Name: Yuqing Lei

1. Describe the culture of Enron depicted during the first twenty minutes of the film. What

was the motto? How were the buildings designed? What values were being translated?

The Enron's culture was arrogant, abrasive, unethical, hard-charging, creative, and

individualistic. There was a convention of arrogance among the organization without

disciplines. There was also a lack of basic corporate management skills and no alignment

between the top executive level and the individual level. The work environment was

stressed and relentless, and the organizational level was only focused on the quick results.

Moreover, there was an inattentiveness of financial problems that finally jeopardized

Enron's credibility.

I think the motto of the organizational level was: Keeping making millions, hiding the truths,

and gambling more. And the motto of the individual level was: Do not challenge the boss.

Sitting back and protecting your job by agreeing with everything the boss suggests.

The Enron towers were designed to be tall, huge, glass-clad, and always shining buildings.

The buildings translated that Enron was one of the greatest and most powerful companies,

Enron people were doing remarkable things, and making markets where markets did not exist.

2. Jeff Skilling's character and lifestyle is described in detail. What was he like? How do

you think these traits affected his leadership? What did his lifestyle communicate to his

employees and customers?

According to the video, Jeff Skilling paid lot of attention to his appearance, public image

and reputation. He loved motorcycle race, and he was an adventurous person. He was

Revised [10/30/2014 3:17 PM]

eb 1

willing to embrace unknown situations and take risks. He also had high self-esteem, and was generally outgoing in public. Moreover, he was smart and innovative, and always thinking outside the box. However, because of his personality traits, his leadership as an executive was arbitrary, complacent, and easy to step outside the lines. In this case, I think his lifestyle sent his employees a signal that it was okay to get complacent and stay in the comfort zones. Also, his lifestyle communicated to employees that people can do the things they enjoy, things that make them feel good, and things that come easily, even if they might violent the law. Moreover, his public image also communicated to the customers and employees that Enron's executives loved to surround themselves with people who agree with them, think like them, and support them. Last but not least, it was an inevitable byproduct of Jeff's personality that during the years under his lead, Enron's culture gradually became arrogant, abrasive, hardcharging, creative, and individualistic.

3. What were some of Enron's espoused values? What were some of the actual enacted values?

Enron's espoused core value was ethical. However, Enron's top executives instrumentally gamed with Enron's unrealized future revenues whose valuation should have reflected liabilities and potential depreciation. As a consequence, the top executives' actions created a culture of greed that encouraged unethical behavior at all levels.

On top of that, Enron had four fundamental values: communication and listening, respect, integrity, and excellent. In other words, Enron's espoused culture allows employees to challenge ideas, suggestions, and plans. The values encouraged the employees to create

Enron: The Smartest Guys in the Room Video Assignment

critical thinking and innovation. However, the company's enacted values were arrogant, abrasive, unethical, hard-charging, creative, and individualistic. In other words, the actual values of the Enron did not allow dissent, and employees who suggested alternatives were castigated for not being a good team member. The organization actually produced an environment of fear, stagnation, and antipathy.