

EPISODE 601

[INTRODUCTION]

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FT: Raise your hand if you were a C student in high school. This episode is for you. Welcome to So Money. I'm your host, Farnoosh Torabi. Our guest today is Joanne Bradford; chief marketing officer of SoFi, and she's here talking very openly and honestly about her journey from being a so-so student, getting a lot of Cs in high school to ultimately climbing through the ranks of corporate America, now, chief marketing officer at SoFi. For those of you who aren't familiar with SoFi, it's an online personal finance company. It provides people with student loan refinancing, mortgages, and personal loans, and I've actually had the cofounder; Dan Macklin, on this podcast, episode 261.

Now, Joanne, her role and SoFi is to oversee its consumer-facing functions; that includes marketing, business development, partnerships, member services. Before SoFi, she was a Pinterest, where she led global commercial and content partnerships. Shes' also been at Yahoo. She's been at the San Francisco Chronicle BusinessWeek. She's also on the board of care which provides aid to the poor around the world and is a founding advisor to Lean In. Get this, Joanne saves most of her money. She says she saves about 90% of her income and she lives at her parents' house.

Here is Joanne Bradford.

[INTERVIEW]

FT: Joanne Bradford, welcome to So Money. It's really nice to reconnect with you. I don't think we've spoken in over a year and a half.

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JB: It's been an amazing year and a half for both of us.

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FT: You've been at SoFi for almost 2 years, that's when we connected as you are joining the company. Big fan of SoFi. We had the cofounder; Dan Macklin, on the show a while back. How do you enjoy working in a financial services company? This is sort of new for you. Before this you were at Pinterest and Microsoft. What do you think of this financial world?

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JB: Yeah, I think there's a few things. Decisions are made on data and then there's the human element that you've got put into it. Then you've got to make some calls, some gut calls. I run a lot of the marketing initiatives and the brand initiative. As you know, our consumer-base is very passionate about refying their student debt, about buying homes and getting to the next place.

It's been pretty amazing to see the product market fit that we have and how excited they get about it. Actually, I get a better reaction to a SoFi t-shirt than I did a Pinterest t-shirt, which is always amazing because it was a good reaction to a Pinterest t-shirt when you wear one out.

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FT: I'm planning my son's birthday party and Pinterest is my rabbit hole.

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JB: Yes, it is. Really amazing product.

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FT: I wanted to have you on the show not just because you're the COO of SoFi, which is a very relevant technology for our audience. Really, Joanne, your history, your trajectory as someone

who has climbed the corporate ladder, you yourself call yourself someone who went from being a C student to the C-suite. I just finished watching your TED Talk. I'd love to start there. I think that that climb is really inspirational. You were the only daughter in your family. I believe your mom was an immigrant. Maybe both parents were immigrants. Their version of the American dream was very different from how you ended up. Take us back to childhood a little bit, if we could start the story there. Describe your upbringing and how, eventually, you landed where you are today.

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JB: Yeah. The interesting thing is that I bought my parents' house and my youngest daughter just graduated from the same high school that I went to. She was lucky to have straight As and I in fact barely graduated with Cs. Really, my father was a CFO at a large engineering company and my mother was raised as a latchkey kid and the only thing that she wanted to live in the suburbs and not work and take her children to church and to CCD and to not have to have the kids come home to no one.

My idea of the living the dream was really to go out there and see the world, to work, to challenge myself, to push myself. I did not do well in high school at all. I didn't find the topics that interesting. I didn't find how teachers taught that interesting, and the school that I went to was if you were an A-student and an athlete — It was one of the top schools in the state, if you weren't they sort of put you aside.

What I did was I went to work. I got jobs. I worked at the drycleaner, I worked at the pharmacy. I worked my entire time in high school because it made me feel confident. It gave me a sense of accomplishment and I really enjoyed money.

