

## **Game Changers with Maxine Horne transcription**

### **Janette Wright**

Good evening everyone. I'm Janette Wright, I'm the CEO and State Librarian, and I would like to welcome you here for tonight's Game Changers event. I'd like to begin by acknowledging the traditional owners of the land and pay my respects to their ancestors who came before them, and to elders still living today. The location of the State Library here on Kurilpa Point is a significant meeting, gathering and sharing place for Aboriginal people over many, many generations. And we are very proud to continue that tradition here today. I would especially like to acknowledge and welcome our speaker for tonight, Maxine Horne, founder and CEO of Vita Group, Professor Peter Little, Deputy Vice Chancellor from QUT, Ray Weekes, Chair of the CEO Institute who will be doing the interviewing, members of the Library Board of Queensland, the Queensland Library Foundation, the QUT Business School, and the Queensland Business Leaders Hall of Fame Governing Committee, and especially like to welcome our generous donors and partners, Crowe Howarth, Morgans, Channel 7, NAB and RACQ. Thank you all for joining us tonight as we launch the Game Changers talk series for another year.

This series is designed to bring innovative leaders from business, technology and creative industries to share their insights with you, and Game Changers is an initiative of the Queensland Business Leaders Hall of Fame. This was established in 2009 by the State Library, the Queensland Library Foundation, and the Business School at QUT. And the Hall of Fame is focused on celebrating, recording and retelling stories from Queensland's outstanding business leaders and their many contributions to the development of Queensland.

We invite you to join us for our signature event, the Queensland Business Leaders Hall of Fame induction dinner, which will be held at the Brisbane Convention and Exhibition Centre on the 30<sup>th</sup> of July. This black tie event is becoming more and more popular every year, and you are very welcome to join us as a new cohort of Queensland Business Leaders are honoured and inducted into the Queensland Business Leaders Hall of Fame. And for those of you who haven't been exposed to this before, you'll find on Level 4 of the State Library here in the John Oxley Library the Hall of Fame and there's a space there where you can scroll through all of the names and the stories that have been recorded about the inductees to date. So if you're looking for tickets to this dinner on the 30<sup>th</sup> of July, go to the Hall of Fame website which is [leaders.slq.qld.gov.au](http://leaders.slq.qld.gov.au), or if you can't remember that just go and look at the State Library's website.

Now Game Changers provides a rare platform for innovative leaders to share their insights, pathways to success, and some of the battles and triumphs they've experienced along the way. The stories will not only fill you with inspiration and lessons to incorporate into your own professional endeavours, but help shape Queensland's economic and commercial development, and the social fabric of Queensland. Tonight we're lucky enough to hear from the founder of CEO of Vita Group, Maxine Horne. I'd

like to welcome Ray Weekes to the stage to introduce Maxine and begin tonight's discussion.

[applause]

### **Ray Weekes**

Well ladies and gentlemen, good evening. And for those who live in the western suburbs of Brisbane, did any of you have to come along Coronation Drive tonight? You saw what a disaster area that was? And I'm just, I was worried about the size of the audience tonight, based on the fact it took me an hour and a quarter to get here from Indooroopilly. So welcome to the first of our Game Changers series of events for 2015. It's an initiative, as Jeanette said, of the Queensland Business Leaders Hall of Fame, and this is where you get the opportunity to hear nationally and internationally recognised entrepreneurs and business leaders talk on how they build companies, reinvent themselves, inspire teams and envisage success.

So we have a very special line-up of successful Game Changers this year, starting the year with Maxine Horne, founder and CEO of Vita Group, one of Australia's most successful business women. Now starting with just \$1,500 Maxine set up a single telecommunications store on the Gold Coast in 1995, and since then has driven the development of Australia's largest technology business. It's a successful ASX listed company with more than 1,500 employees, and an annual revenue of over \$450 million. So this is a remarkable growth story that we'll go through tonight, and please, we'll be looking for you to ask questions at the end of the interview.

Maxine has been presented with numerous awards for customer service excellence and leadership. Last year she was awarded the EY, Entrepreneur of the Year Award for the Northern Region. So it's interesting that when describing the early days in her leadership journey Maxine said that, "My biggest break was my naivety." Now Steve Martin, the great stand-up comedian once said that, "The only element necessary to all early creativity is naivety." So it will be interesting to explore that. But Maxine had an attitude that there's always a way, and you'll understand that ferocious resolve that Maxine Horne has demonstrated in the last 20 years, there's always a way, and that's the statement of a true entrepreneur. And Maxine Horne is a true Game Changer. She has a deep passion for innovation, customer solutions, and entrepreneurialism. She has set her own agenda for success.

Now this Game Changer series, as Jeanette has said to you, brings leaders in innovation, our successful entrepreneurs to this place to share with us their insights, their stories, their learnings along the way.

So would you please welcome a Game Changer and one of Australia's most successful and effective business leaders, Maxine Horne.

[applause]

**Maxine Horne**

Thank you, [0:07:08.1]. [laughs] My head was swelling out the back there, you know...

**Ray Weekes**

Well, I was going to get some music for you, [0:07:18.2]...

**Maxine Horne**

I will apologise beforehand; I've got a bit of a cold, so if I cough and splutter please forgive me.

**Ray Weekes**

So you're able to sound, everything okay for the back?

Actually, let me start off by, 1995 as I was just mentioning, you opened up the first Fone Zone with only \$1,500, which was among the very first mobile phone retailers in Australia, and few people expected that you would succeed. So tell us about those early days and tell us what did you know about yourself that gave you the confidence to get underway?

**Maxine Horne**

Okay [laughs]. Well, I think first of all there were a couple of things that drove the discussion to start my own business, and one was that I'd just arrived from the UK to Australia, and I used to work in the telecommunications in the UK. So I kind of knew what was happening and I could see what was going to happen in Australia. And looking around the Australian marketplace there wasn't anybody that had sort of identified the move into, from the mobile phone being a yuppie tool, do guys remember the term "yuppie"? Yeah. I said that the other day in work and somebody looked at me as if I was like 90 years old...

[laughter]

...and being a real business tool to being a consumerised product.

The other thing is that I was actually in a role where my leader was really poor, was a really, really bad leader, and even in the workplace today I always talk about people don't leave the company, they leave their manager, they leave their leader. And in my, in the Vita Group I often stand up at our conferences and I say things like, "If your team member leaves you you should take it very, very personal, because it is." And people don't like hearing that, but it is because nine times out of 10 people will leave because of the environment that their leader has created for them. Anyway, I've gone off track. [laughs] I did warn you.

**Ray Weekes**

So we're going to come back [0:09:24.9], that's alright, that's alright. We'll come back to leadership. That's alright.

