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The role of the executive in uncertain times

Business leaders have always had to grapple with complex challenges: recruiting talent, anticipating competition, driving profits. But in the last few years, we've seen global shifts such as the rise of new technology, swift political changes, and the collapse of old systems spark shockwaves that are reshaping once-stable industries.

Unfortunately, bad news is travelling more quickly than ever.

Corporate misbehaviour and a failure to manage risk has led to a breakdown in trust between customers and the people charged with looking after their financial interests. It's a predicament that's exacerbated by the speed of the news cycle and the presence of multiple digital and social touchpoints. Whether we're talking about data leaks or ethical transgressions, information moves lightning-fast destroying reputations and credibility that have taken decades to establish.

This disintegration of the status quo has created a climate that's increasingly defined by anxiety. For modern-day executives, managing uncertainty has become central to the job description. In short, those that lead companies can no longer afford to wait for all of the answers before setting their corporate direction.

The good news is that businesses are refocusing on their most important stakeholders — their customers.

Executives have been granted the chance to re-imagine the nature of their roles and recalibrate their duty to the customers by putting risk — a topic that's long been considered the less glamorous counterpart to strategy or innovation — front and centre. By adopting new ways of thinking about leadership and arming themselves with actionable strategies, executives can learn from these failings, rebuild relationships with customers and set the stage for a sustainable future and emerge stronger in the process.





Seek opportunities to simplify and standardise

Contemporary businesses are increasingly complicated. They're faced with the ongoing work of maintaining a presence across multiple channels and touchpoints. Then, there's also the pressure to be agile — to experiment across different verticals and make plays for different markets.

Sure, this imperative has created a new wave of innovation. But it's also helped give rise to risk and compliance processes that fail to provide clear information. Often, CEOs, charged with overseeing all the moving parts of their business, fall prey to endless delegation, while losing visibility of whether or not an executive team has the right capability or incentives to carry out their tasks or put the needs of the customer first. Too often, this mindset is shaped by a workplace culture that incentivises both CEOs and members of the executive team to work in silos, without being transparent with each other or challenging poor decisions.

It's time to go back to basics and ensure the processes, accountability and working relationships that are central to an organisation are clear and simple enough to report and respond as quickly as you need.



Remember that small details can have a big impact

"Don't sweat the small stuff" used to be every CEO's mantra. This goes double in the digital age, where we're encouraged to embrace outsourcing and told that growth is contingent on being smart with time and resources. Unfortunately, losing sight of the minor details — whether a once-trusted staff member is failing to comply with regulations, a member of the management team is prioritising profits over ethics or ailing software is obscuring critical data or patterns — can add up to serious crises. These could threaten the future of your business over time.

Learning to once again heed small details and connecting the dots between these seemingly insignificant instances and the credibility of your business is key to good leadership — both now and into the future.



Align your purpose to your technology and systems

A purpose-led organisation is usually an effective organisation. Having a clear purpose is also key to fostering trust and transparency and managing risk, both within and outside a business. According to PwC's 2018 CEO Survey, 68 percent of Australian CEOs strongly agree that it's more important than ever that the purpose of an organisation is mirrored in its values, culture and behaviour. And a further 89 percent of CEOs build trust within their workforce by being transparent about the things they value most. The problem arises, however, when the values that define a workforce — integrity, customer-centricity, the importance of asking questions — simply aren't reflected in systems and processes, both technological and otherwise. This can create conditions that make it easy for corporate negligence or unethical behaviour to go undetected.

In many ways, executives treated risk and compliance as peripheral to customer-led transformation when understanding risks — and how they can adversely impact the very customers that you're attempting to serve — is central to any attempt to evolve your business. To effectively manage uncertainty, reversing this thinking should be high priority.

Today, modern executives are faced with a difficult mission. But they've also been handed a powerful opportunity — a chance to re-evaluate their job descriptions, understand the relationship between risk management and customer-centricity and invest in the systems and structures that will build a foundation that is grounded in transparency and trust. Taking steps to re-imagine what it truly means to lead well is central to building risk resilience — and springing back from any crises clear-eyed and strong.