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MANAGEMENT

◆ By JOANN S. LUBLIN AND LESLIE KWON ◆

For Yahoo CEO, Two New Roles Marissa Mayer, Who Was Named to Top Post Monday, Is Expecting Her First Child in October



JUST hours after Yahoo Inc. named Marissa Mayer as its new chief, the real conversation kicked in: how she will juggle pregnancy and being the CEO

charged with saving a foundering Internet giant.

The 37-year-old former Google Inc. executive is expecting her first child, a son, in early October. On Tuesday, she started her new job at Yahoo, which reported another quarter of lackluster sales growth.

"If she succeeds, it will be a landmark case for women everywhere," says Kevin Coyne, a management consultant who teaches business strategy at Emory University. "Women will talk about her for decades."

No Yahoo directors expressed concern about her pregnancy, according to Ms. Mayer, who told the board in late June, about a week after Yahoo's recruiter contacted her. She says she plans to work during her maternity leave, which will last several weeks.

New fathers regularly take on senior posts, but most mothers who run big companies waited to take on CEO roles until their 40s or 50s, when their children were older. The key to making this work for both family and Yahoo, according to some of these mothers: a phalanx of nannies, a solid leadership team and a husband ready to shoulder more of the hands-on parental duties.

Campbell Soup Co., CEO Denise Morrison, 58, says there were many "tradeoffs" associated with managing her career and raising two daughters. She was able to stay on the fast track, she says, only because her husband, Tom Morrison, was flexible and understanding. Her sister, Frontier Communications Corp. CEO Maggie Wilderotter, also says she couldn't have succeeded without her husband, Jay, who stayed home to raise their children. A former Air Force pilot,

he has managed their California winery for the past two decades.

Ms. Mayer's husband, Zachary Bogue, a former attorney, is co-managing partner at Data Collective, an early-stage venture capital fund specializing in tech start-ups. Mr. Bogue declined to comment.

Pregnant women are a comparative rarity among senior executives. Several veteran recruiters can't recall more than a single instance involving a pregnant candidate for a C-suite position. **Dora Vell**, managing partner of **Vell Executive Search**, a high-tech search firm in Waltham, Mass., believes some pregnant executives "self select out" while expecting, waiting until their children are a bit older before pursuing top management posts.

Ms. Mayer has said she recently worked 90-hour weeks at Google, typically attending 60 meetings weekly. But some wonder whether she can sustain the pace.

"You don't grow a human and turn around a company at the same time very easily," says Julia Hartz, 32, president of Eventbrite Inc., an online ticketing service in San Francisco that she co-founded with her husband, Kevin Hartz, in 2006.

Ms. Hartz recalls answering customer emails on her laptop right before delivering the first of their two daughters in January 2008. When she resumed emailing after delivery, hospital staff advised her to put the computer away and rest.

The start-up, where her husband is CEO, now employs about 220 people. They have parents nearby and rely on a part-time nanny to care for the children, ages four and almost seven months. "It quite literally takes a village," she jokes, adding that the setup allowed her to work shortly after childbirth.

During maternity leave, Ms. Mayer will have to stay in contact to maintain employee morale, says Alexandra Leberthal, who became president and CEO of Leberthal & Co., her family's municipal bond firm, in 1995, not long after having her first child.

She worked part-time during her two subsequent maternity leaves and says that by the time her third child was born in 2004, "I learned to BlackBerry with one hand so I could push a stroller at the same time."

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Ellen Galinsky, president of the nonprofit Families and Work Institute, says Ms. Mayer will need to get used to dealing with unexpected situations, such as having to leave work for pediatrician visits.

"She'll find that things have to give," Ms. Galinsky says. "The reality is there are going to be times when it's really hard." Still, she adds, it's no different from a CEO who might have to take care of an elderly parent or sick spouse.

Ms. Mayer faces plenty of management challenges apart from the pregnancy. She recently joined Wal-Mart Inc.'s board of directors, but her background still lacks the traditional leadership credentials that a CEO role demands, Mr. Coyne says.

One challenge: boosting the morale of Yahoo employees, which has ebbed as workers watched four CEOs exit in just as many years.

Coming from Google, where everyone feels they are "winning almost all the time," she may be unprepared for the mood at Yahoo, where workers have grown accustomed to a losing mentality, Mr. Coyne says.

Gartner technology analyst Allen Weiner says investors will probably cut Ms. Mayer some slack during her first 100 days at the helm, but they won't be forgiving if she commits a major blunder.

Her first concern, Mr. Weiner says, will be building a strong leadership team and ensuring that Ross Levinsohn, the interim CEO who was passed over for the top job, stays on. Mr. Levinsohn spearheaded many of Yahoo's media-content efforts, and he has many loyal lieutenants. "If Ross leaves, and some of his key people leave, then you've got a big problem," Mr. Weiner says. Mr. Levinsohn couldn't be reached Tuesday.

Mr. Weiner says that Ms. Mayer's appointment was unexpected given her lack of experience in content and media—areas he feels are crucial to Yahoo's growth.

But he believes she can succeed if she motivates her employees to work together. "A great CEO can bring together some great people and get them working together," he says.

Among tech elites, the appointment of one of their own led some to reassess Yahoo. Venture capitalist Fred Wilson, who declared that

Yahoo was "dead" to him in March, rescinded his judgment Tuesday, writing on his blog that "a new leaf has been turned."

At a Menlo Park, Calif., gym frequented by entrepreneurs and venture capitalists, Ms. Mayer's appointment dominated conversation Tuesday morning, says Daniel Finnigan, chief executive of Jobvite and a former Yahoo executive.

"Everyone was shocked and surprised and recognized that it's a bold move by Yahoo," Mr. Finnigan says. "She's really respected here in the Valley."

Current Yahoo staff say they are impressed by Ms. Mayer's star power but are taking a wait-and-see approach, both about her leadership and her pregnancy. Some say they expect to see more churn among senior management.

One software engineer based at Yahoo headquarters says he isn't worried about the new CEO's impending motherhood.

"Having a baby, going away for a few weeks, those aren't problems," he says. Figuring out the company's "vision" and regaining its "competitive advantage" are bigger priorities among staffers, he says.

Dora Vell is the CEO of Vell Executive Search, a premier retained technology executive search firm in Boston. Ms. Vell is an internationally recognized expert in executive search for technology CEOs, COOs, CIOs, Vice Presidents and board members. She works with start-up organizations through Fortune 50 Firms. She can be reached at dora@vell.com.