

The Future of Work podcast is a weekly show where Jacob has in-depth conversations with senior level executives, business leaders, and bestselling authors around the world on the future of work and the future in general. Topics cover everything from AI and automation to the gig economy to big data to the future of learning and everything in between. Each episode explores a new topic and features a special guest.

You can listen to past episodes at www.TheFutureOrganization.com/future-work-podcast/. To learn more about Jacob and the work he is doing please visit www.TheFutureOrganization.com. You can also subscribe to Jacob's [YouTube](#) channel, follow him on [Twitter](#), or visit him on [Facebook](#).

Jacob 00:50

Hello welcome everyone to another conversation today on the future of work with Jacob Morgan. And my very special guest today is Kate Johnson, the President of Microsoft in the United States. Kate, thank you so much for joining me today.

Kate 01:05

Thanks, Jacob. Great to be here.

Jacob 01:07

So lots of questions for you today. I was doing my homework on you. So I have lots of fun things for us to talk about. But maybe before we jump into any of that, maybe you can give some people a little bit of background information about you. How did you get to be involved with Microsoft, and a little bit about the team that you're leading here in the United States?

Kate 01:27

Sure. So I am a 30 year technology veteran, I have an electrical engineering degree, got my MBA, went into management consulting, fell deeply in love with leading change programs, and kind of made a little bit of a career journey out of that. Going from a couple different companies. A few inside tech a few outside of tech, most recently, Oracle, GE, and then Microsoft. And I chose to come to Microsoft is actually a part of a longer story. But I wanted to help rewrite the history of the company Satya Nadella at the helm. I was doing some amazing things. And I recognized his passion for culture and how that could drive purpose and enable it. And that was the trick for me based on everything I had learned. So I now am the president of Microsoft US. It's a \$45 billion p&l with 10,000 sellers, fighting the good fight in the cloud wars.

Jacob 02:31

Wow. See if you're responsible for 10,000 people here in the United States?

Kate 02:34

Yes.

Jacob 02:35

Wow, geez. And \$45 billion. So tiny company?

Kate 02:40

Yeah. It's just a little thing we got going here.

Jacob 02:42

Yeah. Well, it's been fascinating to see the transformation of Microsoft over the years. And I told my wife, I was speaking to you. And she's like, remind Kate that the stock price of Microsoft went up like 400%. Over the years. I'm like, Yes, I'm sure. I'm sure Kate knows that Microsoft is doing quite well. Because I remember looking at Microsoft from the start. And I don't remember how many years ago this was it was like \$20 a share. And it was stuck there for many years. And now it's, you know, through the roof. So clearly, you guys have been doing something right.

Kate 03:11

Yeah, there's some things that are going on here that I think are are great. And we feel very blessed, by the way, so.

Jacob 03:16

Yeah, yeah. Well, one of the things that I wanted to talk to you about today, and I get asked this question a lot, because there are a lot of female leaders who listen to the show. And I get a lot of questions from people. And people always say, Jacob, you need to have more female executives on the show, you need to have more diversity. And I always tell people, I respond to their emails. And I say it's not for lack of trying. They're just not that many female top executives at organizations around the world. And a lot of people, especially female listeners, really wanted to get your perspective on being a female executive, a top female leader, at such a global company. what that's like, Did you have any unique challenges that you had to overcome any advice that you can share for other female leaders out there?

Kate 03:59

Oh, for sure. So, you know, it's kind of it's kind of interesting, because I had listened to some of your podcasts prior. And I know that this is a topic and a passion some of your followers are interested in and I, I was sort of gathering my thoughts about it. And, you know, I think there's something very generational about the nuances of how I think about being a female leader.

Kate 04:22

So, you know, I graduated from college in 89. I graduated with my MBA in like 1994. And back then you didn't sort of lean into who you are as a female leader, you just you just sort of ignored it. Like it's best if you don't bring it up, you hoped kind of no one noticed. It was a generational thing, you know, and I've now kind of gotten to a place of a bit more enlightenment where I, I recognize the different nuances between genders in terms of leadership. You know, there are So many case studies and so many books about this. But the truth is, there are some benefits for being who you are there, the biggest benefits are having some of everything, right. So you get different points of view and perspectives. If it's true that females can be more empathic in their leadership, you know, that's not a bad thing. So bring it on.

Kate 05:23

But I think there's, there's been sort of someone in my journey that really taught me a lot. And it's, it's happened back in 2001, you know, I married my college sweetheart been together for 35 years,

Jacob 05:38

Wow, okay you're gonna need to give me some good marriage tips

Kate 05:41

Yeah, we can go through, you know, tips and tricks, but that's probably a different podcast. So basically, you know, he was always the primary, we have two kids, and it was just sort of a, given that he was going to go and do the thing. And when we had kids, I would kind of hang back and do the blended career thing. And then something happened, you know, it's called 9/11. And, you know, we lived in New Jersey, we were working in Manhattan, we had just moved down as matter of fact, and we lost a lot of friends on that day. And it was super intense. And there was just this cloud of sadness over us for a long time.

Kate 06:24

But at the same time, like three days later, my husband, Todd was diagnosed with cancer, and we had to go through this massive of health crisis, at the same time that we were mourning the loss of our friends at the same time, we're trying to figure out the new normal of, of terrorism in the United States on you know, on our soil, and it was, it was big. And what happened was, Todd went through, you know, his health crisis and came out on the other side, a different person, and he said, Hey, you know, I've been thinking a lot about this, you love to work, I don't love it, you go and do that, and I'll take care of the kids.

Kate 07:04

let's get rid of the nannies, etc. And I was like, well, that's, that sounds, you know, kind of crazy, because I don't know that you really know how to take care of the kids and stuff.

Jacob 07:15

My wife tells me, that

Kate 07:16

Right, like, like most super healthy marriages, we gave it a quarter, 90 days, you know, still using the 90 day monkey on our back to measure all things and said, you know, gosh, this kind of works. And then something really interesting happened at work, I had freedom of my brain to just focus like a laser. And I started doing better. And, you know, I got the return on investment of my career.

