

EPISODE 717

[INTRODUCTION]

[0:00:34.7]

FT: Are you a nice person? Do you feel this is an asset or a liability when it comes to climbing in your career, or your business? Welcome back to So Money, everyone I'm your host, Farnoosh Torabi.

It may seem an obvious answer. Of course, we're all nice. Here is the issue, if you're too nice at work, do you run the risk of some people maybe not taking you seriously, walking all over you, thinking that you're weak? On the other hand, if you're not nice, if you're unkind, if you're rude, it might sometimes work to your advantage, but it's not really a way to build a good reputation. I mean, how can people really respect you?

Our guest today is going to get to the bottom of all of this. She's got some solutions. We're hearing from Fran Hauser, who is tackling this issue head-on with her new book, *The Myth of the Nice Girl: Achieving a Career you Love Without Becoming a Person You Hate*. The book is out tomorrow and teaches how women and everyone can lead with kindness and strength.

Fran who was the first person in her family to graduate from college has held leadership roles at some of the biggest media companies. Most notably she helped grow people.com from 3 million to 30 million unique monthly visitors. She's now a venture capitalist who's on a mission to help female-founded companies grow and thrive.

Here is Fran Hauser.

[INTERVIEW]

[0:02:00.1]

FT: Fran Hauser, welcome to So Money my friend. Congratulations on your latest, well your newest and soon to be one of many books, I predict.

[0:02:09.2]

FH: Thank you, Farnoosh. I'm so happy to be doing this with you today.

[0:02:12.6]

FT: I remember talking to you about this book when it was still just in your head. You had written actually a story for Forbes, I believe. They had picked you to share a perspective. Maybe it was International Women's Day or something around that theme and you chose to write about how to be nice at work and still succeed. This is something that was very personal to you.

It ended up going viral, this piece. I probably am abbreviated the story too much, but I wanted to just set this, the context for the audience, for this book and really share just how explosive this idea is. Although in your life it was such a simple concept, but so many women struggle with having with their identity at work. Why do you think that something so simple is so hard to grasp?

[0:03:10.9]

FH: Yeah. I think, obviously this is something that I've been thinking for a really long time. I started thinking about this actually back in 2009 when I was president of digital for People Magazine. I mentor a lot of young women and I love mentoring. The question that I've been asked the most often is how can you be so nice and still be successful?

It is such a simple concept, but yet it's a concept that is really difficult for people to grasp, because when we picture what a successful leader looks like, we often think of someone who's smart and tough and has really high expectations, is competitive. We don't picture somebody who's kind. I think for me in in my own career it really has been my superpower.

I think it's been one of the main reasons why I've been able to continue to be, whether it was – when I was at Time Inc., continue to be promoted into bigger and bigger roles. Or frankly even transition into investing, Angel Investing, which is what I'm doing now. I think, for me it's really about this idea of kindness and strength not being mutually exclusive. I think that the most effective leaders lead with both.

I think that when you're kind and when you're nice, what that allows you to do is build relationships and at the end the day business is all about relationships, right? It's about influencing people and it's about getting the best out of your team and it's about having really difficult conversations in a way that's productive. I think that when you're nice, it just makes all of that stuff so much easier to do and it naturally leads to success in your career.

[0:05:23.5]

FT: It makes a lot of sense, but to your point we do think that being nice and “tough” are mutually exclusive. If we could maybe even break it down to a scenario at work and how some of the rules in your book can come into play. For example, trying to negotiate a salary for yourself whether it's your first time at the job, you have even gotten the job yet, or you're at the job and you want to get promoted.

We often hear that you have to go in and be aggressive and persistent and certainly have data and be armed with knowledge and not necessarily play to your emotions, not show your emotions. How can you be nice and aggressive and tough at the same time in that particular scenario?

[0:06:19.0]

FH: I think the actually the being nice part when you're negotiating a raise is it is really around empathy and it's around, first of all putting yourself in the other person's shoes and really understanding where they're coming from; most likely this is your boss. Understanding the bigger picture context of what's going on at the company, what the company's goals are, how you how you fit into those goals, how you create value.

