

Connecting Dreams with Innovation

An Interview with Bill McDermott, President and Chief Executive Officer, ServiceNow

EDITORS' NOTE Bill McDermott has been in his current role and has served as a Member of the Board of ServiceNow since 2019. Previously, he was Chief Executive Officer and a member of the Executive Board of SAP. Before joining SAP, he served in senior executive roles with Siebel Systems and Gartner, Inc. He launched his business career at Xerox Corporation, where he rose to become the company's youngest corporate officer and division president. McDermott got his start as a young entrepreneur running a small delicatessen business on Long Island, New York, at age 17. He received his bachelor's degree from Dowling College and his MBA from the Kellogg School of Management at Northwestern University.



Bill McDermott

COMPANY BRIEF ServiceNow ([servicenow.com](https://www.servicenow.com)) makes the world work better for everyone. The company's cloud-based platform and solutions help digitize and unify organizations so that they can find smarter, faster, better ways to make work flow so employees and customers can be more connected, more innovative, and more agile, and we can all create the future we imagine. "The world works with ServiceNow™"

How do you define ServiceNow's mission and values?

We owe everything we were, are, and ever will be to our founder, Fred Luddy. He invented ServiceNow to create beautiful experiences at work in service to people.

That's still our purpose: We make the world work better for everyone. We put the strength of 20,000 employees – plus an ecosystem of

millions – toward solutions to some of the most complex problems of our generation. It's our calling. It's who we are.

Our ambition is to be the defining enterprise software company of the 21st century. We can only get there by keeping the customer at the center of everything we do. We know what their employees and their customers are dealing with. It's our job to deliver for them. We're a brand-led company with unbelievable passion to dream the big dreams that help our customers win.

What are the keys to ServiceNow's industry leadership?

Business leaders want to invest in one strategic platform they can trust. We're the only ones who do what we do, how we do it. When I talk to customers, they are tired of the same old story of doing one thing well in one department, with siloed islands of automation across the rest of the organization. With ServiceNow, you can innovate without disruption. You have a single threaded platform with a gorgeous user experience – serving IT, the employee experience, the customer experience – making it easy for anyone to create apps with low code.

How important is brand awareness for ServiceNow and is the scale and strength of ServiceNow well-understood?

A brand is so much more than a logo, font, or color palette. It's a movement. At ServiceNow, our brand tells the world who we are. That is why we are honored to say, "The World Works with ServiceNow." We're in the business of connecting dreams with innovation. We're activating all our employees, customers, and partners to do that. Each team member is a catalyst in making the world work better.

ServiceNow is a brand built on trust. Instead of focusing on our own problems, we focus on delivering solutions to the world's greatest problems. We just celebrated 10 years since our IPO in 2012. I think we have done an excellent job scaling this company, but we have more work to do.

How challenging is it to balance long-term investments in the business with the pressures for short-term, quarter-to-quarter results?

Exponential thinkers keep their focus on the vision when others have doubts. One leader put it well: "If we slow investment in the short term, we'll lose ground in the mid term, and we won't be in business for the long term." It's very clear that businesses can no longer do what they always did to solve new problems in an ever-changing world. We're now in a "tech to compete" world.

In this era for digital business, leaders are shifting their investments to technologies that deliver outcomes faster. Software is the greatest deflationary force out there. If your company's mission is focused on transforming challenges into opportunities, that's an elixir for success in any economic climate.

What are your views on the future of work and how is technology changing the world of work?

We're in the biggest talent war in the history of business. You must take great care of your team if you want to retain them. You have to listen to them. You need to inspire them. You must onboard them properly, train them, make sure they have the right services for the moments that matter. Digital technologies are fundamental to this. They're shaping the future of work. We use ServiceNow at ServiceNow. No one has to remember which system to use for what task. They go to a single portal that connects their HR, finance, IT tools... everything – one single portal for all their needs.

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This is where the world is going. Mobile is making field jobs more accurate, faster. Physical offices are destinations for collaboration. I see a sensational opportunity for innovation.

What are the keys to building employee retention and winning the war for talent?

Talent is at the heart of every great company. Leaders must have the humility to recognize their success will be based on building a winning team. The key is to surround yourself with masters of their craft, then get out of their way to let them achieve. None of us is as smart as all of us.

Then, you must totally love your team. It’s important to show people that you are here to serve. People don’t care how much you know until they know how much you care. I keep score of the leaders who are givers. Giving their time, mentorship, and praise to help others get up when they’re down. Creating that kind of collective passion for generosity ensures no one is left behind. When we each give discretionary effort, we all win.

While layoffs are happening across this industry and others, ServiceNow is hiring. It’s essential to our future as the defining enterprise software company of the 21st century. We are doubling down on our talent brand. That’s a reflection of our deep belief in the amazing potential of this company, this platform. Simply put: There’s a massive opportunity for talented professionals who aspire to build the future on ServiceNow. We are better than we were yesterday, not as good as we will be tomorrow.

Will you highlight ServiceNow’s commitment to building a diverse and inclusive workforce?

To be the defining enterprise software company of the 21st century is not just based on the size, scale, and the business success, it’s actually leaving a legacy when you leave it a lot better than when you found it. The best team wins, and the best team wins because it has the best talent. And the best talent is always diverse.

We’re so fortunate to have a fantastic leader in Karen Pavlin. We worked together at Xerox many years ago. She has my full support working to expand our commitment to diversity, equity, and inclusion. We are partnering closely with HBCUs. We are investing in under-represented communities. We are funding belonging groups so employees have a safe space to be themselves.

A more equitable world is a better world. Our work is never done.

Will you discuss ServiceNow’s responsibility to the communities it serves and to being a force for good in society?

Everything we do is in service to our purpose: We make the world work better for everyone. Every CEO wants to deliver on their ESG goals. I recently spoke with one CEO who said, “If it matters, it counts.” Leaders need a solution to manage their ESG efforts. They want to measure the impact they’re making and hold their teams accountable. They want data in real-time to make decisions that will help make a difference. We’re the first to deliver a ‘solution in a box.’

So many organizations put their trust in us. With our total focus on improving people’s lives, we remain hungry and humble on our bright path forward.

What do you see as the keys to effective leadership and how do you describe your management style?

I’ve always believed if you build a great team that will follow you up any hill, you can defeat any challenge. Great leaders build a foundation of trust through leading with empathy. If you treat people with dignity and respect, they always give it back to you. Trust is the ultimate human currency.

Set high expectations. Great leaders never walk past a problem. They never settle for the status quo and they’re the first to change it. They empower each person to live up to their true potential. This will require sacrifice. That is why leadership is the art form of developing followership.

Everything worth communicating is almost always under-communicated. Great leaders have their team all in on the purpose. Then, they get their team totally dialed in on the vision and the strategy to fulfill that purpose. It must be so clear, so easy to understand, so compelling that everyone is inspired to be part of the movement. You simply cannot overestimate the impact of communication.

What advice do you offer to young people beginning their careers during this unprecedented time?

You’ve got to have The Dream. One of my favorite quotes comes from the great Robert Kennedy, “Some men see things as they are, and say why. I dream of things that never were, and say why not.” Once you identify your Winners Dream, visualize exactly how to get there. Engage in activities to put yourself in a position to win. If not you, who? If not now, when? Dream even bigger than ever before. Then, execute on the details each and every day. There is no replacement for passion. Winners define destiny. ●

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