

THE ECONOMIC CLUB

O F W A S H I N G T O N, D. C.

Virtual Signature Event

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ANNOUNCER: Please welcome David Rubenstein, president of The Economic Club of Washington, D.C.

DAVID M. RUBENSTEIN: Good morning. I am David Rubenstein, president of The Economic Club of Washington. I'd like to welcome you to our 11th Virtual Signature Event of our 35th season.

Today I will interview our featured guest, Julie Sweet, who is the chief executive officer of Accenture, and we'll discuss her leadership and innovation, technologies and impact on business, and inclusion and diversity. I should point out that Julie was recently named number one on Fortune's list of most powerful women in business. This will mark her fifth consecutive year on the list.

Now, let me introduce our guest, Julie Sweet. Welcome, Julie.

JULIE SWEET: Thanks. Good to see you, David.

MR. RUBENSTEIN: So just briefly – we'll cover her background a little bit in the course of the discussion. But just for people who may not know, Accenture is an extraordinarily large company. It is a company now with a market value of \$164 billion, \$44 billion in revenue, and, believe it or not, 506,000 employees around the world. Julie is a person who is trained as a lawyer. After she completed her law school, she ultimately joined a very famous firm that I worked as a summer associate at, Cravath, Swaine & Moore. She became the ninth partner in that firm – ninth female partner in that firm and left to join Accenture a number of years ago, I think 2010, as the general counsel. She subsequently became the head of North America. And in 2019, became the CEO of the entire company.

So welcome, Julie. Thank you very much for giving us time today.

MS. SWEET: Thanks. I'm looking forward to it.

MR. RUBENSTEIN: By the way, who came up with the name Accenture? I looked up the word in Roget's Thesaurus and the dictionary. I didn't see any "Accenture" word. So where is that word coming from?

MS. SWEET: You know, it is such a great question. When we were splitting off from Anderson Consulting and needed a new name – I wasn't here at the time, but I've heard the story – we spent a lot of money with, you know, sort of the marketing folks on Wall Street and we also ran a contest among our employees. And in the end, there was a young man named Kim in Norway. And he came up with the name. He said: It means accent on the future. And the vote was overwhelmingly for Kim's name. So we're eternally grateful to that. And we have a very valuable brand today.

MR. RUBENSTEIN: Explain this to me: Private equity has grown pretty nicely over the last 20 years or 30 years or so, enormous growth – which is of course, deserved no doubt. But why is it

that consulting has grown even more rapidly? What is it that people need consultants for? What do consultants actually do?

MS. SWEET: You know, that is such a great question. You know, it's hard to imagine a higher calling than private equity, but if there is one it is definitely consulting. And in fact, many private equity firms use us. And that is – it's all about solving problems. And you know, in today's world if you want to move with speed you have to be willing to partner with others. You know, I talk about at Accenture that one of the most important leadership qualities is humility. And humility is around being a learner and being collaborative and knowing what you don't know. And what we do is we partner with the world's greatest companies and we try to help them move faster and bring in different viewpoints. And that's sort of the essential role of what we do. And then actually, we execute. So we're not just the consultants. We also execute.

MR. RUBENSTEIN: OK. Let's suppose Accenture, with 506,000 employees, says: We have a problem. We need to hire a consultant. Do you hire McKinsey or BCG? Or who do you hire?

MS. SWEET: Well, I'll tell you who we hire. So when I became CEO September 1st of last year, one of my biggest challenges was that we needed to put in what we call a new growth model. We needed to overhaul our services and how we operate. And that was because we were coming to the end of a strategy. We had started – we were the first professional services company that had a digital unit. We started that back in 2014. And then we were less than 20 percent digital cloud and security. And when we started in 2019 we were able to achieve our goal of 70 percent. So we had to do a major operating model and growth model change. And we needed to do it quickly.

So I looked around. And talking to our own people who were totally tapped out at our clients. I said, well, if I can't use my own people who else can I use? And they recommended a great company called Kates Kesler. Now, you can imagine. It's a small company and three principles, calling up and saying: Accenture – you know, one of the world's greatest consultings – would like to hire you. And so they came in. And I would tell you, my own team was a little suspicious – like, why? We have great people. I said, yeah, but they're all serving clients. So they came in. And two weeks after they started helping us, because we needed to move really quickly, I went to them and I said: We love you so much that we want you to join the Accenture family. And we bought them, because they're phenomenal.

So that's what consultants do. You know, we find the best, and then because we're the best we ask them to join us.

MR. RUBENSTEIN: So it wasn't because their fee was so high you didn't want to pay? You just figured you'd just buy them, and it would be easier that way. You didn't think that, right?

MS. SWEET: Well, they were smart. They said: We're going to let you buy us after you pay us. So they finished the work and then we bought them.

MR. RUBENSTEIN: I got it. So let's talk about running the company remotely. Five hundred and six thousand employees. You are based in Washington, D.C. Is that the headquarters of Accenture, by the way?