I think a lot of that really is about empathy. It's really about stepping out of yourself and thinking about your boss and thinking about the bigger picture. It's also the energy and the attitude that you bring with you into the conversation, because I think when you're positive and when you have a really good energy and you're coming from a place of a really good intention and kind intention, it makes the other person want to do right by you. I think attitude and energy are very important.

I think the strength part is really around confidence and feeling, first of all really valuing yourself, because I think we have a tendency to undervalue ourselves. Really being confident about what you bring to the table and being armed with that data of knowing what other people who do a similar job, what they make. It could be peers at other companies. It could be data that you've gotten from recruiter friends.

I always say you want to go out to coffee or lunch with recruiters two or three times a year, just to really stand the pulse of the market and market rates. I think being armed with that data gives you a lot of strength. I think the other thing too is that when you're negotiating and I always encourage women to not wait until the annual performance review to ask for a raise, but to do it out of cycle. It could be three months before or six months before, because what that does is even if you get a no, you're setting the expectation that you are expecting a raise.

That when it comes time for the annual performance review, your boss knows going into it that okay, she's expecting to get more than the 200 plus of living adjustment. I need to be prepared. I need to be prepared for that.

I do think that there's a way to do it where you're bringing both kindness and strength to it. I think if you go in a bull in a China shop, it just wouldn't work. Whether you're negotiating your salary or you're negotiating anything. There is this thing called the a-hole tax that I love talking about, where if you're negotiating and you're with someone and you're really rude and you're bullying and you're not being nice, you're going to end up paying a tax in some way, because you're really off-putting to the other person and you're not focusing on developing a relationship with them and understanding what's important to them.

[0:09:46.8]

FT: Absolutely. Word travels fast in business, like in any place in life. If you burn a bridge or you rub someone the wrong way at your job, that can come back to haunt you in so many ways.

[0:10:01.8]

FH: Yes. It can come back to haunt you within that negotiation itself, where – then you're right, it can also come back to haunt you if you have to deal with this person down the road, or with somebody who this person knows. Absolutely.

[0:10:19.1]

FT: This is a hard question I've been getting recently. Maybe you can help me navigate this for listeners. With all the me too and time's up discussions and movement, which I'm so excited about, we're increasingly hearing about women finding out at work that they're making less than their male counterparts.

We know this is nothing new, but for the first time we feel it's our responsibility to now talk about this publicly, but how do you do that when you're at work and you want to make more as a woman and you have somehow discovered that your male counterpart is making more? Before maybe a year ago I would have said, "Maybe that's not something appropriate to bring up. Instead double down on the fact that you're a high-performer, what you've been bringing to the table how, you've been improving the bottom line, also market trends."

If you have an advocate in HR who's like, "Hey, Fran. I heard that a Joe is making more than you," and actually shows it to you. I just don't know, what's the protocol these days and what's okay.

[0:11:28.0]

FH: Yeah. I actually think it's really important, if you find out that Joe is making more than you, I think the first thing that you need to do is really look at what each of you bring to the table in

terms of – you have to be honest with yourself about experience, for example. Do you have the same number of years of experience? Are the roles truly peer roles?

I think you have to start with just a really honest assessment of is this an apples to apples comparison? If it is, and by the way whether it's a man or a woman, if you feel you're bringing the same number of years of experience, you're bringing the same skill sets, you really are in a peer role, I think it's really critical that you approach your boss about it.

I don't know if you have to make it about the whole male-female thing. I think it's just really more about this person is my peer. We're bringing the same experience and qualifications to the table, yet they're making 30% more than me. I have to tell you, I had someone on my team when I was at Time Inc., who she came to me and said, "Look, I've been talking to friends of mine who do the same job that I do, have the same number of years of experience at other media companies and they're making 20% more than I make."

Farnoosh, I had to listen to that. As her boss, that's a really important data point. I was able to go to HR and say, "Look, this is what this person is telling me. Can we do our own analysis and comp assessment?" We did end up giving her – we did end up giving her more. I do start with a really honest assessment. It can't just be like, you know it was making through. Well, what if he has 15 years more experience than you have? I think that where it starts and then absolutely whether it's a man or a woman, it's perfect that that's the data that you want to have the conversation.

