Culturally Responsive Behavior

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Abstract

Duke Energy is one of the top 10 energy producers in the US. In a period of transformation over the last decades, Duke emerged from being a sleepy, regional electric utility to one of the largest energy companies in the world. Its executives, managers, and line employees have experienced unprecedented change as the company has grown and acquired new divisions, new people, and new cultures. During this growth transformation, ecological damages such as spills from Duke Energy coal ash retention ponds have upset the balance of the Dan River, an important water resource.

How to extract and manage the energy resources of North Carolina safely is a source of interest not just to Duke Energy and its customers, but to all who live within those communities. Wendell Berry would not likely consider Duke Energy and its efforts as contributing to being "cultivators of the Earth" (Berry, 2002). He would likely consider them reckless and an example of how the balance between life and machinery are out of sync. He writes in his essay *The Use of Energy* that "the difficulty with mechanically extracted energy is that so far we have been unable to make it available without serious geological and ecological damage". He's right, of course. The challenge is how do we balance the collective good of producing reliable, inexpensive electricity with the value of being good stewards of the land? Berry writes about our (and Duke's) approach to "mechanically extractable energy" as "crude and ignorant" and how it puts us at risk for more and more "physical and moral poisons" by our continued used of fossil (even atomic) fuels. He's right as well about how no one really knows the impact extracting energy can and will have on our economy, our social/political structure and our overall ecological balance (p. 282).

We all require continuous reliable energy sources, and we also understand that energy cannot be produced without an environmental impact. Even clean energy sources, such as solar, may be clean at point of use but the materials required to build the solar panels cause environmental damage at the point of extraction. The challenge is how to quantify the environmental impact, and how to prioritize reduction of environmental harm within the organization's oft competing list of priorities. Is reducing environmental damage more important than continuity of energy supply, or is it more important than building shareholder value? Using Duke Energy as the example of large energy producers, we can explore how an organization balances its core values within an increasingly harsh competitive landscape. While Duke Energy may be in the news responding to an accident, having to deal with storm damage, or even (as with the Enron debacle) having to deal with the economic realities of competing with truly impenitent competitors, we believe the employees of Duke Energy are good, moral people wanting to do a good job—a responsible job.

Duke Energy has transformed several times over during the last few decades, with each experience teaching a new lesson in how to operate and participate within the international energy industry. This essay will convey some of the efforts Duke has made to remain culturally responsive during its many transformations. How the organization, especially during times of crisis, works to create and maintain a *commitment to values*. Not merely value (or what most would consider economic or monetary value), but values that impact our human condition. The science of this sort of thing is called axiology, but for Duke Energy employees (and even former employees) it exists as a way of life. We think there is a strong link between Duke's commitment to values and the agrarian understanding. While we can imagine Berry not agreeing with the methods and results of the modern large energy utility, taking a moment to offer and consider the culturally responsive behavior at Duke, and its transformative impact, from the perspective of the Duke Energy office of Diversity, Ethics, and Compliance is valuable. It is this group that is chartered with measuring Duke's performance, both from the perspective of individual employees as well as the view of the Duke Energy organization.

From this group there is a motivation to ensure Duke Energy is a place where all employees have a voice and are made to feel a part of the company's overall success. This paper will portray the culture at Duke that has existed, persisted, and changed, through the disorienting dilemmas experienced by its employees over the past few years and will focus on the culturally responsive behavior that has enabled Duke Energy to transform and learn from surrounding events, good or bad, and remain a valued and respected leader within the energy industry. How long will this approach be supported by the organization, given the radically different social environment we find ourselves in, and what will be the impact on our environment if federal & state safety regulations are removed? How Duke Energy manages this situation will surely have an impact on their future success.

Since the early 1990's, de-regulation opportunities (where a government or regulatory body opens up an industry for market-based competition) and a generally robust economy spurred unprecedented growth within the energy industry and utility companies (such as Enron, Duke, El Paso, Dynegy, and others) rushed to take advantage of new ways to make money and increase shareholder value. In an era of limited governmental scrutiny and pro-business legislation, energy businesses have prospered. In late 2001, it was revealed that Enron had engaged in criminal business ventures, misled stockholders, and directed senior executives and consultants to hide the truth (Skov, 2004). Suddenly the energy industry was front page news across the world, and the reverberating effects of Enron's actions forced many well-managed and respected businesses to exit the energy trading business, or worse, collapse entirely in the wake of Enron's bad news.

