



## Take on Board

# Transcript – Cheryl Hayman

Helga Svendsen 0:00

Today on the Take On Board Podcast, I'm speaking to Cheryl Hayman about a range of things about non traditional skills and what directors with these non traditional skills bring and why they are needed for great governance. And we'll also touch on transformational growth and the role of digital strategy. We might even touch on a few things from the AICD governance summit, which we've both just come from yesterday and the day before. Firstly, let me tell you about Cheryl. She's on a range of boards so she's on the boards of Shriro Holdings HGL Limited, Chartered Accounts ANZ, Darlinghurst Theatre Company, Peer Support Australia and she's also a member of the Digital Experts Advisory Committee and an HCF counselor was only looking this up I didn't even realize that HCF had a council structure so I was interested to see that as well. Cheryl is an experienced ASX, non executive director, and ASX remuneration and nominations committee chair and she was previously a C suite marketing director with global food and retail restaurant companies including George Western foods and Yum Restaurants. Cheryl advises companies that want to achieve digital transformation at scale, grow through diversification, innovation and customer centric strategies. Her background in marketing is considered a non traditional path to the boardroom. But she utilizes her expertise, diverse perspective and whole of business leadership experience to guide companies that want to disrupt and grow. She's a passionate mentor of women of all ages and stages of their professional life, whether in the corporate sector or in the entrepreneurial space. Welcome to the Take On Board Podcast. Cheryl.

Cheryl Hayman 1:40

Thank you, Helga. It's lovely to be here.

Helga Svendsen 1:43

So Cheryl, before we talk about non traditional skills, transformation, growth, all of those things, let's dig a little bit deeper about you. Tell me about your upbringing. What lessons did you learn? What did you get up to? What were the leading influences on how your thought and what you did?

Cheryl Hayman 1:59

Yeah, sure, I feel privileged to have had the background I did. I had two working class parents, and particularly a father who came from war torn Poland or the boy had lost his father in the war, and came to Australia with his mother and his brother and had to start as a non English speaking

teenager in upskill himself through education, so and my mother had come out of country, New South Wales, and a very traditional Aussie family. But again, they weren't wealthy, she lived through the depression and knew what it took to build yourself from nothing. So both of them came from very grassroots beginnings. And I think, why I feel privileged is I came through a family that had incredible values. And one of the values they instilled in me, which I hope I've instilled in my own family, is that of working hard. The importance of education, or my father ever asked my children was you what are you going to do at university? Or what are you going to do when you leave school. He was obsessed with the fact that you needed to be educated because he learned that being educated allowed him to have a comfortable life in Australia. And everything he did was a family. So the values that I came from, through my parents, I think, when I reflect I feel really grateful for and until the day my father died at 90 a couple of years ago, he was still asking my children, if they were through university, what were they going to do now for work. And I was one of two daughters, I have two daughters, and he never considered that as girls, we would do anything other than be educated and work. And that love for education is something I have. I'm a lifelong learner. And I'm passionate about learning and the importance of it, whether it's a direct skill that you're wanting to learn or just something you're interested in, I think that degree of curiosity is really critical. And then my mother was just generous. You know, my, my cousins talk about the fact that rd, Val always gave the best presence. My mother never forgot anybody. She never excluded anybody. She kept articles about long lost cousins who I didn't even know existed. You know, she was proud of everybody's achievement. And I think I also got that from her. So I try and be supportive and inclusive. And I think that's made me who I am today.

Helga Svendsen 4:27

And the two key skills in the boardroom and their curiosity and inclusion, a board cannot operate effectively without those things. So you can see how that set you up. Well, yes. So what you do today, if

Cheryl Hayman 4:39

That's right

Helga Svendsen 4:40

You know, we've just talked about some of those skills. Not everybody defines, I guess, curiosity and inclusion as skills, maybe they are attributes, whatever they may be, but I think they are key things to have in the boardroom. What would you say the traditional skills, and therefore what are the non traditional skills and why are they important in the boardroom?

Cheryl Hayman 4:58

Yeah, I mean, I think we've taught a lot about diversity and inclusiveness. And we've done a lot of that in these last couple of days at the governance summit as well, because it's very topical. But when I started my board career, which is about 14 years ago, I sort of jumped off the cliff and did some consulting and then considered maybe I do boards. So I didn't plan it, I just jumped off the cliff, straight into it as an idea, which is sort of my style. But certainly back then, the boardrooms were full of accountants and lawyers and tax experts. And I have loads of friends who do that. And I'm not trying to beg those skills out. But no, I'm a lawyer. But

Helga Svendsen 5:36

I agree wholeheartedly, but keep going. Yeah.