Kate 07:42

And that's when I realized that there's something to the notion of role, you know, rather than gender, I really think it has a lot to do with role. And, you know, that your family construct, and how that informs how you show up at work I and, and that's definitely true for me. So, you know, now here I am with kind of that under my belt, as well as a whole lot of things that I had to, to live through, without a doubt barriers of, you know, being the only one in the room and not necessarily speaking the language or

maybe making others uncomfortable that they're not going to speak the same way with me there that they would if, you know, if you weren't in the room, etc.

Kate 08:25

I've had some really interesting moments in the career field. I won't tell you which company but I was on a diversity board at one of the companies I worked for, and they were doing some pay gap analysis. You know, when you're the one of the only senior women, and they're, they're sort of doing, you know, pay gap histograms. And there's only one female, it's really easy to figure out where you are on the thing. And so they were taking feedback from everybody on the call, and it was so obvious that I was like, \$30,000 underpaid from everybody else.

Kate 09:07

And they said, Kate, do you have any comments? And I said, I don't know who she is, but you owe somebody on the call 30 grand.

Jacob 09:14

Did you actually say that?

Kate 09:16

Of course, I did. Of course, I did. So you know, and kudos to the company. They fixed the problem. So I'm, you know, I've seen a lot and, and I hopefully I've contributed something to the cause of driving diversity at the senior levels and lots more stories there that we could talk about all day for sure.

Jacob 09:35

Oh, that's awesome. I love that story. You owe somebody at the company 30 grand. And it's funny and I talk to Barbara Humpton and you know, Barbara, the CEO of Siemens in the United States,

Kate 09:47

I know of her but I don't know her personally.

Jacob 09:49

She was telling me a story as well, that when when she was growing up through the ranks, a lot of executives said Barbara you're going to have to choose, you're either going to have a family with kids or you're going to have a successful career you can have both need to pick. And she's kind of like, What the hell are you talking about? I'm going to have both. And she she was describing these challenges of how as she became more successful in her career, more and more people kept telling her that she can't do it. And she's going to have to pick between family and having a career and how she had to go through to overcome that. Did you experience any anything like that as well, when you were becoming more successful people telling you a, you're gonna have to pick?

Kate 10:27

Yeah, so I felt pressure at various times, to have to miss things, I either had to miss something work, or I had to miss something at home. But I had a couple things going for me one was, I just happen to have

a series of super supportive bosses. I mean, like crazy supportive, like Lucky, lucky, lucky, lucky, lucky a bunch of times in a row.

Kate 10:50

I also had several female bosses who were wonderful and understood what I was going through, I had several male bosses who figured the same. I had an amazingly supportive spouse who was creative in the way that he made space for, you know, for us to have the moments together as a family. So you know, nobody has it all. And you've got to sort of, you know, make sacrifices.

Kate 11:16

But one thing that was really helpful for us, and it's a trick that I always recommend for other women is I give my kids the calendar at the beginning of the year from since they were extremely young. And I said, What are the blackout dates, like, what are the most in your soccer tournaments, or, you know, the ring ceremony at school, or, obviously, graduations and honor ceremonies, and also, you just give me notice, and you do blackout dates, and I will be there.

Kate 11:43

And my team at work has always understood the blackout, you know, situation, and we've just made it work, when you can carve out that space and give control to both sides, by the way, because there are also moments at work that you cannot miss. And you put those in the calendar too. And when you have a conflict, that's when you get everybody together, and you say, what are we going to do about this one?

Kate 12:05

So, you know, I, I've always balanced it. And I've always enjoyed both roles. And the more that I can be the same person, as I play both roles, you know, mom to Owen and Jake and, you know, leader of MSUS, being the same authentic person with same quality, same sense of humor, same flaws, same, you know, pros and cons that that's when I know I'm doing it, right.

Jacob 12:31

I've had a few female leaders who I've talked to in the past, well, I should just not necessarily leaders, but employees will say to me that they found that for being female in the workforce, they've had to be a little bit more assertive, they had to put themselves out there more they had to, you know, do things like that. Is that or was that true for you as well? Or did you find that it was not so much an issue?

Kate 12:55

So couple things? I think that's a really complicated question, because you go back and say, when were the moments that I should have been or could have been more forceful. And then when were the moments that I should have clammed up, right? Because I got it wrong on both sides, for sure. and learned along the way, when the best time to talk was.

Kate 13:13

I grew up in a family, we were Irish Catholic, and I had the very traditional parents, and there was this movement of grace. And my parents were teachers, and my sisters and brother are teachers, and they

don't know the corporate space. And they were always sort of shocked and horrified with how directive I was and, you know, kind of coached me to like, hey, like, tone it down. And I, you know, I carry that with me. And whenever I got feedback, and in the workplace, like, I wouldn't just be up there I was, it was like, gosh, I'm trying to, like balance this deep DNA from how I was raised to what's actually going to make me successful in the boardroom.

Kate 13:53

But I did have an advantage of being, you know, technical, female, in a space where there weren't a lot of people like that. And so I probably got opportunities, you know, more often without having to actually go and grab them than say some folks would today.

Jacob 14:14

Yeah, no, I think that's fair advice. Well, before we move on to the next topic, do you have any advice or suggestions specifically, to the female listeners of the podcasts out there? Who are you know, look up to you, we got a couple of comments here on LinkedIn saying that you are amazing. They love some of the ideas about like the family calendar. So any advice for prospective female leaders out there or existing female leaders, any advice that you want to share them?

Kate 14:43

You know, I just take it one day at a time it's a marathon, not a sprint and that is so trite, but I think when I got frustrated and impatient was when I probably should have taken that big deep yoga breath, because here I am a couple decades later. In what seems so pressing in those moments, if you just hold back and you take a timeout in a moment, you're going to get that next chance, you're going to get that next moment. So be patient with yourself, be patient with those around you, because the opportunities are going to keep on coming. And you can count on me to make sure that they do.

