# What now for the post-celebrity CEO era? by Kathy O'Brien

In the growth-has-no-bounds 90's, some of the largest corporate egos the world has ever seen emerged. The average person in the street suddenly knew the names of corporate CEOs, from Steve Case of AOL to Jean-Marie Messier of Vivendi Universal to Microsoft's Bill Gates. The market just loved big personalities.

At one stage during the boom, The Wirthlin Worldwide Research Report (April 2000) estimated that the CEO was responsible for about 45 percent of an organisation's reputation. 45 percent: were they crazy? Well, maybe. But maybe not. That one individual holds a lot of sway with investors.

One thing is clear: in the post-Enron era, no CEO is afforded the hero worship on which these leaders floated through the 1990s. Even Jack Welch, who as CEO of General Electric was considered the King of Corporate America, has been humiliated by revelations of a US$16 million retirement package that became public following an affair and a very public divorce. That package was considered fair compensation by his board only one year ago; now he feels compelled to give it back. What's changed?

Quite simply, market sentiment has changed. And you can be sure the scrutiny now rocking US corporations will continue for a long time.

Is a celebrity CEO an asset or a liability? That question is on many image-makers' minds these days. Should the PR director be cultivating a big-name CEO as the face of his company?

A quick glance around the scene closer to home tells us that Asia has its share of CEO-worship too. Hutchison Whampoa Limited is seldom ever mentioned without a reminder that it is the lead company of Hong Kong tycoon Li Ka-Shing. Hotels and other significant properties in Singapore are often referred to as 'Kwek Leng Beng holdings'. Acer's Stan Shih holds hero status not only in Taiwan, but across Asia. If you don't know the name Wah Chang Holdings, you probably immediately recognise its CEO, Ho Kwon Ping, as well as his wife and business partner, the ex-Nominated MP Claire Chiang.

The smart PR director is always thinking about how to leverage these big names. They know more media will come to a press conference if the well-known leader is there, and often the news will get greater prominence with a quote or photo of the celebrity CEO. So, should they simply milk the big name for all it's worth, or is the recent backlash against American and European CEOs a lesson to be heeded here in Asia?

It's a simple fact: in today's din, those who don't step up and declare what they're all about are left unnoticed. Every company serious about long-term success has to tell its message to the world – over, and over, and over again. Media-shy executives have a certain charm, but they are almost always undervalued. Investors don't like not knowing what's going on. They rely on a company's PR to inform them, reassure them, and maintain their support.

So where does a good image-maker draw the line? Many will tell you it's complicated and delicate, with lots of gray areas. It really is quite simple.

The starting point is this: the company is far more than one person, no matter how great that leader may be. There is a much larger story to tell than simply that of who's running the show. If the PR director is building the entire company's image on one face, he is doing the company and its investors a grave disservice.

The truth is always the only path to follow. Truthfulness is ethical, and it's also good business practice. So the hyping of the CEO – exaggerating his role, hiding facts or 'spinning the truth' about the job he is doing – is purely and simply wrong. The market rewards those who give it to them straight over the long term.

But the CEO is still the company's Chief Ambassador. Yes, folks, you do need your CEO to step to the fore and tell the company's story. To the image-builders, the message is this: coach him, prepare him and support him as he faces the public and tells it like it is.

At the same time, a good organisation shows depth. The CEO does not hog the spotlight. His direct reports must also be corporate spokespeople – showing the breadth of expertise that all adds up to make this company great.

Finally, it's the company's responsibility to keep a steady hand on the process, not the media's. If a media fury is starting to sweep up your company, it's the PR director's job to apply the brakes. A good PR person is always watching carefully to make sure misunderstandings are not building up in the marketplace.

**A few words of advice for corporate image-builders:**
Watch for misinterpretations. Guard against idolisation. Turn down requests when they go beyond what's reasonable for your company at this time. Fame does not equate to failure – but unfortunately, it can provide the means for falling onto one's own sword if the hype is allowed to extend beyond the reality.

The Study on Corporate Reputation was conducted for Burson-Marsteller by Wirthlin Worldwide. The study consisted of mail surveys with U.S. consumers, CEOs, corporate executives, board members, Wall Street analysts, government leaders and the media.

Kathy O'Brien, managing director of Red Shoe Communications, is a branding consultant with 19 years' experience spanning Asia, Europe and the US. In addition to advising companies on how best to leverage their brands competitively, she coaches senior executives in media handling and presentation skills. Kathy is an Accredited Member of the Institute of Public Relations of Singapore and currently serves as its vice president. She is a frequent speaker on the role of public relations as a key part of brand management.

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For more information on the IPRS courses and Accreditation Scheme, we invite you to visit the IPRS website at www.iprs.org.sg. Alternatively, you can send us an e-mail to ***admin@iprs.org.sg*** or give us a call at ***6534 1841***.

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