

Episode 2: Rob Lincolne & Naby Mariyam

Rob: Hi I'm Rob Lincolne, founder of Paydock. Welcome to our payments podcast where we seek to help merchants win with insights and how to succeed in payments, security, and identity. This podcast is designed for anyone wanting to benefit from global leaders, without all the effort of attending a conference.

Rob: Today I am joined with Naby Mariyam, Founder and CEO of Insurtech platform, Coverhero and we're discussing what really matters when it comes to leadership, fintech, payments and startups.

Naby: This morning I was actually on two panels, so heartbroken, launching a product, going on panels, talking about entrepreneurial mindset and FinTech and raising money and all of this. On one panel, this is where the fintechs, I had a number of founders on the left side, had an IPO founder on the right side, crowdfunding, and I had raised money on angel and an accelerator. We were talking about what do you bet on, as the founder, is it the founder, is it the vision, is it the company, how do you make this decision, and the conversation was, why are you going to win, as a founder. My response to that is there are so much macro things that could happen, why a startup could fail. I think a true reason why a startup could win is the founder's character and resilience and values. It really comes down to all of that. It's the self-awareness, it's the adaptability, it's the compassion, the resilience, and these are big words that people don't understand. One of the words out of all of those things is compassion. I want to talk about compassion.

Rob: I want to ask you one question before we get to that, because as soon as you said how you're going to win, the first word that came to my mind was resilience, and it was a word that you used as well. If that is a reason that you are going to win and stand out from the crowd and protect shareholder value, how many times are you asked that question in your fundraising experience?

Naby: Never, actually.

Rob: Have you ever been asked or have you ever had questions relating to your resilience?

Naby: Generally, no. It's more around what's your customer acquisition cost and what's the moat around your business. It's very business-oriented when we're investing in people that are running in the business, and I think founder's well-being and character has to be a sense. When we're hiring employees, we do such due diligence on the person and the character, but with investments into companies, why don't they do that? Shouldn't that be a better way of doing it?

Rob: What's more important, the moat, which obviously is a point in time and has a lot of things you can't control, like the Coronavirus, for one, what's going to carry the business through that challenge, Coronavirus for many, and other challenges for others. What's more important, the moat or the character or the resilience of the person that is going to keep things calm, keep the team together, keep the business moving?

That, to me, seems fundamentally so much more important, and when I look at the challenges we've had at Paydock over the years, all of the biggest challenges, 99% of my challenges, are character-related, people-related, resilience-related, compassion-related. I was just reading a little thing this morning, we're coming up to Easter, the story of the narrative of Jesus, and this model of servant leadership is often something that's talked about in that context, and isn't that interesting? Because compassion, compassionate leadership, servant leadership, is a fundamental principle of success in businesses that are going to endure and last. How do we see our success and the success of the people around us? How do we get down on our knees and lift those around us? For me, it's just shocking that none of these questions are ever asked, they don't matter. In fact, if I was to go on a limb I'd say that what appears to be valued is things like entitlement, not arrogance, maybe arrogance, but a sense of overconfidence or something. There's a certain narrative, a certain game, that I think you and I feel we're expected to play on the surface, but we both know, as people who are quite resilient, we'd like to think, I'm

sure there's challenges to come, that the questions we're being asked and the answers we're giving at this level, as compared to what we believe is the fundamental underpinning of long-term success, they're not the same. It relates to how do you value vulnerability, which is where we started our chat. What place is there for vulnerability and compassion? Indeed, it seems crazy to say it, but what place is there for resilience? Because it doesn't really appear in the narrative, which is so funny, because we all listen to "How I built this," Masters of Scale and all these great podcasts we listen to. All they talk about is resilience, all day long, and then we go out and we talk about, "I'm raising five million for this or ten million for that," and the resilience question doesn't come up

