

Take on Board

# Transcript – Joyce Cacho

## Influencing in the boardroom by using your skills



Helga Svendsen 0:00

Today on the take on board podcast, I'm speaking with Joyce Cacho about leveraging business operations intrapreneur experience and how that relates to governance and risk oversight as a board director. First, let me tell you about Joyce. Joyce is on the boards of sunrise banks and world benchmarking Alliance. And she was formerly on the board of lander lakes Incorporated. I'm intrigued to know what that is. I'm gonna have to ask you that in just a moment. Joyce is a corporate board director with regulated industry experience, where she builds on intrapreneur C suite leadership roles in banking and manufacturing. Welcome to the take on board podcast. Joyce,

Joyce Cacho 0:32

Thank you so much. Helga. It is awesome to have you here. Well, we were talking off air about your a friend of Helle Bank Jorgensen who was on the podcast recently and a guest, and also the prompter have a take on board book club. So yeah, it's great that we've got a little little community of take onboard people developing around the world, which is lovely. Very nice. Now tell me before I'm going to ask them background questions in a moment. But I am intrigued, actually about a couple of things. While sunrise banks, I'm assuming is a bank that maybe it's not you can tell us that world benchmarking Alliance I'm intrigued about and I'm particularly intrigued about board of Land O Lakes Incorporated, can you tell us a bit about each of the boards you're on or have been on and what those organizations are terrific, happy to. Sunrise Bankds is a bank, privately owned here in the United States. It is headquartered in St. Paul, Minnesota. And the NA means that it has a National Charter. So the way our banking system is here in the US is that you've got state chartered chartered banks, you've got nationally chartered banks, you've got credit unions, you've got all manner of different regulated financial institutions. And there's a class of financial institutions, which are state regulated, and as well as have a National Charter, which means that they can engage in business embedded in their strategy, national products. So that's a neat little bank, it has how much a billion dollars of assets under management. So that's fun, where I serve on the Finance and Audit Committee and the BSA and Compliance Committee. World benchmarking Alliance is a global nonprofit headquartered in the Netherlands. And they, through other partnerships, before I joined the board, had identified 2000 companies around the world who could greatly impact the achievement of the SDGs. By 2030. And part of the Board interview, I did my due diligence, and many times you have organizations that call themselves world and they've got no relationship to the African continent. And I was pleased when I did my due diligence, that in fact, they did have a world

footprint in terms of their 2000 companies. And there, I chaired the operations committee, lambda lakes, which has caused a lot of intrigue. The name comes from the fact that they too are in the state of Minnesota. And the tagline for the state of Minnesota is land of 1000 lakes. And it's a farmer owned enterprise, which has, what 15 billion in assets, and a rather large board, so on the company borders, in the capacity of enterprise risk management. And yes, it's just about 100 years old, just over 100 years old. And I was the first woman to serve on the board, the first African American to serve on the board. And what did I have in common with the men on the board? We had ball haircuts together, and some by choice and some by jet by by genetic.

Helga Svendsen 0:33

Oh, I love that fantastic. Bold by choice. It's like, Haha, see, I can choose it or maybe not choose it. Oh, how fabulous. Thank you. That is so good to know. You know, it's sometimes you read off the names of these organizations. It's like, Oh, what is that? So you've got such a diverse portfolio banking, you know, a global nonprofit of around the SDGs and family farming. It's just fantastic. And one of the things I confess I love about board work is that you get that diversity of thinking and things that you can delve into. We will talk about governance and risk oversight as board director in a moment. But as always people have to take on board community know that I love delving into a bit of background first and in your background. We have tennis playing we have computer science. We have performance piano training for a young Joyce Cacho. So I'm wondering if you can tell me how that contributes to your thinking as you journey into the role of board director of a fortune 250 company.

Joyce Cacho 4:39

So thank you for being interested in the personal aspects of a young Joyce Cacho. I had the good fortune of being a tennis player. I come from a family of tennis players, computer science came into my life because I went to a high school where I could express my math interest gene in the direction of computer neuroscience, which was quite the forward leaning opportunity at the time. And then classical piano play, I have been doing it literally since the age of four. And what those has to do with my journey to the board room of a fortune 250 company, is that I learned that practice, practice, practice. Training is important. And by doing that, it doesn't limit the pursuit of excellence. In fact, it gives you ways to measure what you are setting out to achieve. In the case of performance piano, it is knowing the the notes so well, that you then express your inner self through how you perform the piece. Yeah, so Beethoven's rarely has been played a million times before. But when I play it, it's a little joke that I used to play on my mother who loved hearing me play the piano, if she had made me annoyed, I would play it staccato. And I knew she was on the other side, thinking she was going to really enjoy my piano playing. And it was yes, passive aggressive way of responding to being annoyed. But again, because I had the discipline of training, I could choose how to perform that piece to satisfy not only myself, but possibly get mother's attention. Also, the same with computer science. When you learn a programming language, you learn how to structure your thinking and pursue a particular outcome. Now, when you're a high schooler, one of the outcomes we used to enjoy that class is just before the bell would end would ring to end the class, we would put put it in

