



Leadership

## New Year's Resolutions For The C-Suite

Matt Kirdahy 12.29.08, 11:39 AM ET

Happy New Year, leaders of corporate America. It's resolution time.

One: Get to the gym. Two: Spend more quality time with the kids. Three: Restore the firm's reputation and return it to profitability.

Wait. You didn't think it would be that easy, did you?

We learned a lot about our businesses' leaders this past year. Economic distress reveals much about a company's balance sheet and a chief executive's character. It lays bare mistakes and leaves fewer, if any, causes to celebrate. But let's wipe the slate clean. Take what we learned in 2008 to start building a great, or at least better and less treacherous, 2009.

### In Pictures: New Year's Resolutions For CEOs

The sorry 2008 of Alan Schwartz, former CEO of Bear Stearns, leads us to our first resolution: Always be forthcoming with the media, shareholders and, for that matter, the world.

In March, journalists, investors and even lawmakers bombarded Schwartz with questions about Bear Stearns' liquidity. Two months earlier, he had replaced a negligent corporate chief (if peerless bridge player), James Cayne. Now he said that all was well at the 84-year-old brokerage. Two days later, the company's stock plummeted when the whole world realized quite the opposite was true.

"If you look at the collapse of the financial world, it was all based on an assumption," says Marshall Goldsmith, executive consultant and author of books including *The Leader of the Future*. "Everyone thought, 'What never has happened, never will happen.'" Oops.

Richard Fuld, CEO of Lehman Brothers, made a similar mistake as his company weakened to the point of bankruptcy. Legislators on Capitol Hill grilled him about it and sought an apology. He told them, "I feel horrible about what happened." But he never went as far as to say, "I'm sorry."

CEOs together now: I will learn to apologize in 2009.

At the very least, a "sorry" could be a big first step toward salvaging an almost shattered reputation.

"Confidence in business in general is just abominable right now," says Leslie Gaines-Ross, a reputation strategist for the public relations firm Weber Shandwick. The way things are going, "a business in CEO rehab is about to emerge, because their reputations need to be rejuvenated."

Business leaders can also learn something from Jerry Yang's experience in 2008. His best intentions led to the worst outcome at Yahoo!. The Web portal and online advertising company could have become part of the Microsoft empire by now, but Yang, its CEO and co-founder, let his heart impede the deal. He has said that the blood that organ pumps runs Yahoo! purple. Maybe that's a way of saying the whole business got too far under his skin. (See: [Let It Go.](#))

He, like many founders of corporations, couldn't let go, and often that hurts the business. The company realized this and is now seeking new leadership.

Yet another resolution: I will keep my emotions out of billion-dollar negotiations.

And the list goes on.

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