

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 01:31

Hello, everyone. Welcome to another episode of the future of work. My guest today is Sebastien Bazin. He is the chairman and CEO of Accor. Sebastien, thank you for joining me today.

Sebastien 01:42

Thank you, Jacob. Good to be here.

Jacob 01:45

So we first actually got connected because when I was working on my book, the future leader, you were one of the 140 CEOs who I interviewed. And now here we are, I think almost a year and a half later, and I finally get to have you on my podcast. So I'm very excited to speak with you.

Sebastien 02:01

I guess I am too I just have to pass the test.

Jacob 02:06

Yeah, exactly. Well, let's start with a little bit of background information about you. Because one of the things that I am personally, and a lot of listeners and viewers are very interested in is just how you got to where you are. So maybe you can take us way back even to I don't know when you were a kid and how you grew up. Did you always know you wanted to become a CEO or how did you get to this point?

Sebastien 02:28

No, never dreamed of it. The only thing I knew is I would not go and work for my father. All my family has been in real estate for five generations in the family held company. And from the first day I say, not me, I will not I will not go. That being said it's never been a straight line. I just wanted to be independent in my own acting, and in my life. So I went different lines, different geography, different mentors, different industry, and here am I by pure accident.

Jacob 03:05

So when you say pure accident? What do you mean?

Sebastien 03:10

Well, I mean that I guess I went, I left very early when I was 23 years old. After going through a master at the Sorbonne University in Paris. I left to New York work on Wall Street as a financial analyst. Then

as a stock trader, then went to investment banking in New York as well then worked for a big tycoon grader called Alan Klore, who's been buying aluminum company based cards are limited, based in San Francisco, Oakland, so I moved to San Francisco work for the guy then left after the stock market crashed in October 91. And then I went to investment banking in New York, and then in London, then private equity for 15 years.

Sebastien 04:00

Then I was a board member of this company and the chairman of where I am now, a very vocal and long shareholder, probably nasty guy. I was I hope I'm no longer but I was rough. I was harsh, and I should have known better than being CEO is much tougher than I even expected myself and after having had three CEOs being dismissed under my tutorship as a director, we were looking for new CEO and I had no envy whatsoever to be the guy but I was on the nomination committee and long story short, we could not agree on a name. And we had five different candidates for five different directors. It was awful and I was pissed and I told my fellow director that the reason why we don't agree on a common profile is because we don't have the same feeding on what the company needs to which is sets of action. You right, you are the longer longest serving director Why don't you draft what you believe the company Accor needs in the future. And depending on your drafting, then we're going to be at readjusting the names.

Sebastien 05:10

So I did end up July 2019. And I've been writing handwriting in exactly four hours, 12 pages of document and putting page by page, our cause diagnostic and what was needed and how to implement it and for for which reason, and he was the what the why and how. And after doing it after page number three, Jacob, I have to tell you, I did ask myself, what the hell am I doing here? By writing this I knew I was getting into a dicey territory. And I finished that 12 pager, gave it to my director The next day, and it took them three hours to call me says about and we've found the guy, it's you. And I said, No, because I've never managed any company in my life.

Sebastien 06:01

I was managing column in Europe, which was like Formula One was only 40 people highly graduated very smart, guys. And I went to see my boss in Los Angeles, Tom barrack, which probably is my mentor in life, for sure. And he was my boss, and I went to see him and he was also a fellow. And I did share with him what happened the day before Paris, and he laughed at me and said Sebastien don't even think of it. You're out of your mind. That was not too nice of him to say that, Sebastien we're here to make investment to elect CEOs not to replace CEOs. Don't even think of it. And I need you I still with me at college. And I spent exactly 20 hours in Los Angeles.

Sebastien 06:51

And True story I went back to Paris when I landed I got a phone call from Tom, he said, Sebastien, I have to apologize to you. The only question which mattered yesterday, I did not ask you. And that question is, are you interested in performing and doing that job? I was only talking to you about me and colony and why I needed you. I never asked you what you want. And I must say, being on the plane for 12 hours. I did think of it as it's funny. He only talked about himself and he was nice enough to call me the next day. And I and I just said to him, I said, Tom, Yeah, I think I want it, I want to do it for one

reason. I am sick and tired of giving advice, critiquing people I need, I need to see whether I need to actually put myself to the fire and put myself at risk, and hopefully being able to deliver on it.

Sebastien 07:46

To which he said Sebastian is actually what you want to do. Then I could accept it was one reason, one condition. All the directors of that company I call which is publicly listed and major French Corporation, they have to endorse you unanimously. If they don't, if you missing one vote, colony will not vote for you. So anod 100% is a non colony board members and then you'll have my proxy. And I spent two weeks in a summer Paris going to private residences of those federal board members according we're not embarrassed. And all of that happened in exactly three weeks. And I this is the worst financial decision I've made in my life. I knew it when I did call me that was a bad financial decision for me leaving, but probably one of the best personal decision because I am probably a different person today than I was when I left eight years. Now, I'll probably tell you why. But it's it's been, it's being refreshing. It's been tough. But it's being Yeah, fulfilling.

