

Creating CEO Crib Sheets

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In virtually every selling situation, the seller has an advantage if he or she knows as much as possible about the person to whom he or she is selling. Since one of the primary functions of most senior managers is sales, at one point or another almost all of us have been asked to pull together research for our bosses or their bosses.

I've done this working for not-for-profit and for-profit organizations as well as for PR agencies. When I was in senior research positions at GolinHarris International and Burson-Marsteller, it frequently was my department's job to prepare the agency to pitch new business.

However, what I enjoyed most was putting together crib sheets for senior executives at these agencies. Typically, these included the chairman, CEO or regional heads, as they prepared for one-on-one meetings with similar senior executives at other companies that might become customers or partners.

Research Level I

The obvious PR thing to do is to pull together a report on recent media coverage of the company. However, to most senior executives, this is of limited value.

Research Level II

A more comprehensive report, and one of more value to your senior executives might include the following:

- The target company's long- and short-term strategies, especially those that might pertain to your company (such as purchasing strategies)
- Company organization
- Management profiles
- Division profiles
- The company's recent successes and failures
- What management sees as the organization's strengths and weaknesses

- What management sees as threats and opportunities
- What business and investment analysts see as strengths and weaknesses
- What business and investment analysts see as threats and opportunities for that company as well as the industry

You usually can find the information above in the target company's web site, annual report and filings with the SEC and in reports by investment and business analysts.

Research Level III

One of my first independent consulting assignments was to draft backgrounders for the head of a Fortune 100 company to prepare him to meet his counterparts at companies with which he wanted to create alliances. These alliances would include not only purchasing products from each other, but also doing research together to meet environmental and other regulatory goals.

My report included all of the Level II topics above. But what made the assignment particularly fun was the client wanted to know what questions kept the target CEOs awake at night. It usually is difficult, if not impossible, to find secondary research on this topic. This is probably because CEOs do not want to talk about these topics to the media and analysts. So this part of the report required thinking out of the standard research box a bit.

To do this, I tried to put myself inside the mind of the target CEO. I pulled out my general management text books from business school. I ran through checklists for the main functional areas of accounting, finance, engineering and R&D, production, HR and marketing. I also reviewed the sections on analyzing large international firms, which these target companies were. Then I combined that with what I'd learned through the rest of my research regarding the business environment the target companies were in, the year they had just had and the challenges they faced.

Some of the questions I thought might be keeping these CEOs awake at night were:

- How can I quickly expand our presence in Asia, Africa and Latin America?
- How can I maintain an environmentally positive image around the world?
- How can I get investors to see my company as non-cyclical and increase my P/E ratio?
- What can I do now to cushion the impact of the coming economic downturn? (At the time, the economy was booming, and the year they were coming off of was the best they'd ever had.)

- With the strong returns we've been showing, how can we continue to show improvements? How can we improve our profit margins? How can we demonstrate to Wall Street that we haven't hit the ceiling?
- How can we increase our capacity and throughput, so we can take full advantage of the [then booming] economy and not end up with excess capacity when the economy turns down?
- How can we maintain competitive prices as raw material and fuel costs rise?

I also put in a number of questions I thought the target executive was likely to ask my client executive, considering the businesses each of them were in.

I was uneasy with the section on what kept the CEOs awake at night, because I guessed about them. I didn't know for sure these were their issues. But, based on my understanding of their companies, their recent histories, their current and expected business environments and my general understanding of business, these were the things I thought they'd be worried about.

Results

My client was very happy with these reports. And the part they liked best was the section on what was keeping the CEOs awake at night.