

Goldman Sachs Talks
Ginni Rometty, Former Chairman,
President & CEO, IBM
David Solomon, Moderator
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Ginni Rometty: Growth and comfort never coexist. And that's my biggest lesson. And it would make me start to look at risk as a positive, not a negative thing. And it would completely change my view of the world.

David Solomon: Thank you all for joining us. I'm excited to be sitting here with Ginni Rometty. I think you all know that Ginni was the ninth chairman, president, and CEO of IBM. And during her tenure, she led the reinvention of more than half of IBM's portfolio, including building a \$25 billion hybrid cloud business and establishing IBM's leadership in quantum computing and also in AI, which is certainly an interesting topic, given all that's going on today.

Ginni also, though, is the co-founder of OneTen, which is a coalition of companies and educators that Goldman Sachs is now a part of committed to upscaling, hiring, and promoting one million Black Americans without 4-year degrees into family-sustaining jobs and careers by the year

2030.

Ginni is also the author of the bestselling book *Good Power: Leading Positive Change in Our Lives, Work, and World*. She was *Fortune* magazine's number one most powerful woman in business three years in a row. And it's an honor and pleasure to have you with us today.

So I just want to start off with your book, *Good Power*. Power is often thought of something that's respected or even feared. What is good power? And how do you distinguish it from bad power?

Ginni Rometty: We kind of circled around this a little bit because of the times, that there's really big problems out in the world that need to be solved. And because of the stereotype that I think a lot of people have about power right now. So when you said “be respected,” that some people think, I think the point is about respectfully dealing with people, which is different than to be respected, right? And so this idea that, to solve really big problems, if you could do it without being fearful, being, you know, not using fear, so do it with respect, it would be someone who loved tension. And I think a lot of people would prefer to polarize versus love tension and go solve it. And the idea to get people to, “Hey, can we just be happy with some progress?” Because if we go after perfection, again, everybody goes to their corners, and then there's a winner and a loser on everything and you don't really make progress.

So this idea of loving tension, do it respectfully, not fearfully, and celebrate progress because there are really big problems. And I think people have given up on trying to solve big problems. Not you. But there are a lot of people that have. And it was my idea to try to convince people that, like, I'd learned through a really kind of rough beginning of my life. My father abandoned my family. And how I would eventually end up where I did is kind of a miracle.

And so it's what I learned from lots of people about, hey, when you have nothing else, you might have power.

David Solomon: The thing you said is something I've tried to talk about a lot. I am a big believer in progress over perfection.

Ginni Rometty: Yes.

David Solomon: A big, big believer in progress over perfection because, if you hold yourself to a standard that you have to get to a place that's perfect, you'll never arrive.

Ginni Rometty: No, you will not.

David Solomon: You'll just never, never arrive.

Ginni Rometty: And the team will be really demoralized, right? And so I know people say that, but actually it takes a lot of perseverance to live with progress over perfection.

David Solomon: Yeah. So what are the five principles of good power?

Ginni Rometty: Okay. The book ends up being -- I called it a memoir with purpose. Not "I." We went -- that's -- because I really had some big things that I wanted to write about, but no one really cards about your philosophical points of view, right? So when you write a book, you're going to learn this. And it was just -- I know you're thinking never. I said that, too, when I was there.

But that you have to be vulnerable and tell some stories. So here are the five principles which are all revisionist history. So this is, like, not I knew in the moment. To do something really hard, the first principle is you need to be in service of something. Do not serve it. Be in service of. The idea that when you go out to dinner, if you get your

food, did the waiter, was he in service of you or she? Or if they cared if you actually had a good evening, right? And I think the team that serves us from you I think has really done a good job over more than a decade of being in service of us, right? So that's kind of like why you do something. So get them focused on be in service of.

The second one is then you got to build belief. That sounds, like, easy to say, but my point in the book is building belief is about appealing to someone's heart as much as their head because you've got to voluntarily get them to go somewhere they don't want to go naturally.