Naby: Resilience and vulnerability, Brene Brown, the queen of vulnerability conversation, one of the things that I learned by listening to her podcast and also like reading a book over and over again, whenever I'm in a crisis, I always go back to Gifts of Imperfection, her book. She talks really in-depth about vulnerability and how to practice vulnerability, because we can conceptually talk about vulnerability, but not really know how to do vulnerability and authenticity, how to do authenticity, how to do vulnerability, how to do compassion, and there's skills that we can learn. If we don't know what is it that we need to do to be vulnerable, one of the things was boundary. You can't have vulnerability, without boundary. I was like, "Okay, how do I practice my boundaries?" When somebody is doing something that is causing me pain or harm, whether it's a work context or personal, professional, whatever that interrelation experience, for me to say, "This is not okay." I think back when I had not drawn those boundaries, even by being vulnerable, I still end up getting hurt, and then there's this cycle that we perpetuate, because we're hesitant on setting boundaries, because you're being soft and assertive at the same time. Generally, I used to think vulnerability is be soppy, be full-disclosure, say everything without the boundaries, and being vulnerable scares people off, because if you're talking too much about deep stuff without setting some guidelines around how far you're going to go, or whether somebody can take advantage of you in that process, is really critical. I'm still learning that boundary piece, really practising the boundary piece. Still haven't figured that one out yet

Rob: Aren't you tempted to just play the game and put on a face and just go along, to acquiesce to the culture say, "Look, being vulnerable is hard, people react to it in a way that I don't like, I feel like I have to be someone who's not myself. I would rather have a conversation where we can all be authentic, but it seems that there's not a place for that in the market." That's a challenge that I have when engaging with capital markets or in my leadership. What place is there for vulnerability? I'm committed to pushing those boundaries, because I think, as you said, they're the things that matter. What are the things that really matter? I think, as leaders, we have to talk about the things that matter. If we let others set that agenda, then that will be the agenda. But it's an uncomfortable thing, to be vulnerable at times. It can feel like you're oversharing or undersharing, and the market doesn't have a place for it. When I talk about some of my scars on the journey, particularly in the capital market, I actually know for a fact that this is very valuable to you, as you're considering your investment. The experiences that we've had, the resilience we've had to show. So I'm offering this as a unique and compelling point of difference. You're welcome, but it'll never get asked, about how resilient have you been, what are the battles.

I just wrote down some questions here, the things that VCs don't ask. I would love to have a series of chats about the things that VCs don't ask that we think they should. I just wrote down a few points ahead of our call. I wrote down culture, very rarely ask about the culture of the team, the trust between the team, how long you've known each other, and those things that could blow up in a year's time, trust between management is another one, the actual experience of the team, not just the logos on their LinkedIn, how adaptable and resilient they are on the ground. Often great opportunities go missing, and that Reid Hoffman thing that you said, that great opportunities often go missing, because it's often not the people with the logos, who change the world. It's those who are resilient and experienced. Those are the nuggets that VCs should be hunting out. Here in Europe there's over 1200 VCs. How have they differentiated themselves? How are they finding those gold nuggets? How are they finding the future Stripes? Politics is another question they very rarely ask. I've never asked what battles have you survived. It's just fascinating to me. I want to make sure that vulnerability is a part of the conversation. I don't think it's weakness. I think it's actually integral, and I'd like to change the culture, I'd like the fellows to know that it's okay to have a transparent journey, and you don't

have to wait until you've been successful to then talk about how it was hard and how you learned things.

