

# ILINCA VON DERENTHALL

A black and white portrait of Ilinca von Derenthall, a woman with blonde hair pulled back, smiling and looking slightly to the right. She is holding a pair of glasses in her mouth. The background is a soft, out-of-focus grey.

## *The Confident Leader*

**ILINCA VON DERENTHALL** is a well-established finance professional, with vast international experience in various branches of banking. From financial audit to investment banking or wealth management, she has steadily built a road map toward a portfolio of independent non-executive board positions. She started her career in Frankfurt in one of the Big 4 audit firms, putting to good use her excellent math skills, which, combined with an interest in social and behavioural economics, opened the path towards a successful executive career.

Ilinca's story is that of a confident leader, who is visibly passionate about her field and who combines the pragmatic analytical side of decision making with an empathetic insight into human behaviour. It is also an example of how clear goals, determination, self-awareness and perseverance can provide for a consistent career evolution.

**"Do something you really like, because passion leads you to success."**

### What role did your education abroad play in your career path?

Well, most of my education didn't take place in Romania, except for school and two years at University. I left when I was 21 years old and a student at the Physics Faculty of the Bucharest University, (a fact that proved very useful, by the way) and studied Economics in Frankfurt, followed by various post graduate classes all over the world. Also, my professional experience is mostly abroad.

### How did your Physics experience prove useful?

Firstly, it was very useful to form disciplined working habits, because getting into a university in Romania was a lot of work, especially an elite school like Physics. This means learning for 2-3 years of your life. Moreover, the first 2 years were almost all mathematics, which helped me navigate smoothly the Economics Faculty in Frankfurt and finding, right from the start, a job in banking. So, this was extraordinary training. What it meant to study abroad? I think education is a little more practical, even if I went to a large university, not a private one, but a well renowned economics school. It was constantly stressed that we needed at least one or two internships, there was no other way, internship semesters, summer jobs, almost all my colleagues worked, no matter how well to do they were. This was the beginning of the '90s, when it wasn't yet custom to build a resume or a portfolio. Internships helped indeed, both to develop your mentality, as well as to enhance your work ethics.

### Why did you choose finance? Was it just the good math skills?

It wasn't just the math, there are two subjects that have always been on my radar. On one hand, the exact science, math, risk models, statistics, the part that quantifies things. And, on the other hand, even from early University years, and back then it wasn't all that modern, I had been interested in social sciences, the part that deals with behavioural analysis and behavioural finance.

What we believe can be modelled compared to what the reality is. Because this paradigm that people act rationally maximizing their profits has a powerful over-simplification bias and, so, this topic and its implications on economics interested me.

### How did your career journey begin?

My journey began right during the university years, I had to work from the start, I had no other means to support myself. My first job was in a privately owned bank, taking advantage of the math skills acquired at the Physics Faculty. I worked in the trading room, making mathematical evaluations of their derivative instruments, at the time it was cutting edge. Almost automatically, even before graduating, I got a job offer from KPMG, in financial and banking audit and things just went on from there. After four or five years with KPMG in Frankfurt, auditing the largest banks, Deutsche Bank and BHF, I got an offer from the client and changed my job to BHF. Practically, I moved from financial audit, where I was auditing the risk and trading systems of banks, to a mid-office position, where I evaluated inside the bank what the traders were doing and insuring their positions. After that came investment banking, especially listings at the Frankfurt Stock Exchange. It was a path set out by my first job, the one I had during my time at the university.

### This was a rather linear evolution.

Yes, I have seen most of the facets of banking. I worked in audit, risk management, investment banking. This meant stock listings at the Frankfurt stock exchange at the end of the '90s, some privatizations and M&As that I continued in Romania with a USAID mandate, e.g. Transelectrica, then investment banking in Romania and wealth management for CEE clients out of Austria. Many sides of banking, except maybe classical commercial banking.



