

9 What the CEO said

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1 Complete these sentences with your own opinions.

- a Change is always _____ because _____
- b Shareholders should not be allowed to _____
- c Large companies tend to _____
- d Acquiring a company usually _____
- e The best way to save company expenditure is to _____
- f The most important business ethic is _____

2 Keeping in mind your own beliefs expressed in 1, discuss the following questions in pairs. Try to find a joint opinion. Then summarise this opinion in one sentence.

- 1 What are the aims of your business? What should the aims of a large multinational company be?
- 2 In what order of importance to your company would you put these three groups: shareholders, customers, employees?
- 3 What should be the attitude of a modern company to change?
- 4 When the company needs to save money, which areas of a company's expenditure should you consider cutting first? What are dangerous areas to cut costs in?
- 5 What advantages do small companies have over large companies?
- 6 How can a company be sure it makes good acquisitions?

3 Read the quotes of these CEOs and see whether they agree in any way with your analysis in 2.

1 **'A business that makes nothing but money is a poor kind of business.'**
Henry Ford (Ford Motor Company)

4 **'When you cut costs you have to be sure you don't damage your product. You can make a pizza so cheap nobody wants to eat it.'**
Gordon Bethune (Continental Airlines)

2 **'The traditional priorities of company boards are shareholders first, then customers, and last employees. But if you put the employees first, and look after them, then customer satisfaction will follow. And satisfied customers mean more profits for shareholders.'**
Richard Branson (Virgin)

5 **'People say smaller competitors have an advantage in being more nimble. That works so long as the guys who are big aren't nimble. Because big and nimble can overwhelm small and nimble.'**
Mr Lee Raymond (Exxon Mobil)

3 **'Change has become like a steamroller. If you're not on the steamroller, you're destined to become part of the road.'**
R. Steve Letbetter (Reliant Energy)

6 **'Acquisitions are very risky. Most do not deliver; most do not work. Any intelligent CEO approaches acquisitions with fear and trembling.'**
Ralph Larsen (Johnson and Johnson)