

STAY IN TOUCH

Q: *How can CEOs get closer to their customers?*



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CHAIRMAN AND CEO,
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» **DOUGHERTY** A CEO should get personally involved with his or her customers. The CEO should visit clients, strive to understand their business issues and get their perspectives on what problems they face. Convergys is the largest relationship-management company in the world, optimizing how organizations interact with their customers, employees and other stakeholders. We pride ourselves on knowing our clients. I try to meet with as many of them as possible. To prepare for these meetings, I analyze the client's business to gain new insights and suggest improvements. I also visit our operations centers to experience firsthand the work we perform and to search for opportunities for improvement. My goal is to ensure that Convergys delivers a superior service experience to our clients and their customers.

» **ORLANDO** First, earn customers' trust by delivering on your promises. And always treat them like partners. Covanta's renewable-energy-from-waste business is built on long-term relationships, and they won't work unless we nurture those relationships and avoid surprises. Listen carefully to your clients' concerns — individually, because all issues are local, and collectively, to capture the bigger picture and

examine trends. We invite all of our clients to an annual partners conference to do just that. It's a great forum to discuss how we're doing and to focus on improving client service.

» **PAPADA** As developers and suppliers of critical components, we consider ourselves partners with our customers in bringing technology's benefits to end users. A partnership means commitment, which is something no one can model more strongly than the CEO. At Technitrol, commitment begins with understanding what our customers are thinking — about us, themselves and the future. While indirect routes, such as intermediaries and industry news, can work, nothing matches the success of face-to-face communication. I make it a point to visit customers at multiple levels in their organizations to hear firsthand what I need to do to understand important trends and issues. That's a key part of my job.

» **PAXTON** Simple. Get out of the office. Talk to the people who know your product better than anyone else. I count on two groups for counsel when I want to know how Dollar Thrifty Automotive Group is doing: our front-line counter agents and our car rental cus-

tomers. Reams of marketing reports and quantitative research are no substitute for what I learn by asking customers what they would change if they were me. I can count on their responses to be honest and completely unedited. Their answers often alter my own perception of the company, in turn creating customer service initiatives that will help us with retention, which is critical to revenue and market-share growth.

» **SULLIVAN** As CEO of a company that places the highest value on customer satisfaction and loyalty, I've found that travel plays an important role in maintaining customer relationships. I regularly meet with Agilent's customers around the world so I can hear directly from them about their needs and concerns. I also spend time with the employees who have daily interface with our customers, because these folks are most aware of our customers' views. In addition, Agilent uses a rigorous process to evaluate how we are doing with our customers, which includes our own intensive surveys as well as those conducted by an independent external organization.

» **VASELLA** To remain close to our customers, being in direct contact, understanding their needs and focusing externally rather than getting absorbed in internal activities is critical. This necessitates a continuous effort to simplify, eliminate layers and keep staff lean. Our customers are facing rising demand because of the higher prevalence of chronic diseases and the aging population; innovative therapies and cost-effective treatments are imperative. We have built our business portfolio around the evolving needs of our customers. Our business mix differentiates us and uniquely meets the challenges of today's health-care environment, offering branded pharmaceuticals, generics, preventive vaccines and over-the-counter medicines.

Q: *What is your personal strategy for strengthening customer relationships?*



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TIMOTHY TYSON
PRESIDENT AND CEO,
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INTL. (VRX)

» **BUTLER** If you manage only out of your office, the information you get is filtered through multiple levels, and you won't get what you need or want to hear. I'm a sales guy at heart, so I've been out talking with clients and prospects all my life. This feedback provides market and anecdotal awareness that helps me oversee ADP's product strategy and service efforts. You can do all the surveys you want, but it's invaluable to have personal awareness and exposure to real-time client needs and feedback.

» **CARBONARI** I've always believed in building customer relationships on two fundamental common interests: the consumer and our industries. At Fortune Brands, we do a lot of research to gain insights into consumer preferences across the segments for which we develop products (home and hardware, spirits and wine, and golf). We share those insights with our customers — stores and dealers that distribute our products — to help them understand how the consumer shops and buys. Approaching the relationship at that strategic level makes us a valued partner. We also get to know our customers better through industry associations. Building relationships

around a common interest takes our partnerships beyond the transactional side of the relationship, and that's a healthy thing.

» **CUBBIN** I will often call a client to say hello, ask how we're doing and inquire about what we can do to make conducting business with Meadowbrook easier. Gaining knowledge about our clients on a personal level — such as spouses' and children's names, sports interests and where they live — is absolutely necessary to establish close relationships. Aside from frequent visits to our clients' offices and networking at industry conferences, our executive team hosts the Partnership Advisory Meeting every 18 months. We bring our key client partners together at a resort for two to three days of strategic planning, networking and socializing.

» **HUBERMAN** My approach to building and maintaining a close relationship with customers revolves around three steps. The first is listening to what customers say. If they are the channel partners who sell our products, they usually know what resonates with end users, or consumers; if they are end users, they typically aren't shy about telling me what they want and need. The second step is to use the knowledge

we've gained to have a positive impact on Iomega's business decisions and product development. The third is to create a mutually beneficial relationship with our customers. Whether it's pricing, promotion or product definition, I strive to go beyond the transaction to develop a long-term partnership.

» **SHORT** I use periodic contact, both face-to-face and by telephone, to remain close to RehabCare's customers, and I supplement this with a dedication to resolve problems rapidly. I visit clients at their work sites to ensure that I have an understanding of how they're doing, the immediate issues they face and how well we are serving their needs. This also gives me an opportunity to explore their evolving strategies for new opportunities and to recommend additional support or possibilities for new rehabilitation-management services. Periodic phone contact allows me to report on the progress we've made resolving our clients' issues. Rapidly resolving their problems reminds them that we know they are the boss in this relationship.

» **TYSON** Valeant Pharmaceuticals has two primary customers: physicians and the patients they treat. Our mission is to deliver medicines that make a difference in patients' lives and to ensure that they have the broadest possible access to these medicines. The best way to find out how we are doing is through personal interaction. I have regular meetings with physicians throughout the year, and I accompany sales representatives on physician calls to get feedback. I also meet frequently with medical and scientific leaders. I often interact with patients through advocacy groups and special forums. These interactions are vital for us to ensure that Valeant's products are making an impact and that patients have access to our products regardless of their ability to pay. ■