**What motivated you to move from an executive position to a non-executive one?**

Good question, I had reached the position I aimed for since I was a junior, when you say "someday I will be VP or I will be managing director." I was lucky to come back to Romania in 2004 and to be promoted quite fast, in 2007 I was already in an executive position, and I was rather young to be the general manager of EFG Eurobank Finance. Then I was recruited by an Austrian bank right in the management board heading the International Department, so still executive. I also got an offer to be equity partner. That's when I felt I had achieved the goal I set for myself as a junior.

It was great to be in a bank's executive board, to be a partner, to actually decide the bank's strategy. So, I continued on a relatively equal position, as managing director for a bigger bank, but, at some level, my hierarchical ambitions had been met, there was no other position higher up that I targeted. And, after interacting from an executive position with the dual system the Germanic countries usually have – with both a supervisory board and a management board – the non-executive positions became appealing due to their diversity. The mix of skills within a board – for it to be functional, not just with friends and family – was very interesting, and I became curious about how consensus is reached, how is a strategy evaluated, what's the guide through various committees. So, I began to collect the professional qualifications I needed to get there.

But this was a gradual process. I did occupy positions where I was representing the mother company in a subsidiary's board, but for an independent position, I began to build it in 2014, when I went to Stanford for a course on the subject, and from there I continued to read and learn. Eventually, the job offer came, but 4 years had passed between intention and offer.

It was an achieved goal. I was lucky to cross paths with similar organizations in Austria and Germany, who already had a roadmap. They knew that the

legal system was pushing for more diversity and more women in non-executive positions. I interpreted this as a market gap, that I decided to fill. So, in 2014 I began to prepare, the first opportunity appeared when I was selected in the non-executive board of Hidroelectrica, a position I did not take up due to political changes. Then, in 2018, I got an offer to join the board of Chimcomplex, who had won the auction for buying Oltchim assets and needed independent directors to represent the company in negotiations with potential financiers. All this in agreement with LGT Bank Austria, the bank I was a managing director with, there was no conflict of interest in me taking on the additional non-executive positions.

#### What was your greatest lesson?

My greatest lesson was when I realized that, by sticking to my opinion about a strategy that was asked for by shareholders and I deemed not to be the best course of action, I had to make the decision to give up my position. The moment I had a clear image of what I believed can be done or not, I had to assume the consequences of my position. For me, it was a lesson that sometimes you can't get what you want, when you want and how you want it.

#### When did this lesson come?

Rather late, I had already had my first executive mandate in the board of a bank, so, I must have been around 46.

#### What are the board level necessary skills?

There are two levels here we need to address. The first is the factual one, what qualifications do you need to be an effective board member. Here, my opinion is that, of course we all have our background experience, and the more diverse, the better. We don't all have to come from finance, banking or audit,

other skills are welcomed, like HR, marketing, or strategy. However, there must be some common understanding so you can follow the board meetings, this means basic skills in finance, accounting, law, business, or civil liability. These are factual skills, that should be fundamental and on top of them comes the personal and professional experience, which secures the element of diversity. The second level is that of soft skills, which I don't think should be as soft as we like to say. You need to be assertive. Clearly, politeness is the fundamental rule, but you need to know when and how to state your opinion. You also need to understand the strategy and dynamic of the board, they are not all the same. You need to figure out who the key people are, how decisions are made, are they made informally, what are the committees you need to be in to be part of the decision process, instead of just being asked after the ruling is done. I would call these tactical and strategic skills.

#### Which of these do you think are inherent to women? What do we bring to the table?

It's hard to generalize, because women are just as diverse as men, I think that the types of personality are equally distributed gender wise. Maybe the education and the forms of socializing are different. However, there are two advantages I am aware of. First, better listening skills, active listening, not listening whilst already thinking of an answer, really listening. Second, a smaller preoccupation with our ego, or, at least, with its representations. Women have less need to express their ego, are more pragmatic, they don't aim for the corner office, or an assistant, etc. This facilitates communication, if you are natural and direct, there are fewer barriers and you get to the heart of the problem faster.



