



Raymond A. Mason School of Business

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LEADERSHIP & BUSINESS PODCAST

EPISODE 110: KATHERINE KIMBALL – THE SUCCESSFUL PROFESSIONAL

Ken White

From the College of William & Mary in Williamsburg, Virginia, this is Leadership & Business. The podcast that brings you the latest and best thinking from today's business leaders from across the world. We share the strategies, tactics, and information that can make you a more effective leader, communicator, and professional. I'm your host Ken White. Thanks for listening. As thousands of new college graduates begin their careers this summer, many hope to find a successful professional whom they can emulate. For young businesswomen, Kathrine Kimball has proven to be a popular role model. Kimball began her career in transfer pricing in 1993. Since then, she's advised clients all over the world. She worked for Deloitte, EY, and CRA. Just last year, she founded Aptis Global. Less than 12 months later, the International Tax Review named it Europe's best newcomer firm of the year. In March, Kimball visited William & Mary for the Women's Stock Pitch Competition and Leadership Summit hosted by the Business School and the Boehly Center for Excellence in Finance. After interacting with students there, she sat down with us to talk about her career and, among other things, the importance of reinventing yourself, handling difficult situations, and mentoring and helping others. Here's our conversation with Katherine Kimball, Managing Principal, and Founder of Aptis Global.

Ken White

Kathrine, you've had a busy day. Thank you very much for spending time with us on the podcast.

Kathrine Kimball

Well, thank you, Ken.

Ken White

So we're recording on a Monday afternoon. You were here all weekend for the Women's Summit and then meeting with more students today on Monday. Going back to the weekend, the Women's Leadership Summit. What was that experience like for you?

Kathrine Kimball

Oh, it was so invigorating and inspirational being with these young women. There were nearly 200 here of various seasons of life, mostly students from all over the world, and it was incredible. The breakout sessions and having one on one time with them and the ability to even just have the time during the lunch and the cocktail hour as well.

Ken White

What were some of the questions you were asked?

Kathrine Kimball

A lot of them were how did you handle certain situations. So the very first question in one of the breakout sessions I thought was interesting because you would think it wouldn't be an issue anymore, and it was more about how do you handle if you feel there's bias. How do you handle if you feel there's some racism. How do you handle those kinds of situations? And I gave them my one-liner that tends to diffuse those situations and told them how to say that as well and what I'll do in those kind of situations is say, well, you might think about that, but the way I think about it is I like to consider myself a radical intentional pause inclusive that tends to shift the power base and of the conversation in the room around the table so that now you as the inclusive have that power base of the conversation rather than the divisive

Ken White

Definitely

Kathrine Kimball

one.

Ken White

Could put somebody on the back of their heels.

Kathrine Kimball

Yes.

Ken White

Where did you get that? Do you remember where you came up with that?

Kathrine Kimball

I was in a situation, and it was appropriate. I kept using it. That's the way it worked.

Ken White

Yeah.

Kathrine Kimball

Too long ago, probably about two years ago, I decided that I was in a position to really start using my own power base and to be a little more proactive about expressing when it was not okay.

Ken White

Yeah.

Kathrine Kimball

It doesn't have to be targeted at me. I need to use my position to empower others, and it's just an appropriate gentle way that still displaces the power of someone who's divisive or perhaps negative.

Ken White

Have you seen and in talking to the young women who were here this weekend, have you seen the differences in their world versus your world when you were that age. Has business changed much?

Kathrine Kimball

In some ways, it's back to the future. They still had the same uncertainty, some of the same things I thought about my own career. One of the things that I think is really important with the Millennials that we all know is the careers they'll have at 30, 40, especially at our age. They don't exist right now. And so being flexible and being a chameleon of sorts and knowing what your gifts are and also knowing what your limitations are, I think are really important. Ursula Burns answered a fantastic question with a fantastic answer. On Friday night and, she said go with the ambiguity of the situation. She had been engineer had a very structured career, and her opportunities for the c suite and changing her trajectory were all about kind of embracing this unique opportunity. She had to be the assistant to the CEO, which was not anything you would expect if you were an engineer.

Ken White

Right.

Kathrine Kimball

Transforming that, I was able to use that on the panel for agents of positive disruption on Saturday and talked to the women about being willing to embrace the power of ambiguity. So don't look for that. I know there's a lot of us who like to think forward. We're

methodical. We're planners. Five years you've got those are great. You should know that you should have those goals, but you should also continually reassess because the dynamics of the global environment aren't going to wait for your five-year plan.