[0:13:49.7]

FT: Fran you've worked in media for a very long time and now in venture capital and now you're just – you're an author. I know that you also talk in your book about how in the beginning you learn a lot by making mistakes. What was the biggest mistake you made that you're so grateful for, that perhaps is even something that you talked about in the book as a real lesson and something that you'd to pass on to the new generation?

[0:14:18.6]

FH: Yes. It's such a great question. I have to tell you, it was something I really struggled with when I was first starting to write the book. I remember we submitted chapter 1 and the feedback that I got from my editors was that it was way too research-heavy and it was way too focused on shining the light on other women and I wasn't being vulnerable enough and I wasn't sharing enough of my own personal stories and especially stories where I had those learning moments and I made mistakes.

Once I started doing that in the book, it just it made the book so much stronger and I think so much more relatable. I share a lot of those moments in the book. One that comes to mind that I think was really pivotal for me was when I was at Time Inc., and I was working on in-styles digital business, we were launching a new product called style mind. It was basically an e-commerce site for fashion and beauty that was curated by in-style editors.

As we were launching the website, we were having such a hard time coming up with the consumer value proposition from the standpoint of how would I as a consumer of the website communicate it to my best friend? I'll never forget Uber launched. I remember being in my office and a colleague walked into my office and said, "Have you tried Uber?" I said, "No. What's Uber?" She said, "Oh, it's car service on-demand."

It was just such a simple way to clearly articulate what the value proposition was. Then I told the million of my friends about Uber. We had such a hard time coming up with that statement for style-find. I mean, I remember being in these meetings, 20 people, editors, business people, marketing people and it was this um terrible feeling in the pit of my stomach that we were really struggling with it, but I ignored. I did ignore it actually and we did end up launching the product and it was not a success.

We ended up shutting it down, which is always a really hard decision after you put so much of your time and energy and passion and financial resources into something. We did end up shutting it down. When did our postmortem, that was really the thing, the key thing that we all talked about was there was there was the sign, there was the sign that there wasn't this unique value proposition and we all chose to ignore that.

I think now as an investor, I'm investing in startups, it is something that I – it's one of the first questions that I ask founders when they're pitching me is what is that unique value proposition that will make the product go viral? That a consumer can communicate to his or her friends?

It was such a valuable lesson and it's something that's even more helpful to me today as an investor, because it's one of the three or four top things that I look for when I'm deciding whether to make an investment or not. It was still really painful going through it at the time. Obviously, it was it was a big bet that the company placed and I was really one of the two or three, I would say key people. It was very difficult, but what came out of it was this just enormous aha moment and learning that has just been really helpful to me since then.

[0:18:08.2]

FT: You were the first woman or person actually in your family to go to college and I did know this about you. You were born in Italy, or maybe I forgot that's you have a very cool background. I just would love to explore your childhood a little bit. We do this with guests often on the show, because I think so much of who we become is rooted in our upbringing. It's not rocket science that that is the correlation, but particularly with our perspectives around money and work, what do you think it was about your upbringing that made you who you are in terms of your career-drivenness and your financial savvy? I'm assuming you're financially savvy, by the way.

[0:18:53.3]

FH: I would say I am. I had such an interesting childhood, because my parents were immigrants. I'm actually an immigrant myself. My parents moved to Mount Kisco, which is a suburb outside of New York City when I was two. My parents, both were small business owners. My father was a stonemason and landscaper and my mother had a tailoring business.

I have so much admiration and respect for both of them, because they built these businesses truly without speaking over – and I really ended up being the general manager for both of these businesses at a very young age. I mean, I was in first grade and I was doing all the invoicing for my dad's business. I remember, I couldn't multiply yet, but I had to calculate – I had to calculate sales tax, which back then I think was 5.75%. I don't know why I remember this and I actually –

my aunt actually created on a piece of paper she wrote out a \$100 and then that the tax would be \$5.75 so that I can just pull the amount from this piece of paper as opposed to multiplying.

This is literally, it was such a big part of my upbringing, because I had to not only help my parents with their businesses, but also if anything broke in the house and we had to call a plumber, or we had to call an electrician, I was a person who was making the phone call. I grew up really watching my parents despite the fact that they had this communication barrier. They built these incredibly successful businesses.

