

Masters of Scale: Rapid Response Transcript – Bret Taylor

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This year has been a defining moment in Salesforce's history. It has really clarified what's important for Salesforce to do in the future. You'll never hear the word "good year" and "2020" together in a sentence coming out of my mouth. I can promise you that. I do think that 2020 it's a time for people and companies who are resilient to adversity to grow.

What new opportunities does the adversity of 2020 teach you? I see a lot of opportunities for companies to grow and accelerate out of this pandemic who really lean into those changes.

BRET TAYLOR: That's Bret Taylor, president and COO of Salesforce. Bret was a key architect of Salesforce's recent \$28 billion deal for Slack, an announcement that got investment markets and tech firms buzzing.

I'm Bob Safian, former editor of *Fast Company*, founder of the Flux Group and host of [Masters of Scale: Rapid Response](#). I wanted to talk to Bret because he's on the frontlines, creating the much-talked about future of work. The pandemic radically altered workplaces but it remains unclear which changes will be permanent and which will fade. A Salesforce-Slack combination will help define that future, for many enterprises. Bret talks about the initial paralysis at his own company, when remote work hit in 2020.

He describes the pandemic operating model that Salesforce came to embrace, and how the urgencies of this moment made joining forces with Slack appealing to both sides. With vaccines coming, our simultaneous love of the office and hate of the office are colliding head-on with our love-hate relationship with technology.

In the end, Bret says, it comes down to human factors as much as any new software— and how good we all can get at embracing change.

[THEME MUSIC]

BOB SAFIAN: I'm Bob Safian, and I'm here with Bret Taylor, President and Chief Operating Officer at Salesforce. Bret is coming to us from Lake Tahoe in California as I ask my questions from my home in Brooklyn, New York. Bret, thanks for joining us.

TAYLOR: Thank you for having me.

SAFIAN: This year has been so eventful with the announcement of Salesforce's acquisition of Slack. But I want to start with your experiences leading Salesforce through this strange pandemic as it unfolded. Back in March, you all went to work from home quickly. Can you reflect on that initial phase, or what it felt like to be at the helm of a fast growing energetic business that bumped into a difficult stretch?

TAYLOR: I love that question because I'm trying to forget those months at this point, given how traumatic they were. If you had told me that with six months of preparation, we had to transform Salesforce to be a completely remote and distributed company, I would have laughed at you and told you it wasn't possible. And we did it with absolutely no notice, which tells you something about the resilience of organizations when under pressure. In those initial months, we did feel paralysis, the way we had done business in the past just stopped overnight.

We are very much an events-oriented company. For anyone who's in San Francisco, they know Dreamforce, when 200,000 people descend on the city. We do world tours, our salespeople get on airplanes, we're in customers' offices. The entire engine by which we engage with our customers just disappeared. There was a period where people just didn't know what to do. The way they did their job had suddenly changed and there was no handbook on what to do next. I think that paralysis turned to action.

We started by in part by just responding with our values. One of the first things that we did was we acquired about 60 million units of personal protective equipment for hospitals. And I would actually say that action inspired a lot of other actions for our business as well, which is saying, "Let's not just sit back and let this pandemic happen to us, let's turn towards action."

SAFIAN: You put in place what you called a "pandemic operating model." What did that entail?

TAYLOR: We needed a new way of operating the company that recognized everyone's individual responsibilities. We use this word, "participation," which I really like, which you have to participate in our company's success and your customer's success. And what that meant for maybe a sales executive was call your customer, just ask how you can help. Don't wait for them to come to you. If it was an engineer, it was, what is important for you to do to make your product relevant for our customers right now?

And we use that rallying cry of participation as the first pillar of this operative model. The second one was relevance. Every customer that we have – and every company in the world – they all had digital strategies before. All of a sudden when the whole economy is digital overnight, literally that's the only channel that you have left with your employees and your customers, it takes on new meaning. And so what we realized is we had a lot of technology that was actually incredibly relevant for people to succeed in the midst of a pandemic – but it wasn't necessarily positioned that way.

There's a great example of this. We're actually powering contact tracing in over 60 governments worldwide, over 35 states. I didn't know what contact tracing was nine months ago. But we did it as we realized our platform, which is around customer relationship management, turns out to be pretty useful for contact tracing. So early on, we get a call from Governor Gina Raimondo of Rhode Island about wanting the solution there. And we say, "Okay, what's the most relevant version of our platform in the midst of a pandemic? Let's make sure we're going through all the problems our customers are facing today that they weren't facing six months ago and make sure that we're packaging that up and making it easy to consume."