an infinite loop. And the bell would array and the paper would keep kicking out. And we would happily all run out of class. Of course, we got the white floor by by the next day. But we were all laughing. Yeah, computer science humor who thought right. And so I think it was really important training for when invited to apply for the board role of Landelijke Incorporated, for me to know, am I prepared? Yes, I had sponsored and joined the National Association of Corporate Directors, I by then I was a governance fellow. And so as I interviewed for the role, I could clearly see the role of governance in bringing the board along to look at Enterprise Risk Management, as they brought on operations investment in the international arena, as well as pursued using technology to strengthen farmers in the ESG arena and discussion. That's the burning issue of the day.

Helga Svendsen 7:42

I love that little bit of background there. I always love hearing a bit about background and you know, the tennis playing piano playing, setting the printer to permanent print, I love it. It is and it is such a beautiful way of reflecting on those just different ways you can learn the skills that are needed for the boardroom, because it is a very diverse set of skills that are needed. So thank you, thank you for sharing that. Because I love Yeah, I love it. So, you know, you just touched on it their enterprise risk management technology and why it's important for strengthening ESG. You know, and I know for you leveraging business operations and having that intrapreneur experience is really important for the governance and risk oversight as a board director, we should be stuck with that, where's a good place to start to explore it.

Joyce Cacho 8:24

Let's first look at that and how companies are valued my finance background, and I lead strategic research for Rabobank international for five office network. And I'm so happy that the word intrapreneur is becoming more commonplace. I didn't invent the word but I'm certainly thankful for the whoever did. Because that's the kind of role where, at Rabobank with a investment decision making research background, I was thrown in the deep end to bring to life, how banking business could be improved with knowledge. And so they leveraged my research background, to then say, Join the management team to bring this vision alive. And the vision of improved profitability meant that I could work across the organization with sale with credit with products up in the investment banking. And so it just becomes one of those ways in which you get deep insight on how companies are valued because you're literally at the table, trying to figure out how to bring clients along not only with structuring the lending the credit products, where the syndications of that credit so that you have more capital as a banking business to operate on, but the kinds of hurdles you put in so that we have a mutual check in between ourselves as a bank and the clients to make sure that operations are going as was presented and reflective of a strategy. Again, bringing that into that experience into the boardroom and then the experience On the manufacturing side, where I was a global chief sustainability officer, again, having line of sight to marketing r&d, the investors meant that, how do we look at not only marketing as a reason to expand utilization of a product that improves productivity. And I know this might be getting into the weeds a bit, but you have to understand your product and what has made the company successful to date. And when you are

carrying that mandate for change, then it's not about being less successful, it is being more solidly successful going forward. And to me, understanding that, as an intrapreneur, I am trusted to be a leader of how do we embed change in a way that makes the company more solid directly translate to how I listen, and how I talk in boardrooms setting, all

Helga Svendsen 10:55

that, again, lays your link. But you know, we've got tennis piano playing computer science, and then being an entrepreneur and again, what that has taught you, or showing you and the skills that that has built, oh my god, I love that little connection, that little connection, it's not really a little connection, because it's a big leap, the listening for deep listening, to be able to then make change. And you're referred to one of the changes just a moment ago, about when you joined the board of lander lakes. I think I've got that right. Lanta lakes board, because it's a farming organization. And you talked about I think, using technology to meet some of the ESG challenges and opportunities. Can you tell us the story there,

Joyce Cacho 11:28

the story there was, it's almost systems work. So farmers are stewards of the land. And if you're stewards of the land, it also means you're stewards of the water, it also means you're stewards of the air, it also means that you're stewards of the community. And at the time of my joining the board, Landa lakes had made two investments in Africa, where I have some living and working experience. And they had acquired through a merger at a technology company with drone capacity. Right. And it was, in many ways, getting better data about the farm, so that farmers could be even better stewards of that intersection between land and water, and people. Right. And so while the focus of profitability had been production, we can all go and find the data on milk per cow, because they're dairy farmers. And we can find uptake data on uptake of fertilizer, because another division of lambda lakes, our Farm Stores is farm storing. But it's how do you then go from a production focused company to company that does what everybody is trying to do a better job of use your own data rather than have other people create data about you. So use your own data, your own stakeholder data, and improvement in accountable environmental, social, and governance, corporate governance. And these were the the issues of the day. And here I come, who enjoys all that she's learned through computer programming structure, I certainly understand data, having been a researcher not too long ago, earning my doctorate. And then of course, having the international experience when the discussion comes in the boardroom. It's not textbook contributions. It is authentic on the ground, Joyce, who gets to be in that boardroom and respond to what may seem like two different avenues. But believe it or not, the commonality is on the continent of Africa, in emerging markets. They're rapid adopters of technology, because they don't have the lagging, needing to pay off old assets kind of thing. They're looking for solutions that will bring change today. So I've had bad experience in emerging markets. And then of course, I understand that the improved data can only help their contribution as historical stewards of the land and of water and communities be sharper in what they do. And thinking about

