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The \$1.6 Billion Woman, Staying on Message

By NICOLE PERLROTH and CLAIRE CAIN MILLER

SAN FRANCISCO

SEVENTY-TWO hours before Facebook's big moment, Sheryl K. Sandberg was half a world away, hobnobbing with the likes of Bill Gates and the Archbishop Desmond Tutu.

Yes, Ms. Sandberg is Mark Zuckerberg's No. 2. And, yes, if all goes well, she will soon become the \$1.6 billion woman. On Wednesday, Facebook filed to go public in a deal that, in all likelihood, will instantly make it one of the most valuable corporations on the planet.

But Ms. Sandberg, who has helped steer this social network to this once-unimaginable height, had more on her mind than securities filings and ad metrics. She was attending the annual World Economic Forum, in Davos, Switzerland, where her subject wasn't Facebook — but women. Specifically, how women, in her view, must take responsibility for their careers and not blame men for holding them back.

Given that Ms. Sandberg is Facebook's chief operating officer, and that all of Wall Street was hanging on last week's news, you might think that she was absurdly off-topic. But Ms. Sandberg sees herself as more than an executive at one of the hottest companies around — more, too, than someone who will soon rank among the few self-made billionaires who are women. She sees herself as a role model for women in business and technology. In speeches, she often urges women to "keep your foot on the gas pedal," and to aim high.

Her call isn't simply about mentoring and empowering. It is also about business strategy. A majority of Facebook's 845 million users are women. And women are also its most engaged users. So Ms. Sandberg is playing to a powerful and lucrative demographic, as well as to the advertisers who want to reach it. Inside Facebook's headquarters in Menlo Park, Calif., she is considered a not-so-secret weapon for recruiting and retaining talented women as well as men. She and Mr. Zuckerberg will need the best brains they can find to sustain Facebook's astonishing growth.

Of course, it helps that Ms. Sandberg has personality and presentation skills. In Davos and on the conference circuit, in public appearances in Washington and on college campuses, she has a warm, disarming tone that sets her apart from many other executives, male or female.

Her talks have gone viral. On YouTube, videos of her speeches have been viewed more than 200,000 times. Some have been included in syllabuses at the Stanford and Harvard business schools. Put simply, she exudes that certain something that seems to leave many people, particularly young women, a bit star-struck.

“There have been a handful of women that could have been the ‘Justin Bieber of tech,’ but Sheryl is the real deal,” said Ann Miura-Ko, a lecturer at the School of Engineering at Stanford and an investment partner at Floodgate, a venture capital firm in Palo Alto, Calif. “Young women really want to be her and learn from her.”

Ms. Miura-Ko added: “Sheryl is radioactive plutonium when it comes to a recruiting weapon within Facebook.”

Other women in Silicon Valley have been role models. Many, like the Google executives Marissa Mayer and Susan Wojcicki, have quietly campaigned to promote women inside their companies. Others — like Meg Whitman, the former chief executive of eBay who now runs Hewlett-Packard; Carly Fiorina, the former H.P. chief; and Carol Bartz, the former head of Yahoo — have reached pinnacles of success in tech.

But none have made promoting women a cause the way Ms. Sandberg has.

EVEN so, some say her aim-high message is a bit out of tune. Everyone agrees she is wickedly smart. But she has also been lucky, and has had powerful mentors along the way. After Harvard and Harvard Business School, she quickly rose from a post as an economist at the World Bank to become the chief of staff for Lawrence H. Summers, then the Treasury secretary. After that, she jumped to Google and, in 2008, to Facebook.

She is married to Dave Goldberg, a successful entrepreneur and the C.E.O. of SurveyMonkey, which enables people to create their own Web surveys. She doesn’t exactly have to worry about money. Or child care. (She and her husband have two young children.)

To some, Ms. Sandberg seems to suggest that women should just work harder while failing to acknowledge that most people haven’t had all the advantages that she’s had.

“I’m a huge fan of her accomplishments and think she’s a huge role model in some ways, but I think she’s overly critical of women because she’s almost implying that they don’t have the juice, the chutzpah, to go for it,” said Sylvia Ann Hewlett, president of the Center for Talent Innovation, a research organization on work-life policy, and director of the Gender and Policy Program at Columbia University.

“I think she’s had a golden path herself, and perhaps does not more readily understand that the real struggles are not having children or ambition,” Ms. Hewlett continued. “Women are, in fact, fierce in their ambition, but they find that they’re actually derailed by other things, like they don’t have a sponsor in their life that helps them go for it.”

