



# A CULTURE OF EQUALITY IS ESSENTIAL

## A CONVERSATION WITH AJAY BANGA, CEO-MASTERCARD

**ELLYN J. SHOOK, CHIEF LEADERSHIP & HUMAN RESOURCES OFFICER, ACCENTURE**  
**AJAY BANGA, PRESIDENT & CEO, MASTERCARD**

### Video Transcript

**Ellyn J. Shook:** Hello everybody. I am so pleased today to be joined by Ajay Banga of MasterCard. As an organization, MasterCard has been well recognized for their diversity and inclusion efforts. They're number four on DiversityInc.'s Top Companies for Inclusion and Diversity and also for the past few years have been recognized on Bloomberg's Gender Equality Index. And I think what's most interesting and most exciting is that you personally were recognized by the Financial Times as a male champion of women in business. And I think that's extraordinary. So thank you for that.

**Ajay Banga:** Thank you very much.

**Ellyn J. Shook:** Together Accenture and MasterCard are innovating, and I think the stories today are really going to be around innovation and our shared passion for improving the way the world works and lives.

And really extraordinarily have twice the number of women in leadership. Twice the number of other companies in the S&P 500. Can you share a little bit more about that journey?

**Ajay Banga:** Diversity is built into the core of what we are up to, primarily because we're in an industry where technology and innovation flows around you all the time.

**Ellyn J. Shook:** Yeah.

**Ajay Banga:** And one of the best ways to not be innovative is actually to not be diverse. Because if you surround yourself with people who look like you, walk like you, talk like you, went to the same schools as you, had the same experiences growing up as you, you will have the very same blind spots as each other. You will miss the same trends. You will miss the same curves in the road.



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You will miss the same opportunities because that's what you understood. The moment you surround yourself with people who don't look like you, didn't have the same experiences as you, sitting at a table with you, you will have perspectives that are different. They will make you be aware of those opportunities.

So, diversity is our survival because diversity will drive our awareness and that'll drive our innovation. It's that simple. Once you get that embedded in the company's way of thinking, then a lot of the results, and a lot of the operations and thinking from there, whether it's for women or it's for people who are ethnically diverse, or it's people who are sexually oriented differently. It doesn't matter. The issue is you want people around you who don't think like you, don't walk like you, don't talk like you. That's the principle of our diversity quotient.

**Ellyn J. Shook:** So, if you take that principle. What are some of the examples of things that you've done to turn your principal into actions here?

**Ajay Banga:** Yeah. So first, it's a journey. I'd be the last one to declare that we've kind of done it and been there. Because even in our number of women in the company, 40% of our employees are women.

**Ellyn J. Shook:** Yes.

**Ajay Banga:** But only 33% of those at vice president up are women. Now that 33 is an improvement of five percentage points over a few years ago, but it's still 33 and it's not 50 and there's no reason why it shouldn't be 50 because that's the actual population out there. So, if you set yourself the idea that you're on a journey, then these are all little milestones around the way. It's important to measure them because now, for example, 50% of our college hires are women.



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**Ellyn J. Shook:** Fantastic.

**Ajay Banga:** So, we're building the right pipeline. We're going to get them through the pipeline to the right levels, so they can mentor others like them and create the environment where everybody feels that when they look up the chain, they can see people who look like them, and then they can feel inspired by that presence.

So that's what we are trying to. For example, when we designed our maternity and paternity leave programs, we put in 16 weeks of paid leave. No pro rata. Full bonus, full salary for everyone. And we've got eight weeks right now for a man, which I'm going to take to 16. So, my objective is, if every company would do that, a family having a child would get 32 weeks, in theory, when the parents could look after the child directly. At the age of 32 weeks, it's eminently possible that both of them can go back to work without any real impact on the equity.

That's one aspect. Working from home, flexible, working hours. Technology that enables you to do that today. Things like relaunch your career, which is kind of a branding term we use for getting women back into the workforce. So, the idea is to give them a level playing field, get them back into work by giving them a chance, not just from our company, but other companies, giving them an entry point that's half a day a week, one day a week, two days a week, whatever works for them. And allow them to build back, over the course of some months or a year, to a full proper working schedule and career, which allows them to move straight on from where they came.

**Ellyn J. Shook:** I think that's extraordinary because we really defined a culture of equality around three major factors. One is bold leadership, which you certainly set the tone at the top. Two is comprehensive action.



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So, all of these things that you are doing around your policies and programs are leveling the playing field, which is extraordinary. And finally, really creating the empowering environment. Getting people to understand and believe that there aren't barriers in front of them. And I think that that empowering environment is really what we found this year to be the key to the innovation mindset and to really unlock true innovation. So, turning to that, can you maybe talk about one of the innovations that you're most proud of and what the team might have looked like? How diversity might have played a role in the innovation?