**Maxine Horne**

So what did I have? I just had this, I guess this, I had this drive to want, I'd been very fortunate to be employed to have a great leader, and she saw in me something that nobody else did, and in fact when she came into Mercury Communications in the UK her predecessor handed over a list of people, and I had a cross by my name, and she decided, luckily she decided to make up her own mind about me. And she literally took me and mentored me, and drove me to be the person I was. And for me to be able to identify, for me to be able to see what I was capable of, and essentially I came to Australia, I'd taken the risk from, I'd sold everything that I had in the UK, I'd arrived in Australia, and for me starting my own business really wasn't a risk, and it was the opportunity for me to demonstrate that I could create this business that was based around people and looking after your team members who in turn looked after their customers. And that was my real driving force. I'm not sure I saw anything in me; I just, that's what I wanted to prove.

**Ray Weekes**

And it's interesting, the number of leaders who sort of like yourself, that someone saw something in them that they didn't see in themselves, and it was from that understanding that they moved through.

**Maxine Horne**

Yeah.

**Ray Weekes**

So you, one of the key market trends you saw was mobile phones coming out of business and being consumerised; that was the big bearing on your business success, wasn't it?

**Maxine Horne**

Yeah, it was the big play. We were the first to move into shopping centres, so again, as a result of us going back to the UK and seeing, to a friend's wedding, we'd noticed that the UK market there, all of a sudden there were mobile phone shops on every high street. And in Australia at the time, you know, high streets were shopping centres, and we started to look around shopping centres and fortunate for us they, a toy store in Pacific Fair went under and I look at the old photos of that store and it was actually an old, it was a castle and you can see the turrets and we had the brainwave of painting it the Telstra colours. I'm sure the brand police in Telstra would have had a fit because it was the royal blue and the orange in those days. So a number of things happened that fell quite sweetly for us to start the business. The landlords were saying to us, you know, "Why do you want to open a store in a shopping centre? People don't buy phones from shopping centres." And our response was, "Well, that's because they can't."

**Ray Weekes**

So you expanded from one Fone Zone store to be Australia's largest independent technology business, and that's, and then Vita Group's been listed in BRW's Fast 100. So it's a remarkable growth story.

**Maxine Horne**

Yes, well it has been 20 years [laughs]. It's not been an overnight success.

**Ray Weekes**

But if you look back on your journey as an entrepreneur and a business leader, just what are some of the big learnings along the way for you?

**Maxine Horne**

I think the biggest learning for me is that I, and it took me a long time to learn this, is that I couldn't do everything. You know, probably for the first three years I was doing everything from payroll to sourcing product, to accounts payable to serving customers; I was doing it all, and driving teams and things like that. And then you get to the point, because you get to the, you think, and it's quite true, nobody does care about your business as much as what you do. But very, I got to a point where I thought, "I can't do this anymore," and it really was a turning point in my realisation that if we continue on with this business we have to change the way that we, if, there is a great opportunity to really grow this into something big, and if that's what we want to do then we have to create an infrastructure that allows us to do that. And the biggest thing that I've learnt is surround yourselves with capable and skilled people who have the same value set or similar value set to you, because that's important as well.

**Ray Weekes**

So the people you look to employ in the Vita Group, what values, what behaviours do they have to demonstrate?

**Maxine Horne**

So you're going to get, we have eight values in the business, and we are a very values-driven business. So everything that we do, so even our performance planning is around annual performance planning with our people. We measure the what, but we also measure the how. So for example, in the Vita Group you could be the top salesperson in the country but you could have done it by misleading customers and stealing sales, and we'll be having a conversation with you about exiting the business, irrespective of how much you've generated. So we have a set of eight values; they range from our people and customers are everything to us, to every discussion is made for the whole team and mine, to dare to be different as creativity drives innovation, to love what you do. There's a number of, and really, it's around understanding that our people really buy into those values because they are the one thing that does not change; they're our guiding principles of how we run the business. And a number of times I've had people come into the office and say to me, "This is happening," and I'll give you an example, years ago we had a salesperson that was generating \$20,000, \$30,000 GP a month and he took \$20 from the till. And the area manager wanted to keep him in the business, and I kept going back to him, "You know, go to the core values," and one of them is "always do the right thing." And I said, "So, if you want to keep them in the business you need to go and rewrite those values," I said, "So go away and think about it." And you know, a half hour later he comes back and he says, "Okay, he needs to go." And so that's kind of what we do; we use the values as a way of making people take ownership of their decisions, and it's a guiding principle for them. And it's really important, and they drive a culture as well.

You know, one of the values is, “have fun; love what you do,” and it’s all around, you know, we’re all equal, we just have a different role to play and what’s important is that we all perform the role to the very best of our ability. So we don’t have any hierarchal things in the, you know, people don’t get reserved car parks; if someone wants to turn up at 6:00am in the morning they can park where they damned well like. And so that’s our culture and it doesn’t fit everybody. And I very clearly say to people, “You either love or you hate working for this business.” And I make no excuses for that because this is who we are.

**Ray Weekes**

So when you recruit people it’s very much values-based?

**Maxine Horne**

Absolutely, yeah.

**Ray Weekes**

I get that, but also those people, as you said, will kill you in the end if they don’t express the values, they don’t demonstrate the values [0:16:47.4]...

**Maxine Horne**

Yeah, and what happens is it spurs, the terminology “birds of a feather flock together”; I don’t have to be the person that says, “You’re doing the wrong thing.” You’ve got a group of people around, your peers will pull you up on it and your peers will make it uncomfortable, and eventually you self-select out of the business. And we’ve done such a great job in driving that, it’s very interesting to watch at conferences and things like that. I was talking to some guys earlier on about the behaviour with our leaders at conference where we hold them responsible for the behaviour of their team, and you see, you know, you can see someone that’s on the dance floor that’s had a little bit too much alcohol to drink and within, the leader swoops in, takes the alcohol off them, sends them to bed [laughs], and I’m sitting there thinking, “Oh, my job is done.” And it’s that whole ownership thing that we’re drive in the business.

**Ray Weekes**

That’s right. Now let’s just go back to the, you bought the Next Byte business...

**Maxine Horne**

Yes.

**Ray Weekes**

...which was part of the Apple channel, and then Apple entered the market with its own stores.

**Maxine Horne**

Yes.

**Ray Weekes**

So I mean, what did you learn from that experience? Was there a level of due diligence that could have been better exercised here?

**Maxine Horne**

At the time when we acquired the Next Byte business we'd floated in 2005 and we acquired the Next Byte business in 2007. And we had a strategy to provide a little bit of diversity of income because at that time all of our revenue was coming from Telstra. And so the strategic reasons that we purchased Next Byte were actually quite relevant, so they were a consultative selling mechanism, just like the Vita Group. So we view the core devices, the conduit to value-add. At the time we knew that there was convergence happening in the industry so telecommunications and technology was coming together, and all off the back of mobility. Apple premium resellers were the only way that you could get into the iconic brand of Apple at the time, and Next Byte was the largest in Australia. So all of those tick the boxes; what we should have done is take that strategy a little bit further and think, "Well, all of these things, if it's being driven off mobility, are all of these great things that we're investing in this brand for going to be available through the telco carriers?" And in hindsight the answer to that was "yes".

