

A CONVERSATION WITH STEVE GUNBY, FTI CONSULTING'S NEXT PRESIDENT AND CEO



with Steve Gunby



FTI Journal sat down with FTI Consulting's newly appointed CEO, Steve Gunby, to get an inside look into his experiences, leadership philosophy and expectations for his new role.

Q. What are your immediate plans as CEO of FTI Consulting?

A. "In my first 100 days, I plan to engage with our people, deeply; visit our offices around the world, have conversations in which employees share their aspirations of where this Company can go and their specific ideas for how we can get there over the next quarter, the next year and the next three to five years. My job – *our* job – is to build on our current positions, our strengths, and our successes and take the firm to the next level. I want to hear employees' ideas, plans and goals – and then integrate them into a powerful vision for the future – we are going to talk about it and then we are going to work together to do it."

Q. What are your thoughts on the current state of the consulting industry?

A. "Very few management teams today can simply 'tweak' their way

to success. Competitive pressures, changes in marketplaces, global and regulatory changes and the existence of discontinuous growth opportunities all add up to management increasingly seeing themselves in the business of change. Those forces and that redefinition of management's role offer enormous opportunities for consulting firms with the expertise necessary to help companies effect major change, pursue significant transactions that increase value, and manage through crises. Firms that have that ability to deliver this kind of high-impact consulting will grow and prosper. FTI Consulting is one of the few consulting firms well positioned to fill this need.

Though certain parts of our business may be affected by trends in M&A, restructuring or areas of litigation going up and down, I am firmly convinced this firm has the ability to grow and prosper regardless of the macroeconomic conditions."

Q. What is your management philosophy and leadership style?

A. “Good consultancies are built by great people, who are highly motivated with deep expertise. My management philosophy involves listening to the people who make up the business, and then working with them to leverage their expertise and unleash their potential – and, therefore, the firm’s potential.

We need to have powerful business-focused missions that meet our clients’ needs in a way that we can deliver better than others. That is the essence of ‘winning’ in business. We need those missions to be ones that motivate us, excite us and fill us with the desire to continually improve upon them. We need those missions to make us want to strive every day to enhance what we are doing in the marketplace and our relevance and importance to our clients. My job is to work collaboratively with the team to develop those propositions, develop a vision and a culture that inspires and challenges us every day to improve upon it. If we do that, our enterprise will evolve and become ever more formidable.

Finally, on a personal level, I believe that an effective mission requires a number of critical cultural elements: respect for the passion and drive of others, as well as direct and honest communications.”

Q. How do you think your past experiences will play into your new role as the President and CEO of FTI Consulting?

A. “I’ve held a variety of different roles throughout my career, but within them all, I have focused on client service first and foremost. It’s something that I am passionate about and ultimately, that’s what the consulting business is really all about. How do we serve our clients in better and smarter ways? How do we think innovatively and critically to help them achieve their goals?

In recent years, I’ve focused on helping new CEOs come up with ways to fundamentally improve the trajectory of their businesses. In the vast majority of cases, this has not been about restructuring a broken business, which is an expertise that clearly exists at FTI Consulting already, but rather taking a good company and making it a great company or helping a great company, in evolving and competitive times, stay on top.

My internal leadership experiences at BCG have shown that those same lessons apply to professional services as well. This is why I believe the Board has asked me to join FTI Consulting. The firm already has powerful market position, a great set of capabilities and a terrific group of professionals. Now, as the incoming CEO, I’m looking forward to working with the team to identify a path forward to even greater success.”

Q. Is it safe to say that, in some ways, you’ll be looking at FTI Consulting as a client?

A. “I don’t want to be our own consultants but we need to apply our brains, discipline and passion to our own businesses to drive

innovation and improvements that will grow our business.

The same lessons learned through serving clients apply to our business as well. Like all professional services firms, FTI Consulting’s success is driven by its people, and everyone has aspirations and a desire to propel the business –

and their careers – forward. When I was asked to lead BCG in North and South America, our team collectively employed those lessons and took a business that had not been growing head-count for five years and quadrupled its revenues, expanded the business to new places and gained new clients, which enabled promotions, growth and energy

to be unleashed. In my most recent role leading the Transformation and Large Scale Change Practice, collaborating with colleagues has allowed us to transform the firm’s position in countries around the world.”

