICE

After several years of budget austerity and hiring freezes, morale was low and frustration was high among Memphis city employees. But when Jim Strickland was elected mayor in 2016, he promised to revitalize the city's workforce and improve the delivery of city services to more than 652,000 residents.

Looking to bring corporate HR practices to the city, Strickland named private-sector veteran Alexandria Smith as the city's new chief HR officer. The mayor also organized town hall meetings across Memphis to learn firsthand what residents want from city services. At the top of their list: faster responses to 911 calls and a stronger firefighter and police presence.

At the Memphis Real Time Crime Center, Sgt. Barbara Adams monitors various cameras focused on areas of downtown Memphis.   COURTESY OF CITY OF MEMPHIS

"Our ability to attract and retain top talent makes a huge difference in our ability to deliver emergency services," says Chief Smith, as she is known around the office. "Essentially, our HR team is taking care of the employees who take care of our citizens."

One of Smith's first decisions was to replace the city's hiring, benefits management, and other on-premises HR applications with a modern, cloud-based application suite, Oracle HCM Cloud. The new platform, with its recent addition of the Taleo recruiting module, positions the HR team to hire and onboard emergency workers more efficiently through social sourcing and workflow.

- **Listen to an interview with Memphis CHRO Alexandria Smith about the city's transition to Oracle HCM Cloud**

Meanwhile, the HR team surveyed the city's emergency services employees to gauge their satisfaction with their career paths, salaries, benefits, and other job factors—then created a roadmap for improvements.

Among the impressive gains so far:

• The Memphis 911 team has cut call waiting times from an average of more than 60 seconds to just under 8 seconds for 95% of calls, through improved hiring and comprehensive training.

• The city has brought in 419 police recruits since 2016, resulting in a net gain in officers last year for the first time in seven years. The city also has recruited 363 new firefighters.

• Memphis reduced attrition among police personnel by 25%, through a combination of improved compensation and benefits, management training opportunities, retention bonuses, and employee appreciation events.

• It increased employee engagement by 14 percentage points, as measured by an independent survey of employee opinions about city leadership, culture, and resources.

"All of our efforts around improving the recruitment and retention of employees seem to be working, but we have more to do," Smith says.

Social Media, AI, and More

Looking to the future, Smith says she and her HR team are excited about using social media along with their Oracle HCM Cloud platform to recruit job candidates. Smith also looks forward to using the platform's new artificial intelligence capabilities to identify police, firefighter, and 911 operator candidates with the requisite skills and experiences, as well as intangibles such as courage and the ability to think quickly in a crisis.

"Looking for talent for public safety jobs is like looking for a needle in a haystack," she says. "I'm watching what AI can do to help us recruit and retain the most talented people."

Among the other benefits of moving to a cloud-based HR system, according to Smith:

• Because Oracle—rather than city IT staffers or contractors—handles all of the system maintenance and updates, it frees the city's IT team to work on more

critical projects.

• It consolidates all employee data into one system, making it easier for HR team members to analyze and report on employee activities and trends.

• It's self-service, letting employees change their addresses, sign up for training, and work on performance reviews.

Previously, every time employees wanted to update their personnel files with something as simple as a new phone number, an HR staffer would have to fill out a form, put it in a neon-yellow folder, and carry it to the pile of other yellow folders on Smith's desk for her signature.

"Getting rid of the paper processes so we could be more efficient and agile as an organization, and spend our time on things that matter most, was very, very important," she says.

'Sense of Pride'

Working with Oracle Consulting Services, the city deployed the core HR module of the Oracle application suite in December 2017. The city also chose a goal management module that helps employees track their personal achievements and progress against the mayor's priorities for their particular department. A compensation module lets the HR team track employee salaries and make sure their pay and benefits are competitive.

"My team is in the business of helping people who help others," Smith says. "We feel a sense of pride in our work because we know that the police officers, firefighters, and 911 operators we're hiring could one day help us or one of our loved ones in an emergency."

- **Read the paper: Tech empowers CHROs to be agents of change**

Linda Currey Post Brand Contributor

Linda Currey Post is a senior writer at Oracle.