Jacob 08:49

I love that story. So colony was the private equity group. And so you were a private equity group, and you were a shareholder in Accor is that right?

Sebastien 08:57

We were the larger shield at the time we own 13% of our core investment I colonies behalf for seven years before.

Jacob 09:06

So it's crazy. So you were actually writing almost like a job description or an analysis for who the new CEO should be. And then you basically end up writing something for yourself that you then ended up doing.

Sebastien 09:20

That's there's two moments in life in which I was why is it that you had these two moments in my life where I was able to write like a 10 page rule without any rewriting one word, just a sense. The feeling that through your brain and through your fingers you write without stopping easily and it flows through is when my mother passed away and I wrote up what I wanted to say at the church. And the second time was on that job description. It never happened to me since. But uh, strange feeling.

Jacob 09:56

Yeah, no, that must be quite strange. I can also imagine that's probably a very intimidating feeling because we actually didn't talk about it. But I think Accor how many employees do you guys have now? Around 200,000? Is that right?

Sebastien 10:11

280,000.

Jacob 10:13

And you're one of the world's largest hospitality brands. I mean, everybody I'm sure knows your your properties, or has stayed them at some point in their life, and you guys are everywhere. And how do you go..because to me, I mean, if I can imagine, like, if that opportunity came to me, and somebody said, Oh, Jacob, you know, you have a team of, you know, 12 people that I have now. And then somebody said, how would you like the beat a team of 200,000 people? I don't think that that is a choice, a lot of people would make very comfortably. So how did you decide to do that?

Sebastien 10:49

Well, I never think when I do anything, do I, do I put comfort into it? Never. I hope I will never. It was just a moment in which that company needed leadership direction, I was obnoxious enough to believe that I could be the leader, or probably self centered believing I could be whether it was 50,000 employees, 120,000, 280,000 doesn't make any difference, in the end you are just talking to individuals, you want to gain a small group next to you and you trust that that small group will be able to replicate what they've been hearing from you, you just have to the one thing that I've learned through that exercise to tell the truth, and that's one thing I need to get out of is incarnation. When you becoming a leader of a publicly listed company, your words, your face, your presence, your body language, is critical. Very important, don't deceive any of those people.

Sebastien 11:52

And the nature of the decision you make are 180 degrees apart from the decision I made when I was an investment banker or private equity investor, because at the end for 15 years of my life prior to Accor, the consequences of my decisions where our financial natures, no human real impact, you can be wrong, you can be right you hopefully, right, six times out of 10. And if you weren't four times, this is okay, Sony and Sony cash, in my new capacity 90% plus of everything I could decide upon, have a human impact on individuals, personnel working for Accor and their own families, basically, leaving us so it's the time of reflection, this substance behind the decision is vastly different from the financial, which is probably why I wanted to leave that previous well, because it's a bit of a cold industry. I'm now in the industry.

Jacob 12:51

You mentioned earlier that it was a bad financial choice for you, but it was a good personal one, and that it kind of transformed who you are as a leader and as a person. Can you talk a little bit about what you meant there?

Sebastien 13:07

Well, when you work in private equity, and you manage other people's money, you have true incentives, if you happen to be mostly right, you do share part of the part of the value add capital gain and you whether it's 10% 5% 20%. If you manage billions, 5% of billions, when you actually have a gain, it's a lot of money. And it's being shared by few individuals and, and I accepted. That was the rule at the time, if you happen to be a chairman and CEO of a French limited company, you have a lot of scrutiny on how much money you make, you have to compare it to other CEOs in France. And it is a fraction of what I was making when I was in college. But of course, I knew that I didn't go blind. But I never and never did never will put money at the forefront on anything I do to survive. And I'm fortunate

enough to have had some money aside. That's now it was just time to forget what I said about the worst financial decision. That was not even part of the equation when the decision was made.

Jacob 14:16

And how did the current role that you took on how did that shape you as a person because you said that it? It made you different? How did it do that?

Sebastien 14:25

Yeah. Order your priority when I being in the financial world for almost 20 years, mostly in America and London and Paris. Your orders of priority, I think because it was my fiduciary duty. You first think on behalf of your limited partners or shareholders. So you think financially, then you think about the employees. Then you think about the clients and then you think about the community. So it's 1,2,3,4. Today, I would put an Rule number four, at the end of the day, I first think about the employee, I will secondly, think about the community in which we are based. Third, your clients, partners, and fourth financial. So you just reverse your parameters. It doesn't mean that it was wrong before. You just conduct yourself very different now

Jacob 15:22

You mentioned earlier, when you were younger, you you moved around a lot, you had a bunch of different jobs. I'm really curious to kind of dive a little bit more into the thought process that you had, because you said you didn't know that you wanted to become a CEO. But you were in living in different parts of the world, you were taking on different jobs. Do you remember what was going through your mind? Were you thinking about a career path or progression? Or were you just taking opportunities that were coming your way? How did you decide what to do and where to live?

