



Board Level podcast
Australian Institute of Company Directors, powered by CommBank

Episode 14: The perspective gained with an executive and board role

Hosted by: Catherine Fox
Interviewee: Pip Marlow

Featuring:
Rebecca Warren, GM Strategy and Transformation, CommBank.
Joanne Gilroy, Board Diversity Manager, AICD.

This episode, Catherine interviews Pip Marlow. She is the CEO of Salesforce ANZ & ASEAN. She was also the CEO of Customer Marketplace for Suncorp Group and Managing Director of Microsoft. Pip is also a non-executive director of Rugby Australia, sits on the Vice-Chancellor's Advisory Board at UTS and is a member of the Chief Executive Women.

Rebecca [00:00:03] Hello and welcome to Board Level, the podcast that's changing the conversation around boardroom tables. Board diversity and gender balance make sense. It delivers better outcomes for shareholders, consumers, employees and the community. I'm Rebecca Warren, General Manager of CommBank's Women in Focus and we're proud to support the AICD in this valuable conversation. As a board member myself, I know the challenges and the value of contributing at this level. We all have a role to play in improving both equality and diversity. So let's level up with your host, Catherine Fox, award-winning journalist, author, presenter and leading commentator on women in the workforce.

Catherine [00:00:49] Welcome to Board Level and a practical chat with CEO of Salesforce and board director, Pip Marlow, about the missed opportunity in not speaking up, how precision time management aligns with her values and the key to combining an executive and board career. Thanks, Pip, for dialing in, fantastic to have you. I just wondered if we could start off, you're obviously in a busy executive role. When did you decide to move onto boards? Was that something that you had planned to do?

Pip [00:01:20] **Well, Catherine, I always thought I would ultimately transition to a full-time board career was an interesting path, you know, coming through exec ranks and starting to experience engagements with board. So that is something I ultimately want to be able to do. However, when the opportunity came to be on the board of Rugby Australia, it was after some engagement with a number of the board members. The chair at the time, Mike Hawker, who is just an incredible guy, and it was an alignment about something I was passionate about, rugby, the ability to make a difference. You know, they were looking for some skills that I had; technology, digital innovation, and so those things came together. It was a bit of a surprise and nothing I was seeking out at that time but the opportunity was too special to turn down.**

Catherine [00:02:08] I guess we've heard this a few times in this series that there was a traditional idea that you waited till you transitioned from executive life to take up a board role but I've actually found quite a few women in particular have decided to blend those. What are the skills that you reckon that you take from your executive role directly to the boardroom?

Pip [00:02:29] **Yes, look, I think traditional is interesting, isn't it because obviously there's no one path anymore and I think the magic of a board is around diversity and having diverse perspectives and experiences at the table. So you want non-traditional paths to help fit that diversity. I also think still being in an exec role helps me bring another perspective to the board. You know, having been on both sides, you experience a board and you go, okay, if I'm on a board, I don't want to be too much like that. The board is not management and remembering that as a board member, that you are not management, but**

you are there to govern, to oversee, to set risk appetite. It has helped me look at that relationship from both perspectives. I've really enjoyed that. In fact, I think especially my time at Suncorp gave me an incredible amount of skills, you know, working in an ASX20 and engaging a board with high frequency. I think I'm actually both a better executive now because of that and a better board member for being on the leadership team of an ASX20. It's really rounded out my experience, my knowledge and skills to be able to participate in a board differently.

Catherine [00:03:41] Just take us back a bit, Pip, you've had such a rich executive career. I think when I first met you, you were at Microsoft, which of course you are at a number of years, and in Suncorp now Salesforce, tell us about those decisions about making those moves.

