



CONFEDERACIÓN
ESPAÑOLA DE
**DIRECTIVOS
Y EJECUTIVOS**

Con la colaboración de:

Deloitte.

Liderando en positivo

Interview

Petra Mateos

May 2011

www.liderandoenpositivo.com



Technological support:

Laviniainteractiva

“Great leaders must be capable of anticipating the market and perceiving new trends”

Petra Mateos, chairperson of Hispasat

Petra Mateos, chairperson of Hispasat, is the epitome of a successful business woman. Following university, she held civil service and financial industry positions before taking on the company's management in 2001, setting her sights on international expansion, diversification and technological advance. For Mateos, risk management and corporate excellence are key to successfully meeting the challenges of an ever-changing market.



You have a solid academic background, how important has this training been in the professional projects you have undertaken?

In my case, training in the financial field, gaining a doctorate cum laude and a professorship in financial economics at university have been the basic pillars of my highly intense professional experience in such differing industries as the financial and technological industries, not to mention my work as a civil servant and director of the Madrid stock market studies service. I have also had broad experience as a consultant in strategic issues and company valuation, both in Spain and abroad. I can safely say that it has all helped me to cope with any situation that I have encountered. Holding positions in such different industries as the financial and technological has proved to be both a challenge and an opportunity and this also goes for my current position at the head of the world's seventh satellite operator by revenue, which is Hispasat.

From your day-by-day management experience, how is the current economic climate affecting businesses?

The world is at a point where major events that seemed to us improbable, far-off or one-off occurrences have changed the course of numerous organisations and industries. We have seen how prestigious financial services companies have gone down, victims of the biggest financial crisis for decades. Industries of world significance, such as the automotive industry, have been hit by the most adverse side of globalisation and have been compelled to restructure in order to survive.

I believe we are on the brink of a change in model, which will alter the structure and functioning of certain industries and where the path to growth will depend on the positions of leadership that organisations have managed to attain, as well as their ability to react at short term. The organisations that come out stronger will be those with leaders capable of implementing strategies to transform risk in a complex, competitive and demanding environment, without losing their long-term vision. Innovation processes should be accelerated just now and the principles of corporate excellence are of even greater value, as people are being subjected to ever-shorter learning cycles requiring solid training and strong corporate discipline.

If a business school student asked you how a leader should adapt to the new scenario, what would be your reply?

Undoubtedly, one lesson we are learning from the current crisis is that, by ourselves, we cannot manage exceptional situations that are beyond our control. The best organisations do not depend on a single person, but on many people working together to achieve a common goal. Nowadays, the stability of organisations is a chimera. Both people and companies

“The organisations that come out stronger will be those with leaders capable of implementing risk management strategies in a complex, competitive and demanding environment, without losing their long-term vision”

must adapt continuously to market dynamics. Today's success strategies may be totally ineffective tomorrow. Therefore, great leaders must be capable of anticipating the market and of perceiving the new trends as they emerge, of absorbing a mass of information from innumerable sources, synthesising the key factors and the signs that begin to predominate. And when they are sure the time has come, they must be capable of setting the direction for a new path towards competitiveness. From this standpoint future leaders will need both capabilities and sufficient intellectual curiosity to understand an extraordinarily complex world.

The winning organisations in the current crisis will be those that understand that the only way to act and to manage risks and threats, while at the same time building on and taking advantage of new opportunities,

is by creating corporate environments with different stakeholders, so that processes in which value is created and all players win can be ensured.

On the other hand, globalisation points us to an executive profile in which there are no political borders and in this respect I would emphasise that over the last twenty years Spanish executives have shown an enormous capacity to develop projects at international level. This is borne out by the direct investment figures of Spanish companies abroad, as well as the performance of exports across all industries. This doesn't only go for large companies but also for small and medium enterprises with truly remarkable international success stories. Currently, Spanish companies can produce executives that are every bit as good as those of any other country. Nevertheless, it is absolutely essential to continue fostering an international mentality at Spanish companies in order to progress further in international growth.

