

Good morning to the graduating class and to all of your supporters, who have come to celebrate with you. To the class of 2012 Congratulations on your graduation today from one of the top universities in the world. And welcome to the 1%. Only 6.7% of the world has a college degree. Only a fraction of those from as fine a school as Cal, so go ahead, like it or not, realize—maybe for the first time—that YOU are a one percenter. This brings privileges, opportunity and responsibility.

What's it mean to have entered this exclusive club? It means you are smart, that you have been a diligent student and in ways small and large, you've had gifts of good fortune. Where and when you were born, who were your parents, who helped you grow up, who helped support your ambitions...your family, your community, a teacher, a mentor? Perhaps financial aid from an unknown donor who invested in unknown students. Your honor today wasn't all just about you.

Look around at the diversity of your classmates who have come from dozens of countries around the world. They come from all these different places because talent knows no bounds. Talent is universal. But opportunity is not. Millions and millions have no opportunity to join this 1%

At this moment you are the fortunate bearer of both talent and opportunity. You are graduating from a special place, made even more special with the appointment of Dean Lyons. I admire that he took a serious, deep look at the school, questioned the status quo and addressed the essence of the school's mission:

What are we doing here? What is this thing we seek, leadership?

What are the values of the people we want to choose Haas? And what are the values we hope to see in our alumni— the people we expect to be ethical, responsible future leaders in a interconnected world?

As you know, he defined four essential principles to address these questions...Oh, by the way, if you do not know them, please do not expect to pick up a diploma today.

I suspect that you have a critical question about all these principles...perhaps a nagging doubt. Do these principles really matter? And if they do matter in some theoretical or academic sense, do they work in the real world? With these principles, can I be competitive enough and tough enough to succeed in a super competitive, fast moving work environment?

That's where I come in. I'm here to tell you that a young woman entered the narrow, tight man-world of Wall Street in 1970 with two strikes already against her. She worked and competed in an industry of constant disruption and change for 30 years and not only survived but actually succeeded...and these principles were critical to her success. If they were strong enough under those conditions, I submit they'll work for you.

Here's the basic story of my career. I graduated in 1968 from Berkeley with a B.S. degree in business. I had learned that a language requirement could be avoided by getting a BS instead of a BA. So a love of economics and a failure in French led me to the business school...it was one of the luckiest turns in my life.

At that time, there was a furor over the Vietnam War and the power of the military industrial complex. Feminism was emerging after publication of *The Feminine Mystique* by Betty Friedan and environmentalism was stirring after publication of Rachel Carson's *Silent Spring*. Civil rights were the central storm in society and nowhere were the issues more seriously taken than here at Berkeley.

Like so many others of that time, I wanted to join the forces that would change the country. I believed that corporate America had to change by becoming more inclusive and playing a broader and more positive role in society.... and I was ready to be a part of changing from within. (Talk about Attitude!)

So an MBA looked like the way for me to pursue this dream and fearing I couldn't get into Haas, I down shifted and went straight to Harvard, which had only recently begun admitting women.

Arriving at HBS that fall I met the other women: 24 of us in a class of 800. 3 aliens per section. It was daunting, competitive and hard...but I made it thru and graduated in the top third of my class. But, hey, doesn't everyone?

Getting a job was a greater challenge. Consulting firms would say: we don't hire women; the wives of our consultants wouldn't like their husbands traveling with "one." I don't know why we (the women) weren't more enraged, but it was simply the way it was.

After a brief stay at an accounting firm and a brief fling at a start up, I got a job as an analyst on Wall Street...and so my adventure began.

I will give you the short shiny version: from analyst on the buy side to analyst on the sell side, I rose to research director and then headed up many divisions—equity sales and trading, international sales and trading, a stint in fixed income and finally CEO of asset management. I was the first woman to head a major research firm, a major trading desk, the international division and one of the first to head a large asset management company. I was on the 7 person executive committee when UBS bought us and I happily retired from UBS in 2003.

Interwoven in this shiny story were setbacks, compensation and promotion disappointments and one very embarrassing demotion, from which I recovered. Most "success" stories have a failure or two embedded in them so, take note! Failing is a part of the process.

I hope these examples of how the principles worked for me will suggest a variety of applications and ways they might work for you.

First, a bad example of questioning the Status Quo On the first day of my new job on Wall Street, the chairman of the company pulled out a big cigar and asked lightly: "ok with everyone?" To which I said "not with me." The room was quiet. Little did I know this was not really a question. A terrible stench was status quo for afternoon meetings. On to more successful outcomes!

I cannot imagine anyone succeeding without questioning the status quo which is all about finding solutions to existing problems and improving the business. My natural strength was analytic so when I moved into management my ability to analyze the business model and specific problems was key to redesigning business processes, installing different metrics and leading change.

In research I changed analyst compensation to reward investment performance, installed data collection systems to change client service, created a strategy to improve outside rankings.

In sales and trading, I reorganized our approach to client service by segmenting the client base, moved from monitoring account revenue to fully allocated account p&l's, changed sales and trading compensation to reward account profitability rather than a commission system, reorganized the international business, and completely rebuilt the Japanese business (where I was always introduced as Famous Girl Executive).

In asset management, I reformatted the product mix, organized the investment professionals, set up investment processes and replaced a good percent of the existing staff.

I go thru this list because change – altering the status quo – is filled with fine details that alter behavior.

Good Heavens, it was impossible not to be a student. The world is changing fast today and maybe faster than ever...You MUST be a student to keep up. I love the phrase that one needs to see one's self as a "personal and permanent beta site."