When it came time to go to college, really, the only option I had was community college. I went to a community college for two years and did fine there, not great. Then I went to San Diego State and there I ran the college newspaper. I had about 20 salespeople that worked for me. We made back, in the day, in 1986, about \$800,000 in ad sales on our little daily newspaper. I found that I was a good leader, a strong communicator, and really able to execute quite well. I was

studying advertising journalism there. I really consider those years to be really important in my development and work was really sort of where I got my education. Then I went to work at Macy's in the management program because it was either be recruited off campus. There were no jobs then. To drive the Frito-Lay truck in their management program or to go work at Macy's, and I went there and I spent two years there learning how to be a buyer. I bought swimsuits, which was very exciting, and did that but really wanted to get back in the advertising.

I ended up going to work for McGraw Hill because they had a training program for advertising sales and sold for a trade publication, called Engineering News Record, very glamorous. I was the only woman. The next person closest to my age was twice my age, so very interesting situation, and did really well there and then was recruited to work at Business Week and they had a territory they wanted covered in Silicon Valley that nobody had gone to before. I was lucky enough to get that territory because nobody understood it and I went and sold ads to people like Cisco, and Hewlett Packard, and, eventually, Microsoft, and spent about 12, 13 years at Business Week and ended up being the head of sales and marketing there and as going to move to New York to become the publisher, but then 9/11 happened and we decided we're going to stay in California.

Then I went to work at Microsoft. Microsoft, my favorite story there is that I went for the interview and I bombed the interview, and they said, "Hey, that was great, but you're not what we're looking for," because I went in there like a salesperson and Microsoft is a strategic, critical thinking company asking you why their manhole cover is round. How many people sit in a stadium? How would you think about this problem solving?

I called the gentleman that I interviewed with and I really begged him for a do-over and I ended up going back and being really well-prepared getting the job as the chief revenue officer at Microsoft.

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FT: Can I stop right there and ask you what went wrong exactly, and do you recommend that for people who bomb interviews to actually ask for a do-over? How often does that really work in real life?

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JB: Yeah. I think that you have to remember that Google didn't exist at that point in time, so you couldn't really get a lot of information about how to interview at a company and a lot of history about the people that you were going to interview with. I didn't really know that many people that worked in Microsoft outside of just one or two marketing people. Really, what a company like that one, there's tons of stuff written about interviewing at Facebook and Google and technology companies and what they want, right? They're looking for critical thinking, strategic thinking, not salesmanship and execution. I had to really prove that I understood. Really, that was what I would say was my education for the time that I worked at Microsoft was really pushing myself on understanding strategy of business, market dynamics, whether it's build it, buy, rent, partner, we were trying to build Google search — We were trying to compete with Google search then. We made some strategic missteps, but really understanding those decisions, because that's really what executives at companies have to grapple with every day, are the strategic decision.

My advice for anybody is there's points in your life, in your career where execution is highly valued, and then there's points, so if you move up the ladder where strategy and critical thinking is more highly valued. I think you have to know what your audience is going into every one of those. I misjudged on my first interview at Microsoft.

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FT: I think part of your narrative too, Joanne, just listening to your story, is extreme confidence. Just even going back to your days in school, I think — I don't know. I would think that any student who grows up and feeling that they're not academically smart. They're not doing as well in school as the other kids. That's enough to make you lose your confidence, but it seems like you always had a voice inside of you telling you that you could be a leader, or is that just my interpretation?

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JB: I think that there is always that voice, but I can make some contribution and I can participate. I think work really gave that to me and I don't care what kind of work it is. I think that understanding everything, from shift management if you are in the yogurt shop, why they need more people on Friday nights, to selling advertising, to finding the right strategic account list, like don't call on the person that's not pending. I've always been able to suss those things out pretty well.

Now, would say that most of my career, I've received very high reviews, I have been given much recognition. When I was at Microsoft I received the Chairman Award, my second year, from Bill Gates. I was one of the top five employees in the company. I have always excelled in my grades at work. I think it comes to finding the right situation where you can apply yourself. At work I found it easier than in school.

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FT: You mentioned in your TED Talk to you save a lot, that saving is a big part of your practice. 95% of your income over the years, how is that possible?

