

## Benefits and pitfalls of a CEO's personal Twitter messaging

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**S**ocial media platforms such as Twitter represent a new and potentially potent corporate communication technology. A stream of tweets from a corporate CEO's personal Twitter account can be an effective component of the communication media used to exercise leadership through language. The tweets on a CEO's personal Twitter account can be used strategically to help establish the organizational culture of a company, and build and maintain the CEO's personal image, for example, as a transformational leader, a servant leader, a social progressive or an agile strategist.

There are benefits and pitfalls of a CEO's use of a personal Twitter feed. Tweeting can facilitate direct, "unfiltered" communication, enable faster and more immediate lines of communication and provide access to larger audiences. A CEO's tweet can convey an "elevator pitch" of inspiration to employees or a strategic message to corporate investors. Nonetheless, given the immediacy of this medium, there is a risk that Twitter will expose "inauthentic" or narcissistic leaders if used in an undisciplined way. Alertness to some proven approaches and cautions are likely to be beneficial to CEOs who are considering communicating with stakeholders and the media via Twitter.

Twitter has become a ubiquitous and continually-evolving social institution. In January 2019, approximately 500 million tweets were sent daily from the Twitter social media communications platform; and 326 million people used Twitter monthly.<sup>1</sup> On August 7, 2019, the three most-followed persons on Twitter were U.S. singer Katy Perry (107.8 million followers); former U.S. President Barack Obama (107.5 million); and Canadian singer Justin Bieber (106.1 million).<sup>2</sup> The most prominent purveyor of tweets is U.S. President Donald Trump. On August 9, 2019, his personal Twitter feed had about 62.8 million followers and he had sent about 43,000 tweets.<sup>3</sup> His use of Twitter has been credited to be "a new form of presidential talk."<sup>4</sup> Some observers regard his tweets as contributing to a "semiotics of authenticity"<sup>5</sup> while others see them as enabling the "politics of debasement."<sup>6</sup>

### Twitter in the corporate realm

Twitter is now an accepted form of CEO-speak<sup>7</sup> and is increasingly pervasive in modern business because of its potential to influence "our view of corporations and their leaders."<sup>8</sup> Many CEOs are now prodigious users of Twitter. They have embraced Twitter because they see its value as a strategic tool for communicating directly with customers,

employees, investors, legislators, media and voters to rapidly convey information and influence opinions over time.

Given the accelerating pace of change that business leaders must adapt to, Twitter addresses the increasing need for CEOs to quickly and effectively “lead through language.” Communicating via a corporate CEO’s personal Twitter account can be an important element in establishing the actual and perceived “organizational culture” of a company; in building and maintaining the CEO’s reputation as an honest broker of information and in influencing perceptions of a company’s business model and priorities.

A CEO’s use of a social media platform such as Twitter can be a strategically important element of a broader communications policy. In addition to communicating with traditional stakeholders, Twitter can help to engage with important members of the broader public audience of “shapeholders”: that is, those who have no financial stake in the company but can have a powerful impact in shaping its future -- for example, as potential customers or activists.<sup>9</sup>

There are at least four reasons why a CEO should have his or her own personal Twitter feed:

- To help “humanize” the CEO in the eyes of employees.
- To enable CEOs to communicate their message authentically.
- To allow the CEO to “test the waters” on some issues.
- To help a CEO establish a unique image or “brand.”

## **Benefits**

### **Unfiltered communication**

Twitter provides an almost real-time, personal connection directly between a CEO and a network of followers. Twitter offers the prospect of sending messages free of much of the spin-fatigue, skepticism and “wall of suspicion” the public encounters frequently with corporate communications.<sup>10</sup> An important benefit of Twitter is that tweets can be “a positive means for CEOs to engage in frank dialogue”<sup>11</sup> — often a potent management exercise.

The benefits and pitfalls of a CEO using a personal Twitter feed to initiate a frank conversation are evident in the 243 tweets that Uber CEO Dara Khosrowshahi sent using his Twitter account<sup>12</sup> from the time of his appointment in August, 2017, until Uber’s initial public offering (IPO) on May 11, 2019. For example, CEO Khosrowshahi used his tweet on November 14, 2017 to endorse the outcome of the Australian Marriage Law Postal Survey on same sex marriage:

Congratulations [#Australia](#) on moving forward with marriage equality - we're proud to show our support!