Sebastien 15:55

Easy, I never liked never will anything which has two words carrier pass, anybody was hostage of its own field, or where he wants to be 20 years from today is likely to be very disappointed, frustrated. And then in some kind of depression. Now, the best the best way to conduct yourself is I moved from one town to another one job another for a person I've met interesting that man, that woman I liked, I loved and I just wanted to be part of the adventure for that person. So I've never been basically geared by an institutional name. I joined colony because I met (inaudible name) and (inaudible name) is an exceptional person. And I've met some people, which was wonderful that and Alan Klore. And so it's a and I will do it again. If I were to meet another exceptional person, the chances are, yeah, I could actually leave my current position and go and follow that person just to learn from that.

Jacob 17:01

That's very interesting. I mean, do you think for for people who are listening and watching this who are maybe entry level or mid level employees, would you say that that is the right way to approach your career, don't focus on the company, but focus on the person you will be working with? and prioritize that over the brand or the company, but focus on the you know, who your leaders going to be or your mentor?

Sebastien 17:26

Yeah, no, I'm giving advice. It's we are so different in life in terms of education than religions and nationality. For me, it worked. And the only question one way to answer your question, which is a bit of a different way, if you don't believe your boss, wherever you are in any organization, does not teach you or you don't respect him, or you don't accept his leadership, don't stay another minute. Life is too short to be under somebody for which you have either no respect, no admiration or no learnings from. And I that's what I've actually conducted myself. Because I need more I need I need to be fair.

Jacob 18:06

No, I think that's great advice. Because I think a lot of people around the world are stuck in positions where they don't have, they don't have that with their managers and with their leaders, and they feel like very disengaged and frustrated. And as a result, you start to check out the company. So I really love that advice. And I think that's something a lot of people

Sebastien 18:25

But you know, Jacob, you made me think of something I've been hiring now a lot of people Accor every year we hire 80,000 new people every year, because we open one new hotel a day, I mean 365 hotels, that means 50,000 people only for the new openings, and we lose 10% of the 280,000 to that another 280,000 that I need to basically we shuffle and we hire. And what I wanted to get out is I can tell you why I travel so much and change different courses. Because I'm a true believer that if you put yourself at risk in a different geography in a town in which you don't even know the metro station, the names in the country in which you don't understand the labor legislation, the currency and you totally love to read the sign. You're going to come out stronger if you accept that. And and if you go through any risk in many geographies, you're a different person, you stronger person. So for me, I'm very serious. I am never hired. Anybody as intelligent as it could be. Is that person being whether it's 28 to 35 years old, if he has never lost his domiciled zone of comfort. Doesn't matter how smart he is. He will not work with me. He won't because I need that person. I mean, at least he should have gone like one year in Africa, in nonprofit organization just go out of your comfort zone.

Jacob 19:56

That's interesting. Yeah, I want to touch on that a little bit more because I feel like A lot of people are scared to get out of their comfort zone, right? They take the jobs that are comfortable, they surround themselves with people who are just like them. We're very much creatures of comfort because we feel safe there. And your advice is pretty much you have to get uncomfortable as uncomfortable as you can, because that's when you learn and grow. So I mean, for people who are listening and watching this, it sounds like the best piece of advice for you would be, I don't know, take on a new project or a job that might scare you go live in a different part of the world, like do something that will push you in some way.

Sebastien 20:38

It's it's also matters of age and generation. If you happen to have a good education, I didn't say solid education any good education. In between the age of 25 and 35, or 25, and 40 years old, go and work for so many people, so many job put yourself at risk, even if it's two and a half years. Because you won't have the chance to do it when you can be 55 years old. Because the risk at 55 is so far greater

that not to find another job. But between 25 and 40 years old, the world is just yours. Just go for it and shattered. Yeah, with respect to your current employer. So that's what I've been asking teaching my kids, and everybody else was just around me, take your chances.

Jacob 21:22

People might be listening in watching this thinking, Well, you know, Sebastien, that sounds great. But what if I fail? What if I take that chance or that risk and it ends up going terrible? Then what?

Sebastien 21:35

Yeah, it's if you one condition you would fail, of course I did fail, is don't stay alone. Talk to someone and try to share why you failed. And that somebody will probably give you the good advice. And you're going to start to get by. The the biggest stumbling block for me is people who are isolated, alone without any, any partners or family members in which you can share. If you can share the pain, you'll see light, but keep it for yourself. It's just awfully difficult. So yeah, you did the risk of failing is high. But again, the rebound is so rewarding.

Jacob 22:15

Did you fail?

Sebastien 22:16

But again, my advice, I don't want to sound because it's the last thing I want is to lecturing anybody. I am in a very comfortable position. I'm 59 years old, I took that race that was a different time that was in 1985. So I believe the risk is worth taking today probably even more so because you have a greater numbers of opportunities with digital tools and technology. I think these numbers optionality is far better today than they were 25 years ago. But still, anybody who's been spending 20 years or 15 years between 25 years old and 40 at any Google Amazon or Citibank of the world they are very happy person where why am I giving them an electrode so this is not me. I have a perfectly happy life and I respect it.