So the lesson that I learnt is to take your strategic thinking, once you get a "yes" and it looks right, and it's kind of, you know, if it seems too good to be true then question it again and again and again. And I'm not sure we questioned it enough. I think we ticked the boxes we needed to tick and then we thought, "Okay, let's all go." And so I think the due diligence, the financial due diligence was there but it was more around the global macro impacts, you know, if we'd have really investigated more what Apple were doing overseas we would have said, "Okay, eventually they're going to come here." We would have seen that.

And also, to other thing that I've really learnt with, particularly with the Next Byte business, and it is all around culture, you know, every business has its culture, is that to do due diligence culturally and operationally because a lot of people, financially it stacks up, but when you bring it into the business and you have to address all those operational and cultural issues it can absolutely destroy an acquisition.

**Ray Weekes**

So you're in a dynamic business with dramatic changes in technology. I mean how do you stay ahead of the game?

**Maxine Horne**

Look, I'm fortunate enough that I'm surrounded by about 1,700 young techno boffs that spend their life on phones, they love the product, and we've also, we've created an environment that encourages people to be innovative, and to have their say. You know, we're constantly asking for feedback, how do we do things, and we'll often get suggestions on why, and in fact I had an email three days ago from one of our enterprise sales guys saying, "We need to get into this space," and now we've got our product people going and having conversations with them. So there's that that happens anyway, but we do a lot of strategic work every year and we bring consultants in to the business to

look globally, regionally and domestically; what are the trends, what are the growth segments, what are the growth products coming down, what are our barriers to entry, and do we want to play there? What are the margins? Are the margins so, that's another lesson that I learnt from Apple is skinny margins, and you have to be brave enough to walk away from something that's very volume driven if the margin's not there. So what are the margins, and is it worth playing? And once we tick all of those then away we go and we start investigating at a deeper level. But we spend, I would say, a good half, my time really is a third working on my people in the business, a third on my relationships with Telstra, and a third on the market.

**Ray Weekes**

We're going to come back to the growth strategy later. But if I could just ask you about your business is based on a customer service model.

**Maxine Horne**

Yeah.

**Ray Weekes**

It's not based on a price or a product game. Just explain that laser-like focus on customer solutions.

**Maxine Horne**

Sure. And I'm really pleased to say that from Day 1 I was quite adamant that we would be a customer solutions based business, and that's, you know, it's very flippant of me to say that now, but when we started the business we were in a prolifically growing industry and there was huge pressure from the carriers for market share and volume, and volume at any sake. And our competitors were giving away, were making connections and they were giving away Xboxes, PlayStations; hell, they'd give their grandmother away to get a connection. And here was I saying, "No, every connection has to be profitable, and we're not going to give accessories away. In fact, we're going to charge accessories." I used to get very, [laughs] and I hope there are no customers here, I used to get really extremely proud when we would sell a leather case for \$129. You know, I'd go, "Oh, that's fantastic." And Telstra would come to me and say, "We've done this research in the market, and do you know you're \$50 more expensive than anybody else on hand sets?" And I go, "Yeah, it's great, isn't it?" [laughs] But for me, so in order for me to be able to demand more for my product and my services, we went down the customer service road, and very early on what we did, we engaged our workforce, we said, "We want our customers to walk out of our stores thinking," and I do have a personal story but we don't have long enough to repeat that, which kind of initiated this conversation, "We want our customers to walk out thinking, 'Wow, that was great and I'm so glad I spent my money there. I know it was more expensive than down the road but it was worth it, and I'm going to recommend these people.'" And so we have, and it's called the CARE Programme, it stands for Customers Are Really Everything, and we have quite a scripted programme that says that if you come into one of our stores this is what you can expect. Now in the early days it was things like greet the customer and smile within 30 seconds, it was things like pre-charging, if you guys can remember when you bought a phone you

had to charge it, let the charge deplete then recharge it, deplete, and by the third day you could actually use your phone. So what we did, and we knew this was a bug-bear so we said, "The option with the Phone Zone was you can have one that's pre-packaged or we've done this for you; they're both exactly the same and the choice is yours." Nine out of 10 customers walked out of the store working. We used to load, in those days we used to set up your message bank. We used to say, "Give us your top 10 contacts and we'll programme them into your phone." So all of those things. Now over time that's involved to stay relevant to what's going on, so now we download apps that we think, you know, we question the customer, "Tell us a little bit about your lifestyle," and we say, "Well, this app does this, this does that. Would you like us to download it?" etc. But the concept of that care programme is still there, and for us it's about driving word of mouth and delivering great levels of customer service which now as gone full circle and if I look at retailers today, retailers that provide an experiential environment and a personalised service will survive; retailers that don't and provide product and price will not because hey, you can get product and price on the internet. And so I'm really glad that that's the path I chose, and I might share a story later as the, why have we got that.

### **Ray Weekes**

Right now.

### **Maxine Horne**

Oh okay, alright. [laughs] Well, for the ladies in the room, I used to use a certain mascara, and I walked into a department store which will remain nameless, but there was only two of them at the time, and I went up to the counter, I had, my son would have been about 18 months old and I went straight to the counter, I knew exactly what I wanted, and I said, and the lady that was serving was on the phone. And it was quite obvious it was a personal phone call. And you know when you're wanting to be served and you start coughing and you start tapping the counter just to try, "Hello, I'm here," and she looked at me and then I went, you know, she said, "Oh, hang on a minute," and she didn't disconnect the phone, she just put it down and came over to me and said, "Are you alright?" I said, "Yes, I'd like this Lancome [0:26:43.5]." And she said to me, "Oh, well it's out the back." I said, "Yeah, I still want it."

[laughter]

"So, you want me to get it?" "Yeah." So anyway, off she walked and she made such, it was like my 14 year old daughter having a hissy fit on me, you know. Off she went and I thought, "Oh," and as I was standing there I was getting more and more angry about how I was being treated and I was really mean, because I let her ring it up, and then I said, "Look, I've changed my mind. I'm actually not going to buy this, but I need you to know why. It's not because of your store fit-out, it's not where you're located, it's not the price, it's not the product, it's not your uniform, it's not the lighting, it's none of those things, it's not the music; it's actually because of you and the way that you have just treated me." And I made her refund the product and I always remember when we walked out, and my husband at the time, he said, "Does this mean we've got to keep shopping?"

