

Passing the Baton at The New York Times Company

A Conversation with Mark Thompson
and Meredith Levien



Spencer Stuart recently sat down for a virtual town hall with Mark Thompson, the now-retired president and CEO of The New York Times Company, and Meredith Levien, The Times' new president and CEO. Mark joined The Times in 2012 after what he called a “good tour of duty of eight years” as the director-general of the BBC. Formerly the company's COO since 2017, Meredith took over the CEO role in September 2020, after an intensive succession process.

With a global pandemic, civil unrest and a tense election as a backdrop, Mark and Meredith shared with us their thoughts about leadership, succession planning and navigating the business of journalism for the institution that promises “All the News That's Fit to Print.”

Mark, you joined The Times in 2012, and now you're passing the baton to Meredith. Can you go back eight years and think about how you thought about your succession — if that was even a thought you had?

Thompson: I think the right day for a CEO to think about their own succession planning is the day they start the job. It's not in five or seven years. Many CEOs will put this off because they can't ever imagine a world after they're gone. But if I'm a decent CEO, I don't want to just roll the dice. I should try and help make sure that we de-risk this a little bit.

In 2015, you, Meredith and your team came up with the idea that journalism is worth paying for, implementing the strategy of offering digital subscriptions to *New York Times* readers. You've now surpassed seven million paid digital subscriptions (surpassing 7.8 million at the end of Q1 2021), and quintupled the market cap. Can you tell us about how that process happened, including the strategy and organizational cultural aspect?

Thompson: Operating executives often hate the use of the word "politics," because it suggests bureaucratic game-playing and backstabbing. But changing an organization is a very political thing to do. When you're creating organizational changes, you need political tactics — and one tactic I learned years ago, at both the BBC and at Channel 4, is that the worst thing you can do as a leader is to come in with a clipboard and tell people they've got to change. It's much better if you can get people to tell you that they need to change — and then they come up with a plan and they sell that plan to you.



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MARK THOMPSON
RETIRED CEO, THE NEW YORK TIMES COMPANY



So how do you make that happen?

Thompson: You do this by finding the people in the middle of the organization — the ambitious, edgy, confrontational and fearless ones. Maybe they are in their late 20s, 30s, 40s. You find these people and you ask them to come up with a plan for the future. The people who hate this the most are senior leaders. So you have people in the middle of the organization saying change is necessary, along with a leader who says that change is necessary — and now you have a coalition together for change. Our coalition was comprised of young people who made up our newsroom and led by A.G. Sulzberger, who is now the publisher of The New York Times Company.

Your coalition had all the key players in one room.

Thompson: We got them in on a Friday afternoon between noon and 6 p.m. — and we came back every Friday between April and October to debate about what we should do. It created optimism inside the organization and a process of thinking more broadly and more bravely about what we could do, and we ended up with a page of six bullet points, six guiding principles — one of which was a revolutionary statement that digital subscriptions were the future of the company.

Meredith, has this clarifying exercise been helpful for you to have something that you believe in, that you are part of creating?

Levien: Definitely. The New York Times that Mark became CEO of in 2012 was in existential crisis. I have a different set of problems. But to this day, we still have the same six bullets that Mark shared that define not just the strategy, but the execution of the strategy today. It's a really good strategy, and I'm guessing that if you check back in with me four or five years from now we're going to have the same six bullets. Our story at The Times has been investing in quality, original, independent journalism, and we've been doing that for 170 years. But how you actually monetize that has been about adaptation, change and willingness to do things completely differently.

Can you share with us what it was like to be an internal candidate for the CEO role?

Levien: For the first year and a half in the COO job, I didn't look up and think for a second about what comes next. For me to think that I would become CEO was ridiculous at the time, and I felt that there was something really valuable about giving very senior, very ambitious people really thorny problems to solve, and then the space to do it so they're not obsessed with what happens next politically within the organization. But when we did begin the conversation, Mark showed up for me like a coach and a sponsor and someone who really wanted it to happen. He did everything he could to put me into the position to help make it happen. It just felt like the right process. It felt like the right things were being asked of me.

