

Laura Cox Kaplan:

Ready to add a big dose of positivity and empowered perspective to your day? You've come to the right place. Welcome to She Said/She Said Podcast. I'm Laura Cox Kaplan. Here, we tackle everything from imposter syndrome and confidence building to the best advice on how to lead yourself through life pivots, including the ones that knock you flat. For the past three years, I've talked to hundreds of experts about their stories. Here, you'll find their actionable advice and lessons as well as my own tools that you can put to use in your own life. Stick around, I think you'll find this investment in you well worth it.

Hey, friend, welcome to another episode of She Said/She Said Podcast. I am so happy to have you here today. Change is hard. I'm not telling you anything, am I? In many ways, we're really not wired for it, and that is incredibly odd since change is also so inevitable. It's also critical for risk tolerance and for building the confidence that you need in order to take those risks in the first place. How do we build greater capacity to embrace change? How do we build that capacity for embracing risk? This week's guest has charted her entire career doing just that.

Barbara Novick is one of eight founding partners of BlackRock. BlackRock is of course the world leader in asset management. The firm has almost \$9 trillion under management currently, but it didn't start out that way. Barbara and her seven co-founders had a simple plan, and through their focus on leading and embracing change, they've grown that firm into the incredibly successful and influential organization that it is today. Barbara is a trailblazer. She was not only one of the most powerful, if not the most powerful, women at BlackRock. She's also top of the list of most powerful women in all of finance. In many ways, Barbara has been at the forefront of leading and inspiring change, not only in the asset management world, but really in finance and on Wall Street.

Friend, this conversation that you're about to hear runs a little bit longer than most, but I promise you once you have a chance to hear from Barbara, you'll understand why we cover so many topics, in addition to this broader topic of change. That she provides such great advice on how to navigate the workplace. We talk about the importance of understanding your own value and how to position yourself. We talk about mentorship programs, including matchy programs that sometimes corporate entities put together that oftentimes don't work as well. She gives great advice for how to really leverage those and get real value out of them. We talk about when and how to speak up in meetings, why that's important, how to think about that?

She also gives great advice on what to do when you have a problem. When you go to your boss with a problem and the best way to position those things so that you really differentiate yourself. We also talk about how best to serve your stakeholders and to really drill down into what their biggest challenges are. Of course, the importance of listening. Again, so much packed into this conversation. I urge you to listen to the whole thing, even if you have to click on it twice to do so. I hope you will, I really think there's great value in Barbara Novick's tremendous advice and wisdom. As always, I'd love to know what you think. Here's our conversation with Barbara Novick. Barbara, welcome to She Said/She Said.

Barbara Novick:

Well, thank you for having me.

Laura Cox Kaplan:

Well, I'm delighted to have you. You and I have been friends for a number of years, and we should probably talk about how we met at some point in this conversation because that's an interesting story too. But I want to talk about you, I want to talk about your career, I want to talk about this idea of

embracing change. You have just transitioned from a Vice Chair position at BlackRock, where you were a Founding Partner some 33 years ago, and you are transitioning into a Senior Advisory role. Maybe talk a little bit about your current status?

Barbara Novick:

I made the decision that I wanted to certainly change the mix of work-life balance, or initially the plan was to leave in 2020. But, of course, we all know what happened in March and that extended for an extra year. It's really quite new. My last official day was February 1st and I'm taking what I call a sabbatical where I'm not really saying yes to much of anything and trying to figure out what my priorities are, how I want to spend my time. Became a grandmother just before COVID hit.

Laura Cox Kaplan:

Congratulations.

Barbara Novick:

So that has been exciting. They lived with us for a good part of it and just went home. A lot of new things, a lot of adjusting to, and trying to recalibrate and find the new sweet spot.

Laura Cox Kaplan:

Yeah, it's very exciting. When Barbara and I first met, she was in the process of hiring a replacement for a job that was very similar to the one that I was doing at another organization. Barbara told me, "I'm on the cusp of retiring." Now, this was more than a decade ago, I'm pretty sure just about a decade ago. About 11 years, I think, and obviously, that did not happen. I laugh when you say you are transitioning out and you're taking this sabbatical because you have been known to get pulled back into the organization from time to time.

Barbara Novick:

The last time, or when we first met was right after the great financial crisis. At that time, unfortunately, my parents were quite sick and of course on the other end I had three teenagers at home. I was feeling very pressured by that sandwich generation problem, and I felt like it was time to take a step back. I really thought I was going to retire. As things turned out, the world blew up and we had the great financial crisis and there was a push for regulatory change and financial regulatory reform became quite a big project. In 2009, we thought it was going to be a couple of years. It was something I could do part time. So as I started going out and benchmarking what did other firms do? You were very kind and generous with your time, as were several other people.

I saw a number of different models and I was intrigued, and so I decided that I would actually lead it for a while. Again, I thought it was maybe two, three years part-time. As it turned out, Financial Regulatory Reform took on legs and it was a decade, literally, a decade of global and pretty flat out as it ramped up. We even wrote a report, a retrospective on the 10 years of reform back in January of 2020, thinking financial stability was in a good spot and this chapter was now done from a public policy standpoint. Little did we know that soon we would have another round of it.

