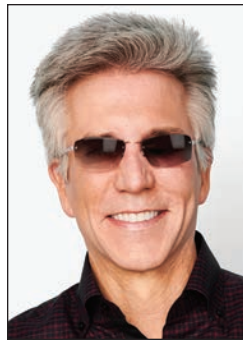


Making Work, Work Better

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) is making the world of work, work better for people. The company's cloud based platform and solutions deliver digital workflows that create great experiences and unlock productivity for employees and the enterprise.*

Will you highlight the history and heritage of ServiceNow and how you describe the ServiceNow difference?

I've always believed great companies are built on the shoulders of giants. They are also unified by a strong mission – in our case, it was our Founder, Fred Luddy, and his simple but powerful vision: to make work, work better for people. He made this possible by creating a cloud-based platform called the Now Platform

that lets employees route work seamlessly throughout the enterprise. ServiceNow's purpose of making work, work better, fueled by our company culture and values, continues to unite and guide us as a company.

Today, ServiceNow is the platform company for digital business. We're dedicated to our customers and passionate about delivering the best digital workflow experiences possible for our customers and employees. The Now Platform, what I like to call the "platform of platforms," offers the speed,

flexibility, and innovation that companies need to deliver exceptional employee and customer experiences. It unifies systems, silos and processes into holistic enterprise workflows that solve any business challenge. The Now Platform enables easier and faster implementation, delivering unbeatable time-to-value and fast ROI. The beauty of the Now Platform is one platform, one data model, and one architecture. It's why approximately 80 percent of the Fortune 500 rely on ServiceNow for their digital transformation efforts.

What excited you about the opportunity to lead ServiceNow and made you feel it was the right fit?

I was a fan of ServiceNow long before I joined the company last year. I knew of its reputation for being one of the most innovative growth companies in the world with tremendously loyal customers. As I got to know the company even better, I was drawn to its hungry and humble spirit, purpose, energy, passion and shared commitment to driving outstanding customer value. ServiceNow's ability to help organizations

digitally transform, coupled with the opportunity to extend the company's world-class leadership across new industries and geographies, made the prospect of leading ServiceNow a once-in-a-lifetime opportunity for me.

Digital transformation is the opportunity of our generation. Digital investments are at an all-time high and are expected to continue growing. According to IDC, worldwide digital transformation investments will total more than \$7.4 trillion by 2024. The workflow revolution is here and ServiceNow is primed to lead it. Enterprise digital transformation is how every organization, in every sector, in every geo, is adapting, growing, creating new business models and empowering their people to be productive in any environment, under any conditions.

Every day, I am compelled to dream big about how ServiceNow can take digital transformation to the next level – from helping companies redefine their business models to getting the world's population vaccinated. I'm humbled by the enormous role that ServiceNow is playing.

How do you define the ServiceNow culture and how critical is culture to the success of the company?

ServiceNow's culture is incredibly strong, utterly unique and essential to our success. We are a purpose-driven company and our hungry and humble culture is reflective of that. Every day we come to work to fulfill our purpose of making work – and the world – work better for people. We're also deeply committed to being a leader in building a diverse, inclusive workforce in which everyone feels that they belong because diverse teams with an indomitable will to win create great, enduring companies.

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At the same time, we strive to understand and solve industry-specific challenges our customers are experiencing so we can deliver unbeatable time-to-value and fast ROI in every scenario. It is that customer focus that gives ServiceNow the ultimate competitive advantage. Our team is committed to our purpose and nothing will keep us from delivering incredible value to our customers. I'm inspired by the team's resilience which is a testament to our great culture.

How has ServiceNow adapted its business to address the challenges caused by the pandemic?

When the pandemic first hit, my leadership team and I were scheduled to have a blue-sky thinking session, but I quickly realized there would be no blue sky if we didn't address COVID and the pandemic. ServiceNow's global workforce seamlessly transitioned to a fully remote, work-from-home environment in just 24 hours. We had a unique advantage: as a born-in-the-cloud, digitally transformed organization, we were able to quickly and smoothly pivot to 100 percent virtual work.