Jacob 15:20

So we actually got a very interesting question from Nadia in the chat. And I'll read what she said. She said, being able to negotiate work and family life has always worked for me. But showing I can still deliver in excess is powerful. I don't think this applies to both fathers and mothers. Has there been a time when you didn't like the idea of asking for that time, even early in your career? And how much do you think the pandemic has allowed more trust in flexible working? Or do you think businesses are more cautious? And don't trust that people will make up the time? Long question there for you. But I promised Nadia that I would ask you

Kate 15:55

Yeah, for sure. It's a great, it's a great question. Look, without a doubt earlier, I you know, I said no more to the family than I did to work, because I didn't have confidence that it was going to be okay, and that I was going to be forgiven and that they would notice. And then I had this amazing boss, who told me, hey, if you didn't show up tomorrow, you know, what would happen? And I said, What? And she said nothing. I was like, oh, gosh, you mean I'm not that valuable? And she's like, No, you know, you're not it's actually the world keeps going around. The sun comes up tomorrow, no matter what happens today.

Kate 16:32

And I think that's really, really important. I wish I had learned it earlier. I'm not sure it would have affected the outcome. I don't think I've had bosses that gushy. No, she didn't. She didn't work hard enough. Or Gosh, she worked too hard. I think it's one of those things where you carve out and make the balance.

Kate 16:48

And that's another piece of advice I'd give to everybody is, you know, it's okay to say no, and actually, it'll probably help you raise the quality of your game and the places where you do say yes, if you balance it more with with the guardrails. In the pandemic, man, it's, it's tough, we're all having to figure out when it starts, and when it stops, how to give your teams more, more space to refresh. In the middle of the day, you know, I've I've left my post here, and in my, my, my son's old bedroom, which is now my office. And, you know, gone for a walk to clear my head because I can't tell where the day starts and stops and I know my team wants to do the same.

Kate 17:27

So I think we're all getting a little bit better at the idea of giving each other a break. And I think it's much needed. And I hope it's one of those durable changes that we get out of this thing, right.

Jacob 17:38

Yeah, you mentioned something interesting, which is the importance of saying no, and again, this is true female man, that doesn't matter. This everybody needs to learn how to say no. Do you have any stories of how when you had to say no to Satya Nadella? Or when somebody had to say no to you?

Kate 17:56

Yeah, well, they say no to me, you know? Why. And the discussion as to the why, right? You know, what? Why is it a no? And if it's, if it makes sense, I have infinite patience for that. If it doesn't make sense. And there's a way to, to get what we need done then fine. But I find for the most part, Microsoft's got this super intense culture where the answer is usually Yes. And I have to, I've been having to coach people to say no more often.

Kate 18:24

In fact, I sent out a note just last week to everybody to remind them to say no more often, especially to things like internal meetings, where we sort of spin up a lot of work and it doesn't bring any value to customers. Have I said no to Satya, I tend to say yes to him most of the time.

Jacob 18:42

Yeah. How do you say no? So anyway, so you mentioned you sent out this email that said, Hey, you know, it's okay to say no, but there's probably like, a right way to say no and a wrong way to say no, right? And you don't want to come off as a jerk. And, you know, you might be doing meeting and I say, no, not going, leave me alone. probably not a good thing to say.

Kate 19:03

You know what I, you just you just find the alternative that's going to work. So if it's being present at a meeting, and I have a conflict, whether it's, you know, a super important customer meeting, you know, some other engagement or you know, a medical appointment or something like that, you simply find who would be the best alternative and you offer that up, I've never had anybody pushback and say, that's totally unacceptable.

Kate 19:30

And when they do, we ended up changing the meeting socket to be when I can be there. So. So I think it's having the answer if it's if it's no about, hey, a direction that we're taking the business like, hey, I want you to take the hill. And it's like, No, I think we should take that hill, then that's, that's a different kind of No, and requires, you know, sort of a more subtle approach based and rooted in facts with a great storyline.

Kate 19:56

And then the courage to you know, to rumble through it right. And I think that's what, what everybody's sort of learning is. And that's certainly what I've signed on to have my teams at Microsoft learn is, how do you have the courage to rumble through when you disagree fundamentally, with something very strategic and important? And maybe even emotional, maybe even existential? And how do we have that tough conversation? And how do we come out of it with trust and with a tighter relationship and clarity?

Jacob 20:28

Well, I'm glad you brought up courage because that was one of the things that I wanted to talk to you about. And I know you wrote an article about this on your LinkedIn page a little while ago. So how, how would you explain or define courage? And why is it so important for leaders to have courage?

Kate 20:43

Yeah, so there are so many definitions of it, that basically for me, courage is, you know, the willingness to take the leap to take the risk, and own all the consequences. And the reason why it's so important, is because there's just so much going on that the world is changing so much, that if we just look for places where we don't need courage, and we can just be comfortable, then we're really not going to rise up to the challenge.

Kate 21:10

I certainly as a change leader, wouldn't be rising to the challenge of what my job requires for success. And one of the things that, you know, we've been learning is this the connection between courage and vulnerability, so everybody thinks of, you're courageous, that you have no weakness. You are, you are strong, they picture warriors, you know, with lots of armor and you know, heading off.

Kate 21:37

That's not what courageous leadership is courageous leadership is, you know, the willingness to, to activate the troops and own the outcome, but also to do so bringing all of your strengths and weaknesses to the table with total transparency and clarity, and kind of owning work with that and

figuring out how to assemble, you know, the team to bolster wherever there are weaknesses. And that's a different kind of leadership that I think is essential today.

Jacob 22:04

Yeah, and I love that definition of courage because like you said, most people think courage is like, you know, guns blazing ring into the heat of battle. And you know, you're invincible, but that's really not the case. So why do you think it's especially important now? I mean, obviously, we're, we have this pandemic going on, we have things like Black Lives Matter, there's so many things happening in the world. Why is courage specifically something that you think leaders need to have?