The third part is -- this is obvious. Be willing to change everything. The un-obvious part is but know what should endure. And I learned that the hard way because it's tempting when there's a lot of new things around you to become something very different. And people want you to be something different, but you have to know what part of you should endure, even if it has to modernize. And that means a lot of tension.

Okay. Fourth one is, which we will get to, in this modern day, be a steward of good tech. Which means manage the

upsides of tech with the downsides at the same time.

And then the fifth is a little bit what you started to say is be resilient. And to me, resilience, I try to give, like, a lot of tips. Very practical. I'm a very pragmatic person. And so the tips were like I had my, you know, it was the most tumultuous part in change of IBM. So they revolve around the kind of relationships you need and your own attitude, stuff that you can control.

So be in service of, build belief, know what should change but what should endure, steward good tech, and be resilient.

David Solomon: Let's shift gears because you've touched on your family, and I want to talk a little bit about your family and your history. You had a very formative experience with power or really the threat of losing it when you were 16, so talk a little bit about your family history and just a little bit about your story.

Ginni Rometty: So this will just give you -- yeah, it'll probably give a little foundation for a lot of what you'll hear from me in this conversation. I grew up in a suburb of

Chicago. You would call it either low income or low middle income family. And, like, I think a lot of people like that, you don't know what you don't have, and life is fine. And no vacations, but you don't even think about these things.

When I was 16, my dad -- I happened to walk into the garage, and my father and mother were talking. And I stood there and heard my father say to my mother, "I really don't care about you anymore. In fact, I don't care about any of you. For all I care, you can go work in the street." And I watched him turn around and walk away. And that would be the last.

You know, you might think, okay, my mom, though, is now go forward to this time. She's 34 years old. She has four children. I was the oldest. She had never worked a day outside our house. She had no education past high school. Just barely high school. And so we would soon have no money, no home, no food, and, I mean, she was just so determined.

She never said -- we never saw her cry. And I always say this was the most formative basis for my life because what I would learn was just from watching my mom. My

grandma and great grandma had each suffered tragedies, too, which I learned. So I learned the basic of, okay, my mom was, like, this isn't how it's going to end. There's a way forward.

So she went and got a little bit of education and could get some hourly jobs. A little bit more, a little better job. And eventually, community college. And this'll come back to what I do today. It's funny how the ribbons of your life do actually connect when the moments you get to think back in time. And she would never get more than -- didn't even get her associate degree but almost. And it would eventually get us off of food stamps, off of financial aid, keep the house, etc.

And I think my mom taught us two things through that. Not just hard work but that she was, like, do not ever let someone else define you. Only you define who you are. Like, she would not let my dad define her as a victim or anything else.

And then the second thing I learned, again, which would influence my whole tenure at IBM, my mom wasn't actually dumb. My mom was pretty smart. She had aptitude, but

she had no access to education. So I would learn that access and aptitude, like, aptitude is spread pretty evenly in the world.

David Solomon: There's a lot of aptitude.

Ginni Rometty: Right? Opportunity? Not so much.

David Solomon: Yeah.

Ginni Rometty: And that would really influence me about people and skills. So that's what I took away from my mom. And of course and in your environment, Goldman Sachs, honestly, a drive to be independent, financially independent. And never have to rely on someone.

David Solomon: So from there, okay, how do you make it to IBM? You get to IBM just shortly out of college, correct?

Ginni Rometty: Yeah. And I guess the instructive part for anybody, I always think about how to answer these questions, like, who cares, really, how did you get there? But --

David Solomon: Well, everybody's interested. That's why they're here. They're interested.

Ginni Rometty: You know? But again, it's like a lesson about society and business together. I only went -- I end up at Northwestern because it was one of the schools that will accept people for your academics but not -- if you can get in, they'll find you financial aid. So they're aid blind when they accept. And there's a few schools like that. Because I had no money. And obviously -- but I really worked hard, back to what we just talked about.

