**OMER ISMAIL:** Today I'm excited to welcome Frances Frei, a professor of technology and operations management at Harvard Business School. Her latest book is called *Unleashed: The Unapologetic Leader's Guide to Empowering Everyone Around You.* 

Frances, thank you for joining us.

FRANCES FREI: Oh, it's such a pleasure. And it's wonderful to see you again.

**OMER ISMAIL:** So, why did you write this book?

FRANCES FREI: You know, the prevailing idea in leadership, the prevailing leadership orientation is awfully leader focused. And in our observation, that does not coincide with winning. So, I care a lot, I'm very competitive, I care a lot about individuals and organizations winning. And we were finding just the opposite. That the less a leader was focused on themselves, the better they did. But every meeting we went into and all of the advice we were hearing was just the opposite of that. And so, we wanted to share our experiences and some frameworks to get what we think is the secret sauce of how to get pretty dramatic improvement, pretty quickly.

**OMER ISMAIL:** Yeah. So tell me a little bit about it. So, what exactly were you seeing that was the opposite of what you ended up writing about?

FRANCES FREI: Yeah. That leadership is about the leader. And that everyone-- like when a leader walks into the room, they're the most important person in the room. A leader is the least important person in any room they walk into. A leader's job is to set the conditions for other people to thrive, as a result of their presence, and then lasting into their absence.

But when the leader walks in the room and they have an inclination, "I finally arrived. I made it." And then everyone is serving the leader, it's super suboptimal. Super suboptimal. So, we just have to flip it.

OMER ISMAIL: Yeah. So let's talk a little bit about the point that you talk about in the book, the leadership framework. Right? And you say that it's not about the actual leader, it's about how good they are at empowering other people. So, now that you've written the book, obviously lead up to the book, when you talk to CEOs and they read about this, they read about your work, like, do they get it? Do they get that it's not about

FRANCES FREI: Some do. And for others they're on a journey. I mean, the truth is all of us make it about ourselves some of the time. But what I kind of inject in their mind in a way that's pretty stick is, when it's about you, you're not leading. So, you are free to make whatever you want about you. But just don't put that in the leadership column. The leadership column is when you are serving other people. And then that gets people to want to dwindle how much it's all about them.

I also can show them, and I invite them to do exercises of thinking about leaders who it was about them to about others and looking at their performance. And it's pretty, pretty dramatic how high the correlation is.

**OMER ISMAIL:** So, I was really struck by the central thesis of the book and then the title of the book, because you call it the unapologetic leader. So, why the term unapologetic?

FRANCES FREI: Yeah. And it's The Unapologetic Leader's Guide. And it's because the orientation to be about empowering others versus to be self distracted, that is counter to the prevailing. So, we want people to step towards that with pride. We want them to be all in for it. And we don't want them to do it with apology. Like, I'm going to be different. And I'm unapologetically different. I am going to be empowering others. Even if my peers and even if others are coaching me to make it more about me and are coaching me, like, you know, look at your faults and do all of this self introspection. I'm like, oh my goodness, don't do another minute of that. Start paying attention to what other people need.

**OMER ISMAIL:** So, let's talk a little bit about Uber. You were hired at Uber in 2017. It was facing a crisis of culture. Tell us first of all, what was it like to be in the room with Travis, with the Uber leadership team in 2017 when they were going through that experience?

FRANCES FREI: Well, when I was hired, Travis and I overlapped for, like, 11 days. But I visited with him on the interview process. I found it electric to be with him. His level of audacity was amazing. And he called for help. So, he had audacity and humility, which are two of my favorite things to go together. And so, we were dreaming while also solving problems. And he was super straightforward. He's like, "Look, the last company I led had eight people. We now have, I don't know,

12,000." So, he was super clear where he needed help and that he needed help. And so, we just kept taking turns, talking deeply, writing on the whiteboards.

So, the meetings with him were great. And then when he left, I facilitated the senior team for a while. That was a transition for the senior team because the senior team wasn't used to being a team. They were senior leaders. But they weren't a team. They each had individual relationships with Travis. And he had never fostered a team environment. So we worked over the summer to foster a team environment, which then Dara Khosrowshahi, who's terrific, he was able to come in with a leadership team.