Kate 22:30

Well, I think, I mean, it's no secret that I've asked Brene Brown to help my division build courageous leaders, and we started with the top 140 leaders inside of Microsoft US. And we're rolling it out to the rest of the organization in the second half of our fiscal year. The reason why we I thought we needed courageous leadership was really, really simple. Last year, when I was bringing together new leaders, we had together decided that we were going to go through these learning journeys together. I think one of the ways to build really tight teams is to learn stuff together, because if you're learning, then you're vulnerable. If you learn it together, you kind of build connective tissue.

Kate 23:18

And we went to Montgomery, Alabama, and we met with Bryan Stevenson, the famed Harvard attorney who just dedicated his life to serving those less fortunate and, and has freed hundreds of people from death row who were wrongfully convicted. He's argued at the Supreme Court five times won four of them, I believe. And we spent a couple hours with him, we all read his book. And then we we studied race in the United States.

Kate 23:47

And it was shocking and horrifying that A. most of us hadn't learned it in school, this notion of the history of black and African Americans in the United States and this profound racism that they've experienced, and we just didn't have the knowledge that we should, that's the first thing. Second thing is all of us felt really compelled to learn more and to do something about it, because the truth is, if it's prevalent if racism is prevalent in the United States, and it's probably true of our company, because with 150,000 employees, we're like, a microcosm of that population. Right?

Kate 24:27

And for sure, that is the case. So, you know, what can we do to continue to learn so I asked Bryan to come and speak at our sales kickoff. So much to my surprise and glee he received two standing ovations in front of our entire Microsoft US organization with all of our partners, and he talked about really raw topics, really hard topics, all rooted in the reality of African and blacks in the United States. And, you know, what happened was he opened up part of our brain to this. And inside the company, we started talking about race more.

Kate 25:11

But what I noticed is we were, we were not really knowing what to do with those conversations. Okay? So I'm, you know, talking about it, I'm learning about it, I'm starting to learn what empathy for race means. But I don't know how to take it to the next level. We decided to go to watch his movie, Just Mercy together as an organization. So we took 7000 of us to the movies on January 6 of 2020. And, you know, 2pm, local time across 42 theaters across the country, we watched the movie together, it was an incredibly moving experience. And an important moment, but again, it was a big stage moment to say, this is important for us to learn together.

Kate 25:55

But the same thing happened, we created all these forms of communication, and we didn't know what to do. And then we found our form working from home during the pandemic. And all of the atrocities of George Floyd and Ahmad Aubrey and Briana Taylor and all the other racism, you know, rooted in violence, tragedies happened. I felt like we really needed to do something.

Kate 26:21

So I started this calling across the sub and talked to several people, you know, some of them being formal advisors, and others, just being employees who I knew would give it to me straight and said, what would you do if you were me? What should we do next? And it was, we need to learn how to have difficult conversations, to get to a place of not just better understanding, but what do we do next? Right.

Kate 26:47

So I called Rene Brown. And I said, Can you help me? I've got to figure out, you know, how to bring courageous leadership to Microsoft US. And she said, well, it's for sale, read my book, Dare to Leader. And, you know, I said we already have, and that's why we want you. And so she's been helping us figure out how to navigate through the difficult conversations, how to rumble through the tough topics, how to build an inclusive environment, where you're listening to all perspectives, and then how to build trust from that in a way that's lasting and durable.

Kate 27:21

And I think most importantly, how to actually build resilience in an organization as a team, as you go through these really sort of pulling and trying times. And that's why I think it's important for courageous leadership. That's why we needed it inside of Microsoft US and why I made the investment to do it.

Jacob 27:41

What does courageous leadership look like? So how does it manifest? I mean, I don't know if you can point to like something that would happen on a day to day or if this is just more of like, you know, a subtle thing. But how do you know when you see courageous leadership or when you as a leader are acting with courage,

Kate 27:59

Look there's a million different examples that I could give to you. But the one that resonates most frequently, is when you see a person trying to get it right, instead of trying to be right. So you know, so

often, and I think it was our old culture at Microsoft, where we were the sort of the know it alls instead of the learn at alls, Satya introduced this is that you know, Carol Dweck, philosophy of how to become a learn at all.

Kate 28:25

And a learn it all, as somebody who has no preconceived notion of you know, what the answer is, and is all about creating an inclusive process to go get that answer. Courageous leaders show up like that every single day, versus one that isn't so courageous as one that walks into the room, thinking they know the answer, and thinking that their job is to convince everybody else what the answer is. And it's that get it right versus think you're right.

Jacob 28:54

Yeah, I like that analogy. So courage isn't necessarily like, Oh, I'm taking a big risk. You know, I'm being so courageous. I'm putting all my money in like this new business idea, because that's courage. It's really more about how you think and taking care of people.

Kate 29:10

Yeah, I think a courageous leader, I know, as Brene says, is one that takes accountability for, you know, developing the people and processes in his or her care. And I think that that's mostly it's about the development, it's about the change in the improvement. It's not about where you are today. And, and there's a difference between the two.

Kate 29:33

So, you know, a great example is showing up for those learning sessions. You know, I could have watched the whole thing and watched everybody else go through ropeways and learn and feel uncomfortable in front of each other. I thought it was important that I did the same and sometimes it was really embarrassing, and I felt super self conscious. But the reality is, I didn't know the answer to some of the things we were trying to work it out. And it gave other people the courage to go try and learn it too when they saw me struggling with the same.

Jacob 30:06

Yeah, leading by example, I love that. I'm actually curious, I don't know, are you able to share a little bit about what that the training with Brene Brown looks like? are you guys doing like workshops is it role play? Is it like, what, what does that kind of program look like,

Kate 30:22

We started with a book read. So, you know, we formed teams and read her book, and over the course of five weeks, did like a curated, you know, book discussion about the topics. And then we did an eight week, you know, eight weeks of facilitated training, with deep dives on the four basic skills that she teaches in her book, and all of it rooted in real life stories and examples.