So I go there. And in my second half of Northwestern, a professor says to me -- he knows I'm struggling. And he says, "You know what? General Motors has these scholarships. They'll only pick two kids at school. They want to get more women and diversity into their companies." This is back in the '70s. "You should apply." Long story is I get that and they pay all my tuition, all my room and board, give me a job. I mean, it was, I mean, they don't these things anymore. No strings attached.

I felt, though, I really owed them. I mean, I really do. I

always say that to Mary Barra. I really owe GM a debt of gratitude. And so I went to work there when I graduated. I remember at the time it was an HP at the time. It was very much at top of game and trying to get me to work there. And they couldn't understand why would this child go to Detroit? They could not understand that over California, right? Well, then they saw me get married, and that became clearer to them.

But what I learned and when I say how did I get to IBM, I didn't love cars, right? Actually, I was working on trucks and buses. And I thought I was kind of, like, at a young age to learn the difference between a job and a career. I saw other people that really loved it. I saw other people that treated it like a job, come in, your eight hours. And I thought, okay, something's, like, wrong with this. If you're going to work like this, you should kind of have some passion for what you do. So I said that's what I learned.

And Mark is the one that said to me. He's, like, well, you know, you love computers. And I was a computer scientist. You love that so much, why aren't you working for a company like IBM? Because this is, like, one of the many points that he takes credit for my career. And he says, "I

have a friend --”

David Solomon: That's a pretty big one.

Ginni Rometty: Well, he says, “I have a friend whose dad works there. Let's call him.” And that's how I got there. And I called him.

David Solomon: And you were there. So you join IBM. You've worked at GM for a few years. How did you think about your own skills? How did you think about your starting -- you're at that point in your career, what skills did you have? You work in computer science.

Ginni Rometty: Yeah, I am a computer scientist.

David Solomon: Although back in those days, you were -
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Ginni Rometty: Punch cards and stuff like that, yes, it's true.

David Solomon: Punch cards.

Ginni Rometty: But actually back in those days, guys, anybody on the tech side here today? A few of the folks? Okay. I mean, what it taught you, though, was really how all of computing worked, right? Nowadays, it's abstracted so far you actually don't actually understand how -- you don't have to, in many cases, how it works. So I actually was a real engineer that understood all that.

Here's what I would say about skills. Because whether you have folks newer in their professions or careers here, I always felt, god, if you could learn to be a constant learner, that is the best skill you can ever have. And so I was always trying to figure out how something was done. How, how, how. Because I hated to memorize. My brother's a superb memorizer. I am not. I mean, he's like a -- he sleeps on a book, it's in his head.

So this idea of how, how, how. So my time was mostly spent, when the rest of the team didn't want to do something, I would do it. Somebody needed help, I would do it. I can remember laying cables for computers and the guys were like, "We're going to the bar. We'll come back and get you later." And I'm like, okay, see you. And I'm pulling -- it didn't -- I was just -- this constant experiential

-- and I think that's still true today for people that, it would be again one of those things I'd take forward to when I was running IBM, that the best way for people to get skills is experiential.

David Solomon: Experiential --

[OVERTALK]

Ginni Rometty: -- is just do it, yeah.

David Solomon: Experiential. It's also, the point you made, you made it subtle but I think it's super important, you know, being a lifelong learner. Always being curious and being a lifelong learner is a great soft skill.

Ginni Rometty: Yeah, it would eventually become the thing we'd change our hiring for, for people's propensity to learn being the number one thing over what their actual skills were because it's changing so fast. What does it matter anyways?

David Solomon: One of the things that's just so interesting to me watching you and your career and

watching IBM over a long period of time, I mean, Goldman Sachs is a big organization. IBM is a bigger organization. I mean --

Ginni Rometty: Yeah. We were almost a half a million.