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JB: I was a salesperson for a longtime and I was a very successful salesperson and I made quite a lot of commission. My goal was to live off my salary and to save all my commission, so I was able to do that for many years and it really enabled me to do some things, to buy a home today, to save for my kids' college education, to be able to take greater risks in life. If you're living on a salary, and I had a really good salary at that point time, why not, right? There were years when I would take 10% of my commission and spending it on whatever I wanted. For the most part, I knew that commission can come and go and so you should treat it like it is not really there and save it.

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FT: I read that Jay Leno saved all of his Tonight Show money all these years and just lived off of his show money, like his comedy act income. Isn't that incredible?

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JB: Yeah, he lived off his stand-up money because he feels like that's really his craft.

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FT: Wow! You live in your parents' house.

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JB: Yup.

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FT: How do that come about?

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JB: I bought it. My parent, when they retired, they happen to live in a lovely suburb of San Francisco. They happen to have a very nice house, so I bought their house and did some renovations to it. I was able to pay cash for those renovations, and I still live in it. I have finally just — Since my daughter graduated, bought a small place in San Francisco, so I can cut down on my commute time after she leaves for school. My payments on my house were probably less than the dorm costs for college, which also help with savings.

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FT: That's really fascinating that as your career has evolved, you become more successful, financially successful. Sound like your insistence on savings has always been constant. Is there anything that, now, you treat yourself to because of just how far you've come? How has your lifestyle may be shifted? Where are you investing your money differently now than you were before? I don't mean investing in the stock market, but just investing yourself, investing in resources.

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JB: There's a few things that I spend money on. We actually have some financial advisors here at SoFi, and I was talking to her, reviewing some plans that she had done for people and she mentioned to someone, "Oh! You said you wanted to travel but you're spending 20% of your discretionary income on clothing and 4% on travel, so maybe my might want to switch that around," and I laughed. I like to go through exactly what our members go through, so I went through the process with her. She was like, "Well, you do spend money on travel." I enjoy traveling. I take every member of my family on their own trip and then a trip together every year because I think that's really helpful. Good one on one time. I also spend money on things like SoulCycle and Pilates just because I want to keep my fitness going, and I've been known to buy a pair of shoes or a nice handbag on on occasion.

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FT: As you deserve it. You had mentioned in your TED Talk that money became your report card, the report card that mattered to you as you were, I guess, maybe putting a value on your work. Explain that for us a little bit. I think that's really an interesting expression; money being a report card.

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JB: I think that there are several dimensions to that report card, it's how much you're paid in your job and how you're doing against the curve. Who wouldn't want to be paid on a curve especially if you're at the top of it?

I always liked to see what my contribution to the company was and how much value I could add to the company, and then how much money I had, because it's really about your freedom and your choices. I've said, I've been able to take you, from one job to the next, my salary has sometimes varied by 50% because I've been able to save that money and not been constrained by my spending commitments or anything else which has served me really well. I really always believe that you should look at your money in every aspect of it; from your salary, to how well your company is doing.

We did an event on called Raise where we had people come and talk about how to get raises, how to think about raises. Someone said, "My companies is laying off people and so I can't ask for a raise." I said, "Well, if they're laying off — If there's two of you and you each make a \$100,000 they're laying off one persons, they're going to save \$100,000. If they gave you \$10,000 more to do this two jobs, they'd still be saving 90. Just because the company is going through cuts, it doesn't mean they actually may pay more for a higher valued employee at that point in time because of the situation."

The other thing is I've said, "Look, I have been in jobs where you are paid more to turn out the lights, right?" It's not a very fun situation. I worked at Yahoo for a couple years where I had to do a lot of expense cutting, like in the hundred million dollar range and they paid me well for that.

People are compensated for different things; for costs, for revenue generation, for growth. I happen to do — Perform the best and enjoy the most when I'm in a growth environment and growing a business and not really having to think about a cost-constrained environment.

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FT: Seeking to the topic is asking for a raise, do you have a personal anecdote of a time when you were negotiating compensation and you just did really well, or if not in that department, another way that you feel there was a moment in time where you just really had a so money moment, as we say? Have all the financial stars aligned?