Pip [00:03:56] It's fascinating. I spent 21 years at Microsoft and I always say when I left Microsoft, it was like I was breaking up with a really good boyfriend. It was like, it's not you, it's me and what I mean by that is I was 21 years there and I had to make a decision. Was Microsoft going to be the last name on my CV, was I going to go back to overseas with them, it's been eight years overseas and the US for them, or was it time to really break out and do something different? I thought about the people I mentor and the advice I give them. I talk to them about never stop learning, take risks and I thought, what is it that I need for my development and my growth? I never worked in an ASX organisation. I'd worked for multinationals and internationals and start-ups and I really felt that in the longer-term, if I did want to have a board career, experiencing an ASX organisation was going to be really important and preferably a large fund. So ASX20 was something I wanted to do and I started looking around for the types of organisation I thought about it. I'm a tech person and if you look at the ASX20, it's predominantly financial services, retail and I thought, wow, you know, I'm not a banker, I'm not an insurer. You know, I didn't have deep retailing if you look at Wesfarmers. So I had to really look to find something again that I could be congruent with, where I thought I could add value, contribute and learn. I was really honoured and privileged to go and spend almost three years at Suncorp. I never imagined myself in banking and insurance, but I grew to love it. People don't love a home loan; they love their home that you helped them buy their home. When we've had floods and fires, you know, the insurance company that helps you rebuild and you're getting the keys back to somebody, they're like really powerful moments. So I loved doing that but I also wanted from that experience to understand what the relationship was with investors. What's your register like? You know, who are you interacting to invest in your business? Does your business strategy align to the types of investors you're attracting? We were going through a big transformation at that time at Suncorp and were the investors happy or wanting to go for a transformation company. So I learnt a lot about really aligning your business strategy, your investor strategy. I learnt a lot about regulated businesses, I mean, banking and insurance. You don't get more regulated to that. Not long after I started, they announced a Royal Commission. I say that's correlated, not causal, just happens to be at the same time. It was one of the best learning experiences of my life but it was also one of the hardest. I know I said to people like really tough experiences, you know that they are great for you. They make you stronger. They build your resilience. Sometimes it's easy to forget that in the moment when all you can feel is the pain. I am so glad I did that job. It was the best decision I made. It was one of the toughest learning decisions I made and coming out of that and because I got to engage the board so frequently and I have a fantastic chair, Christine is amazing. The board there is exceptionally diverse. Odette has been on there and Sally, it's just an incredible board. I learnt a lot from them and they took a lot of time to teach me and I feel very grateful about their investment in me and that relationship. So it was a very deliberate decision and learning about board governance, relationship with management, the relationship with investors and analysts is priceless.

Catherine [00:07:35] Absolutely and that depth of experience around stakeholders, which, as you say, you can get such richness from that with a listed company, I imagine all of that can only enhance your capacity to contribute on the boards you're on.

Pip [00:07:52] Yes, it definitely has, and it's complicated, those stakeholders, yes, because shareholders are not only one, your employees are stakeholders, your community is a stakeholder, your customers are stakeholders, and sometimes certain stakeholders have one object they care most about maybe that's profit. You have to think beyond just one particular stakeholder and just the shareholders to the broader community that you serve and operate in. I think that's really important for board members and execs to remember.

Catherine [00:08:23] Hearing all of that and your roles on boards, what's your diary like? How do you manage your time because that's a lot to have on your plate?

Pip [00:08:34] Look, I have to tell you; I'm a precision diary management person, candidly. I mean, well, they say if you want something done, don't give it to a busy person and that's sometimes that happens. I mentioned I'm on the board of Rugby Australia but I'm also now involved in the World Rugby Council and the board of Rugby World Cup just joined that last month. So I must be a glutton for punishment but I think when you're doing things that you're passionate about that fuels you. Back to why I chose to go on the sport, I'm passionate about rugby and giving back. I sat in the advisory board at UTS. I'm passionate about education and lifelong learning. So it doesn't feel like they say if you love what you're doing, you never do a day of work in your life. There is definitely that alignment but I do have to be organised. I do have to be conscious about the trade-offs I make. My diary is also categorised. I have a habit of every month tracking how I'm spending my time and saying, is it in alignment to what I have said I want to do. Am I spending enough time with my family? Am I spending enough time with customers? How have I been going in my strategic thinking time? So I categorise every major thing in my diary and I track it and then I reflect on it. At the end of every month, I used to reflect on it weekly but actually it's not enough time because sometimes there are things that just do take more time that way but at the end of the month, I stop and say am I spending my time where I should be because show me your wallet and your calendar where you spend your time and your money and I'll tell you what you really care about.