[laughter]

And I said, “Yes, it does.” But I walked out thinking, and we would have had about 18 stores at the time, thinking, “I wonder if our people do that,” and that’s what, and were about a month away from a conference and we scrapped the agenda and we spent two days talking about how do we wow our customers.

**Ray Weekes**

Customer service [0:27:57.2].

**Maxine Horne**

First day was about there are no limits; list everything that we should do, and so of course you had Lamborghini rides, all of this kind of stuff; second day, okay, there’s a price limit and a scalable issue here, how do we scale this service. And that’s how we came out with the very, very first 20 components of our care programme.

**Ray Weekes**

Now what about disruption? Do you see any, all industry is going through a range of disruptive technology and stuff; where do you see a disruption?

**Maxine Horne**

I think we’re going through one at the moment, you know, obviously from a retail perspective, we went through, around about 2008, 2009 you had a lot of owners of brands coming into the retail footprint; previously they were happy to leave the distribution and the responsibility of customer service for third parties; now they’re not prepared to do that. And you see every brand owner really in the high street. I mean who would have thought that Nescafe would have a \$3 million lease on a store in the middle of Brisbane, Sydney, Melbourne selling little pods of coffee? And it’s all about the brand ownership and the customer experience. So that’s a big disruption for retailers. Obviously the internet is, and technology as a whole, you know, their service, software as a service, infrastructure as a service, they’re all disruptive to the way that we’ve historically done business. And the big challenge, I see it as an opportunity because particularly for my business because you’ve got this legacy infrastructure and you’ve got all of these opportunities that you keep hearing about in the Cloud, well, how do I continue to leverage this that I still need to keep paying for, and get the opportunities for the future. So there’s a lot, and it’s not just within business; it’s in education, it’s in health. You know, there are the big players where technology in particular will really start to disrupt those industries.

**Ray Weekes**

Let’s talk about Telstra for a moment. The master licensee agreement; now is that a cap? Is that some kind of, for your growth opportunities for the future, how do you see that licensing arrangement?

**Maxine Horne**

So currently we have a license for 100 Telstra retail stores, and we're at the 100. Where our growth opportunities come from, particularly in the retail environment, is around optimising that network, so what we have in, over the years as we've been rolling out of one, out of the Phone Zone brand and into the Telstra brand, we've discovered that if we have a cluster of stores they all perform much better than a store that's isolated, and it's kind of, you know, it's logical really, when you know that your line manager's coming to call on you every other day you're going to be much more disciplined than you are if you know your line manager's not coming for another month. So our productivity out of our clusters is much greater than an isolated store. So our intention is to have a national network of clusters around the country. We are in, you know, if I look at the total footprint of Telstra they have around about 360 in total; 80 are owned and operated by themselves, so corporate stores; we run 100; and the rest are owned and operated by individual licensees, so about 130, 140 other individual licensees that work in the business. And that's consolidating at the moment. So we're quite heavily involved in strategic discussions around the retail footprint, so there's plenty of, and if I look at the business our next two years [0:31:37.0] growth is really still coming out of retail, where our real growth opportunities are in the business space, both in small business and in enterprise and government. So small business, we've been working quite heavily on scaling our business centres. Currently we have 17 of those, and those 17 represent eight geo zones, which is really a territory that you own and operate in. So every business customer in there is your customer. And we're going through the process of overlaying that network to our retail network, so we can leverage, I guess the hard yards we've already taken. And then our corporate and enterprise channel is really Eastern Seaboard based, primarily because that's where all the business in Australia is. And the growth, if I look at kind of the scalloped effect that we have on the business, the next two years is out of retail, the next 18 months to three is that small business space which is highly fragmented at the moment and there's a real opportunity for a scaled player to enter with a great brand, and that local brand presence, particularly off the back of NBN. And then the enterprise, because it's a longer sale cycle, starts to come in in two years' time, so we've got that kind of scalloped effect from the positive contribution at a [0:32:57.7] level. So "no" is the answer; it's not limited.

[laughter]

That was a very long-winded way of saying.

### **Ray Weekes**

Actually, let's talk about your appetite for risk, your risk-taking. In "*The Gift of Doubt*" Malcolm Gladwell says that, "The entrepreneur takes risks but doesn't see himself as a risk-taker because he operates under the useful delusion that what he's attempting is not risky." So you once said, and I refer to this from the earlier [0:33:24.8], you once said the biggest break for you was probably your naivety, I mean, yet you had this optimism that there's always a way. And how do you see that now?

### **Maxine Horne**

Oh look, I think deep down I'm still a very optimistic person, you know, and I do always say that, and I'll say to my guys, "Oh, this is impos-," I say, "Nothing's impossible. There's always a way. You just need to find it." So that's kind of the ethos that we have. Look, as you get older you get less risk, you get more risk averse, and as you get more that you've got more to risk. So you know, when I was 24 and had just sold, I mean this is probably indicative of my riskometer [sic] I call it; I have a CFO who's here, by the way, so that's really good for me. Not here, here, on my riskometer he's here and I'm here, so we balance each other very well.

[laughter]

But you know, when I lived in the UK I lived in London, I had two houses in London, a house in Birmingham, sold up everything, and I mean even furniture, cashed up, travelled and arrived in Australia with having spent quite a bit of money. So that was kind of my risk profile at that time. I didn't have kids, so it is all, you know, where you are is very different. Having said that, I'm still, I'm more than happy to take a risk, except I'd like to say it's much more calculated, and what I have done is I have surrounded myself with leaders, particularly my senior leadership team that (a) are very, they're very supportive of the opportunities that we see, but they're very thorough in the analysis that we undertake to make sure that actually we're not really taking a risk here; it's a bit of a no-brainer. And that would be my advice to anybody; understand where your profile sits and complement it with others that obviously are the opposite.

### **Ray Weekes**

Eric Schmidt of Google once said that if you hire the right people and have big enough dreams you usually get there. Do you agree with that?

### **Maxine Horne**

Oh, [laughs] I think the right people and the right value set; I think what I've learnt over the years, and I have, you know, if I take the role of a CFO, and in fact one of our investors always keeps telling me, "You know, you took a while getting your CFO," and a lot of it was around value set. You know, there were extremely confident, competent people, but they just didn't fit the culture of the organisation, and I'll give you an example of this: A gentleman started with us and we have a really open door policy, a casual, you know, a store down in Dandenong can call me and tell me what we're doing wrong. And I will listen and I will say, "Oh, and that's interesting." And nine times out of 10 it's because we haven't communicated properly and he doesn't understand what we're trying, or she doesn't understand what we're trying to do. So that's why it's open, and I remember sitting there and I was at my, the CFO had started, he'd been in the business for about a week, had already asked me about his reserved car parking spot [laughs] and I thought, "Mm, maybe this isn't going to work," and then as I'm sitting up and I look up and there's a queue of people outside my room, office at the time, and I went, "What?" and they said, "Oh, we need to show you this email." And I said, "Okay," and an email had gone out saying that no one was to approach me without going through him, and I thought, "Okay." [laughs] So I said, "No, that's not our culture." So that's what I mean about the value set. But once you've got people that fit that have got the

talent, the capability, they fit the value set of the business, then it's around communicating. Yes, it's no good you having the dream and no one else knowing what the dream is, so you have to communicate that dream, that vision, they have to buy into it, they have to believe in it, they have to see what their purpose is in that, and how their skillset, their mastery helps you achieve that. And then you've got to stand back and let them do the job. There's nothing worse than having your boss over you telling you, "Why aren't you doing this? Haven't you done that? When is it...?" You've got to give people autonomy to perform.