Laura Cox Kaplan:

Yeah, change, as I talk about in the intro, is inevitable. That's certainly been true for you. It's really true for everyone. The question is, and the trick is, what do you do when you face it? How do you create the

environment that allows you to also create change for yourself and for your organization? Maybe talk a little bit about how you, as you reflect on the past number of years and on your career and you think about this idea of change, talk about what you've learned?

Barbara Novick:

Let's look at it as two pieces. One is I'll say a professional, how you build a business piece, and the other is more of our personal, how you individually embrace change. In terms of building the business, keep in mind when we started BlackRock, we had zero assets under management. Hard to imagine when you look at the numbers today and say nine trillion, well, where did all that come from in 33 years? But, literally, we started with zero. The way we built the business was we went out and we asked people questions. We asked them to talk about their business and to understand where they had challenges, where they needed help. Then we came back with ideas for how to solve their problems.

When I say embrace change, in that sense, it was looking for rare people needed to do something differently and help them essentially embrace change. A good example was a number of insurance companies ran into trouble with guaranteed investment contracts in the defined contribution plans. All of the plan sponsors said to us, "I have this very small contract. It's a tiny percentage of my plan and I'm spending all of my time on that problem." We came back and we said, "Well, we've created, we have an idea. We've created a new product, which would be called a synthetic guaranteed investment contract, and it addresses the problem you have so that you would now have ownership of a basket of assets rather than an exposure to an insurance company."

That turned out to be a real winner because it solved a problem I had. That's one type of embracing change. Another type is where there are merger situations. I find that the employees who look forward and say, "How can I turn this into an opportunity? What things can I bring to it? What role could I have tend to flourish and be very successful and stay with the organization a long time?" On the other hand, the employees who say, "I kind of like it the way it was." I call it pining for the past, pining for a past that isn't here anymore. Those employees become disaffected and many times end up leaving because they don't see what they want where they are anymore. That embracing change on a personal level can really make a big difference from a career perspective.

The last example I'll give is actually my own with public policy. I really did think I was going to retire, and yet this got dangled in front of me as something quite different than what I had been doing, and I was intrigued. It was an opportunity to learn, continue to work with people I knew and liked and had a great relationship with set up essentially a startup on an existing platform. It turned out to be just a wonderful experience, and that's why I did it for 10 years.

Laura Cox Kaplan:

I have so many questions. It's almost hard to know exactly where to jump in because I want to make sure that we talk about where that capacity for change comes from. Why don't we start with that piece, and then I want to bounce back and I want you to go back to when you started, when you co-founded BlackRock along with seven other partners, but the fear involved in that? But let's start with your origin story, and what about the way you were raised or how you've approached challenges in life? Where did that capacity for embracing and really seeking change, where does that come from for you?

Barbara Novick:

I'm not sure. My father was extremely influential in my life and he had a business. He ran a retail like an army and Navy store, and I worked with him a lot and all of us did. I have three siblings, and I think we

learned a lot about business. I'm not sure we necessarily learned so much about change, but we did see how business is run, the idea of putting customers first, and really putting yourself in their shoes, so to speak. So probably something to do with that, and just seeing how his business evolves. He took on different lines of merchandise, he changed things around from time to time, and he was always looking forward and trying to figure out what's next.

The old trend, certainly, with clothing, you could have fads of whether it's sneakers or it's sports wear, whatever it is, there's always some old fad and then there's a new fad. And trying to figure out which one is which is an art, not a science.

Laura Cox Kaplan:

What about competition? Was competition a big thing for you? Did you compete in sports or in other areas that taught you some of those skills of winning and losing and getting right back in the game of learning from what you didn't do well when you lost and continuing to put yourself out there? Did you have those experiences as a kid?

Barbara Novick:

Unfortunately, when I was growing up, there were very little in women's sports. You could be a gymnast, you could be a ballerina, you probably could play field hockey, but we just didn't have a lot of women's competitive sports. I did play, in college, I did some intramural stuff, but nothing really serious. When I look around today, I coached my daughter's soccer teams from when they were really quite young. At one point, I took an article I saw on Title Nine. I gave it to my daughter and I said, "I want you to understand this is why I'm coaching because I want girls to get that competitive experience." It was something, actually, when I started my career, I found very difficult. It didn't come naturally, I didn't have certainly a team type sport experience, and I had to learn it as an adult, which is much harder.

Laura Cox Kaplan:

How did you learn it as an adult? I think that's pretty dramatic when you weren't raised with those opportunities to compete. Learning that later in life can be really challenging. How did you do that?

Barbara Novick:

It was hard but you do learn. You look around, you see other people, you pick yourself up when you fall flat on your face, and you move on. But it was quite different then, and of course, not only were there not women's sports. But when I joined the workforce, very often, I was the only woman in the room for many, many years. I had to really observe how the guys did it and try and find my own path. Not so easy, but it's doable.