Our immediate focus became helping our customers best serve their employees and customers during this time. We strive to always see challenges through our customers' eyes and turned our attention to making sure our customers and employees could stay productive in a new environment where work and personal lives merge, giving them the necessary tools to connect and collaborate. We spearheaded an effort to leverage predictive intelligence and virtual agent chatbots that enabled employees to easily self-manage their work requirements.

As a result, we were able to ensure an engaged, highly-productive workforce during the transition. At the same time, we didn't miss a beat supporting our customers.

How proud are you to see the way ServiceNow's workforce has shown strength and resilience during this challenging and uncertain time?

I could not be prouder of the ServiceNow team's strength, unity and unrelenting execution in the face of an unprecedented global environment. I like to tell the team: tough times don't last, tough people do. That idea couldn't be truer than with our ServiceNow team. Despite the uncertainty of COVID, we delivered a market-leading 2020, significantly beating expectations across the board and bringing great momentum into 2021. I believe it's a testament to our ServiceNow strong culture.

In 2020, we grew our employee base by 26 percent, hiring 3,000 people in 25 countries, most of whom were hired and onboarded entirely digitally. Despite working remotely, our engineering organization delivered a 70 percent increase in innovations year-over-year. We invested and scaled in 2020 because companies are relying on us more than ever. The pandemic is creating the greatest workflow challenges of our lifetime, and ServiceNow is responding with continuous innovation. Every business needs speed, agility and resilience, and every C-suite leader wants to deliver great experiences for their employees and customers. ServiceNow is on the front lines, helping businesses digitally transform and leading this once-in-a-generation opportunity to make work, work better for people.

Will you discuss ServiceNow's commitment to supporting its employees, clients and communities during this unprecedented time?

One of the things I admire most about ServiceNow is our unrelenting focus on our employees and customers. With our innovation, speed of a startup, expertise and industry leadership in digital transformation, we're able to help solve the unique challenges posed during COVID. We began last March with our COVID-19 Emergency Response apps which helped the State of Washington, the City of San Francisco, and many others respond to the challenges presented by COVID. We followed that up with our Safe Workplace suite of applications to help organizations such as Uber, Coca-Cola European Partners, Bremer Bank, and American University gauge workforce and workplace readiness as they prepare for employees to return to the workplace. This year, we launched our Vaccine Administration Management solution to address vaccine management challenges at scale by removing logistical barriers to speed up the immunization process. The State of North Carolina Department of Health and Human Services, along with the NHS National Services Scotland, are two examples of organizations that are working with ServiceNow to help vaccinate their citizens and keep them healthy and safe.

We are working with customers and organizations to leverage the innovation and digital workflows that transformed pandemic response to create new ways of working, build agility and resilience, and accelerate digital transformation to move the world toward a healthier future.

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How is ServiceNow’s business positioned for growth as you look to 2021 and the new normal companies are facing?

ServiceNow is incredibly well-positioned to become the defining enterprise software company of the 21st century. The secular tailwinds of digital transformation, cloud computing, and business model innovation have intersected at a perfect moment in time, creating a paradigm shift globally. In 2020, for the first time in history, we saw digital transformation spending accelerate despite GDP declining globally. Digital investments are at an all-time high and are expected to continue growing. Digital transformation was a business imperative pre-COVID; post-COVID, digital transformation will accelerate, and as the workflow standard for digital transformation, ServiceNow is poised to seize this opportunity.

How critical is it for ServiceNow to build a diverse and inclusive workforce in order to bring diverse perspectives and experiences to the table when making business decisions?

Diversity, inclusion, and belonging are essential to who we are, how we’ll grow, and how we’ll innovate. We’re deeply committed to being a leader in building a diverse, inclusive workforce in which everyone feels that they belong. It’s embedded in who we are as a company – it’s a cultural value and inherent in who we are. I am personally committed to our DIB efforts and have called upon the whole company to participate in our work together. It’s a collective effort that starts at the top with me and the executive leadership team.