**Ray Weekes**

So show the trust and confidence in their capacity to deliver?

**Maxine Horne**

Yeah.

**Ray Weekes**

Surround yourself with the best people, make your expectations clear and then just let them get on with it.

**Maxine Horne**

Yeah, and that's really hard to learn how to do that, and it took me a long, long time. I only think probably within the last five years I've nailed it, and now I'm really good at delegation.

**Ray Weekes**

There's a few members of the audience who would love to hear, from Day 1 your funding strategy, the funding strategy for the group. Don't, as short as possible on this one because its [0:38:10.0] I want to get to. But it's important to understand that you move \$1,500, and how did you fund the company from there?

**Maxine Horne**

Okay, so the first important thing to recognise is in those early days, as a mobile phone retailer you got a portion of the customer's bill, so you got a one-off fee to connect and then a portion of the bill. And that accumulated each and every month, and it just kind of continued to grow, and it became this big annuity stream within the business. The second thing in those early days, and this was absolutely through naivety, because I didn't understand what a dividend was [laughs], is every single cent that was earned in the business went back into the business, and we basically paid for our own growth. And it really wasn't until, that we employed a Financial Controller, after about four, five years, that we really started to, you know, I used to do the books [laughs] and I used to run the business really like I would run my own personal bank account; if I didn't have the cash I wouldn't buy it. But again, in hindsight that's where a lot of small businesses go wrong, is they think they've made it way too soon and they start buying the flash cars and the flash offices. You know, our offices, I bought, and in fact we're relocating our office at the moment and we're all talking about furniture, and I said, "Just go to the auctions,

that's how I did it back in, you know, and I bought all these tables for 10 bucks. In fact, I think we've still got them."

[laughter]

So it was run very frugally. But I will say in all seriousness, you know, your funding strategy has to match your business strategy, and over the 20 years we've used various different funding strategies and when we decided to move out of one brand, the Fone Zone brand in to the Telstra brand, that required a capital investment of over 50 million, so of course we used our market, you know, went to the market and got debt. And I think that the thing that you have to, with your funding plans is also meet the needs to balance both the need to invest in the business, to grow earnings and to continue to grow the business, but also the need to meet, to give our shareholders rewards. And so that's a balance, and so in 2009 we got market, and we entered the market, got debt and basically expanded the business, and to generate more earnings for the business. As earnings started to come through we had the choice of either reinstating the dividend policy or paying off debt, accelerating debt repayments and reducing risk, which is what we did. As earnings grew even further, because of that activity, we then started to reward our long-term, so our long-suffering shareholders, as my chairman kept talking to me about, so we decided to reward them. And even today, because of the growth opportunities that we see in the small business environment and the enterprise environment, we still don't pay all of our profits out to our shareholders; we still have that mix. A couple of years ago we did reinstate the dividend reinvestment plan, so that's a low-cost form of fund raising for us, and also the other side is is that our shareholders get to have the benefit of the franking credit as well, so that, you know...

**Ray Weekes**

So what's your dividend payout ratio now?

**Maxine Horne**

Sixty-five percent.

**Ray Weekes**

Sixty-five percent, okay. Now look, if I ask some members of your team, "Tell me about Maxine," what do you think they'd say?

**Maxine Horne**

[laughs] Well, there's one here. Okay, I think that they I'm extremely passionate, very people-focused, I'm very caring and if you do the right thing by the business, and when I talk about business I mean the whole group of people. I take the responsibility of employing 1,500 people very, very seriously, and I get extremely annoyed when I see people taking the Micky. And it's not, it's not me; I'm big enough and brave enough to handle all that. For me it's an insult to all the other people that turn up at 6:00 in the morning, that work their butts off and leave at 10:00 at night, that type of activity, because they're the people that are committed and you're just here for the ride. So that

irritates me. And I am very blunt and I call spade a spade, and I have been known to offend some people, sort of.

**Ray Weekes**

I can believe that, I...

[laughter]

**Maxine Horne**

And I'm tenacious.

**Ray Weekes**

Of course, fierce resolve, no question, yeah.

**Maxine Horne**

Yeah, I'm very, I pick my fights when I need to, so I'll let things go to the keeper if they're not important, but I'll pick the three things that I will be uncompromising about and I will not move on them because I am the type of person that if you tell me, "You can't do that," I'll think, "Hmm, I'll show you," and I will do it. So, and look, in the early days I used to, everything I'd be uncompromising about, whereas now I've learnt over the years that, "Okay this has got, you know, it's not a big deal. Let it go. Let someone else handle it, but these are the big ones that I can't let go."

**Ray Weekes**

Now you're here as a Game Changer. Do you see yourself as a Game Changer?

**Maxine Horne**

[laughs] No, not really, no. I think I'm a challenger, and I have been ever, you know, I was that horrible little kid in the class that was bright enough to finish everything in 10 minutes and then disrupt the rest of the class. And through challenging the teacher, you know, when they'd say, "Well, just sit down." "Well, why? I've done it all." You know, that would be my mentality. And I challenge everything, and even today we had a meeting today and I go, "Why do we do it that way?" So I think my mentality and challenging drives the, it drives the result of being a Game Changer. Does that make sense?

**Ray Weekes**

It makes sense, yeah, it makes a lot of sense. One question I do want to cover too is that we're seeing huge inequalities between men and women in CEO executive roles in the workplace; can you talk about maybe some of the challenges you've faced as a mother of two children, how you achieve the right balance, if you do?

