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## Graziadio School of Business and Management

### Dean's Executive Leadership Series - 2010-2011

#### Transcript of Interview with Deborah Nelson Chief of Staff Enterprise Sales, Marketing and Strategy, Hewlett-Packard Company

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**Dean Linda Livingstone:** Thank you so much, Deborah.

**Deborah Nelson:** My pleasure.

**Dean Linda Livingstone:** Very interesting to hear what's going on at HP and all the work that's being done. I've decided we need some of those sensors for our students. We can tell if they're actually paying attention in class, or not.

**Deborah Nelson:** There you go.

**Dean Linda Livingstone:** We'll work on that. Well, you were talking about HP and all that they're doing, and obviously it's been an inherent part of the culture of HP for many, many years, from the founders on, and so corporate responsibility's been significant. So it's really been something that's just evolved as issues around the sustainability have evolved. So I expect that there are some in our audience who are at companies who haven't really paid much attention to this, or it's not sort of an embedded part of their culture at this point in time. Given what you've seen at HP, do you have any sort of suggestions or advice for folks in those kinds of organizations? How do you even begin to build that kind of culture? What are some first steps that can be taken if you're in an organization that hasn't paid that much attention to this through the years?

**Deborah Nelson:** Well, I think, again, some of my comments that I made earlier around the fact that we're really at a point where this is, you know, green is kind of the new black. Right? I mean, it's very

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topical and in vogue, so to speak, and frankly, take advantage of that, because I think that can help executives pay a little more attention, also because customers are really requiring it. And I think the two—the two big levers you have are customers requiring it and making it, you know, just part of any deal, but also employees, you know. Companies want satisfied employees, and employees can really have a voice and can say, “Well, no, we can take this on. We can go do this.” But driving change is always a challenge, and you have to figure out what fits the personality of your company for how to drive that particular change.

**Dean Linda Livingstone:** We also have a lot of students that have a lot of interest in these kinds of issues, sustainability and such, and partly because of that, and student interest, we actually started a certificate just this year in social, environmental, and ethical responsibility that students could kind of map across their degree program and their emphases. But as a company like HP, or other companies that you’re familiar with, how do students position themselves with companies if they’re looking for job opportunities, and such, when that’s an area they’re really interested in. Are companies hiring around that, or how does that fit in with the other things that you’re looking for in terms of skill sets and interests in employees?

**Deborah Nelson:** Well, I think that green will be a part of everything we do, so certainly there are jobs that are very specific to environmental sustainability. For instance, you know, we have a corporate sustainability office that employs people, and that’s what they do. But it’s also a part of, like I talked about, every engineer’s job is to design for the environment. You know, part of every marketing person’s job is to make sure that we’re marketing and messaging the right information on our products, you know, the green parts of our products and services, as well as all the other attributes. So I think that it, in some cases, will be a job, and I think in other cases needs to be woven into kind of a fabric of what we’re doing, ‘cause if we’re really going to, you know, fix the challenges that we have, it has to be part of everything we do. It can’t be a separate focus.

**Dean Linda Livingstone:** Sure. I want to open the floor. I want to give you all an opportunity, as well, to ask your questions of Deborah. So, yes, we’ll begin here.

**Man 1:** You have a really cool job. How did you get where you are?

**Deborah Nelson:** So I’ve been at HP for 20 years, and I’ve really taken advantage. I think when you go to a large company, a multinational company that’s in lots of different business, that it’s your responsibility as an employee to really take advantage of that. So I have worked in probably ever marketing job description that there is inside of HP, every business, multiple geographies, and so I probably would have had to work for probably at least 10 different companies to get that kind of experience. And we were talking earlier, it’s not really part of a master plan, but I just took jobs that were really interesting to me and that extended my skill set, and helped me learn new business models, you know. I mean working in

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hardware product part of the business is very interesting, but completely different than services, and software is yet another set of business models. So just extending your knowledge set to be able to do that is, I think, a really important thing.

**Man 1:** Thank you.

**Deborah Nelson:** Thank you.

**Dean Linda Livingstone:** Yes.

**Man 2:** When your company's out there trying to sell different products that are along the lines of green, what objections do you run into? My initial thought is that it would probably be that there may be an initial cash outlay, or you would have to hire an additional person to be sort of that project manager internally. While the benefits financially are long term, maybe it's that short term where, "Hey, we're going to have to spend a bunch of money in order to kind of make this happen." Is that one of the biggest objections?