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JB: I've had a couple of them. In asking for raise, when there is an opportunity where my direct boss left the job and I was the natural candidate. Pretty much, unanimously, people believed that I could do the job, my supervisors, my peers. There wasn't really any question about it. What they wanted to do was to have me take the job and then give me raise at a future date when I proved myself. I was really adamant at that point in time that I would not accept that, that in fact I needed the compensation, the validation the title, and without those things, that I would not take the job. It was a pretty big gamble and it paid off and I would say that it was a really significant payoff validation and a little bit of a career-changer from how I was viewed from a peer-set perspective and an external perspective. Nerve-racking as it was, it was really rewarding.

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FT: That was really the moment to ask for more. It's not as six-month, and I was in a similar, although smaller scale negotiations. I was about to join a company and I wanted X and they said, "We'll give you X minus this, but in six months we'll review and maybe we can hit that mark." I was like, "There's no way that's going to actually happen." We compromised, but knowing that — I said, "Why don't you just give me this much money that I want and I won't bother you in six months?"

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JB: Right? You know what I mean? If they went and hired someone else, they would pay that or do that. I think there are very specific and important moments of leverage in life and I think it's a shame to miss them and I think most people don't realize what they are. On the flip side of it, I've had a new managers come in and want to give all their employees raises because they feel like it's unsettling for them. That is a strategy I don't necessarily believe in because it's sort of the easy strategy to the manager to say, "Oh, Jane and Bob both need raises, and I want to be the hero." It's like, "Well, that that's not really a good strategy." I think you have to pick your moment, and if your work quality and the results and the need of the company align, then I think don't miss that.

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FT: You are a founding advisor to Lean In. As a female executive, what are some areas for improvement that you've seen amongst your female employees?

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JB: I think that — It's funny as it sounds, people actually sitting at the table now is very accepted and much more standard operating procedure. Now, it's really speaking up. I think it's sort of lean in and and stand up and I think it's really challenging and taking on more responsibility.

One of the things in SoFi is we have several women that run our capital market's efforts, which is really great because it's a pretty male-dominated business. We a female as head of engineering here, and I think that I was surprised at how diverse it is here. Overall, I think people have made progress when they're given the right environment. I still think there are many environments that are conducive to supporting women in advancement. I would say make sure the environment has signals that you can actually lean in and stand up and then do it.

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FT: What's a financial habit that you have, Joanne? Something that you practice daily your it's habitual?

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JB: I check all of my credit card activity on apps on my phone and look at it and try to pace out my spending on a monthly basis, really a budget. One of the things that we've done — I've been married for over 26 years. We have two funny habits. Every year, I try on my wedding dress on my wedding anniversary to make sure it still fits, because two pounds a year for 25 years is not good.

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FT: Health is wealth.

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JB: That's right. Very funny. The other thing that we have is we have every dollar that we've been as a married couple classified into budget categories and can go back and look at what we did, bought, spent in every category throughout our entire marriage. We used to keep a very tight budget on it. Now, we have a little bit more leeway, but we still really enjoy looking at it and saying, "Gosh! This seems a little out of control, or this doesn't seem out of control." We do that, and I have an 18-year-old and a 22-year-old and they both do that as well too. It's just knowing where your money is going is a daily habit.

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FT: Going back to your TED Talk, something that stuck with me was that your mom, her hopes for you were simply to — She was, like to be living in the suburbs, raising his family. Didn't really think very far out there as far as becoming a COO and being this amazing leader. It sounds like you've accomplished so much in both worlds, in both realms. Your personal life sounds like there's a lot to be grateful for their and also in your career. As you reflect on that, how does that make you feel? Is the message that it is possible because I feel? Like many of us, there's trade-offs, it's our career at the price of not having maybe as much fulfillment in our personal lives.

