

## The changing image of Goldman Sachs

### 1 Warmer

Which company do you think of first when you consider each of these products?  
Why do you think these companies have a high profile?

- soft drinks
- fast food
- sports shoes
- coffee
- financial services
- air travel

### 2 Key words and expressions

Find the words or phrases in the article that match the definitions below. The paragraph numbers are given to help you.

1. a verb meaning **to start selling a new product or service to the public** (para 1)  
\_\_\_\_\_
2. an adjective meaning **relating to the business of selling large quantities of goods, especially to people who are going to sell them** (para 2) \_\_\_\_\_
3. a verbal noun meaning **changing the corporate image of a company** (para 4)  
\_\_\_\_\_
4. a noun meaning **the disadvantage or negative aspect of something** (para 5)  
\_\_\_\_\_
5. a two-word noun meaning **the business of offering financial services to the general public** (para 6) \_\_\_\_\_
6. an abbreviation that means **Chief Executive Officer** (para 7) \_\_\_\_\_
7. a noun meaning **a new member of a company or organisation** (para 8) \_\_\_\_\_
8. a noun meaning **a reduction in the use of middlemen between producers and consumers** (para 9) \_\_\_\_\_
9. a two-word noun phrase meaning **executive level managers in a company** (para 10)  
\_\_\_\_\_

10. a two-word noun meaning **an official statement or report that an organisation gives to journalists**  
(para 11) \_\_\_\_\_
11. a noun meaning **a belief or attitude that many people have** (para 12) \_\_\_\_\_
12. a noun meaning **a strong, negative and often angry reaction to something that has happened**  
(para 12) \_\_\_\_\_

## The new bankers: cuddly, cool, with a passion for dance music

Wall Street's grandees are keen to project a friendlier face in the age of social media

BY GILLIAN TETT

- 1 This week David Solomon, head of Goldman Sachs, flew to Palo Alto and revealed, during a hip ceremony featuring Oprah Winfrey, that the Wall Street giant is partnering with Apple to launch a digital credit card.
- 2 It was a departure from the usual Goldman image and strategy: the investment bank became formidably powerful by discreetly serving wholesale clients. Furthermore, after the event, Goldman staff rushed to post shots of Solomon, wearing a trendy black suit for the occasion, on to his official Instagram feed – which carries the bio: “Dad. DJ. Day job@goldmansachs” (yes, really). “Cool venue. Awesome team. Exciting announcement,” the post declared, generating a string of replies bursting with emojis.
- 3 Solomon’s Instagram presence is not restricted to business. Another account, DJDSolmusic, showcases his favourite hobby – DJing for electronic dance music parties. Cue carefully curated shots of Solomon behind a turntable, next to rappers, with posts such as “My first original song, Feel Alive feat. @kattrockell is out now on @paybackrecords”.
- 4 What to make of this? The first, obvious point is that it is a striking case of what anthropologists might call structural opposition of symbols – or, in plain English, “rebranding”. Until recently, Goldman was a pathologically private place that shunned glitz and discouraged prying eyes – I can say from personal experience that it was a tough institution to cover as a journalist.
- 5 But the financial crisis of 2008 revealed the downside of this policy of secrecy: bankers were so faceless and defensive that they were easy to demonise. A notable Rolling Stone article at the time likened Goldman to a “vampire squid wrapped around the face of humanity”.
- 6 So as the crisis ebbed and the bank moved to embrace retail finance, its grandees tried to appear a fraction more cuddly or, at least, less arrogantly aloof (or squid-like). Lloyd Blankfein, Solomon’s predecessor, started this shift when he unexpectedly opened a Twitter account a couple of years ago.
- 7 The tweets of CEOs tend to be carefully (and boringly) crafted by their PR teams. But Blankfein loved the medium. “It forces you to commit,” he recently told me. And he displayed a dry, slightly subversive wit. “Just left Frankfurt. Great meetings, great weather, really enjoyed it. Good, because I’ll be spending a lot more time there. #Brexit.”
- 8 Solomon has not embraced Twitter, partly because he wants to differentiate himself from Blankfein. In any case, Instagram is a better place to reach the millennials that Goldman is now eager to court, not just as customers but as recruits. “My mindset was, how do I communicate with our employees?” Solomon explained. “Instagram enables modernised connectivity with our 40,000 employees.”
- 9 Cynics might scoff that this scenario risks looking irritatingly fake. It is hard to believe that someone who has clawed their way up the greasy pole of Wall Street ranks being a DJ above their “day job”. But having recently witnessed Solomon enter into a kind of meditative trance behind his turntable at a party, there’s no doubting his passion for dance music. The more interesting thing about this game of signalling is what it reveals about the growing power of disintermediation.
- 10 Over the past few years, Donald Trump has shown the potency of using a social media megaphone rather than relying on the traditional media. Now this trend of cutting out the middleman seems to be spreading into the C-suite. “Disintermediation is huge, and we still don’t know where the consequences go,” observes Blankfein, who currently describes himself on Twitter as a “former CEO, on a gap year”.