Cheryl Hayman 5:38

And I understand why was how it was. Unfortunately, I think today, there's still a prevalence of that. And there's a prevalence of we should just pick a functional skill and whack around the boardroom. So we've suddenly technology's big, so we better have a technology expert. But all the really enlightened directors and chairs will tell you that you don't want to board where you just turn to one person when there's a tech question, or whether there's a tax question. Clearly, you need someone who can share audit, and risk and so on. But if we're all the same, you're not getting anything other than (a) skills from where we come from, and (b) that kind of objectivity around other areas. I think people with non traditional skills and so I came out of a marketing background, but I encompass in my non traditional skills, people from sales, people from HR, you know, all the people actually that are in a business, asked or tasked with growing the business, not adding up, not managing the bottom line only. But there are three or four main skills that are charged with growing revenue. And if you grow revenue, and you grow customers, and you grow volume, you will get profit. Yes. So I just think you have to have that skill, diversity. And just circling back to something you said, You know, I think curiosity, learning, challenging, Gordon Ciarns and the conference talked about a board that dissented but then came out with a decision, they should be skilled on the matrix, you know, why do we only put, you know able to chair a board has worked in manufacturing? Like, I'm not saying those aren't important, but why don't we add some other types of attributes on the things that would traditionally be considered soft skills?

Helga Svendsen 7:28

Well, it's interesting, even when you listed their sales, HR marketing in my head, what I heard is, that's all the people stuff, correct. It's the internal people stuff. You know, you can't do sales and marketing without knowing about your customer. Without getting in the heads of people, HR, you can't do without getting in the heads of your internal people. We know that people's stuff is key.

Cheryl Hayman 7:49

And interestingly, when I first started applying for boards, some of the boards and through some of the search firms that I was not put forward for was on the basis that I was considered to not be able to read a p&l. And I'd worked for Yum Restaurants, which was a daily business, I'd worked in baking, which is a daily business. And if we put something up that didn't turn a profit that day, or deliver at the right margin, then we were asked to change it by the next day. So to say that we as marketers didn't have line of sight to return on investment was really an antiquated view. And it's one of the reasons that myself and some of my colleagues who come out of the kind of more the creative end of the functional skill sets considered not suitable because there's an assumption that were not financially literate, which could probably not be further from the truth.

Helga Svendsen 8:40

How did you then get around that? Or change the views of people? How did you then end up in the boardroom?

Cheryl Hayman 8:47

I'm a bit of a show me, don't tell me. Right? And I believe in that at all times, I tell my children the same thing. So I think you bring change, and you get changed by demonstrating that you can deliver on what you say. So I guess, my first couple of boards, one came through applying, which was an ad I'd seen on Women On Boards. And that was for not for profit. And the other board I got, which was a listed company called Clover, which I got very early on, was because I'd worked with that company, I'd put their ingredient in bread and marketed it for tip top. And they had worked with me and knew I understood their products. So they called me and just said, Look, there's a board role going. Are you thinking about boards? I said yes. They said just go into the mix. So I went into the mix. It took three months for the recruiter to put me in front of the chair, who then said, You're the first person I've met who actually makes the brief. And lo and behold, they put myself and somebody else onto the board and I'm very grateful for that opportunity. So I ended up on a listed board. Because I had bothered to tell lots of people I was looking to do boards. Yeah, and it wasn't even conscious. I'm not a conscious networker or I certainly wasn't back then but it is a lesson that I took A lot of people I mentor now, which is tell anybody who listen what you want to do. Yep. Because what's the downside? Seriously, I mean, nine and a half out of 10 people will listen to you, they won't necessarily give you a job. You get into the front of their frontal lobe. Yes. Awareness. Yeah,

Helga Svendsen 10:16

Absolutely. I'm drawn back to the other thing from your childhood, actually, around inclusion and thinking. I mean, I absolutely agree that we need more diversity in the boardroom of skills, of types of people, all of those sorts of things. But I'm wondering, then about that decision making with that diverse group. And if you don't have a board of accountants, for example, if you've got your board of

accountants, then they all test the financials, collectively and individually. If you've just got one accountant, and one lawyer and one marketer and so on, do you find people turning to you in the boardroom and going Oh, Cheryl, you're the marketer? What do you think about this? Oh, she thinks this, therefore, I'm comfortable with it as well. How do we you ensure those diverse skills, also engage in conversations that are outside their skill set,