**Maxine Horne**

Well I was just, I'm not sure my daughter would agree that I have achieved the right balance being here tonight, but anyway [laughs], but she's very picky; she's like me. Look, I think balance in the work/life, particularly off the back of smartphones and

tablets and the accessibility at home is a challenge for mothers and fathers, for male and female, full stop. I think what we have to do, and I think one of the, because we talk a lot about how do we get our females back into the workforce? And for us it's about taking the technology that we have that kind of intrudes in our life, but using it to keep, because I think one of the main reasons people don't come back into the workforce, particularly our business, is that it moves so quickly that 18 months out of our business is like being out of the business for 10 years. So how do we keep our people engaged and informed about what's going on? And so we have this great tool that actually intrudes in your life, but we can actually keep you involved in the business as well. So we're looking at some of those things. This is for other people. From my perspective I think I've been exceptionally lucky in that it was my own business, so I got to make the call on what I wanted to do, and I literally took the kids in to work. My son was born very soon after we started the business, and I'd have this office and I had to set up a crèche, and I remember having one, these sort of wind-up swings and he'd be in the office and I'd be there negotiating with the likes of Nokia, in those days Nokia were big [laughs]. Who has a Nokia phone now?

[laughter]

No, yeah. That's sad. And you know, negotiating the supply of the product and the price, and absolutely screwing these people down, and then as they're leaving in their suits heading back to Sydney and Melbourne, "Oh, could you just wind the swing up for me?" And they look, they're looking at me thinking, "Who the hell is this woman?" So I got to do that, whereas people that aren't necessarily in those roles can't do that. So I think you know, both as female and male leaders it's our responsibility to acknowledge that family is important because, and I've learnt again over the years that you know, if someone's away the business isn't going to collapse tomorrow. But your son or your daughter will remember that you weren't there for that athletics carnival. So I think those things, you have to, and I think, I read an article today that leaders that have high EQ will be way more successful than people that have a high IQ, and that is all around EQ, and it's having empathy and it's putting yourself in other's positions and thinking you know, in the whole scheme of things is a couple of hours really a big deal? And so at Vita, you know, in the school holidays we've got about another 20-odd people running around delivering memos and, or paperwork and decks and all this kind of stuff, where we encourage people to bring their kids into the office.

**Ray Weekes**

That's good. Now look, you're, next Thursday night, CEO sleep-out.

**Maxine Horne**

No, this Thursday, two days' time.

**Ray Weekes**

This Thursday night, so CEO sleep-out, so you're away from your daughter again and so...

**Maxine Horne**

Yes, I know. [laughs] Don't, you're sounding like her.

**Ray Weekes**

[laughs] So what about, just tell us about your community involvement. What really matters to you, and why do you get involved?

**Maxine Horne**

Yeah, well I think, well first of all I'm a real believer that the family unit and our communities are, it's everyone's responsibility to ensure that they're as healthy as they possibly can be, and I'm also really conscious that I'm in a really, really fortunate position, and I understand that. And I think it's time to give back, and it doesn't matter whether it's \$10 or three days of your time, or whatever, but I really think that as a society we need to take more responsibility of the people that just aren't as fortunate as what we are. And you know, and I walk around, and I don't know, it's just a personal thing of mine.

**Ray Weekes**

That's good. We're going to get some questions from you, just very shortly, and I just want to ask, and I just, is there any parting advice for would-be entrepreneurs in this field? And there's a number of entrepreneurs in this audience.

**Maxine Horne**

Yeah, I think first of all you have to have this innate self-belief because there are a lot of people out there that will tell you you can't do it, there's a lot of, the world is full of nay-sayers, you know, wherever you look it's full of nay-sayers and negative people, and I get a little bit, when I hear, I have a 20 year old son and a 16 year old daughter, and their first response is always to go to the negative. And I don't kind of, like where did that come from? I don't get that. So you've got to have this innate self-belief, you've got to continue to listen to this guy on this shoulder that's telling you, "Yes, you can do it, yes, you can do it." Be prepared for it to be tough, because by God, it is tough. It is tough, but you just, you know, there's a saying from Winston Churchill, "If you're in hell just keep going," and you absolutely have to. You just have to keep plugging away. But the biggest thing that I'd say is recognise at the point where it is absolutely, I use the term that I started a small business for a better life, and then it just consumed my life. And you have to acknowledge that point where it's consuming your life, and that's the point where you need help. And in fact, it's probably a good year before that, and surround yourself, don't be afraid to engage and surround yourselves with people that have the skills that you don't, because it doesn't matter how entrepreneur you are [sic] and how good you are, you will have faults and you will have areas where you just will not be able to do the job well, and you've got to have people that can do that, and people that you can trust.

**Ray Weekes**

That's great advice. Questions? Who'd like to open up the questions? Looking ahead, just while, is there a question coming? Right, thank you. It's just difficult to see, sorry.

**Speaker**

Hello, my name's Sally. The question I had for you Maxine was, how do you encourage or lead people to call people on their behaviour? So you mentioned earlier on how you encouraged your team to, as I say, encourage I guess, to call people on their unappealing behaviour; how do you make that happen in the workplace?

**Maxine Horne**

Okay, so we have two, we use the word "honesty" a lot on our business, and when we talk about honesty it's not about don't steal stuff, it's really about have the courage to have the conversation with people, because people don't come to work, people don't wake up in the morning and think, "I'm going to do a shit job today." They just don't do that, right. What happens is they come into your environment, the environment you've set up, you've either got poor leaders or you've got poor systems, or your processes are poor. Something's not working. So part of that is to have the honest discussion, both from an individual perspective, but from a leader perspective too. And we also use the terminology, "You condone what you walk past." So if somebody's doing something that you don't want them to do, call them up on it and call them up there and then. If somebody's on the store floor and they've just done something with a customer, finish with the customer, don't bring them up in front of the customer, but when the customer's gone, "Oh, can I just call you aside?" And so we have a coaching platform that allows our people to do that; we also have what we call "me time" that really every day someone, we allocate half an hour for every individual in the business to have this coaching conversation. So we provide allocated time spots for you to have those conversations, but we also make sure that if you're a good leader you'll address it there and then. And so we often have those discussions around, "You've got to start to have those honest discussions," and in our performance planning I talked about we've got the "what" which is all of the, you know, the KPIs, the [0:53:28.8], the percentage achievements, all of those type of things, but we also have the "how", and the how are our values, and what we've done is that we've scripted what those values actually mean in behaviour. And so when we do someone's annual performance or six monthly performance, we talk about the behaviours and, "This is how we saw you behaving as a sales consultant, as a sales leader, as a business manager." So those are some of the things. But you also, you know, I use the term "managerial courage"; it takes a, someone to have that conversation face-to-face and tell somebody, "You're not doing what we need you to do," you've got to have a bit of courage and you've got to also train people how to do it in a way that you're not destroying their confidence and their ability to want to stay in the business.

**Ray Weekes**

So Maxine, if you weren't the founder would you be the CEO?

**Maxine Horne**

No, well oh, [laughs] I don't think so, no, because I haven't come a traditional path. So look, I'm not tertiary educated, I left school at 16 and a lot of that was my personality where the teachers were telling me I should do this and I should do that, and I'm out of here. Like I was quite a troublesome child, really.