Although Duke's peers in the energy industry, particularly Enron, had permanently damaged the public's perception of energy providers, Duke Energy remained stalwart. In the wake of industry-leading Enron's collapse, Duke Energy emerged as a frontrunner within the energy industry. Unfortunately, that leadership position was tenuous and existed largely because other energy companies failed to survive or were forced to scale back their operations. Duke was typically described, according to Skov (2004), within the energy industry as the "best house in a bad neighborhood" (p. 14). Duke's office of Diversity, Ethics, and Compliance worked to leverage that image as an opportunity to bring about desired change within the energy industry.

Duke was able to respond to questions and concerns about its business practices resulting from the Enron scandal by initiating a policy that emphasized its business values, in addition to its business goals, when it communicated the overall corporate strategy to shareholders, employees, and the outside world. Duke chose to amend its traditional reliance on business goals and programs (new plants, cost containment, etc.) as a measurement of success with the communicating of its values as a cornerstone of its strategy. By emphasizing its six business values: *Integrity, Stewardship, Inclusion, Initiative, Teamwork, and Accountability*, Duke decided to convey that its culture, its diversity, and its commitment to being a positive corporate citizen were enablers for keeping the company a leader in the energy industry (Anderson, 2004). Duke employees often carry these six values with them (usually on their lanyards next to their ID cards, literally wearing them as badges).

Following are several vignettes describing where Duke's six business values have emerged as fundamental opportunities for its employees and the organization: where the theories and principles of culturally responsive behavior have been put into practice, and links to the agrarian understanding are particularly prominent.

Vignette #1: Integrity. One of the key components of culturally responsive behavior is helping direct misguided or thoughtless activities to prevent misunderstandings and with this value, Duke Energy works always to "tell the truth" and "keep its commitments". It is a particularly strong communication in an arena where Enron (and others) have been caught doing the opposite. Berry would likely find this questionable for a large energy company, but nevertheless he and other agrarians would agree with this value. As Duke found out recently with the coal ash situation, the land doesn't let you hide secrets and it is better to admit when something is wrong than to cover it up.

Vignette #2: Stewardship. Duke takes its commitment to operating productive and safe power generating facilities very seriously. Part of that dedication to safety includes being aware and responsible for environmental stewardship within local communities. Although that commitment is being tested right now, Geneva Gay (2000) pointed out, part of being able to understand the needs of a community begins with the "understanding of their culture and identity" (p. 187). North Carolina is an extremely environmentally conscious state. Part of Duke Energy's success over the years can be attributed to its leadership's commitment to operate safely and initiating what could be called "cultural therapy" as Gay does. It is the "process for bringing in . . . cultural identities to a level of cognitive consciousness [while] deconstructing" the perceived walls and behaviors that tend to split business requirements with environmental necessities (p.71). We're not sure a typical farmer would look at things quite that way and with quite the same precision that Duke Energy does, but we believe the commitment to stewardship of the land is paramount for the agrarian and even Berry writes of the value of "cultural consummation", being aware of what goes in and out of the countryside (p.131).

Vignette #3: Inclusion. At Duke, Inclusion means diversity is respected, encouraged, and counted on to help produce measurable results for the company. But inclusion also means that Duke values diversity for the alternative perspectives it can foster (Anderson, 2004). For example, a decision to enter into a power development agreement with the local government in Little Rock, Arkansas was initially a business decision limited to Duke's executives, but by leveraging the office of Diversity, Ethics, and Compliance and its relationships within the company, additional representatives skilled in working with municipalities were engaged in the project. Duke was able to communicate to the community leaders of Little Rock in new and innovative ways (town meetings, picnics, etc.) and a more productive partnership with the city was created. Local officials gained support from their constituency, and Duke received a positive response from state and national regulators. This approach of Inclusion remains a model for such joint ventures at Duke (Skov, 2004). In his essay, *The Use of Energy*, Berry mentions how the "skills of responsibility perish" when "machines replace[s] the productive skills of people" but we think even he'd agree that inclusion as a value by Duke Energy or any other corporate entity would be a step in the right direction toward achieve a balance with the agrarian understanding (p. 291).