Naby: To your point about wearing the masks, with vulnerability and being vulnerable, we cannot be absolutely transparent to everybody at all times. As the CEO, you'll have responsibility on protecting, not to make certain decisions, and communicate very carefully, in order to manage certain situations. Even if you're super scared on the inside and you're having a crisis, you can't let your team know, because then that will bring chaos into the team. But you have to have a safe space to be vulnerable. Therefore, you can still allow that energy to flow, so that you don't blow up, and then everything goes into chaos. So that's why Bill is my safe space for me to be vulnerable, to break down, to cry, to express the whole spectrum of emotions, not only the good ones and not only the bad ones, because emotions are not good or bad, they are just there for us to survive as human beings. Different emotions come up on our primal coding, our DNA. Therefore, certain emotion expressed in certain audiences is going to get a different result. So I often think about, and now only I have realised, years ago I had no idea about this, but now I've become more comfortable crying. There were years where I didn't even cry, I wore the mask for so long that I forgot who I was, I didn't even know who I was, because I became the mask. I was like, "Shit. How did that happen? What happened to Naby? What happened to the girl that fully lived life and expressed life, and she navigated through life easily?" But I was told I was too emotional, too this, too that. So I was like, "Let's get rid of all of these parts of me that is too much," or whatever label that I was called. And then my friends were like, "What have you become? You're so bitter." I'm like, "What do you mean? I'm what the world expects of me." Then I had to go and reverse this thing that I had done to myself, protecting. The reason why I was able to achieve all of those things is because I was vulnerable. The time where life became extremely difficult was when I was wearing the mask. Now I've taken the mask and I'm like, "This is me. You don't like it, you don't like it. You like it, you like it."

Rob: I struggle with the same thing, to be honest. I get told, "Rob, you lack gravitas, you're too enthusiastic," I had somebody say, "You're too emotional." I've had that said to me as well, as a leader. You do feel you have to be a certain somebody in

order to commandeer the respect and trust. To some extent, there is a stability in leadership that people do expect to see, and that's fair enough, because if we're unstable then it's very unsettling, and then complain that there isn't a clear vision and what we portray does matter to some extent. But what I found disheartening has been the extraction of the personality, the extraction of the individual journey, the extraction of the things that matter. I honestly believe that when I have a conversation with a VC, 90% of the most important things are never talked about, which is something I can't wrap my head around. The two things that I think are missing, that personally I'd love to see reintroduced to all my fellow founders out there and those of us in the trenches, I have so much compassion for all my fellow founders of our generation around the world, because I think we march to a different drumbeat to our parents, like you were saying before. The two things that I think are missing are authenticity and vulnerability, on one side, and related to resilience and character and these things. But somehow that's missing from the conversation. It needs to come back. But I also think this relates to another thing that's missing, which is something that Mark Carney, who just actually joined the board at Stripe, mentioned in his lecture. He talks about value coming from values. I feel like the conversation around values is missing, and the conversation around authenticity and vulnerability and character is missing. If we can reinject values to the conversation we'll see the world change, we'll see compassionate leadership, we'll see an end to slavery, we'll see climate change. Talking about Paydock for a minute, I want to be one of the first parent companies to become a B Corp. So we've started that process now, because values matter a lot, and they matter at the bottom-line, they affect who you hire, they affect the culture. I've never been asked by a VC, "Tell me about your values and why they matter." But I'm sitting here, going, "Values fucking matter. Those boundaries are the ones that have set the world on fire. Those values are the ones that's why we have modern-day slavery and everything else we have. Values matter." Do we all aspire to just be the next Jeff Bezos and have x billion in the bank and say, "Congratulations?" I think, as a generation, we have so much we want to do with that upside. We're in the market because we're a little bit angry as well, about what we've been handed, and we want to do something different, but we're still selling to the people who often are looking at a single bottom-line. This restructuring of the capitalist mindset is important. What we're seeing, as a generation now, coming into disposable income

and retail traders, GameStop, you read Reddit, and it's like, "Values." It's all about the values. It's a clash of values, and somebody needs to get on that train, because the money will start going where the values are.

