

Transcription details:

Date: 8/8/2014
Input sound file: Moxie Session Podcast 18

Transcription results:

S1 00:11 Hello and welcome to another episode of The Moxie podcast. This is Episode 18, recorded on Thursday August the 7th 2014. This is the companion web show to The Moxy Sessions which is an Internet economy discussion group that's held once a month in Auckland, New Zealand. Our aim is to bring together a group of interesting technophiles from across the economy to talk about how New Zealand can take advantage of the internet to improve its economic performance. I'm Glenn Williams with you hear in London as always, and I have a fantastic panel of guests to discuss today's topic and I'll introduce them shortly. So what was the topic of the last session, well earlier on this week? It was all about how women can take New Zealand forward and drive success in business and society as a whole. The session looked at what is to be gained when more women take on leadership roles, and also how we accelerate the process of getting more women to the top.

S1 01:09 So to go with this fascinating topic, I have three fantastic women, as I just mentioned, who are at the top of their game in their respective fields. First up it's Alex Mercer, who is the Executive Director of ArcAngels, whose aim is to empower women entrepreneurs, strengthen their competitiveness and maximise success of New Zealand's small business engine for greater economic growth in the long term. Yes, as you can guess, I took that from the website. Alex--

S2 01:33 That is quite a mouthful.

S1 01:35 I think you wrote it, right?

S2 01:38 I might have to rewrite it actually [chuckle].

S1 01:43 Alex welcome to the show. It's really good to have you here.

S2 01:45 Thanks.

S1 01:45 Next it's Victoria Crone who is the Managing Director are Xero New Zealand. Now of course those are the people who have put together that wonderful cloud computing software. Vic has also worked for other big hitters like Telecom and Chorus amongst others. Vic, welcome to the show.

S3 02:00 Thanks Glenn.

S1 02:02 And finally Labour Party MP Jacinda Ardern who's had two terms now in parliament. She's also currently the spokesperson for arts, culture and heritage, children, corrections and police. She's number five on the list as well, weighing in at-- no, I don't know.

S4 02:18 In the red corner.

S1 02:21 Yes exactly, definitely the red corner. Welcome to the show.

S4 02:25 Thanks very much.

- S1 02:26 Good to have you all here. Now first of all, before we get into any discussion, I'll get you all to talk about what you spoke about at the session. First I'll go to you Alex. Tell us what you spoke about.
- S2 02:37 Sure. Unlike my intro actually, I sort of took it from the other side of Angel Investment. We talked about how women make phenomenal investors and that it couldn't come at a better time for New Zealand, where we've got amazing start-ups and expanding businesses across New Zealand, and some that are in tech industry, ag, medical, across the board, and it's very exciting at the moment to see the innovation that we're competing on the global stage. But we need to get them capital. The connection to capital is critical for these businesses to scale and grow. That is where the extremely important role of the Angel community comes into place, where they become a conduit between investors, as the providers of that risk capital, and the entrepreneurs who need that capital to grow fast. NZVIF this last year talked about that investor activity is back up to 2010 levels, at about 53 million, and I believe that New Zealand start-ups really need double this to meet the existing demand, and for us to really compete on the global stage, attract enough capital going into these entrepreneurs so that they can go offshore in expensive markets like Europe, and the US.
- S2 04:12 But in order to do this we need to boost the numbers of investors, and that's where the women come into it. At the moment, we've got a predominantly male investor community, Angel investor community. They're absolutely committed and dedicated to these entrepreneurs, and we actually need to build that from a female perspective, so that we can add our voice to that as well. The great thing though is women make really great investors. We've got some data from the US where an OECD report ten years ago came out with the US Angel Investment community having only 5% women investors, the same thing for New Zealand, but just last year. So we've got a lot of room for improvement, but that's also a phenomenal opportunity for us to build capability in this area of our women across New Zealand. Women, as I said before, make great investors. We actually, we take less risk, so we do far more due diligence on companies. We cast a wider net, we pay a lot of attention on the personalities and management, and we seem to evaluate how these personalities would interact as the business would grow. I'm not taking anything away from the dedicated male investors, but certainly the females take on a slightly different perspective, that's for sure. So our focus on female investors will have dividends in focusing on female entrepreneurs and businesses. The research from the Kauffman Foundation found that women are more likely than men to invest in women managed companies. So we feel like that is a huge opportunity as well, to drive the abundance of entrepreneurial businesses that are managed by women, and also give them the same opportunities to grow and scale. And that's where ArcAngels comes into it. We are a new Angel Investment organisation, we're only nine months old. We're not pregnant, we've already had lots of babies with a couple of deals, and we've seen lots of different organisations coming through our deal flow. They're just not the face creams and the baby clothes. We've got lots of medical devices, SAAS, and ag as in biotec. But that's kind of the jist of the evening the other night. It's all upside, where we're going from here.
- S1 07:04 It sounds like ArcAngels is doing some great stuff and that's an interesting sort of stat there about women driving women, more Angel Investors investing in women businesses. I think that's really interesting. We'll probably talk more about that. But off to Vic now. Let us know what you talked about at the session.