Cheryl Hayman 11:07

I think a board needs to be made up of business leaders who happened to come from a particular event, because you can't get to CMO, CFO, any of the C suite roles and CEO without having come up through somewhere. So you do have a bent and you have a area that probably is your trigger point that you care about. So you'll have people on there who always ask about the people in a business, you'll have other people asked about the margins, and all of that, but all of you have to have the enough curiosity and intellectual capability to want to know about stuff that's not in your area, in order to have the conversation. So I think it's incumbent on directors who sit around a table today, to actually continually upskill in all sorts of areas and be across the contemporary business landscape. And the thing that makes me go oh dear is when I see directors who just say, I don't need to know that. Or I might say, Are you going to the governance summit. Now, why would I do that? Now I get not everything's for everybody, and you all get very senior. But you have to have a means by which you continually know enough to ask the dumb question, or to be curious enough to ask management who are typically younger and fresher and deeper in the business, of course, the right questions. You don't have to have the answers, you just need to know what to ask. Yes. And I think that's the challenge that people expect a particular director to be able to answer a particular question. And of course, in some cases, that's true. But in a lot of cases, it's more the asking if that's more clever than the answer.

Helga Svendsen 12:44

Absolutely. And it prompts the thinking of I think sometimes your role as a board director is almost as a mentor, in a way of the executive team to ask them the questions to get them to explore.

Cheryl Hayman 12:53

Yeah, and if you have a CEO or C suite of management, who don't want to be asked, Who don't ever say anything other than Yep, we've looked at that. Yep. No, we've done that. Yes, no, we're on that, you know, which raises lots of cynical hackles on my neck, I think you've got people who are a bit stuck on their own treadmill, and not necessarily looking to find ways to grow their business.

Helga Svendsen 13:18

So speaking of growing the business, let's pivot then to transformational growth. You've been involved in some organizations that have been through that, can you give us an example of how that works? And what boards should be thinking about?

Cheryl Hayman 13:31

Yeah, I mean, we heard about it again, at the summit as well. And so it is very topical, you have to know what your purpose is. And you have to understand what you would like your purpose to be. And then you need to look at what the gap is, you need to understand where the markets are going, where the trends are, where customers and consumers and stakeholders are going. So you need to define how you want to change your business to do that, you then have to put a really objective lens over the capability and capacity of your business to do those changes. If you can't do them directly, you need to look to acquire or partner or something to get you that pivotable change. I mean, we're seeing banks do it in order to get innovation. We're seeing other organizations bring in startups in order to push forward their digital agendas or their e-commerce agendas. And that's a really smart way to do it. Because you are recognizing you don't have the capability yourself or the agility or speed that you need. Because transformation in today's world takes a lot of speed also takes a lot of guts, and it takes a lot of desire. Right? And so you need people with the right balance of managing risks to make that happen. So for instance, you know, COVID, and I know there's been a lot of discussion about COVID. So I won't go down that rabbit hole particularly but it forced people and businesses to do things they were thinking about much faster. And if they didn't do them, they got left behind and if they aren't now you using that to really grow, then they're really going to miss the new landscape. And what's happened is a lot of a lot of startups have gone crazy during this time. Because they can, yeah, right, they have the appetite for it. So that's the broad reality to do it. Absolutely the agility, they're not scared, maybe they've got less to lose, in a sense, they're not turning a titanic and risking a lot of money, necessarily. There's money around people attracted to invest in things that look like they're going to grow and are exciting. So I think that's the key. So you know, a live example for me would be one is with Chartered Account, Australia, New Zealand, you know, we were working, they're not made the management team and led by the CEO. And in a specialized committee, we're working to bring technological change to the delivery of that program and other programs associated with our business, to what is the younger generation typically, now, they pivoted so fast, when COVID happened. And those things went live overnight, because we had kids in the program who were suddenly not in their offices who were not at university, even who needed to be able to access and do their courses, and then actually sit their exams, because it's a very hard program, the marginalized marginalized versions, the technology behind that, making people accessible to it, because not everybody's sitting with two computers, and a laptop and an iPad and a mobile phone, you know, you got to remember a lot of people in regional, you know, a lot of people don't have a lot of stuff at their disposal. So we needed to make sure all members who wanted to go through the program could access things. So that team there did an incredible job. And as a board, it was our job to just go yes to things to understand enough to make those decisions. And to pivot and did every thing that got delivered go well, the first time No, of course not. But we heard through the conference that if you wait tools, perfect, you'll be left behind. Yeah, you have to start

because if you don't start make mistakes, you never learn. And if you never learn, you never change. And so for me, that's a great example of a new change delivering to what membership wanted.