**How do you keep your enthusiasm and motivation? Women often identify the lack of enthusiasm as a career barrier.**

That is interesting, because the least enthusiastic I ever felt in my life was when I was in middle management. That is because at that level, the feeling of limitation, of not being able to really influence anything can become, depending on your organization, overwhelming. The moment you manage to escape toward the top, it seems easier to remain enthusiastic, because you encounter more opportunities. First, for an executive board member, the decision power is a strong motivator. It drives you, it inspires you, it makes you think and want to be your best self. At non-executive level, the people who make a career out of it have a portfolio and that in itself is motivating, because you don't get bored inside the same company, or the same project. You have two or three, or even five, different projects, possibly in different industries and different stages of development, all of whom keep you alert. Boredom is the least of our problems.

**How do you recharge, where do you find inspiration to generate solutions?**

From curiosity - when you are curious, you never grow old, mentally or physically. It drives you toward new projects and new endeavours.

**Who were your role models? Is it important to see other women succeed?**

I think it is important, also for your self-image. I was raised and educated to pick up what to study without wondering if I'm a girl or a boy. I chose what interested me and I just followed my way. A successful role model in my family is my mother, who had a career, ran a family, assumed all responsibility, and achieved professional success, up to being secretary of state and other leading positions. At the same time, I was quite young when I left for Germany, where women's attitude about career and gender specific choices in life was different.

There, some of the women I met made me not choose their example. I saw a lot of successful women who made partner or CEO, a generation 5 or 10 years older than me, who made it to the top by giving up on their personal life, their family aspirations and their femininity. They were the "don't" models. At the same time, in the last 10 years, I had the privilege of having a very good friend, who's had an exceptional career and who, along with her husband, has built a portfolio of companies where they are non-executive board members, and she proved to me that it's possible. They both supported me very much when I showed interest for what they did, that was almost 10 years ago.

#### Who were your mentors? Were any of them men?

Yes, there were also men. Sometimes mentors come along without you knowing. Lately, of course, this turned into an explicit role, of mentor and mentee, but there are situations in your life when you don't even realize you had a mentor until after the fact. I was lucky, at the beginning of my career one of the senior partners at KPMG taught me a lot. I learned to really pay attention to details, to value work ethic, to never let something go until it's perfect, to the extent of my ability. I was very grateful to him for giving me interesting projects whenever I rose to his requirements. I did learn two important lessons from my mentors. First, when I first got hired in Austria in an executive board position, the CEO motivated me to accept this position, he promoted me and made me trust my capabilities, and then he quit his CEO position for a seat in the supervisory board, leaving me with another important teaching: that I had to be independent. I had to stop waiting for someone to hold my hand, to guide me. At the top you have three to six months to learn, after that, you are on your own. I also had feminine role models, like my mother and the friend who inspired me to follow in her footsteps to become an independent director on different boards.



### What does success look like?

For me, success is directly proportional with the degree of self-determination. Sure, control is mostly an illusion, but I feel truly empowered, when I have the freedom to choose what I want to do, when I want and how I want, and, most importantly, with whom. That is success for me. I get to pick my projects, my teams, my timeline. This empowers me and gives extraordinary satisfaction and commitment.

### How hard is it for a woman to reach this point?

I don't think it's easy regardless of your gender. For women it may be harder, if you consider the relative lack of opportunities or of networks to support you and to get you in that position. This is something we need to create and to learn, especially from men, who rely on networks. Another important success factor – or hindrance – is the way you organize your private life. It's not always only about professional challenges, but also whether your personal sphere is supportive or destabilizing.

### Do you mean the outside, like your friends and family, or the limits you set for yourself?

Both, for some women it is not easy to admit the fact that they want to be successful. They feel the need to apologize for it. I have never seen men apologizing for having or wanting to reach success.