David Solomon: I mean, just massive scale. Hundreds of thousands of people. How do you think about it? An organization of that scale, because it's still, it's a skills-based organization. How do you think about skills development at that scale? How did you push it into the organization broadly at IBM?

Ginni Rometty: Yeah. Because, you know, when I would start my tenure, while IBM had done well before, two out of ten people had the skills for the future. So they had them for now but not the future. So this would be one of my biggest challenges. And I learned something I think really transferable because it was a mistake I'd made for a long time, for my first two years.

I could see obviously, when I would take over, it was just the beginning of social media, mobile computing, AI, big data cloud all at one time. And usually tech had one big

thing happening. Now, here's five going. And while we'd done well in the past, as you know, not yet really well positioned for the future. But we'd done well financially.

And so I can remember telling the teams, like, "Go faster, go faster, go faster." And I think they're like, "Oh, god, it's like does she know another word?" And I'd be, like, after two years, I'm like but things aren't going faster. And like you said, it's big, right? I'm like, things aren't going faster.

And I can't remember the exact order of things that happened that made me realize, look, people don't wake up in the morning and go, "You know? Let's be slow. This is what we prefer." No way. I mean, these are good people. And I'm, like, if I don't change how work is done in the company, if you want to change how it's done, you have to change how it's done. So it would lead me down, like, a couple year path of basics. First, basics, right? Layers, clarifying decision making, the stuff people do every couple years.

David Solomon: Yup.

Ginni Rometty: But then the other part was -- and

again, now you guys are going to find a common place, but to David's point, it wasn't then, to be this large and do agile at that scale. So I had to take that through hundreds of thousands of people would get on that path.

Then the biggest thing that I think helped -- and you guys did this, too, but I don't know at what degree -- was to roll out design thinking, which my sort of layman's definition of design thinking is everything you do has to be from the outside in, not the inside out. And if you're an engineering company, most of what you do is inside out because engineers build for every possible thing. And the last thing they think about is how it looks to the customer. And then that, like, shows all this complexity to customers.

We all take it for granted how consumable everything is now, and I'm thinking to myself, god, you know, the problem is the same people that work in our clients, they come to work and then we give them a manual like this. Or, you know, this a complete disconnect to teach how to make our stuff consumable because we do the stuff that goes under the covers, you know?

And so anyways, that would take me down a couple year

path of that. And in a very experiential mode and to kind of get it across to the whole workforce.

David Solomon: So was there a strategic process with the team to come up with different skills that were necessary?

Ginni Rometty: Yes. We went through a very big process and everybody participating because it's behavioral in some cases, right? So what were the best behaviors that should show up? And then we all agreed on them. And then back to what I had learned from -- I did all this benchmarking that the best way to get behavior to change is storytelling. So for years, we would tell stories about this behaviors.

David Solomon: So taking this one step further, you've been a big advocate what we all call skills first hiring, which seeks out qualified job applicants based on their abilities that they have but, more importantly, that they can develop as opposed to degrees or credentials. And so I'd like you to talk a little bit about how you kind of came to realize -- because this has now had a big effect on other things you're doing. But you have a different mindset

around hiring and how to think about it. So talk a little bit about how this developed, how it evolved, and how you really came to look at finding employees for a big organization in a different way.

Ginni Rometty: Yeah, because, David, this is what I, like, spend all my time on now. And I think don't think I'm overstating it when I think that, if we want democracy to succeed, you better believe this. And I'll just give you some stats. But it all roots back to I know with my mom access and aptitude. Fast forward 30 years, I'd be CEO. And I'd have all those skills to change.

And I can remember 2012, trying to hire cybersecurity. Can't find it out in the marketplace. And unemployment's 12 million people unemployed in the US. And you're like, okay, there's this big disconnect. And it would honest to gosh be serendipity that I would walk into the next meeting on corporate social responsibility and it would be -- they're showing me one school in Brooklyn that is really low-income neighborhood with a community college. And they're like, you know what? We're helping them with curriculum. The kids get an associate degree and a high school degree in parallel. No testing to get in. And we've

offered internships and mentorship. And you know what? If there's a chance at a job, we'll give them a job.