MS. SWEET: We do not have a headquarters. We have not had a headquarters since we went public. We're a virtual company. The headquarters is wherever the CEO is. And in fact, this is the first time in three decades that the CEO and the CFO are in the same office. I'm really fortunate that my CFO KC McClure is actually also based in D.C.

MR. RUBENSTEIN: Wow. OK. So you are running the company remotely from D.C. How have you adapted to running the company remotely? How has that worked?

MS. SWEET: Well, first of all, for us it was – running the company was actually pretty easy because we don't have a headquarters, I have a global leadership team. So that was seamless. And we have people all around the world who already work remotely. Now it is very different, though. We have lots of people who go to clients. And so – and our clients actually aren't as adept. So the first part of the crisis was a lot about, you know, helping our clients get on teams and – you know, and actually get connected.

But I will tell you that while it was an easier transition for us, having everything – all innovation, all interaction always be remote is also a challenge. And it was one of the reasons I was really proud. In October we launched our new purpose strategy and the biggest brand campaign in a decade for Accenture called Let There Be Change. And that was entirely done – all the creative work of that was done remotely. And it's a huge investment. It's a \$90 million investment for us in terms of what we're going to spend. It was enabled by our tools teams, the collaboration and the mindset. And it's one of those things where I absolutely don't believe – and in fact, I counsel against – that people should be working remotely. But innovation can absolutely happen. We do it every day in our work, pre-COVID. But even for us this was, you know, really quite a remarkable achievement.

MR. RUBENSTEIN: OK. When COVID is behind us, hopefully sooner rather than later, people are vaccinated and so forth, do you expect that you will operate your company differently than you did before, or will you go back to the old situation you had? And related to that, do you need all the office space that you presumably have all over the world? Because a lot of people are working at home, maybe you can shrink your office space. How do you look at those issues?

MS. SWEET: In some places we are shrinking our office space because, for example, where we have big technology centers people always used to come into the centers. And we are finding that some of them will come in less. But I think it's important as you think about remote working is don't think about roles or, like, I'm going to be in three days or two days. But think about tasks – what tasks don't you need to be in the office and interacting with other people. And so we're continuing to do that. We have less of a change, simply because we have been working in remote teams. And I remember when I was general counsel and I came in and I was surprised that if I wanted my lawyers in 100 percent of the time we didn't have the office space.

I will caution all of you listening who are thinking about downsizing, in Accenture in the '90s, when we first started saying we need less real estate, not because of remote working but because our people were at clients, we cut in the U.S. dramatically. In fact, in 2015 when I became the North America CEO we had more people than Europe, but we had a third less office space. And the issue with that is that culturally people need to collaborate. And actually, the young people who are most digitally savvy want to be in. Now, they want different kind of space. They want space that allows them to actually collaborate and be together. COVID's been a little bit challenging, of course, for that.

And it's a lot harder to build back. And so, you know, if you actually think that your people never need to come in, then ask yourself three questions: Is the job they're doing something that should be automated, because they don't actually need to integrate and come in and be part of your culture? If it shouldn't be automated, the second question is: Could some other company do it better, right? So can you outsource it? Can you, you know, turn to other companies because, again, it doesn't need to be integrated and those people don't need to be, you know, living part of your culture. They can be entirely remotely. Or, third, should it be done at a lower-cost location? And when you start to ask those questions, we really begin to think about, you know, what does it mean to have people work remotely?

My last point – and you can tell I'm passionate about this because we've learned a lot of lessons. Do not allow yourself to say: Well, there are some functions that are not important. Today, you know, like a lot of times I'll hear corporate functions don't need to be in the office. Well, if your corporate functions are not part of your teams, then you're not going to have business leaders driving corporate functions. And for us, finance, HR, those are all core to our business strategy. And, again, we made some mistakes back in the '90s, and then we had – we were wondering, you know, well, why isn't our legal department as tied to our business?

So we've been doing this for a long time. And so I just wanted to share a few of the things that we learned and that we're sharing with others.

MR. RUBENSTEIN: By the way, do you think travel will come back at the pace that it existed before COVID – which is to say, consultants are always flying all over the world? And do you think that your consultants will continue to travel at their previous pace?

MS. SWEET: Business travel will not come back the way it is, absolutely not. And that's partially because, you know, what we've learned is, again, there's certain tasks that can be done remotely than others. I think there's an efficiency. I know we're doing a lot more – I do a lot more today than I did when I was traveling. And so there's both a necessity – it's a little bit after 9/11. And, you know, after 9/11 when we all stopped traveling, it came back differently, it took a few years to come back. I think here this will be more permanent in terms of just new ways of working, and also sourcing talent differently. It can be a huge opportunity for, you know, places to also – who have great talent that aren't in major markets to – you know, to work more remotely.