S3 07:19

Yes, my session was really about women at the executive level and the board level, and how that's working for New Zealand, and what are the opportunities there. I think the research is really clear and research over and over again has shown that by having women in senior leadership positions in executive and board, that your company actually performs a lot better, particularly financially. And so with that research there, the question is why aren't we getting more women at an executive and board level, and while the public sector in New Zealand has around 40% or so of women on their boards, the private sector is sitting only just about 10% I think, from the latest statistics. Along with posing that question though is, if you're trying to engage people in discussion and debate, you need a strong purpose, and I think that the purpose that we've potentially had to date is very much around if you have more females in senior roles in your companies, your company will perform better financially. That's not necessarily a great way to engage people, I guess, in a journey. So the question that I posed is do we need a stronger purpose around why we need women in senior roles? And is that because it's actually going to be beneficial for everybody, not just females, just not with financial performance of your company, but where going to be able to build a better business community and a better society for New Zealand. So it's really thinking about can we find a stronger purpose to engage people in this discussion around. The next point was around quotas, and there's been a number of debates and discussions, not just in New Zealand, but globally around should we introduce quotas to ensure that we get enough female representation at the top table, and I guess personally I'm not a major fan of that. I think a number of us have experienced becoming the token woman in the room, in terms of, we know we need to have more females so here's one. And it kind of almost feels like you're there not because of your achievements but because of either your gender make-up or your cultural make-up. So we had a good thrash around in terms of quotas and non-quotas and is it carrots or sticks, and how do we really get that momentum going more. I guess the last thing was why. So why is it important to have women in senior roles, and I guess, from my perspective, there's a couple of compelling things that women bring. Globally we make around 80% of the world's purchasing decisions, so, and it's not that male genders don't have good insights into purchasing decisions. It's just something that we do everyday, all day, and so we really tend to understand the consumer psyche and the decision-making process. The other one is that our role in the home is a nurturing role, in terms of bringing up children, and therefore we bring aspects of that into the workforce, and that can have a really positive impact on culture and relationships. And the last one is, we're very very good at scanning what's happening around us. So in terms of protecting our children, we're always on the look out for what is happening in our environment, and I think that that's a skill that we bring to the workplace as well. Ultimately though, I think what we all decided was that actually it's not just about gender. What we lack in New Zealand, and in terms of moving our businesses forward and economy forward, is we lack diversity altogether. So it doesn't matter whether that's age, gender or culture. We just do not have enough diversity in senior leadership and boards in our companies.

S1 11:02

And I noticed you skirted around the multi-tasking abilities there by saying that women were more aware of their environment, rather than being better multi-taskers. I thank you for that, Vic.

S3 11:14

Well picked.