Catherine [00:10:05] That's actually a good rule of thumb. I was just thinking, though, I shudder to think what my time management would look like over the pandemic months but let's move on because you sound very rigorous about that. Can I take you back to this idea of passion? Again, many discussions we've had on Board Level are about whether to take a board role. So sometimes it could be somebody approaching you and it's quite flattering and maybe you've already been thinking about, yes, it's a good idea. What's the criteria, though? Maybe it's in something that you're not particularly passionate about, is that still worth considering?

Pip [00:10:40] Yes, well, I think you have to ask yourself why you're not passionate about it, because if you'd asked me before I joined Suncorp, which is a very large insurance company. Pip, are you passionate about insurance? I would have said no and most people don't like paying insurance. So if I had held that first perspective, I would have never done one of the best development opportunities of my life. So taking time to understand why you think you're not interested in something, testing your biases and your assumptions could actually open up an incredible opportunity for you. So there is nothing wrong with a little bit of discovery and exploration in those early conversations if somebody is reaching out to you. Nothing wrong with that. It doesn't mean you have to do it in the end but you are just doing your diligence and later diligence might be on things around the current financial status but your early diligence could be on, is this something that I think I could get excited about? So I said, don't keep doors closed because amazing things can happen. However, if after that diligence and if you are on a board of something, I do think you have to really care about it. I do believe because there's no other board in the country caring about that company except you. No other room in the country has to do that job so you better care. I think if it doesn't happen, execs know. The management team coming in knows and that's you know, they're living and breathing that every day. They want a board and deserve a board who cares just as much as they do.

Catherine [00:12:09] So in that process, what are some of the questions that one should ask if you're at that point you've been approached or an opportunity has arisen, what should you be asking?

Pip [00:12:21] All the things that I would be exploring is first our alignment on purpose and mission, you know, truly understanding purpose and mission of that organisation, not what they're trying to do this quarter. What legacy does that company want to leave, create and can you feel some form of alignment to that? What are the values of that organisation and what have they sacrificed for those values? Even the companies that we know that have had massive scandals have always had values like respect and integrity. Yet those values have not been lived. One of the questions that I asked Marc Benioff, he's the founder and CEO of Salesforce when I was starting here, I said, what have you sacrificed? What have you walked away from because we want to keep our values? He shared stories about how we walked away from customers because we didn't want to sell and support in certain environments. We stood up in states in the US where they're not going to support marriage equality and said to those states, if you passed that legislation, we wouldn't hold events here anymore. We want to invest in the state that's putting your money behind your values knowing that it can cost you revenues. So how are their values really lived and breathed in these organisations? If you can get past that, then it's what do they need in a board director? I think it's really important to understand what they are looking for because you can qualify in and out on that. They might be looking for some things that I just don't have. You just got to be honest and say I love your passion, your purpose, your values, I'm interested but the things that you're looking for, you're looking for technical or regulatory or I don't have that, but this is what I do have and in that, potentially you'll be able to bring another value proposition. I think it's really important to understand the gaps that they are looking for because you want to have a good marriage so to speak in

what they need and what you can bring.

Catherine [00:14:13] What about diversity of the board? Do you look at that? In fact, do you make sure that there are other women on the board before you would consider it?

Pip [00:14:21] Well, ideally, I'm a big believer in diversity, as you know. I mean, I think in all forms, gender, race, religion, identity, cognitive, there is just so much that you need, because if everybody thinks the same, then a lot of people aren't thinking and that's not good for the business. So, of course, I want to see that diversity, however, if they came to me and there was no woman on the board, would that mean I wouldn't do it? No because then how are we going to get that first seat at the table? Then when I get in there, I want to make sure I'm bringing more to the table and so I wouldn't let not having a female be on the board ever stop us because if we are there and we shine lights today on organisations that still don't have a woman on the boards. When they step up to do it, let's get in there and there is this amazing plethora of fabulous women out there for them to tap into. So I wouldn't let it stop me. I would seek to understand to why it hasn't occurred to date? What has stopped that diversity occurring historically? What systems, symbols, policy settings need to change to ensure that more diversity can flourish in the future? I think, you know, that's a really important thing is part of that and that does come with the chair also, I think as an important part of that discussion.

Catherine [00:15:32] And in the words of Kamala Harris, I might be the first but I'm going to make sure I'm not the last.