Helga Svendsen 17:11

In that example, did the board upfront have a conversation maybe about risk appetite? because presumably, in that environment, your risk appetite changes, and all of a sudden, you're giving the organization a bit more leash than you would otherwise do? Did the board have that sort of conversation? How did it go? How was that communicated with the executive in some?

Cheryl Hayman 17:31

Yeah, so like everyone else, we're working like the clappers. It was weekly, if not daily, at times discussions, not only on this project, but on lots of things, obviously, to do the health and safety of our teams, and so on, the board knew what the overall investment was going to be. So the decisions were about speeding up that investment, really putting our trust in the management, we have a fantastic executive team in that business. And they were culturally super strong. You know, that group had been through some internal challenges, they'd been through bushfires, which affected a lot of people in the country, particularly. And then we had COVID. So that team went through three massive changes. So they had to know the board supported them. So one of our key roles was to, still in them the confidence to make some decisions that didn't always have to come back to us. But they knew where we stood, they knew that we had faith in them, and they knew they trusted us. So I guess the risk the board were taking, if you like, was to instill that confidence, we had already made the decisions around the financial piece of it. And happily, we also didn't lose any key people at all. So we were very fortunate to keep our staff. So I think those things really work. I mean, if you're going to take risks and transform your business, you have to be able to delegate and trust the people that you want to get it done to let them go. So you need to loosen the leash. It's as your children get bigger, you find yourself loosening the leash, it's a bit like that.

Helga Svendsen 18:59

Yeah. And so you said that they had a strong culture as they went into it in the boardroom? How do you know that that's the case?

Cheryl Hayman 19:06

Well, there were some classic ways like we run the standard one on ones with each of the executive team, etc, etc, through the equivalent of the people and remuneration Committee, which I sit on. So we do that every year in detail. And we visibly seen the culture change from quite a siloed organization of which is very common, I seen it all across fmcg, which is my background to one where these everybody talked with across each other and with each other as a group. So you could

you can sort of viscerally feel it you know, and you see it in the results. You see it in the joy, the seed and people supporting each other as opposed to keeping their hands around their their patch. It definitely flows through so I think it's a flows down from the board culturally and then back up from the team up

Helga Svendsen 19:54

And you'd also mentioned in there that things were happening at a pace and not everything always went smoothly. You know, again, to extend your analogy about letting the kids go, you know, the kids could then come back at some stage and go, Oh, sorry, Mama stuffed up. So as a board when things didn't go, Well, I'm sure you're expecting a bit here. Again, what were the practicalities of it? What were the boardroom conversations about that? The executive conversations, how was it managed,

Cheryl Hayman 20:22

It came down to being customer centric, so or membership centric, if you it to a Chartered Accounts it was about the messaging. So the speed of communications, the constancy, the communications being completely taken on the chin, where the errors that occurred, and saying, you know, here's how we will rectify that. So if a particular exam had had a bug, and therefore, people had been dropped off the system during etc, etc, and the stress that goes with that, determining how you were going to reset the benchmark for them in order to ensure they didn't lose that work, and all the effort, and just putting a fairness lens over things. So we heard Kate Morris from a door talk about through COVID, the need to communicate and communicate daily, with your customers and your staff, of whom we're version of your customers. So I think it came down to that. So the board's role was largely about being kept abreast of what went on, and actually just very quickly going, Okay, let's get it out there. You know, you can't ever be afraid to message. And you are much better to deliver bad news quickly.

Helga Svendsen 21:28

Yeah, absolutely. You know, and when people are feeling anxious about it, it's just like, well, yep, whoops, that didn't go according to plan.

Cheryl Hayman 21:35

And that's where you can't be obsessed by numbers, you have to be obsessed by heart.