Laura Cox Kaplan:

Yeah, any advice for others who may find themselves in that situation? It is becoming less likely that you will be the only woman in the room, but you and I, there's not a lot of years difference between us, but there's a little bit. At the point in which I joined PwC, I was often the only woman in the room, but not for long. It has begun to evolve, and I suspect that, that is less true today. That there are more women in rooms in which there might've been one or two of us previously. In your case, you might've been the only one. But maybe advice for women that find themselves in more male, still, more male dominated industries or sectors about what you learned in those situations that was different maybe if you were in a room full of women?

Barbara Novick:

Well, I always focused on, I'll say, getting the work done, whatever the work was. At BlackRock, I was very focused on being a revenue producer and building our business, and the numbers don't lie. It's very easy to measure, "Did you get more assets? Did you get more revenue? Is this profitable business to the firm or not?" I find I think a lot of women early on get diverted into more, I'll say, support roles. It might not be the right word for it, but rather than being in a frontline business development role or a portfolio management role. They are somehow supporting those efforts. Much more difficult to measure individual success or not. When you're in a sales or a business development, it's the numbers or the numbers.

I think that that's an important experience to have, and one that helps you develop confidence because you can see how you impact the organization. If you then decide to take a different path later, you've already proven that you can add value, and it might be more difficult metrics, but you don't have to wonder about the starting point.

Laura Cox Kaplan:

How about advice for women who may find themselves, either by choice or by circumstance, somewhat sidelined from some of those bigger jobs that ultimately lead to the bigger C-suite jobs and maybe even the CEO type job? What advice do you give them to break out of roles that can be support related and find those opportunities? Maybe learning to own their value and be able to speak assertively. Maybe talk about things that you saw that worked well. Because you were not in those supportive roles for the most part, you were actually in revenue generating roles that positioned you very well as an executive. But maybe provide some lessons and perspective and advice.

Barbara Novick:

The first thing is don't assume people are mind readers. If there's something you want to do, a career change, if you will, within a company, let people know and be patient about it. Don't say, "If I don't get this opportunity by next week, I'm out of here." But more of my goals and you have some review, almost every company has some review at least once a year, if not multiple times a year. Whether it's in an informal type of review or a formal review, be clear about what your own goals are, "I'd like to work in a sales organization, or I'd like to work in a capital committing type of role. What steps do I need to do to get there? Are there particular classes or training? Is there someone I can work for or have as a mentor? What can I do to get from where I am to where I want to be?"

Be clear that you're willing to be patient so that it doesn't have this pressure feel to it. Like, "Oh, boy, we've got to do something right this minute." But more is this somebody who's a high performer who we can work with and help get to that spot?

Laura Cox Kaplan:

How about learning to really understand your value strategically? The challenge I often see is when women maybe don't understand how to take what they already know and package that and position it for where they want to go. So that it's, colloquially, we talk about owning your value and that's all lovely. But when we really break that down, what we're talking about is what you know how to do that might work in another area that you're aspiring to. Maybe talk about advice for how you do that well?

Barbara Novick:

A classic scenario you read about this in a lot of literature is if a job has, let's say, three key skillsets and a guy has two of them, he goes in and says, "Pick me, I'm perfect for the job." A woman goes in and says, "Pick me, I can do two of them really well, but that third one, I promise you I'll learn it." That's just a strategic mistake, so the pick me and the projection of confidence, and if you already have two of the three pieces, your own confidence that you will learn it and you have to tell them that. And a willingness to be out of your comfort zone. A lot of people, and I don't know that this is so gender specific, but it probably does have a gender component, but a lot of people are really comfortable in what they know.

They're not really looking to get out of their comfort zone. They're not really looking to learn new things in that uncomfortable way. I've been there, the imposter syndrome, like how did I get this position? I don't know what I'm doing. You might make some mistakes that I made some funny ones, but be willing to accept that perfection isn't the objective. It's learning, growing, doing a really good job, and filling in whatever pieces you don't have, but if you have the foundation. A lot of times people come to me and they ask about a job they heard is going to be open or something that's been posted, or there's somehow they have an interest. I'll work with them to try and strategize, "Well, what pieces does it need? What pieces do you have, and how do you present that and present it with that confidence?" Because that's what's really going to impress people.

Laura Cox Kaplan:

Yeah. It really goes back to where we started this conversation around getting comfortable with change, and change by definition, means embracing things that you don't always have the answer to. In fact, you probably rarely do, you have to figure it out. That is part of the nature of change. It's new. It's interesting as you talk about this. I think as you're talking about these different components and breaking it down, I can only imagine if I talk to some of the women and men that you have mentored that they would say, "Barbara is just an amazing mentor and has been an amazing guide for me career wise." Because of the strategic way that you think about this, very clear, very practical, very strategic. Maybe provide some advice for our audience in thinking about that mentor/mentee relationship, and how you have thought about it in your own career and what's worked well? Then how you've advised others to embrace this notion?

