



CONFEDERACIÓN
ESPAÑOLA DE
**DIRECTIVOS
Y EJECUTIVOS**

With the collaboration of:

Deloitte.

Liderando en positivo

Interview

Julio Linares

January 2013

www.liderandoenpositivo.com



Technological support:

Laviniainteractiva

“Spanish leaders are perceived as good managers, reliable, flexible and worthy partners”

Julio Linares, Vice-President of Telefónica

Julio Linares' protracted experience within the Telefónica Group endorses him as one of Spain's foremost business leaders. As the current Vice-President of Telefónica, he feels positive about our country's economic future. His numerous positions of responsibility have provided him with vital experience for gaining a first-hand understanding of the nature of leadership. With his optimistic message, Julio Linares believes the recovery involves returning to growth in order to generate employment, always bearing in mind Spain's major strengths: its robust industrial fabric, its high export figures and the ease with which consumers embrace new technologies.



How can we return to positive leadership in Spain, at a time when that is no easy matter?

For the time being, until we can restore growth to generate employment, there can be no rest nor respite. Yet the effort required accordingly should be made in the most positive way possible. This means it is extremely important for us to be aware of our strengths and of our current performance as we gradually get our homework done.

Spain has major strengths. The first of these involves a highly diversified industrial fabric. The country's leading listed companies, as featured in the Ibex 35 index, obtain 61% of their revenue abroad.

Furthermore, we have managed to place eight companies among the world's largest 500 according to the ranking drawn up by Fortune. These are highly significant strengths that will undoubtedly serve us well.

In addition, another very positive note is that from 2009 to 2011 our exports grew by 36%, outperforming Italy, Germany and France; and the export sector is offsetting the drop in domestic demand. It is also very encouraging that despite these years of recession, our competitiveness has recouped 50% of what it had lost in the previous decade.

Ours is a country in which consumers embrace new technology more quickly than in others; and this enables firms to be more efficient and more competitive.

Thanks to the accumulated nominal reduction in prices, the weight of the property sector is now in a very similar state to other countries. In turn, private sector debt has fallen very sharply and the banks are doing their homework in order to be in a position to dynamise the market once more.

In your view, how has the figure of leader evolved? What are its main characteristics?

Leadership has to adapt to the environment and to the circumstances prevailing at any given moment. This means leaders have developed according to these parameters, but they need to continue doing so.

Today, one of a leader's foremost traits is vision. There is a widespread demand for our leaders to show us the way with a vision that draws us all towards a specific goal with optimism and ambition.

Our leaders need to influence and even enthuse with that vision in order to marshal people toward that goal, and it is important for them to use all the tools available to them in order to convey it and convince us.

How does the international community perceive our leaders?

Spanish leaders are perceived as good managers with valuable experience in multinational companies; as well as being very flexible for adapting to highly diverse circumstances and conditions.

Moreover, they are considered to be reliable, trustworthy and worthy partners. There is no doubt they have earned the respect of the markets.

How do you value the image conveyed by European leadership? Is it consistent with the EU dream or has it deteriorated?

When dealing with such major difficulties as the ones

“The key to management in Latin America is a flexible approach to adapt to its diversity”

we are currently facing, it might be a good idea to look back and see what Europe was like 40 or 50 years ago, and thereby realise how much progress we have actually made.

In spite of all the advances, it is obvious that no provision had been made for tackling economic and political challenges such as the ones we are facing in today's crisis scenario.

Nevertheless, and thanks to the experience we are gaining, I am convinced we will come out of this stronger, both in Europe and in the eurozone, and we will end up designing and building the necessary tools for dealing with recessions such as this one quickly and successfully. I am utterly convinced of this because we do not really have any other choice.

Staying on an international theme, what do you think are the keys to recovering a strong leadership in Latin America?

In the first place, we should not forget that Latin America is extremely diverse. There are countries in very different circumstances and situations. The key to management in Latin America is a flexible approach to adapt to its diversity, striking a balance between local and global, between the short and long terms,

“In the telecommunications industry, senior executives need to be able to deal with ongoing change”

committing and pledging ourselves to investment, innovation and social wellbeing.

Let us now turn to the telecommunications sector, what do you think is the positive road to recovery to be followed by the sector's leaders?

Fortunately, the products we manufacture and sell in our sector are in high demand and widely used. Increasingly more so. In fact, our consumers have become “addicted” to, for example, their mobile phones. According to our own data, 90% of consumers keep their mobile phone within arm's reach 24 hours a day. This means the opportunities in our industry are huge.

Nevertheless, opportunities are always accompanied by challenges. One of these involves converting all this growth in the use of telecommunications into higher revenues, thereby enabling us to comfortably address the raft of investments we still need to carry out in order to develop the infrastructures of the future, based on fibre optics and fourth generation mobile phones. In our industry, senior executives need to be able to deal with ongoing change.

What impact do new technologies have on senior executives?

Both the online and offline worlds present opportunities for everyone, and there are many examples of innovations that have surprised us. But the truth is that when one looks for opportunities in which there is a

greater likelihood of success, I think these are to be found in the field of new technologies. I believe this because new technologies have to be implemented in new scenarios, and there is still a lot to be done accordingly. I am convinced that the field of new technologies will be the one creating the most openings for generating employment.

What role do women play in top management in Spain?

If we look at large corporations, the part played by women has changed a great deal in recent years, just as a woman's role in society has changed. We can now no longer differentiate between men and women when we talk about professional skills and commitment in large companies. Women have easily and comfortably proven they are capable of filling any position.

What would be your advice to those executives who on the whole are facing a complex reality?

It is important to acknowledge that we are living in a globalised world and, therefore, the approaches we take, either from a corporate perspective or from the standpoint of a small firm, have to be informed by a global vision.

Fortunately, and as I have already pointed out, new technologies provide us with numerous openings for facing challenges and opportunities with that global perspective, whereby we will be capable of extending our endeavour and the deployment of our business beyond our own domestic boundaries.

Along these lines, and according to the known premise that coming out of the crisis stronger requires the support of the next generations, what advice would you give to all those young people who are starting up a business and whose creativity plays a small part in driving recovery?

Thinking about young people, and with a view to sharing years of experience with them, I would tell them

that one always faces challenges and opportunities and that, furthermore, the two tend to go hand-in-hand. In the majority of cases, we think the most recent years have been the hardest ever, but that is not always the case. However, I do agree that the present situation is extremely demanding insofar as challenges and opportunities are concerned.

In my experience, to successfully tackle challenges and exploit opportunities, one needs to pre-empt them and adapt accordingly, having a very clear idea of what one wants to achieve. The rest, the road to success, involves simply the right approach and a lot of hard work and perseverance.

“In my experience, to successfully tackle challenges and exploit opportunities, one needs to pre-empt them and adapt accordingly, having a very clear idea of what one wants to achieve”

Contacto

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