We did this last thing which is around enablement, which is really saying we're going to teach every single person at Salesforce about this new operating model. And we do an all hands call every single week for the whole company, and we've been doing it since March. And we haven't done that since we were a startup. I wasn't even here when we were doing it the last time. And every single week we talk about contact tracing, work.com, which is our solution to help offices reopen, how we're helping customers in cyber week.

And we're teaching everybody about this pandemic operating model and teaching them about these new solutions every single week. And those three things together, that's our pandemic operating model. I'm proud of it, in part because of that paralysis that we felt early on, and I'm proud of the company turning that around.

SAFIAN: So this includes new products, adaptations of existing products, and then new practices. I mean, I understand you challenge your salespeople to do some enormous volume of Zoom sales calls.

TAYLOR: So we actually issued a "Million Zoom" challenge. We said, "We're going to do a million conversations with our customers just to make sure we're showing up for them." When they're going through problems like we are, how do we not just be a vendor of technology to our customers but be a partner to them?

That million Zoom challenge was really all about trust, which is saying how can we show up now to help our customers in a period of adversity? I can tell you through my customer conversations, it's been a really successful experiment just because we're

showing up to help our customers win. For many of them, their entire business model has really changed in the matter of months, which is a pretty stressful position to be in.

SAFIAN: These unexpected services that you have now, is that something that came from your team? Did it come from those conversations with customers?

TAYLOR: It's come from our customers, exclusively. I love that story of Governor Raimondo from Rhode Island, because it has helped so many other states with contact tracing and emergency response management. She called up Marc Benioff, our CEO, and asked for help with this problem. And when we showed up to help her solve it, we really realized, "Hey, this is a problem that every single government is going to face, which is how do we help populations that are vulnerable? How do we help with contact tracing so that we can prevent the spread?"

For our customers, it was things like how do we set up curbside pickup overnight? And curbside pickup has been a part of retail and consumer goods for a long time, but it wasn't until this year that every single company in the world wanted to deploy it. So we set up things like fast-start kits for our commerce cloud, so that people wouldn't have to wait months to get it up and running and they could do it in a matter of weeks.

I do think that for people at Salesforce, it was a time to become more customer-centric than ever before, to deeply listen to our customers. And then to kind of prove to ourselves, "Hey, when we listen to our customers, let's turn on a dime. Let's bring back the heritage of Salesforce as a startup and build that into our product portfolio quickly." We actually built that into a product we called work.com, which is sort of a portfolio of products to help people reopen safely.

We've also transformed some of that technology to solve 2020 problems, which are things like how do you reopen an office safely in an age where you had to change your density in every floor so only half the people can show up on any given day? How do you actually schedule time on an elevator for safety, just like a Disney fast pass? This is stuff that our software is being used for this year that I could not have imagined a year earlier.

And the remarkable thing was we did it in just a matter of weeks – and a small number of months in some solutions. And that was really invigorating for all the product designers, engineers at Salesforce, because we were moving really, really quickly to respond to problems faster than even smaller companies. And I think it's something that when we look at the cultural shift we've gone through in this pandemic, we're thinking about, "Hey, there's some parts of the cultural change we've gone through that we want to retain on the other side of this pandemic."

SAFIAN: Let's talk about Slack. Fascinating combination, joining up with Salesforce. You've known [Slack CEO, Stewart Butterfield](#), for a while. So how did this deal come to be? And to

what extent was it influenced by the COVID-19 environment, by the conversations you were having with customers?

TAYLOR: I've known Stewart for years, for well over a decade. I started a social network called FriendFeed back in the day that was acquired by Facebook. And at that time, Stewart was running a company called Flickr, which was a pioneering social photo-sharing site. I've known him for years and always deeply admired Slack. I joked to him the other day, lots of entrepreneurs set out to change the way people work, and you actually succeeded. And it's really a company and a brand that has transformed the way so many of us work in our daily lives. And it's always been a brand I deeply admire.

Fast forward to 2020, you can't ignore the fact that the entire economy has gone digital overnight, and the relevance of tools like Slack in a world that is all digital, in a world where people are working from anywhere, in a world that I think won't snap back to the way it was in 2019. And I do think it influenced our perspective on what is the technology we want to be providing our customers three, four, or five years from now?

And if you look across Salesforce's portfolio – whether it's someone in the field trying to solve a problem and communicating with someone in a contact center, or a command center for a marketing department or a commerce department – we really just felt like in this world that we've lived in now and that new normal coming out of this next year, even once we're all vaccinated, we really felt like the combination of Slack and Salesforce is customer 360.