Barbara Novick:

I know it's not popular with HR people to say this, but I'm going to say it anyway. I have found mentoring works really well when you have a relationship with someone, and you're working on a project. It might be someone not in your direct line of responsibility, but an interdepartmental project. Something where you have a reason to interact with that person and you develop that relationship and rapport. They're willing to come to you with questions that might have nothing to do with the project you're working on. Those mentor relationships I find flourish and last many, many years, sometimes last beyond the job that they're in, even if they leave the company.

What I also find is the forced mentoring, where it's a force pairing. We're going to have this program and we're putting these people in the program and we're going to have these people as the mentors, and now let's match you up. You have really not much in common, and some of them connect and that's nice. But as a percentage, I think it's a very low number. I do think encouraging managers at all different levels, it doesn't have to be really senior, but mid-level managers, encouraging managers to look back and say, "Who can I help and how?" I actually put that challenge out to the senior women we had at BlackRock in about, must've been about year 2000.

I hosted a first ever women at BlackRock event, and I said when I look around at other companies, I read some stories," and I don't want to say which company, but there was one that was at

that point in the New York Times in the Sunday Business. And it showed these pig book pictures from like a fraternity. I say a fraternity because, guess what, it was like all white men. Then when you read the story that went with it, and this was a major company in the United States, when you read the story, anyone who was either female or any other category that you would think of today as minority, who had gotten close to that level said one of their regrets was they never looked back and helped other people like themselves advance. Even though they'd gotten really close and they'd never really made it, or maybe a couple of them did, they recognize that they were like the unicorns.

I said to the other women, there were only a few of us, and I said, "We don't want to be those people in 10 years. Let's all look back and identify women, at that point, women who we can mentor and you pick. This isn't an HR magic thing, you pick someone who you have some exposure to that you can reach out and you can help." It can be easy things. We'd go into a room and we'd sit down, and this is so classic. You sit down at the big conference table and you look around and you realize every guy, even the most junior guy in the meeting, walks in, sits at the table. Then you watch, and the women, even some of the mid-level senior women, they come in and they sit in the bleachers. If it's a big, big room with seating around it.

I would say to people, "Come over here." At the beginning of the meeting, before everyone sat down, and I'd have a seat and I say, "Sit in this seat." They'd say, "No, no, no, I'm okay." I'm like, "No, just sit down." Then after the meeting, I'd say to them, "You have to literally take a seat at the table. You're not going to have somebody ask you all the time and you're no less than that other person. When you walk in a room, come on time, come early, and if there's a seat open, just take it." I had people say to me years later, "That was like such an eye-opener," which it sounds so trite and so silly. But, in fact, if they've never done it and no one's ever told them to do it, they don't know.

It's those kinds of things. Sometimes very little, sometimes bigger, I have a problem, I'm having challenge with a manager or with a coworker, and helping them think through it and talk through it. It could be something much more important than taking a seat at the table. But it's being more cognizant when you see someone getting talked over in a meeting saying, "Oh, I want to hear what Carol has to say." Or, "Carol had a good idea," or when you hear that same idea repeated down the row, and it's what she just said, "Well, that sounds just like what she said." And just being the third party who jumps in and says that empowers the person. I don't know if that's mentoring, I don't know if it's sponsoring, I don't know what we call that, but I would call it just supporting other women and making sure their voices are heard. So that they're getting credit for their ideas, that they're being seen as a thought leader, as a problem solver. Those are the people who get those next opportunities, so it does matter.

Laura Cox Kaplan:

Yeah, that's, really, that's such great perspective. As you were talking, I was thinking too about advice that I often hear given to some of our younger listeners who maybe are just launching their career about the importance of speaking up in meetings. I'm often struck by this advice because that can be obviously really important if you have something to say. But the trick is making sure that you actually have something to say and have thought about what those things might be, maybe in advance of the meeting. But maybe talk a little bit about the importance of owning your space, making yourself heard? Think about how you can position yourself to have the impact and influence that you need in order to keep growing in your career?

Barbara Novick:

I do think it's good to be heard, but I also think you're right, just battling, no, thank you. It's not just to hear your own voice, but to contribute something. If it is a brainstorming session of some sort, or there's

a new idea being talked about, or there's a problem being addressed. If you come in with real ideas on solutions, even if they're not fully formed, that's valuable to contribute. I'll say the same thing in one-on-one, so many managers are not terribly keen about having someone come in and complain about X, Y, Z. No, this process, isn't good. We're not doing this the right way. Life's not fair, whatever it is. There's a whiny component when it's presented like that.

Whereas the person who comes in and says, "I don't think we're doing this right. I think we could do it more efficiently. I think we can do it with fewer errors. I think we could do it to make clients happier." Whatever the improvement, and here is how that person, and that's what I always try to be, that person gets noticed. I gave a great example, I had a really young guy and we had these client reports and it was early stages of BlackRock. We were doing everything manually. It was literally like, "Okay, client report, write that one from scratch. Next one, write it." It was really mind numbing for the analyst to do that work. This guy came to me and he said, "Some parts of these reports should be automated. We can grab the information from the database. We can have standard pie charts and bar charts, and it could be all set up to just be automatic, push this button, produce at least this portion of the report."

