



1.4.06 (smz) - **CAN A FILM DESTROY A CEO'S REPUTATION?**

An agglomeration of films recently broached the issue of corporate scandals and malicious CEOs:

- The Enron documentary film – a film by Alex Gibney, based on the book “The Smartest Guys in the Room”, largely cut together from Enron corporate material plus interviews conducted after the breakdown, released in April 2005.
- Fun with Dick and Jane by Dean Parrisot, starring Alec Baldwin, and Jim Carrey, released in late 2005: a malicious but funny piss take of the Enron scandal. A Houston couple turns into robbing supermarkets, gas stations and banks to pay their bills after they were fired.
- Grounding, released in 2006 and directed by Michael Steiner features the Swissair breakdown and bankruptcy, which is attributed to the banks. The film contains portraits of the UBS and CreditSuisse top management.
- Ivresse du pouvoir by Claude Chabrol in 2006, starring Isabelle Huppert as magistrate investigating a corporate executive. The story incredible resemblance to the ELF Aquitaine case in France. The film is centered both on large traffics and corruption.

Watch these pictures in a movie theater and the reactions of the audience become part of the experience. I was in New York to see the Enron documentary and was certain that ex employees were in the small theater on Unions square. People laughed cynically at moments that clearly marked them as insiders. In Zurich I also felt that ex employees and/or victims of the Swissair company breakdown were in the room watching “Grounding”. The way they laughed about the behavior of the top management made me shiver.

These films paint a dark black picture of the top management. Company leaders don't spend a second to think about their firms or their employees. If a discussion makes a CEO nervous he simply evades in a helicopter (Alec Baldwin as JackMcCallister in Fun ...) or crashes furniture with a golf club (Rainer Guldener as Lukas Mühlemann in Grounding). Strategy is being made in late night sessions and completely irrational. Promises are broken the next day. CEOs do whatever they please in treating others (yelling and shouting or scheming against one another). CEOs take time off as they like and disappear in large black limousines.

Marcel Ospel from UBS, who in “Grounding” is made responsible for the bankruptcy of Swissair lost his nerve and reacted in public. “Now I speak out” read the cover on January 28 in Switzerland's tabloid “Blick”. Ospel acknowledged he had not watched the film.

According to a researcher at the University of Zurich these films do not hurt a CEO's reputation. Daniel Künzle, who has measured CEO and companies reputation since 1997, believes that "Ospel's mistake was to react to the provocation. This gives him negative credits in his peer group and in the population. The film portraits are so far away from everyday life that they do not transfer and do not contribute to opinions about CEOs."

Transfer is what some film directors' want. Mission accomplished? Researcher Künzle suggests otherwise.