- S1 11:17 And of course we'll probably thrash around a little bit on that quota stuff as well. I think Jacinda might have something to say about that. Jacinda, what did you talk about at the session.
- S4 11:24 Well I guess if I were to be slightly positive and point out the areas where we have made some improvement. I guess the women who are involved in politics, the area that I guess I can speak to specifically, We'd say that we've come a long way since at least the 1930s when women first entered into parliament and had to fight to even gain access to the nearest bathrooms in parliament, such was the dominance by men. But I think in recent decades, where you would have expected to see a bit more of an increase in womens' participation at a central government level, we haven't really moved that dramatically. We had roughly 15% of our MP's were women in the 1990s, and now we're up around the 30% mark, but when you break that down across parties, there is certainly some parties that are trying perhaps a bit harder than others. The government at the moment is made up of 25% women currently, and it's looking even a little bit more dismal in terms of those top leadership roles within politics. The question I think people would probably ask though is, does that matter? Now that'll depend a little bit on where your value set sits on these kinds of issues. My personal opinion is absolutely it matters. If you want a parliament that's going to represent New Zealand, it needs to look like New Zealand, and that means ensuring that we do have an adequate representation of women in parliament. Some would say that's because we need to make sure that issues that are predominantly the concern of women are being catered for, issues like equal pay, flexible working, any issues that relate to family and caregiving and so on. Yes, I absolutely agree. That's part of it, and those are all areas in which we continue to lag, but at the same time, it's also my belief that individual MP's bring a number of lenses to the job, different value sets that they do all of their analysis through. Yes, I'm a women. I'm also a younger, relatively, member of parliament. I had a rural, semi-rural, upbringing. I now live in the most densely populated seat in New Zealand. All of those things colour the way that I make decisions or the way I seek views on policy and politics, and I think having a greater number of people who do view through a range of different lenses is really important. How do we then tackle the issue of that under-representation, if we do agree that it is an issue. If I were to reflect on my own experience of how I came to politics, it wasn't because I decided that I wanted to be an MP and then I pursued the particular career path. I joined the Labour Party to be a volunteer and that's how I probably realistically perceived that that's where I would say. Now that might say something about my own confidence levels. It might say something about womens' confidence levels within politics. Then when I think about the point where someone asked me to run, that was a really critical thing. I was asked to run, I was asked to take on a lot of the positions I took on. They were never things that I pursued personally. Then finally, the biggest factor in my consideration of whether or not I would run is that I felt like I would be making some sacrifices and I wasn't sure I wanted to make. Would it impact on my ability to one day be a mother? To be a decent member of my family, to contribute to my friendship groups, would all of those things be lost, and would I be able to take the really personal nature of politics and so, I think that realistically those are all things that women factor in considerably when they consider taking on these kind of roles, and they are a big deterrent. So those are, I think, probably the things that we need to overcome in a political space.
- S1 15:28 Golly, there's so many amazing points that you've all made that we can talk about here, but I just wonder if we can perhaps pick-up on something Jacinda you just said then about confidence. Whether or not that was a personal issue for you, or a wider

issue for women in general. I wonder if we can go back to perhaps you Alex and figure out if that's also an issue in business as well, in the business world, where perhaps women feel that competence isn't held as highly as confidence. If Alex is still online.