MR. RUBENSTEIN: OK. Let me ask you two things about the consulting world, as I've observed it. I'm not the expert at consulting. But I've observed that a lot of best people who

graduate from business schools, they like to go, and consulting firms like to hire them. And so you hire a lot of young people, very smart. And then they come to the client. And then they're telling the client ideas, but these people are just a couple years out of business school. Do they really have the qualifications to come to a client and say this is what you should do after my, you know, six months in doing consulting, or one year in consulting?

MS. SWEET: David, when was the last time you actually hired a consultant? Because that's certainly not what we do, right? [Laughs.]

MR. RUBENSTEIN: OK.

MS. SWEET: So, look, you know, consulting – we look at consulting very different today. So let's just start with: What do our clients need? They need to move fast. Many of our clients know that they need different ideas, right? So they need to learn from other industries. If you are – right now you take companies who are B2B and industrials, right? What was their problem? Well, they had a supply chain issue when the pandemic hit. But you know what their other big problem was? Their entire sales model was in person. Nothing was digitized. And so, we got the calls that said: My people are up and running but they don't have a catalogue that's been digitized. They can't sell anything. And so what are we doing now? Were taking all the learnings from B2C in helping B2B, right?

And so consultants today have to come in with, you know, benchmarking. They have to come in with solutions to actually help you achieve. That's how we'll help, because you will always know your business better than us, right? But you won't know, what are all the other businesses doing? How do you get the solutions? What's already prebuilt? There's a lot of companies today who are behind who are now having the humility to say: I don't have to invent it myself. Tell me, Julie, how we get to curbside pickup quickly, right? How have others done it, and let's implement it. That's really why, you know, we think of ourselves as partners, and our focus is on the value we deliver. And, you know, I try not to talk about are we doing strategy consulting, or technology, or operations because those things don't matter. What matters is: Are we bringing you an outcome that you cannot get on your own? And that's the conversation. And that's the only reason to use or any other partner.

MR. RUBENSTEIN: OK. So in the consulting world sometimes it happens to be the case that you have clients who you do projects for, and they're very confidential. But I don't know, is there – like in the legal world that you and I used to be in there's a lawyer-client privilege. And in the medical world there's kind of a client privilege as well, patient privilege. But can you – is there a consultant-client privilege? So you can't tell other clients what somebody else – what you did for somebody else? Is that – how do you keep secrecy, or you're not required to?

MS. SWEET: It depends, right? So for example, when you're building a solution that we've built, right, then you can take it to different clients, right? Absolutely you have confidentiality. You can't say to one client: Here's this. Now, a lot of clients will allow you to use their references. In fact, we put out press releases now. And you're seeing that more and more actually as companies want to demonstrate to investors, but even more importantly to talent, that they're digital. And therefore, once it's out you can talk about it.

Like, you know, for example, you know, some work we're super proud of that we're doing with Best Buy. And we put out a press release together where it talks about how they're investing in technology. They're going to create 1,000 new jobs. They're committing to a third of those jobs being diverse people. And they're going to use our learning platform to upskill their people, right? Now, I can talk about that as an inspiration to other clients because we've jointly decided to share it with the world.

MR. RUBENSTEIN: OK. Let's talk about digital transformation. Everybody wants to be digitally transformed these days because that seems to be the future. So when somebody comes to you and says: I want to digitally transform my company do you roll your eyes because everybody wants to do that? What is it that you're doing when you're helping somebody digitally transform their company that they couldn't otherwise do?

MS. SWEET: Well, a great example is curbside pickup, the one I just gave you. So the – if you can imagine during the pandemic if you didn't have the ability for people to order online, be able to source the supply chain, and therefore – and then be able to deliver it, right, that required behind it all the things, the buzzwords you hear – cloud, data, artificial intelligence, automation – in order to do what is – you know, really became a critical service.

You know, when you look at the enterprise, every part of the enterprise is now, you know, being digitally transformed. We said that pre-COVID. Things are now accelerating because of the need to be contactless. You know, in the digital space there is – in the digital manufacturing space you not only – you have safety issues, right? We saw what has happened with, you know, some of the plants. And so right now digital manufacturing, which we thought would take five to 10 years, is going much faster. And it's driven by the fact of cost pressures that come with – that get relieved, but also the need to have a higher safety, you know, less contactless work.

And so there's a lot of different reasons that are why we're – why we're actually accelerating. But, you know, there's basically two truths today. The first is, every business is a technology business. There is no more debate – we don't have a debate about value. The entire world saw technology is the lifeline during the pandemic. And the second truth is that exponential technology change is going to continue. It was happening before, which is why this crisis is so unique, and it's going to continue. And so the real question for companies, right, is, you know, pre-COVID were you digital or – were you a leader or a laggard? And coming out of this, what will you be in 24 months?

MR. RUBENSTEIN: OK. So let's talk about digital transformation in your own company for a moment. How did you digitally transform Accenture? What have you done and what do you do for technology? Do you have – five cellphones and three computers? And how do you keep up with everything?