**Deborah Nelson:** Well, it's actually one of the perceptions is that to be green you have to pay more, and, you know, one of the challenges we've given to our engineers and our product and services teams is to be green, it shouldn't be a tradeoff. You shouldn't have to be green or, you know, have the right price. You should be able to do both, and so we've worked really hard to make that not an objection, so that it—but it is, for sure, a perception, and that's probably the biggest one, that, "Oh, it's going to take me longer to build a green data center." Well, no, not really, if you do the right design, then it's on the same timeline. And, you know, guess what? Those new servers that are much more energy efficient actually are a lot cheaper than the old stuff you're running. Right? So you do have—it's a lot of education to help people understand that it's not really a tradeoff.

**Man 2:** Yeah. At least, you know, with companies that I've worked with, it always seems as though the CFO doesn't want to spend X in this year and next year, and get the long-term benefits in, like, years three, four and five, 'cause, you know, they got a budget number to hit this year, and it's more of a short-term focus.

**Deborah Nelson:** Well, you know, it's just been so tough the past couple of years, and people are not interested in anything that has the return after six months.

**Man 2:** Correct.

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**Deborah Nelson:** So you have to have a return inside of six months, so that's what you need to show.

**Dean Linda Livingstone:** Earlier when we were talking, you shared a little bit about how you're using your engineers to help you in marketing through blogs and other things, and you mentioned how the engineers need to learn how to design things. Talk a little bit about how you're interfacing your design folks, and your engineers, with the customers to help you with some of these things, and to help the customers understand what's going on.

**Deborah Nelson:** Yeah. No. It's very important for all of our engineers to spend time with customers and to really get direct feedback directly from the customers on what's working or not working. And what we were talking about with using social media, and the fact that, you know, if we're going to participate in a, you know, a blog on storage, or on outsourcing, you know, they don't want to hear from the marketing people. I mean, they want to hear from either the folks who are delivering the service, or that are in the lab, and so we've actually written into job descriptions, we have certain people who are the experts, that part of their job is to go out, because this is just as important as, you know, going to a face-to-face customer meeting. It's just interfacing with customers electronically, right over the web, rather than being there face to face. And so we do training to say, well, if you're going to, you know, blog or participate in these forums, this is what you do. This is your code of conduct, because you're not doing it as Joe. You're doing it as HP. So here's what you need to do. But engineers, you know, really want to hear from customers. They want to understand what are the problems, and then, gosh, then they'll have all these ideas about how to fix them. And so having those lines of communication is actually totally positive, so it's just to unleash that power to have it work for you.

**Dean Linda Livingstone:** Yes. Marion.

**Woman 1:** I'm curious, you talked about how you guys, engineers, are told to design features, and I was wondering about non-engineering employees; what avenues or encouragement do they receive for just being creative and looking for ways to do their jobs in a more sustainable fashion?

**Deborah Nelson:** So we have a lot of different employee programs where employees can provide suggestions and, you know, we're always looking for ways to, you know, improve processes, right, and so open for those kinds of suggestions. So we have different employee programs that do that, and then there are also a lot of resources on the web for employees to understand what HP is doing in sustainability, and how they can be a part of that, and then translate that into, you know, what they particularly want to do.

**Dean Linda Livingstone:** Other questions out there? Let me ask a couple of those things, as you all think of other questions that you might have. You talked some about what we can do as individuals, both

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personally. Just in terms of kind of your personal situation, at what point in working with HP did you sort of begin to get involved in this, and begin to think about this seriously, both in what you do personally, and then what you do with the company? How did it sort of evolve for you, in your affiliation with HP, working in this area, that kind of thing, and involvement in the community?