What should be the main qualities of an executive, particularly considering the current economic situation?

The new environment requires collective responses that must arise from action decided by the many people in each organisation who are set on changing and adapting structures in order to work within the new situation. Undoubtedly the leader must have transformation at heart. In my opinion, the new business leaders must be able to anticipate changes and to accept them, in each case viewing them as both an opportunity and a challenge. They must be able to handle complexity and harness the opportunities that arise, but also know how to gauge risk well, turning knowledge, the competitive positioning of companies

and the actual market situation into key elements for identifying potential areas of improvement, lines of action and strategy changes so that appropriate solutions can be implemented. Decision-making must be counterbalanced with a great deal of prudence and an ever deeper and more hands-on understanding and analysis of risks. The winning companies will be those that can juggle the management of risks and short-term problems with the identification of medium-term opportunities and strategies. Global competition and economic turbulence allow a very small margin of error and a bad business judgment or an unfortunate decision may not only lead to adverse results but may even jeopardise survival.

At such a complicated and global time, what are the key factors for business survival and what part will the information technologies play?

Knowledge, education and research play an essential role in the knowledge society in which we are currently immersed on a worldwide scale. The most valuable tools for placing these three basic elements within everyone's reach are the information and communication technologies. In this environment activities associated with innovation must be seen as key to our recovery and although they may not be the only resource for improving productivity, they do afford the greatest guarantee for achieving it without having to renounce the levels of social wellbeing and life quality already gained. As chairperson of a high technology and innovative company, such as Hispasat, I feel especially identified with the technological and communications industry. It is an industry that contributes to building a new, more effective model for our society, with the potential to generate new jobs for qualified professionals, which is sorely needed at this difficult juncture.

What have been the company's main achievements in recent years?

2004 to 2010 marked record growth for Hispasat. Profit was multiplied 32.5 times and revenue rose by 114%. In that period Hispasat became one of the most efficient companies in the industry with effective commitment to the development of the information society and to the universal outreach of communication services. Thanks to its sustainable business model for the creation of value and for backing innovation, the achievements of recent years enabled Hispasat to rank seventh at worldwide level based on industry revenue and third among Spanish operators. We are communication leaders in the Spanish and Portuguese languages and the company broadcasts and distributes the contents of major digital television direct to home service platforms, both in Europe and America, through more than 1,150 television channels and radio stations.

Hispasat is currently in an excellent position, after a very good performance in 2004 to 2010. But what about the future? What are the factors on which the company is basing its progress for the new few years?

I joined the company in November 2004 and I set my sights on its internationalisation, diversification and technological development. We were capable of delivering very considerable marketing efforts, which enabled the company to improve its competitive position in regions of strong potential growth, such as Latin America and in new markets such as the United States. Hispasat launched into the Latin American market at the beginning of 2005, with the successful marketing of our first American satellite, Amazonas 1. Between 2005 and 2006 we managed to win over 75% net of Latin American demand and three years

“One of the great challenges of the 21st century is to ensure that female talent has a place in society's decision-making bodies and also in those of companies”

after being put into orbit the satellite had attained an occupancy level of over 90%, a record in the operation of commercial satellites. This process, undoubtedly coupled with the strong demand in the region, enabled Hispasat to increase its fleet with a new satellite, the Amazonas 2, the largest satellite with pan-American coverage, which was launched in October 2009 and came into service in 2010, thereby doubling our capacity in the region. In order to strengthen this position we are currently preparing a new satellite, Amazonas 3, scheduled to be launched in 2013.

Hispasat already ranks third by revenue in the industry in Latin America, a region that ensures the supply of high quality spatial capacity for the provision of communication services, particularly the distribution and broadcast of audiovisual content, fixed and wireless telecommunication networks and broadband solutions, in over ten of its main countries.

It is not so common among Spanish companies for a woman to reach the pinnacle of an organisation, in your case as chairperson of Hispasat. How do you view this scarcity of women in management positions? What can women's leadership contribute to businesses?