The whole process has left me really intent on understanding that most companies — unless there is an existential crisis and more has to be changed — are better off developing people from the inside to get to these roles. The Times is a place that takes its work quite seriously, its own brand quite seriously. And that often co-presents with a

belief that many of the answers are inside the building. And I would say people like Mark and I have really pushed the idea that some answers are inside, and many of the answers are still outside.

Mark and Meredith, you've both said that you started thinking about succession planning early — not just for yourself, but for your role. Many CEOs think that talking about succession planning or initiating it is a sign of weakness and they get into a bit of an awkward relationship with the board about that. What advice would you give to those leaders about how they should think about succession planning?

Thompson: Getting on top of these things is much better for companies. It should be done in a forward-looking way. I think it is part of how you manage a company, how do you think about the company's future and how to get there. A CEO who talks confidently about this and encourages the board to think about it is in a much better position to be influential.

One of the reasons why this has worked so beautifully was that when Mark was ready to pass the baton, Meredith was ready to accept it.

Thompson: With every passing month, Meredith was becoming better and better known outside of The Times, with a very wide strong network of her own. I thought, very straightforwardly, if The Times doesn't make her a chief executive fairly soon, she will go and be a chief executive somewhere else. And I thought it would be so much better for The Times if they played it like a relay race, where you hand over the baton when you were still running as hard as you can. In these difficult times, continuity and momentum really matter.



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PRESIDENT AND CEO, THE NEW YORK TIMES COMPANY

Levien: Mark is saying one word that I think we both felt was part of the formula for where The Times is now: momentum. It's one of the philosophies we shared. You're either winning or you're losing. In commercial terms, you're growing or you're dying. We both believe that the company has to keep getting quality independent journalism, to have a bigger footprint in the world, to be more secure in the world in more places than it is today — and to keep growing as a business. Those things are so tied up together, and given the state of the world, it's even more important today.

Meredith, you are still relatively early in the job. Where are you now?

Levien: Mark literally handed off the baton to me while he was still running. I'm at full speed and I'm just intensely focused now. I hope it's a very long time before I have to directly hand it off again. But part of the formula is also taking on bigger and bigger assignments, as well as giving bigger and bigger ones to others around me.

Meredith, what are your areas of focus right now, and in the next three to six months to make sure that you keep the momentum going?

Levien: Those six bullets mentioned earlier still apply, and it's how we got to where we're going on our path forward. We said we would double digital revenue in five years; we got there in less than four. We put out a goal of 10 million subscriptions by 2025; we're going to get there sooner, far sooner than 2025 — we're already at 7 million. So, the very big areas of focus for me right now are the long arc of work around what is the next inflection in the business and getting the executive team and top of the newsroom aligned on the next opportunity. There are a lot of really big choices the company has to make as we determine the next place we're going. What are the routes to get there? I'm incredibly focused on what the next inflection looks like.

Mark and Meredith, do you have any final words on leadership that you'd like to share with us?

Thompson: Modern leadership, particularly with people below the age of 40 who have not grown up in conventional hierarchical structures, don't see the point in this interdisciplinary world. The leader is more like a catalyst than a conventional general. You're trying to provoke change. You're trying to tempt and annoy people into change — and it's almost like the most important thing is the quality of the questions you're asking rather than coming up with all the answers. I always think the answer is probably somewhere in the organization. Your job is to help the organization find it, which can be difficult. But you have to pull it out into the organization, rather than trying to push it in.

Levien: I think The Times — and probably every company — needs a CEO who can fly at a higher altitude to really make sense of all the things happening outside and make them relevant to how you move inside the building. The CEO is like the “context-setter-in-chief,” who is able to work laterally. Today everything is tech-driven and software is at the center of so much of the business value creation. But for us, it's journalism first, followed by making software. It requires collaboration and willingness to share expertise all the way up to the top of the organization. The top executive has to demand a level of collaboration that is much greater than what was needed five or 10 years ago.



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