Jacob 22:58

Can you think of time when you failed.

Sebastien 23:04

Yeah, I failed when I I failed when I went and made a lot of investment in the Soccer World I bought by Sol gamma, which was big. He still biggest European biggest French up top four now. I felt I knew about football, I felt that would be able to hire a good coach. I feel that would be a good people manager with the soccer players. I felt I misread that environment. I was not the right personality to understand soccer players. I did not address the big fan. I should have done so. Thank God, I found somebody to take the club from us, which is very which still only today. No that was not that was not a great exercise. I think I was immature and probably too young, too sure of myself in an unknown territory. I should have never embarked into that sports soccer activity. I does it make me a different person stronger today? Yeah, I I've got so many bad press. over those five years of being chairman of this club. I am less susceptible to what people think of me today because of because when you get bad press you kind of accept it.

Jacob 24:24

So that actually brings me to the next question I wanted to ask you and that is how you deal with pressure and scrutiny. Because if you were to look back at leadership, you know, 15-20 years ago, you probably didn't have as much scrutiny. We didn't have social media people you know, you wouldn't be able to just go into Google and see your name, you know, front page somewhere. But today, anything that you do, people can scrutinize, they can write about you. They can post about you they can put you on glass door. How do you as a leader deal with that kind of scrutiny when everybody is watching everything that you do? Do you feel kind of overwhelming sense of pressure at some point?

Sebastien 25:05

No, I, again, I'm a I'm a bizarre beast. Now, I'd be very candid with you, Jacob. Number one, I never stress for things that I don't control. Never, ever, whatever happens to me. I simply ask myself the question, Is it my fault? Could I have, should have done anything to prevent it? Was I able to do something to prevent it? The answer is no. It just passes on me like just like water, nothing. Two my best baggage as being my parents education for my childhood, and what people thinks of me. I don't need to live in people's eyes, representation of me in other people's eyes, it's absolutely irrelevant. So I know what I'm doing. I know when I'm good and bad. And doesn't matter, people's judge really does not match.

Sebastien 26:06

Three, and it's I should not admit it. But it's the one way to protect myself. And because I have no passion for it. No need to. I am not on LinkedIn. I am not on Twitter. I am not an Instagram, I am on nothing. So I don't navigate. I don't go on and see what people tweet and say because I'm not on it. So and I and I think and I'm when I thinking going sideways, you take up. The reason why we have so much trouble with so many politicians, so many government agencies is precisely because of social media and what people say about people, they know it instinctively. They're being they don't like it, they want to react to it. I really would like to go back to the days of 30 years ago, when Churchill, De Gaulle at dinner and others was did not have the press of social media, because I think they acted so much better differently. So sorry, that's very sideways. But it's all that pressure is very minimal.

Jacob 27:13

Hearing you talk you actually remind me a lot of Hubert Joly the the former CEO of Best Buy. And the reason I say that is because when I interviewed Hubert, he struck me as the type of person who wasn't just a business leader, but he was a very thoughtful person he knew about history and philosophy and he had a very, I don't even know the right way to explain it. But just a different way to think about life. And hearing you talk it's, I see a lot of similarities between your approach to business and life and his as far as letting things go trying to improve constantly. And I mean, honestly, when I spoke with Hubert, I didn't even feel like I was talking to a CEO. At some point, I felt like I was talking to a philosopher or a monk. And you..

Sebastien 27:14

Yeah, you should stop there. I am clearly not as literate as he is. I know Hubert pretty well. So he's no, I think he has a lot, you know, probably nothing to do with being French. It just has to do on you would

be asking Hubert if he wanted to be a CEO one day, I was like, you may have asked him I don't know the answer. I would have probably guessed he would have said no, I it's it depends I am I have been a believer life is a blessing. Just make it was one go through it up is going to be injustice is going to be unfair, it's going to be tough, but the bright side is so much better. So now it's just a dependent personality. I guess it depends I told you I've been blessed with my education.

Jacob 28:53

Your philosophy on life in your approach to leadership. You credit your your parents and your education for for shaping that and instilling in you or instilling that in you okay? Yeah, so what what is it that they did I mean, how, what from them, made you who you are.

Sebastien 29:14

I was lucky to be raised also Catholic. Don't value money for other things that helping you in life. So don't make it any priority. Be generous. Be kind to another person don't impose your arguments, your intelligence or your social status to anyone. Admit there's many things you don't know. When they'll learn and make people around you better. Bigger. No, no. Again, I preached I'm not and I'm not even. I won't. I don't tell you. I yes I'm great, good person. This is not what I want to portray to you. It's just a guess is a lot Things in which I, I react to this pandemic now with, it's being very difficult is being huge stress. But we're going to come out of it Accor and ourselves are different and stronger person, no doubt. I will not go through that yet. So don't don't get. But it's. But it's those troubled waters that we went through....