We actually did due diligence on the deal in a Slack Connect channel, which was really interesting just showing the power of this platform to really connect digitally to every stakeholder in your business.

To answer your question how it came together, we had been talking for years and it really felt like the right time right now for both Stewart on his side and for Salesforce. And I do think the pandemic did influence it. We really have a thesis that this pandemic accelerated a lot of digital trends that existed before.

SAFIAN: One of the digital trends that seems to be accelerating in recent years, even before the pandemic, is sort of a closing of the gap between consumer technology and business-to-business technology. Is the Slack deal a reflection that that gap is closed in different kinds of ways, that the expectations are different?

TAYLOR: I think so. I think your question is spot on. Fundamentally, I think it all changed the day that Steve Jobs introduced the iPhone in 2007. Now all of a sudden you don't have your home computer and your work computer. You have a super computer in your pocket you're bringing to work every single day.

And I think it really set the bar higher for the experiences that we're willing to tolerate in our enterprise lives. And I can promise you, every one of your listeners has texted someone they work with. Every one of your listeners has maybe reached out via WhatsApp to someone in Europe or India that they work with on a daily basis.

And I think these lines are really starting to blur. Slack took a lot of the user experience characteristics of consumer apps and they built it in a really enterprise-friendly way too. They built in all the security and the compliance that we expect, but from a user experience it feels like a consumer experience.

And it's why, actually, if you talk to happy Slack customers, this is the single pane of glass that they look at all day long that connects every application at their company. And I think that's an incredibly powerful idea.

SAFIAN: When you look at the future of work and the combination of Salesforce and Slack in that, is there a super specific idea about what that future of work is going to look like? Or is it that the combination of these tools sort of provide more varieties of options about where it might go?

TAYLOR: When I look across the businesses we serve, like sales and customer service and marketing, there's some really interesting opportunities in every one of those. One of the big questions that every single CEO I talk to now is are we all going to go back to the office on the other side of this? Really interesting question. So I'll give you some interesting statistics.

So since this pandemic has started, our employees, on average, have 1.7 hours more meetings every single day. Totally unsustainable. People are burning out sitting in front of Zoom screens all day long. In June when we polled our employees, 23% of the employees wanted to return to the office. Only 23%. So at that point in June, we're like, "Oh my gosh, no one even wants to come back to the office." Now when we pull our employees, it's 72%. People are like, "Get me out of here. My kids have run behind the Zoom screen 12 times today. I've been sitting in the same chair for 12 months. I want back."

So I think the answer's going to be pretty nuanced. I talked to [Matt Mullenweg, who's someone I deeply admire, who runs WordPress](#), which has the kind of unique position of having been a distributed company since its inception. And he made a comment to me at one point when I was asking him advice, which he said, "You're not experiencing distributed work right now. You're experiencing a pandemic." And I think the obvious question is what do we snap back to on the other side of this when it's not imposed upon us for health reasons? What do we opt into?

And what we're seeing by and large is a more flexible environment for employees and employers. I think people want some of the flexibility of not having to go into the office

every single day, but they want the opportunity to do so. I've talked to a lot of companies who are talking about recruiting from a much wider variety of places, which I think is an incredible opportunity to improve diversity in every company. But I think it's going to be a really nuanced implementation for every single company that I talk to.

But behind all of that though, is the importance of tools like Slack, which is when you have a company that is a hybrid model that has a flexible work approach, having tools that really enable you to be your digital HQ are more important than ever. That's just the employee experience. You think about, are you going to fly out to meet with a customer every single time you want a meeting now? Probably not. You've had a year of proving that Zoom can work. Are you just going to flip that on? Are you going to set up a Slack Connect channel?

SAFIAN: When you look ahead at the talent mix that you want to have, need to have, at an organization like Salesforce, there was a point where, of course, if you were going on planes and you were meeting people face-to-face, there's certain kinds of talent you want, there's a certain kind of training you want. Does all that get thrown up in the air too when you're now saying, "Well, maybe someone's better on Zoom than they are in person or better in person than they are on Zoom," and you manage them differently, how does all that shift around?

TAYLOR: One of the things that I've observed in this pandemic is just the importance of every single one of our employees and every single one of our customers really having a beginner's mind. That's a concept that Marc Benioff likes to talk a lot about that I've really tried to take to heart, which is try to go into every day and forget what you think you know, so that you can reimagine what your job is in the face of change, in the face of technological change, social change, business model change.

And I do think that when I look at all of our customers and I look at all of our employees, the companies and the people who are willing to embrace change and reimagine themselves the more successful you are.