MS. SWEET: A great question. So over the last six years as we were transforming our own company to go from less than 20 percent digital cloud and security in terms of our services to now 70 percent, we had to actually digitize Accenture. And so we are now 96 percent in the

cloud. We have Salesforce, Workday, SAP, S/4HANA, finance. So all of our enterprise functions are now – have been replatformed. And so I've talked about right now we are in the midst of a once in a digital era global replatforming of business on the cloud using software as the service applications. And Accenture is there today. And you'd expect us to be a leader.

And, you know, what does that mean? You know, why is that relevant? Well, it's allowing us to pivot very fast, whether it is when we spot a new opportunity, like remote collaboration, to be able to drive campaigns, you know, using the features of, like, a Salesforce. Whether – I talked about the marketing, the new brand. That was completely enabled by Office 365, the other suite that we're on that has been part of our digital transformation. And so it allows us to be much more agile in driving our business and continuing to change, despite the fact that we've been in a pandemic for the last nine months.

MR. RUBENSTEIN: So describe how the CEO of Accenture manages her day. You've got 506,000 employees. I don't think there are that many companies in the United States that are privately owned – private sector companies that have more employees. Maybe Walmart, maybe Amazon. But I'm not sure who has more than those two, other than you. So how do you manage 506,000 employees around the world? You know, how do you keep up with everything? And how do you – do you have a board of directors you have to meet with? And how do you manage it? And tell us your typical day.

MS. SWEET: So we are a public company, so we have a board. But I will tell you that my typical day has changed in the pandemic, because it used to be that I traveled all the time. I am now incredibly efficient. And I start early. So when I was growing up – my mom grew up on a farm, so she was an early riser. So can you imagine being in high school and Sunday going to church we had 6:30 a.m. mass as a high schooler, OK? I was really popular when my parents used to call me in college about 7:00 a.m. So that was a lot of fun.

So I start most days actually with calls at 5:30 a.m. so I can catch APAC or Europe. But I finish most days 5:00-6:30, so I can make sure to have dinner with my daughters. And my husband. He matters too, but mostly my daughters.

MR. RUBENSTEIN: OK. Well, let's talk about for a moment your background. You mentioned your growing up. So where did you grow up?

MS. SWEET: I grew up in Tustin, California. And when you drive into Tustin, that's in Orange County, there's a little sign that says: Work where you must, but live and shop in Tustin. So that's where I grew up.

MR. RUBENSTEIN: I think it's changed. It says: Julie Sweet grew up here. That's probably what it says now.

MS. SWEET: [Laughs.]

MR. RUBENSTEIN: But OK. So you grew up there. And what did you want to be when you were younger?

MS. SWEET: I hesitate to tell you because it'll take you into a whole thing, but I did think that I wanted to be president when I was younger. But then I got religion. I did not see the higher calling of private equity, but I was clear that being a lawyer was the place to be.

MR. RUBENSTEIN: Did you – what made you think that somebody who'd been in the business world could actually be president of the United States? How did you come up with that idea?

MS. SWEET: Remember, that was before I decided to go into business. I went into law first. (Laughs.)

MR. RUBENSTEIN: All right. So you went to college at Claremont, right?

MS. SWEET: Yes.

MR. RUBENSTEIN: And then at college what did you major in?

MS. SWEET: So I majored in international relations, which was the only degree that allowed me to spend a year abroad. And I studied Chinese in Taiwan and in Beijing in '87 and '88.

MR. RUBENSTEIN: And you are now a reasonably fluent Mandarin speaker?

MS. SWEET: I'm a decent Mandarin speaker. When I was in China in November, you know, I studied up. And I gave – I shocked my 17,000 people and gave a 15-minute memorized speech in Chinese. But it's hard to keep up. It's hard to keep up. And I – you know, I'm sure I sound like a kindergartener. But you know, I can – I would fool you, David.

MR. RUBENSTEIN: So when you graduated did you immediately decide you wanted to go to law school then?

MS. SWEET: I did. I did. I'll tell you a funny story. I was a senior in college and my professor called me in. He was doing a recommendation, I think. And he sat me down. And he said: Have you ever met a lawyer? And I said, no. And he's like, before I let you go to law school and incur a lot of debt, he goes, you have to meet a lawyer. So he introduced me to one of his friends who was in one of the big Orange County firms. And of course, you know, I was young, and I absolutely was going to go to law school regardless. But I remember that. And I was very fortunate because I loved law school. I went straight through. I had spent a year abroad, so I didn't feel the need to, you know, have kind of a gap year. I went straight through and then I went to Cravath.

MR. RUBENSTEIN: OK. So you went to Columbia Law School in New York. And how did you like living in New York? It was different from Orange County, I guess, right?

MS. SWEET: It was fantastic, right? I mean, at had at the time – by that time, I had lived in Asia. Never been to Europe, which was kind of funny. But I absolutely loved New York.

MR. RUBENSTEIN: Now, for those who are not lawyers they may not know that Cravath, Swaine & Moore was among maybe the one or two top law firms in New York, some would say. At Cravath it was the top for sure. But very famous law firm, a long history. I was a summer associate there. And it may have gone downhill after I was there, I don't know. But in any event, why did you go to Cravath, which was, I would say, maybe not viewed by some as being quite as progressive as some others?