Jacob 30:25

So before we jump into that, I just had one more question to follow up on this, it seems like you're very grounded, as far as with what's happening in the business, what's happening in the world, you're very in touch with things. And I say that because I feel like sometimes a lot of leaders, the more successful they get, the bigger they get, the more money they make, they start to live in this ivory tower, and they get disconnected from everything that's happening around them. Is there something that you do on a regular basis to stay more grounded and more real?

Sebastien 31:01

Stay as close as I could to my nine best buddies, since seven years old? And we all have very different, different different paths. And then and then, and my family? No, it's I'm a very rational person. So I, I think I have a lot of passion, a lot of vision, I can impact people. But I know that the grounding part is, don't forget where you come from. So let's get i i've been saying that so many times, Jacob is I, I don't take any credit, or any benefit from being the CEO of a large corporation, he does not matter a minute. And I'll tell you something else, through the storm that we've been going through, I think you can go through the storm in a much better nicer way stronger way when you you are at my position than anybody in America elsewhere, having to run 30 or 100 employees as opposed to me 280,000 not sleeping at night having a treasury crash knowing he's not gonna be paying his suppliers was on for easy understand. And he knows the children and the names of his employees members gosh the pressure on the shoulders, this person is 10 times tougher than mine. So and so the CEO of a large corporation is certainly not a better.

Jacob 32:26

It's certainly very interesting. I haven't ever heard anybody say that the pressure of a smaller company can be greater because like you said, you know, their names, you know, the families, you know, and you know, I have a team of 12 people, and you're right. I mean, I know their names, their families, I know what's going on with them. Whereas that's not possible when you have 200,000 plus people. So it's a very, very interesting way to think about that. I haven't heard anybody say that. You mentioned earlier that you hire around 80,000 people a year, which is crazy. And you're opening a hotel every day. Clearly, you're responsible for the lives of a lot of people. And we've gone through this crazy pandemic. Can you talk a little bit about the impact that COVID has had on your business? And how do you as a leader maintain a message of optimism and hope, even as you're going through such a tragedy?

Sebastien 33:24

Yeah, it goes in different sequences. First, that was early 2020, you know, something terrible is happening in China, that was very big. So by late January, February, you're my Chinese people telling me that guess there is an epidemic is not a pandemic, is an epidemic in China, and huge impact on hotels on travel, and not safe, then all of a sudden, within 10 days. How did it happen, uh, something's happening in Italy, an important and then in Spain, again, crossing many continents, so it's closer to home. And then within 10 days, it's all over Europe. And you see it happening in India. And so it's a it's three or four weeks passing super, super rapid. And then I had to make a decision mid March, I knew I had to close 95% of the hotels on the first of April.

Sebastien 34:27

And I'm here at my desk and said, I need to write an email and talk to as many people that my country's had, and members of the executive committee and I need to tell the guys we're going to be shutting down the entire Accor cooperation efforts of it. Because we can't remain open, and I need to make sure all my employees will be safe. And I did write and send that direction decision to the entire Accor team and I knew by doing it that the impact on 10s of 1000s of people will be just devastating within one week, that being implemented, because at the end of the first week of April, many of them will not have any paycheck, and no access to hospital and no access to food for families. And that was pure injustice. And that was my decision.

Sebastien 35:18

So I was fortunate enough to convince my board of directors to put this 70 million all hottest COVID-19 dedicated fund, and basically said, similar message to the same to any employee to tell them if you don't have any government subsidies moving forward. And if you were to be impacted your family by the need to go to hospital COVID. Or if you have no access to food, because you can't afford it, those 70 million are just simply yours. Take it as it's granted subsidies, and it's a donation. And, and in many countries, almost two thirds, you had government subsidies all over Europe, America, I guess you had a lot of people who did not have and, you know, what, 14 months after the fact, we displayed 30 million, out of the 70 million. And 80,000 people been asking for that donation in Southeast Asia, in Chile, in Nigeria, and many other places.

Sebastien 36:18

And yeah, it made me feel that that was the minimum we could have done. But it is also part of your question is, when you run a company, as large as it is, the blessing is being nourished by so many different, again, personality, different geographies, they all we all different. And I can tell you, I love going to sub Saharan Africa, I love going to be opposed versus I love going to Thailand, or what we admire many of the patients. So it's I that was we've done that. The second thing is when people are in the dark, and they are they are in stress and in distress. Talk to them. Even if you have nothing much to say, don't go do not go blind. So I forced myself and I was alone. Here we were, like 12 people in this office supposed to. I went to the office every day. And I decided every three weeks to run a small five to seven minute video on my smartphone. Just keep in mind without any script. And every three weeks, putting a video telling them how I felt about myself about Accor, giving them information on the state of the health Academy and frontiers being locked down. And what are we trying to do for salvaging interests giving and of course, specific because if I'm in disarray, and we all lost, you have to be not in denial. But you have to be a true optimist projecting yourself with us.