[laughter]

But what I have done is I'm a very, very quick learner and I've learnt a lot along the way. And I have this appetite to, I love learning and I love getting on new skills, and I love being better at anything, whether it's running, playing the piano, surfing, whatever; I love to do, so I'm very good at that type of, that aptitude to want to learn. I think though that the fact that I've gone, and today's CEOs are no lo-, the days of being a figurehead of a corporation are gone; you have to, as a CEO, you're expected to know the detail, you're expected to be able to understand and talk to your investors as to why this is happening here. But at the same time, so you have to be able to dig into the detail, but you also have to have the discipline to know when to step back out and then let your team carry on. And I think the way that I've gone about going from co-founder to being CEO of a publicly listed company has actually helped me perform that role today, because it is quite a skill, and it's also quite a skill to go from starting a business and being a small business owner to running a publicly listed company. They're very, very different organisations. And I'm quite proud of the way I've transitioned across that.

**Ray Weekes**

There's [0:56:14.3] a great story. You're writing a book.

**Maxine Horne**

I am.

**Ray Weekes**

So what's that about?

**Maxine Horne**

It's about the business, it's about the 20 years of the business, and it's really, for me it's about the lessons that I've learnt over the 20 years, and mainly from mistakes that I've made. [laughs] So it's quite a, it's actually been quite a therapeutic process for me.

**Ray Weekes**

It's about to be published?

**Maxine Horne**

It is, but likely at the end of the year.

**Ray Weekes**

Question, yeah. Thanks. Is there a microphone for, are you right? Can we get a microphone here? Thanks very much. Thanks for that. Is there another question up, I think right there, far, we'll take you next. Thanks.

**Speaker**

Hi Maxine. We saw this week in the news that Rupert Murdoch at 85 years old is finally deciding to give up the reins at NewsCorp and it made me wonder whether you're...?

**Maxine Horne**

[laughs] No, I'm not going to 85.

**Speaker**

...going to be there when you're 85, or otherwise how will you know when, you know, when it's time?

**Maxine Horne**

Yeah, I actually get asked this question a lot, funnily enough. Obviously they all think I'm past my use-by date.

[laughter]

I have, look, the last five years I really have worked on succession planning, because one of the things I really want to do is to make sure that I leave this business in a really healthy sustainable state, and that it's not, you know, one of the things that I used to get was, "Oh well, the business is all reliant around you." And the reality is it's not; in fact, it performs better when I go away, so what does that tell you?

[laughter]

Which I keep telling everybody that's the sign of a great leader.

[laughter]

So today I have two very clear successors on my snr leadership team, and we've just brought another gentleman in which I think in about two years maybe, you know, I'm putting his hand up there too. So for me that shows that we've done a great job, and then the next level are direct reports we're working on now. Having said that, and I've been very clear with my team, is that I don't have any plan on leaving within the next three to five years, and the reason is I absolutely love what I do. If I didn't love, I get up every morning at 4:30 to hit the gym at 5:00 so I get back, I do the, my daughter's 16 and I still make her lunch, for God's sake. She is so manipulative.

[laughter]

And then I hit the office at 8:30. But I love it, I absolutely love it, and we've got these great challenges in the small business space and the enterprise space, and we're actually looking at beyond some other areas where we take our core competencies into areas outside of telco and technology. So the minute I don't like it is the minute I'll stop, and I've got the business in a position where I could do that today if I wanted.

**Ray Weekes**

Do you want to talk about those spaces that you're taking?

**Maxine Horne**

No. [laughs] You sound like an investor.

**Ray Weekes**

Okay. What a surprise, what a surprise. Could I, the gentleman here? Thank you very much.

**Speaker**

Thanks Sally. That was a great speech. Now listen, I'd be interested to know, how do you best convey to your management, employees and staff of why their job is important to them?

**Maxine Horne**

Why it's important to them or to us?

**Speaker**

Yeah, to, well, why is it important?

**Maxine Horne**

Yeah, so look, a number of things; I'm a real believer that people don't work just for money. Money's, for me money's a hygiene factor and it only becomes an issue when it's not enough. And you can say, "Oh," and there are some people that are very money-driven, but even they don't just work for money. So I talk about purpose, I talk about mastery, and I talk about autonomy. For me the whole point of working is to get better at something, so you can take the skills, in fact as an organisation we also use the, you know, I talk to people, because people do go and people think, "Oh, she's upset. You know, I'm leaving the business," but I say to them, "Have you left with more skills than what you came with?" And if the answer's "yes" then I'm happy. If it's "no" I go and have a conversation with my leaders and go, "What the hell is going on here?" So I think for them I think it's important, you don't just work for money, you work to better yourself, you work to garnish skills, and you take skills from the workplace and put them into home. I mean you talk about how you deal with your team, and then you can translate that into how you deal with your teenage kids, so because half your team are probably the same age as your teenage kids, so there's a lot of skillset that you can take from work and transpose it into your personal life. How we make it import-, that they understand that it's important to us as well, we spend a lot of time communicating, so a lot of our communications, and it's all around our strategy, how we're going to achieve that strategy and what their role is, and what they're going to get from that. So again, that skill set, it's reward, it's recognition, it's trips abroad. You know, we're a very performance-driven organisation, but we reward and recognise very heavily too. So there are a number of things there, I guess, but I don't know that I fully say, "This is why you should work." I say, "This is why you should work here [laughs]. Does that make sense or...?"

**Ray Weekes**

Thanks Maxine, that's good. Thank you.

**Speaker**

Thank you very much.

**Ray Weekes**

There's a question up the back.

**Speaker**

Hi Maxine, it's Michael here. I was just wondering, I know you've managed to talk about this great set of values that you've managed to bring into the company, and how your employees manage to contribute to that. And I know that there's a lot of top-down kind of management that you've spoken about and how you have shaped the business. And I just wondered if there's ever been instances where you've had to swallow a bit of your pride and learn to have, almost be managed up by people below you, and how the business has shaped you, not just how you've shaped the business.

**Maxine Horne**

Oh, constantly. [laughs] Yeah. And I think I referred to, you know, in the earlier days I think I was quite autocratic; I think it was my way or the highway, and I think I learnt a lot of lessons that I had to, and this is very early days, where I had to engage people and had to listen to them and so say, "Well no, this isn't the right way," and again, we had a meeting today, I keep pointing to Bec here because she's in the meetings, just around I came, I said, "Oh, I want to start looking at getting an employee engagement survey, or let's call it 'employee advocacy'." And I get to this meeting and there's five, six people in this meeting going, "Do you mean employee advocacy, or employee engagement?" And I knew straight away that the five of them had all got together and said, "How do we break this to her that she's talking a load of rubbish and that we actually need to be going down this path?" So absolutely, and I think what I have learnt over the years is to be embracing of that because I'm not the provider of all the great ideas. I'm in a fortunate position where I can spot them and I can then encourage people to move along. And the other thing that we do is if it is someone's idea we won't take it; I'll make sure that that person gets the acknowledgement and the recognition for their idea. I think that's really important. And again, that's from a personal perspective. You know, years ago when I used to work in corporations and I'd come up with an idea and someone would then claim it as theirs, that really used to piss me off. And so now I make sure that we don't do that as an organisation. Did that kind of answer your question?