MS. SWEET: Oh, that's putting it mildly. I remember I interviewed at Cravath. And they had this amazing thing where you got an offer at the end, and everybody knew that. And so, people – you know, in law school, they know who you're interviewing. And I came back, and I had a – I got an offer, and it spread like wildfire because this was a big deal back then. And I remember, I walked into this – one of my big classes, and all the men in my class were coming out and patting me on my shoulder. And all the women were literally saying: How could you go there? I literally had to say to my friends, like, stop. Like, you will be supportive. I mean, at the time – you know, so I started in '92. And there were three women partners. The saying was one a decade and not a single more. They made one in the '70s, one in the '80s, and one in 1991.

And so now why did I do that? Because I didn't even ask. You know, I mean, look, I grew up with a very modest background. You know, my dad painted cars for a living. My mom graduated from college when I was a freshman in college. I was not focused on diversity at that point, right? I was focused on going to the best firm. And by the way, I had no intention of staying. I had a plan. I was going to go for two years, then I was going to move to Asia and conquer Asia. And, you know, and then go from there.

And so life changes. I fell in love with Cravath. It gave me amazing opportunities. And I will say that the managing partner today, Faiza, is a friend of mine. She was the second woman corporate partner and the eighth woman partner at Cravath. So things have changed.

MR. RUBENSTEIN: You were the ninth female corporate partner, is that right?

MS. SWEET: Yes. Yes, she was the year before me.

MR. RUBENSTEIN: OK. So all of a sudden you're a big-shot lawyer at Cravath. You're, you know, at the top of the legal world. Why did you want to leave a very prestigious and profitable firm to go to Accenture in-house where, as you know, many times partners at large firms think that going in-house is not as good as being a partner at a major firm? Why did you do that?

MS. SWEET: You know, it's a great question. I was – I spent 10 years as a partner. So I was at Cravath for 17 years. And you know, I look back – and at that time – people now have left Cravath, but at that time it was very rare. And I still remember, I was sitting at my desk. It was in November. And I got a call. And it was from a headhunter. And normally I wouldn't have picked up my phone. It's a very old-school firm. Like, you know, you have somebody who picks up your phone for you. And I happened to pick it up. And she was trying – and she said rapidly, I have this great firm, it's called Accenture. And I'd actually done the spinoff for PwC of the business that IBM bought, and Accenture was one of the competitors. So I knew.

So long story short, I decided to take a call. But when I look back as to why, you know, I was 42. I had two small children, three and two. But my father had died that summer. And he died young. He was 68. And you know, I really believe that had something to do with my sort of willingness to say – I was, like, 42 years old. I was a successful partner. I could see my future. I talk about this, right? I could see where I was going and I was like, you know, I don't want to see my future. And not in a bad way. Cravath is an amazing place. But I wanted to challenge myself and do something else.

And so I took a meeting. And there was an amazing CEO at the time, Bill Green. And he said to me – use this line if you're ever trying to recruit a lawyer. He said: I'm not looking for a lawyer. Which is kind of funny, because he was talking to a general counsel. He said: I'm looking for a business leader with legal experience. And it made me feel challenged. And, you know, when I joined Accenture it wasn't I was joining to become CEO. But I didn't think of myself as a lawyer but as a business leader. And one thing which I haven't shared often, is the night he gave me the formal offer to be general counsel he did say to me: My mental model was someone who could be CEO. And that always stuck with me, not because I was trying to be CEO, but I was, like – you know. And so your words as a leader can really matter, right? And when I joined Accenture, I joined with that mindset. And mindset can be everything. And here I am today.

MR. RUBENSTEIN: So I imagine it's like, you know, a child goes to his or her parents and says: I'm going to marry somebody you probably don't like, but I'm going to go do this. So you went back to the Cravath partners and said: Guess what? I'm going to get married to Accenture. What did they say?

MS. SWEET: Well, you know, I have to say, the leadership was great. It was a – you know, it's a very prestigious company. I was going to take over a law department that was as big as Cravath. But the person that was hard to go tell was Christine, our first woman partner, who – Christine Beshar, an amazing leader. She's passed away. And I went in to tell her. And she's like, I am so disappointed. How could you let the women of Cravath down? And it was – it was devastating. It was the hardest conversation. And I'm good friends with her son, who I just saw recently. And he's like, mom would be – you know, mom should have eaten her words because look what you've become, right? But that was hard, because I was – you know, there still weren't that many of us. We were on the path. But that was a hard – a hard conversation.

MR. RUBENSTEIN: Well, I was a summer associate the year she became a partner, the first woman partner. And I remember the big controversy was this: In those days the men who were partners had separate bathrooms from the associates who were there. And then they didn't know whether they were going to have a separate bathroom for the one female partner. I don't know how that ever got resolved. But in any event, all right. So you decided to go to Accenture. Were you going in New York? Or how did you get to Washington?