Sebastien 37:52

And I did and some messages were probably empty, and probably numbers make sense. And I never done another version, such just very short , go, go and just speak with your story. And then communicate it with my board every week for 45 minutes on the same topic. No, I was telling them every Thursday from noon to 1245, what's going on in your world. So if you admit the unknown, if you accept that you don't control much, just focus on what you control. And what you control is your own organization. What you should be stopping from doing what are you learning from this crisis. And another thing you should be doing on preventing the epidemic going so it's and you had time to think and I was no longer traveling usually travel 260 days. All of a sudden I was you stopped to my desk and that home in Paris, which was also probably a good thing. So it's just the communication is absolutely everything. But they need to see they need to see that suppose is that the boss is at the helm through this.

Jacob 38:56

Is there anything as a leader and as a person after going through that? Well, I want to say after going through the pandemic, we're still coming out of it but as a result of the pandemic?

Sebastien 39:17

I'm not sure actually I probably have learned again that now my pure ability to absorb the unknown. I it's I don't know what talk about him. It's the following pope john paul the second. He said had no fear. And I have no fear just accept that it is hitting us just just go through it. But don't admit defeat. So normally just it was known your job and I felt that I guess I needed to be there and I needed to do what I've done and again, whether it was accepted or not. They'll tell you in a couple of years, because the first thing I want to do is I want to go back traveling because I want to hold the people in my arms. I missed them. I think the reason why I left colonies, the financial world, is I human touch human capital. I just need to go back

Jacob 40:15

It's great to hear, I just need to provide a leader of a company have so much affection for the people who helped build the business, because you don't always hear and see that. So I think it's very refreshing.

Sebastien 40:31

But Jacob, we had to block us a second time. And I know I've been outspoken and a bit too rough, too quick and critiquing, and I don't want to preach. But you do have today two different economies, in very different natures. And we don't compete together, which is our there must complementarity with compliment, I guess, adding to each the first which you know, there, what is the media communication industry, which is in the hands of American and Chinese, the gaffer and those are extraordinary, going like hell, rewarding growing, but they never meet any of the clients. They actually call them users and not clients. And then you have another industry which is not better or worse, by the way, which happened to be part of my industry, which is a warm industry in which every single bought everything in the hands of my employees at the hotel level, because they are fronting with the guest. And every single something will be happening to the guests, we just a caretaker. And that industry is vastly different. Probably not growing as fast. But I cannot see myself working for the first industry because it's not me. And thank God, people will love the first like the second.

Jacob 41:56

Arne Sorenson, the former CEO of Marriott. And the reason I wanted to bring them up is because you were fierce rivals, you know Marriott and Accor. But you also had that level of respect and camaraderie. And I feel that in the business world, sometimes we view rivals as people that we want to crush and destroy, and they're our enemy. But you actually had a different relationship with Arne. So I wanted to talk a little bit about how did you view Arne Sorensen and Marriott as as a rival, but also have that kind of respect. And what did you learn from him?

Sebastien 42:39

I, the reason why I said that is when I started my August 2019. He was the first to call me like a month after says, Sebastien, I don't know you. I heard about your past . If you happen to come to us, I would love to go and find out. And I was a next week in New York. And we went for a walk for almost two hours. him and I in San Francisco is

Jacob 43:11

This is your first time first meeting in person

Sebastien 43:13

And I didn't know him. And he didn't know me. And that. Yeah, absolutely. And, and he knew we knew we were competitors. But he was passionate, visionary, expert, and super, super kind. And very human and very generous. And he was caring of whether I was having tough time in my job, would it be helpful assisting me. So he took it on a very personal matter, five, five weeks into my job. So I no one could actually not remember when that person calls you any. And many times. I've seen him since his being always the same that strong personality, leadership, but very generous of his time. He was an exceptional person

Jacob 44:05

Why do you think he actually called I mean, he was an executive. He could have just been sitting from the sidelines thinking I hope Sebastian fails. I hope he does a terrible job. Because, again, you're a big competitor of his

Sebastien 44:23

Jacob I've just described only to you. He's just a different person, the one you describe, he cares. And I think probably he was intrigued, or he just wanted to be helpful and not and so was he. I can't tell. But he was telling me through that process. There was nothing

Jacob 44:41

So talk me through that process, your cell phone rings. It's just Arnie on the phone and he says Hey, how's it going? Or how did that connection come about?