Ken White

Right. Ambiguity for, and I don't like generalizations, but for many millennials, that's a tough one.

Kathrine Kimball

It is a tough one.

Ken White

They like the definition give me the path. Did you get any pushback when you shared that and talked about that?

Kathrine Kimball

You know some of it, we talked about knowing the path but also honing in on not what was the career I want to be a banker, and I'm going to do this. I want to be an engineer. I want to be a teacher. It was what are my gifts. What's the toolkit that I'm bringing to the table, right. What is my toolkit? What are my gifts? And then what does that fit into because you might have to morph into something totally different. I came to graduate school with a banking background and thought I would go the investment banking route after that, but it was just a stepping stone really for me. But I was a Navy wife, and so I had to reinvent myself with every tour of duty following a Navy career. And it was my professor at William & Mary that said well, wait a minute, if you can't go this route, what route do you want to take, and how can we help you get there and that's how I landed in transfer pricing before there were even rules in the U.S. was through one of my professors here who mentored me and shepherded me into an entirely new area. And here it is 25 years later.

Ken White

That's a fantastic story. Is it playing to your strengths? Is it somewhat?

Kathrine Kimball

I think it is because well I'm I am an expert in transfer pricing, which is the most contentious area of international tax and arguably even in international business because it's the economics of the structure. So you're looking at the value chain you're allocating the taxable income, and therefore you're gonna have a big impact on what the effective tax rate and shareholder value is. So if you think about that for a really strategic perspective, transfer pricing it's a c suite issue. And it's also very contentious. We see that

on the Wall Street Journal, unfortunately, more often for some clients than not. But I think the evolution of transfer pricing. It started out where it was very accounting and finance-oriented in, and I love to write. So it's writing these documents you really a storyteller. You're telling the story of the company. And so, in 1994, we didn't really know what U.S. documentation looked like. I had worked on the Yamaha case with my finance professor from here, Dr. John Strong.

Ken White

Sure.

Kathrine Kimball

And we were part of the Yamaha cases team known as the wacky finance team. Baker McKenzie had put together a team, and it included the former comptroller of Saab, who's still a friend. Dr. Strong and myself which I was the Kimball group which was me myself and I and I did the work while my two-year-old took naps after graduate school, and then we also had Arthur Andersen, who was still around at the time that did the traditional analysis and so our approach was to do something very unique and come at it from a very corporate finance perspective. So we did that, and that's actually what settled the case. And ten years later, I was at EY and working with a colleague, and she had been the litigator on the IRS side. And I looked at her CV, and she had the Yamaha case on her CV, and I said wait, I worked on the Yamaha case, and she said were you with the Kimball group? And I said that I was the entire Kimball group. You are looking at the Kimball group.

Ken White

That's great.

Kathrine Kimball

But it was incredible. So, in the beginning, it did take my skill set as a lender, which was how you take apart a company and put it back together very simply.

Ken White

Interesting, yeah.

Kathrine Kimball

It was cash flow analysis. It was understanding what makes a company tick. Commercial lenders, that's what you do. And then putting together all the tools that I got here in the business school and being able to put them in this new field in 94 when regulations were brand new. No one really knew what those reports were supposed to look like. There's guidance. There are rules from the U.S. at the time, but still, we were making it up, and

then it evolved. And then recently, in 2015, the global framework changed, and it's very much even more so about value chain, which is where supply chain and IP meet. And now you've got to understand the risks that are inherent in that as well, and we addressed risk before but not in the same way we do now. So it's really the confluence of everything it's strategy, it's finance, it's accounting, it's economics. I have the best job, basically.

Ken White

We'll continue our conversation with Kathrine Kimball in just a minute. Leadership & Business is brought to you by the Center for Corporate Education at the College of William & Mary's Raymond A. Mason School of Business. The center's popular certificate in Business Excellence program is coming to the Northern Virginia Washington D.C. area this fall. Designed for the busy professional, the five-session program addresses leadership development from a cross-functional perspective. Five essential business topics will be taught in the program, including effective communication, managerial accounting, business analytics, business strategy, and executive leadership. The program helps you get a better handle on business, leadership, and your career. For more information, visit our website at wmleadership.com. Now back to our conversation with the Managing Principal and Founder of Aptis Global, Kathrine Kimball.

Ken White

And you talk about ambiguity with young women, and that's your career, right. It was always

Kathrine Kimball

Yeah, that's my comfort zone.