I believe that one of the great challenges of the 21st century is to ensure that female talent has a place in society's decision-making bodies and also in those of companies. Gender diversity undoubtedly has a positive impact and it has been shown that companies focusing on greater diversity developing and building on female talent are in the top bracket of profit ranking. I consider that diversity strengthens and contributes to the exchange of ideas, cultures and experience, all of which are enriching.

In Spain we have made extraordinary progress with positive measures, such as the Equality Law or the Code of Good Governance, which place Spain among the most advanced in Europe insofar as equal opportunities between men and women are concerned. However, if we look at how this is actually reflected in the presence of women at Spain's major companies, i.e. those listed on the Ibex 35, despite the favourable developments, in 2011 we find that currently only 10.6% of directorships are held by women. However, I am optimistic and consider that although the figures show how far we still have to go, we are on the right path and the future may be very promising. To achieve a more balanced society and create a more sustainable world among us all it is vital to educate from the standpoint of equality in all spheres.

What importance do you attach to Corporate Social Responsibility at companies?

Companies have become so large and have acquired so much influence in the world's economy that their responsibility to and influence on global citizens cannot be overlooked. Many leaders want their work to be relevant, to help others, to have an impact on the community and to improve people's quality of life. I believe that the responsibility of all company executives today involves working towards sustainable growth in which financial profit is balanced with a commitment to society.

Social demand is another factor: society is demanding new social responsibility from companies and is becoming increasingly involved in the manner in which such demands are to be met. From the standpoint of corporate management competition is shifting from products to corporate conduct and what's new about this is that company conduct is affecting both the consumer's and the investor's choice, as can be seen from the stock market sustainability indexes. This is the direction in which new leadership and corporate governance should focus and with this outlook companies should perceive themselves as responsible for the world public forum and for the challenges faced by our societies.

We must start to talk of citizen enterprises, to see the company as a player with specific interests and objectives but which also contributes to governance and the public good, depending on the manner in which it pursues its business. Never before has there been such

need at organisations for leaders who encourage people to focus on their concerns and to develop initiative and creativity, while at the same time fostering corporate responsibility and personal development. This is what is meant by exercising responsible leadership. I consider that by strengthening sound values at organisations we will be contributing to both corporate sustainability and also to the changes that are needed in other spheres of society.

How is corporate social responsibility handled at Hispasat? What is the company doing to achieve sustainability?

An important point I should like to stress is the role played by communications satellites in the progress of the information society and of the universal coverage of its services, thanks to its speed, flexibility and deployment without having to undertake major infrastructure work beforehand. Satellites therefore enable anyone, anywhere in the world, to integrate in the knowledge society more easily, at a cost and in development conditions hitherto without precedent, ensuring that both large cities and less privileged rural areas have the same possibilities of accessing the broadband services that are indispensable for the development of society as it is today. From this

standpoint, Hispasat's satellites contribute daily to closing the digital gap in its areas of coverage by providing internet access. For instance, Hispasat offers high-speed broadband internet to remote areas in over ten Latin American countries in which the satellite is the only connection with the information and knowledge society. The group also continues to develop social projects, providing backing for e-learning and telemedicine in countries such as Chile, Peru, Brazil, Colombia and Argentina.

And personally?

Well, personally, I feel great satisfaction that a company like Hispasat can do so much to foster equal opportunities in an area so essential for spreading knowledge as that of providing access to information.

“The responsibility of all company executives today involves working towards sustainable growth in which financial profit is balanced with a commitment to society”

Contact

CONFEDERACIÓN ESPAÑOLA DE DIRECTIVOS Y EJECUTIVOS - CEDE

World Trade Center
Moll de Barcelona, s/n Edificio Sur 3ª planta
08039 Barcelona (Spain)
Tel. +34 93 508 83 20
Fax. +34 93 508 83 21
Correo electrónico: info@directivoscede.com