Vignette #4: Initiative. Gay (2000) also details in her work that she tries to be "simultaneously friend, mentor, model, critic, teacher, and confidante" and by teaching this kind of behavior we can empower others to improve on their own "problem solving and self-reflecting skills" (pp.185-186). At Duke Energy the Initiative value promotes "courage and creativity" (Anderson, 2004). Like Gay, Duke's leadership also subscribes to a philosophy that enables a closer tie between manager and worker (through mentoring and diversity skills training). The communication is didactic as well, since it promotes discussion and scenario planning between newer and older workers, alternative approaches to problem solving, and exposure to various models of discipline. A key benefit of this type of approach and behavior was evident during the recent Dan River coal ash crisis: when bad times hit, Duke had the ability to initiate a plan with speed and decisiveness. We believe this is also core to the agrarian understanding, especially the value placed on proactive work. Although he was describing a minimalist version of this value, Berry has a great quote about the Amish toward the end of his *Energy* essay: "They alone, as a community, have carefully restricted their use of machine-developed energy . . . they have maintained the integrity of their families, their communities, their religion, and their way of life" (p. 292). Big or small, the value of being true to what you believe and being proactive to achieve it in balance is critical.

Vignette #5: Teamwork. Late in 2003, a Duke executive remarked on how a chance breakfast meeting he had with another colleague resulted in the sharing of information that enabled Duke to realize several hundred thousand dollars in positive revenue. That type of chance meeting is now referred to as an ROC (reliance on chance) and became a fundamental part of Duke's overall business strategy . . . to look for and promote those opportunities where a chance meeting could occur (Skov, 2004). Duke's ROC approach stimulates new thinking as well as teamwork, often leading to new processes or transformative triggers leading to opportunities to make something happen that wasn't there before. To the agrarian, teamwork is symbiotic. Working together helps achieve balance, not just in energy, but in living with the land and all its creatures. Looking for ROCs on the farm, in the forest . . . everywhere . . . helps promote an emancipatory awakening in everyone.

Vignette #6: Accountability. "Power", according to the late Patricia Cranton (1994), can be defined "as a person's ability to influence another person's behavior and attitudes" (p. 129). As influencers, Duke's leadership has learned to take responsibility for its actions. Even though the most recent Dan River event tests it, Duke Energy works to promote an environment where clear goals are set, results are measured, and the work force collectively takes responsibility for the company's actions. Such a commitment is vastly different from self-centered, hierarchical management styles from earlier eras and helps define Duke Energy as a leader in the industry. An agrarian may not readily see this type of shift in a corporate behemoth like Duke, but over a period of years, a definite change has occurred at Duke Energy. As information and knowledge has emerged, so has a better balance (not just a forced regulatory balance).

Duke's business values have emerged as a productive tool and guide for the organization and has become a catalyst at a time when the company was tested by negative news and public doubt. As the vignettes have shown, Duke has integrated its values into the business and its culture, helping to lead the way during its many transformations. Culturally responsive behavior, according to Gay (2000), "is validating . . . as well as empowering" (pp. 29-32). Duke Energy's six business values succeed at both.

In many ways (not just via the efforts of the office of Diversity, Ethics, and Compliance), Duke Energy has started to achieve the balance Berry often mentions. We think the paradox he ascribed to the Amish may be applied to the modern Duke Energy as well: "We can make ourselves whole only by accepting our partiality, by living within our limits, by being human -

not trying to be gods. By restraint they make themselves whole." We hope Duke Energy as a corporation (note the root of that name: corpus . . . *the body*) can become whole as they continue to provide energy for all of us in North Carolina (p.292).

Duke Energy discovered a method for sustaining success within a tumultuous industry. Duke wanted to create a method that, as Mezirow (1991) stated, would help change Duke's way of thinking and instead of "merely adapting to changing circumstances by more diligently applying old ways of learning", encouraged a new process and approach while not disrupting their accepted social behavior (p. 3).

Wendell Berry tells us of the "machine metaphor" in modern agriculture. It "is allowed to usurp and wipe from consideration not merely some values, but the very issue of value". He goes on to ask if we can remove cultural value from one part of our lives without destroying it it in other parts. We have to think he'd at least be encouraged by the efforts at Duke to consider and *truly value the six values* (p. 288). Berry is right, we believe, in that "we are one body and what afflicts the hand will afflict the brain" (p. 289). We (or Duke Energy, or any entity) cannot participate in this world without taking time and effort to understand the consequences of all of the actions we take and the decisions we make.

References

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