MS. SWEET: So I got married. But I'm going to tell you one quick private equity story. In 2006, not for the Carlyle Group, I was working for a private equity firm that – doing some amazing work. And at the first floor, their main floor, they had a bathroom for men, but you had

to get the key and go down the hall to the communal bathroom if you were a woman. Now, that has changed, but anyway. Things took a while.

But so how did I get to Washington?

MR. RUBENSTEIN: Yes.

MS. SWEET: I got to Washington because of my husband, Chad, had co-founded The Chertoff Group that was here. And when I left Cravath, which was in New York, we had been a six-year commuter marriage. Two little babies during the time. He had served in the Bush administration and then he and Michael Chertoff co-founded The Chertoff Group, and they were here. And we were commuting back and forth. In fact, we never lived together until I moved here. So we met when I was living in Asia, and he was in Texas. We courted. He joined the Bush administration. I was in New York. And then after I joined Accenture it was flexible where I could live. And so, I moved here, to Bethesda, Maryland, which is a great place to be.

MR. RUBENSTEIN: Isn't that a risk? If you have a very successful marriage and you're living in two different cities, why potentially ruin it? Had you thought about that problem?

MS. SWEET: I could tell you a few stories. So yes. It was – it was a little bit of an adjustment when we got back together. And we actually – I remember he was watching football on a Sunday. And I said: You watch football? And he said: I'm a Texan. And I said, but you never watched football. And he goes, well, that's because when I was only seeing you twice a week I wasn't going to watch football. But he's like, football's in my blood. It's just, like, funny stories. But it's much better to live together.

MR. RUBENSTEIN: OK. So you joined as general counsel, and then you did that for five years. And then somebody said to you, how about being the head of North America? Is that what happened?

MS. SWEET: Actually, it's pretty close. I was in Paris, where our CEO Pierre Nanterme, who's amazing, who's passed away. He was an incredible leader. And he became CEO a year after I joined Accenture. In fact, the first week I joined the CEO who hired me – you know, the really charismatic guy – said: Hey, by the way, your first job is to help pick my successor. So that was an interesting first week on the job. So Pierre became CEO. He didn't know that much – like the value of lawyers. The first time I sat down with him he said: Why do we pay you so much? But he became a fan. And so we were an incredible partnership. He really invested in me. And I share that because it's important for all of us – you know, there wouldn't be a woman at the helm of Accenture if he hadn't chosen to begin to invest in me and teach me the business.

And literally in 2014 I was meeting with him regularly. He ends the meeting and he said: I think you could run this place someday. You could have my job. But you have to run something else first. Do you want to do that? He also said, it's a one-way ticket. Meaning, you don't get to go try it and then go back to being the general counsel. And so I said yes. In my ear I was like, that's the only thing you say. You don't say, are you sure? Because it's not that I had that ambition.

I knew I wouldn't be general counsel forever, because I was going to get bored. But it didn't occur to me that I could, you know, run. And I'm the first CEO at Accenture that did not grow up here out of college, right? So for lots of dimensions it didn't – wasn't really something I thought I would achieve, or frankly even at the time was thinking of. And so we talked about it. And I promptly got breast cancer. So that was a little bit of a detour. And when I came back, then the opening for North America came up. And he called me. And I took it.

MR. RUBENSTEIN: OK. So you did North America. What did you do running North America that made people say, you know, she could run the whole company? I mean, you must have done something. Were you very profitable? What did you do?

MS. SWEET: Well, I had a great team. So the first thing I did was make sure I had a great team. And then we ran the business well. And here we are.

MR. RUBENSTEIN: OK. So today explain to people how Accenture grew this big. Because when I remembered the predecessor of Accenture, it the consulting arm of something called Arthur Anderson at one point, right? And how did it spinoff? And what did it do that made it become so big? I mean, I assume a lot of consulting firms are good, but you're much bigger than anybody else by far. So what did you do that enabled you to grow so big?

MS. SWEET: You know, I think at the core of Accenture is that we do everything from strategy and consulting to technology, and then we run things, and we're digital. And if you look at our success today, I really go back to 2013. But from 2013 you could go back another decade. Every wave of technology and every new way of doing business we've been a leader in. And in 2013 we declared that every business would be a digital business. And people argued with us. They didn't believe us. You know, no one debates that today, and it wasn't that long ago.

You know, at the same time when we looked at our own business, we were facing a commoditizing business, right? We were less than 20 percent digital cloud and security, and yet we said this is where they were going. And so we put in a new strategy. We started our first digital. But we also did something else. And I know we're going to talk about it today. Is we said: We have to change our culture and we needed to be innovation-led. When I joined Accenture in 2010 the CEO at the time literally said to me: We are fast followers. That was who we were.