- S2 16:00 It would help if I took myself off mute.
- S1 16:02 There you are. Hello Alex.
- S4 16:06 I was like, oh I have bored her to death. She's fallen asleep.
- S2 16:08 That is a competence issue right there. From a corporate and a business perspective, actually across the board with women, I think there's a-- and I'm probably generalising here, but there is a confidence gap. There are many times and many cornerstone decisions where I for one have looked at a job opportunity, a promotion, something like that, and you think "I just don't have 100% of my competency in that area, therefore I think the guy next to me is probably, he's probably better for the role." Now, the guy on the other hand is actually thinking, "I'm 50% there, I'll be right. I'll be able to do the rest." Now that mindset is something that we do need to shift. It is a paradigm mindset of women in business where we actually need to have the sponsors around us that actually push us into those areas. Men and women, who see, and don't allow us to, I guess, feel incompetent 100%, there's always a learning. But I definitely think there's a confidence gap. On the investor side absolutely. Women feel like they have to have 100% background in financial advisors or in competency in some way in numbers. In actual fact, it's experience that actually that actually makes a very very good Angel Investor, and it's those that really support the entrepreneur themselves and that business, from a customer connection, from a network, and from advice, from their own experience, not just the financial side. So there's a lot of different perspectives that women are really phenomenal investors in that way, and it's not just a financial competence that they require.
- S1 18:10 So how do we address this?
- S2 18:12 I think--Vic actually brought it up on the other evening. We instill in our daughters the confidence that they can, and I'm bring up the 80s, showing my age, not Jacinda's age, that girls can do anything. Well, so can men, and well together we can do everything, and I think it is a case of looking around you and seeing those men and women that are phenomenal on your team, and you bring them all up. All boats rise with the tide.
- S3 18:53 There was a fabulous ad that was put out, and I can't remember who put it out, but it was called "Run like a girl" and I don't know if you've seen it, and they basically--
- S2 19:00 I love that ad.
- S3 19:01 They were doing casting for a TV ad, and they asked all these girls of all ages to run like a girl, and they ran in this incredibly mocking funny way that they thought girls ran like, and then they explained actually no, this is what we're doing, now run like a girl, and they just ran like a normal person. These girls went from these kind of flippy flopping pathetic looking things to these really strong athletic looking runners. So there is just a stereotype in how we think about women, and so, as you say, we need to be ensuring that we're building confidence that they can do anything. But I guess the challenge is, is it's not really changing, and I think that came up at the Moxie group after was, the top three professions that girls want to go into today are the same as it was 10, 15, 20 years ago. They're not compelling and inspiring from an economic business perspective, in terms of moving our country forwards.

- S1 20:03 So is this particularly a New Zealand problem compared to other places, compared to the US or the UK?
- S4 20:10 Looking at the political spacing, we are confronting exactly the same issue internationally. The difference seems to be what we're willing to debate and to discuss as solutions. So everyone will remember that recently the Labour Party decided well we need to do something about the fact that we do have this under-representation. We started bouncing around internally some ideas, and some of those ideas became public, and what went from the idea of women only short-lists, which are used in the UK, went from that idea to suddenly being interpreted as man-bans, and being widely panned. Now regardless of your personal view on a mechanism like that, my concern was whether or not we're actually willing to have those kind of discussions. There seemed to be an unwillingness to accept that there is that unconscious, a little bit of unconscious bias, a little bit of the fact that politics isn't that appealing to women, it's something that we need to address. I don't think we wanted to accept that that existed. I think we see ourselves as so egalitarian, and that we don't have those kind of issues. That might have been part of the reason we had an en masse push back. It also might be because we've made assumptions that because we've had women in leadership, and at one time Margaret Wilson is speaker, and we had Dame Sian Elise as our Chief Justice, and Helen Clark, and we all say "Everything's fine" but underneath it, we've still got a lot of work to do.
- S1 21:37 Or do we even say "We're done with that now, we did that bit." The women--
- S4 21:40 Yeah, I think we have a bit, and for the same reason that girls seem unwilling to take on notions of feminism, because it's a bit tainted, and we feel like everything's fixed.
- S1 21:50 So, but let's-- so that's the political side of it, what about the business side. Aren't the employment laws already there that say when you apply for a job, equal opportunities and all that, gender, race, age and all that. It doesn't matter when you apply for a job. So the law's already in place, is there anything else we can do on the business side to have more women climbing to the top. Alex or Vic.
- S2 22:15 I can give you some stats, that in the US there are 12 to 15% women on boards. Well you'd think that the US were sort of slightly ahead, and we're the same, we're at about 14%. There's obviously a problem at every level, that we lose women, off-ramping at about the 30s, where they're deciding to have children, or they're having children and that they're not coming back into the workforce, and driving into those senior roles. Now that could be a personal decision, or it could also be tampered by are we really sponsoring these women to become well-trained into those senior roles, or three, do they actually want to be a senior leader as well. And that's probably where Vic has probably got the best, is the best case study and point.
- S3 23:11 Yeah I think, look I agree, and I think we started with the confidence issue. I think it's a global thing and Sheryl Sandberg wrote a fabulous book in-terms of lean in, which covers that in quite a bit of detail. I think it's an incredibly, well I've certainly found it hard road being a mum, and also having a really senior career, and it's really demanding, and I was at the high tech awards about a month or so ago, and all of the companies that won that, the male founders or CEOs got up on stage and thanked their wives and partners for making it possible. And I just think women as the primary caregiver despite still working, we see ourselves as the primary caregiver. It's incredibly tough to balance the responsibilities at home with the responsibilities at work, and therefore I do think you have to be incredibly strong, almost made of steel,