Helga Svendsen 14:04

influence in a way in the boardroom. Because some of that thinking I imagined might not have been the way they were thinking prior to joining the boardroom is my guess maybe that's not right. I'm not sure. But I'm thinking it might have been a slightly different way of looking at things. And I'm just wondering if you if you can share if you had to use your influence skills to get attention on some of these things, encouraging others to also think about these sorts of things. Because I think I also heard in there did I hear before when you were doing the introduction, you were the first woman in the boardroom there. I think I heard it's a large board. You were the first woman and with end the first African American woman in the boardroom. Did I hear all of those things

Joyce Cacho 14:36

you did? So I'm daunted in that I had practice, practice, practice. Some say that's the way to get to Carnegie Carnegie Hall as a performer, but I was there to say that I walked in with training and exposure and commitment, and a brand of being a change maker maker and in rooms of pairs of the Landal legs tight, right? And so I often say when I do some pro bono work for a group called how women leaves their California headquartered and just really wonderful about bringing women into the arena of board work board service. And in my introduction with the cohorts in the case back in the day before, so much virtual said, If you don't like coffee, then board service is not for you. Because the influence you have inside the boardroom invariably begins over coffee,

Helga Svendsen 15:31

or tea, and I say, as a non coffee drinker. I've got my pot of tea sitting next to be but yes, I agree wholeheartedly, although not necessarily on the

Joyce Cacho 15:39

policy, then it's that small group that gets together at a particular table over the board breakfast. For me, it's less about saying what I think should happen, you know, I'm well, how come this is what happened? Why? Asking the question? That's where the question asking begins. Am I the only one that finds it strange that when project implementation reports are, are brought to the board, that there's no mention of the EA ESG hurdle in the project? So nowhere in the if I'm the only way to help clue me in, we're in the capital internal capital allocation funnel? Do we address ESG? And then, you know, John would say, either, why are you asking that? Or I've never thought of it that way. And so over breakfast, over coffee, a bus ride to a site visit, or now over zoom, bilateral chat, right? In a board meeting, you get somebody asking your question, in their own way. So they take ownership. So it's not a scripted thing. In many ways. I really liked that way of influencing, because it's amazing when people take your I shouldn't say take my idea, but when there's buy in, and then it comes from different committees on income, different parts, literally of the room, then you have the sense of

the team, who are the board have something that they would like management, the executive leadership team to have some answers about?

Helga Svendsen 17:11

Yeah, it is all ringing true for me. Absolutely. So that I'm wondering, you know, another story you might be able to share with us about when you joined the board of sunrise banks in a, as I understand that they were expanding their business in FinTech partnerships. And again, you know, you leveraging that experience that you've had, and those influencing skills, I'm just wondering if you can tell us that story as well,

Joyce Cacho 17:33

that story is one that I should really expand on and write something on, I have had the good fortune of having a career in emerging markets, as well as the US I actually lived in Nairobi, Kenya, at the time when FinTech was taking off, when you live in, in that kind of situation, you literally understand how transformative innovation is at a societal level, and had peers and colleagues talking about how they could better support their family network, because of the reduction in the transaction cost of supporting family in rural lands, where before there was a lot of uncertainty, they would want to do it. But it meant that somebody would travel from the rural home area. And then it became urban living with somebody used to the rhythm of rural time. And so there was this mismatch and invariably wringing of hands, and you can't ask questions, because it is family, etc. and fintech came along and smooths that all out, you need money up in the country, on the country side via cell phone via via mobile, it could be set. So I understood it to be a revolution, right? technology based revolution. And so I come back to the US and we've lived in many ways, portability of cell phone numbers. And of course, in FinTech, right, brick and mortar, for all intents and purposes, rule the day until fairly recently. And here, I have the good fortune of hearing the president and CEO of the of the bank, speak about financial literacy, inclusiveness and the role of fintech. And it stood out because it was a US perspective. Now, I will say that that bank, Sunrise Bank is a member of the Global Alliance and Banking on Values of the likes of Triodos Bank, and you can look at the list of banks on there. And so being a purpose driven bank because they are a certified Benefit Corporation from their founding, which means that purpose is in their articles of incorporation. I didn't know that when I heard this and it was music to my ears. I would travel to Minneapolis and St. Paul quite regularly coming out of banking and sales. Nothing has ever told me I shouldn't call call for something I'm interested in. And so I cold call on Sunrise bank, only to find out this na and they have this national turn Are and they are they're supporting the growth of FinTech because of their commitment to financial inclusion in the US. So closing gaps of access to the greater economy. And so here I am fully versed in how transformative this can be. And also, I was equipped with a designation of certified anti money laundering specialist, which is a certification I earned, so as to communicate the integrity component of my brand, very clearly. So, if you're going to talk anything nefarious with Joyce Cacho, you will think twice, not saying that it would not happen. But that cam certification says she may have practiced in this area,