We have this privilege of being a technology provider to so many great brands in the world. One of the interesting things that people don't talk enough about is really the change management of technology. Rarely is the technology the hard part. It's the change that is associated with all the human beings on the other side of that technology that's the hard part.

If you talked to a marketer 20 years ago versus a marketer today, it almost looks like a data scientist. And I really think it requires a different mindset now, "Hey, the job that I have is fundamentally to be a storyteller," but the act of doing that's going to change.

And I think in the face of the technology change that we've observed this year, I think that's going to be sort of the new normal for all of us, which is how do you embrace that mindset of continuous learning in the face of all the changes around us. Re-skilling,

learning, recognizing that, as you said, I think we're all just humans doing our jobs. It doesn't matter whether it's over Zoom or on a conference room table, but the ability to succeed in the face of that change is something that's really a mindset shift that I think all of us need to embrace.

SAFIAN: So many things about this year have been stressful: health, economic, social justice, political unrest, job losses. And yet, as you talk about the year, for Salesforce, it sounds like there has been some achievement. Do you think of this as a hard year for Salesforce, a bad year, a good year? How do you think about what 2020 means for Salesforce?

TAYLOR: You'll never hear the word “good year” and “2020” together in a sentence coming out of my mouth. I can promise you that. I will say that I do think that 2020- and any year of significant disruption, maybe it was the financial crisis of 2008, maybe it's the pandemic, the economic crisis, the social justice crisis, the leadership crisis that we face this year – it's a time for people and companies who are resilient to adversity to grow. Maybe it's to gain market share against a competitor who is slower moving. Maybe it's a time to demonstrate to your boss or a colleague how resilient you are and to grow your career.

And I do think that's true. Does it mean the year is good? Absolutely not. This year has sucked beyond belief, without qualification. I'll give you a great example of CarMax – I think it might be the largest reseller of used cars in the United States. They use technology to pivot to actually do curbside pickup for used cars. They'll even drive to your house, so you can do a test drive in a safe way. It's the coolest thing ever, and they're using the Salesforce platform to facilitate all of this.

What I love about stories like that is what a great example of a company that in a sector that should have been really severely impacted by this pandemic saying, “Hey, we're going to lean into this to transform our customer experience in the face of adversity,” and really grow your brand loyalty in the face of just unprecedented change.

We've tried to take advantage of this moment to help our customers be successful in a time when our software is more relevant than ever before. And I hope that in a year from now, two years from now, as the world is recovering from this horrible year, the fact that we've made so many of our customers successful in a time when success is not easy to come by, that that is sort of a foundation of trust that we can build upon when the economy recovers.

SAFIAN: Do you feel any different sense of responsibility as a leader in a time like this as a business?

TAYLOR: We host a weekly broadcast on Twitter called “Leading Through Change.” I love hearing from different leaders in different industries answering that exact question. I

do think it's been probably the most challenging year for me personally that I've ever had in my career.

I would say one of the things that's been the most challenging is just how personal this year has been for every single one of the people at Salesforce. Some people are living alone and incredibly lonely. Some people, like me, have three kids under the age of 11 and are trying to become a teacher and do your job at the same time, and it's totally unsustainable. Some people have family members who are vulnerable from a health standpoint. Some people have had family members pass away from this pandemic. Some people have had family members pass away from something completely unrelated and weren't able to see them because of the pandemic.

In most day-to-day work life and personal life, you have a lot of common contexts. You're both hanging around the consummate water cooler having a conversation. Now I realize that the person on the other side of that Zoom meeting is going through something intensely personal that I have no knowledge of. I really think it's forced a degree of empathy that I think all of us need to do our jobs every day that I think is healthy, in the sense that empathy is healthy. But you also realize just the amount of trauma that everyone's going through this year. Our employees have been reporting mental health issues at a higher rate than we've had any other year. We've really tried to lean into that with employee programs. But no number of mental health programs is going to solve what is fundamentally just a really challenging year.

So we've tried to just focus on our employees, focus on our customers, and focus on each other, and focus on our communities, and hope that we can sort of weather this storm, which I really am hopeful with all the vaccine announcements. In the spirit of some of the good things that can come out of this, I would hope that the empathy that we've gained this year is something that we can actually capitalize on when things are less hard coming out of it.

The first earnings call that we did in the midst of this pandemic after Q1, Parker Harris, one of our co-founders, ended the earnings call mentioning that as impersonal as it's been to be staring at a screen all day, we're also staring into each other's living rooms. And he said, "I think I've learned more about my colleagues in this pandemic than I've known for the past five or 10 years." And I thought it was a really sort of touching moment because I think it's one of the things that's helped me personally as a leader get through this is just those personal connections I have with my customers and my colleagues. I've gotten to know people, I think, in a deeper way than I had in previous years.