And the thing that's amazing to me, he switched out maybe 20 employees, I don't mean to say that callously, in June of 2017. The culture was completely turned around nine months later. An organization of 13,000 people. And that's my experience. That what's going on in the culture, it's not bad people behaving badly. It's that we've set the conditions for not a great version of people to come forward, often for reasons that have nothing to do with them. Like you got hired as an individual contributor. And five minutes later you're a manager. And five minutes after that you're the manager of a manager because of growth. And nobody taught you how to do it. So, the power of education really helped us. And education for skills, but also for values and culture.

OMER ISMAIL: So, that experience, and obviously that got played out a lot in the public arena, but this idea of particularly in a world where there are so many hyper skilled startups in Silicon Valley where you said, you know, you get hired as an individual contributor, you know, a couple of days later you're a manager, a manager of a manager. So, what are, like, two or three lessons that you would give to startups that may not be being played out in the public like Uber but are going through something similar in terms of what they can do to foster this team culture?

FRANCES FREI: Most people in these companies will say—— I can tell them that the future version of themself is going to say, "people are my most important asset." Even if they don't think about it early on, people are going to be their most important asset. So, faith-based, act like it now. Bring in awesome HR early because what it really is, is that everything has advanced. HR gets brittle. And then we bring in the professionals. It needn't happen that way. In fact, it's kind of from a humanity perspective, it's kind of not great.

**OMER ISMAIL:** So, Frances, just switching gears. I want to turn to something that's obviously been top of mind, you know, for many of us this year, the theme of belonging and confronting long standing issues around racial inequity. So, you know, how do companies, and we talked a little about it in the context of hiring and retaining good talent, but how do companies create a more inclusive environment?

FRANCES FREI: It's a great question and it's the right question. And I spend— this is what I spend all of my time on. Like, I believe inclusion is an urgent and achievable goal. It's absolutely within our power.

So, I have very specific advice. I'm an operations professor, so excuse me for speaking so specifically. But step one, we have to make it safe and welcome for people, regardless of the difference that they bring to the table. So, I'd have to be physically and emotionally safe. And we have to feel welcome, regardless of the difference. That's step one.

And step two, because of the difference you represent, we want you to feel celebrated. We want you to feel like you are the reason we're successful. Not because of what you have in common with everyone else, but what your unique distinction is. When we celebrate difference, when we speak different -- so we have to make it safe first for being different. Because it's hard. I've been different in almost every room I've been in. It's hard to be different. But when you can make it safe and welcome, you then get to get to that competitive advantage of if I can bring out the best in a diverse workforce, and you have a homogenous workforce, it doesn't matter who I am or who you are, my team's going to win. And so, inclusion, I find, is both-- it's great business sense. And there is also, today, and I'm very glad for it, a moral imperative. It stinks to say to someone, "Please only bring a small part of yourself to work." If we could set the conditions for our difference to flourish, that's when we get just unprecedented pace, quality, scale, and all of it.

**OMER ISMAIL:** Yeah. So, you know, how do we ensure or how would you say good companies are ensuring, right, that this is not—2020 doesn't just become yet another moment in time versus something that actually leads to something that persists and long-lasting change?

FRANCES FREI: Yeah, start now. Don't form a taskforce. Start doing that attract, select, develop, promote, retain. Make

progress before the end of the year. You can make progress on this every quarter. Just think about all the people in hiring. And in this one, make sure, oh my gosh, I'm only getting the same people I had before. Go look differently. But literally, start now and don't use any of the well-known delay tactics. You'll be done-- I think you're going to be done in less than a year. But you've got to start now. The more you delay-- we're now watching. We know you know. If you delay, now we get to assume you don't care.

OMER ISMAIL: So, again, on the same topic, something that's obviously very personal to you is just the inclusion of the LGBT community. You know, you write the future is queer, arguably very queer. So, tell us about your own personal experience. And, you know, at the Harvard Business School as an example, when I was there 15 years ago to today and the companies that you've worked at, Uber and WeWork and others, tell me about your own personal journey.