There’s no denying that Ms. Sandberg has been remarkably successful at Facebook. When she joined the company, it had some 70 million users and no business model. With her in the C.O.O. seat, profits have reached \$1 billion on \$3.7 billion in revenue.

She has arguably made an equally big mark with her frequent speeches to women, which are a call to draw more women to technology, and to Facebook. She personally recruited Lori Goler, its head of human resources, and Katie Mitic, its head of platform and mobile marketing. Ms. Sandberg’s role in keeping such employees has been even more crucial.

Sukhinder Singh Cassidy, who worked with her at Google, said Ms. Sandberg's high profile gave Facebook an edge in recruiting and retaining talent. "When you have women who say, 'Can I stay in? Can I have children and make it still work?' the existence of role models like Sheryl is very impactful," said Ms. Singh Cassidy, who now runs a video shopping start-up, Joyus.

Ms. Sandberg declined to be interviewed for this article. But in an interview in 2010 with The New York Times, she spoke of talking with a female job candidate who never mentioned children.

"So we offered her a job and I said, 'We don't have to talk about this, but just in case you're thinking of turning down this job because you're thinking of getting pregnant,' " you shouldn't worry, Ms. Sandberg said. There was no need, Ms. Sandberg told her, to choose between having children and a career — both were possible. "She took the job and told me she would not have taken the job had I not had that conversation. She got pregnant a couple weeks later."

Her attention to women has paid off for the business in other ways, too, investors and analysts say.

Ms. Sandberg has said that women drive 62 percent of activity on Facebook in terms of status updates, messages and comment. Women also drive 71 percent of daily fan activity. Women have 8 percent more Facebook friends than men, on average, and spend more time on the site. In Facebook's early days, women were first to upload photographs, join groups and post to walls.

"It's no secret that women are an incredibly powerful market segment, buying online and making decisions in the digital world many times a day," said Aileen Lee, a partner at Kleiner Perkins Caufield & Byers, the venture capital firm, which has invested in Facebook and several start-ups led by women.

Part of Ms. Sandberg's role has been to cultivate relationships with large advertisers seeking new ways to engage with customers — particularly female ones — online. She was instrumental in signing up advertisers like Procter & Gamble. After several meetings with Facebook, Procter chose the platform for a new Secret deodorant campaign aimed at young women.

"P.& G. wants to be where the people are, and more and more people are spending their time on social sites," says Alex Tosolini, vice president of Procter's global e-business unit. "The purpose of our Secret campaign was to inspire women of all ages to be more fearless."

It's a message that sounds similar to Ms. Sandberg's. And it bumped domestic sales of Secret deodorant by 9 percent in the first six months of the campaign and raised Secret's market share by 5 percent from the period a year earlier.

If Silicon Valley men bond in venture capital conference rooms or on weekend bike trips, Ms. Sandberg has been building an alternate networking group of Silicon Valley women. For about seven years, since she was a Google executive, she has held catered monthly dinner parties at her home for a group of several dozen women. Guest speakers have included the feminist and author Gloria Steinem; Steve Ballmer, the C.E.O. of Microsoft; and Mayor Michael R. Bloomberg of New York, according to three people who have attended the dinners but spoke on condition that they not be identified out of respect for Ms. Sandberg's privacy. Ms. Sandberg recently invited Senator Claire McCaskill of Missouri to attend as a speaker.

"I expected to see a lot of women in St. John suits and expensive purses and was pleasantly surprised when it was anything but that," Senator McCaskill said. "Women had been included that were in the infancy of their careers, her kids were running around, it was very low key. It was clear that she's the kind of role model that young women are looking for, especially in the tech sector."

FOR all her roles and titles, Ms. Sandberg is about to add one more: billionaire. According to Facebook's filing last week, Ms. Sandberg made nearly \$31 million last year, including base salary, bonus and \$30.5 million in stock awards. She owns 1.9 million shares in the company and an additional 39 million in restricted stock options. If Facebook goes public at a valuation of \$100 billion — which Wall Street sees as a possibility — her stake could be worth as much as \$1.6 billion. She would rank among the richest self-made women in America, above Meg Whitman (\$1.3 billion), but below Oprah (\$2.7 billion), according to Forbes.

Many wonder whether Ms. Sandberg might reach beyond Silicon Valley and into the world of politics. That was the buzz at Davos.

Senator McCaskill, for one, says Ms. Sandberg would be great in politics. "But for now," the senator added, "she's doing women a great service in the private sector."

This article has been revised to reflect the following correction:

Correction: February 4, 2012

An earlier version of this article misspelled the surname of Katie Mitic, Facebook's head of platform and mobile marketing. It is Mitic, not Mitnic. The article also misstated that Bono attended the World Economic Forum this year.