*Continued on next page*

- 11 Yes, a bank such as Goldman Sachs still dispatches tedious press releases and still wants to control quotes to journalists. But it knows it also needs to communicate in a peer-to-peer manner. “[Today] all CEOs have to find ways to be approachable and acceptable to people who want to work for them. These social media platforms make yourself a little more vulnerable and that helps to humanise us,” says Solomon.
- 12 However, this approach also carries dangers: in a world of disintermediation, sentiment can shift on a dime. Indeed, some of Solomon’s own colleagues worry about a future backlash. “Is this too much sharing? Too glitzy? We don’t know,” one says.
- 13 But it will not be easy to put the genie back in the bottle. The Goldman founders might spin in their graves at the idea, but Solomon seems determined to keep spinning his music – and his story – online.
- 14 Who would have imagined this a decade ago, during the financial meltdown? History can move in mysterious ways.

FT

Gillian Tett, 27 March 2019  
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### 3 Understanding the article

**A Read the article and decide if the statements are true or false according to the information given. If the statement is false, write the correct information.**

1. Goldman Sachs is planning to launch a plastic credit card in partnership with Apple.
2. Goldman Sachs became powerful by only dealing with wholesale clients.
3. Before the arrival of David Solomon, Goldman Sachs encouraged investigative journalists.
4. It was a surprise when Lloyd Blankfein opened a Twitter account a couple of years ago
5. David Solomon also uses Twitter.
6. Goldman Sachs no longer issues press releases.

### 4 Business language

**A Match the words in the left-hand column with those in the right-hand column to make multi-word expressions from the text.**

- |                 |             |
|-----------------|-------------|
| 1. investment   | a. crisis   |
| 2. financial    | b. platform |
| 3. retail       | c. release  |
| 4. press        | d. banking  |
| 5. social media | e. card     |
| 6. credit       | f. finance  |

**B Reorder the words to make chunks from the text.**

1. digital launch to card a credit
2. to restricted business not
3. from I say experience can personal
4. of ago couple years a
5. just customers as not
6. years few over the past

## 5 Discussion

1. Is it a good idea for companies that have always been rather old-fashioned and distant to suddenly change their image to appeal to younger people? Give reasons why or why not.
2. The article suggests that using social media is more effective than using the traditional media. Do you agree? Give reasons why or why not.
3. The article also suggests that using social media can be an effective way to communicate with staff. In what ways and for which reasons could a company do this?

## 6 Wider business theme – rebranding

- A Use a search engine to get information about companies that have rebranded successfully and those whose rebranding has been less successful. Make a list of reasons for successful rebranding and a list of reasons why some examples of rebranding were less successful.**
- B Present your examples of successful rebranding and the reasons why it was successful to the class.**
- C Work as a class. Decide on the most important considerations when rebranding. Use the information from the presentations to help you.**