More effort needed to satisfy all stakeholders

At least three otherwise excellent companies left the market with a poor impression of how they are run in 2007. Those mistakes didn’t hurt their earnings in any way but reflect the tendency of local and regional companies to place little value on building intangibles and goodwill.

| BY SUNITA SUE LENG |

Driving quarterly sales, cutting costs and delivering shareholder value are often in much markets aren’t the truly objectives of corporate big shots these days. At least, they shouldn’t be. Truly great CEOs also understand the wider purpose of the companies they run, while striving to keep each and every stakeholder satisfied. The payoff for seeing the big picture is usually intangible. But the consequences for CEOs and companies of failing to do so are sometimes just as bad as ignoring the wishes of shareholders.

Case in point: ComfortDelGro Corp. On what about any objective yardstick, the land transport giant ought to be a highly regarded company. It operates two-thirds of the taxi market in Singapore, extensive bus services and even a rail line. Most people would find it impossible to go about their business every day without using its services. And, investors in its stock have little to complain about. Over the last five years, the company has expanded its bottom line by almost two-thirds, and consistently grown its revenue of $2.23 billion for the first nine months of 2007.

Despite this, SMRT’s taxi market in 2003, leaving taxi operators increasingly elusive taxis that people now love complaining about. But ComfortDelGro’s statistics-laced rebuttals to these complaints that often don’t even concede that a problem exists have only fanned the frustrations that commuters feel every day.

And, its persistent tinkering with an increasingly confusing taxi fare structure to “better match supply and demand” that has inevitably translated into higher costs for customers has created a widespread perception that it is more interested in raising its fares, crowded buses and trains and increase-ingly elusive taxis that people now seem to love complaining about. But ComfortDelGro’s statistics-laced rebuttals to these complaints that often don’t even concede that a problem exists have only fanned the frustrations that commuters feel every day.

To be sure, rising fuel costs and the city-state’s expanding population are major factors behind the rising fares, crowded buses and trains and increasingly elusive taxis that people now seem to love complaining about. But ComfortDelGro’s statistics-laced rebuttals to these complaints that often don’t even concede that a problem exists have only fanned the frustrations that commuters feel every day.

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It pays to be nice to people

The Singapore Exchange has been fast cementing its position in a major listing venue for companies from China.

Whatever the reason for OCBC's decision to snub Wilson, it backfired in spectacular fashion. News of the episode quickly got around, and OCBC became the butt of jokes among analysts and even top executives at competing banks.

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