

Deloitte/Management magazine Executive of the Year Ralph Norris

MANAGING DIRECTOR AND CHIEF EXECUTIVE, AIR NEW ZEALAND

Ralph Norris once made two cell-phone calls to a disgruntled and vocal customer of ASB, the bank he then headed as chief executive. He called first to sort the caller's problem and then again to ensure she was happy with how it was sorted.

It gets mention here simply because that level of customer attention is rare, impressive and says a lot about Ralph Norris' management approach which is personal, people-centred, direct and keenly focused on customer service.

Those sorts of qualities made him the right man to pull Air New Zealand from the abyss into which it had sunk two years ago following massive losses and a government bailout. John Palmer, who was appointed to chair the new-look company board in November 2001, found staff and management demoralised and in disbelief.

What the organisation most needed, he says, was a chief executive with proven people leadership capability.

"That was my key requirement for a CEO and that's the area we were looking in rather than someone from an aviation background – which was the prescription I'd inherited. Then Ralph popped into the equation, in fact he was already a member of the board, and it didn't take us long to say, yes he does have exactly the skills for this situation – and that has been borne out."



Norris had originally stepped down from his CEO role at ASB for health reasons. With those under control he felt able to offer himself for another career. Since he was appointed in February 2003, the company has moved from loss back into profit. But, says Palmer, one of his major achievements has been refocusing company culture and business intent around the needs of customers.

Ironically, that focus was already well developed amongst frontline staff. "At the customer delivery end, the business has always been very good – we've got some absolutely outstanding people. Unfortunately there was some disconnect between that and the top end of the business around board and management understanding of what you need to drive that customer focus right through the business," says Palmer.

"Ralph has been successful in connecting the business end-to-end in terms of its focus, and a number of initiatives have taken place in order to get everybody on the same page as to what the task is all about."

Ridding the organisation of some "quite arrogant" attitudes and establishing open communication with staff and stakeholders has been a key aspect of the culture change, says Palmer. "That's something we've encouraged right from the top and is something

that comes naturally to Ralph. That is his natural style.”

Palmer rates Norris’ passionate focus on customer service as a key management strength, along with strong people skills.

“You can have very good interpersonal skills without having strength in what I term people leadership skills. He has both the ability to connect to people, to motivate people and, by energy and example lead people in a management team to invigorate the whole organisation.”

Norris started his career as a commercial cadet with Mobil Oil NZ joining Auckland Savings Bank in 1969 and moving up to become managing director and CEO in 1991. Under his leadership, the bank picked up several marketing and service awards, including Norris winning this award in 1997 when he was CEO of ASB Bank.

That he’s emerged from a brief retirement to earn this level of recognition after just two years at Air New Zealand’s helm is a remarkable achievement. It can perhaps be attributed to a management style that his chairman describes as “very assured”.

It is, says Palmer, an unusual description and not one he could apply to many managers. “Assured managers are a rare breed. Ralph is confident in his capability, doesn’t get overawed and is never arrogant. It’s to do with getting that balance between being confident in your abilities and being able to attract good people around you. That’s often a failure of managers who feel threatened with other highly confident people around them. Ralph doesn’t feel threatened. He is energised by it so others feel confident in their own ability and understand what their role is. That’s an absolute hallmark of management success in my view.” **M**

JUDGES’ COMMENTS

WINNER

Ralph Norris

Chief Executive & Managing Director, Air New Zealand

Ralph Norris has been here before. He flew in as the Deloitte/*Management* magazine Executive of the Year back in 1997. Then he was chief executive of ASB Bank. And here he is again, re-fitted and completely re-designed as CEO and managing director of Air New Zealand. This reality is testimony to the man’s outstanding abilities as a leader and effective organisational executive. Ralph Norris’ grasp of three critical management issues: information technology, marketing and team leadership, set him apart. At Air New Zealand he has once again shown his outstanding leadership ability and his capacity to come to grips with a complex, competitive and, particularly for New Zealand, crucially important industry sector. Ralph Norris is more than just a corporate high flyer. He is a whole new model in high performance executive achievement.



FINALISTS

Don Elder

Chief Executive, Solid Energy

Dr Don Elder has reignited Solid Energy and in doing so, hauled coal back into contention as a critical energy source and export earner for New Zealand. His leadership flair and personal energy have turned round a busi-

ness that was, quite frankly, in the financial pits just a few years ago.

Not only has he got Solid Energy the business back in the black, he has also successfully championed and positioned coal as an important future fuel option despite the heat generated by the environmental debate and the politics associated with identifying and developing New Zealand’s future energy options. Elder’s implementation of Solid Energy’s growth and change strategies has turned the enterprise into an efficient, forward-looking and essential contributor to New Zealand’s economy and energy infrastructure.

Ralph Waters

Chief Executive, Fletcher Building

This man is back too. Ralph Waters nailed the title of Deloitte/*Management* magazine Executive of the Year last year. Now he has turned in another stellar performance with his team at Fletcher Building. Everything the judges said last year about this Mr Fixit



of a once languishing but always-promising enterprise, is still valid. He has proved yet again that giving good managers their head to build centres of excellence within an organisation pays dividends. Waters is now focusing on the future and even preparing the site for succession. He has kept his eye on the head of the hammer and driven home all the advantages the building industry boom delivered. Through prudent and visionary acquisitions, a constant focus on operational management to deliver a sound corporate strategy, he has shown just what management competencies individuals must hone to become outstanding CEOs.