

The Beauty of Belonging

An Interview with Jane Hertzmark Hudis, Executive Group President, The Estée Lauder Companies

EDITORS' NOTE As Executive Group President, Jane Hertzmark Hudis is responsible for leading the company's Estée Lauder, La Mer, Bobbi Brown, AERIN, Origins, Aveda, Bumble and bumble and Dr.Jart+ brands globally. She serves on the Executive Leadership Team, is an Executive Officer of the company, serves on the Investment Development Committee, and reports directly to Fabrizio Freda, President and Chief Executive Officer. A passionate advocate of leadership development and inclusion and diversity throughout her career, Hertzmark Hudis co-founded ELC's Women's Leadership Network in 2017 to inspire and engage women across the organization, helping them become exceptional leaders and mentors. Her expertise has been widely-recognized by many best-in-class organizations. She serves as a Director on the Board of the Fashion Institute of Technology (FIT) Foundation and is an honorary member of FIT's Executive Committee of the Cosmetics and Fragrance Marketing and Management Graduate Program. She also serves on the Advisory Board of the Breast Cancer Research Foundation. She has been recognized with numerous industry honors, including the FIT Vanguard Award in 2018, the Outstanding Mother Award from the National Mother's Day Committee and Save the Children in 2017, the WWD Beauty Inc. Beauty Newsmaker Award in 2016, the HELP Hero Business Leadership Award from HELP USA in 2010, as well as the Cosmetic Executive Women (CEW) Achiever Award in 2008. Hertzmark Hudis received her BA degree from Vassar College and her MBA from Columbia University.



Jane Hertzmark Hudis

Will you provide an overview of your role and key areas of focus?

As Executive Group President for The Estée Lauder Companies (ELC), I oversee Estée Lauder, La Mer, Bobbi Brown, AERIN, Origins, Aveda, Bumble and bumble and Dr.Jart+. My brand portfolio reflects several of the highest-growth areas of the company, including skincare and driving success across China and APAC, and with Chinese consumers around the world. In addition to my brand and enterprise responsibilities, I'm known for being a powerful brand builder. A cornerstone of my role is being a keeper of brand equity, being a creative, a storyteller and a marketer, while also staying completely in tune with what our consumer wants and needs.

I am also the founder and executive sponsor of The Estée Lauder Companies' Women's Leadership Network which today is our company's largest employee resource group with more than 2,000 members globally.

How do you describe The Estée Lauder Companies' culture and how critical is culture to the success of the company?

This year we are celebrating our 75th year as a company and I believe that a fundamental reason why we have seen decades of global growth and success is because we've stayed true to the values that define our special culture. Our culture is often described as being

a high-performance public company deeply rooted in family values. As a values-driven organization, we ground ourselves in respect for the individual, uncompromising ethics and integrity, generosity of spirit and fearless persistence.

As we've grown into the global house of prestige beauty, with a portfolio of beloved brands, some things have remained constant: a drive to always bring the best to every aspect of the business; an unwavering commitment to quality; a continued focus on social impact and sustainability; and a culture of belonging that creates a sense of family. We also manage our business for the long-term which allows our company to be guided by the principle of patient capital, and this has been true since our founding.

How critical is it for The Estée Lauder Companies to continue to innovate and where is innovation taking place in the company?

At the heart of The Estée Lauder Companies is our passion for creativity and innovation. Every day, we help millions of consumers express their individual beauty with superior quality products. Innovation has and will continue to be essential to our growth and long-term success. By staying ahead of trends and carefully nurturing emerging trends, we create multiple engines of innovation to fuel our brands so that we can meet the discerning needs of our consumers around the world. We also invest in innovation across many different verticals including technology, R&D, digital, design, analytics and data.

COMPANY BRIEF The Estée Lauder Companies (elcompanies.com) is one of the world's leading manufacturers and marketers of quality skin care, makeup, fragrance and hair care products. The company's products are sold in approximately 150 countries and territories under brand names including: Estée Lauder, Aramis, Clinique, Lab Series, Origins, Tommy Hilfiger, M·A·C, La Mer, Bobbi Brown, Donna Karan New York, DKNY, Aveda, Jo Malone London, Bumble and bumble, Michael Kors, Darphin Paris, TOM FORD BEAUTY, Smashbox, Ermenegildo Zegna, AERIN, Le Labo, Editions de Parfums Frédéric Malle, GLAMGLOW, KILLAN PARIS, BECCA, Too Faced and Dr.Jart+, and the DECIEM family of brands, including The Ordinary and NIOD.

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In the area of product innovation, we often look at our portfolio of “hero products.” Our “heroes” are products that consumers love, driving high repeat and repurchase rates because of their incomparable quality and demonstrable performance. Every brand in our company has heroes. Our most iconic heroes include Estée Lauder’s Advanced Night Repair and Revitalizing Supreme+ franchise and La Mer’s Crème de La Mer and The Treatment Lotion. Hero products such as these are the cornerstone of luxury and drive recruitment and, most importantly, brand loyalty. We continuously evaluate and invest behind our heroes to make them even more desirable with different benefits, applications and other newness. In our most recently reported quarter (FY21 Q3), skincare was nearly 30 percent larger than it was two years ago, owing much in part to the innovation in our powerful hero franchises.