A lot of it was through hard work. A lot of it was through they were both very kind people and very charming. Think about it, they both had clientele. My father had very wealthy people who were his clients, who hired him to build a stone wall, or to do the landscaping and same thing for my mother. Their kindness really shone through, but I also saw an immense amount of strength in both of them, where they had this velvet glove where they were very kind, but they were also very direct and firm when they needed to be.

I think the thing that I really treasure in terms of being their child was just seeing how difficult it was for them. They had no help. I'm the oldest of four. I'll never forget my mother taking us to the grocery store, all four of us and how did she do that? I was six, four and two and an infant. She figured out a way to do it. Growing up and watching them just persevere and they were so incredibly loving and generous and still really so popular in our community.

I think we have over a thousand people now that emigrated from the same town in Italy, in Reggio Calabria, the tip of the boot, that all immigrated to Mount Kisco. We have this huge Italian community in Mount Kisco. My parents are still – they're very popular and very well-liked. They have this huge community and support group and friends.

I feel I learned so much from them about being scrappy, about being resourceful, about hard work. When I went to college, I mean, I had no network, I had no mentors. I was watching my friends whose parents were investment bankers, who had access to all these incredible people who could be helpful to them. I didn't have that. I really had to do it on my own.

My father had a first grade education and my mother had a third grade education. I think I owe everything to them. I mean, I really do everything and just the values that I learned from them it just – it's what you said, it shaped who I am today.

[0:23:30.2]

FT: Do you feel, like I feel this way, because my parents are also immigrants and came here and really were just – they started with nothing essentially. I feel their child, I have no other choice but to work hard and be successful enough so that I can make them proud and feel like, “You know what? It was worth it.” Failure is not an option.

[0:23:55.4]

FH: Failure is not an option.

[0:23:56.2]

FT: Long-term failure, yeah.

[0:23:57.7]

FH: You're right. After everything that they did for us, right? I mean, imagine how hard it was for them and they did it for their family. They wanted their family, they wanted me and my sister my brothers to have a better life. Yeah, I definitely feel the sense of gosh, if they could do it, we should be able to do it.

[0:24:21.4]

FT: Absolutely. This question comes to us from our sponsor Shase Slate and it's a fun question. It's what is a big ticket item, Fran that you are saving up for currently?

[0:24:34.0]

FH: That's such a good question. I feel the older I get, the more I appreciate experiences as opposed to tangible products. I really loved the idea of doing a big African safari with the kids. I mean, they're still young; they're kindergarten and second grade, but it's something that they both love animals and I would love to be able to give that to them and to share that experience with them.

My husband actually took his mother who's in her 80s on an African safari last summer and it was so special and it was such a great bonding experience for them. I think that's something we would love to do with the kids.

[0:25:31.7]

FT: An African safari. That's very ambitious. My kids are too young right now. I can't even take them to the grocery store. I'm not as brave as your mother with four children to the grocery store.

[0:25:43.6]

FH: I know. I can barely take two. It calls for [inaudible 0:25:48.1].

[0:25:50.1]

FT: Right, right. Bring it to me. What is your so money moment in all of your years working, certainly this book and its launch is so money, but I suppose what is also an example of a time in your career where you felt you applied a lot of the advice in your book and it really paid off financially?

[0:26:13.0]

FH: Yeah. I think, the first moment that I can recall is when I was leaving Coca-Cola to go to Moviefone. I was leaving one of the world's most admired companies to go to this early-stage startup that not very many people had heard of. That was really the first time that I negotiated,

because Moviefone made an offer and I went back to Coca-Cola and said, “Look, I’m taking this job.” Coke came back with a counteroffer.

Then I went back to Moviefone and said, “Coke came back with this counteroffer,” and the Moviefone gave me more. It’s weird, because I feel that negotiation almost happened accidentally because I got the counteroffer from Coke. Otherwise, I don’t know if I would have even negotiated. I think in that moment, it really showed me what my value is and that I was really undervaluing myself. That with Moviefone, I would have taken that first offer if Coke hadn’t countered.

From that moment on, every single time that, now that I’m negotiating compensation, I think back to that. I think that there’s always an opportunity to ask for more. The worst that they can say is no and you might not get what you want on the salary side, but maybe you can negotiate another lever. It might be about flexibility, you’re working from home, or maybe there’s a side hustle that you want to continue working on, or whatever it is right. You can look at compensation more broadly.