Not necessarily the commentary, but a lot of the other pure analytics. I said to him, "I completely agree." My own background was in computer stuff, and I said, "I would love to be able to do that, but I just don't have the skill set and I don't have the resources from our IT department to make this a priority." He said, "Well, [inaudible 00:34:20] I have a computer science degree." I said, "Really, that sounds good. Go get them." This kid, and he was a kid, he was like right out of college, he figured out how to access the database. Along the way, he crashed the database, which was a little problematic with the production database. But we said please forgive us. But I said to him quietly, "You're really close. If you're crashing the database, you're really close. Just don't do it during business hours."

Sure enough, he figured out how to access exactly what we needed, and he automated a huge percentage of what was a very rote process. He was a hero, he was here, not just to me, but to all those other analysts. It was a great example, is we just didn't have the resources to do it, in what I would say, the proper way would have been. But here was a guy who, on his own time, he was willing to do it as a side project and figure it out. He had come in to say, "He didn't like doing these reports over and over again." That was the whiny part, but I know how to fix it and I'm willing to do it, so that was wonderful.

Laura Cox Kaplan:

I love that, and I also love the piece of your story where you gave him permission to fail. It's not that you wanted him to fail or that you wanted to disappoint customers by not having this data, but you also recognize that this was a learner. This was going to be a learning, and that when he screwed it up, you didn't fire him when he screwed it up, you presumably helped him fix it and get it back on track. So that it would be better the next time if he attempted it.

Barbara Novick:

Exactly.

Laura Cox Kaplan:

I love that. I'd love to go back to the very beginning stages of BlackRock when you and your seven colleagues, where did this big idea come from and was that scary for you? How did you plow through that?

Barbara Novick:

The big idea was basically Larry Fink and Ralph Schlosstein had been thinking about this and-

Laura Cox Kaplan:

You were colleagues at the time?

Barbara Novick:

I worked for Larry. I worked for Larry, in fact, of original eight, five came from first Boston and then four of us worked for Larry, and three came from Lehman and the other two worked for Ralph. Their idea was to create a buy-side firm that would have the analytics and capital markets knowledge of a cell ciphers. That sounds a little technical, but basically the Wall Street firms had an edge over the asset managers because they had more analytics, they had the ability to project cash flows on mortgage securities. They had more information on derivatives. They had a lot of tools at their beck and call, which the asset management firms who were buying securities didn't have.

That was our concept, let's go out, let's create a buy-side firm that's going to have both the technology and the capital markets knowledge to, I wouldn't say compete with Wall Street, but to interact with Wall Street on an equal footing basis. At the time, it wasn't really common to talk about risk management, but that's what we set out and we said to people, "You need to understand what risks you're taking. You need to understand how these securities work. You need to understand in different environments how they will perform." That was the firm we were creating. So risk management today, everybody talks about it, of course, it's so central, so core. But back then it was this oddity, and I think we really changed the industry in many ways.

That was the origin. In terms of the personal side, I describe our startup as being a dot com before there were dot coms. It wasn't about the internet, but it was a group of people, eight people in this case, jumping out a window together with a minimal safety net and saying, "You know what, I'm jumping with the right people." There's a book, Good to Great, get on the bus and then drive the bus. We're getting on the bus with the right people and we're going to figure out where to drive it. We had a pretty simple business plan, we had a venture investor who gave us some security for at least the first year. Then after that, we had to deliver. In fact, by the end of the first year, we started in March, April, by the end of that calendar year, we were profitable. It wasn't a lot of profit, but it was some.

By the next year, we actually were doing quite well. It was interesting, we never really looked back. We had a few, I'll say, failures or missteps. But, overall, it was overwhelmingly positive and additive each thing that we did. We got to a point of profitability and viability relatively quickly for a startup company.

Laura Cox Kaplan:

Did you have a nest egg, personally, and how old were you? Where were you in your career lifespan? Did you have kids, were you married?

Barbara Novick:

Those are important questions. At the time, I was married, I had no children, did not own a house. So it was all new and exciting, and of course, the downside was if this doesn't work, you go back and get a real job. There was, I won't say, there was very little risk to it, but the risk was certainly mitigated by my personal circumstances. That was true of, I'm thinking, a couple of people got married in the first year or

two that we were in business. But I would say of the eight people, three already had at least one child and the other five did not. A very different risk profile.

Laura Cox Kaplan:

For sure, I mean, it's a whole different calculus when you have little people who are depending on you, or bigger people, as the case may be. I know you get this question, I get this question a lot about work-life balance and how you think about that. A lot of people are like, "Oh, well, first of all, get rid of the idea of balance. There's nothing about it that's balanced." But give us your perspective on that whole idea of work and life and finding the right mix or prioritization, or how have you thought about that? In the beginning of our conversation, you talked about that point in which you almost retired and you had a lot on your plate. You were taking care of parents and you had teenage children and the teenage years are some of the toughest that you have as a parent. Talk about how you thought about this and advice that you would have for our listeners?

