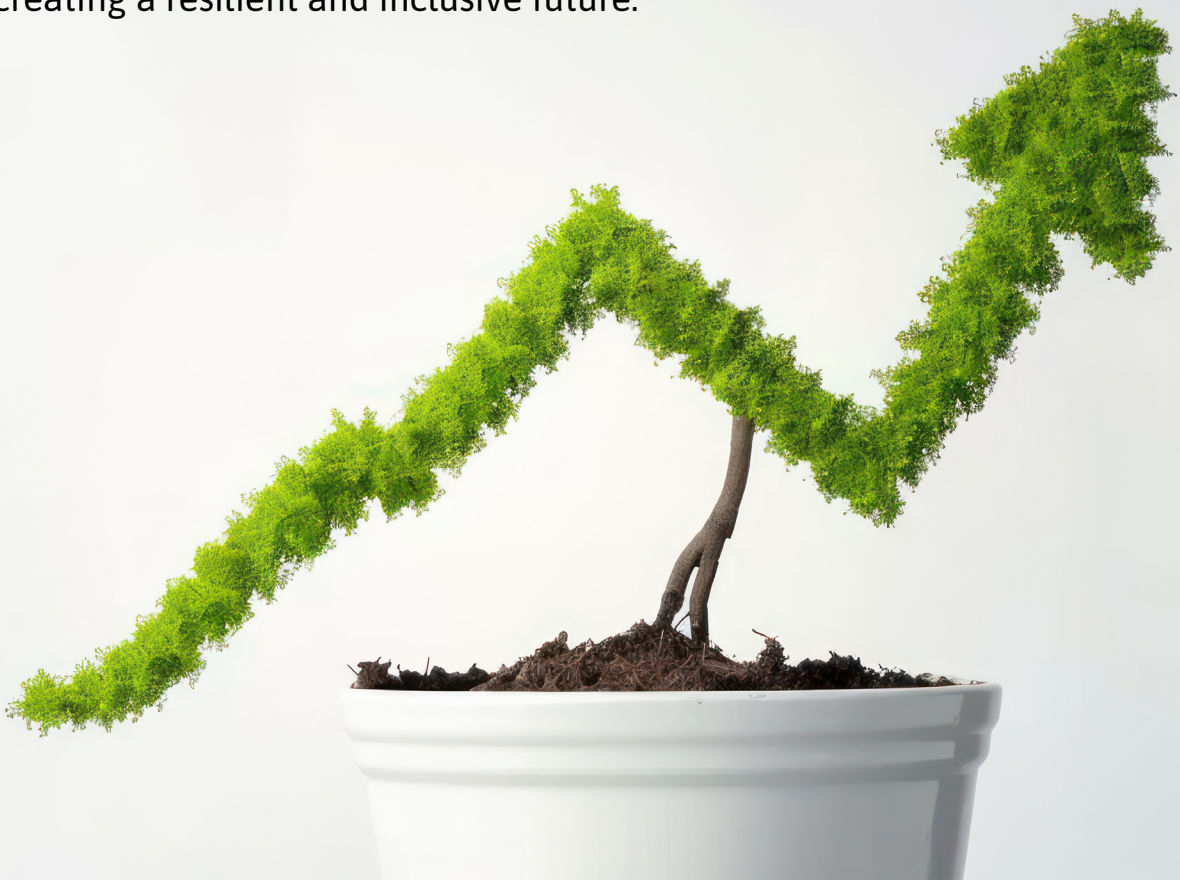


“Growth and comfort never coexist”: Ginni Rometty’s Lessons on Leadership and Business Transformation from a Life at IBM

In this exclusive interview, Ginni Rometty, former President and CEO of IBM, shares her insights on the key trends and challenges shaping the future of business transformation. From the importance of maintaining a steadfast mission amidst uncertainty to building trust in technology and fostering skills-based hiring, Rometty provides a comprehensive roadmap for leaders aiming to thrive in a dynamic and evolving landscape. These are her perspectives on creating a resilient and inclusive future.





Ginni Rometty is the former Chairman, President, and CEO of IBM. Under her leadership, IBM transformed, building a foundation for a new era of technology, while achieving record results in diversity and inclusion. She also championed the reinvention of hiring and education, including the explosive growth of an innovative high school program to prepare the workforce of the future in twenty-eight countries.

Through her work with the Business Roundtable, Rometty helped redefine the purpose of the corporation. Today, she serves on multiple boards and is co-chair of OneTen, an organization of companies committed to upskilling, hiring, and promoting one million Black Americans over the next ten years into family-sustaining jobs. She is also the author of *Good Power: Leading Positive Change in Our Lives, Work and World*.

Groundbreaking technologies, new generations in the workforce, hybrid work, new business models, you name it! We are living an era of extraordinary progress and changes. As we look ahead to the future, what do you see as the key challenges that companies will need to address or trends that are going to arise in terms of business transformation?

When I think about the future and how much is going on in the world,

geopolitically and technologically, and what would I do to prepare, I think I would look at the year from two different angles. On one hand, because of so much uncertainty out there, in times of uncertainty, I think what people need is something stable to hold onto. To me, it would be a time to double down and be sure people know whatever they do, what are they in service of? Be in service of something. Remind you of your mission, your purpose. And then as well, talk about building belief in everything

you do. Speak to people's heads and hearts at the same time as a way to deal with the uncertainty.

