

Robert L. Johnson



Leading in the B-Suite

Powerful conversations about life, race and leadership

"Companies Have To Put More Black Executives In The Leadership Pipeline"

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Honored to have the opportunity to interview Robert L.

Johnson, the legendary co-founder of Black Entertainment Television and chairman of The RLJ Companies for the next installment in our series we've launched with prominent Black executives called "Leading in the B-Suite." Rhonda Morris, the chief human resources officer of Chevron, and I launched this series to spark more conversations about race in corporate America and what should be done to increase the ranks of Black leaders in the C-Suite (thus the B-Suite name). Powerful stories and provocative insights here.

Morris: Who were the biggest influences early in your life?

Johnson: My parents had a fundamental belief that if you worked hard, you should do well. They would get up every day and go to work and they didn't complain. They would do the best that they could with what they had to take care of a family of ten kids, and I was number nine. And they did it in a way that just was supportive in every way that they could.

If you needed emotional support, they gave you that. If you needed a little bit of tough love, they gave you that. If you got a good grade in school or won a basketball game, they were proud and supportive. They made you feel that even if you didn't have everything that other people had, you were still pretty special.

Morris: Why did you decide to become an entrepreneur?

Johnson: It wasn't any kind of epiphany. I tend to think that

entrepreneurs are born with it in their DNA. I grew up in a small town called Freeport, Ill., about 100 miles northwest of Chicago. The next town over had a newspaper called the *Rockford Morning Star*. I decided to become a paperboy to make some money, but I discovered that I could not get up in the morning to deliver the papers, particularly when it was cold.

So instead of delivering the papers, I would hide them in the garbage can. It didn't take long before my mother started getting calls. She said to me, "You have to live up to what you said you were going to do or you've got to figure out a way to solve the problem." I went to my older brother, who was used to getting up early in the morning and said, "Here's the deal. If you deliver the papers, I'll collect the money at night." We worked out an arrangement, and I liked that approach to doing things. I didn't have any problem working *with* people, I just didn't like working *for* people. That's how I got into wanting to be my own boss.

Bryant: How did you start BET?

Johnson: It was 1980. I was a lobbyist in the cable industry, and I saw an opportunity to provide targeted content to the Black middle class. It was about being in the right place at the right time. I started talking to some of the people in the industry, including John Malone, who at that time ran a cable TV company but now owns Liberty Media, one of the largest media companies in the country.

I had no money in the deal, so I said, "John, that's a deal."

I approached him about the idea of starting a channel that would target Black audiences. He asked me how much it would take to start BET. And I said I would need \$500,000. He said, "I'm going to do this for you. I'm going to buy 20 percent of your company for \$180,000 and I'm going to loan you \$320,000. That'll give you your \$500,000. Is that a deal?" Now, remember, I had no money in the deal, so I said, "John, that's a deal."

What John Malone didn't know was that if he had reversed it and said he would own 80 percent and I would own 20 percent, I would have said, "John, that's a deal." But he didn't do that, and I walked out of there with a \$500,000 check and 80 percent of BET. John never sold his shares, and when we sold BET to Viacom some 20 years later, John's \$180,000 stake earned him close to \$800 million in Viacom stock.

Morris: Do you feel like you've encountered headwinds in your career because of your race?

Johnson: Because I had the backing of John Malone early on, it was like the "Good Housekeeping Seal of Approval." But of course there were moments. I was with a group of cable operators, and we were sitting around talking and having a drink at one of the conventions. One of the guys said, "Bob, I've got some news for you. The Ku Klux Klan has purchased all the rights to the TV series *Roots*. They want to run it

backwards so it'll have a happy ending."

The biggest challenge Black people have in business is how to navigate those moments. And you've got choices in a moment like that. You can get up and walk out, but these were people I was doing business with. If you handle it right – and I just said something like, "I don't think that's funny." — you live to fight another day.

Bryant: For the all the heightened awareness of racism in our society, the topic still makes many people uncomfortable in companies. Your thoughts?

Johnson: The reason they're so uncomfortable is fundamentally rooted in the capitalist system. When people go to work, they believe that they enter into a whole new world where the primary purpose is a joint effort to maximize profits. And so the theory is that when you enter that environment, you leave all the other personal and societal issues at the door.

We as a country have never bought into the notion that the workplace is an extension of our society.

So people may think to themselves, "Don't bring that stuff to work because it makes me uncomfortable in a place where I'm here for one mission only. It's not to listen to you bemoan the fact that your brother was fired or was arrested by the police. That's outside of the business environment, so leave it outside."

We as a country have never bought into the notion that the workplace is an extension of our society. And because of the natural hierarchies inside companies, in terms of compensation and office size and other status markers, it's always very difficult for people to talk about issues like these as equals. I think these dialogues about race are going to die out and dissipate because it's uncomfortable to keep them going.

Morris: So what needs to be done?

Johnson: Companies have to put more Black executives in the leadership pipeline. People have to see that there are Black people throughout the company, and not just pigeonholed into one category. In my companies, I adopted the model of the NFL's Rooney Rule, which said that no team could hire a general manager or a coach without interviewing at least one or two Black candidates for those posts.

For us, before you hire anyone at the director level or above, the person in charge of hiring must interview at least two minority candidates. They don't have to hire them. It is a mandate to interview, because if the person wasn't right for that job, you keep their name in your system and they may be right for the next job. And if you do hire a minority candidate, then you're opening the door for other people to be considered because of their personal network.

There should be

accountability, just like in other aspects of business.

Once you get more people being considered, you can get more diversity in the people actually getting hired. And you do that at every level of the company, even when recruiting board directors, and people are held accountable by making part of their compensation based on meeting these goals. There should be accountability, just like in other aspects of business, like return on invested capital and other measures.

Bryant: What's been your reaction to all the companies making various pledges in the wake of the killing of George Floyd?

Johnson: They think they're doing something for Black society as a whole, but really what they're doing is something for themselves in the confines of what they know. They're giving out money, but in many cases they don't know anything about the organizations that are getting the money. They have no plans, I assure you, to follow up.

If you really respect Black people and you want to solve their problem and help them out, why don't you ask them what would help most, and then do a lot of vetting of different organizations to make sure you're getting a good return on your investment.

And yet White America believes that they are going to make Black people happy with this level of what I call "placebo paternalism." White people will tear down every statue in America, but if you ask

them to give Black people reparations, they'll say, "No, we can't do that." The sad part about it is that they actually believe they're doing something, but nothing they're doing goes to the heart of the racial economic disparity in America.

Morris: What career advice would you give to young Black professionals?

Johnson: The first thing that any Black professional, or anybody for that matter, has to do, is believe in themselves. If they don't believe in themselves, they've pretty much given up a third of the battle. That means they have to take every opportunity to make that first impression, to make that first statement of who they are, their character, their integrity, and their ability to make the most of an opportunity.

You've got to know how to read the audience.

The second thing – and this is true today and it probably will be this way forever – is that you have to know how to communicate in a white environment. You've got to know how to read the audience, because that audience is making the decision about your next move. If you don't know how to do that, it's going to be tough trying to get all the way to the top because you'll feel that people are against you and that they don't understand you.

The last thing is to make friends before you need them. By that, I don't

mean buddies. I mean you should let people know how confident you are in yourself, where you stand, what you want to do and what you want to achieve. Be as transparent as you can about who you are and what you want to become.

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