And I said, okay, you know, that's great. I come back a year later, and I say how did they do? They said they're doing great. Actually, cybersecurity, they're doing great. Some have already even popped out of this program. And I said, well, how many have we hired. They tell me, like, a word I don't even hear then. I'm like what was that again? Like, five. I said five? Really? Five? This is, like, super duper.

I said why haven't we hired more? Because we need all these people. They said every job we have requires a PhD or a university degree. I started thinking how would that be possible? I mean, they just told me they're doing great. And it would take me down -- as David knows my journey -- a decade and a half now of -- and I would have an HR leader who I give a lot of credit was really, really insightful on this. And it would teach me that A) someone's propensity to learn matters more. We would measure all these -- because again, I have an engineering crowd. So what do we start to do? Okay, well, let's measure. Let's see what happens over time. Really interesting stats.

Actually, 74% went back to get their university degrees or PhD, and they just didn't have that -- back to that access and opportunity thing. They performed as good as my colleague grads. Took more education. Were more loyal, more retentive. I'm like, okay, this is sounding like a very good equation.

And so I said to these guys, I said it taught me that where you start just should not determine where you end, right? So we would then say, well, how many of our jobs really -- I mean, this worked. It was five years of re-credentialing jobs to write them for skill, not for a degree. And then we said, well, wait a second, this would work with everybody in the whole place, and you should be promoted in this way, too. And then we said we've got to start making everybody's skills really transparent and be paid for it.

So it would move the whole company to skills first. That's what eventually what we would call it, skills first.

David Solomon: So when you look at IBM now, how many of the employees at IBM are building careers that don't have college degrees?

Ginni Rometty: So who didn't start. Because where some of them -- I mean, many are ending that way. But so with my last year, 15% of our hiring was non-degree, non 4-year degree.

David Solomon: 15%?

Ginni Rometty: 15. That's a large number.

David Solomon: Yeah. It's a very large number.

Ginni Rometty: And this is why I think it's so compelling to the world at large and democracy because I started asking, well, how many people don't have a college degree? What would be your guess is? You might know the number because I'm sure some of you are analysts and all. Do you know the number of non-degree people in the United States or a developed country is? Anybody throw a number?

[OFF-MIC COMMENT]

Ginni Rometty: Are non-degree? It's 65%, so you're

close, but it's 80% of all Black Americans. So if you wonder why people don't think they have a better future -- now, put that together with technology where kind of the East Coast and West Coast thrived and not the middle, I mean, to me it's a very combustive equation here. And so I think the best thing -- and then I found it worked, right?

So I've been on a -- I was really on a crusade. Then the murder of George Floyd happened. And many of our good friends -- Ken Shenaw [sp?] who ran AmEx and Ken Frasier [sp?] who ran Merck, they said, "Look, business should do what business does best." And we all believe economic opportunity is the best answer to systemic racism. We should hire people.

And I'm like, okay, they have a vision. They have no idea how to do it because you can't hire without a skill. And I'm like skills first. So this kind of -- I always say they were the visionary. I am the plumber. And together, and that's what we do is helping big companies like Goldman's joined. Because you were one of the guys that you looked hard at this.

David Solomon: We've looked hard at it. We, of course,

had a college degree requirement. We don't now. But our business has changed. And you talk about engineering talent. There's all sorts of opportunity to hire people that are super smart, super compelling, and can grow and develop. And one of the things that you always said that was interesting is people would come, they'd wind up completing their degree. Okay, they didn't start with a degree.

Ginni Rometty: It's very interesting.

David Solomon: But they would wind up completing the degree as they went. But you've had a big impact here because I think a lot of Fortune 100 companies are looking that they're hiring differently than they would have a decade ago.

