


The Question of
Redem



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STORY BY MEGHAN WALSH

As the world becomes less tolerant of bad behavior, should firms that are hiring look beyond job applicants' past transgressions? The answers can become wrenching for those who apply—and those who judge.



ideo clips of Richard Bistrong talking at ethical compliance conferences and on other corporate stages show a man who carries himself with the confidence of a former corporate vice president. Tall, tan and trim, it isn't hard to imagine him traveling the world negotiating million-dollar deals for a military and police equipment manufacturer. His rectangular spectacles and gray-tipped burr portray an educated 55-year-old with a master's degree in international affairs, who was once married

to an ambassador in the Clinton administration and lived in a 6,000-square-foot mansion in an exclusive seaside resort town south of Jacksonville, Florida.

To the unknowing eye, Bistrong appears to be a polished former executive turned successful compliance consultant. But upon closer inspection, the neatly defined image, as it does for so many, proves to be a mirage. The sprawling estate, you will learn, was financed through illicit dealings abroad and more than a million dollars in kickbacks from suppliers. Bistrong, in addition to being terminated by his employer, eventually plead guilty to charges of bribery, which he used as a means of securing contracts to supply helmets, armored vests, pepper spray and other gear to United Nations peacekeeping forces and foreign law-enforcement agencies. After spending five years as an FBI informant, the clean-cut Florida businessman would serve 14 months in prison.

Bistrong's case is certainly extreme. Few professional transgressions are so severe as to wind up in federal court. But the aftermath provides a textbook example of how to perform career triage, whether it's coming back from a criminal offense, a failed business venture or other unsightly resume mishap. It turns out that the path to redemption takes a similar route, regardless the gaffe.

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To err is human, to forgive divine. Today's workforce is navigating a particularly tenuous time period when empathy seems to be more abundant than ever but second chances harder to come by. While addiction was once seen as a moral failure, it's now understood to be a diagnostic disease. Science spells out the adverse effects that stress, childhood trauma and genetics can have on adult behavior. Yet zero-tolerance policies are the new standard and social media is more often a platform from which to cast stones than grant pardons. “There's no doubt, it's tougher to get a second chance today than it was 20 years ago,” says Ron Porter, a senior partner in Korn Ferry's Human Resources Center of Expertise.

Tougher but, as Bistrong attests, possible.

“Not everyone wants to hear what a former felon has to say about ethics,” Bistrong says from his new home in New York City. “I paid the price to society through the loss of liberty. The question is: Where do you go from there? You don't go straight to corporate engagements. There's a lot of hard work that has to happen in between.”



forgive?

Most people have heard F. Scott Fitzgerald's famous adage that there are no second acts in American lives. But read the entire sentence in its original form and it's clear that's not actually what the author of "The Great Gatsby" espoused. "I once thought that there were no second acts in American lives, but there was certainly to be..." wrote Fitzgerald in the 1932 essay "My Lost City."

Particularly in the United States, where experts say as a society we're more forgiving than many others, it isn't hard to find prominent career comebacks. Jamie Dimon was fired from his post as chief financial officer at Citigroup before joining Bank One (now JPMorgan Chase) as chief executive officer two years later. During his first term as senator, John McCain was embroiled in the Keating Five corruption scandal, which he has since called his "asterisk." However, the Arizona politician would go on to run twice for president. The Indianapolis Colts hired Tony Dungy just days after he was fired by the Tampa Bay Buccaneers, a decision that eventually rewarded the organization with its first and only Super Bowl title.

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But, alas, research suggests that such returns to glory are the exception.

In their book, "Firing Back: How Great Leaders Rebound After Career Disasters," Jeffrey Sonnenfeld, the senior associate dean of leadership programs at the Yale School of Management, and Andrew Ward, an associate management professor at Lehigh University, analyzed more than 450 CEO successions at large, publicly traded companies. They found only 35 percent of CEOs returned to an executive post within two years of being forcibly ousted, while 43 percent saw their careers come to an end. Another 22 percent settled into advisory roles. There is one outlet, though, that hasn't always existed in the way that it does today, and that is private equity. "They're less likely to be as concerned about reputation and more likely to take a risk," Porter says.

Outcomes vary across industries, Ward points out. In sports, for example, coaches will be rehired within days of being fired and despite a losing record. "It's about how the setback impacts your reputation and how it can be repaired," Ward says. In politics, comebacks also abound. "More often in politics the setback doesn't have to do with the job—it's a personal indiscretion, so it doesn't speak to the confidence of the politician." In business, on the other hand, it's more often the case that failure affects job performance or a company's reputation.

Consider Mark Hurd. He was dethroned as CEO of Hewlett Packard in 2010 after the board fired him for using company resources to pay for a series of intimate encounters with an adult-film actress, among other improprieties. Yet Larry Ellison hired him shortly after as president of Oracle Corporation, where he now serves as CEO and has had immense success. "Most people wouldn't have touched him," Porter says.