Naby: So true. I've been talking about values for a long time as well, and nobody really cares about that. It's all about your traction, your traction. In building a business, there are lots of different resources, there's the money. It's the people that makes the business. A business doesn't build by itself. What is the bond that binds people together, especially in a startup where we work very differently to the corporate world and the rules of corporate world? It is the values. You don't join a startup in the early days for money. There is no money, it's a lot of long hours and a lot of hustle. It's the people and the people that we attract along the way, are all bound together by our purpose, the reason why we get out of bed, the reason why we want to do this. That's what bonds people together, not "Let's jump on the most cool bandwagon. Looking at the public markets, let's start a FinTech company, because that's a fun thing to do and it's cool." Those businesses may go and raise a lot of money. If you look at some of the big FinTech startups that have been started by Gen X, and this is Gen X versus Gen Y debate, Gen X grew in the shadows of baby boomers, and they have a lot of the baby boomer values deeply ingrained in them - sacrifice everything and work super hard for 20 years, be dedicated, especially the men in the world of Gen X. The finance industry is full of these groups of people that have these values. Yes, they go out, they quit their corporate job, they want to do a startup, and they can go and raise a lot of money from their mates, because they have a network, and they try to build products for Gen Z and Gen Y, and you have no Gen Ys or Gen Zs in the executive team or the board. How are you going to speak to the values, because consumers are making decisions? GameStop is a really great example of value-driven action and how you could actually move the market, based on that. And still it's like a tick box, "Let's try to be cool for the younger generations, and they will buy the product." The younger generations are way smarter than that. I feel old, compared to Gen Zs. They're so value-driven, they're more value-driven than our generation. My son is almost 16, and they so openly talk about values, what they stand for, and actively fighting and having conversations around consent. Boys and girls together, talking about consent and

actively standing up and saying, "This is not okay." Sometimes my son would correct me in conversations, and I'm like, "I didn't even realise."

Rob: I'm certainly on the older side of this. I snuck into 1980, but not by that much. As a generation of founders who live within a context of values, often pitching to that previous generation, there's definitely disconnect. But if we acknowledge that value will follow values, is it worth us going back to the market and saying, "You tell me about your values, you tell me about where you're placing your money, because in the future the people with disposable income, the people who buy products, they will buy from people who share those values." Are we going to buy from Amazon in the future? Do we care about another banking platform built by the people that created a lot of the problems, that we don't really respect in the first place? Or are we going to buy from somebody who really understand, who has value alignment? What's that classic saying, the system that created the problems isn't the system that's likely to solve it as well. If you look at GameStop, great example, because there's so many people who are willing to lose a lot of money just to make a statement. "Yeah, we're going to lose money, we may make a lot of money, but we can also lose it, but we don't care because we're angry. Watch our value, watch our cash follow our values." That's the future.

Naby: There's a lot of value washing as well, like community washing as well, companies are doing that, where they're like, "This is a way to attract the audience, and therefore, let's put it there." But you can see inauthentic authenticity, you're faking it, because you can't walk it.

Rob: You can't have one without the other. You can't value wash and be authentic. You have to have the authenticity and the vulnerability. That's the beauty of it. Because they can value wash, but you can smell it from all the way away. How do you change that? You don't change it without having a conversation around authenticity, vulnerability, what I've struggled with, what I'm currently struggling with, the things from our childhood, all our personal struggles, our breakups, our addictions, and the things we run to when we're struggling. Let's have that conversation, because the third part of the triangle, along with value and authenticity, would be community. We look at what's happened with Clubhouse. It's

interesting, I have my own opinion, but we thirst for authentic community. And it's not just, "I like kite surfing, you do too. Let's go kite surfing." I think it's about what drives us on the inside, not what we do on the outside. I think there's a generational element about the things we want to change, and that really excites me. I'm in payments, arguably one of the most rabid industries in the world, even dominated by porn and gambling, and it's amazing, as we're out there and we're recruiting, we're talking to people, and we're talking to people who operate in what's euphemistically called high-risk sectors, and they're looking at Paydock and the values, and they say, "We can see that you share our values, we can see that you have a broader mandate than just extracting every single cent for your own benefit. That's attractive to us." So we are uniquely going to be able to hire people who share our values, hire people that others can't, and people are coming from these older industries to what we're doing, or others of our generation, others like us, because it's meaningful, and there's a space for community and there's a space to be authentic, and it's a space where it's okay to have values. I think that's amazing, and our responsibility, as leaders, is to carve that space out for others to come in and say, "It's okay to be here, it's okay to want community, to have values, be authentic. It's safe." Somebody has to start. I remember hearing the definition of leadership from a dear friend of mine by the name of James Stinson: leadership is simply stepping first. It's one of the many aspects of leadership. When a leader is somebody who steps first, you've just got to go, "I'll put up my hand to do it, because it matters."