Kate 30:48

And the expectation was that, you know, everybody on the call would would, at some point, during, you know, the eight weeks, played up their own stories, and I was a little worried at first, Jacob, you know,

maybe we wouldn't get everybody to sign up. But the timing couldn't have been any more perfect, we were all holed up in our homes forever, and everybody's feeling, you know, a little bit weary and overwhelmed. And the training is actually just brilliant for helping you manage so many different things in both personal and professional lives, which, by the way, if you can learn one thing and apply it twice, it always accelerates, you know, the, the adoption.

Kate 31:30

And I think we all kind of felt that. So I was delighted to see that we had so much more engagement than I ever thought. And I'm excited to take the learning now and roll it out to the rest of the people.

Jacob 31:44

That's very exciting. And congratulations on that. So we talked about courage. But I know the other crucial aspect that you guys are focusing on is this idea of, of empathy. And, you know, we talked a little bit about Brene Brown, which, of course, is something that, you know, she's become widely known for, but can you give us your explanation of what, what is empathy? And why is this been so important to Microsoft? So I mean, what would happen if Microsoft as a company didn't prioritize empathy? Do you think you guys would be that different of a company,

Kate 32:17

I think if we didn't prioritize empathy, we would, we would miss out on this enormous opportunity that we have. And I think it's, it's really straightforward, but it's got a lot of subtleties to it. Our purpose, our mission is to empower every person and organization on the planet to achieve more. Now, when you say that, like most, you know, sort of mantras, it sounds a little lofty. But the reality is, we have the tools and platforms to drive massive productivity, not just at the, you know, the workplace level, but at the macro economic level.

Kate 32:49

So helping farmers, you know, grow more profitably and sustainably, right, helping you know, consumer products, companies use their data to do better product placement, you know, for greater return on investment. I mean, you name it. And there's a good outcome, that we can drive with the qualities, which are, you know, fairly robust. But there's no way that we can do that without empathy. And empathy is just deep understanding.

Kate 33:22

So you need to have curiosity, you want great listening skills, or vulnerability and courage. You need to be able to immerse yourself in the articulated and unarticulated needs of your customers, you need to immerse yourself in deep understanding of the capabilities of your coworkers. So you can align those resources to the customer. And you even need to do that in the ecosystem to understand the capabilities that your partners have to help unlock the potential.

Kate 33:52

So if we actually teach our people how to be empathic, they're going to understand their coworkers better, their customers better, and they're going to understand how their partners can help everybody

grow faster, better. And I think that that's, that's why empathy is so important. So to me, our empathic muscle is directly tied to how much share we can grab in the cloud market.

Jacob 34:20

Do you have any examples or stories of how empathy has been practiced at Microsoft? Any scenarios or situations or anything that comes to mind?

Kate 34:29

Yeah, I mean, I hope we're practicing it every day when we're working with our customers. Most of the time, you dive into you know, a customer story, you're when you go visit a customer you have you have a choice. Are you going to talk about your products and your features and functionality? Or are you going to dive in and immerse yourself in what the customer is trying to achieve and and listen, you know, before you talk.

Kate 34:55

And probably one of the most empathic leaders I've ever worked with is Satya and I have the pleasure of going out in the field back when that was the thing, when we actually left our houses, we'd go out and see customers with him. And, you know, I've seen him get a drive a combine in the middle of Nebraska. And, you know, learning how the technology in the cab of the combine is used to, you know, till the field. And, to me, that's the ultimate example of getting proximity, right?

Kate 35:33

Because you can't, you can't be empathic without having that proximity, that closeness, to deeply understand something. And so, you know, like I said, I hope we're doing it every single day. Now, it's a little bit more difficult in the virtual world to practice empathy. But, you know, I think we're starting to get the hang of moving from this notion of physical proximity to emotional and intellectual proximity, where asking the right questions is how you unlock the next level of learning, as opposed to just getting physical proximity and having great observation skills. You get what I'm saying?

Jacob 36:11

Yeah, yeah, that makes complete sense. And we got another question come in, that said that, you mentioned getting from feedback from your team members who tell you like it is crucial. But how do you empower your larger team to be honest with their views on something without just being starstruck by your experience and achievements and just wanting to say yes to you all the time?

Kate 36:33

Fascinating question. And actually, I had a leader talk to me just last week and say, I'm afraid that they're just telling you what you want to hear. And I said, Well, you have to tell me more. What, why would they do that? And what do you mean? And she said, I want you to reach out, and to ask people you haven't heard from what they think, more often than you're doing, because, you know, we're moving so fast, and you have all these calls. And, you know, depending on how you've arranged your technology, you may be able to see everybody but if it's a large call, you may not be able to.

Kate 37:11

And she said you know, sort of reach into the quietude and and find the unspoken voice, because that is where the dissent lies. And by the way the dissent, is how you actually get it right. It's not gonna tell you that you are right. So that's what you want to hear. And it was really powerful for me, you know, at first, I was like, kind of bummed out, because I thought that we were doing a better job hearing everybody. But I think it was a reminder that we constantly have to excavate. We constantly have to, you know, sort of rake everybody over to say, like, have we sorted through everybody's opinion on this? You know, and do we understand where everybody comes from.

Kate 37:52

By the way, at the end, you know, you're going to have to make a decision. And some of the dissenters, if they feel they've been heard, they can typically, you know, mold themselves to whatever direction you want to go in. But if they never even had a chance to voice their dissent, then then they feel left out. And that's when it gets dangerous.

Jacob 38:13

I want to talk a little bit about working with Satya because when we had our call, I think a week or two ago, you mentioned that one of the reasons that you took the job to become president of Microsoft in the United States is because of Satya. So can you share a little bit about meeting him? What was it about Satya that made you want to take the job? Yeah, and also the role that somebody like Satya the CEO of a company plays when it comes to culture and leadership, and, you know, empathy and courage?