**Ray Weekes**

And Harry Truman once said that you can achieve anything as long as you don't mind who gets the credit.

**Maxine Horne**

Yeah, absolutely. Yeah, and in fact, I think it's even more, when you become, when you're a leader you go from being selfish to selfless, because when you're a leader it's not about you, it's about your team, and I know I made a joke of it before but I do

actually say that how you can spot a good leader is how the business performs when they're out of the business, because that means they've put all their time and energy into the team.

**Ray Weekes**

Any final question? Yes, thank you.

**Speaker**

Hello Maxine, David Close. Thank you very much for a very inspiring talk. You've talked a lot about culture and you've talked a lot about values. How have you found it with the board going upwards, I guess? Have you had an impact on the board and is there, have come together and, what's it, there's been a lot of the organisation but...?

**Maxine Horne**

Sure, well let me tell you, every year, I'll give you an example; we have a great board, they're a really, really good board. And I'll tell you one story and then I will tell you in the very early days, and a lot of it was my adjustment to having a board and having a boss, basically. Last conference, every year we have an annual leaders conference; we bring all of our leaders together and we celebrate the year that's gone, we set them for the year ahead, and we provide awards at the gala dinner. The gala dinner is fancy dress. Last year I went as Cat Woman, and our Chairman who is 65 years old [laughs] came as Batman.

[laughter]

So that's kind of the culture that we, and not only did he come as Batman, he spent the time impersonating him with *Bam, Wow*. I said, "That's the old Batman. You've to say, 'I'm not wearing hockey pants.'"

[laughter]

See, you guys got it. He didn't.

**Ray Weekes**

Got it.

**Maxine Horne**

But when we very first had a board, and it was a combination of having a board and floating, I thought we had to change as an organisation, and we moved away, and it was my fault; I moved from being very people-focused, and I had this philosophy you look after your people and provide a great environment, reward, recognise; they will reciprocate by delivering great levels of service, and your customers will come back because of the environment you've created, and you'll achieve your profit. So that was my philosophy. When we floated and I had a board I went straight to profit and I just got quite obsessed by these numbers rather than the drivers of the numbers. And it took me about two years to really work out what I was doing wrong, and also to work out that the

board were there to help me, because I literally, every time they asked a question I thought they were challenging my ability to run the business. And those early days were quite confrontational as a board, and then eventually, and I always remember Dick Simpson, who's our board, who dresses up, one year he came as Elvis by the way, and I remember when, because he started as a non-exec direct and then Bryan Finn who was our initial Chairman resigned and we asked Dick to be the Chair. And he took me aside and he said, "I'm happy to be ch-," and he was another big m-, you know when you talk about mentors in your life, he was another big, and still is a big mentor in my life. And he said, "I see so much greatness in you, but you've really got to stop this behaviour, because otherwise I'm not going to be Chair." And it really, and again that's a kind of an acceptance that I didn't know everything and I needed to take advice from other people. And that was the day that I said, "Yeah, I'm going to change my behaviour with the board," and from that day onwards it's been nothing but an absolute supportive board. And I literally the, yeah, they'll challenge and I'm accepting of that challenge because it makes it a better, it makes what we're putting in front of them a better option because of all of their experience and their breadth of knowledge, and them having made the mistakes that we're about to do, you know, so that's been a big learning curve for me.

### **Ray Weekes**

Last question, right here. Thanks.

### **Maxine Horne**

And Dick would be very happy hearing that.

[laughter]

### **Speaker**

Hi, Maxine. Just going on from that question, how do you communicate that to your shareholders? How do you get them off the urge and the desire for just profit to focusing on the company that they're actually investing in?

### **Maxine Horne**

Yeah. I'm not sure that I do get them off the desire. [laughs] Look, we spend a lot of time, so every six months we do an investor roadshow, and we travel and we do a lot of face-to-face meetings with our investors. We also spend a lot of time throughout the six months, really educating them on our strategy, and particularly, you know, when I go back to 2009 when we came out of Fone Zone and into a Telstra store, our share price was 9 cents, and it's now \$1.80-odd, and so I can remember sitting opposite shareholders and looking at me thinking, "What is this girl smoking, because I want some of it?" You know, you could just see they didn't believe. And I walked away thinking, "We have to continually engage with our shareholders, like we do with our people, and like we do with our customers." It really is an education piece, and it's about taking people on a journey. And really, and that sounds a bit fluffy, but it really is about sharing the knowledge to, as much as you can, because of all the ASIX rules. [laughs] But, and it is about them, and really it is about demonstrating, so I sit here on my 12<sup>th</sup> period of consecutive growth and literally now I go into meetings and I say stuff and they go, "Oh,

okay. We know..." because they've got used to, they know that we like to under-promise and over-perform. So there's ways of managing your shareholders and your investors, and the analysts, but at the end of the day all they're after is growth.

**Ray Weekes**

Maxine, Game Changer, effective business leader, please thank Maxine Horne.

[applause]

**Maxine Horne**

Thank you. Sorry, I talk too much.

**Janette Wright**

And I too want to thank you Maxine for...

**Maxine Horne**

Thank you.

**Janette Wright**

...not only being inspiring but sharing the values basis for your business, and obviously that's what made your business different; you were not just selling a product or not, it wasn't just a price, and I think the whole CARE programme was your value-add. And that's what makes you a Game Changer. So I'm delighted that you were able to join us tonight, and thank you very much Ray for, as usual, being such an investigative interviewer.

**Ray Weekes**

Oh, thanks.

**Maxine Horne**

[1:11:13.1]

**Janette Wright**

So thank you again, and for those of you who'd like to revisit the conversation or share it with others, the webcast and the transcript will be available on the SLQ website within about a week. I'd like to thank you all for being here tonight and supporting the Queensland Business Leaders Hall of Fame. I invite you to come along to the next one which is on the 26<sup>th</sup> of August, where Ray will be speaking with Maha [1:11:39.5], the visionary and founder of the Greater Springfield Emerging City. And I'd invite you now to join us all on the Queensland Terrace for refreshments until 8:00; this has been generously supported by our sponsor, Clovelly Estate. So I encourage you to take a little time, come and speak to Maxine, come and speak to Ray, find someone you don't know and come and speak to them too. So I'd like to thank you both.

[applause]

# GAME CHANGERS

*In conversation with Queensland business leaders and entrepreneurs*

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