Ginni Rometty: Thank you. I hope we've -- you know, we're working on it being a movement, right? So now 75, like you guys, of the biggest companies in the country have joined. And we said it's got to be a 10-year commitment and you've got to really put your all in it, at least give it three years because it is a real cultural change.

David Solomon: No, it's a big cultural change.

Ginni Rometty: It is a different culture.

David Solomon: It's a big cultural change. I want to shift gears.

Ginni Rometty: Okay.

David Solomon: And everywhere I go and I'm sure everywhere you go --

Ginni Rometty: Oh, AI.

David Solomon: -- people want to talk about AI. So you were a disruptor around all this stuff. Then IBM was. Then the establishment. Then a disruptor again with businesses like Cloud and Watson. That's an unusual history in this space, so talk about kind of your high-level view of kind of the evolution of AI and what's happening right now and what you think the power upsides are and what you think some of the concerns are.

Ginni Rometty: Yeah. So this is what led me write a

whole chapter about this idea of being a steward good tech. That you guys -- and it doesn't mean just tech companies. It's, like, anybody right now, right? Because I think what we have on our hands is not a technology issue. It's going to be a trust and people issue. I'm completely convinced of it.

Because to David's point, we were early on this topic. And one of my other big lessons, when you're making a market or when you're responding to a market. And we were making a market. And when you make a market, people have to trust in the technology. So we were early and our DNA naturally took us with AI. We worked on oncology. So we even picked a really hard problem.

And I learned even back then, boy, people, they want something like this. I mean, there's so much data they can't make sense of. So there's a huge desire. And people might say did you hype it? I'm, like, you know, I didn't have to say -- it just took off. Like, you've watched what happened again.

But what I also witnessed and I learned really powerful stuff was that garbage in, garbage out, how it's trained.

How it's trained really matters. If for professionals or important questions, if you can't explain how the answer got created, they do not like a black box. Will not accept a black box.

I also learned, for people to use it in their life or in their work, you couldn't just, like, put it on top of what they did already. So, like, a doctor who works 80 hours already, oh, please add this. They're, like, when? And so it really had to reengineer the work to make it work. And they had to trust it.

Because I can remember doctors saying, "Well, wait, this was only changed by Memorial Sloan Kettering. We have our own protocols." I'm, like, okay, do not real -- I mean, is that not good? You know, I'd be a little surprised. Or I'd have doctors say, "But it could be wrong 20% of the time." I'm, like, you know how often a human doctor's wrong? It's quite large. But they have a very different tolerance.

And so this to me teaches me a lot for, like, a company like Goldman Sachs or any company with a big brand. Be very careful right now because it's really where your brand and trust you're talking about. And so which takes me to now

fast forward to ChatGPT. And when it first rolled out, I was telling David before we came on, I said, you know, I'm actually disappointed how it rolled out because I think there's a lot to have been learned about upsides and downsides in that time. And Netflix, three and a half years to get to one million users. Took Chat five days to get 100 million, okay? So now expectations are set.

And as you know, can be very authoritative with bad information even. So, like, my very first question I put in Chat was, "Who's Mark Rometty." That's that guy over there. And it told me everything he did about running IBM. I thought that's -- and his reaction was, "Yes! I finally get credit for something." But it was wrong, right?

And so I know it's going to get better, but my points are we could have done some simple things rolling it out, like watermark it so when the output comes out, it's watermarked. So when a professor gets a paper, okay, I can't get this, like, I can't scrape it and copy it, you know? Simple things to teach people, hey, be careful. You have to still use critical thinking, right?

David Solomon: It's a tool.

Ginni Rometty: It's a tool. And don't trust everything you read. There's enough of that already that you can persuade. And I'm really worried about the misinformation side of things. So I think it needs guardrails. My guardrails would be giving it guardrails on how it's used. You can't stop it. I know some people have thought --

David Solomon: Can't stop it.