Pip [00:15:39] I think I have to say I love that, Catherine. I watched the speech and I actually choked up a little bit, watching it, I was really proud. It's a really important moment. I saw somebody the other day saying, ladies, put your shoes on, glass has been smashed. I'm like; it's an incredible time.

Catherine [00:15:56] I think a few of us might have been tearing them slightly at that point. I wanted to ask you, actually keeping with that theme, who are your role models? The people that you've looked to, they may be peers, they may be people who've gone before us and I just wonder who's influenced you?

Pip [00:16:14] Yes, I've got a couple, and I've been lucky to have both incredible male and female mentors, but Tracey Fellows, who's currently living in New York, she used to run REA here. She is reporting to the CEO of NewsCorp living in New York. Tracey is just an incredible mentor and friend of mine. She pushed me and challenged me, definitely pushed me outside of my comfort zone. She also supported me when I was outside of my comfort zone. She's an incredible human being and leader and somebody I still go to today for advice and mentoring. Anne Sherry, Anne was on the board of Rugby Australia when I joined. It was my first real role and she taught me a lot about operating at the board and having somebody who actually takes time out of their day to invest back, knowing that was my first real experience. You know, the first time you do something, you just you don't know what to expect. Her support through that was just exceptional and again, she's a close friend and somebody who I still call also for advice. So I've been really blessed for them. Certainly, Steve Vamos, who's the CEO of Xero and Steve is just such an exceptional leader. He's the one who challenged me, Catherine, to aspire to be the country manager of Microsoft. When I was unsure, having a bit of imposter syndrome, he gave me a little kick and said, Pip Marlow, you know, let's put a plan together. He worked on a career development plan that we built. He said, if we do this, you will be a great potential managing director for Microsoft and we can get you there by the time you're 40. I took on that job four months before my 40th birthday. I will never forget how Steve helped me and worked with me through that.

Catherine [00:18:05] And I've heard Steve talk about that both personally and I've heard him speak at events about it. I know he was a great supporter. One of the themes that's come out of a number of discussions we've had is that age should also not be an inhibitor to joining a board. So, again, talking about doing things in a different way. Kirstin Ferguson, board director, who we both know well, talked about the role that social media can actually play. She might have been seen as a little bit dangerous or possibly risky in the past. Are you a user of social media? Do you think that's a useful thing as a board director to be using?

Pip [00:18:43] Yes, look and honestly, I'm on Twitter. I speak more on Twitter than anything else these days. It's fabulous. I look, I do. I think the thing about social media is it is a platform and platforms have responsibilities. There is a conversation going on there and you have a choice to participate in the conversation and try and use it for good, not everybody does, but the conversation will occur. I think

what you saw with her with Celebrating Woman was a fantastic movement that she just started. More recently, the #crediblewoman that Georgie Gent started on the back of the budget and putting a lens on, you know, did it support gender equity? You know, it's been incredible to bring a focus to areas. So I use Twitter, it's probably my number one social media platform. I'm not as good on LinkedIn, to be honest, a little bit there. For me, I don't find LinkedIn has the same speed and vibrancy around the conversation and showing you a lot of things. So, I'd love to see how it has been used around Black Lives Matter, Credible Woman, Celebrating Woman, it's been very powerful to bring your voice to that.

Catherine [00:19:52] And you're quite right with women stepping up together because it's a medium, it's unmediated largely. So there is that access, isn't there, and that capacity to share views and come together. So speaking of that, do you get asked for your advice by women who are perhaps earlier in their careers, advice generally but also about the prospect of a board position?

