

Scott Cook



Scott Cook is something of a legend for his co-founding and leadership of software company **Intuit**. Less well known is that Cook, at just 50, has become a key force on corporate boards in the past five years. He's done it through relentless but polite questioning and an insistence on talking to executives personally. He also lacks patience for long, canned presentations. "The stuff of leadership is not Powerpoint," Cook deadpans.

Procter & Gamble directors saw their first demonstration of Cook's qualities even before he joined their board in 2000. He took a thorough approach, carefully questioning several board members and the CEO.

"I've never known anyone who did due diligence quite like he did" before joining, says **John Pepper**, chairman of the executive committee and former CEO of P&G. "For me it was the first personal demonstration of the seriousness with which he approaches things. He wanted to understand how he could add value to our board. And he wouldn't accept a general answer. He talked to

me, [CEO] **A.G. Lafley**, and several board members."

Lynn Martin, a fellow P&G director, remembers it, too. "I'd say I spent a minimum of three-and-a-half hours talking with him," she recalls. "He knows 'information' isn't just a word about technology. He wants to have his information as complete as possible before making a decision."

Colleagues say Cook has brought fresh perspective on technology, hard-nosed discipline, and a dash of West Coast informality to his boards. He sits on three of them besides Intuit: P&G, **eBay** and **Amazon.com**.

Cook emphasizes financial discipline. During the heyday of the dot-com era, says eBay CFO **Rajiv Dutta**, "there were many things a company could have done to get a short-term increase in stock price." But Cook, a member of the audit committee, "was always the one reminding everyone that what we want is long-term value." Very few other people had this foresight, but today it's paying off, Dutta continues.

Part of Cook's strategy for this financial discipline involved not only numbers, but also keeping the company focused on its core business, Dutta adds. "We had tremendous opportunities in terms of things to do, but Scott said you have to focus on what you're good at."

Diligence in the boardroom means not just sitting back and watching management presentations. Cook asks questions and gets behind the presentations. Colleagues say he focuses on what's relevant and what's troublesome. And, he does it in a way that clarifies the positives as well as the negatives. Sometimes that helps management move a plan forward with greater confidence.

BORN

July 26, 1952; Los Angeles, Calif.

EDUCATION

B.A., University of Southern Calif.;
M.B.A., Harvard University

CAREER HISTORY

Founder of Intuit; currently chairman of the executive committee of the board; chairman of the board from 1983 to 1998

FAMILY

Wife, Signe; three children

HOME

Silicon Valley, Calif.

RECENT BOOK

As the Future Catches You: How Genomics and Other Forces are Changing Your Life, by Juan Enriquez

FAVORITE MUSIC

Latin American, many other kinds

MOST ADMIRED PEOPLE

"Within business, I'd pick three: Taichi Ono [a legendary Toyota engineer]; Michael Dell [founder of Dell]; and Herb Kelleher [chairman of Southwest Airlines]. All of them reinvented an industry... and became the world's best suppliers, coming from the humblest of roots."

HOBBIES

Bicycling, skiing, and wakeboarding (similar to water-skiing, but adherents ride sideways and jump a lot)

CURRENT BOARDS

Amazon.com, Inc., eBay, Inc., Intuit, Inc., The Procter & Gamble Company

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—Lynn Martin, former U.S. Secretary of Labor

“He’s able to ask the questions that let [management] be more open about what’s wrong, so they can get to what’s right,” Martin observes.

Martin recalls a P&G management presentation about a planned process change. She declines to detail what the plan was, but she remembers that it hit a snag. During a board discussion lasting several hours, Cook delved relentlessly into the problem. His questions eventually made the group realize the issue was surmountable. The plan “hit some rough waters,” she says. By his astute questioning, Scott made sure the board understood “the rough waters,” says Martin. “But also that the rough waters didn’t necessarily destroy the idea.”

Cook has little patience for management presentations that dwell on irrelevancies, Dutta says. “He’ll sit back and say, ‘I don’t need to hear this.’”

“Then he’ll want to zoom in on a couple of things that are invariably the most important issues” and spend time on them, Dutta says. “If you haven’t done your homework, you’ll end up very red-faced.”

His own strategy for learning about companies, Cook says, is to talk to senior managers in person, outside the boardroom. When he goes to Cincinnati for P&G board meetings, he asks not to be on the full roster of board committees. “Instead I talk to the executives,” says Cook. “I do

interviews on board day in the morning. I put agendas together based on where there are issues or needs, where I want to learn more. So we have extensive one-on-one time.”

That approach has paid off many times, Cook maintains. “On the Amazon.com board, I wanted to meet with executives in the early days. Before the first board meeting, I flew up a day early and talked to them. I caught a pattern: there was a lack of faith in the core technology leader.” Cook brought it up at the board meeting. By the end of the series of meetings, Amazon decided to hire two new employees in this area of the company.

Cook has gone far to bring his tech-industry experience into the “old-economy” boardroom. At P&G, he helped set up an innovation and technology committee, Pepper says. This panel is working to streamline company processes through technology outsourcing and partnerships. “He’s very strong on making sure we’re tapping into external sources of technology. We need to do much more of it,” Pepper says. Cook uses his widespread tech industry connections to aid P&G in selecting providers, Pepper adds.

Cook has also introduced a little Silicon Valley-style informality to the tradition-oriented P&G board. From the start, he showed up at meetings tieless, says fellow board member **Marina v.N. Whitman**. A few other directors have followed suit. (He also

takes credit for the salsa now served on the company airplane. Pre-Cook, it was just tacos.)

Much of what Cook brings to boards is drawn from his longtime experience at Intuit. He co-founded the personal finance software company after watching his wife painstakingly pay bills by hand in 1983. To market his products, he drew on marketing skills he had learned during four years as a P&G employee. He served as president and CEO of Intuit, and later chairman of the board; now he’s chairman of the executive committee and remains intimately involved in the company.

“He’s a very thoughtful, straightforward and imaginative guy. He’s a very successful part of the ‘new economy,’” says Whitman. “For P&G, which is getting into this world but doesn’t itself have a lot of background in it, Scott is enormously helpful.”

Scott Cook relaxing on the Intuit campus.