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JB: I really enjoy work and I really worked very hard at trying to make sure that my family and my kids and my dog didn't suffer. I'll give you good example. I went to the Code Conference a few weeks ago. I've gone for years. I was an independent board member for Kara Swisher on Recode and helped her sell that to box. My daughter's trip this year was I took her to the Code Conference. She is just a year out of school. She works at VaynerMedia as an art director, and we went and spent three days listening to some of the tech luminaries talk. It might not be the most fun thing in the whole world for her. It wasn't a beach in Hawaii, but she got to meet Hillary

Clinton and see her speak and see some of the leaders in the tech business speak and be inside of that environment.

I got to get my work done, and we have a really great share experience. I really tried to do that when possible and I feel like it's sort of ties the world together without being overbearing. There's got to be some discovery in it for them. It was great to see a 22-year-old's view of really a VC-based conference. She really didn't understand why they gambled all their money on poker late at night. But —

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FT: Certainly, that's a the memory she'll keep forever and maybe it will hit her one day. Sometimes you don't know right away.

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JB: It's interesting. I help Mary Meeker every once in a while on some feedback on her deck beforehand, and I took my daughter see Mary Meeker's talk. She got back to work and they were passing around her talk and her deck and she's like, "Oh, wow! I was there. I totally get this." It was fun. We had a good time and she really enjoyed all the free stuff they give them in that swag bag.

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FT: Yeah, who doesn't like the wag bag?

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JB: Yes. Right?

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FT: Before we let you go, thanks so much, first of all, Joanne, for coming in. I'm just on the SoFi website right now and I think when I chatted with the cofounder, it was still in its infancy or had just sort of started to really roll out some newer products and now I'm looking at it again and even just in a matter of a year it seems like there's been so much more added in terms of product offerings. It's kind of like a one-stop shop now for all your financial needs; wealth management, life insurance, student loan refinancing. Is that the goal, is sort of to become this one-stop shop?

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JB: Yeah. The goal is that the people that are ambitious and career-oriented are not really served by any financial institution. We have community event, that's our networking events. We have career counseling for people that want to change jobs in industries, because that's always usually a moneymaker game changer. It all started with student loan refi, but on wealth you can do a SEP IRA or rollover your 401(k), do all those things which are really important to people.

We're trying to educate people and build a full product suite. We've really gone from — In the time I've been here, from really one focus product, which was student loan refinancing, into the personal loan, mortgages, which are 10% down, wealth management, which is the lowest-cost management structure you'll find on an actively managed account, then the insurance product. We have plans to move into deposit and debit card accounts. We have a very big aspiration to really be a very different kind of financial institution that it's really partnered with people and is super transparent about how we do everything, and everything can be done on the mobile device. We won't have branches, because nobody likes to go to their branch.

We're really trying to live true to that mission and in everything that we do, and it's fun and exciting and I never thought that I would end up with a financial services company.

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FT: And calling it fun and exciting.

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JB: Yeah, I know. It really is. We get letters every day from people. We got a really beautiful letter from a woman the other day that she went to college, she ended up with \$150,000 in student loan debt and worked two jobs. She ended up wanted to work at a large tech company in Seattle. One of their benefits was SoFi refi for student loans. She refi'ed. She was in a bad marriage. Because of the savings, she was able to move out and get her own apartment. With that confidence then, she was able to take on more work and she literally wrote me a letter that can she volunteer to work at our events and to do things for us because of what a game changer it was in her life, and we get those kind of letters every day. You forgot putting money back in someone's pocket is really a vote of confidence.

People really feel pretty empowered when they can take any sort of control over their financial life, especially when it's debt or things that come up and, really, they have to believe in themselves more than anything. I consider us to be more of an athletic empowerment brand in our mindsets than we are a financial institution. We want people to get there sooner, to feel great, to move ahead. We see those stories every day and it keeps really motivated.

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FT: Change your finances, you change your life. That's the bottom line. Yeah. Joanne, thank you so much again. I really enjoyed the conversation, and thanks for being so open and honest about everything; from C student to the C-suite, quite a journey. Very inspirational, and thank you.

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JB: Great. Thank you. Have a great day.

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