Helga Svendsen 20:44

she might know actually, what we're asking her and we don't want to we don't want her to understand that. Yeah.

Joyce Cacho 20:49

So the bank has gone from strength to strength on supporting the growth of FinTech in the United States. I've learned a lot, I would like to think I've contributed quite a bit to the questions that are asked in the committee's there again, prepare, prepare, prepare,

Helga Svendsen 21:06

and listen to key lessons. Ah, I have so enjoyed this conversation, Joyce. Oh, so many things buzzing in my head. So I'm wondering what what are the key things you want people to take away from the conversation that we've had today?

Joyce Cacho 21:19

Oh, yeah, thank you so much, the time has really flown by. And what I would really like to leave with your community of take on board are three things. I've mentioned ESG. And as recently as this week, The Economist came out with a cover story about ESG. And I really have to say they had the audacity to suggest that the only metric that mattered was the environmental metrics. And that it's about carbon footprint. And with all due respect to the economist, I would like to say that transformation, which is what companies are expected to be part of today requires the intersection of the environment of social impact, and included in that are closing the systematic growth that we know have been documented the wealth gap, and good corporate governance, so focused on the intersection of those three. And I've shared with you an article I wrote for board talk, where I said, we're past discussing whether or not ESG is what strategy of tomorrow is about. And I give all the questions to be asked of the three main committees of the board. The second thing, is that how you respond to the how you respond to the calls around climate change is critical. are you responding in a way that empowers empowers those who have been systematically marginalized across time? Yes, native peoples people of African cultural heritage, and then they speak especially in that new area to the American market to the US market and the European market. And the third thing is that, in this demand for transparency, and data for GHG, greenhouse gas emissions and scope one, scope two, scope three, be very intentional, bring the same level of intentionality in the kinds of jobs that is created, and the kinds of targets that you set up, and how do you pay those people because they to those behind us, those around us deserve the same choice, and the luxury of choice that you and I have

Helga Svendsen 23:26

today? Oh, my God, three beautiful takeaways for people to reflect on there. And I'm, I have no doubt to take on board community will take the call. We've talked about a number of resources already. So I'm gonna put you know, even how women lead and I'll put a link to that in the show notes. You know, you talked about I think it was the Global Alliance for Banking values. I think that's what it was. So we'll put a link to that in the show notes,

Joyce Cacho 23:46

they corporations, all of those sorts of things. In addition to those things you've already mentioned, is there a resource you would like to share with the take on board community? Well for spoilt for choice? Here are resources, maybe I should say, you know, when this is your area, you kind of consume the stuff regularly to stay on top of it. I really do recommend the board committees are key to embedding ESG artifacts fully open and available, so not behind a paywall. I listened just last week to a really good podcast on KPMG privately speaking, their podcast series and the name of that one is how companies can be anti racist. Then for half an hour listen, you get your return on your investment of time. And with companies choosing to remain private for so long. It took from their private enterprise division and I think there's a lot of takeaways there. ESG and the board linking organizational purpose with strategy to foster sustainability comes from the group the Savoy network group, leading thinkers think leading doers in the area. And then there's a wonderful article, which I think everybody will enjoy. And the title says exactly what we know to be true. You can't get there From here, it's time to really talk about ESG. materiality. Yes, it comes out of a law firm. But this is a law firm that actually supports business in their transition and the pace of their transition, helping them to get on board quicker than the current movement. Oh, amazing. Okay, well, we'll

Helga Svendsen 25:17

put links to all of those things in the show notes. And you know, what's ringing in my ears a little bit. There is practice, practice, practice. So some reading and then listening as well. Beautiful. Ah, Joyce, thank you so much for taking the time to share your wisdom. Share your stories, share your insights with the take on board community today. I appreciate it. And I know, I know that those that are listening in appreciate it too. So thank you.

Joyce Cacho 25:39

Thank you. Hello. Your leadership in putting together this podcast. Doing something that you were looking for and didn't find took charge is really highly appreciated. And it's super example of how we should live our lives.