

MANAGEMENT SKILLS

# Perfect pitch: Writing for Executives

Operational risk managers are adept at identifying risks and the best way to mitigate them. However, mitigation techniques usually require funds to implement, which means pitching to senior management. Current economic conditions have caused budgets to be cut in all departments and when funds are scarce, ensuring your proposal gets heard is getting more and more challenging.

**T**he identification of operational risk exposure does not mean that it is easy to mitigate the risk. Often closure depends upon additional funds, and that means a proposal must be made to executives. In the best of all possible worlds, the funds are obtained because of the clarity of the request; and the executive team has also understood better the risk around the exposure. Often, however, the funds are not forthcoming because the request is not understood or because the priority for funding is not established. From our work, we

have learned how to make the pitch into the executive suite, and we wish to share some of the rudimentary practices that will sharpen your own pitch.

Earlier in my career, I was a grant writer. I loved the symmetry involved in making the case – creating a beginning, middle and end to the argument on why my institution deserved the grant and for what purpose we would use the funds. Because usually there was a cover sheet on a grant proposal that required an abstract, high level summary of the request, I grew adept at summarizing worthiness and urgency. In the business world, we call the cover page of such a request for funds the “executive summary” and I have provided in Figure 1 an outline of the key points to be covered in an executive summary.

Whether it’s funding to improve your company’s fraud program, or to enhance your information security or business continuity programs, or even funds to respond to the latest piece of regulation to descend upon your institution, a thoughtful, strategic approach has the best results.

Consider the life of the CEO. Financial risk is always present. There’s a board of directors to be managed. New regulations continue to appear, especially in the banking and health-care sectors, at least in the U.S. Reputational risk damage lurks in blind spots. And most meetings that a CEO conducts with his own team involve a briefing with unpleasant information or a request for more budget. How do you break through the noise to make your case?



**ANNIE SEARLE**

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**1** Your own staff will have prepared an exhaustive technical analysis on the gap you are trying to close. Edit that analysis to remove overly-technical terms or acronyms. Then attach this longer analysis behind your executive summary. Make sure that you have several non-experts read the full document before you present it to the CEO, to ensure that what you are saying and how you are saying it can be understood.

**2** Assume in writing your executive summary that the CEO will not read the whole document. Your case must be made in the executive summary. All the rest is additional justification for the request itself.

**3** Pay close attention to your writing style. As one who both writes and edits, I would say that your greatest challenge is in the tone. →

**FIGURE 1: KEY POINTS FOR AN EXECUTIVE SUMMARY**

**BACKGROUND INFORMATION**

- Write a high level description of the problem in your industry in English, no acronyms.
- How does this affect your company?

**CURRENT SITUATION**

- Steps already taken by your company.
- Gaps that remain.

**RISK EXPOSURE**

- Likelihood and probability of impacts if nothing is done.
- At minimum requirements to prevent financial loss.
- Optimum solution.

**ACTION REQUESTED**

- Cost and timeline for minimum response.
- Cost and timeline for optimum solution.





**Your tone should also reflect calm command of the problem being presented by the gap, and confidence that you have outlined minimum and optimum solutions**

You don't want to cry wolf, but neither do you want to underestimate the complexity of the risk exposure. Say clearly what could happen if the gap is not fixed, and be sure to provide both a minimum fix option as well as a description with costs of the optimum solution. Your tone should also reflect calm command of the problem being presented by the gap, and confidence that you have outlined minimum and optimum solutions. To do all this while speaking plain English may be a challenge, but it is one to take seriously. If you look at the challenges facing companies right now, for example from cyber-intruders, and look at the amount of media coverage that ranges from in-depth to inaccurate on this topic, then you see that your job is first to provide accurate background information on the problem for your industry, and then to state clearly how the problem affects your particular institution. If on the other hand, you are seeking funds based upon lessons learned from a recent event, say fines paid on Libor price fixing, then you will spend less time on describing the conditions that led to the fine than you do on what types of risk exposure your particular

institution is facing if controls are not re-examined within your company.

**4** Read great orators for an above-average command of language. You'll gain a better sense of what it means to persuade. Two of my favorite orators to re-read are Abraham Lincoln and Winston Churchill, both of whom wrote and spoke during times of war.

**5** Write your executive summary so that it could be sent on by the CEO to the board of directors or to the regulators if extraordinary funds or risk exposure are at the heart of your summary.

**6** Send the document ahead of your meeting with the CEO so she/he has time to read it before you meet. Listen carefully to the questions you get in the meeting, and use them to better tailor your next request. **TRU**

**Above all, remember that the request is not about you, but rather about the operational risk exposure or gap you are trying to reduce.**