SAFIAN: Yeah. There's a great irony in the distance that we have from each other. And yet at the same time, we're inviting each other into our homes, our living rooms, our bedrooms, with a level of intimacy that we didn't used to necessarily open up to work colleagues.

TAYLOR: Yeah, I know every pet and kid at every single one of them. It's great.

SAFIAN: You mentioned vaccines. Everyone is focused on vaccines right now. Are you trying to obtain vaccines for your team members?

TAYLOR: Well, what we're focused on is actually vaccine management for the world. So just like our platform was leveraged for contact tracing early in this pandemic, one of the announcements we had a month or two ago was work.com for vaccines, which is a vaccine management platform to help with what will be the most complex logistical problem I think we've ever faced as a society, which is vaccinating the world. And when you look at the logistics of not only distribution of vaccines and the collaboration between clinics, physicians, patients, but also the boosters and tracking that and making sure that people are actually getting it on time, it's probably the most important problem the world is facing right now and a problem that software can really help with. So it's something we're really excited about.

I think obviously there'll be some vulnerable members of the Salesforce population who are high on that list, but we're focused on our communities right now. And I think it's exciting to be able to have our software play a part in this vaccine distribution.

SAFIAN: Are you hearing anything from customers about how they're going to vaccinate their own employees, and whether there's interest in product about that?

TAYLOR: We're definitely seeing most of the energy right now in the public sector. So, capabilities like a public health command center, inventory management, the appointment scheduling, clinical vaccine administration, outcome monitoring, which is also really important as this thing gets distributed more widely. Right now, I'd say this is largely a public health initiative.

But one thing that we've learned from our work.com platform early on is just the importance of employers as it relates to public health right now. The idea that I would do a health check-in for my employer before I go into work would have been totally foreign to me pre-pandemic. But now for those listeners who are going back into the office, it's totally the cultural norm asking if you have fever-like symptoms or perhaps even taking an antigen test as you walk into the office. So I would say as we develop these platforms, we're fundamentally focused on helping communities recover from the pandemic, but also recognizing that actually a lot of these solutions are relevant in the private sector just given how much time we spend in the workplace.

SAFIAN: What's at stake in this moment?

TAYLOR: This year has been a defining moment in Salesforce's history. One is just our ability to respond to crisis. And I think that the company has a lot of confidence right now in our ability to respond to the changes around us and our ability to lead through change

and help our customers succeed through change. The other thing is that the importance of our technology to our customers has really been amplified.

And I think it has really clarified what's important for Salesforce to do in the future and we think about what does it mean to build a customer 360 and build your customer experience? I can tell you that shifted this year. Digital is more important than ever, right? And it's really been clarifying for us how important it is that we're doing what are doing and really helping companies get back to growth. And then the other thing is I think the importance of stakeholder capitalism. We've talked a lot about this as a company and we've evangelized this as a company, which is we're here to not just serve our shareholders, but really to serve all of our stakeholders.

And whether it was distributing personal protective equipment, changing our purchasing policies to help support black-owned businesses, those actions are more important than ever before and recognizing the importance of companies to help societies recover from crisis, and recognizing the importance of our role in that. And I think our employees take a lot of pride in the fact that we haven't sat on the sidelines. And it was notable actually, the first video in our Dreamforce keynote two weeks ago, wasn't a video about our technology. It was a video about us distributing masks and PPE to doctors. And I think that really reflects the values of our company that I think are more important than ever before, especially in the face of a pandemic.

SAFIAN: Is Dreamforce going to look different next year?

TAYLOR: I promise you it will. First, I hope we're all back in San Francisco. And thanks to the incredible scientists who are making these vaccines, I think that seems very likely. But I don't think things are going to snap back to the way they were. We've learned so much about digital events this year. What's cool about them is I think we had about 140 million people watch the Dreamforce keynote on Twitter – 140 million. Well, we couldn't fit 140 million people in San Francisco no matter how hard we tried, right?

So what an amazing opportunity to say what does our digital Dreamforce look like next year coupled with a physical Dreamforce as well? And I really think that's the formula. When I talk to companies that have gone through this year and had their business model significantly disrupted, it is to not go back to the old business model on the other side of it, which is to say what new opportunities does the adversity of 2020 teach you? And I think I see a lot of opportunities for companies to grow and accelerate out of this pandemic who really lean into those changes.

SAFIAN: Well, thanks so much for taking the time and sharing your experiences with our listeners. Really appreciate it.

TAYLOR: Thanks, Bob.