### It is custom for women to take on responsibility for the family.

That is absolutely correct. There is an internal barrier, the moment when you consciously own up to the fact that you want to be professionally successful but also feel you must carry the family responsibilities. Professional fulfilment

is a normal aspiration and it should be satisfied... if it exists, not everyone has to have it. It is also true that support at personal level depends on your companions, your partner, your friends, your parents and so on. The moment you start having other roles than the professional one, it is easier to let yourself be captivated by them and for a lot of your energy to go in that direction and not towards professional development. This is a delicate balancing act. A supportive partner and network can help enormously.

#### What advice would you give young women who are just starting their careers?

I think this is advice I would give to anyone. I think of the advice I would give my children. My oldest son had to choose a university recently, I would say the same to any young woman. First, do something you really like, because passion leads you to success. Don't go into finance because your mother said so, or into law, because your father is a lawyer. If that doesn't interest you, then the chances of you becoming extraordinary in your field are slim. Second, when you are lucky enough to have a passion, keep in mind that passion and talent make up for 10%. The other 90% is hard work, preparation, labour, dedication, and enthusiasm for your work. I don't think that advice is really gender specific, except the one about carefully choosing the team who supports you if you want to balance a career with family life. That could be a crucial moment that can delay or stop the greatest careers if there is no support from your partner or your family.

#### What do you feel is the biggest barrier in going from a job to a career?

I think the biggest step is assuming responsibility. Don't be the kind of person who says "I don't know, I just work here." That is not a career, it's a job that, at best, pays the bills. A career is when you have a purpose and a road map that leads to that purpose, and when what you do really interests you, you're not just doing it for the check at the end of each month.

### What about leadership positions, what's the greatest barrier for women?

For younger women, the barriers are beginning to fade, they are becoming soft barriers. Opportunities are multiplying. One barrier is that we don't find enough qualified women to fill the positions where they are required. In my generation there was a glass ceiling, we had to overcome the old boys' networks who didn't necessarily promote women, we were either inconvenient or we were required to be yes-"men." Or we still had to choose between having a career or a family. Today, external barriers are fading, they have moved within us. We think too much about whether being a woman has a role to play in what we want to do or not.

### What can we do to promote women in leadership positions?

I think networks are very important. Not the networks where we meet and have a chat over coffee, but networking where you are aware when there is a job opening, and you think about who you know, who would fit, you do a sort of recruiting and coaching. Many times, especially among women, networking has a strictly social component. We like each other, we get excited, we get along, without a purpose. And the purpose should be to get within 6 months or a year to the position you desire, how do I use the network to get there, or how do I help someone get there if I'm already a senior and part of a network.

### What role do you attribute to the legislation encouraging gender balanced representation in board rooms, for example in Germany?

Sadly, I think it mattered a lot. Without the legislative pressure, board positions would have never been offered to women. It's about critical mass. If there are enough women in key positions, then we no longer need representation quotas, but until we get there, it seems they are necessary. However, we must not fall into the trap of promoting women just for the sake of diversity, because



it will backfire. Selection should keep its rigor; we must show that we are excellent and that we can deliver. Ok, we have the quotas, we prove what we are capable of, and after a certain time the legislation becomes obsolete, we can make decisions based on experience and competence, and work together in a gender-neutral environment.

**Do you think the quotas might extend to other countries, or at least convince other states of the advantages of gender balanced leadership?**

Yes, of course there is an emulation potential. I think we shouldn't be ashamed to accept this model, I do not believe in false modesty. It is important to create a critical mass, not to be embarrassed to be board members because there is a requirement for 15 or 20% women on the board.

**Can you describe yourself in a few words?**

If I take into account my past actions, the first thing that represents me is decision oriented. I collect data, but I also decide, I don't overanalyse until there is nothing left. The second thing is analytical, I analyse, compare, observe and strategize. And the third thing, I am not really characterized by self-doubt. Once I made a decision, I don't linger wondering whether I did the right thing or not. Also, my mother would add stubbornness, I would call it following through, but it is true, I am stubborn. Hopefully in a good way!