Kate 38:43

Sure, well, to answer the last part, first, you know, culture change has to come from the top. And we're lucky enough to have not just a brilliant leader, as our CEO, but you know, a brilliant executive team that supports him. And we've got, you know, a very robust HR team that has used science to back up a lot of the cultural definitions that we've made. So it's not just a bunch of fluffy words, and adjectives is actually very, very real and tangible. And there's science behind everything that we're doing all the way from our, our leadership principles, all the way through to our values and, and all of the other parts of culture that matter.

Kate 39:28

The interesting part about taking the job at Microsoft, I'll be honest with you, the reason why I'm working for Microsoft is is not you know, on one hand, it's because of Satya, on the other hand, is because of my son, Jake. And when my son was in fourth grade, you know, he had to learn disability and right about at fourth grade is when the rubber meets the road. And instead of learning to read, you're reading to learn and, you know, he had various issues and was really struggling and mainstream.

Kate 39:57

And the way that I was thinking about it was that, you know, mainstream was the only way that we could go and, and we had to figure out how to adapt him to that classroom. And the principal was phenomenal. And she gave me a book called Carol Dweck's Mindset. She said, you're thinking about this all wrong, you got to read this book. And I read it. And it was super powerful, changed the way that

I think about pretty much everything, how I operate as a wife, a friend, a daughter, a sister, a mother, and of course, as a professional.

Kate 40:28

And it was one of those moments where it was like, everything sort of stopped. And I rethought the way that I had arranged my life and all of my goals and kind of went through this process of rethinking things. By the way, it was super helpful for Jake because I stopped holding him accountable to a standard that probably was unfair. And really thought about how to maximize his learning in the classroom, which I'm sure was what my job was to begin with. But I didn't understand that until then.

Kate 40:56

You spin the clock head and I was working for GE, and I was super loyal to the executives there and felt very well cared for. I was very loyal to the company. But when Satya asks, If you'll spend a little bit of time with him, you know, you, you it's kind of enticing, particularly one where he was in, you know, the life cycle. And I sat down in his office with zero intention of taking a job from Microsoft, but he basically said, you know, so what do you want to talk about and I said, I want to understand your your philosophy around culture.

Kate 41:28

And he said, Have you heard of the growth mindset? And I said, Yeah, of course, Carol Dweck, you know, philosophy. And he said, Yeah, she's one of my personal coaches. And I was, okay, hold on a second. So we had this incredible conversation about growth mindset, and how it can unlock purpose of a company, and how it can unlock the people. And that's when I knew that there was alignment from the top all the way to the bottom. And as a person who's been focusing my entire career on leading change initiatives, you know, haven't always had the luxury of having that perfect alignment.

Kate 42:02

And when I took the job, I really thought of it as my job is to make that cultural aspiration a reality for our people so that we can unlock the performance and really deliver on what we know, the potential of the Microsoft platform. And that's, it's been three and a half years running so far, just under that. And, you know, so far, it's, it's been a lot of fun.

Jacob 42:23

And it seems like he's had a dramatic impact on transforming Microsoft, because, like he said, going from a know it all to learn it all. Yeah, I remember reading something like, one of his first emails to everybody was something about empathy. Like when he first joined the company, I can't remember exactly what he said. But he even started as the CEO of Microsoft, talking about empathy and the importance of understanding each other, which, you know, you don't hear a lot of leaders today, especially at the CEO level talking about that.

Kate 42:55

Actually, it's, it's starting to become more on Vogue, especially now that we've gone through 2020. And I'm starting to see contrary and articles about it, I read something in the Wall Street Journal a couple

days ago about, you know, hey, are empathic leaders able to make decisions are empathic leaders, you know, too soft, it was this really fascinating, kind of like hand raising to say, are we going too far?

Kate 43:22

And I think we're going to see a lot more people realizing the opportunity for being people focused. And then I think we're going to see a lot of, you know, of, sort of thought leadership around, how do you pick where you are on the spectrum? And, you know, deliver maximum performance while making everybody feel heard?

Jacob 43:45

Yeah, I couldn't agree more. So I want to transition again, to, to leadership. And obviously, you you run a team, I think you said 10,000 people, and I'm assuming you're responsible for a lot of decision making, when it comes to who you promote to a leadership role, you know, one of your peers, one of your co workers, what do you look for in a leader? So if you're, you know, let's say I'm one of your prospective candidates here thinking of promoting me to become a more senior leader at the company? What would you look for, for me to decide if I'm a good fit?

Kate 44:17

So I'm huge into chemistry. Because I believe that if people can sort of get along as a team, then there's gonna be a lot of melting of the silos, which tends to be a problem in these gigantic companies where they're highly matrix. So that's important, you know, are do you have great communication skills? You know, are you a good listener? Is there give and take, do you have ideas of your own, you know, that you can kind of blend, etc. That's the first thing.

Kate 44:53

The second thing is, I want to hear the truth. And, you know, one of the questions I almost always asked in, in these meetings, you know, when I, when I'm interviewing, I do a lot of interviews because I interview talent at all levels, it's incredibly important. You know, getting the right people in the role is actually my number one job. And I always ask them, so what do you know about Microsoft? If they're coming from the outside? What do you know about Microsoft US? If they're coming from the inside? What do you know about my leadership team? What do you know about me?

Kate 45:25

And if they only say positive things, it's a turnoff. I want to know that they're doing their homework and that they see the gaps. Because if they see the gaps and have confidence, telling me in an interview in a respectful way, of course, I want them the, you know, we'll leave it at that but you know, in a respectful way, that I know that I'm going to get the truth when they're here.

Kate 45:49

And once when all of a sudden you've got this notion of, I guess, integrity partner, when when you know that you're going to get the real deal, because you can't fix what you can't see. And teams are all about eyes and ears in every direction and helping each other see where there's opportunity to close gaps and to go faster.