_____**“Where someone begins their life should not determine where they end their life.”**

On the flip side, given how much new technology is out there and in an era that will really change how we work and live, I would say that now is the time to start to build trust in technology. And you do that by working on the up and the downside of technology in parallel. So I would focus on a foundation and on building trust.

Let's talk about your career at IBM. As the President and CEO, what was one of the most challenging moments you experienced as a leader?

Certainly my time at IBM was a time of tumultuous change and a huge transformation, likely the most and largest transformation we'll have seen or we'll see. And when I think about what marked it: It was the difficulty and the amount of time. But for that reason, while many speak about what we did, –



repositioning for cloud, AI— actually what I'll always remember is what the team did to create a different environment for how they did their work. And I think it's something often overlooked when people transform. They always talk about what they're going to do, yet how work gets done may be the most important change you make.

You are a strong proponent of hiring for skills rather than qualifications. What does this mean in practice, and why do you place so much emphasis on this issue?

I've become a believer of 'Skills First' as a movement, not just for the United States, but for every country around the world. And let me tell you why and what it means. 'Skills first' does mean, hire people for their skills, not just their degree. My belief in this started long ago. My father abandoned my mother, my siblings, and I when we were very young. My mother had no education, couldn't get a job to

support us. With just a little bit of education, she was able to get a better job. And at a very young age, I realized that access and aptitude are two different things.

_____ "It isn't that we just need more women leaders, but we need more leaders with traits traditionally associated with women."

Go forward in time, 65% of people in developed countries don't have a college degree; 80% of Black Americans, for example, don't have a college degree. Yet, I would learn if I would hire people for their skills, not just having a degree, they'd perform as well, be as loyal and in the end, be just as great of a student. That taught me that where someone begins their life should not determine where they end their life. So 'Skills First' is all about giving everyone an opportunity for a really good paying job. So many of us, as companies, have over-cre-

denialed our jobs, meaning we require a college degree to start when it's not required. I'll bet 50% of jobs are over-credentialed. To me, this is one of the most important elements if you really believe in democracy, because people who believe in democracy have to believe there's a better future. And particularly in this moment of time, of change and technology, this is one way to bring more people into the workforce, a more diverse workforce. And honestly, it's an overlooked pool of great talent that is out there.

In today's world, hybrid workplaces have nearly become the norm. While remote work offers significant flexibility, it also raises concerns among leaders about maintaining control and cohesion. How can leaders effectively balance the need for flexibility with the necessity of control to ensure productivity and team unity in a remote work environment?



Let's talk about remote work. If the pandemic taught us anything, it put a premium on trust. So when you think about what's the right work environment, not just the pandemic, but my history's taught me: The best thing that you can do is co-create that future work environment. I don't know whether the answer is three or four days, or if it's full-time or part-time at the office, but it doesn't matter. The whole point is to co-create what's right for your company, group, or work team. I do know that a team has to come together because it's a team that does work, that decides how and what is the best way.

_____ ***“Diversity is a number, but inclusion is a choice you make time and time again.”***

But the second thing I'd say is, and let me answer it not just from a company perspective, but as an individual: Think about how many jobs require apprenticing to work. I know if I look back, everything I did, I was apprenticing under someone. And so that doesn't happen just remotely. So look at it: What's in it for you? What's in it for the company? And I think you come to the right balance.

Now that you mention balance, how can leaders find the balance between exercising their power and authority and promoting a culture of collaboration, respect, and unity, especially during uncertain times marked by ambiguity and the introduction of new technologies?

So what is the right leadership style for the time? Is it authoritarian? Is it something else? Is it collaborative? I always say the best power is the power you never use. And I think that happens when you work with people and you really are clear about why they do their work, you speak to their head and their heart, and that's what you focus on. So it's a balance. I think in this



world today, I always say that it isn't that we just need more women leaders, but we need more leaders with traits traditionally associated with women. So it is this balance between empathy, listening, learning, but then at times of ambiguity, there are moments of clarity and direction. So it is both. I like to call that 'using a velvet hammer.'

Shifting gears to diversity and team dynamics, what do you believe is the roadmap for creating a culture of diversity within companies?

If you really believe in diversity, the roadmap becomes easy to create. But it does start with an authentic belief that with diversity and inclusion you will have a better workforce, a better product, a better group in total. So if you authentically believe it, it's step number one. And then people always ask me, "Is there a silver bullet?" There

never is a silver bullet. It's about raising your game every single day, so people can feel that they can give their best all of the time, and then hold themselves accountable. I always say, "Diversity is a number, but inclusion is a choice you make time and time again."

To conclude this interview, if you had the opportunity to deliver one message to every leader in the world, what would it be?

If I could give you just one piece of advice, what time and history has taught me is that growth and comfort never coexist. So reframe risk in your mind, and always think of it as a learning opportunity. So you'll start to associate risky positions with an opportunity to grow, not to be fearful. And it's true for a person, a company, and a country: Growth and comfort will never coexist. ▽