



Chuck Smith, CEO SBC West Addresses Alliance of Chief Executives



“If you can inspire others to see your vision and lead them there. . . .

Summary

Chuck Smith, CEO of SBC West with 55,000 employees was our key-note speaker. He talked about leadership and tele-com, and demonstrated an aspect of his leadership by his speaking style.

Facts

- Company: SBC West, Inc.
- Person: Chuck Smith, CEO
- Years at Pacific Bell/SBC: 37
- Head Count: 55,000
- Product/Service: Tele-communications

Oakland, California

The Alliance of Chief Executives brought Chuck Smith, CEO of SBC West to an invitation only, private session on June 17th 2005. Over 100 members attended, and Mr. Smith's comments about business leadership were on point and valuable for all. His incredible presentation style and command of the

audience demonstrated some of his skills he uses in leading the 55,000 employees at SBC West.

Throughout the hour long presentation and Q&A, the audience was engaged and focused. While some of the presentation and questions related to the telecom industry spe-



Chuck Smith

cifically, the primary focus was on the job of being CEO, and what Mr. Smith believes allows him to produce results.

“Leadership is vital”, said Mr. Smith. “If you can inspire others to see your vision and lead them there, you can move'em out.” He made the point that the most common barrier to communication is the boss. Common excuses by the boss for poor communication are:

- “I'm introverted.”
- “Why do I have to do all this communicating? They should just do their



Chuck Smith responds to Robert Lutt, CEO, A3 Solutions



This CEO's Observations

Chuck Smith works an audience as easily as most people work a toaster. When you have to lead 55,000 employees in a public company, communication to big groups of people is key. While he talked about leadership and other topics, the real lesson comes from watching him lead as he spoke.

While few of us in the Alliance have that many employees, it still holds that when we gather some or all of our people around us, we need to leave the team pumped up and focused.

Smith made heavy use of emotion through most of the talk. His face and tone shifted dramati-

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job.”

- “I’ve already said it once. They should know what they need to do.”



“I’m tired of repeating this message. If they haven’t got it yet, they never will.”

He urged all CEOs to learn to communicate well, then over communicate – to say the key messages over and over, until there is no doubt that the organization gets it. It takes lots of repetition to be effective.



Chuck Smith grew up in a working class family in south Los Angeles. He was dyslexic, and school wasn’t easy. But his father was his first role model, and he worked hard, and with passion. Smith started with Pacific Telephone as an entry level phone installer, with no intention of climbing the ladder. But hard work and a steady string of mentors helped him move up step by step. The most daunting part was at 52 years, when SBC bought Pacific Telesis Group, he could have parachuted out. But he chose not to leave, and had to show all over again to the new team that he

was valuable.

He learned that three things about himself shone through even as the merger was fresh:

- He was a leader.

three attributes have great value in all businesses, at all management levels, and encouraged all to work hard to perfect them.

He cited a number of takeaways:

- Have a disaster plan. Being the phone company, they see disasters all the time. Be ready.
- Make a profit. Every dollar counts. Accept that forever, you will have to cut costs while producing more value. You can never control a sector forever, and the competition will always be chasing you, forcing you to keep up or lose ground. This, from the phone company!
- Passion. When you have it, your people will feel it. Your customers will feel it too. Never hide it. Showing it is a requirement. Be excited.

- He knew his business

He was able to inspire other people.

Mr. Smith said, “I didn’t realize how good I was, and I didn’t realize that my new boss knew how good I was.” He assured everyone in the room that these



- Education is critical. Formal education continues to be pivotal for success, and our society needs to produce more really smart, educated young people. Education helps us believe in ourselves. A part of education is knowing what each of us do well, and also knowing what each of us don’t do well, and fixing or learning it.

Mentoring and Networking. Getting to know lots of people around

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you is critically important. Some you will mentor, and help them grow. Others will become your mentor, and help you grow. Still others will become associates. “Working the game keeps you sharp. Do it.”

He’s proud of the people he has led over the years and that he is able to make hard decisions. Mr. Smith said,

“Problems never get better with time alone. Avoiding cost cutting the moment you realize you need it usually just means deeper cost cutting later. Its much better to deliver bad news to a part of the team sooner, than to have to send them all home a few months later.”



Paul Witkay facilitates Q&A

This CEO’s Observations, continued

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cally each time, sometimes acting happy, other times passionate, frustrated, smug, and so on. With each point he made, he looked and acted the emotion, and it kept it interesting for the audience. Humor was used throughout.

Early on, he got the audience talking, asking about their business. In a few cases, they related to telecom, and he seized on a few audience members to tease over the course of the talk, adding spice and a tiny bit of tension. He dubbed one member, DC Cullinane, CEO of ThinkingVOICE Networks, “Mr. Voice over IP”, and acted irritated and resentful of this technological challenge to the old world of Ma Bell. In



fact, SBC is embracing this new technology.

He used story telling heavily, and tied in references to the past, present and future. As he did so, he walked into the audience, and used the full range of his voice, strong facial expressions and gestures.

Throughout, he keyed in on what the audience was there for. He mixed in enough about SBC and current technology in telecom to keep those who came to see him because of his industry, but always tied it back to points about being a CEO of any business, or any size.

Some people in my group called Chuck Smith a “natural” speaker, and I’m sure he has some natural talent. But that doesn’t mean that every CEO can’t purposely develop his or her presentation skills so that their audiences are more inspired and motivated as a result. I know an Alliance member that took an acting class for just this reason. And there are books, programs, and coaches that can help as well. In the Alliance, Ken Taylor of Taylor Consulting Group offers top level executive presentation training.

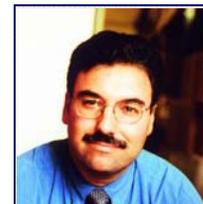
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The content of what Mr. Smith said was important, but not necessarily new. Any of us that have read on leadership would have heard many of his points before. But what this audience will always remember is Chuck Smith’s style and personality.

Chuck Smith’s Top Ten Leadership Tips

1. Develop your vision.
2. Communicate your vision every chance you get -- clearly and consistently.
3. Communicate your values and make sure you live your values --walk the talk.
4. Set clear goals and manage to them.
5. Listen to your people. They won’t steer you wrong.
6. Find a mentor, be a mentor.
7. Remain open to change – so you can take your company and yourself to the next level.
8. Push the envelope.
9. Keep your eye on the bottom line.
10. Be passionate about your work.



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