Ken White

Your comfort zone being out of your comfort zone. That's fantastic. But now it's a bit of a new world for you. You're part of a startup. Can you tell us about that?

Kathrine Kimball

Yes, thank you. Yes. April 1st last year, we launched Aptis Global. And we launched in three countries, the U.S., Mexico, and Belgium, basically getting the band back together. I started with people that I've known and trusted throughout my career. And it's just grown, and that's why we're in the places we're in. We have both international tax and transfer pricing economics partners. We have some of our partners have been in-house, so we bring a completely unique perspective, having been in the chair of our clients, which I have not. I've always been in consulting space, but they're able to say been there done that, and I walked that path. Let me walk it with you, and so we have something called Transition Champion that will come alongside could be the smallest tax department. It

could be one of the largest in the world, and we'll formulate a game plan around that and how they need to get to their next level. And in addressing the new compliance as well, so we do a lot of strategy and a lot of planning. But with, our Mexico Center of Excellence being 35 miles from my front door rather than India, which where in my past life, they were halfway around the world. So it had cost advantages but not a lot of technical advantages. So now I've got people that I deal with daily, and I see frequently that we're able to get that cost advantage and pass it on to our clients as well. So we do a lot of strategy work. We have also an Aptis Senior Advisor program. So retired big four partners and dear friends have joined as senior advisors, and so they're on board for consulting with our clients, growing our staff, and we're able to create this global virtual team from scratch. So we prayed for a Ferrari because why not. And we got a rocket ship.

Ken White

Beautiful.

Kathrine Kimball

So now all these race car drivers are trying to figure out how to be astronauts.

Ken White

Yeah, fantastic. You almost you just sort of skim by the world. This is a virtual company. Wow, so what does that mean for you for communication? How do you build culture?

Kathrine Kimball

We are building culture with our hearts. So one of the things that I learned at my undergrad Loyola Marymount there was Sister Peg talked about being an intelligent heart and a compassionate mind. It wasn't enough to be the smartest person in the room or the nicest person at the dinner party. You had to bring those two together and turn them upside down. So that mantra has stuck with me, and it was from back when I made partner at EY and my team there. I still get tagged occasionally on Facebook with those words, and I love that. And it's followed me through my career. But it's really how we've built this company and these relationships. It's no secret. It's just 25 years of just being good to people.

Ken White

Yeah.

Kathrine Kimball

And so we have this group that is like I said, we've got one other partner now. I'm very excited we just announced this week in San Diego, and then we have our Mexico COE.

And then, in Belgium, we're expanding our European practice, and the technology is critical, so we have used Zoom quite a bit.

Ken White

Sure.

Kathrine Kimball

We do video conferences quite a bit. We get together several times a year. I go to Europe to help grow the market there and then also have our European partner come here, and we've used contractors to grow because we have grown very quickly. We're adding in a very strategic way. We don't want to be adding without having the right perspective. So it's very important that people have the right mindset to be part of our culture.

Ken White

Yeah.

Kathrine Kimball

And if you don't bring your heart to the game and you only bring your mind, there's a lot of smart people in transfer pricing, and they'll do really, really well, but they won't be part of Aptis.

Ken White

Yeah, it's like our Dean Larry Pulley says lead a life of principled achievement.

Kathrine Kimball

Yes.

Ken White

It's not just about achievement.

Kathrine Kimball

Yes, yes.

Ken White

You and your organization is very, I guess, really dedicated to having a positive impact on others and helping others and mentoring others. Where does that come from?

Kathrine Kimball

You know I think it's the roots of your family. That's where you know you learn most things around the kitchen table. I learned around the kitchen table and watching my father grow a car business from scratch and learned the entrepreneurial nuts and bolts and the gut-wrenching moments as well. It's very difficult. I also learned about character behind the counter of my grandma's general store in Alabama. In high school, I used to spend my summers helping her run Gregory's grocery of Grady, Alabama. You can't make this up, Ken. I'm not kidding, and sitting behind that counter, not only did I watch her negotiate with the Proctor and Gamble guy about her product mix, she had too much baby aspirin, not enough adult aspirin.

Ken White

Yeah.