But had that same scenario taken place today, less than a decade later, it may have had a very different ending. With the proliferation of social media and the moral reckoning that the #MeToo movement has unleashed, misdeeds that were once overlooked are now being accounted for.

Hiring Practices

Korn Ferry interviewed more than 100 executives to ask for their current views on job candidates in today's environment.

If a candidate discloses a past ethical violation, should companies be more forgiving when considering hiring that person?

46%
NO

55%
YES

Bistrong turned himself in to the United States Penitentiary, Lewisburg in Pennsylvania in the fall of 2012 determined to make the most of his imposed sabbatical. So, with his newfound free time, he read and he wrote. He studied behavioral research, reflecting with pen and paper on the emotional drivers behind his own reckless conduct. The man who once took digital marketing courses at New York University and executive education at Columbia now sought out books about rebranding a tarnished image. Meanwhile, Bistrong schooled himself on the Federal Corrupt Practices Act.

Several months after his release, Bistrong published his first blog on a DIY WordPress template and established Front-Line Anti-Bribery LLC. Lawyers and professors focused on the FCPA's legal challenges, but Bistrong, who in his previous life spent some 250 days a year jet-setting to remote locations, positioned himself as an insider expert. He talked about what companies could do to prevent employees like himself from straying.

From human resources officers to psychologists to image consultants, everyone starts with the same advice: Own your mistakes. "The public is willing to forgive a lot, but they're not willing to forgive someone who is unrepentant," says Dorie Clark, author of "Reinventing You," one of the books Bistrong turned to. Case in point: Martin Shkreli. Far worse financial crimes have been met with lighter sentences, but because of the "pharma bro's" defiance and the immense vitriol he engendered, Shkreli will spend nearly seven years in prison simply for lying to investors.

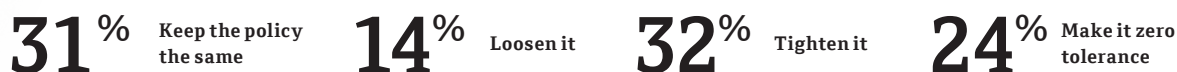
The first sentence of Bistrong's LinkedIn profile reads: "I bribed foreign officials, cooperated with international law enforcement & went to prison."

And the second: "Today, I share that front-line experience for the benefit of others..."

The key is walking the fine line between owning your mistakes then shifting the conversation in a positive direction. As the joke goes: "Where do you hide a dead body? On Page 2 of Google results." When Starbucks came under fire this year after an employee was accused of racial profiling, the company announced it was closing all of its stores for a one-day racial-bias training, masterfully reframing the media narrative.

Clark goes as far as to say that mistakes can become building blocks for an even

In your opinion, what policy changes (if any) should your company make on hiring candidates who have violated an ethics code at a prior employer or been convicted of a crime?



Over the past year, do you think your company has become stricter about hiring candidates when it discovers a candidate has broken the law or violated a past employer's ethical policy?



Do you think your company should conduct more comprehensive background checks on candidates?



stronger personal brand if handled correctly. "Human impulse is to sweep mistakes under the rug," Clark says, "but if you do that, you're always operating from a position of weakness. It leaves you playing defense."

In a world where the scales of justice are perfectly balanced, second chances would be meted out based on repentance, worthiness and, perhaps, intention. But in the real world, redemption is more often determined by whom you know, how much value you offer and the prevailing moods of the day. In both the courtroom and the boardroom, whether it's the book thrown or a slap on the wrist depends largely on public sentiment.

Former McDonald's CHRO Rich Floersch, currently a senior strategic advisor for the Human Resources Policy Association, says he's more forgiving now than 35 years ago, and he's actually more drawn to candidates with a career blip. "If they show that they've learned from their mistakes, it can actually make for more humble executives who aren't going to walk into the same trap," Floersch says. But in today's climate there is zero tolerance for any sort of discriminatory record—and he's never hired someone with a moral breach.

The measure that corporate gatekeepers often use to evaluate behavior is this: 1) Was the offense directly related to the performance of duties (e.g., embezzlement vs. affair)? 2) How much did the mistake impact other people or the business? 3) Was there criminal malice or simply bad judgment? And, in the end, the reality is that "performance buys you time, if not a complete pass," Porter says.

Bistrong has had to learn to let go. Not everyone is willing to look past his indiscretions. He doesn't push it. Instead, he works to keep his ego in check. But there has been some redemption for former inmate No. 30079-016, who today finds himself traveling the world again, featured in The Wall Street Journal and Forbes, and named one of the top minds in the compliance industry. "Having gone through this crucible, I've learned making amends is a lifetime experience," Bistrong says. "Forgiveness is not a yes-or-no equation, it's being receptive to the idea that real change is possible."

But remember this: Those changes better stick. There are no third acts in America. ●