TONY SINGH'S VIEWS ON THE IMPORTANCE OF THE CEO'S IMAGE

CEOs and their impact on the organisation's reputation…

How can PR professionals leverage a CEO? There are several ways by which organisations can successfully develop strategies to enhance and sustain their reputations – one in particular which in today's scenario is gaining credence, is using the dynamic CEO presence, which in turn will derive benefits to the corporate reputation of the organisation. The fundamental assumption is that CEOs are in a natural position to be the target for public communication and hence influence the reputation of an organization.

The CEO is one of the factors that contributes to the building of reputation. The importance of the CEO's ability to add value to the image of the company depends on the type of industry that you are in, the type of products and the type of audiences that you are dealing with. Effectiveness of this whole process depends on the credibility of the CEO and the share of respectability.

I believe that the following five steps need to be taken by every PR professional to leverage the CEO:

Profile the CEO…

CEOs are human beings and corporate communication professionals need to flesh out their best side. Profile your CEO – and in order to do so, you have to spend a lot of time, reach a level of comfort and trust, ensure your ability to communicate with your CEO and finally say *"these are the four or five things which my CEO is really good at".* Equally important is to figure out what the CEO is not good at. You are now in a position to advise him against giving out information that could have a negative impact while at the same time leveraging the best qualities that will have a positive impact on the reputation of the organisation.

Understand the business …

An understanding of the business makes the difference between an order taker and a leader. Corporate communication professionals are in the business of creating strategic communication messages and identifying all the leverages that are used to build the reputation of the organisation - for which, the CEO may be used as one of the tools. They must endeavour to put in extra time in learning business priorities in order to have a 360-degree view of the business. This will in turn help them in the efficient planning, execution and implementation of their responsibilities. A fair amount of investment is required on the part of corporate communication professionals to interact with business heads in understanding the business – ask the right questions of the right people – this is a sure shot recipe for success.

Identify business priorities …

Make sure of business priorities and know the rollout of the business plan for at least 6-8 months and then link efforts to the priorities of the business. It is essential to operate within that frame. Access to senior management thinking is another important factpr.

Plan execution …

A lot of organisations are understaffed as they do not realise the importance of the role of corporate communications. Hence the advantage of external PR agencies. Add value by finding a specialist- this requires orchestration but will yield decided benefits if the right people are found. We must plan in advance and people must be encouraged to *'think first – fire later'*. Planning execution is extremely important. People measure output these days not input – hence the need for proper execution

Implement efficiently …

Talking before thinking is an error that cuts across all levels of an organisation. It can arise from the unrestrained exuberance of management, exaggerations by line personnel or the release of unverified information by staff people. Intelligent comments in the press most often are the result of accurate and up-to-date information combined with forethought and preparation., and briefings by corporate communications professionals can help management put across their company's point of view.

At the CEO level only the bottom line matters, hence the need to measure upstream output. Plan carefully and make sure not to outsource excessively, or patronise a favourite supplier over a more competent supplier.

MNYL - Governance framework map…

Max New York Life is a new, private life insurance company – a joint venture between New York Life & Max. The former is a Fortune 100 company and is a very well respected company – not so well known outside of the USA but we are expanding now in the newly emerging markets/economies.

The governance framework map of MNYL is made for everybody in the organisation - it is something that every employee understands and actually provides inputs for. We are only six months old in India and are clear in our ambition to be among the top three in our industry. This map gives clarity to our vision, mission, goals & strategies, values and beliefs. Based on this our employees will know what initiatives they need to take to achieve these expectations. We follow a set of beliefs and they are non-negotiable. All issues are brought to the table for discussion. We also have certain metrics to decide success.

Key public messages…

We have very clear key public messages:

- We want to be known as life insurance specialists

- We are financially responsible and strong
- We are customer centric
- We are a great place to work in
- We are good corporate citizens

Speak out when the time is right….

Personally I value the principle of 'deliver first & talk later'. We actually earned the respect of our stakeholders as we raised capital before we launched. Unlike Hindustan Times and CGU who at the last moment pulled out due to lack of insufficient funds.

One of the things MNYL did not do in the beginning was speak to the press till we had actually launched. The company was in the final stages of preparations and was not ready to talk. This would be done once we delivered and we would rather talk facts than aspirations. When the launch stage was arrived at, Max became the only life insurance company, which actually went to all the eight major cities and held press conferences with its top management and the press.

Media training to create awareness …

We have succeeded in putting the whole organisation behind one set of beliefs and goals. We believe that if we continue with this model we will build ourselves a place in the market. We need to look at projecting the CEO along with the team. More people need to be aligned to this module than just the CEO. Those who can walk the talk should be identified.

We are media training our team, initially the first two levels, and our goal is to have 15 people who are totally qualified to speak to all stakeholders. It will then not be necessary that the CEO has the monopoly as the being the sole spokesperson. We are also looking at gearing our agents to be company spokespersons in their specialised areas and create the right impressions in the marketplace.

Speaking with one voice….

There is a need to have a plan in place. We follow a single page template. We have only one vision for the company as a whole but the mission for every department differs. For example, what are their goals, objectives, how they are going to be organised, money requirement, milestones they are going to achieve, how they are going to measure their success, strategies, critical success factors.

