

Creating Economic Opportunity

An Interview with Dan Schulman, President and Chief Executive Officer, PayPal

EDITORS' NOTE Before assuming his role at PayPal, Dan Schulman served as Group President at American Express. Prior to joining American Express, he was President of the Prepaid Group at Sprint Nextel Corporation following its acquisition of Virgin Mobile USA, Inc., where he led the company as its founding CEO for eight years. Earlier in his career, he served as President and CEO of Priceline Group, Inc. He also spent 18 years at AT&T, where he held a series of positions, including President



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of the Consumer Markets Division. The New York Urban League presented Schulman with the 2021 Frederick Douglass Award. In 2020, Robert F. Kennedy Human Rights honored him with the Ripple of Hope Award. In 2019, Schulman was recognized by Endeavor Global with the High-Impact Leader of the Year Award and was also honored with the Financial Health Network's inaugural Visionary Award in 2018. Additionally, he received the 2017 Brennan Legacy Award and The Council for Economic Education named him as its 2017 Visionary. He received an honorary Doctor of Humane Letters degree from Rutgers University and delivered the University's 252nd anniversary commencement speech. In 2021, Schulman was ranked third on Fortune's list of the World's Greatest Leaders. He has also frequently been recognized by Fortune as one of the top 20 Businesspersons of the Year. Fast Company has named him one of the top 100 Most Creative People and, in 2019, he was named one of Glassdoor's Top 50 CEOs. In addition, he has been recognized as one of the 10 Most Innovative CEOs in Banking. Schulman is actively involved in the World Economic Forum, as a member of the International Business Council, and on the Board of Governors and Board of Stewards for the Future of Financial & Monetary Systems platform. He also serves on the Board of Directors of the Business Roundtable. In addition, Schulman is a life member of the Council on Foreign Relations, and an International Advisory Council member of the Singapore Economic Development Board. He serves as a Director of Verizon Communications, Inc., and previously served as Non-Executive Chairman of NortonLifeLock (formerly Symantec Corporation). He also serves on the boards of The Economic Club of New York and Autism Speaks. Schulman earned a BA from Middlebury College and an MBA from New York University's Leonard N. Stern School of Business.

COMPANY BRIEF PayPal (paypal.com) has remained at the forefront of the digital payment revolution for more than 20 years. By leveraging technology to make financial services and commerce more convenient, affordable, and secure, the PayPal platform is empowering more than 425 million consumers and merchants in more than 200 markets to join and thrive in the global economy.

What are you most proud of when you reflect on your tenure leading PayPal?

As I reflect on my time at PayPal, I'm proud of how we prioritized our employees. The growth and success of every organization comes from its people, and there is no more important stakeholder at PayPal than its employees. I believe that by putting employees first and investing in their financial and total wellness, we were able to better serve our customers and shareholders.

In 2019, we unveiled an employee financial health initiative at PayPal that made every employee a shareholder, reduced healthcare costs,

provided financial education and included pay raises in many cases. We saw significant progress as a result of that program, both in employees' financial health, but also in company culture.

I'm also inspired by the ways our employees banded together over the years to deliver for our PayPal customers and communities. For example, in response to the invasion and devastating violence in Ukraine, teams across the company quickly initiated a global giving campaign to support humanitarian relief efforts and mobilized to expand peer-to-peer payments to Ukrainian customers. These moments can really test a company and its ability to show up. I'm proud that we were able to show up as a PayPal community time after time.

If you could go back and change one thing during your time leading PayPal, what would it be?

Rather than going back to change something, I continue to think about all the promise that lies ahead for PayPal. The company is uniquely positioned to create economic opportunity by ensuring everyone, from individuals to small businesses, and entrepreneurs to large enterprises, have access to the tools they need to manage and move money in convenient, affordable, and secure ways.



Dan Schulman meets PayPal employees during a 2018 visit to the company's Omaha office to conduct surveys informing the company's employee financial wellness initiative

What do you feel are the key traits that separate good companies from great companies?

Throughout my career, I've learned the critical role that a clear mission and consistent values play inside – and outside – of a company. As a result, I believe profit and purpose are inextricably linked. At PayPal, this meant focusing on the needs and interests of all our stakeholders so that we could better serve our customers – and in doing so, we furthered our purpose and delivered value for our shareholders.

How important is it for companies to earn and build trust to thrive in the future?

The importance of trust cannot be understated. Trust and responsible innovation are the foundation of the PayPal brand. The time is ripe to modernize and upgrade the technological infrastructure of the financial system. Over the last eight years, PayPal worked to do just that, but the work is not finished. We have a long way to go to build a financial system that is not only inclusive, but that enables financial health for all. There is enormous opportunity in new technologies like stablecoins and digital currencies to make our financial system more equitable, but this can only happen when they are designed intentionally, responsibly, and in collaboration with regulators.

Do you feel that companies have a responsibility to be engaged in the communities they serve and to be a force for good in society?

We've seen the world change dramatically, especially over the past three years. We're also faced with tremendous geopolitical and economic pressures that are impacting nearly every industry. Now, more than ever, business leaders have a responsibility to instill purpose into their strategy which will drive greater returns over time. Purpose is essential to delivering sustainable growth that benefits more people. It's a virtuous circle – the



Dan Schulman attends the 2021 opening of PayPal Park, a Major League Soccer (MLS) stadium in San Jose, California

impact we generate directly benefits our communities and society-at-large, which in turn opens new opportunities for growth.

For example, in 2020, PayPal made a \$535 million commitment to advance racial equity. It demonstrated our resolve to be part of the solution by helping to reduce the racial wealth gap.

How do you define success?

I believe that success is defined by the positive and lasting impact we make on others' lives and in our communities. There is always something we can do to help others and our communities, and if you can help even just one person,

that's incredible success – if you can help two, even better. But imagine the impact when you help many – that's the work that really makes a difference in the world.

How important were mentors in your career?

I've been fortunate to have many mentors in my career. My original mentors, whose lessons I still rely on today, are my parents. My father used to tell me that we are born with two ears and one mouth, and we should use them proportionately. He encouraged me to seek out opinions and perspectives other than my own and to listen more than I talk. Being wise means having more questions than answers. It's some of the best advice that remains with me today.

Later in my career, when I was CEO of Virgin Mobile, Richard Branson taught me that business should be a force for good. If we are fortunate enough to be leaders of companies and have the ability to drive real change, we have an obligation to do so.

What advice do you offer to young people beginning their careers?

First, find a company that shares your values. Not only do you represent the company, but the company also represents you.

Look for a company that can offer you growth. If you are considering two different opportunities, picture yourself a few years into the job. Where are you? How have you grown? What have you learned? And by the way, challenge your prospective employer with that question. They should have a plan in place for you from day one and understanding that trajectory should be part of the recruitment experience.

And finally, you'll never go wrong if you put people first: Never say "I" unless it is to accept blame or failure. Always say "we" when celebrating successes. Always give credit, and always stand up to take blame. If you mess up, fess up. ●



Dan Schulman addresses PayPal employees during an internal event