THE NEW DIRECTOR'S CHAIR



Never Underestimate How Much One Mentor Can Help You | Rebecca Henderson

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<u>Rebecca Henderson</u>, board director and the former CEO of global businesses at Randstad, shared insights on boardroom diversity and leadership challenges with <u>Adam Bryant</u>, Senior Managing Director and Partner at <u>The</u>

<u>ExCo Group</u>, and <u>David Reimer</u>, CEO of The ExCo Group, in our latest interview for our series, <u>The New Directo</u> <u>r's Chair</u>.

Reimer: How have conversations in boardrooms evolved? And how do they need to evolve?

Henderson: In the boardroom, diversity is now a top agenda item. Directors are asking for more data around demographics in their companies, and they are asking for more detail around strategies to build diversity. They also want to know how that data connects to broader people metrics like overall engagement scores.

Employees are really starting to speak to this issue now. After the murder of George Floyd, a lot of companies felt the need to respond, and so they did things like giving people the day off on Martin Luther King Day off or Juneteenth, or making donations. At the end of the day, I think employees wanted more—they wanted to be heard and share how they felt.

Employees of color wanted their colleagues to ask them, "Are you okay? How are you feeling?" I don't think we gave them that. I was hesitant myself, but I learned as a leader that it was okay to ask, and that we need to provide more training and coaching to individuals. We need to be able to answer the question, what are we going to do to make our employees feel more comfortable in these situations?

Bryant: Let's shift to a broader topic. Employees have more expectations and demands of employers now compared to, say, five years ago. How should boards help management navigate those challenges?

Henderson: People are more comfortable asking for more, whether it's about working more from home, or not working on Fridays, or asking about a sabbatical even before they've started a job. The advice I give leaders is to decide what's most important to your culture and why, and then offer a benefit that feels directly connected to the culture.

You have to decide who you want to be as an organization and then go after the employees who will help build that culture. I appreciate how hard that can be when there is a war for talent. But the key thing is that you can't be all things to everyone.

That said, I do think all companies, if they want to attract more women into the workforce, need to do a better job in terms of addressing the issues of maternity leave and childcare. We saw what happened to the economy during Covid when so many women dropped out. One idea being discussed more is the notion that new parents can work from home for the first year after their child is born.

Reimer: What are the most common themes that come up when you mentor senior female leaders?

Henderson: Probably the biggest one is overcoming a lack of confidence and fear—the fear of making a mistake, the fear of being perceived as a weak leader, the fear of taking a risk to do something bold and then failing. So I will often ask them, "What's the very worst thing that could happen if you do that? Let's decide how bad that really is. And if that's not so bad, then maybe you should give it a shot."

Bryant: Who played an important mentoring role for you in your own career?

Henderson: I was a very young mom. I had my first child at 20, and my second at 22. I don't have a college degree, and I was divorced at 25. That was a real wakeup call to the fact that I was going to be the provider for my two children, and that it was time to get moving.

So I focused really hard on my career, and I was lucky that my parents provided childcare for me after school. In my early 30s, I was the sales manager for a paging company, and then the general manager job opened up. It said, "College degree required. MBA preferred."

Because I didn't have a degree, I didn't apply for the job. But the general manager at the time, who I had worked with for four years, came into my office and said, "You didn't apply for this job. Why?" I said, "It requires these degrees that I don't have." He said, "But you're the best person for this job. I can't promise it to you, but you need to apply."

I did and I got the job. My girls and I moved out of an apartment and we got a house. Everything changed because of that one person's comment. Never underestimate what one person and one mentor can do for you.

And that mentor helped me get other jobs. He had confidence in me and he pushed me harder than my female mentors and counterparts. It's really important that men get into the business of mentoring women.

Reimer: Is there a best lesson you learned from one of your worst managers?

Henderson: I learned about the impact of using humiliation as a tactic to get people to perform differently. I was in a situation once when my manager humiliated me in front of a group of my peers. The next day, I talked to her and gave her some very harsh feedback. Eventually, we developed a good working relationship, but I had to overcome a lot of anxiety to say something to her.

I've seen other people use embarrassment or humiliation as a negative motivator, and it's just the worst approach because people remember it for a long time.

Bryant: A big role of directors is navigating CEO succession. What are the qualities you're looking for when you are interviewing CEO candidates?

Henderson: I'm looking for sincerity and a level of humility and genuineness. I'm assuming you've got the skills and experience to do the job. But do you really have what it takes to lead? Sincerity, humility, and transparency are necessary in today's environment.

So the questions I ask include, tell me about the relationships you have with your peer groups. How do you work together to solve problems? And what would you do in response to low engagement scores with your employees? How did you handle Covid? What did you do in response to the murder of George Floyd? What things became important to you?

All the competency reports and assessments that are out there are useful, but you have to be eye-to-eye with someone, talking about things that have happened to them in the past and how they handled them, to really understand their sincerity and whether they will be able to handle all the new challenges they are going to face in today's super-complicated world. Employees and the outside world need to see that sincerity. Without that, it's hard to lead these days.

Reimer: These top jobs aren't getting any easier, are they?

Henderson: They're definitely not. And by the way, whoever thought that delivering shareholder returns was going to be considered table stakes?

This interview on boardroom diversity and mentorship with Rebecca Henderson was conducted as part of our series, **The New Director's Chair**. <u>Subscribe here</u> to receive all our interviews with prominent directors. And for more leadership insights, check out our other three interview series with <u>CEOs</u>, <u>CHROs</u>, and <u>prominent Black leaders</u>.