actually to make that transition through having a family and continuing into an executive role, and so it's tough. So that is probably partially why people drop out. I think the other thing that they're doing more successfully in Australia is finding senior men to sponsor women into senior roles. So we talked about, actually it's not just about women championing women, it's around how do we bring genders and cultures together, and then championing each other into these roles that makes a difference.

- S1 24:42 So how does a CEO create that kind of culture within a company, or even a politician, a political leader. How do they create that culture without suddenly seeming to be favouring one gender over the other.
- S4 24:58 I don't think it's about about favouritism. I think it's just about acknowledging that, you know the word unconscious bias gets used but I don't know if that entirely captures it. I think if you do the exercise where you say to someone, what are the characteristics that you assume politicians would need to be successful? And whenever I ask that question, I always get this list of words like assertive, bold, aggressive, ego was the word that was used the other day, words that I don't think most women would use to describe themselves. And so I think accepting that probably we've got some characteristics within that are very specific to politics and not necessarily the business world, that do mean first, it puts people off. Second that when we're looking at our female candidates, are we judging them against a set of criteria that's actually been formed somewhat by the fact that it has been dominated for decades by men. So I think it does take a really conscious effort to try to remove some of that criteria, that actually isn't what should shape politics, and in fact, if it continues to shape politics, it probably will continue to be a bit of a negative space. So it's not about favouritism, it's about removing some of that, and saying look, if you've got candidates of equal merit, and for a time, you've got an under-representation, should we be looking to more proactively try and encourage women in those situations.
- S2 26:30 And sometimes it's because on the corporate side, it's not being measured. Here in New Zealand, the NZX only ask NZX listed companies to report whether they or not they have a diversity policy or not. Now in the ASX, in Australia, and this is where there could actually be some-- why the numbers are looking a little bit healthier in Australia is that the ASX ask corporates not only on their diversity numbers but their policy. So unless a CEO knows who they've got under their leadership, they can therefore measure whether or not they are truly a diverse company or not, and that's not just gender, that would be across the board, really knowing the make-up of the company. And I think that's where unconscious bias comes into it, hate that word. I guess it's inclusive leadership or something more sort of academic, where, when you are hiring a team, you go for people which are more familiar with, that you feel more comfortable with, that you know you'll actually work within a team a lot better. And that you may not step outside the box and look for somebody that's a little bit different or diverse.
- S1 27:53 I guess we know the general rule for being hired is knowing the right people, rather than what you know. Is it about the networks that women create within their business but also outside the business to keep hiring the right female candidates?
- S4 28:11 Girls-only masons, that's what we need.
- S1 28:15 A secret-society. You already have one right?