We were not going to transform our company, right, and lead in digital unless we were innovators. And we said at the time the core to that, we had to change the face of Accenture. We had to become more diverse. And so at the same time that we were putting this new strategy in we said we were going to double down on diversity. And that was all in the context that 2013, even as we were declaring that, was only the second time we missed earnings and knocked a little off our market cap. So it was a very – it was a real inflection point for us. You fast forward to 2020. Nine percent CAGR. We were 36 percent women in 2013, with 225,000 people. Today we're 45 percent women with 506,000 people.

MR. RUBENSTEIN: What are you in terms of minorities, African American, Latino?

MS. SWEET: So great question. In the U.S. we are 9 percent African American. That's up from 7 percent in 2015 when we first declared. We were the first, and until recently the only, professional services company that put out all of our demographics in 2015 – for Blacks, Latinx, and Hispanics, veterans, persons with disabilities, and women. And we did so not because our numbers were great. I am proud of the progress we made. And we had 31 Black managing directors in 2015. And we had 81 last year. And we just made several more.

And we have committed that we will double that again by 2025, just as we committed a few years ago that we'll be 50/50 gender equal by 2025. And we've been setting these goals internally because we do believe that diversity and inclusion is a business priority. So we set goals. We have accountable leaders, execution plans, data. We change when we're not successful. But transparency has been really core as well. So transparent externally, holding ourselves accountable.

MR. RUBENSTEIN: Is that the leaf blowers behind you, or?

MS. SWEET: It is the leaf blowers behind me. They've started up again. [Laughs.]

MR. RUBENSTEIN: Yeah. For those who don't know, there's some leaf blowers who are behind Julie. I've written an article about how leaf blowers are taking over the world. You might look at it. I'm convinced that the sun never sets on leaf blowers, at least my own neighborhood.

In any event, many of the consulting firms that I have dealt with over the years tell me that it's so wonderful that they're private because they don't have to worry about quarterly earnings, they can be long-term focused, they can serve their clients better. But you're public. So what's the advantage of being public, if you're in the consulting business?

MS. SWEET: Well, you know, first of all, we're able to demonstrate just how much we're growing ahead of our competitors, right? When I did – our fiscal year ends on August 31st. So I just did my annual earnings in September. And you know, I can – I can show that in the crisis – I said, look, there are five things – five goals we set. When the crisis hit everybody always says we're going to emerge stronger. And I said, we're going to – we're going to measure ourselves. And we had five goals. And I shared those with our investors. One of them was to grow faster in the pandemic than pre – not in absolute terms, but relative to our competitors. So we took share four times faster in the second six months, the entire time of the pandemic, than the first six months when we were growing our market share at twice – we were growing at twice the market.

And today when you think about companies and what's at stake, they want to know that they've got trusted partners. And some of that – a great deal of that trust comes from being able to know that you're with a client, you're with a partner that has the liquidity, that has the talent, that measures itself and holds itself accountable and, very importantly, is a very responsible business both in how we serve our clients and how we operate. And you know, people can say a lot of things about quarterly and how that drives, but we always run our company for the long term. But the transparency of being a public company builds confidence.

MR. RUBENSTEIN: So as I mentioned earlier, you've been voted the number one most powerful woman in the world of business. And I think men and women together you're in the top 15, or something like that. So does that mean that your children listen to you more, your husband listen to you more, because you're the most powerful woman in the world in terms of business? Or what's the impact of that?

MS. SWEET: Absolutely no impact at home. That's a – that's pretty clear. In fact, I remember one time I was in The New York Times – you know, the corner office, David Gelles' thing. Huge picture. I normally don't show my children anything and I thought, oh this is a nice picture. I'll show them. I lay it out. The kids come in. I came up from downstairs. They had pushed the paper to the side because it was in the way of making slime. And I said, hey, what did you think of mom's picture? And they're like, what picture? And I'm like, OK, that's the last time I'll share that. [Laughs.]

MR. RUBENSTEIN: So they're not impressed. OK. So I assume your high school classmates must be impressed. Do you get calls from them telling you that they knew that you were going to be successful all the time? By the way, they have their resume they send to you. Do you get a lot of that?

MS. SWEET: [Laughs. You know, I'm very grounded, and my friends keep me grounded, let's say that.

MR. RUBENSTEIN: What about your mother? Does she call you and give you advice about how to run Accenture?

MS. SWEET: No. But my mom is amazing. You know, just think about where I am today. So imagine my mom, right, who had three kids, she worked part time, she went to community college. Then she transferred to Cal State Fullerton. And she graduated. If you think about, you know, my father who, you know, worked during that time, supported his wife in school, learned how to cook – we have great stories about how bad that was at the beginning. They're incredible role models, right? And I wouldn't be here without their work ethic and their belief. They always taught me I can be anything, right? Now, they were tough, right, because they said you can't have it as an excuse that you didn't come from money or anything. But they spent time with us. They, you know, taught me to believe in myself. And they were great role models.

MR. RUBENSTEIN: Well, let's suppose the president-elect, who many people think is Joe Biden, if he called you up and said: You know, I read about you, I watched your interviews. And you should be a Cabinet officer. I'd like you to come in. What would you say?