**Ajay Banga:** Well, it's not just one, I don't know how to pick one of you. But I'll give an example.

**Ellyn J. Shook:** Okay.

**Ajay Banga:** Just the other day at our board meeting. So, we have something called Start Path. Start Path is a way that we create opportunities for new entrepreneurs to get access to our technology, our capital, our employees, our distribution system, and nurture themselves in payments and data, in AI and the like. And we've got tens of companies going through it as we speak. So, I had four of them come and present to our board here and we just set them up in rooms and he had half hour speed dating sessions and four or five board members would walk in and talk to each of these and learn what they were up to. And they were from India and New Zealand, and Nigeria, and all over the place. What was interesting was if you took those people, all four of them were being managed on our site by four women.

So, every one of those projects was run by a woman. Our Start Path team is led a woman. I don't actually count that as a victory or a loss.



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I just think the best person got the job. So that's the other thing I want to make sure. Nobody walks away thinking that I would want to bias the system in any way to suit something.

I want people to feel when they have that job, they have it because they really, really deserved it. If someone told me that I got my job because I look different, I would leave this company in one second flat. So, I need to know that I got the job because I'm good at what I do, and I could beat anybody else and doing it well. I don't want to get my job because of looking different.

That's a core of our diversity. I speak about this openly. I will not bias systems, but I will create level playing fields. I'll create the feeling of my hand on your back, not in your face. And then you should run with it. That's what I'm going to do for you. Bring you to the starting block, give you my hand on your back, give you a level playing field, but then you run with it. So, you win what your capable of winning and you deserve every single win that you get.

**Ellyn J. Shook:** That's a great description of an empowering environment. Do you ever have setbacks? I know from our own experience it's every day, every decision, really hard work. Do you have setbacks?

**Ajay Banga:** Oh yeah. Listen, you have set backs on everything. You have setbacks on how you drive, you have setbacks on coming to work, you've got setbacks in day to day life, included in this. I think you've got to be careful about a particular setback, but if you're measuring over a period of time, it feels good. I'll give you an example. We had one lady on my board when I joined. We've now got four.

**Ellyn J. Shook:** Congratulations.

**Ajay Banga:** Ah, it's a good thing. I tell you we could have to five and six. Not because it's having a female on the board.



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What we did was we sat and wrote the skill gaps that this board of that vis-a-vis what we needed to be as the company was changing and evolving into this data AI technology firm that we now are as compared to only a payments firm that we were.

The moment you define that correctly, you need a different set of people tomorrow. On your board as well, not just in management, who think differently. And so that allows you to go out and cast a wider net as you're searching for the right experiences and skill bases. And then automatically you'll find you'll get people who are global and are different ethnically and are different by gender.

**Ellyn J. Shook:** I think it's fantastic.

**Ajay Banga:** You're putting on the most global boards in the system. And we are four women. And that is what I mean about finding a way through it.

Actually, we would've gone to five but one of our female board directors is reaching retirement age, at a stage of her life. And so we're going to go back to four. That's not a setback. It's actually an opportunity to get yet another person on board with yet another set of skills. So, setbacks are how you look at them.

**Ellyn J. Shook:** You talk about something that's very interesting that I've not heard any anyone else talk about before. And it's the DQ, the decency quotient.

**Ajay Banga:** Yeah.

**Ellyn J. Shook:** What's that and what kind of role does that play?

**Ajay Banga:** How it started was, I was answering somebody's question about attributes and traits that I look for in people. And I was trying to make young people understand that just being intelligent or bright, it's really good, it's kind of table stakes.



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But when you are competing, we get 330,000 applications a year for the thousand recruiting. When you're competing at that kind of level, just being bright won't get it. A little while back people invented EQ. So, IQ was your intelligent quotient and EQ was your emotional quotient and they said, "Well, you've got to have this approach to management and business where you could sail through troubled waters and choppy season and you're able to maintain your calm and composure and not lose your cool." And that EQ thing, how you manage adversity and resilience and all the words that get thrown about by everybody.

And I was trying to explain to them that that's really interesting as well. But what I really care for is whether you bring your heart and your mind to work. And I was trying to illustrate that and I kind of came up with this idea of saying that's your DQ, that's your decency quotient. And what that is the same thing we were discussing about hand on your back, not in your face.

If you believe that you're here because you think you can be a constructive partner, you can be different, you can be aggressive at your work, you can be wanting to win. Because we want a winning culture. So, we want a winning culture with decency at its core. And that decency means when you're in trouble you should look to me. When you want to help you should call me at three o'clock in the morning.