- S3 28:19 I think the networking side is really important. However, it's an area that doesn't always sit well, because we talked about, there's been a certain way of doing business for a long, long time, and a lot of it is done over the golf course, or over drinks, or in social settings, and that's cool. As a mum, it's really hard to get to some of those. I just can't get there the whole time, and I don't like golf, but anyway. So you need to build the networks but it also is a little challenging to juggle the responsibilities to get to get to all of those events, to get to all of those sessions where the opportunities often are discussed and presented. So I think that that's just the challenge, and I think there is some definitely efforts being made in terms of making the network things more accommodating, and things like that, and we certainly really do appreciate that.
- S1 29:18 And those particular networks actually do exist actually? I was thinking about one the other day. New Zealand Women in the UK, there's a particular network for that, New Zealand business women to get together, and help each other out.
- S3 29:30 Absolutely and there's definitely quite a few here, which is really good in terms of sharing experiences and putting on your big girl undies and fronting up and tackling issues together and stuff, so there's a lot of good work going on here. And I think the question is, how do we make sure that that's really inclusive to men as well.
- S1 29:51 Well okay, I think we're about out of time. I'll go around the horn first of all and go to you Alex, and tell us what you're up to and all that, and anything else you want to finish on as well.
- S2 30:02 Well ArcAngels is what I'm focused on, and boosting the Angel Investors. I'd love to report back at the end of next year to say that we had 100 members, and are very actively participating in investment across New Zealand, and some really phenomenal business women entrepreneurs are coming to the fore, and I would love to see on stage Vic, at the high tech awards, a women SAAS entrepreneur that wins it in the high tech awards, within the next sort of three to four years. So that would be my focus.
- S1 30:39 That's a really good goal Alex, and thanks so much for being on the show. If people want to follow you online, where can they go?
- S2 30:46 We're on twitter @arcangelsnz and we're also, you'll be able to see us on arcangels.co.nz.
- S1 30:58 Brilliant, thanks very much Alex. Vic, Vic Crone, what are you up to at the moment, and where can people find you?
- S3 31:03 So the big thing for me is within Xero, we're building out a, it's very cool, fully integrated platform, kind of connecting big business to small business and government to business, so we're doing that at the moment, and then we intend to role that our globally, which is very exciting. You can find me on twitter, it's @VicSterNZ, and I think, just in parting, I just want to reinforce, while we've talked a lot about women today, actually it is about diversity, and for me, the gap is not just women, but it's age and it's culture. So we need to really be embracing all of those and pushing those changes through, because I do believe, if you can get more diversity at the top, then you can deliver much better results for New Zealand, so thanks again.
- S1 31:48 Thank you, and I just thought while you sort of touched on that, that it is a diversity issue. Am I a bit of a wimp because the other day at work, I work at a tech company, and there was a poster saying "Free Coding Workshops for women in the company" in

a future month, and it was just for women of the company, and I was like "I would really be into something like that but I would have to pay". Am I a bit of a wimp in thinking that I was a little bit hard done by in that, or?

S3 32:26

No, and I think that that's the challenge we face right, and that's why it's a diversity issue, and not a female issue, because you do face being, we get targeted, so why can't I have access to that, and absolutely. It should be inclusive. It's not just about women, so no I think that you should feel a bit hard done by, and it's getting that balance right.

S1 32:46

Sorry to bring that up.

S4 32:47

I'm just interested that you wanted to go to a coding workshop in your spare time.

S1 32:52

Jacinda, please tell us about-- you're not doing much for the next few months are you? Feet up?

S4 32:58

I've just got a casual few weeks ahead. My goal is to get through the next six weeks without any kind of personal electoral implosion. I keep my bar pretty low. I'm going to try and win an election, that's what I'm going to do, but beyond that I absolutely echo what you've said Victoria, and Alex, and also that at the end of the day, as much as we need to keep driving the systemic change, I know that I'm doing what I'm doing because there were a few individuals I can name and so my goal is to maybe be that individual for someone in the future too.

S1 33:37

A hero?

S4 33:37

No. Would I describe them as heroes for me? Just friends, and people I could always rely on who I always felt like, in a kind of environment where it can be really tough, they just were always unconditionally supportive.

S1 33:54

Golly, that's a nice note to end on. Thank you very much Jacinda, and to Alex and Vic as well. That has been the Moxie podcast episode 18. Thanks very much for tuning in on your device, and you can find out all the flavours of getting the show, not this one in video unfortunately, but previous ones over at themoxiesessions.co.nz, where you'll also see a transcript of this as well, and also the NBR article that goes up after the session every month. You can also find out how you can go along to a Moxie session if you are lucky enough to be in Auckland. I'm Glenn with you here in London, until next time, see you.