Pip [00:20:17] Yes, I do. I mean, I feel very blessed to have the opportunity to meet incredible women in our company at Salesforce, in the industry and our customers and I work very hard to try and be accessible. By the way, Twitter is one of the ways to get that accessibility. I try to make sure that I mentor a number of people every year. I have a couple of philosophies on mentoring. I do know that over time that can erode into catch ups. So I generally have, it's a 12-month window and in our first mentoring meeting, we schedule our closed meeting. We said, what are we going to work on? I will always be a sponsor and available after that but I try and say, look, let's make the most out of this mentoring relationship. So I try very hard to do that and then also create the capacity to mentor new people every year and pay it forward, so to speak. I am hearing a lot of females talk to me around board roles and I think it's that first one that becomes like a little bit of a barrier or the anxiety is around that, which one, the the word I use often, which one's right for me. I try and say it's not about something being right for you. It's what's best for you right now because if only something one thing is right, everything else is wrong. When we put that pressure right and wrong in a decision like this, I think it can stop you taking a step forward because you're worried about it being the wrong thing. You're going in knowing everything you can to make the best decision you can for now. At the end of the day, after a period of time on that board, you get to say yes or no. You're not marrying somebody for life here. You're saying right, for this period of time, just three years, I will do everything I can to help this company or this organisation or association and lean into that but I think remove the pressure of right and wrong and get in there and get that first experience. And also I get called on boards, for roles on boards and I would not say all the time but occasionally I really try to promote other men and women into that space when they're looking for other candidates. So I think it's also really great when people are calling you. If it's not the right one for you, shine a light on some of the talent out there that may not be seen by other people because that's the gift you can give. You might see some talent that the headhunters and recruiters can't and bring them into the light.

Catherine [00:22:32] Just sort on a micro-scale, what's it like being around the Rugby Australia board and having your voice heard? These are very traditionally male environments, aren't they?

Pip [00:22:43] Yes, I'm the only female on the board right now, Anne stepped off a while ago. So we're just really looking at the next vision. I'd say Hamish is a fantastic chair. He is excellent at bringing in every voice in the table, really very deliberately. He pulls in people, some people, I've seen chairs ask anything you would like to add and there is silence. He's like, he will call you in like, "Pip, what about this?" He has been very supportive of creating other opportunities for me to contribute, just going through broadcast on the broadcast subcommittee; I'm on the CEO search subcommittee. He is very engaging. In doing this, I feel he is a really great chair and it's just been an incredible learning experience that's not to say that I don't feel like there I have a role, almost additional role to shine a light and bring up some other topics. Like we were talking about, are we treating our female refs, flying them in the same class of service as we're flying our male refs? Is that occurring? When we are doing our contract commercial negotiations and the players, are we taking into account the unique needs and requirements for our female players? In the history we haven't always had contract female players. Now, we've got Women's Sevens. You've got the Wallaroos, you know, there's not necessarily some of that IP or that natural thinking that it is growing. It is developing but it is important to shine a light on that, I have to say, Anne really helped me with doing that. I think one of the things I always thought about all if I'm bringing up those issues is like a chick thing, you know, a female thing. It doesn't matter. It's a human thing. These are human rights issues and human issues that we need to make sure that we are inclusive and bringing to that table. So I think at the start, I was a bit nervous about going well, what about how is this impacting the women's team that is gone? I'm like, okay, how does this impact the other half of our population? Have we thought about it? Anne was such a great advocate for that at the table and I am making sure I am trying to carry that light on.

Catherine [00:24:53] Anne, I think, is one of those just superb communicators. She has that capacity, doesn't she, to add that value, as indeed I'm sure you do. Just on that, stepping back, I guess, just from boards, but looking at big employers around Australia, the ASX and beyond, how are we doing, do you reckon? It is so important to have women's voices around the table, whether it's Rugby Australia, whether it's Suncorp or whatever the organisation. A few depressing statistics showing the number of women CEOs of the ASX200 has actually dropped down. So just wondering what your thoughts are about where we are at the moment and what obviously still needs to change?