FUDs

Furthermore, what are their Fears, Uncertainties & Doubts (FUDs), we want all these out on the table. Everything must be in the open and everyone is encouraged to speak out and table issues for discussion. Most importantly, what is the help that they require from management. All business units including our stakeholder communications unit is responsible for preparing this plan. Thus we all get a chance to look at the plan and speak in the same language and work to a common framework.

The PR department is one department that has the maximum help list from the CEO and it never gets communicated because the person does not sit on the Board. Therefore it is important to resolve the disconnect if you really want to leverage the opportunity in the marketplace. This framework ensures the discipline, the realisation, the prioritisation and the allocation of time and resources to make this happen.

A lot of people when they are planning execution actually mix up between the *'what & how'*. The other mix up if simplistically defined is between what is *the disease*, what is *the symptom*, what is *the cure* and what is the *cost of curing it*. Hence it is essential to desegregate all this in your thinking when you are planning, so that you can hit out at the root causes and overcome the obstacles that your organisation is facing in the marketplace in order for the business to really succeed.

This forces a discipline in your outcome, how you are going to reach it, how are you going to measure it, how you are going to breach the gap between outcome and plans etc. At the end of the day, you will be far more articulate in your own mind of how you are going to be successful and then be able to convince all your stakeholders of what is really required in terms of help and money and resources from them.

Core, support & delight ….

In our organisation we use a 3-ring concept in product development. Every hypothesis can be put into 3 buckets: **Core, Support and Delight.**

Relevance of identifying Core, Support and Delight….

Core, Support and Delight can for example be related to a hotel:

The room at the hotel is the **core** product – if the bedsheets are dirty you will not want to use that hotel again. The restaurant is the **support** – however, whether the restaurant is there or not, you will still probably come to the hotel provided the room is clean and decently priced. The **delight** is the fax in the room – something that is not really required by people – but, if its there, it is that extra something.

The mistake that most people make is that many a time they are unable to identify what the core, support and delight are. It is vital to be able to drill down to the core issues and then focus on the most important one.

Debate between

It is advisable to have an *Image Map* – all communication should be directed as per desired mapping instead of wasting *perception & reality…..*

time on others benefits. Ask people on the street **what you want to be remembered for,** articulate this on paper and then spend energies on creating that desired perception. All communication should be directed towards those messages.

Secondly, do not create a *perception, which is out of sync with reality*. It needs to be ethical. Its okay to have the license to play up perception, but create hope only if you are certain that reality is going to catch up.

Content is essential….

Thirdly there is *content vs. just talk*. You have nothing to say but want to say something just for the sake of talking! This is the one issue that is most difficult to handle. Sometimes even when there is nothing to share, communicators often speak aloud. We should remember that the media is under tremendous pressure to sell their product in a highly competitive environment. Hence, you have to change the rules of the game at the management end to be in sync with the media.

Tell management that they don't have 48 hours to respond any longer. You have to be transparent. An example of such a situation is during an acquisition & merger - where it is difficult to talk to the press as a lot of deals break at the last moment. It is a big dilemma, as companies can never say that they are in a process of selling till the due diligence process is over. The normal practice is to deny that this is taking place - but we need to convince our managements to at least say, "we are in talks" – that itself is a bold statement and no further details are necessary.

I, we & the company

I would also like to add that whenever your CEOs are trying to communicate, they have a choice of **I, we or the company** approach. In my opinion, 'I' personalises the CEO from the company. We should not be creating a situation where the reputation of a company suffers when the CEO leaves the company. A great CEO should be one who on leaving the organisation ensures that the company's reputation does not suffer by virtue of inculcating a solid system and a succession management process that works.

It is important that the company is projected by the CEO in every speech and in a manner by which even on the day he retires from the company, the public relates to what the company stands for and not the CEO.

Questions and Answers

Managing the expectations of the CEO when he may interested in personal image building while keeping in mind the interest of the company

Tony Singh replied that it is a sensitive issue as many CEOs are of the opinion that they should maintain a certain profile – and therefore personal image building is given more emphasis in the interest of an individual's success. Earlier in his session, Tony had talked about the importance of profiling – the agenda was to be able to find a trick and create a win-win situation. It would require a lot of creative art to marry the gap of managing personal interest along with the interest of the company's business - but it could be done.

The impact of CEO reputation on share purchase decision

Tony Singh said that in the world of investment banking, a CEO could be a liability rather than an asset - depending on the situation. In a purchase situation the question is - *do we pay premium for a good management team?* You are ultimately buying for synergies in the company, not buying a CEO. Otherwise it is not business on merit – it becomes a personal transaction, which is not a good feeling. In a purchase situation we would buy the company at a premium for its worth and not for the CEO.

Relevance of making the CEO available to internal audiences before moving onto external audiences

Tony Singh's reply was that at times you need to do have internal as well as external access to the CEO– but it changes from industry to industry. At MYNL, his procedure was to get all employees in one room – go to different cities if need be, and have a face to face meeting – this he felt was a more powerful tool. He added that one should also know the technique to handle such meetings profitable. CEOs he advised should go armed with issue solutions, anticipate what the employee wants to know about the company – it is a great place to negotiate.

(Excerpted from the presentation made by Tony Singh, CEO & MD, Max New York Life Insurance, at PR Pundit's workshop, held in Mumbai on June 14, 2001)