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"I KNEW I WOULD GET FIRED": SALLIE KRAWCHECK

THE FORMER CFO OF CITIGROUP DISHES ON HOW A PASSION FOR HELPING WOMEN BECAME HER PROFESSIONAL MISSION.

BY ROBERT SAFIAN

"If you asked me when it happened if I got fired from Citi because I'm a woman, I would have told you absolutely not," says Sallie Krawcheck. "But now I'd say, not exactly."

Krawcheck, who had been CFO of Citigroup and head of its wealth management division before being pushed out in 2008, isn't alleging a misogynist conspiracy. She's talking about something much more subtle, something cultural across Wall Street that has crystallized for her in the years since then: "I was invited to leave because I had a fundamentally different business perspective than the powers that be."

"I WAS INVITED TO LEAVE BECAUSE I HAD A FUNDAMENTALLY DIFFERENT BUSINESS PERSPECTIVE THAN THE POWERS THAT BE."

Last year Krawcheck took over an organization of 30,000 professional women called 85 Broads, renaming it Ellevest Network. "We survey our women every week, and we ask about their priorities in taking a job," she says. "Gentlemen put money at No. 1; women make it No. 4. Meaning and purpose are No. 1 for women."

Krawcheck has had "the dubious distinction of having worked for seven financial services CEOs." Along the way, she had always resisted efforts to connect her professional achievements (and setbacks) to her gender. She first attracted notoriety as head of research at Sanford Bernstein, celebrated as "The Last Honest Analyst" on the cover of *Fortune*. She was tapped by banking icon Sandy Weill to take over brokerage Smith Barney—and help rehabilitate its public image—in the wake of conflict-of-interest investigations by then-New York State attorney general Elliot Spitzer. Krawcheck moved up at Citi until the financial crisis hit, when she lobbied the Citi board of directors to reimburse clients for flopped investments.

"At Smith Barney, we sold alternative investments that people thought were low risk and they weren't. We were dumb. I advocated for returning some of the clients' money. I felt like it was the right thing to do and the positive business decision, to demonstrate to clients that we would do right by them. It would strengthen the relationship. Eventually the board sided with me, but I was fired a couple of months later. I knew I would get fired."

Krawcheck, who went on to become head of Merrill Lynch for several years, says her focus has shifted to helping professional women "not because of hippy-dippy reasons, but because of the impact it can have on businesses." Indeed, she now believes that "what could have averted the financial crisis [was] more diversity of perspective, of opinion." She doesn't sidestep her own blame. "I was sitting in those conference rooms, at those tables. I was one of them. Everyone felt the same way." But she now believes that more other voices could have made a significant difference. "All the research tells me that women are more client focused than men, more risk averse," she says.

"THE FINANCIAL INDUSTRY, DESPITE ITS BAD REPUTATION, CAN DO A LOT OF GOOD IN THE WORLD."

"The financial industry, despite its bad reputation, can do a lot of good in the world. But it has defined itself about money and not about meaning at all," she says. "I believe it is good for American business and for the global banking system to have more diversity in leadership."

Krawcheck says she didn't start out with mission of remaking business. "I went to work at Sanford Bernstein because it was the only job offer I got." It was her emphasis on clients that defined her direction. "It enables you to get rid of ancillary impulses." When she left her independent analyst role to first join Citi, it raised eyebrows that perhaps she had sold out; she says she was simply drawn to a bigger opportunity. The fact that she's been an iconoclast at many stages along the way is not, she insists, something that happened by design.

"I've never written a personal mission statement," Krawcheck says. Her career trajectory has been defined more by serendipity and instinct. "Your work and values have got to be aligned, and I've had the privilege of having that option. Millennials are thinking in this direction, of a double personal-professional bottom line. You've got to make a living and you want to have an impact. You have to define what you're trying to accomplish."

That hasn't been easy for her, she contends. "How do I figure this out for myself? It took a long time. I've written things down, crossed things off, put together speeches, an ongoing process: What can I do with my present skills? Your purpose needs to change over time. I thought about that I could go in this diversity route, or I could start a financial services firm. It wasn't so clear what the right decision was."

With Ellevest, she is now working to combine the two. She's launched an investment fund, focused on women-friendly and women-led companies, and targeting women as investors. "Women want mission and purpose in their investments, and companies run by women, capital devoted to women, have performed well." She points to a change.org survey that notes 90% of respondents would give up some financial reward in exchange for making a difference in the world. And then she notes the fallacy of continuing to invest only according to the status quo, especially in light of the financial meltdown. "If you are looking at middle aged white guys," Krawcheck asks, "how'd that work out for you?"

[Photo: by João Canziani, Prop styling: Chad Pierce, Grooming: Alex LaMarsh]

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