However, the rate of change in the last few decades was a challenge too. Each one of us had to constantly adapt new technologies to our business, to our personal work.

The financial service industry also changed enormously. The business and competitive environment shifted constantly. Many, many firms went out of business or were acquired, causing major reorganizations at surviving firms. We had new products to develop and sell, new trading systems to install, new strategies to create, new regulations to incorporate....all within the daily drum beat of increasingly active and volatile markets and a daily P&L.

A woman from research-- then considered the eggheads of the business-- who HAD attitude would never have been promoted to head of sales and trading and if she had, would have failed. This business was truly a boys club and my cool reception was explained to me by one trader: the traders were being teased unmercifully by their street counterparts about "working for a girl." Most of them were too embarrassed to tell their wives that this shocking development had occurred!

I had to win their trust and confidence by learning about their jobs, by establishing personal relationships, by convincing them that I could help compensation. Changing the business was one thing, changing the culture, quite another. Oh! What culture!

It is hard to believe but a regular event was the appearance of a young woman with a boom box. She would have been sent by a client or another trading desk to celebrate one thing or another. So she would set the boom box down in the middle of the trading floor. TURN IT ON And strip. In the middle of the work day. Ah! What an opportunity to question the status quo! Along with training on discriminatory and sexually hostile behavior, I dragged this boys' club into the modern world.

In my 30 years at Paine Webber I thought beyond myself but in a narrow framework. I cared very much about our employees and families: I supported their personal and professional growth, tried to treat everyone with fairness and transparency. I honestly counseled underperformers and sometimes advised high performers to leave if it was truly a better opportunity. I was an active mentor to younger women especially and ensured that more diverse people were hired. I was also very serious about our products, especially those created for our retail clients. I fought battles over products I thought were too risky or too expensive and won battles over conflicts between the potentially (and actual) conflicts between the output of research analysts and the goals of investment banking.

I was able to move much farther beyond myself in my second career by becoming Board Chair of non-profit Acumen Fund, then a new start-up in venture philanthropy that applied business principles to philanthropy. Our mission is to fund local entrepreneurs in South Asia and Africa who produce goods and services for the poor.

We provide capital and management services to local entrepreneurs to help their companies grow to a sustainable profit making level. Then we expect our money to be repaid and the entrepreneur to attract capital from impact investors seeking a fair rate of financial return on top of its social return. In Acumen's world the goal is social impact; though, financial sustainability is a necessary compliment.

Central to Acumen is the attitude we bring to our work. We treat clients and customers with dignity by listening to their needs rather than prescribing what we think they need. You might say this is Philanthropy without Attitude!

In its first decade, Acumen put \$75 million philanthropic dollars to work and sparked the investment of another \$350 million into local entrepreneurs. A few failed, but most are succeeding which means reaching hundreds of thousands if not millions of customers with a variety of life changing products and services: clean water, solar lanterns, rural energy, drip irrigation, malaria bed nets, low cost housing, health clinics...many are now reaching profitability and sustainability.

Among lessons learned: 1) dignity is more important to the human spirit than wealth. 2) That poverty is a description of an economic condition and doesn't describe who someone is. 3) That market forces alone are insufficient—some businesses require subsidies and/or government and corporate partnerships.

The last ten years have been an extraordinary and inspirational time for me and reaching far beyond myself has been a rich gift in and of itself. I was a hungry student—as always-- meeting new people, experiencing new cultures and helping develop what has come to be an explosive movement at the intersection of markets, capital and the poor. We believe this new approach to development can move mountains, improve lives and unleash the talents of millions.

The things I believed and what I cared about in my Berkeley days are still with me. I believed then that business could and should better benefit society. It took a long time but more and more companies are moving in that direction. I cared about inequality and those left behind; I still do and eventually found a way to contribute. I believed the world could be changed and I got the chance to work with people who are, in fact, doing it. I know it is possible.

All of you are here because of your own talents and persistence. And, in many different ways you have had opportunities, leading to this moment. Be proud of your own talents and grateful for your own opportunities but do not forget the unseen others. Among the 1.4 billion humans living in poverty are those who also have the talent to become anything in the world, but are profoundly deprived of the chance. Talent is universal but opportunity is not.

I hope you will think about this often and find ways to contribute to changing this condition.

For sure the rate of change in every dimension is fantastic and I wish I were sitting in your chair so I would be able to see the amazing developments of committed individuals, labs and institutions come to fruition. You will participate and watch the future unfold - In chemistry, genetics, nanotechnology, alternative energy, health science, fiber optics, communications. It is exciting and inspiring...just being alive will require you to be ever the student. And today marks the commencement.

So, dear graduates, please know you have been well prepared to assume positions of leadership.

You WILL Question the Status Quo. This is not a suggestion, This is a Mandate! There is not a single organization operating in a static environment. Every element is constantly changing: products, customers, competition, regulation, stakeholder demands. The Status Quo is a plan to fail.

You WILL Always be a Student. You do not have a choice! You will be constantly be called upon in your personal and professional lives to understand new developments and learn new lessons; YOU -- a permanent professional beta site.

Confidence without Attitude is good advice and a solid recommendation. I've seen confidence with attitude succeed but it's a long fall when there's a problem. Without attitude, there will likely be some cushions and you're more likely to survive the fall.

Finally-- Act and think, Beyond Yourself. This is the inspiration. This is what makes the world a better place and this is the mark of exceptional, path-bending leadership. Reach for this and change the world.

Good luck and thank you for the honor of speaking here today.