Jacob 46:12

Yeah, I love that. That honesty piece. What if I'm super talented, super smart. You know, I'm bringing in a lot of money to the company, but I'm kind of a jerk.

Kate 46:25

Great question. I would take somebody who's a better teammate over somebody who can do it all by themselves, and but as a jerk, every day of the week. And the reason why is because almost nothing that we do now can be done alone, almost nothing. The technology is super complex. The points of integration, for first party technology is infinite. The points of integration for third party technology across the ecosystem infinite, you just you have to be great at collaboration. And jerks aren't great at collaboration.

Kate 47:10

And so I need collaboration is the number one thing it's that truce plus teamwork, right. That's the combination that I need. And I trade a jerk for, you know, for somebody who's going to be able to help maximize the impact of the team any day of the week. In fact, I've made really difficult HR decisions across most of my companies in roles that I've had to that effect.

Jacob 47:35

So okay, so it sounds like truth, collaboration, communication, integrity, honesty, those are some of the things that are most important, or the things that you look for most,

Kate 47:44

For sure. I we always say team trust and transparency, right. Great team, can you trust each other? And can you know, can you find the issues, raised them up real quick, and then motor through and fix the things that are broken?

Jacob 47:55

We got another question comes through, which is what was the biggest challenge in your leadership career that you've had to overcome? And also, has there ever been a time where you felt like you've dropped the skill of empathy and had to pick it back up again? And how did you do that?

Kate 48:12

Yeah, it's called impatience. And, and, you know, I, I, I don't have a lot of patience, I think my husband and my kids would tell you, um, so you've got to slow yourself down, you got to take a deep breath, like I talked about earlier, and, and, you know, empathy and patience, kind of go hand in hand, you got to go slowly, to deepen the understanding. You know, that's how that's how you drive empathy. And going slowly requires patience. And if you don't have a lot of that, then it's a constant, you know, sort of every day doing a check and balance.

Kate 48:50

The good news is that I feel like, you know, I've built the team, the team has built it with me, this notion of where we can tell each other, hey, you're going too fast or slow down? And I tell them, they tell me, you know, it's a it's a very open dialogue at this point. So we're in a good spot that way.

Kate 49:09

And I would say in terms of, you know, barriers to my leadership, the the biggest one is right here is that inside voice, you know, that that tells you that you're not good enough, or maybe you shouldn't have this role, or maybe you shouldn't go for that role. And combined with this notion of it's a marathon, not a sprint and not point with my failures, you know, you got you got to fail, you got to fall and and you got to be resilient and getting up and going and those are the things that I've had to work on personally.

Jacob 49:41

Have you ever had that experience and especially as the president of Microsoft in the US of, of imposter syndrome of you know, I'm not good enough. I don't belong here. Why do I have this role?

Kate 49:51

Yeah

Jacob 49:52

Okay. Yeah. How do you overcome that when those feelings come up,

Kate 49:56

You know, something that that I learned in this courage training is name it. So you know, if you, if you actually put a name on something like, I'm afraid of that, or I failed at that, or I'm embarrassed or humiliated by that, you name the feeling and you pick your, your partner, whoever that is, it could be somebody at work, it could be a friend, it could be a spouse, or you know, a parent or a sibling or whatever. And you kind of talk to them about it.

Kate 50:25

You know, I started doing it with my, with my husband and saying, like, Hey, I had a setback at work I want to talk to you about He's like what? You know, because I don't necessarily want to go through my whole workday again, you know, at the dinner table, but doing it a little bit more, because it makes me feel better. And then, you know, and then also, they've named it and the named monster is not nearly as big as the unnamed monster, that's kind of what we're learning. And so you can kind of chip away at it, you know, how big it is, what its name is, and, and how it operates?

Jacob 51:00

I like it. That's, that's a great piece of advice. We've got another question come in, what's the ideal way to melt silos and to create a collaborative environment? I know, that's super, super broad. And you could probably write a whole book on that. Which I did in 2012, actually. But do you have any advice? Like, obviously, you have a big, big team and sometimes I'm sure silos emerge? What do you do when you find those silos? How do you break them down?

Kate 51:25

So the thing that we've been doing lately, because we've been, there's a whole bunch of work that we're doing that transcends all of Microsoft, and actually one of our cultural pillars is one Microsoft, like, hey, subordinate, the mission of your function or pillar, you know, to the overall mission of the company

is, is get everybody together in a virtual room, or physically in the same room is my preferred favorite. And really go through the agenda of what the, you know, what the various stakeholders are seeing and thinking.

Kate 51:59

And to get rid of the personal side of it, and to really understand the motivations of everybody and to then unify from there. And it's, it's a, you know, it's the only way that you can get there, because I will tell you that if you don't address it, it just gets worse. And worse. And worse, you got to call a spade a spade, by the way, it's not a terribly popular thing to do to try and tear down silos. But once you get a reputation for being, for example, the lady that forces everybody to work together, then that becomes the expectation, and then that becomes kind of the norm. And that's, that's what we're hoping for. And that's where we're headed.

Jacob 52:39

Got it. What are some of the big mistakes that you see leaders making maybe new leaders, people who just get into a leadership role or seasoned leaders? I don't know if mistakes are different, but what do you what do you see,

Kate 52:52

I don't know, I, I have a, you know, personally made a bunch of mistakes as a change leader. And I'm, I'm starting to, to see a pattern, I always there's like this change efficiency curve, right? And you want to be right on the curve, you don't want to change too much and lose everybody. You don't want to leave anything on the table in terms of not, you know, pushing as hard as you can. And in every change leadership role I've ever had there's been one moment where I fell off the curve in the wrong direction. I mean, by pushing too hard.