Ginni Rometty: I've tried to stop tech trends I didn't like or wasn't ready for. Impossible.

David Solomon: Can't stop it.

Ginni Rometty: Impossible. You cannot. You'll just be waved right over. So, okay, that's done. And the bad guys will go faster then, right? So forget it. And the bad guys are putting all that misinformation in now. I can remember the early days with Watson, with Wikipedia. We tried to give it a -- have it answer a question but in a more what you would consider conservative versus a liberal way. Couldn't do it out of Wikipedia. And that's a sign of, okay, well, who trained it. I mean, so same thing will happen

now.

So I believe it will, like I always did, it will -- it could change all jobs. All the mundane routine, it will change all of that. Memorization, data gathering, all of that will change.

David Solomon: You know, to your point, we tend to let these things evolve. We were talking about social media before we walked in. Social media's 20 years old, and we really have no guardrails.

Ginni Rometty: Right.

David Solomon: And we're now just kind of waking up and saying, well, this actually really isn't good for society. This doesn't work. What are we going to do? I think one of the issues here is the acceleration of pace is going to force us to have that discussion sooner.

Ginni Rometty: Yeah. And this is why I'm so, so focused on this idea about skills versus degrees because, if society doesn't see a better future, it will vote on other forms of not democracy and it will do bad things. And so I

thought your point, like in education, I think they have to rethink education. It's there, okay? But maybe the positive is it will teach -- will start teaching critical thinking again, which is a liberal -- right? That's a really good thing to get back to that.

David Solomon: I'm a big, I'm a big --

Ginni Rometty: You probably are a believer of that.

David Solomon: -- believer in critical thinking. I'm a big believer in liberal arts education.

Ginni Rometty: Do you guys have a policy for Chat here?

David Solomon: A policy in what sense?

Ginni Rometty: Well, either you've said to people, "I want you to play with it and learn it but I don't want you to -- you know, be careful the data you use with it or don't use it at all."

David Solomon: Yeah, we have our -- we are absolutely

encouraging people to play with it and learn from it. Our broad engineering team is spending a lot of time thinking about it. We've got a bunch of strings going on on use cases and how we do want to incorporate it in places where it will sustain our business. We're looking at all sorts of productivity use cases.

Ginni Rometty: Yeah, those will be the first, right? Productivity. And I think the other one is, like, some of our computer science folks in the room, you know, I learned millions of different languages to program in. I think English will be the next programming language, as some have said. I agree with that, right? You won't need to know a language.

David Solomon: We're already at a point where you've got a very, very --

Ginni Rometty: Very high level.

David Solomon: -- very, very high level programming capabilities, so that's only going to grow.

Ginni Rometty: Yeah.

David Solomon: I want to touch before -- because we've just got a few minutes before wrapping up on women and leadership. And so you wrote that you originally resisted seeing yourself as a role model for other women, as you wanted to really be seen for your work, not your gender. Has your thinking evolved on this issue?

Ginni Rometty: Yeah, it did. Honest to god, though, for decades, I felt that way. I felt, please -- and maybe it's a product of, you know, I'm a bit older than you. So I come out of school in the '70s, and it's the '80s, I'm in work. And I was, like, just -- please, I didn't want to ever talk about it.

David Solomon: Head down.

Ginni Rometty: Had those little shirts with ties on them and stuff like that.

David Solomon: Thank god we got rid of those.

Ginni Rometty: Yeah. I probably still have them. But I just didn't want it. And the point I make to a lot of women, I would eventually come around completely on this. And I

would do it because I can remember I was -- I remember the moment. I was giving a presentation in Australia on financial services. That was my area. And a man comes up. I think he's going to ask me a question about how brilliant my presentation was. And he says, "Aw, I wish my daughter could have been here to see this."

