



THIS EXECUTIVE SUMMARY HIGHLIGHTS THE RESULTS OF **ON THE MINDS OF CEOs**, A HIGHLY SUCCESSFUL SURVEY CONDUCTED BY THE MARKETING ARM OF FORTUNE MAGAZINE AND BURSON-MARSTELLER.

INTRODUCTION AND METHODOLOGY

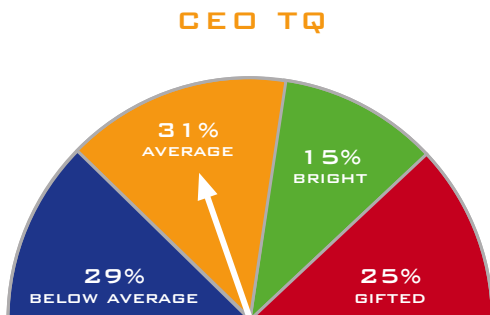
On the Minds of CEOs was designed to acquire a number of in-depth insights into the knowledge, perceptions and habits of the world's corporate leaders.

The study explored top work-related challenges, with a particular focus on the impact of technology.

In all, 707 CEOs of New Economy and Old Economy companies were surveyed worldwide between April and July 2000.

THE CEO TECHNOLOGY QUOTIENT

A point-scoring system was assigned to a battery of technology-based questions included in the survey, modeled closely on the general Intelligence Quotient (IQ) scheme. The resulting "CEO TQ" measures knowledge and use of leading technologies.



Overall, today's CEOs are more comfortable with technology than they were just three years ago, and they are spending more time on the Internet — about six hours per week.

However, CEOs are less familiar with new and emerging technologies, and are less comfortable with the back end (routers, DSPs, etc.) than the front end (Intranet).

% CEOs VERY OR FAIRLY KNOWLEDGEABLE

	TOTAL	DOT-COM CEOs	TRADITIONAL CEOs
Intranet	71%	90%	68%
Broadband	49	83	44
ISPs	41	84	34
URL	35	87	28
Routers	33	68	28
HTML	31	74	24
GSM	21	42	17
DSP	19	50	14
CDMA	15	36	12

INTERNET STRATEGY

Nearly all CEOs have an Internet strategy or are developing one.

CEOs understand that the Internet is critical to their company's future, as well as to their own success. They have a fair amount of confidence in their Internet strategies and many have played a significant role in their development.

When making decisions, CEOs put themselves at the forefront and rely on the advice of strong inner circle players.



WORK-RELATED ISSUE OF BIGGEST CONCERN TO CEOs:

- Good talent/recruitment and retention
- Achieving growth objectives
- Competition
- Keeping up with technology/pace of change

Other senior-level executives responsible for developing corporate Internet strategies are the CFO, CIO, Marketing Vice President and the President.

The largest share of CEOs use the Internet to build brand awareness — to market and position their companies. CEOs in the U.S. are more likely than their overseas counterparts to have a strategy designed to increase revenue (59% versus 44% non-U.S.).

DECISION-MAKING

A significant share of CEOs are “very” involved in purchase approval and determining the need for technology, especially for products costing over \$10 million. They are less involved in brand, product and vendor choice. Additionally, younger executives are more likely than their older peers to be involved in the decisions surrounding high-tech purchases.

When it comes to having confidence in technology beyond the U.S., CEOs place their trust in technologies developed in Germany, the U.K., and Japan. Non-U.S. CEOs add Sweden to their “A” list.

21ST CENTURY CORPORATE CHALLENGES

People assets are the number one concern that “keep CEOs up at night.”

In terms of top goals — after attaining superior financial performance, being #1 in their industry and the best in customers’ minds — CEOs are actually challenged more by the war for talent than technology.

MOST IMPORTANT GOALS FOR COMPANY TODAY

To create superior shareholder returns	65%
To be the industry leader	57
To be the most customer-focused company	53
To be the most profitable company	44
To be the best managed company	32
To be the best place to work	30
To have the best talent	25
To be the most innovative company	23
To be the most admired company	19
To be the largest revenue-producing company	18
To have the strongest global brand(s)	17
To be the best-known company	16
To be the most technology-driven company	16
To be the best corporate citizen	15

When it comes to meeting those goals, CEOs perceive external communications to be the initiative with the greatest impact on share price. Non-U.S. CEOs and dot-com CEOs place greater weight on their e-commerce strategies than their counterparts.



21ST CENTURY LEADERSHIP

Being visionary, attracting and keeping talented employees and managing change are perceived as the most important leadership characteristics for today's CEOs.

Jack Welch of General Electric received the most votes from survey respondents when asked to name the CEO they admire the most.

MOST IMPORTANT LEADERSHIP CHARACTERISTICS OF 21ST CENTURY CEOs*

Is visionary	37%	Innovates	12%
Attracts and keeps talent	36	Builds effective alliances	12
Manages change	31	Articulates sense of purpose	12
Executes well	25	Embodies the values of the company	11
Communicates well inside company	21	Communicates well outside company	10
Is customer obsessive	20	Fosters entrepreneurship	9
Inspires others	13	Understands global markets	8
Fosters collaboration/teamwork	12	Delegates authority	6

*One of three most important characteristics

KEY LEADERSHIP CHARACTERISTICS

DOT-COM CEOs ARE CHARACTERIZED MOST AS RISK-TAKERS AND CREATIVES — LEAST SO AS CONSERVATIVE AND TRUSTWORTHY. FORTUNE 500® CEOs ARE VIEWED MOST AS GLOBAL-MINDED, COMPETITIVE AND STRATEGIC — LEAST SO AS UNPREDICTABLE AND IMPULSIVE. THEY ARE ALSO PERCEIVED TO BE GOOD COMMUNICATORS.

TOP 10 LEADERSHIP CHARACTERISTICS OF DOT-COM CEOs

Risk-takers	82%
Creative	81
Passionate	68
Trailblazer	68
Impulsive	62
Competitive	58
Unpredictable	49
Flexible	44
Arrogant	44
High-profile	37

BOTTOM TWO

Conservative	1
Trustworthy	11

TOP 10 LEADERSHIP CHARACTERISTICS OF FORTUNE 500® CEOs

Global-minded	79%
Competitive	78
Strategic	78
Good communicators	69
Trustworthy	65
High-profile	62
Brand masters	55
Conservative	55
People-oriented	47
Passionate	37

BOTTOM TWO

Unpredictable	2
Impulsive	3

FOR
MORE
INFORMATION

The role of the CEO is bigger, the pace of change faster, and CEO challenges are becoming more complex. However, the fundamentals still apply: **CEOs are looking for solutions that inspire confidence and deliver results.** And they value effective communication, demanding it from their own companies, and from their business partners. If you would like additional information about this study, please contact FORTUNE Publisher Mike Federle, 212.522.2728 or Burson-Marsteller Chief Knowledge & Research Officer Leslie Gaines-Ross, 212.614.5181.