I truly believe that, together, everyone can achieve more. Unity, not division, offers opportunities for progress and success. The idea of “team” is a huge source of inspiration for me. Each one of us makes our team stronger; none of us is as smart as all of us. That’s why diversity, inclusion, and belonging is such an important priority for ServiceNow. It’s core to who we are, it helps us get through periods of adversity, and it’s critical to our success.

What do you see as the responsibility of leading companies to be engaged in the communities they serve and be good corporate citizens?

Our goal as a company is to workflow a better world. We know we have the ability to

change the world, one workflow at a time. By applying the expertise and civic-minded nature of ServiceNow’s 13,000+ employees around the world, leveraging the power of our digital workflow solutions, and using the strength of our financial resources and strategic partnerships, we have a tremendous opportunity to do incredible things.

That’s why I’m incredibly proud of our recently announced ServiceNow Racial Equity Fund, a \$100 million fund aimed at reducing the wealth gap and expanding opportunities for individuals, families, entrepreneurs, and business owners in Black communities. The fund will begin with investments in Chicago, Washington DC, Boston, Houston and Dallas, cities in which ServiceNow also has significant operations and sizable employee presences. We’re deeply committed to being a leader in delivering real, lasting change within our communities. Our fund is seeing incredible traction, truly proving that when we work together, amazing things can happen.

The world is facing a series of crises from public health to social injustice to climate change to income inequality. What do you see as the role that the private sector and business community can play in bringing its talent and expertise to help address these issues?

ServiceNow’s purpose is to make the world of work, work better for people, but we also have a tremendous opportunity to make the world work better, too. We know that doing well as a business is about more than growing profits. We have a responsibility to our planet, each other, and the communities we serve. Our focus is on sustaining our planet, creating equity for all, and acting with integrity. These pillars ground us as we ensure our products can address the needs of the world and responsible business.

Against the backdrop of the past year’s events – the human impact of the global pandemic, economic disruption, ongoing racial injustice, and civil unrest – it has never been more urgent for companies to take steps to make a positive, global impact. Diversity, inclusion, and belonging has always been a cornerstone of ServiceNow’s cultural values, but the events of the past year have accelerated the need to increase and expand our efforts which is why we are so focused on elevating our

global impact. The ServiceNow Racial Equity Fund strengthens underserved communities, overcomes systemic barriers that lead to inequitable access to capital, and ultimately drives sustainable wealth creation through homeownership, entrepreneurship, and neighborhood revitalization.

What are the keys to effective leadership?

Theodore Roosevelt once said, “No one cares how much you know, until they know how much you care.” Effective leadership must start with immense empathy. Understanding what matters to people and doing something about it is just as important for motivating employees as it is for engaging with customers. It all comes down to bringing out the best in your employees – motivating people to find the best in themselves. This is especially important now in the COVID era as leaders must be in service of their employees and inspire them to reach their full potential.

2020 brought unimaginable change to the world, and businesses are fundamentally changing the way they operate. ServiceNow is on the front lines of that transformation, so as CEO, it’s my job to keep our employees inspired about the important work we’re doing and the opportunities that lie ahead. Whether that’s reaching a sales goal, building game-changing technology, or helping make the world a better place, I am humbled by the opportunity to motivate people to reach heights they didn’t know they could achieve.

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

I recommend everyone starts by dreaming big. Find something you’re truly passionate about and then make a plan for how you are going to pursue it. Stay optimistic that you’ll get to where you want to be and don’t give up. When I applied for my first job at Xerox, I wanted that job badly. I was passionate about it. I created a plan for how I could grow in the role and help grow the company. I envisioned myself at Xerox years out – ultimately as CEO. This motivated me throughout the interview process and long after I landed my first sales job at the company. The rest, as they say, is history. ●