And, like, why do I remember this silly moment? And it's because I then remembered, hey, this isn't really about how I feel about the topic. That all these other people can't be what they can't see, is that saying. You cannot be what you cannot see. And if I don't acting like it and embracing it a bit, this is really a very selfish thing, honestly. And I've been privileged to be in these positions. And I would then come to believe the higher up I went, it was really my professional -- it was a responsibility then.

David Solomon: Yeah. When you started as CEO of IBM in 2011, there were 12 women running a Fortune 500 company. Today, there are 53. That's a 380% increase in 12 years.

Ginni Rometty: Yeah, not many, though.

David Solomon: It's still a lot of work to do. What needs to happen to make sure we continue to advance and move in the right direction?

Ginni Rometty: Okay. Here's my short answer because we're going to run out of time. My shorter answer is --

David Solomon: We can go a few minutes over.

Ginni Rometty: -- we got to retain women. If I could do one thing -- and that's the one thing I worked on in my time -- we hired in equal numbers. It was what happened at further on. And when I say that, it's no silver bullet, David. It was, like, you know, we shipped breast milk for mothers who were nursing who wanted to come back to work.

But the biggest thing we did to keep women in the work -- because you've got to -- even if they leave and it's no disgrace to men, women tend to spend more time with the children or raising or family obligation. A lot of men in here that I am sure are very helpful. It may be more and more equal today. But still an uneven piece here.

And so we started something called returnships. My sister, I learned it from my sister. She's brilliant. More than me. Multiple degrees, blah, blah, blah. And she had worked at Accenture at a very high-level position and took off to take care of her son. And X number of years later, she was afraid to go back. I'm like, what are you afraid of? She's like, "Oh, no, the world's passed me by." I'm like, "Are you crazy? I mean, you're twice my IQ."

And as it turned out, I came back the next day to work. I go, hey, how many of our women engineers have left and not returned? And it was a sizable number. And I said, well, let's test this. And we offered something. We said come back for a day or 90 days. We'll refresh you on everything. You can stay until you feel comfortable. And you don't have to come back to us. You can go back to someone else.

Hundreds and hundreds of women came back, and so I know I was not wrong on this topic. And it's this point of --

David Solomon: The returnship concept is a great --

Ginni Rometty: You I think have that, right?

David Solomon: Yeah. It's a great, great concept and program. And everybody does it in their own way, but it's got to be core to what organizations like ours do.

What's the best advice you've ever received?

Ginni Rometty: Okay. I'll end on this. The short version is, when I was mid career, I worked for a man and he said, "Hey, I'm getting promoted, and I think you should have my job." And I said, "Whoa. I am not ready for your job." He said, "Go to the interview." I went. I get offered the job. And my answer was, "I would like to go home and talk to my husband." The guy looks at me. He goes, "Okay."

I go home. Talk to Mark over there. He's, as usual, I'm -- and he's just listening. And he says, "I got just one question. Do you think a man would have answered it that way?" I said, "No." He says, "I know you. You'll be bored in six months. You'll be wanting to learn something else." And he says, "Why do you keep doing this?"

And so his point was really not gender. It was something

that I would eventually turn to a positive. That growth and comfort never coexist. And that's my biggest lesson. And it would make me start to look at risk as a positive, not a negative thing. And it would completely change my view of the world. And I would look for risky things. I would look to go, like, meet someone I never knew. I would say, hey, if I'm uncomfortable and nervous, this means, ooh --

David Solomon: It's a good thing.

Ginni Rometty: -- it's good. I'm learning. And so when people say to me, like, should I switch jobs? I'm, like, it depends. Are you learning anything, right? And that's, like, a really good thing. So that growth and comfort never coexist.

David Solomon: That's a great one. That's a great one. Well, Ginni, thank you.

Ginni Rometty: Oh, thanks for hosting.

David Solomon: Thank you for spending time with us. Thank you for being here. Absolutely. Delight to see you.

Ginni Rometty: It was lovely. Thank you, guys.

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