Barbara Novick:

I'm not sure that work-life balance really can be simultaneous, but there's a few things. The first one is I tell women, especially, invest in yourself. You know people take vacations and sometimes they take really nice over the top vacations, whether it's skiing or a cruise or a trip to Europe and seeing museums, whatever it is they want to do. A lot of those vacations are great, but would you rather have a week that's great or have a nanny that gives you peace of mind when you walk out the door in the morning that your kids are with someone you trust, you like, is going to do good things with them, is going to exercise good judgment if there's an emergency or a problem.

Think about that. It doesn't mean you can never take a vacation, but maybe you tone down the vacation you take, or maybe you take one less vacation and you use that money to invest in yourself and get the proper support. That was something, that was an insight I got very early on is you needed a support network at home to be able to do the big jobs. Whether it's the travel that's involved, it's late hours, it's dinner out. Whatever it is, you can't do that, or I certainly could not do that without that peace of mind. I had a one-year gap where I didn't have that because a person I had got quite sick. I had a couple of temporary people, and that was one of the most difficult years because I just kept questioning like, "Should I be doing this? Is this a mistake?"

Then, fortunately, maybe it was only six months, we were able to get through it and the person was able to come back. But it was a really difficult stretch and I wondered, "How do people do this if they don't have that good support?" The support can be anything, it could be a nanny, it could be an au pair, it could be your mother, it could be your sister, it could be a network of women friends. I had a little of each, I had my mother-in-law was really helpful, I had a network of women in the neighborhood. We would look out for each other and help each other in a pinch. Our nannies would help each other in a pinch. Like it was really an unspoken contract, if you will, that if you needed help because someone was sick or someone couldn't come, you could bring your kid over and there were no questions asked. We would just help each other.

There's a lot of different ways of doing that in the modern world. Not everyone lives near their family, not everyone has that kind of support. So find other comparable things, but most important, be willing to invest in yourself. Don't under invest in household help because that peace of mind is just so important to be able to do your job.

Laura Cox Kaplan:

Yeah, I don't know if you ever took a break of any kind, a career break during those years or not, but I'm sure you must know women that have. Maybe thoughts and advice on how to do that smartly, especially, if you think you're going to want to go back into either back into your career or maybe make a career pivot, maybe advice for how you do that?

Barbara Novick:

Well, I'm going to bring up the coronavirus and COVID.

Laura Cox Kaplan:

Yeah, which is a perfect example. So many women are taking a break either by choice or because out of necessity in order to care for their young children.

Barbara Novick:

Right, so the negative part is many women have dropped out because it's not really feasible from a long-term perspective to homeschool your children and work a full-time job. Okay, and my heart goes out to those women. I just don't see like when it was going to be a two or three months thing, that's one thing. Now it's a year and a half thing, that's a totally different thing. The burden, unfortunately, does fall more on the women than it does on the men in most families. Not all, but in most. That's the downside. But the positive side is the use of technology. I worked from home one day a week for more than 20 years. Even at the 20-year mark, I was still getting comments from people, "Oh, how was your long weekend? Oh, it's great that you have Fridays off." I'd be like, "I don't know what you're talking about."

I work really hard on Fridays, I just do it sitting at my desk at home. That was my offset to all the travel and other things. It didn't work every week, but I'd say three out of four I would be working in my home office. But my home office had all the right technology. It has a desktop, it has a laptop, it has an iPad. I have all the tools I could possibly need to do my job. I don't have a secretary here, but that's okay. I can muddle through and do a lot of those things myself. That learning today is for everyone because the skeptics who thought you can't concentrate at home, how could you ever get anything done? They were forced to do it. So my advice to women today would be different than it would have been pre-COVID.

My advice today would be if you really feel overwhelmed and you want to take a break, ask for a break that includes some part-time. Something remote, something that's less than I'm fully out versus I'm fully in. Because I saw it myself. When I told Larry that I really needed to cut back with my parents and my kids, and like I was all over the world. The phone would ring 3:00 in the morning, it's the doctor calling back, you got to take the call. We'll never get that doctor on the line again if you don't pick it up. I just couldn't do that anymore. But when I told him I wanted to leave, he said, "Why don't you work part-time?" I didn't even ask for it. I went in saying, "I'm done."

He said, "No, no, no. Give me a year full-time, with some flexibility to deal with what you need to, but we'll have a proper transition, etc. Then stick around, there'll be things for you to do. There'll be projects for you to work on." It wasn't even defined, then of course because of the great financial crisis, it ended up being the public policy and to start up a unit that didn't exist. But because I still had, I'll say, two fingers in it, two out of 10, it meant I was in the flow of what was going on. I stayed current on the industry and the firm and I was someone that they thought of when they had a new need and they needed to put someone in charge. It wasn't like, "Oh, well, she already has so much on her plate." It's like, "Well, she's a senior person that's a free agent. Maybe she can help us figure this out."