MS. SWEET: Well, I would be incredibly honored if President-elect Biden – I am one of those – if President-elect Biden called me up. I think it would be great for him to add some great business leaders. I hope that he calls you first, because you would be fantastic, David, in a Biden administration.

MR. RUBENSTEIN: I am too young to serve. I'm only 71. I think you got to be a little bit older, more experience. But OK.

So let me ask you this, if the president called you and said, OK, I can't recruit you but can you give me one or two words of advice based on your Accenture experience about how I can make the government work more efficiently, what would you tell him?

MS. SWEET: Well, first of all, I would say that we should stop having the government funded yearly. So you know, why can't you get efficiencies? Well, because you have yearly appropriations. It's almost impossible to say, OK, we're going to do a three-year program and you're going to be funded. And so that would be my first change, to change the way we fund government.

MR. RUBENSTEIN: OK. And suppose the Congress called you up and said: OK, we got your idea about annual appropriations. Do you have any other ideas how we can make the Congress functional? What would Accenture recommend there?

MS. SWEET: Well, I'd rather deflect and say here's a few things that I think you should do and achieve that will make the country more competitive. And there would be three things at the top of my list, beyond the obvious which I hope will happen is this – a new fiscal stimulus. And the first thing is we absolutely must come together to eliminate the digital divide. It was – it was a problem before the pandemic, both in urban areas and rural areas.

The pandemic has exacerbated it, but it's not going to end. And we've got to get broadband access and devices. And we will not be competitive as a country because our people will not be competitive. And technology is not just the future, it is the now. So we have to do that. Second is we need data privacy legislation. We are behind the rest of the world. We are creating a problem. And we have to keep that for our innovation. So I'll leave you with those two.

MR. RUBENSTEIN: OK. So all work and no play makes people boring, sometimes people have said. So you must have some outside interest. Obviously, you have two daughters. And raising two daughters who are 12 and 14 must take some time, and so forth. And obviously you have a husband. But do you have any outside interests that would be interesting to people to hear about?

MS. SWEET: Well, I don't think it's necessarily interesting, but I'm quite proud that during the lockdown at the age of 52 – I'm now 53 – I took up tennis, which I had not actually picked up a racket since I think I was in 8th grade. Maybe tried once or twice. And my daughters are playing. And so my husband and I have started. And it's been really – it's been really a fun thing to do, to both connect with my girls and have a little exercise. And it's a lot better than the gym.

MR. RUBENSTEIN: OK. Well, my advice is if you learn how to play doubles get someone like John McEnroe as your partner. I think it's very helpful when you're trying to play doubles, get a really good partner. That's what I've try to do over the years. It usually works.

MS. SWEET: [Laughs.]

MR. RUBENSTEIN: So I think we have pretty much covered the things I wanted to cover. And would hope you will say you'll stay involved with The Economic Club of Washington, because it was the key to your success, I think you would admit, right?

MS. SWEET: Absolutely. I'm very committed to staying involved. And I hope that we'll get more people involved. In all seriousness, you know, the Club does a lot of great work, including investing in next-generation leaders. We're really proud to help fund that. And so I do hope that people continue to support the Club, and participate in the activities, virtual or not, because it does really important work. And I want to thank you for your leadership, David.

MR. RUBENSTEIN: Thank you. And finally, if somebody is watching and says: This is a very impressive person. I'm sure they would say that. And I'd like to be a client of this person's company, how do they contact somebody that can tell them how they can be a client of Accenture?

MS. SWEET: Julie.Sweet@Accenture.com.

MR. RUBENSTEIN: OK. All right. I'm sure you'll be getting a lot of emails today.

Julie, I want to thank you very much for a very interesting conversation. And congratulations on all of your success.

MS. SWEET: Thank you, David. It's been great to catch up with you.

MR. RUBENSTEIN: Thank you.



Julie Sweet
Chief Executive Officer
Accenture

Julie Sweet is chief executive officer of Accenture and serves on the company's board of directors.

Prior to becoming CEO in September 2019, Julie served as chief executive officer of Accenture's business in North America, the company's largest geographic market. Previously, she was Accenture's general counsel, secretary, and chief compliance officer for five years. Before joining

Accenture in 2010, Julie was a partner for 10 years in the law firm Cravath, Swaine & Moore LLP.

Outside of Accenture, Julie is a leader on topics including innovation, technology's impact on business, and inclusion and diversity. She serves on the board of directors for the Business Roundtable, where she is Chair of its Technology Committee. She also serves on the board of directors for Catalyst. In addition, Julie is on the board of trustees for the Center for Strategic & International Studies and for the Marriott Foundation for People with Disabilities – Bridges from School to Work. In 2020, she was named No. 1 on FORTUNE's "Most Powerful Women in Business."

Julie holds a Bachelor of Arts degree from Claremont McKenna College and a Juris Doctor from Columbia Law School.