

CA Magazine – May 1999

## **Ahead of the Game**

*Shona Macdonald talks to Kevin Roberts, chief executive officer worldwide of advertising giant Saatchi & Saatchi*

Clad in his regulation uniform of black T-shirt and jeans – “I keep a store of them in my homes. It’s easier that way, I know what I’m wearing every day” Kevin Roberts, chief executive officer worldwide of Saatchi & Saatchi, swept through Edinburgh spreading the word to 200 of Scotland’s business elite at this year’s CA Conference.

With Kiwi-born Scottish rugby ace Sean Lineen among the delegates, Roberts’ speech on peak performance and organizations captivated his audience.

Roberts’ enthusiasm is infectious and his relaxed approach belies the fact that behind the genial manner, there lurks a business brain which has overseen a 30 percent increase in profits. The man even has his own dedicated web page and fans of Roberts can keep in touch with him via e-mail: “I think e-mail is a fantastic communication device,” he says.

Saatchi & Saatchi straddles the globe. The company operates some 161 offices in 92 countries, employing 6,500 staff. His career history has a distinct whiff of glamour about it. From Mary Quant, and Gillette, to Procter & Gamble and Pepsi-Cola, he left his native Lancashire at the age of 16 to work in Cyprus, Switzerland, Morocco, France and Canada before finally ending up in New Zealand.

“I’ve never thought about having a career,” he says proudly in his soft adopted Kiwi accent. “I went to New Zealand to run this brewing company [Lion Nathan] ten years ago. My sister had already moved there. We became citizens straight away.”

It was during his time at Lion Nathan that he became heavily involved on a strategic level with the Australian cricket team, the Kiwi rugby league team, the Wallabies and last but not least, the All Blacks – perhaps his greatest passion. He is a director of the New Zealand Rugby Football Union and works on a one-to-one basis with a number of key players, focusing on leadership, decision-making and culture.

An international jet setter extraordinaire, Roberts jets between Auckland, New York and London every month and clocks up about 180 days every year on travel alone. Every three months, Roberts takes a trip to China where Saatchi & Saatchi is the biggest agency of its kind. China is one of the company’s three most important markets – the USA and the UK being the other two. In ten years

time, China will be the biggest market for virtually everything, according to Roberts, because they create a new Australia every year population wise.

“It’s a terrific back-to-basics kind of country,” he says. “They are very brand conscious, not because of image, like they are in Hong Kong, but simply because they have had so much bad quality stuff over the last 50 years, they now need brands to convince them of quality.”

As far as the rest of the world goes, he admits that South America is in a class of its own.

“I’m pretty bullish on Latin America – Brazil, Argentina, Mexico. You’ve just got to go there and know it’s going to be a bumpy ride, but you’ve got everything in place – people, spending power, accessibility to the US and so on.”

Saatchi & Saatchi may appear to have conquered the world in advertising terms but two corners remain untouched.

“Africa is not going to happen in my lifetime – neither is Eastern Europe. I think they are longer-term ideas,” he points out.

Roberts admits that when he joined Saatchi & Saatchi, the company was in a mess. The brothers, Maurice and Charles had gone and the company was not performing very well. Roberts had never worked in advertising before and had never run an agency.

“I had no idea how they worked and frankly I still don’t and I couldn’t care less,” he says adamantly.

“We’ve virtually changed nobody since I arrived 18 months ago because the people we had were terrific. It’s just that they were not being coached, motivated and led.”

Roberts’ style is all about “coaching” his staff, and not managing or leading them as he sees it.

“I’m not doing any of this textbook nonsense. My view is that you get the best people, tell them what the vision is, tell them what your purpose is, coach them, then get the hell out the way,” he explains.

Roberts spends a lot of his time talking to Saatchi & Saatchi staff. “Advertising people are insecure, worried, eager to please, innovative, totally open to change, always know there’s a better way and believe nothing is impossible.

“You never hear people talking about love and passion in companies, but people will contribute better if you praise them and love them, not if you kick them up the butt,” he says.

The first thing that Roberts did when he joined Saatchi & Saatchi was drop the word “advertising” from the company.

