

# **Building marketing's impact in the Boardroom**

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### **The brutal reality**

An unfortunate but familiar scenario frequently plays out in the boardroom. A marketing team comes up with a breakthrough idea that could not only drive short term growth but also ensure long-term financial stability for the future. But once in the boardroom, it all falls apart, with members exposing cracks in the investment strategy where outcomes have not been clearly outlined or supported with adequate financial projections or relevant data. Defeat hangs heavy in the room, offset with blank stares and the demand to re-write plans again.

It's obvious when you think about it. The Board is charged with the responsibility to protect and manage the company successfully. So they tend to be analytical – they are focusing on shareholder value. Optimising the NPV of new initiatives, whilst minimising risk of projects failing leads to them being averse to risk. Pressure to grow the business here and now, as well as over time, means a short to medium term mindset.

Marketers often enter into the boardroom with a naïve appreciation of this mindset, presenting and behaving in ways that reflect their own mindset. They believe a more creative approach is needed to build strong brands, drive through successful innovation and create effective marketing campaigns. Risk taking is important to them – in fiercely competitive markets they believe that risks have to be taken in order to reap rewards. And brands need time to deliver breakthrough innovation and to deliver step change growth. In the boardroom this attitude can cost them dearly.

Who's right and who's wrong? No one is either right or wrong. But the marketer must recognise that the boardroom is not their territory. So within the boardroom you need to think like the Board in order to convince the Board.

### **Being “On Point”**

The Board members of any company are invariably time starved. So to be commercially credible in the boardroom, marketers need to succinctly show how their marketing strategies will build shareholder value, by creating compelling business cases that are

- Commercial, in how their recommendations will drive business growth.
- Credible, in how their financials will deliver a strong, sustainable return.
- Concise, in their presentation writing and delivery.
- Clear-cut, in their proposed requests and next steps.

To achieve this, marketers should

- Develop a one page storyline early on that succinctly outlines the business opportunity, why this is important and what they want agreement to
- Build a bespoke presentation deck that is compelling, fact-based and supports the business case
- Take the time to involve senior management in the problem solving from day one, using the storyline and presentation deck to engage them

### **Building Board buy-in starts with a succinct storyline**

At the beginning of the project, marketers should take the time to draft a storyline hypothesis, enabling them to

- Quickly hone in on what they want agreement to and why, and thus what the presentation needs to include
- Engage senior management at an early stage to get their thoughts and input, and thus increase the likelihood of the recommendations being approved

The storyline hypothesis is typically a one-page summary outlining

- The opportunity and why this is important to the business
- The proposed strategies to achieve this and why these are right, including the facts that prove the case
- The agreements that the team want approved and proposed next steps

And it is typically written in a top down way so that senior people can quickly grasp what is being recommended and why.

Once they have this storyline, the team can then engage senior management and cross-functional stakeholders in an early stage 'listening and problem solving' rather than 'selling' meeting, to get their input on what the right answer is, identify any concerns or 'show stoppers' and access any support data that will help make the case.

### **Developing a compelling presentation deck**

Once the first draft storyline is written, the team should turn it into a succinct, robust draft presentation deck, with pages specifically written to support each of the key storyline points. Ideally the presentation deck should be tight focusing on the key issues with any relevant back-up in the appendix and it should mirror the storyline.

By doing this, the team can check early on whether the presentation deck is selling the story clearly and can be supported by facts. If not, then the sequence and substance of the storyline should be iterated until it does.

### **Handling challenging conversations**

Ideally, the team should get senior level agreement to the recommendations and so what's prior to the Board meeting – and if not to take the time to talk with dissenters and rectify any issues beforehand.

Many business decisions are made rationally – needing a logical, compelling recommendation supported by a robust business case to be attractive. In this situation, one meeting reviewing a succinctly written and compelling storyline and presentation deck is often enough to get feedback and buy-in.

But sometimes business decisions can be more emotional, often when they involve personal risk, such as:

- 'It might negatively impact my team's sales or profit performance'
- 'It may result in me losing some of my power base'
- 'It might force me to do something that my peers or boss would disapprove of'

If there is any sign of emotional resistance, conduct a fact finding meeting early on to assess whether there are any major road blockers, identify the likely causes and determine how best to handle them.

If you hit a stalemate then give the person time to talk peer to peer with people at their own level. And if that doesn't work then escalate up the line for your and their bosses to debate it out.

If your bosses can't resolve the issue, then senior management may not want to proceed right now. If so recognize that the timing isn't right and retreat. Sometimes the team should assess what needs to change for the timing to be right, and continue to collect the facts needed to build the case. Sometimes senior management will only make the leap when there is a trigger that encourages them to do so, such as a significant drop in sales or a new CEO who is keen to champion the cause.

On the presentation day itself, be clear about why you're there and what you want them to agree to. Speak in their language and ensure that the 'asks' are tangible. Pause to ensure that you have their agreement and then clarify what you will do to over the coming weeks to keep them on-board.

### **In conclusion...**

It's tougher than ever before for companies to grow and marketing is increasingly important in helping companies achieve this. Yet, marketing teams often struggle to have the commercial impact they need in the Board room to be successful. To be commercially credible, marketers need to succinctly show how their marketing strategies will build shareholder value, by creating clear, compelling business cases that are commercial, credible, concise and clear-cut.

### **Sources:**

- i Leveraging Warwick University's analysis of Britain's top performing companies
- ii 'Creative Destruction' by Richard Foster
- iii Spencer Stuart Survey, 2015
- iv CMO Council, 2012

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