Pip [00:25:30] Now, I would be lying if I said I'm thrilled about where we are, I'm not. I feel like I said it the other day, the rate of change has been glacial but I still think maybe icebergs are melting faster. So it's not where it needs to be. I am truly deeply dissatisfied with the progress. When I saw the latest stats with the ASX numbers going backwards, I think that's a real sign of concern. This again, this is not a woman issue. This is a gender equity issue and if we don't do something active to change that participation, then we'll get what we've got and that's not good for our sons and daughters as well as our sisters and brothers today. So I think it's not good but I think you do tend to pull your CEOs from your exec rank and you do have to look a level down and say, are we getting female CFOs? I mean, you are seeing a lot of CEOs come out of the CFO pool. Are we getting, are we bringing up diversity in the ranks of the leadership teams of these companies? If we're not, what do we have to do, I mean, I was really privileged at Suncorp. The leadership team was 50% female and that was a tribute to Michael Cameron actually, I think he did a really good job building out, you know, a diverse leadership team and I always laughed because he has five sons. He was, like, so passionate about gender equity and he really took bets on people like me candidly. So I do think the talent is there and I don't accept a pipelining issue in general. Look at the law firms, 60% of legal graduates in this country are female. Yet when you get to the board table, it's not. So we have to stop using pipelines as the default excuse for why we haven't got that reputation. We have to understand what do we have to do to change system changes to help equality and diversity rise in there and really dig into that. I have been pleased to see those shareholders speak in certain instances and make changes and that wouldn't have happened a couple of years, Catherine. I think that has changed because back to my comment earlier about when I feel like I'm a female raising this issue, people say are you self-serving? This isn't about self-serving. This is about everybody having equal access to job opportunities. It's great to see the voices, more voices around this coming not just from females but from men. I'm grateful for those allies.

Catherine [00:27:58] So what about the future? Do you have a plan?

Pip [00:28:02] It's the magical question, isn't it? Look, I think what I learned through COVID is I'm definitely planning for uncertainty because the world changed overnight and I think a lot of companies and individuals, the plans just changed in many ways. I think, you know, the future is more uncertain, but that's okay as well. So I think right now my focus is doing the job that I love. I love what I'm doing at Salesforce. I love what I'm doing with Rugby. I just want to make that the most amazing experience that I can right now to have that impact. Longer-term, yes, I want to be on those ASX boards. I want to be blazing some trails. I want to be helping shape those companies and tackling the companies that have got really tough problems. Thinking about transformation, I really want to go and engage in those sort of organisations that are really thinking about what's next and what will they be building or changing on this great planet and really aligning around those areas of passion and interest.

Catherine [00:28:58] Now, Pip, I wanted to finish by asking you, what's the one thing you wish you'd known when you started out on your board career?

Pip [00:29:06] Yes, that's a good question. You are making me think like the one thing, it's like my magic. I might answer it in slightly two different ways, if that's okay. One is, you know, a bit more like don't let your fear hold you back. Like, sometimes I'd be sitting at the board table and I'd be listening to the conversation. I thought, well, maybe we should be thinking about it this way or maybe and I was a little bit nervous to open my mouth and say something. Then I tell you what, something else and say it and then go, yes, that's a great idea. I think, should have opened my mouth but I was holding myself back. I was letting maybe my own fear of being new or, you know, not coming out like, you know, not showing up as an executive or a board member, just letting that hold me back but I think you can't let your fear hold you back because that holds you back from contributing, holds you back from helping others. So don't listen to your fears, your imposters, your insecurities. You're sitting at that table because you earned it. So be comfortable that and yes, you know, maybe occasionally I'm going to ask the question that could have been better if that's the worst thing that happens to me today, it's going to be a pretty good day. So that would be the first thing I would say. The second thing I would have said is really

thinking about the difference between management and board. If I really and I'm still in a learning journey around this and I'm not saying I'm an expert at it, really trying to understand that you're not management, you're the board. What are their decision rights? What is your role there to do to help and getting that balance right. Otherwise, I think you put a lot of frustration onto management, which isn't necessarily helpful but you also miss the opportunity to maybe have a slightly higher altitude and look at the business from a different perspective that management and day-to-day sometimes just can't. So really, you know, having that skill to get that altitude right with the board role is important.

Catherine [00:31:03] Wonderful reflections. Thank you so much, Pip.

Pip [00:31:07] **You're welcome. Thank you for having me on your show.**

Joanne [00:31:10] Thanks for listening to Board Level hosted by Catherine Fox for the AICD and powered by Commbank's Banks Women in Focus, where we're sharing stories from women making an impact in the boardroom. I'm Joanne Gilroy, Board Diversity Manager at the AICD. We're helping build the capability of the next generation of outstanding boardroom leaders. Visit aicd.com.au to access show notes from this episode and other valuable resources. Subscribe to Board Level wherever you get your podcasts so you don't miss an episode. Leave a rating or review and help keep the conversation going.