I think that was a really important moment for me, because it was like, “Huh, I don’t think I would have negotiated, but because Coke countered, I did.” I did end up getting a much stronger compensation package out of it.

[0:28:06.4]

FT: One of your tips is sometimes when you don’t get the compensation you want, there are other ways to look at the perks and the benefits, right, that don’t just stop at the numbers, but look at other ways that you can leave with a win. What are some examples?

[0:28:22.5]

FH: That’s right. I think it could be anything from – well, it’s whatever’s important to you in that moment. If you really care about education, it might be tuition reimbursement. If you are really interested in working on a side hustle, or a side project, it might be getting permission to do that, it could be working from home, it could be – I have a couple of friends, actually this was so random that it happened at the same time, but they were both leaving a corporate job in

November and they were taking on a new role and I asked them like, “What are you doing about your bonus? Because you're leaving your bonus on the table. It's November.” They were 11 months in, but they would have to stay until April to actually get their bonus.

They said, “I really hadn't thought about that.” I said, “You should ask for a sign-on bonus from the new company, because you're leaving this bonus behind.” They both asked and they both got it, but they just didn't think to ask. I think really dissecting every single thing that you could ask for is important. It's not just about the salary, right?

[0:29:40.4]

FT: Absolutely. Sometimes it means sharing your plans with someone you trust, like a confidante at work, or a mentor and say, “Hey, I want to go in for this ask. Any advice for me?” Because one of the things that you add say in your book is that it's important to practice with a friend, because well A, you get really comfortable and more relaxed at it, hopefully more rehearsed. Sometimes your friend can identify what you're forgetting to ask for, how to ask and that when we advocate on behalf of someone else it tends to be we're better negotiators. Almost pretend you're not you. We're bringing a friend to think for you in some ways, that maybe that you're so focused on the numbers or you forget all the other benefits.

[0:30:26.8]

FH: Well, it's so true. I feel if you are negotiating on behalf of your best friend, you could so clearly see how amazing they are and the value that they that they add. If you just aim that same mindset towards yourself and try to see yourself in a really objective way, it's so helpful to do that. It really is, because it is like studies have shown women in particular do a better job of negotiating on behalf of someone else. It goes back to we undervalue ourselves.

I think that is really important. Your point about practicing is everything, because then the whole role-playing part and thinking through, this is like sales 101, really thinking through what are the objections going to be? What are you going to hear as an objection? Then if you're prepared to respond to that, you're going to go in with so much more confidence.

[0:31:31.3]

FT: All right, Fran. Let's do some so many fill-in-the-blanks. This is a way to wrap up the show. I start a sentence and then you finish it.

[0:31:41.3]

FH: Okay, great.

[0:31:42.4]

FT: All right, okay. If I won the lottery tomorrow, let's say a 100 million or in this recent case and I don't know if think it was in New York, 400 million dollars, the first thing I would do is _____.

[0:31:54.6]

FH: I would create a foundation that's focused on women and girls and empowerment.

[0:32:02.3]

FT: I feel you're going to start that anyway.

[0:32:05.1]

FH: You think so?

[0:32:05.9]

FT: I think so. I think that's in your future.

[0:32:08.7]

FH: You know what? There's something about having 400 million dollars that – I mean, God that would be – that would go a long way in terms of empowerment. Yeah.

[0:32:20.0]

FT: Expeditious launch much faster.

[0:32:24.4]

FH: Yeah, exactly. It's definitely an accelerant.

[0:32:27.6]

FT: Yes, yes. One thing I spend on that makes my life easier or better is _____.

[0:32:32.2]

FH: Getting blowouts.

[0:32:34.9]

FT: Okay, so this is actually – this episode is airing ahead of your launch, soon before your launch of your book but as we are recording this week Fran, I'm telling you just because I want you to take advantage of this Drybar is offering free blow outs between 11:00 and 2:00 PM every day this week, and so you better book your appointment. It's a partnership with Netflix and some things.

[0:32:59.7]

FH: That is so good to know. I love it.

[0:33:04.2]

FT: Maybe not this week, but I'm sure this is going to be something that they'll do again this year, so just keep your eye out. I'll be there Friday at 11:15. All right, one thing I love to splurge on is _____.