How important is it for The Estée Lauder Companies to build a diverse and inclusive workforce in order to bring diverse perspectives and experiences to the table when making business decisions?

Today we have 48,000 employees across 40 countries, and we have consumers in more than 150 countries and territories. Celebrating and embracing the beauty of belonging is how we do business. Our strengths lie in the diversity of our employees’ backgrounds and individual perspectives and we know that celebrating and empowering each person’s uniqueness leads to breakthroughs. This is the reason that inclusion, diversity and equity are a driving force behind our signature creativity and innovation. We lead our business and our teams with empathy and a desire to learn from one another.

Will you discuss the ways that The Estée Lauder Companies is supporting women inside and outside of the company?

Standing on the shoulders of our female founder, Mrs. Estée Lauder, and today with 84 percent women making up our workforce, we have a leadership role to play in “walking the walk” and continuing the advancement of women. Women hold 55 percent of vice president positions and above at ELC, and on my own leadership team I’m especially proud that 12 out of the 16 leaders are women. Helping women rise in their careers is something I’ve long been deeply passionate about and aligns with the values of our

company. A great example is our Open Doors program, which gives women with strong growth potential exposure to our most senior leaders, including our President and CEO. We also support women at all stages of their lives at the company, offering a range of benefits including tuition reimbursement for junior talent, parental leave benefits and flexibility for new parents, and a host of learning and development opportunities to nurture professional interests and aspirations.

This year we also announced our strategy on women’s equity. We committed publicly to achieving gender pay equity by 2023; reaching representation parity for Black women at all levels in the U.S. by 2025; expanding business-based flexibility, and more. We also launched a Women’s Initiatives Taskforce, introduced flexible work principles, and partnered with Howard University on a new program titled, “She’s Howard: Own Your Power” which kicked off during Women’s History Month in March. The program engages self-identifying female graduates with virtual networking events, a lecture series and seminars on topics such as balancing personal and professional responsibilities, navigating the challenges Black women face in the workplace, and skills for approaching salary negotiations.

There are so many glass ceilings that still need to be shattered, even in beauty which has historically been male-dominated at the leadership level. We can all play a role – regardless of level, gender or profession – in lifting women up and supporting them with the opportunities and resources they need to succeed.

You are a huge advocate for advancing women in the workplace and co-founded The Estée Lauder Companies’ Women’s Leadership Network in 2017. What was the vision for creating the Women’s Leadership Network and how do you define its mission?

As leaders in this industry, it is incumbent upon us to help the next generation of female leaders find their pathways to success. If we want to see this industry thrive, then we have to be part of its future. An impactful way to do that is to be an inspirational guide, a sounding board, and a trustworthy partner to aspiring talent – especially women. In 2017, I founded the Women’s Leadership Network (WLN) to help women build their careers at the company. Inspired by our female founder Mrs.

Estée Lauder, my vision was to make ELC the best place for women to build their careers and to make our company the premiere home for female talent. In my position, I feel a personal sense of responsibility to give back to our organization, and for me there is no better way to do this than by helping to bring women up the ladder alongside me.

Today, with local chapters in North America, London, Paris, Latin America and Asia-Pacific, WLN has thousands of members globally and is led by a powerful mission to support and engage all women across the company to reach their full potential to emerge as true leaders both professionally and personally.

How are you engaging The Estée Lauder Companies’ workforce in the Women’s Leadership Network?

We have a variety of programs and events that span WLN’s four key pillars: Business Alignment, Professional Development, Philanthropy and Mentorship/Sponsorship. We’ve invited a number of powerhouse women, including current and former CEOs of major organizations, to join our speaker series to inspire our rising stars with their career advice and how they made it to the top. Our local chapters also spearhead many initiatives to drive WLN engagement across our teams. For example, our Paris chapter recently launched a mentoring match app where leaders are paired up with employees based on common interests and career aspirations. We’ve also launched two sub-groups of WLN, Women in Supply Chain and Women in Technology, to support and engage women in STEM, as 66 percent of STEM positions at our company are held by women.

What advice do you offer to young women beginning their careers during this challenging and uncertain time?

The most important piece of advice I can give is to find an industry or craft that you are passionate about. If you love what you do, you will succeed. If you’re just starting out, but directionally you know what you want to do, take any job just to get your foot in the door. It’s about getting started. Once you’re in the industry or company you’re passionate about, your trajectory of growing and developing begins. Stay open to career ideas and say yes to opportunities that come your way, especially early on. Any entry-level job in an industry you love will lead you to new experiences and can shape a career path you may never have imagined. ●