Sebastien 44:55

I was actually I was like a small guy that I mean, I I was impressed. Whenever he was talking to me like a young kid, I said, well, it's good talking to you that when he says, Let's not do it as a phone, he was nice enough to say that he heard many good things about me. But his said Sebastien will never met, and we're probably going to be fighting each other is better that we meet first, he actually made it funny. And he was right. We've been competing ever since with a lot of respect. But you know, the one thing about our industry, which is very different from investment, banking and property, in those days, you know each other, but you blocks with each other, and you just compete you rough and new. And sometimes you actually bad mouth other people in, not in a nice way. They just, it's a fight. It's a dog fight. You talk about Marco plumage, and at higher business it on Hilton, and many others. We respect and like each other. This is far from being a dogfight. So again, I cannot tell you why that is some of what the industry I was in with, talked quite a bit about family. And then we talked enormously about China. He was he was very intrigued on how to read China. Again, he was also looking ahead. So am I so I guess, which is why we that that was a long, long work, because we were both trying to plan for the future and testing each other. And of course, I knew Europe much better than he did. I knew America much better the nations I was in relationship with just being added.

Jacob 46:41

Or did you guys just speak that one time, and that was it.

Sebastien 46:48

Now, I've never met any of his family not attended by. He just went too fast. But again, his attitude, I enjoy talking about video, Jacob, through the Academy, probably sometime in April of May, when we've done it all the half is fun. I remember that volunteers put a video together. And he was going through his cancer. He was I remember exactly where I was. I was in my office alone, and I watched it on my cell phone. Yeah, I did want him to that was Chuck Yeah,

Jacob 47:28

I remember that video, I think I'm assuming we're talking about the same video. You see Arnie, you can clearly tell he's going through his cancer treatment. He has the he had a bald head he I mean, look different than than he usually does. And he's giving this message of hope. And you can see even in his eyes, he looked like he was getting teary as well. And he's just giving this honest outlook on what's going on with the business and trying to give that message of hope. And it was a I mean, it was shared, I think all over the world. And it was very, very impactful. Yeah. Did you ever talk to Ernie again, after that Walker, did you have any kind of communication? Or was that it just that walk? And then?

Sebastien 48:17

Of course, I liked the guy. Yeah, you had a 14 sounds

Jacob 48:23

like I also wanted to talk a little bit about something we touched on earlier. And this is this is about you. What is it about you that you think allowed you to succeed in your role? Are there certain skills or qualities that you think you possess that allowed you to get to this point?

Sebastien 48:55

You should be asking anybody but me seriously. The one word that comes very often, which I like, because I think that's what I want to be is authenticity. I am I never online, I don't find excuse. I don't depend something. Just reality is reality. Just make it a thing and protect yourself and be clear. So as a leader, two things number one, again, admitting that you don't know is something that many of us should be doing. So many times. It doesn't make a weak person but meaning you don't have that clarity though the three words that I use when I started that I caught that she just made me remember them. The three words are agility, clarity, accountability, because those three words meant a lot of things, is I want people to have the agility to be empowered to be taught. Listen to because I'm only people to by making those decisions. I want to make sure they were accountable for that decision and good decisions. So responsible. And third, I wanted people to run them to understand the context in which they were making. transparency. Those three words have been in the transformation. Yeah, I'd like that now probably would not have been a good number.

Jacob 50:29

How do you set personal goals or expectations for yourself? As far as learning growth development?

Sebastien 50:43

I don't, I am only passing here Jacob, tin my role as CEO, somebody is going to be succeed, he will be a different person. thinking and acting. I just want Yeah, I do have a little bit of ego, which means I just leave want to leave behind the footprint. When my printer what I've done, which is hopefully transforming his company to much different company to this today, the one I never did a segment geographies, not saying I think are good. But I I'll go back to the question before if you if you accept this very critical, and probably okay, for years. In terms of leader for me, I'll tell you the process on all my decision making output always been the same in my past years, and the processes of following any decision I make. And they start with my stomach, my instinct, my belief. Number two, they go through my heart, whether that decision was instinctive, how generous non generous, impactful it is on humans,

and looking. And only third come to the brain and the head to give you the tempo in which that doesn't implement. Anybody starting reversely, I believe will fail, which is also my critiques on a lot of government. They are so intelligent, that they start with a brain and they forget that stop. So again, it works for me, I think it's gonna work for me.

Jacob 52:28

I love that approach, starting with big wins. And now I will never change only going to kind of the brain and the data piece. And you're right. I feel like a lot of business leaders, they start with the data piece of the information, the head, and then sometimes they don't even care about the other stuff, they just look at the data piece. And that actually gets to an interesting point of balancing people and profit. Have you ever been in a position where you have had to make a decision that helps people but maybe sacrifices profit? Or how do you balance those two things in your mind?

Sebastien 53:12

It's a it's a very complex question. And even more complex when you running listed company in which you are acting on behalf of shareholders taking risk, and you have to reward them for the risk taking, that's part of an obligation. If you forget too much about it, you're likely to be dismissed, or you're not fulfilling your role. So that balance between what is good for the shareholders and what should be also good for the client or the community. In many cases that equilibrium is very fine eyes or impossible to find. So you my way of doing it is I'll say differently A B to strategy. This isn't should be implemented by the CEO. This is what people want me to do. This is why they elected then it has to be challenged by your board of directors because this is my shoulders. If they don't like the design of the company, they have the right to buy sell abandoned. Don't ever ever strategy of a company dictated by this? Because if you do that you will negatively why and then you say strategy dictated by the province. He made a wrong decision.