That means that you trust me completely. If you trust me completely, we get a much more constructive environment and it's in a constructive environment that you can get innovation because they don't get insecure about the other person's ideas. The moment you're insecure about the other person's ideas you will shut them down very early. So, if you want ideas to flourish, if you want things to happen, you've got to be open to people questioning you. You can't be open if you're insecure. And you will be insecure if you can't trust each other.

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So, it's pretty simple. It's actually all about how you conduct yourself at home. It's the same way at an office. Just trust each other, you'll be fine.

**Ellyn J. Shook:** That really strikes me as important because my daughter Jessie, who's 27, taught me in a very important lesson. She said, "Mom, never leave home without your heart."

**Ajay Banga:** Yup.

**Ellyn J. Shook:** Just in the short a discussion we've had today, I'm incredibly impressed by ... These aren't just words to you. I can see the emotion and I can see that your heart is in it. And for me, my passion on this really came from my dad. My Dad served the integration orders on some school districts in New York state when I was growing up. It really helped form my views on equality. Where does your passion come from?

**Ajay Banga:** Oh, it's very simple. I have a wife and two girls at home. You kind of get boxed into a very narrow corner when you're surrounded by three of them. My wife was my classmate in business school and that's when we met. And she's an accomplished individual in her own right with a little tech firm that she's running now. And my two daughters are grown up and one works at Instagram, one is about to start working at McKinsey, graduating HBS. And so, you pick this up from your kids and your wife and your family.

I think a lot of who you are is your family, your growing up experiences, what you went through and how you feel. Look, I feel and look different. For me to be running a company of this size and scale in the United States, when I stand up in the room, I am the odd one out. It kind of sticks out. When I go take a flight, I'm the one who gets pulled out by TSA for random checks, right? And it's always random. But ... You get used to it.



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**Ellyn J. Shook:** Yeah.

**Ajay Banga:** So, you understand what it feels like. The trick is to not allow that to get you down, but to actually use it as something that makes you better. And if I can do better in the company then I'm a better person. That's pretty cool.

**Ellyn J. Shook:** That is pretty cool. And you do things not just here in MasterCard, but you also are doing quite a bit of work around financial inclusion, especially with women.

**Ajay Banga:** As a company. That's not just me. That's the company as a whole. We decided some time back that our major competitor was cash, not other forms of payment. And once you get to that 80% of the world's transactions, retail, are still in cash. In B2B, there's another inefficiency in the way of payments are made.

Therefore, if you can intervene in that, it's a pretty large flow and you can make a difference to the way people interact electronically and digitally or even with a card or a phone or a fingerprint. That's form factors. The idea of electronic systems, that's where it comes from.

That led us into saying, "But 2 billion people in the world don't have an identity, don't have a bank account. That's not going to work." And I could give you many reasons why that won't work, but the obvious ones are that in this age of technology with the Internet of things, if you don't have an identity, don't have an account, you're going to get left out completely. And that's what got us to work on financial inclusion and led to a rash promise one day of reaching 500 million people by 2020. We're actually getting there. We got to 380 million as of now, we think we have a sort of line of sight to 500 million out of the 2 billion.



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With our partners, with banks, with merchants, with telecom companies, with governments, this is not us doing it alone, so that's what we do.

**Ellyn J. Shook:** Fantastic. Wow. That is amazing.

**Ajay Banga:** That's the company as a whole.

**Ellyn J. Shook:** Well, we're coming to the end of our time and I'd like to just ask you to share with our viewers what advice do you have for them if they're thinking about this journey around equality and innovation or accelerating the pace of change in their own companies? What advice do you have?

**Ajay Banga:** I'm not the right one to give advice. I'm doing it for my own personal experiences. I'll tell you my advice for myself. And if it works for you, that's great. The first one is enter into it for all the right reasons. Don't do it to tick the box.

Do it because you believe that some part makes your company, it makes you better, it'll make you more successful, it'll make you a better person, you'll sleep better at night, you'll enjoy your family more. Do it for those reasons.

And the second one is, if you are going to do it, then do it with transparency and sincerity. If you're not going to be transparent and sincere, don't go there. Because people can see through you. And if they see through you, they will not follow you. And if you think you're going to do it by yourself, you're so sadly mistaken. You're going to need this crowd of people actually taking your ideas and multiplying them. Which means they have to see it with transparency. So, do it for the right reasons and do it with transparency, and you'll be just fine.

**Ellyn J. Shook:** And transparency is the currency of the digital age, absolutely.



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**Ajay Banga:** Completely.

**Ellyn J. Shook:** It builds trust. Well, thank you very much for your time today and your passion and your words of wisdom for all of us. I appreciate that.

**Ajay Banga:** Thank you for the chance. Thanks a lot.

**Ellyn J. Shook:** Yes, absolutely. Thank you.

**Ajay Banga:** Good luck.