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The NFL's Compliance Fumbles

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Body

Last month, the NFL told Baltimore Ravens running back Ray Rice he couldn't play professional football anymore, after a horrific video surfaced of Rice punching his then-fiancé (now wife) in an Atlantic City hotel elevator in February 2014. Previously, NFL commissioner Roger Goodell had given Rice a very light two-game suspension without pay, while talk shows and commenters debated the punishment and what it said about domestic abuse and the standards of conduct required for NFL players. Meanwhile, Rice entered a pretrial intervention program with the goal of dismissing the third-degree aggravated assault charges against him.

The NFL is a $9 billion organization, and its players not only represent the league and its respective teams, but also serve as role models in communities across the United States. As the Nike commercials suggest, fans who buy jerseys of their favorite players, after all, want them to stand for winning, sportsmanship and excellence on the field - not domestic abuse, drugs or any other criminal activity. In other words, bad player conduct poses reputational risk for the league and impacts financial performance. Many NFL players are ambassadors to the brand and only build on the league's image of professionalism and sportsmanship - Denver's Peyton Manning and Houston's J.J. Watt come to mind.

MANAGING RISK

To manage reputational risk, organizations, like the NFL or your company, set forth clear rules on what is required for employees, telling them what doing a good job looks like. One of the key
components of these rules is a system of disciplinary action with escalating punishment depending upon the rule infraction. If an employee is found to have broken the law and the violation impacts the business, the employee may need to find a new position.

Transparency and consistent enforcement are hallmarks of an effective disciplinary program. But that has not been the case in the NFL, and that is bad for business. For the NFL, players accept that as part of their work as football players, their conduct off the field impacts the NFL’s business and reputation. Rice’s ejection makes perfect business sense. What the league mishandled was waiting until the video surfaced to fire Rice. Once an allegation of wrongdoing surfaced that was substantiated and impacted the business, the league should have disciplined him. Waiting to make the right call sends the wrong message to fans and other players. It says that Goodell does not think beating up a woman will impact ticket sales or financial performance, so the league should allow Rice to suit up for the Ravens.

On Aug. 28, before the video surfaced, Goodell announced new, standardized penalties for domestic violence and sexual assault by any league personnel: a six-game suspension for a first offense and an indefinite suspension of at least one year for a second offense. The letter also mentioned the NFL would give consideration "to mitigating factors, as well as a longer suspension when circumstances warrants." He admits that he mishandled disciplining Rice.

Recently, a San Francisco 49ers defensive end was allowed to play in the season opener against the Dallas Cowboys after he was arrested on domestic violence charges - the team said it was waiting on "due process." Plenty of college players are not allowed to play after even one allegation of misconduct.

Goodell has a tough job, as does anyone running a business entity. For the NFL, it may get tougher if this inconsistent disciplinary system impacts its reputation - it certainly would be unnecessarily rough if your company didn't discipline its employees properly and consistently.

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