**Deborah Nelson:** Sure. Okay. So, well, sustainability, you know, I think has been a passion and, you know, important, and I think we're lucky to live in California, where it's easier to do, you know, things, the standard recycling programs. You know, I grew up in the mid-west, and they're not necessarily there yet, when I go back to see my parents. So I think, you know, our environment makes it easier, almost, to do some of that. And then, you know, getting involved in the community, I think HP actually really encourages that. That's part of that citizenship objective to really encourage people to give back to the communities in which they live. And so they encourage that, so being a part of the Food Bank, and I'm also on the Board of the Resource Area for Teachers, which helps promote science and math, and support science and math teachers in our schools. And so it's encouraged, and I think it, you know, provides balance. I'm big on balance. I think at the end of your life, you're not going to say, "Well, wish I would have stayed in the office another hour that day," you know. That's not what's going to be meaningful to you. And so having a well-balanced and a rich personal life makes you actually a better leader.

**Dean Linda Livingstone:** I was in a meeting last week with the Director of the CIO Leadership Group at IBM, one of your competitors. He was talking about the challenges that come on the IT side, and really having IT being viewed, and CIO, particularly as a strategic partner in the organization, and not just tools that you use, and so it's something that, in his role, he worked a lot on. How do you deal with that at HP, and especially because you're on the Enterprise side of things, where you really have to convince people that this really needs to be a part of the broader strategy of the organization. So how do you work with that in organizations where they don't really view it that way, and what kind of a, you know, is that a big hill to climb for you in many organizations?

**Deborah Nelson:** Oh, no. I think that you can pretty much divide companies into those who view IT as strategic, and the CIO has a seat at the board, and those who view IT as a cost, and we do a couple of things to help CIOs in the latter category. Well, in both categories, but particularly in the latter category. One is the fact that we have software that provides much more granularity and transparency in what the IT costs are. And that's really important so that, you know, you're not just getting beat on by the marketing director about how they want IT to be less. So it's like, okay, well, here are the tradeoffs. You want these marketing campaigns. This is what it actually costs to run those from an IT perspective, the same thing for finance and supply chain. Then all of a sudden you're having a business conversation. They're not just saying, you know, reduce, reduce, without really understanding the implications. The second thing we do is we, in our services arm, we have a lot of workshops where we will basically get the executive team together to really talk about what are their business goals, so that we can then translate that into what the, you know, IT strategy roadmap should be for that. And so facilitating that discussion across all the

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executive team, not just with IT, but with the leaders of the different business units or functions, is a way to start to at least up-level that conversation to what it should be.

**Dean Linda Livingstone:** Yeah. So there was really big news today about HP, I noticed on my iPhone, as I was in the office before I came, about the big changes in the Board. And, you know, last year there's a big change in leadership with the CEO, and obviously when Carly Fiorina left there was a lot of big news about that. So you're in a kind of company that anytime anything happens at that level, it's really big news everywhere. So in your role from a marketing perspective, how do you sort of manage through those sorts of big things like that, that, you know, get a lot of news and a lot of press, while you're sort of on the ground continuing to work with your customers, and trying to make the next sale, and keep those customers satisfied? How do you kind of manage that as a company like that, that gets so much attention when any kind of change like that happens?

**Deborah Nelson:** So we work really hard. Being in the Enterprise space, we do a lot of face-to-face sales. We have a lot of sales reps that call on very large clients, and so part of what we do is really work to arm them. So we have a process, so when changes like that are announced, that we're making sure they're reaching out and talking to their customers about it, and either reassuring them or just validating, "Yep, that's what happened," or whatever the specific could be. And so that's probably the way it affects me the most, is just making sure that we have that smooth, kind of set of communication challenges, so that, you know, I'm not caught flat-footed here, not knowing what you're talking about, or one of our sales reps isn't caught flat-footed not knowing what's happening in front of the client.

**Dean Linda Livingstone:** Sure. Well, the news gets out there so quickly.

**Deborah Nelson:** It does.

**Dean Linda Livingstone:** That people know almost instantly when anything like that happens.

**Deborah Nelson:** Yeah, yeah, fast, yeah.

**Dean Linda Livingstone:** Exactly. Do we have other questions from the audience? Yes.

**Man 3:** I have a career type of question. It's my understanding you began your career in engineering. And you've really leapfrogged. Was there a turning point in that, or was it just kind of gradual to get into sales and marketing?

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**Deborah Nelson:** So my degree is in Industrial Engineering. Okay. But I was hired by HP in the time when they actually thought that you could only understand how to market this stuff when you had an engineering degree. So I went into marketing immediately, so I've always been in marketing or sales development. Yeah.