Naby: You have to walk the dog, otherwise that is very inauthentic. The definition of authenticity, for me, is what you think, what you say, and what you do are an absolute alignment. A lot of the times people say things, and what they really believe is different. They're saying it to get an outcome. It's very agenda-driven. What happens is when you do that, it only harms yourself. You live in this constant battle of saying one thing to please other people and believing in something completely different on the inside, and then you're fighting with yourself every day, and that leads to so much anxiety and depression and trauma, and you name all of the other internal struggles like, "What is the purpose, existentially? Why are we here? What are we doing with ourselves? What are we doing with all this time on the planet? What is the core purpose of being alive?" It's living with alignment,

whatever we may want to do. You want to chop trees, you want to cook at a restaurant, you want to build houses, whatever that you want to do, what we do to earn a living isn't the purpose. It's are we living our own truth and finding the work that allows us to continue to live our truth, but not at the expense of our truth? Whatever that may be, whether it's being an employer or an employee, or whatever options are out there around how we spend our minutes and our breadth of our lives, living that truth. Most people don't even know what their truth is, because they're too scared to look inside, to find out, in case they find out. But once you find out, you have to live it, and if you don't live it, then it becomes another internal battle. So it's easier to lie to ourselves and be in denial about who we are.

Rob: That's beautiful. I think being okay with who we are, as individuals, is something related to the concept of shame and saving face. To know that it's okay and you're okay, I think is one of the greatest gifts you can give anyone or a community. It's particularly relevant because we're both raising capital. You're hearing that "Rob's not very good at raising capital." I heard that through one back channel. I remember thinking, "Well, I don't care about that opinion. I care about am I quit my business? Can I lead people compassionately? Do I listen? Am I resilient?" Because the responsibility is on the market, to identify value and to invest in it. But the implication was that I don't play the game that's expected of me. And if I was great at raising capital and terrible at running a business, where would I place my money if I was an investor? What would I want to know ahead of time? What are the questions I would want to ask, to know that my money was safe? These are the things that just amaze me, the disconnected incongruity. I wonder if we should have a conversation about some of the topics that we covered, like maybe each one of those community values. I would love to do this.

Naby: I love the flow, because it's so uncensored, and we're talking about authenticity. To talk about authenticity, we have to be authentic, and we know people are going to listen to this, and not everybody's going to like it, some people are going to get massively triggered, but that is not the reason to stay quiet and stay silent, because the reason why the world is in this mess, because the past generations were too scared to speak up for too long. We have to break that cycle of silence, and we have to speak up. Indifference is the worst thing you can do.

Stand for something, whatever that you stand for. If you truly, truly believe from your core, good for you. Stand up or speak up. Not speaking up is the worst, and that is the most disempowering thing, is having our voice taken away.