FRANCES FREI: Yeah. Well, at Harvard it's rare to be a woman on the senior faculty. And very rare to be queer. I don't-- I can't think of another person who's been tenured at the Harvard Business School who's queer, in the history of the school. So, I've had a lot of being the only one. And that has fueled me to-- I don't want there to be barriers to getting the input of people who are different. So that has fueled why I care so much about this. And I have felt, in times, not that I have felt unsafe, but people have tired to lure me into unsafe environments. I'll give you an example.

A dean at the Harvard Business School asked me to go teach in a country where it's illegal to be gay. And I respectfully said no. And I said yes to everything. Harvard said no to me five times. I couldn't believe I could be there. I said yes to everything. And they were so surprised. They said, "Why?" And I said, "It's illegal to be gay there." And their words, well intentioned as they were, "Oh, you don't have to worry about that. They're going to roll out the red carpet for you." There is no amount of welcome that overcomes safety.

So, I think that we-- the thing is, like safe, and have I felt safe and welcomed? And I've experienced all of that. And I'm privileged. So, if even I experience it, that means that other people do.

**OMER ISMAIL:** In the 15 years, you know, since I graduated from Harvard Business School, like what's the one thing about

leadership that I should unlearn that was taught to me 15 years ago that I should unlearn now?

FRANCES FREI: Well, I'm going to do it what I taught you. So, let me just stay with you in my class. So, every case I wrote back then, you probably remember some of the companies and some of the business contexts. But I doubt you remember any of the people. And that's because I didn't have people in my cases. Leadership didn't occur to me then. I was all about optimizing and design and thinking strategically. So, I think you could have been— it would have been fair for you to conclude leadership doesn't matter. And what I would say is, now and with this book, oh my goodness, leadership matters in the unleashing of others. So, the pesky people weren't very present in the version that I taught you. And now they're everywhere. And they're led. And that's a beautiful thing.

**OMER ISMAIL:** Toughest piece of advice you've given a CEO?

FRANCES FREI: You should replace yourself now without being asked.

**OMER ISMAIL:** You spend most of your time giving advice. What's the best piece of advice you received?

FRANCES FREI: You know, Tsedal Neeley framed for me really beautifully that when you, like, have lived experience with gender and you've learned about gender, it doesn't port to race. And when you have lived experience about race and you've learned about race, it doesn't port to gender. So, we have to honor each of these as their own individual, awesome thing for us to learn, respect, and make the world-- you know, we for a long time thought the benefits of diversity accrue to all of us. But unknowingly, we put the burdens of diversity solely on the shoulders of the diverse. We gotta cut that out. We gotta cut that out.

**OMER ISMAIL:** Great, great thought to end on, Frances. It's been a pleasure having you. Thank you so much for joining us and for spending time with us today.

FRANCES FREI: This was just a pleasure. Thank you for having me.

OMER ISMAIL: Awesome. See you soon.

This transcript should not be copied, distributed, published or reproduced, in whole or in part, or disclosed by any recipient to any other person. The information contained in this transcript does not constitute a recommendation from any Goldman Sachs entity to the recipient. Neither Goldman Sachs nor any of its affiliates makes any representation or warranty, express or implied, as to the accuracy or completeness of the statements or any information contained in this transcript and any liability therefore (including in respect of direct, indirect or consequential loss or damage) is expressly disclaimed. The views expressed in this transcript are not necessarily those of Goldman Sachs, and Goldman Sachs is not providing any financial, economic, legal, accounting or tax advice or recommendations in this transcript. In addition, the receipt of this transcript by any recipient is not to be taken as constituting the giving of investment advice by Goldman Sachs to that recipient, nor to constitute such person a client of any Goldman Sachs entity.

This transcript is provided in conjunction with the associated video/audio content for convenience. The content of this transcript may differ from the associated video/audio, please consult the original content as the definitive source. Goldman Sachs is not responsible for any errors in the transcript.