Jacob 54:44

Oh, that's true. Okay.

Sebastien 54:49

Yep, yep. By the street, the street meaning meaning, meaning by short term profit. You can't do anything in the company about some implications of your decisions are at the minimum 18 months, and between 18 months and three years. So, but it's a profit and an immediate and you invest the money, the one thing you have to do is a must, back to communication. Explain to your shareholders, why the profit is going to come only in two years, a lot more money. And why is that decision is the right and the right one. If you if you don't confront yourself with those, waiting for profit, then again, they're going to be hating you for the right reason, just just talk about. So it's, but it's but you you have to come in all those I mean, I, as much as I knew exactly what I owe to the shareholders, this is not my company that company belongs to. So and I know the reason that so you, and I need to also to explain to my union representative, like, for example, I've made we've decided to lay off plan of 3000 people, that's also super rough, and just unfair decision to layoff people in the worst ever economic environment. And I'm making that decision because I need to protect the profits of tomorrow. And the sustainability of our court. I know by doing it, that was impactful on on a lot of wrong. But I went and confess myself and discuss it with him and family got their blessing. And they understood that he was needed to protect the

other to save 270,000. So but that's that's an extra the difficulty of our drug is we only have a couple of contradictory Jonathan which building on

Jacob 56:37

if there is anything that you want people to know about you, maybe your your your customers, your employees, or just general public listening and watching to know about you or a core or just the tough choices that a CEO makes, because it's very easy for people to just look from the outside and say, Oh, how could he do that? Why is he doing that? What message would you like people to receive about you or being the CEO?

Sebastien 57:20

I guess caretaker I've told you. Now the only message that I want people to receive is I need it's sorry. When I told you before I need to be fed the futures of the hospitality travel industry in neither is in the hands of the behavior, the demand of my clients. So all of you watching, I know for a fact that we went very quickly from a product driven industry, Hilton holiday and Marriott novatel of the world, pushing on you a product, no standardization, and you accepted it for 50 years from 1970 to 2010. Those days are hope. Now you're looking no longer for product, which is indispensable, but you're looking for so much more. You're looking for an experience, you're looking for preservation of the nature innokin, you're looking for secondary destination, you need Yeah, you're looking for experiences, which is much different from afar. So if you want companies like us, or the American peers, to do a good job to satisfy your demand, you need to enrich me on what you want for me to be able to service it to. So I'm I'm only saying to you that I guess this which is what makes my job so interesting. And we haven't talked Jacob about flex office, and all these channels of digital tools ability to have a better quality of time, better quality of life working from any place in the world. The hotel industry, there's only three places open 24 hours, seven days a week. Those three are for the station, hospital and hotels and guarantees looking at me, there's so much more we can be doing as acting locally. I am sick and tired of having the hotel industry only catering for those coming from a different town coming from a different country. Those days 50 years ago, I passed a hotel being open 24 seven should be a caretaker for 6 billion who do not travel those living next to me because they need somebody being open 24 hours have to be helping them on a day to day life or ability to work to meet some. So I will have succeeded as a CEO as a core is my 5200 hotels a backhoe finally opened the doors, our service the great talents of onboard to so many who knows my hotel, but never entered because it never needed a shower or room because it leaves next. That's my duty extra few years is act locally on behalf.

Jacob 59:57

Love it. And one last question for people who are watching and listening who are trying to become better leaders in their lives and in their organizations. Any suggestions or advice or tips for what we can all do to become better leaders?

Sebastien 1:00:26

Yeah. Is by accepting that we do not know everything that we don't know. The only thing you should be really acting upon his team, team team, collective intelligence make people around you valuable, indispensable. Autonomous on Park. Delegate your parent with grace and and happiness. Don't be narcissistic. Don't occupy the media. Don't be full of yourself and don't be that just it just I could only

exist because there is precisely to wake us up people. And I told you, I'll be gone people won't remember me somebody else.

Jacob 1:01:08

will remember you and I have a feeling he will based on this conversation and some of the Yeah.

Sebastien 1:01:21

I'm doing back we need to do it again on flex office and the world war two I can tell you for this is a huge revolution things

Jacob 1:01:28

that we want to be part of the invitation is open if you ever want to. I would love to have you to talk to you even more about stuff. Sure, where can people go to learn more about a core i mean anything that you want to mention for people to check it out? Thanks.

Sebastien 1:01:54

I call website you go on it you're going to see the 41 brands the network by just remember one thing which is on its size that matter but we happen to be the largest hotel operator on this planet. And we are number one everywhere but China and America Europe, come with us. Restaurants are reopening, it's fun.

Jacob 1:02:13

I'm gonna be looking out for that brand for sure. Thank you very much for your time. And again, everyone. My guest has been Sebastian Bazin, Chairman and CEO of Accor. Enjoy the conversation and I will see you next week.