Kate 53:31

And I think, you know, my kids say, Hey, Mom read the room. And I think that the the best, you know, what, usually what I'm trying to impart infinite wisdom. I think the the thing that I'm learning is that every culture can absorb a certain amount of change. And if you go into that company, you really have to do kind of put your stethoscope to, you know, to the heartbeat of the company to see how healthy are they? And how hard can I push.

Kate 54:03

And I've been in forums where, you know, I've pushed too hard, the messages fall flat. And then you got to spend some time listening to the feedback to say, why did it fall flat? And how do I need to change it to get yourself back on the curve? That would be I would say, one of the most common leadership mistakes that I see when people are trying to transform something.

Jacob 54:26

Pushing too hard. How do you know you're pushing too hard? Is it just the feedback that you get from your employees who are like slow down...

Kate 54:35

Yeah, Jacob sometimes it's just not hard to tell when you know, when everybody in the room is like, looking at you like, What on earth are you thinking? Or when they call you and they say, What on earth were you thinking? Um, that's, that's the direct feedback. That's my preferred method, actually, to make sure that I know exactly what's going.

Kate 54:52

Sometimes it's more subtle, um, you know, I find for the most part, the people that I work with, they're not quiet and when they are, it's because they're sort of, you know, harvesting, or you know, they've got something inside that they don't think I want to hear. And that's when I know to stop and to listen more and say, Come on, give it to me, I also know that there are certain people I can count on the company to tell me the truth always.

Kate 55:19

And I've been very deliberate to pick them outside of my, you know, my division to to make sure that I get that outside in perspective. And I go to them frequently to say, okay, you know, how'd that go, and what were your thoughts and opinions? And I've been really lucky to have some pretty truthful relationships there. And that that is the only way that that you can figure it out. And then, of course, correct.

Jacob 55:44

So kind of have like, informal advisors at the company on different teams or departments you can go to from Actually, that's, that's fantastic advice for everybody to have, actually.

Kate 55:53

Yeah, for sure.

Jacob 55:54

So we only have a couple minutes left, and I just wanted to end on just a couple of fun, rapid fire questions for you. What one moment most impacted your approach to leadership or your leadership career.

Kate 56:08

One moment

Jacob 56:10

One moment, one, one experience or one story or encounter anything.

Kate 56:16

I think I think it's probably the moment where I saw 8000 people rise to their feet applauding a man who was talking about racism, and all the feedback that I got after that. So you finally opened up a conversation that we've been wanting to have, for a really long time, I realized that I could use that to sort of unlock a dialog here would, you know, get us closer to a world of inclusion?

Jacob 56:43

I love it. What has been your greatest business failure?

Kate 56:49

You mean just today? Or like always,

Jacob 56:52

Whatever, whatever failure pops into mind

Kate 56:56

Yeah, um, I, you know, at one company, I came out on the wrong end of a reorg. And got, you know, super unhappy and ended up leaving the company. And the reality is of just being a big, fat brat, and could probably have thought about things differently, and been more patient. And, you know, that's one I've had, by the way, a whole bunch of project failures. You know, but you asked for one, there I gave you two.

Jacob 57:23

What about your most embarrassing moment?

Kate 57:27

Hmm..my most embarrassing moment was probably when the CEO of one of the companies that I worked for, got absolutely furious with me and my co workers about a disagreement that we were having and walked out and slammed the door. And we all kind of, you know, felt bad, but I felt the worst without a doubt, because I was sort of the reason why he walked out.

Jacob 57:53

Oh, okay, that's a good one. What are you most proud of?

Kate 57:58

You're not talking about my family, right?

Jacob 58:00

Anything

Kate 58:02

Yeah, I Well, I'm most I'm most proud of my family and the life that we built together. But I love how they love what I do, too. And so the fact that we have that balance together, and the mutual respect and appreciation for it is the thing that that I'm most proud of

Jacob 58:18

Alright and the last couple for you. What's your favorite business or non business book?

Kate 58:23

Um, business or non business...I mean, right now it's got to be Dare to Lead. But I kind of I love this book, the Future of Work. That's a good one. And, you know, I pretty much am one of those ones, where I spin through a couple of year and then I use this framework and apply them and just kind of meld them all together.

Jacob 58:43

Ooh.

Kate 58:48

Oh, The Future Leader. Yeah.

Jacob 58:50

Well, there's The Future Leader. There's the Future of Work. Yeah. They're all floating around out there. I'll take any, any praise I can get for any book.

Kate 58:58

All right.

Jacob 58:59

But Dare to Lead is a great one. My wife's a big fan of that one, too. So yeah, that's a fantastic one. Who's the best mentor you've ever had?

Kate 59:09

Probably Beth Comstock from GE.

Jacob 59:12

Oh, cool. She she's one of the people who gave me a quote for the back of this one. I also had her as a podcast guest. Yeah, she's, she's great.

Kate 59:22

Yeah, for sure.

Jacob 59:24

Very last question for you. If you were doing a different career, what do you think you would have ended up doing?

Kate 59:30

Um, I would love to be a professor. Academia, I love studying organizational behavior. I love when people interact and I love unlocking learning. You know, and I don't know maybe that's my next step.

Jacob 59:49

Very exciting. Academia, I like it. Well, those are all the questions I had for you. So Kate, where can people go to learn more about you anything that you want to mention for people to check out please feel free to do so.

Kate 1:00:01

Yeah, you know, we're going on a pretty amazing culture journey at Microsoft and I write a lot about it on LinkedIn. That's kind of my platform for sharing those kinds of ideas. And I love it when I get engagement on that platform and new ideas and new people to connect to. So that would be the place where we can all meet.

Jacob 1:00:18

Very cool. Well, thank you very much for taking time out of your day to speak with me.

Kate 1:00:22

Well, thank you, Jacob. I appreciate it.

Jacob 1:00:25

Yeah, thank you. And thanks, everyone for tuning in. Again. My guest has been Kate Johnson, President of Microsoft in the United States connect with her on LinkedIn. She's got a lot of great articles and super easy to find and I will see all of you next time.