**Man 3:** And I guess the follow up question with that be on a smaller scale, how do you encourage financial, engineering, technology people to think more business development for their companies?

**Deborah Nelson:** So I think that you have to look at what the skill sets are of any particular individual and what they're interests are, okay, because not everyone has that bent, right? I mean, and sometimes we want our engineers just, like, doing really great engineering. Okay? That's what we want them to do. Okay. So I think it depends on developing it, and that's, I think, true at HP, and I think most companies is, you know, taking your career in your own hands and deciding, you know, what are the areas you want to build out, and then finding the right mentors to do that, courses, you know, executive courses, like what Pepperdine offers, to really build out your portfolio of skills in order to get where you want to go. But I think today there just aren't set career paths. Do this for two years, and we're going to move you here and here, and that's, I think, a good thing, because it means you have more control over what you're going to do, and it's dependent on what you're interested in, and where you're willing to take the risk and learn some new things.

**Man 3:** Thank you.

**Man 4:** Given the fact that this is kind of a Pepperdine sponsored event, we have an economic perspective, a demand side, and a supply side perspective. Most of the solutions and the focus have been on a demand side, and energy reducing. What about the supply side? What is Hewlett-Packard doing to provide, and perhaps it's through the services perspective, different types of energy generation technologies?

**Deborah Nelson:** So what we've been looking at and testing are different designs for different kinds of energy and data centers. Okay. So, you know, we're not in the energy business, okay, but from the standpoint of you know, can we heat a data center with geothermal? Right? You know, what would it take? I mean, the case study that I pointed out from Gartner around the solar, you know, how can we use more solar in more of our facilities? So we are testing out, but, you know, we're also a business, and we want to be sustainable, but it does come down to, you know, what are some of the tradeoffs, and how are we gonna do that from a financial perspective? But, yes, we're looking at a lot of those different things, and that sustainability lab that I talked about inside of HP Labs, is certainly looking at a wide range of how we harness lots of different kinds of energy.

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**Dean Linda Livingstone:** Yes, back here. I think we'll conclude with this question from the audience.

**Woman 2:** Hi. I'm a second year MBA at Pepperdine, and I'm graduating with the SEER certificate that Linda talked about earlier. For my summer fellowship, I worked on an energy efficiency plan for a company, and what I saw at the company was there was a real disconnect between the employees and the executives. So I was wondering if you had that same issue, if you have problems with employee engagement, or getting buy-in from the executives?

**Deborah Nelson:** So I think we're a little bit different situation, because it's been such a part of our kind of makeup for a while, which I kind of described. But I think oftentimes there is a different perspective, you know, from the employee to the executives, and I think, it's just you have to have your data straight. You've got to find a sponsor in the executive ranks who really believes in it, and who will help get the message across, so it definitely can still happen.

**Dean Linda Livingstone:** Let me conclude with a question, because obviously we have a lot of students in the room, and others. If there are folks who are looking to get into companies like HP, or that industry generally, what are the best things they can do to prepare themselves to be positioned really well, particularly given what's going on in the economy now, for those kinds of opportunities?

**Deborah Nelson:** So, well, I think it depends on which kind of opportunity.

**Dean Linda Livingstone:** Right, sure.

**Deborah Nelson:** Well, I think, you know, certainly, you know, having a degree from, you know, a great institution like Pepperdine is, you know, one of the really important check boxes to do. You know, and I mean that sincerely. You know, where you go to school makes a big difference, and then the experience. We were talking earlier about, you know, figuring out how to get a range of experience, like what you did working at that company doing the energy efficiency program, you know, working in different industries, because that shows—when you go into interview, there's a real difference with someone who's had work experience, understands what it's like to work in teams, work in a complex organization, collaborate to get a result, than someone who hasn't. And so I think that combination of the right kind of a degree, and that experience, just really makes all the difference in the world.

**Dean Linda Livingstone:** Great. Thank you, Deborah, so much for your time, and for sharing what you're doing at HP, and to some of your broader perspectives on what's going on with green and sustainability. It's been really insightful for us this evening.

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**Deborah Nelson:** Thank all of you.