Initially, it was just to figure it out. That was when I visited you for the benchmarking. As it turned out, I ended up raising my hand and saying, "Okay, actually, I think this looks really interesting. I could probably do this for you." I think trying to stay in it, even if it's on a limited basis, and then being open to a conversation. I've had many women over the years who worked for me in what I called flexible arrangements. One worked three days a week in the office, and two at home. Somebody else worked at home and all sorts of odd hours because what she was doing was a lot of writing projects. It really didn't matter what time she was doing them. She came to New York, she would move to someplace else, she came to New York once a month for at least one night overnight to see colleagues and maintain relationship.

I could give a bunch of different examples. Each one was different, but the key thing was we were able to retain talented women by giving them some flexibility that they needed and keeping them involved. Then as their own circumstances changed, some of them came and said, "Do you know what, I'm actually ready to do a full-time job now, or I'm ready to do an in-office job," whatever the accommodation. I say a combination, I hate to use that word because a combination makes it sound like you're doing someone a favor. I put it as it's a two-way street, if it works for the employee and it works for the employer, it's a good arrangement. If it works for one and not the other, it's a bad arrangement. Any sort of flexible work schedule has to be contemplated as this is a business arrangement, it's not an accommodation of a do someone a favor. It's an accommodation to make the partnership between you work well.

Laura Cox Kaplan:

COVID, as you said before, has given us this lens into what the world would look like if as many people who can transition their jobs to some kind of a virtual environment. Unfortunately, not everyone is able to do that for obvious reasons. But an awful lot of people could. Talk about what you think the world will look like coming out of COVID and how things may have evolved? Because I'm a little bit surprised by several of my colleagues in the corporate world are so anxious to get back into an office setting that there's this desire to really force employees back. I just have to scratch my head and say, "Is that really the best answer when we've figured out how to make this more, a lot more flexibility work?"

It just gives you more capacity potentially for doing more things and doing them a bit differently. Give me your assessment of what you think the world is going to look like and how do we get that the balance right?

Barbara Novick:

I think the future of work is one of the most interesting topics right now. You see a lot of people, and I'll put an age on it. Certainly 50 plus who have always worked in an office, and who are extremely uncomfortable with the idea that people can be on a team and be decentralized. You have at the other end, the 30 and under who have grown up with a phone and a laptop and computers are just so much part of everything they've done. This was why WeWork I think took off so much. There's a whole generation out there who doesn't really think about coming to the office in a traditional way. That doesn't mean they're not social, it doesn't mean they don't want to see people. But they're very, very comfortable working remotely and doing things in a very different tempo.

Then there's that middle where it's a little fluid, I'll call it. But I think what would COVID showed people was that the flexibility you get when you work at home, you might work really hard. But maybe you take an hour off in the middle of the day, or maybe you're just saving two hours, one at the beginning and the end of the day, or maybe you're not getting dressed up except from the neck up. Whatever the flexibility is, you're seeing that you can have some better work-life balance than without.

You're seeing like if you need to go to the dentist or get a haircut, you don't have to take the day off or your kid, assuming kids go back to school soon, if your kid has a play. What if you take off an hour in the middle of the day and go to this school event? You have to take the whole day off.

I think people are going to see that they value that flexibility, and that's going to be very difficult for employees to give up. But, as you said, you have the most senior saying, "Well, this is how we get innovations. How we get collaboration," etc. I'm going to say I am a skeptic about that statement. I've ran teams, my public policy team was in New York, Washington, San Francisco, Hong Kong, Tokyo, London, Brussels. We didn't have that many people, and we had seven locations. I can assure you as a remote team we were able to collaborate, and we just got in a rhythm. We had a weekly call, we made sure that we kept each other up to date using electronic tools. Whether we were sitting in an office or we were sitting at home, we used all those same things.

Actually, our group was very easy to pivot to work from home because the relationship part was already there. We already worked that way. Then we supplemented it with once a year we'd go someplace and do an onsite or offsite. We used our own conference rooms, but some people would travel to it. I think that's this future work is you do need to have some personal relationships and some in-person because that informal does matter, but maybe you don't need it every day. Maybe you can even physically change the layout of offices. For many years, a lot of the accounting firms and audit firms have had a hotel desk concept and in the consulting firms. Because people are out and about and they're at clients so much. What if you had a hotel in concept for some part of your real estate and you had...

I don't know if you're familiar with the company Convene, where they have conference space where they'll have a main room, they'll have some breakout rooms, they'll have some food stations. They'll have a bunch of different things, so you can have a flow of an event on a given day and they rent those spaces out. Well, what if your own office had Convene type space and that you deliberately came in. Maybe every group comes in once a week or once a month or something that you just spend the money differently. Yes, you see people in person, but you recognize that many of these firms, global firms, have global teams today. They're not seeing each other in person every day.