Rob: I agree. I think dancing to a tune of a generation that's responsible for so many of the problems that we have today, to say, "I'm going to dance this little jig because that's what I'm told to do to get the money or whatever it is," we need to get out of that trap, that cycle, and it will take people speaking up. Personally, knowing that it's recorded and some of the things that I've shared, I think to myself, "We're not playing a game here, who's going to judge me for what's been said? How will that affect our capital raising?" Already I've got these thoughts in my mind. I've just got to go, "Screw it. We know what we're here for. We're not idiots. We are resilient. There is substantial opportunity for money to be made out there, yes. But if you think that's all we're interested in, then you've misunderstood us." When you think about the Reid Hoffman thing, interestingly, previous generations, talking about Elon Musk, "I want to go to Mars," "That's ridiculous." But you dig beneath the surface and it's a values-based decision. Even Steve Jobs and Apple, it was a values-based experience, he wanted to create experiences for people. It wasn't about necessarily the bottom-line when he started. If we woke up and go, "I just want to make money, all I care about is money," then we probably wouldn't have very good businesses. Business only exists for a purpose, and what is that purpose? That becomes really interesting, and that purpose will align with our personal values, as a generation, as individuals. So I'm desperate for an authentic space for the next generation of founders, talking about values, to be authentic, and to have community. If we can put those two together and extract the concept of shame or who's approving you or not approving you, or who's vaguely disappointed in you, we've got to extract that out and say, "Guys, this is where we're going, and it's going to be hell hard."

Naby: But it's worth going there, because that is going to make a difference. If we're just chasing the money at any cost, how are we going to go to sleep or wake up, and get up, when our chips are down? How do we continue in a crisis, if we're just following the money? Because it's not part of our human DNA. We're designed to live a purposeful life. If we don't, then we are fighting something. It's so

fundamental to our existence, and we have just shut that part down, where we don't even know it exists, and this is not a really good way to live.

Rob: Start with why. Simon Sinek says it. I would love it if every partner VC to tell me why, and I'd love it if there was space to be authentic there. We just need to create that space for others.

Naby: I, We will see that fundamental shift in the next generation of investors. As Ruth Bader Ginsburg said, you can have everything you want, but not at once, and any considerable change takes time, so we have to fight for the next decade, to see the fruits of the labour that we put in only come for the next generation. We have to do it, because when they get to our position I don't want them to look at us and say, "You guys didn't do enough." That would be a very sad day.

Rob: I love it. It's amazing what you're saying, and I want this conversation not to be about the money in the past. This conversation is about our community, our peers, and helping them to lift up, and then, as you say, how that will equip us for the generation that comes in behind. This is actually a standard-setting, forward-looking narrative. I want to participate in that, and the value will take care of itself, to some extent. I think we just have to stay calm and muscle down, because it will be harder to do things a little bit different, but that's okay. It's hard, so what? We're okay with that.

Naby: To wrap up, let's do something cool, let's do a gratitude practice. Very quickly, tell me three things that you're grateful for today, right now.

Rob: I'm grateful for my little four-month-old boy. It's great to have two babies now, not just Paydock. I'm grateful for the forthcoming end of lockdown, and I'm grateful for the opportunity that we have, and I have, and you have, to be in the positions of influence that we are, to lead people to create a narrative to change things, while very few have those opportunities. For me, as a white guy from the West, I have it easier, but I just see that as a responsibility, actually. So I'm thankful for those three things. How about you?

Naby: I am so grateful for my 16-year-old son. Actually, he's turning 16 very soon. The innocence that I see in him every day just grounds me and makes me want to never ever give up, because their generation is going to do such incredible things, that he just inspires me so much and really grounds me. Secondly, I'm very grateful for my network. I have such incredible humans in my very close network, a lot of them I work together in some capacity, or in the entrepreneurial circle. I am grateful for rekindling my female relationships, because I work in such a male-dominated area, where I'm always surrounded by a lot of masculine energy, and I also have a lot of masculine energy, so I've been attempting to step in more feminine and connect more with the feminine energy, so I'm very grateful for my girlfriends.

Rob: I think the list could go on and on, too.

Naby: In every episode we can do a gratitude practice and see how our gratitude evolves in every episode.

Rob: You deeply encouraged me this morning. Awesome. Have a good evening.

Naby: And you have a great day. I go to sleep very happy and calm, and you spend the rest of your day with inflow and great energy. That's really incredible.

Rob: Thanks for tuning in. Please like, subscribe, and share if you found this helpful, and let me know if we can look at a particular topic. We're always open to new ideas, new ways to increase innovations. You can find both myself and Paydock on LinkedIn and Twitter, and all the usual places.