Helga Svendsen 21:40

So I'm wondering also, then, how did the board look after themselves in all of this, because it was clearly a we are we are talking about the pandemic, even though we can't not talk about it in some ways. But in fact, even if it wasn't pandemic prompted, if an organization is going through transformational growth, you've said part of the role is to support the CEO and the executive team. Yet you're all doing new things at a pace. How do you support yourselves in that as well? Because no doubt, it's anxiety inducing for the board as well. It's a chore go off and do your thing. Oh, my God, I hope it's okay.

Cheryl Hayman 22:15

Yeah, I think that you need to be very collegial and collaborative through that piece. So whilst on issues and decisions, you may have some dissent, and then you come out with a decision, you know, on that heart side of things, you know, the board needs to have enough care and consideration for each other two key people, usually that you need to care the most about is that one will be the chair. Because whatever happens, they're doing two or three times the amount of work and having two or three times the amount of constancy of conversation. So they are the ones probably under the most significant stress, particularly during tough times. And the CEO, or in some of our organizations, we have a president. So in the Chartered Accounts, we have a president. So they're also fronting the entire membership body have, you know, 160,000 people or whatever. And so, you know, those two people, you need to really check in on a lot. But on other boards I'm on in the listed space. You know, again, chairs are very busy. But the chair was also in my on my three listed boards, the chair will check in with the directors and just say, Are we okay, you know, how are we doing? How's everyone feeling? And I think you need to have enough of a relationship side to, to do that. Yeah, I have to say, and I'll do a plug here for it, that women are better at this than men. Sorry, guys. But women are by virtue of how we are wired, more collaborative, more collegial. And generally just more caring. We're all about bringing people along with us. So that's another reason. Here's my plug to have a gender based biased board. Yes.

Helga Svendsen 23:53

Yep. Have that equality in the boardroom. So that you've got that mix.

Cheryl Hayman 23:57

Yeah. And there's a ton of skills go with that. Right. So if you lay your skills through that we talked about earlier, you get both that?

Helga Svendsen 24:03

Yeah, yep. There was lots of conversation at the conference, of course, about diversity and so on. And I think that thought diversity, so to speak, comes from all of the other forms, if you've got older people and younger people and men and women and people from different cultural backgrounds, and you know, different gender and sexuality and all of those sorts of things. If you've got all of those people in the boardroom, people with a disability, you are much more likely to have the thought. Right?

Cheryl Hayman 24:30

Absolutely. And the thing for me is you have to then have a voice. You know, my favorite phrase at the moment is, you know, diversity is being invited to the party inclusion is being asked to dance. And if you're not asked to dance, there's no point, right? Yes, because you are literally just sitting there warming a seat. Yep. And no matter what your gender or any other particular diversity that you bring, if you are there, and you either one, don't feel invited or you don't use the opportunity to take a forward front, then you are actually wasting your time and everybody else's, you have to make sure you choose carefully and you actually are invited to dance.

Helga Svendsen 25:12

You go back to the theme from your mom as well around inclusion. Yeah. I knew this would happen where the time goes so quickly in these conversations, what are the key things you want people to take away from the conversation that we've had today,

Cheryl Hayman 25:27

I would love people to go, let's just sit back and think about where the business needs to go, and what's the right makeup of the board. Don't rule people out without getting to meet them and talk to them. Because I don't think a resume necessarily does justice to what people can bring. And I think when you are invited to a board or a even a recruitment process, really consider what value you can bring and what you can deliver, and make sure you are delivering for a contemporary market kind of landscape. And I would really ask chairs and recruitment firms, etc. to widen their lens beyond having people that have to be sector specific only on a board and to consider what skills people bring and how to reinterpret that skills matrix.

Helga Svendsen 26:19

Is there a resource that you would like to recommend for the take on board community,

Cheryl Hayman 26:24

One of the ones I love and this is my entrepreneurial spirit coming through, because I'm, you know, I'm all about new things, new age things. But I love NPRs show I built this podcast where you'll hear from Yes, very famous organizations and their founders, to very lesser known organizations and founders. And when they talk about the ups and downs as they grew those businesses and I love the fact that they've had highs, they've had lows. They have tips and tricks for how you build out of those. And this is how you get growth. And I find those things really inspiring.

Helga Svendsen 27:01

Fantastic is another one for me to add to my listening list. Thank you so much for joining us today on the Take On Board Podcast. I have no doubt that people will get a lot out of the conversation that we've had. So thank you for being here.

Cheryl Hayman 27:10

Thank you for having me. I've really enjoyed it.