[0:33:18.4]

FH: Shoes. That's the easiest one. I love my shoes. Actually when I was at Time Inc., I had a closet in my office that was just filled with designer, whether it was Jimmy Choo or Manolo Blahnik, Louis Vuitton, because I'd always like to wear comfortable shoes, walking to work.

[0:33:37.8]

FT: That's smart.

[0:33:39.1]

FH: Beautiful shoes to choose from, to wear.

[0:33:41.1]

FT: Then they get destroyed, because you're not yet wearing them in New York City on the pavement.

[0:33:45.2]

FH: Exactly.

[0:33:46.4]

FT: Oh, that's smart.

[0:33:47.0]

FH: Exactly. That's right.

[0:33:48.9]

FT: You've already talked a little bit about your philanthropy pursuits, but when you do donate now I, I like to donate to _____, because _____.

[0:33:58.6]

FH: I like to donate to causes that are very specifically directed. I like local. I like grassroots. I really like to know, which is why I love Global Giving, by the way, because there are over a thousand grassroots projects. I want to know exactly where the money is going. I really love transparency. I want to know that it's going to these 12 girls in this one country that are having a specific issue. I think that's really important to me, specificity and transparency.

[0:34:32.8]

FT: It is a good lesson for anyone starting a philanthropic venture or nonprofit that that is – Yeah, I can't agree with you more. I during say the hurricanes in Houston, the flooding and the devastation and the aftermath, I chose – one of the organizations I gave to was the Houston Food Bank, because they would tell you that for every say \$5, or \$10 you were going to feed X many people. That is a no-brainer. At that point you're like, "Well, here. Here is 10 times that," because you actually see how far your dollar goes and what they're doing with it. It actually encouraged me to give more.

[0:35:13.8]

FH: Yeah. No, I totally agree. That is so important to me. I think for me too, I really like having a budget. I do actually got a budget when I go into the New Year in terms of how much over the course of the next year I'd to allocate to nonprofit, and because it is something that's so important to me and I want to make sure that I'm really intentional about it and that I build it in. I build the budget.

[0:35:42.5]

FT: Budgeting for your forgiving. We actually had a guest on the other day. He had a code. He was Dr. Habib Siddiqui. He's a Gwyneth Paltrow's doctor MK. We get really fancy on the show, but he said that he has always had this code, it says 10-10-80. That's how we divvies up his money all the time. It's 10% just give it away, 10% keep, it 80% live your life with it.

It's a good baseline and then from there hopefully you can do better, like 20-20-60 or something if you want to maybe save a little bit more and give back more. To make it absolute part of your budget every year is a really amazing place to be in. It's a great place to be able to do that.

[0:36:33.4]

FH: Yes. I think, even with – Oh, are you there?

[0:36:36.6]

FT: No, no, no. Yeah, keep going.

[0:36:37.5]

FH: I lost you just for a sec. Okay. I was just going to say, like even with our kids, we really love to talk to them about exactly what you said. The whole saving, living and giving back and really just encouraging them to think about even with their allowance, right, to think about it that way.

I think it's something that it's just so wonderful to instill that in your children at a very young age, so they're not just focused on money as spending it and buying toys, but there's so much more that you can do with it and so much more value you can create in the world from an impact perspective.

[0:37:16.4]

FT: Right. There was actually one parent who shared that they make philanthropic decisions as a family together. The kids, they are tasked with coming to the family meeting with their causes and they have to make a case and then they ultimately just pick one or two, but you have to come to the table and advocate for something. It's great.

[0:37:39.6]

FH: I love that. I'm going to feel that idea.

[0:37:41.6]

FT: Yeah, go ahead. Everybody can steal that idea. Last but not least, I'm Fran Hauser. I'm so money because _____.

[0:37:49.2]

FH: Because I value kindness as much as I value strength when it comes to leading. I see that the amazing effect and an impact of that, not only at work and with my team but also on the world at large.

[0:38:09.4]

FT: I'm so excited for *The Myth of the Nice Girl*. I know that this is a long time coming for you and I do think you're going to empower so many women. Thank you so much for your work, Fran.

[0:38:20.7]

FH: Thank you, Farnoosh. Thank you so much for your support. I can't tell you how much it means to me.

[END]