Clearly Twitter provides an opportunity for a CEO to “initiate and influence online conversations” and to shape a company’s public image as being socially progressive.<sup>13</sup> But Twitter poses risks for the unwary CEO user who innocently assumes his or her opinions on social issues are uniquely enlightened.

## **The rise of the “Social CEO”**

The use of social media has given rise to “social CEOs”— those “who connect with investors directly, personally, and in real time through social media.”<sup>14</sup> CEOs identified as frequent users of Twitter include Marissa Mayer (Yahoo), Jeffrey Immelt (GE), Tim Cook (Apple),<sup>15</sup> Ariana Huffington (Huffington Post Media) and Jack Dorsey (Twitter).<sup>16</sup> “Social CEOs” who connect with stakeholders can offer value-added content such as “industry insights, leadership tips and advice, commentary on news and trends ...”<sup>17</sup>

## **Managing reputation and trust**

Tweets can help CEOs promote their company’s reputation, attract investor attention and respond directly to consumer concerns. Twitter can also promote the reputation of a CEO as a thought leader. One method is to retweet the insights of academic and practitioner strategists whose ideas are changing corporate cultures. Another is to use tweets to endorse examples of effective corporate management that are reported in news articles or described by the company’s frontline employees.

This retweet capacity of Twitter helped Uber CEO Khosrowshahi share a message from an employee with the company at large. His most retweeted Tweet was from an Uber software engineer, Theresa Cay, on February 26, 2018. This was, in turn, retweeted by 141 other Twitter users, attracting 474 “likes.”

## **Pitfalls**

### **Beware restless Twitter fingers**

While driving himself to the airport on August 7, 2018, Tesla’s CEO, Elon Musk, sent the following tweet to his 22 million followers:

“Am considering taking Tesla private at \$420. Funding secured.”

The upshot of this tweet and others that followed was that the Securities and Exchange Commission (SEC) accused Musk of violating U.S. securities legislation. His tweets were alleged to include:

“...a series of false and misleading statements ...regarding taking Tesla, a publicly traded company, private. Musk’s statements, disseminated via Twitter, falsely indicated that, should he so choose, it was virtually certain that he could take Tesla private at a purchase price that reflected a substantial premium over Tesla stock’s then-current share price, that funding for this multi-billion dollar transaction had been secured, and that the only contingency was a shareholder vote. In truth and in fact, Musk had not even discussed, much less confirmed, key deal terms, including price, with any potential funding source.” (Civil Action No. 1:18-cv-8865, <https://www.sec.gov/litigation/complaints/2018/comp-pr2018-219.pdf>, last accessed August 3, 2019).

Eventually, the SEC settled by requiring, among other conditions, that Musk “obtain the pre-approval of an experienced securities lawyer employed by the company” before tweeting (see the April 26, 2019 court-approved settlement at <http://prod-upp-image-read.ft.com/1199ee1e-686d-11e9-9adc-98bf1d35a056>).

However, Musk’s seemingly restless Twitter fingers were not content. On July 30, 2019, he tweeted the following uncorroborated information:

Spooling up production line rapidly. Hoping to manufacture ~1000 solar roofs/week by end of this year — (@elonmusk) July 30, 2019

This tweet is alleged to be potentially a violation of the SEC requirement.<sup>18</sup>

### **A forum for rant, sneer and negativity**

Twitter has been cited for encouraging “trolls,” that is, persons who anonymously respond to tweets by engaging in abusive commentary. In the case of Uber, a disaffected Uber driver replied to a tweet of CEO Khosrowshahi as follows:

Replying to [@dkhos](#) [@LuminousAI](#)



Easy to invest money when you steal it from [#uber](#) drivers all over the world. I WANT MY \$120.17 FROM 7 MONTHS AGO [@dkhos](#). [#uberthieves](#). SCREW YOU!! [offensive word removed by authors]

### **Beware of faux cues to authenticity**

Social media has become “an environment where authenticity is simultaneously promised, demanded and disputed ... through heightened sensitivity to cues.”<sup>19</sup> Many of CEO Khosrowshahi’s tweets do not seem spontaneous. Rather, they appear to be formal, well worked with carefully chosen words, and seemingly orchestrated well in advance of release. Thus, the spontaneity and freshness afforded by Twitter is lost. Typical of this lack of spontaneity is the following formal, seemingly sanitised tweet, he sent on April 12, 2018:

Uber has a responsibility to help keep people safe. It’s core to everything we do - that’s why we’re doubling down on safety, making it easier to share your trip w/ loved ones, and piloting tech that could save time and lives in an emergency.