Q. How do you propose to grow FTI Consulting into new markets as well as within its current footprint?

A. “I believe there are several key issues we have to address to achieve growth at FTI Consulting, which I think

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applies to many organizations. First, we must determine how we plan to win in the next three to five years – what I call ‘winning in the medium term.’ The job of management today is to ask ourselves, ‘What are the strengths we have today, how can those be reinforced and extended, and how do we leverage those strengths to win in a competitive environment?’ That is a question I’ll be asking myself as CEO, and I’ll be asking of FTI Consulting’s management team and, indeed, of the entire firm.

Second, we must determine how we fund that journey, identifying areas and regions where we need additional investment in order to be the most effective player in the market. We are also going to have to be clever and think critically about expenditures, realizing where we are creating enormous value, better pricing, ensuring we don’t have excess costs.

Lastly, and what I believe to be the most important, is what we need to do collectively in terms of culture, support and processes to enable all of this. In order to realize success for this organization, we need the support of our people and we need to empower our people.

If they’re being fully open, I believe most new CEOs will tell you that they spend 20 to 30 percent of their time on winning in the medium term, 20 to 30 percent of their time on determining how to fund the journey, and the rest of the time on how to tap into their employees’ aspirations – how to get their team to engage in the future of the company and access the skills to drive it to the next level. As a management team, I believe this will be our biggest focus.”

Q. What do you think will be the keys to FTI Consulting’s ongoing success?

A. “Based on the conversations that I’ve had with the people I have met so far at FTI Consulting, I believe there is an enormous upside in this Company and we already have a lot of what we need to grow. The firm has great competitive positions, distinctive expertise, and a global team of energized and passionate professionals. In my experience, with those assets, the next level of growth is just an exercise in discovery. For FTI Consulting, it’s not a question of: ‘Is it out there?’ It’s a question of: ‘How do we find it?’ I know that together, we can find it.”

Q. What are your thoughts on talent development?

A. “In the world of client service, it can be easy to lose track of the fact that our core asset is our people. That may be a cliché term, but it is true. FTI Consulting’s ability to succeed as a professional services firm is a direct result of the drive and energy of our people and, as a firm, we need to support our people in growing and developing.

While I was at BCG, the company was included for the first time on the list of Fortune’s ‘100 Best Companies to Work For’ and has consistently moved up in its ranking from year-to-year. I am proud of contributing to that recognition. I believe that personal fulfillment is why many people join a firm and those people, in turn, increase the value of the firm.

To best serve our clients, no matter what is happening externally, we need to find the most effective mechanisms by which our great people really learn and develop – whether that is through apprenticeships, formal training, informal training or other methods that we find to be successful.”

Q. Your extensive career and diverse experiences have clearly

taught you a tremendous amount about consulting firms in general, as well as client service, but how will that translate to FTI Consulting’s core competencies?

A. “There are many reasons I’m looking forward to joining FTI Consulting, and you’ve hit upon one of the keys: the opportunity to learn new disciplines from and alongside the best in the

business. This firm has the industry’s leading restructuring experts, forensic accountants, real estate professionals, e-discovery experts, strategic communications specialists, former chief executives, and Nobel Laureate economists. I can’t wait to get to know them, learn more about what they do and harness their expertise to help bring this great firm to even greater heights.” •

BIOGRAPHY

Steve Gunby will join FTI Consulting as its new President and Chief Executive Officer (CEO) on January 20, 2014.

EXPERIENCE

Mr. Gunby joins FTI Consulting as President and CEO following a 30-year career at The Boston Consulting Group, Inc. (BCG) where he most recently ran the firm’s global Transformation and Large Scale Change Practice, leading and generating some of the firm’s largest and most significant client relationships. Previously at BCG, he served as the Chairman of North and South America where he helped triple the region’s revenues, increased recruiting and fostered people development initiatives.

Throughout his career, Mr. Gunby has helped clients drive change in performance in their organizations via fundamental shifts in strategy, operations, processes, organizational structure and culture.

Mr. Gunby is a graduate of the Yale Law School where he was an editor of the *Law Review*, as well as the Yale School of Management and Cornell University.

MANAGEMENT PHILOSOPHY

“Changing the trajectory of a company requires major insight. But it’s also about getting enormous numbers of people helping you figure out the right change and then being committed to drive that to fruition. Our clients (and we) are not studies, we are people who are trying to make a difference in our institutions and the world.”