Kathrine Kimball

The freshness of the moon pies, the RC Cola guy was always hopping when he was in grandma's store because she expected very fresh Moon Pies. But then she also had a book of credit, and sometimes people would come in the store, and I would think they were dressed a certain way, and I'm you know 14 15 16 those summers and I would think that they'd be in the book and they weren't necessarily in the book, and other folks were in the book, and I wouldn't have expected that. And Grandma knew their heart, and she knew who they really were on the inside. And that's how you ended up in her book of credit.

Ken White

Wow.

Kathrine Kimball

And so I learned a lot about that character, and that's something when you go to fast forward. I was in the commercial lending program in 1985 with First Interstate Bank in Los Angeles, and we were taught about the c's of credit, collateral, and cash flow, and then, of course, one of them was character. And I'll never forget someone raise their hand and said well, how do we know Mike, who was our instructor. How are we going to know if someone's got character, and he said you'll know it in your gut? And that is really what happened behind that counter is watching her know in her gut who could be in the book and who couldn't.

Ken White

A great story, and it definitely resonates with those who grew up in a family business because that's a different kind of upbringing, right. No question.

Kathrine Kimball

I'm not afraid of anything. I was raised in the car business.

Ken White

There you go, your company in terms of recognizing others. You have an award that you give each year. Can you tell us about that?

Kathrine Kimball

We do. There were a couple of things we wanted to do from the get-go. So we at first launched a charity. So on day one, we launched the labor of love. So we'll be launching the website soon, but we've already started doing projects. So labor of love is hands and feet, and we all of our executives, even the most senior of these tax guys, made blankets from scratch, and we delivered them to a children's hospital in Mexico, and now we're about to do the same thing for a women's shelter because they're a socialist system their hospitals don't really need it, but they're women's shelters do in Belgium. So wherever we go around the world, we'll have labor of love projects. The other thing we wanted to do that was a differentiator. But it was really no magic secret it was just how we roll is we created an award called the Aptissimi, and the term aptissimi is a Latin term that means those who are set apart or striving to be best to the best. So it's not meant to be pretentious. We are the best of the best. It's meant to be who's striving to be that extra. It's really holding yourself to a higher standard. And that's a different kind of personality than having a system or a place or a job or school holding you to a higher standard.

Ken White

Yeah.

Kathrine Kimball

That's what aptissimi is. So we wanted to recognize our mentors and people that helped us take this leap of faith because, at midnight on the thirty-first of March, I left a big for partnership, and the next day I launched a very, very publicly at a big celebration with family and friends. We had over 150 people there big black-tie celebration, and we had the April Fools surprise factor.

Ken White

No kidding.

Kathrine Kimball

We launched the Kimball Group, our parent company which is capital and strategy Aptis Global and Labor of Love. And then, later this year, we'll be launching a leadership content company called Circa 22 that's not focused on baby boomers leaning millennials,

but instead, it's very forward-thinking it's having content that will help the millennials become who they need to be for the 22nd century. So it's very forward-thinking, and again, it's just operating from the heart. So we're working with William & Mary on that concept and the research and how to play that out as well. Oh, the Aptissimi award evolved from all of this, and at the launch, we honored our mentors and people who helped us get to this point, including in some cases, my father, my mother's not here, but her, of course, and some early partners that believed in me when no one else did. We know why they picked me to pour into; I'll never know. But we wanted to honor them. So each partner picked people to do that. And then, as we've gone on, we've been able to do that. So I wouldn't be here and have this career, quite honestly, without John Strong and Larry Pulley. They have believed in me from day one. I came to this program with a husband at sea and a four-month-old, and there were lots of days where I didn't want to continue. Specifically, Larry wouldn't let me quit at one point, and here I am. And John helped launch my consulting career in such a grand way I could have never ever done this. So John and Larry are Aptissimi's. And recently, we were able to honor a few of our clients who I watched them operate with their team in sometimes difficult situations transformational kind of seasons for their companies. And so it was just really an honor to be able to acknowledge that and to celebrate that they're set apart in their own way.

Ken White

That's our conversation with Kathrine Kimball, and that's our podcast for this week. Leadership & Business is brought to you by the Center for Corporate Education at the College of William & Mary's Raymond A. Mason School of Business. The Center for Corporate Education can help you, and your organization meet and exceed your goals with business and leadership development programs that fit your needs and get results. If you're interested in learning more, visit our website at wmleadership.com. Also, if you have any feedback or suggestions pertaining to the podcast, we'd love to hear from you. Email us at podcast@wm.edu. Thanks to our guest this week, Kathrine Kimball, and thanks to you for joining us. I'm Ken White. Until next time have a safe, happy, and productive week.