Laura Cox Kaplan:

Yeah, excellent point. I always worked for many years in something of quasi virtual environment because I was away from the mothership, so to speak. You couldn't be there every second of the day, and so while that meant flying up for important meetings, it also meant there was an awful lot of the day-to-day interaction that almost always occurred, not on FaceTime or Zoom, as we're talking today, but through just the telephone and email. It's really, really interesting. Okay, I feel like I haven't even begun to do this conversation justice because there's just so much that we could talk about, and we've barely touched the topic of BlackRock and the culture and this idea of being really on the cutting edge of this idea of risk management.

Maybe, let's talk about that and then we'll pivot to my final couple of questions. But maybe talk about what it's like creating an organization around these concepts of embracing change and risk management, as you talked about before. Maybe talk about what that has meant to you and what you've learned from approaching your work from that perspective?

Barbara Novick:

It's easy to look back in the rear view mirror and say, "Wow, look at how much the industry has changed." In many cases, look how we've led that change. Now, when you're standing there 30 years

ago looking forward, there is a little bit of a doubt someplace, a little seed of doubt that says, "I wonder if this is going to work?" But I think the idea of going out in any industry, in any business, going out, talking to clients and asking them what their needs are, what their problems are, what things did they need solutions to? That is a winning strategy in any business. Then you could talk about stakeholder capitalism is a big topic today, and I say to people like, "Think about who the stakeholders are? It's your clients." Well, why wouldn't you want to treat your clients well?

Clients are your best source of new business, whether it's getting more assets or additional mandates or getting referrals or whatever it is like that's a really important stakeholder. Employees, especially in a service business, your company is your employees. If you're not hiring the best and treating people well and giving them career opportunities to both move around laterally and to move up the ladder, you're not going to have employees very long. They're going to find somebody else, someplace else to go. Those are two of the most important stakeholders in addition to shareholders and why wouldn't you want to treat them well and factor them into what you're doing?

We could talk about communities, it's a little bit of a different set of issues, but more and more you see what's going on is a company that does something that is, I'll say, negative gets outed for it in social media, earns a reputation. It can't possibly be good for their longterm business, whether it's ability to get a license to do business or it's their brand and whether customers want to buy their product. Either way, so I do think the communities aspect and the reputation aspect is a very important one. It's funny because I hear people talk about it like shareholders versus other stakeholders. I've always looked at it, and I think BlackRock has looked at it as stakeholders are an important component of maximizing shareholder value at the end of the day.

I think there could be very much symbiotic. I don't think they have to be in conflict with each other. Our culture is one of teamwork, it's one of innovation, it's one of putting clients first, and those are principles that we've lived with, and from the outset, taking appropriate risk and really being careful, it's other people's money.

Laura Cox Kaplan:

Yeah, this is such a strange and volatile environment right now that you do find instances in which those different groups will be in conflict. What about advice for navigating that?

Barbara Novick:

You have to go back to the listening question, really listen to what is it that one group or another believes or wants or needs? And more often than not, I think you find there's a solution to it, and there's a way of navigating that gets what they want without somehow destroying something else. Now, I'm sure there are some examples that wouldn't be like that, but I think more often than not, you can find some way of bridging the gaps.

Laura Cox Kaplan:

Yeah, I love that. One final question before I let you go. I ask most everybody who comes on the podcast for maybe a single piece of advice, maybe it's a life hack or a mantra maybe. It's something that you wish you had known when you were just launching out in your career. Maybe it's some like north star idea that you've told yourself over the last number of years. What would it be for you?

Barbara Novick:

Integrity, your reputation is going to stick with you forever. It is much easier to destroy a reputation than it is to keep a good reputation, and integrity really, really counts. If you see something that you think is wrong, you should speak up, you should speak up with suggestions on how to fix them and how to make it right. But I think where there's judgments to be made, people would ask me over the years, "Oh, do you think this is okay to do?" I'd say to them, "If it's gray, then the answer is no." Not everything in life is black and white, but just because it's legally okay, doesn't mean that it's ethically. Let's go with the we want to be in the free and clear and always be doing what we feel.

I don't know if you say in your heart, but if someone said, "Do you think you really did the right thing?" You want to be able to say absolutely without any doubt and complete conviction. I think that's the number one, there are too many examples of where people fell down on that and really hurt themselves, hurt their companies, and that should be their north star.

Laura Cox Kaplan:

Yeah, I love that. Barbara, such a pleasure to be with you. I really appreciate it.

Barbara Novick:

Thanks so much for having me.

Laura Cox Kaplan:

Friends, to learn a bit more about Barbara Novick, please check out the show notes for this episode, episode 151. Now, before I let you go, I need your help. If you're enjoying She Said/She Said Podcast, I would love to hear from you. There are several ways that you can contact me and send us some feedback. The first, if you are listening on iTunes, is to click the review button there, give us five stars, and then write just a few words about why you listen to She Said/She Said Podcast. Those comments help others who are looking for podcasts like this one to find it. I also love hearing from you. You can also direct message me on Instagram at Laura Cox Kaplan or at She Said/She Said Podcast.

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