### **CEO Twitter stereotypes**

How effective CEOs are at using Twitter can be a function of whether they adopt the role of a Generalist, Expressionist, Information Maven or Business Maven.<sup>20</sup>

- **Generalists** share a wide range of content ... personal opinions and interests and business information dealing with strategy, products and customers. They are retweeted and “liked” the least of the four groups.
- **Expressionists** are more prone to tweet about non-business matters and share their opinions about events, politics and their daily lives.
- **Information Mavens** do not generally tweet information specific to their company but share links to a broad array of “information, news and other happenings. They have the lowest number of followers and the least retweets.

- **Business Mavens** use Twitter extensively and primarily share business-related content. This includes new product announcements ... customer references, and information about management initiatives and strategy. They also use Twitter to share content related to personal opinions and interests and are retweeted and “liked” more than the CEOs in the other three groups.

Uber’s CEO Khosrowshahi seems to be a Generalist. His first 100 tweets at Uber share a wide range of content, including personal information, opinions and interests. The latter include his endorsement of Uber’s support for the LGBTQI community; his opposition to sex trafficking; the revelation that Martin Luther King was an inspiration to him; the date of his daughter’s birthday and his Christmas present to her; and his assessment that Justin Timberlake is a “spectacular performer.” There is also information on business strategy (including the intent to commercialize self-driving technology) and on new and existing products -- JUMP bikes, Uber Express POOL, Uber Health -- and customers too, including those in London and Brazil.

### **Twitter: leadership through language**

Social media platforms have extended the reach and character of CEO-speak. Just as U.S. President Donald Trump’s use of Twitter has altered the norms of presidential discourse – both as effective way to reach his base and as an infamous dialogue that scandalizes his critics -- CEOs’ use of Twitter has altered the public’s expectation of CEO-speak. Some CEOs are avid tweeters, seemingly untethered by corporate communication minders and lawyers; some are more cautious in their tweets; and others seem to avoid Twitter studiously. For even the most talented communicators, taking the public stage via Twitter means that they must constantly weigh the opportunity to broadcast a positive message instantly at a critical inflection point against the risk that their tweet may be misinterpreted by some in their audience.

Twitter should be viewed as a communication medium that enables the exercise of leadership through language, a powerful influencing tool for the “social CEO” who learns how to use it effectively and to avoid its pitfalls.

[Quotes]

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## Notes

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- <sup>5</sup> T. Shane, “The Semiotics of Authenticity: Indexicality in Donald Trump’s Tweets,” *Social Media and Society*, (2018, July-September): 1–14.
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- <sup>7</sup> J. Amernic and R. Craig, *CEO-speak: The Language of Corporate Leadership*. (Montreal: McGill-Queen’s University Press, 2006).
- <sup>8</sup> *Ibid.* p. 137.
- <sup>9</sup> M.R. Kennedy, *Shapeholders: Business Success in the Age of Social Activism*. (New York: Columbia Business School Publishing, 2017), cited by O. Osiyevskyy and V. Biloshapka, “Shapeholders: Managing them as Allies, Partners and Significant Constituents,” *Strategy & Leadership*, 45(2017): 41-48.
- <sup>10</sup> Shane, *op. cit.*
- <sup>11</sup> W. H. Locander and D. M. Ladi, “CEO Tweet Behavior: The Use of Metaphors and Gendered Communication Style,” *Journal of Managerial Issues*, XXIX (2017): 365-379; see also S. Hwang, “The Strategic Use of Twitter to Manage Personal Public Relations,” *Public Relations Review*, 38 (2012): 159-161.
- <sup>12</sup> Khosrowshahi’s personal Twitter account can be found at <https://twitter.com/dkhos?lang=en>
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- 19 Shane, *op. cit.*
- 20 Descriptions of the four categories mentioned in this paragraph are drawn from Malhotra and Malhotra, *op. cit.*, pp. 75-76.