“That’s not the business we’re in,” he explains. “We’re in the business of connecting emotionally with consumers, so we’ve got to become an ideas company. We want to be the hottest ideas shop on the planet,” he says with utter conviction.

And Roberts knows exactly what the role of an ideas company should be in a world of cynical, stressed and worried consumers who have too many options at their disposal.

“The role of Saatchi & Saatchi is to find a way to communicate with attention-starved, time-compressed, sleep-deprived consumers in a way that doesn’t offend them. We want to entertain them and to inform them,” he says.

Roberts is an advocate of the ideas theory and believes we are about to enter the age of the idea.

“People say we’re in the information age. I say that is a load of baloney. I think we’re so far past the information age, it’s just not funny. We were in the information age ten years ago, when some people had it and other people didn’t.

“Information is just a table stake. If you don’t have information, then you’re dead. But if you’ve got it, it’s like going to a casino in Las Vegas – you can sit down and play, but that’s not how you’re going to win,” he says.

He believes that we are currently in the age of knowledge, but that time is running out for knowledge as a commodity as it’s not much of a competitive advantage any more.

“I think we’re about to enter the age of the idea because modern business today stifles ideas,” he insists.

“Most companies I know are bureaucratic, hierarchical and based on the metaphor of the military. I think the UK and the USA are two of the more formal hierarchically-driven models.

“War is the wrong metaphor. It’s not about incrementality, it’s about worshipping ideas, it’s about sharing the dream. It’s about all this right brain stuff that companies have forgotten,” he says.

Roberts prefers to use the metaphor of sport to explain his thinking and this was a theme which ran through his speech at the CA Conference.

“Sport is about competing, it’s about performing. It’s about being in a team which I think is vital. It’s about expressing yourself in the team environment, perhaps sacrificing yourself for the good of the team,” he explains.

“I think those values are in keeping with today’s 20 to 30-year-olds. They’re searching for a spirituality from the East, they’re searching for new answers, they’re rejecting consumerism and materialism,” he says.

Roberts believes that companies must now lift themselves onto a completely new level. “Companies must perform to their potential every day. They must lift themselves beyond high performance to peak performance,” he says.

Roberts admits that peak performance is an obsession of his.

“I have always sought the X factor that can lift my team into the peak performance zone. Peak performing organizations are winners because they are first to the future,” he explains.

In fact, Roberts, in collaboration with New Zealand’s University of Waikato’s department of strategic management and leadership, where he is a senior fellow, is writing a book on the subject of peak performing organizations. They have just signed a publishing deal and the book will be released worldwide at the end of this year.

A proud Kiwi, Roberts feels that New Zealand has a great affinity with Scotland and the two countries have more in common than just a shared gene pool.

“I think if you look at innovation and the ideas that have come out of Scotland and New Zealand, per head of population, they are unbelievable. The list of Scottish inventions is astounding, he says.

Roberts does have a thought-provoking theory on why two such small nations have provided such great inventions.

“It’s all about our places at the edges – New Zealand on the edge of the world and Scotland on the edge of Europe. Innovation anywhere is all about being on the ledge of the mainstream, where the assumptions and entrenched ways of the centre are weakest,” he explains.

“Scots and Kiwis are natural ideas people. This period of history is made for us,” he adds.

Roberts performs about six major speeches a year. After Edinburgh, he was jetting off to Stockholm to talk to 600 Swedish bankers, after a quick stopover in London to meet up with some old friends.

He relishes his globetrotting way of life and the chance to speak to people outside the advertising industry.

“I’ve got something to say and it’s really great to have an audience who want to listen because if I just speak to advertising people or companies, it really is very limiting,” he says.

On the cusp of a new century and a new millennium, Roberts has a view that now is a significant time in all our lives.

“I do think that the millennium is a signal and a huge wake up call,” he says.

“As centuries change, people reassess, take stock, have more courage, they have a sense of mortality, they equally have a sense of immortality, so they have a freedom to act,” he adds.

As for his own reassessment, he says he never looks back. “I’m ways focused on tomorrow, not yesterday. Whatever I’ve done up to now has been lots of fun and I want to have more fun today than I had yesterday and more fun tomorrow than I had today,” he says.

“I welcome my own mortality. There is a finite end to all of this. So get the hell on with it.”