AT THE EDGE PODCAST

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ADRIANA BOKEL HERDE – BUT REALLY, HOW ARE YOU?
Interviewed by Michael Lee

As Chief People Officer, **Adriana Bokel Herde** is responsible for Pega's people strategy and operations. Adriana leads the company's efforts to attract, develop, and retain the best talent, directing teams focused on talent attraction, career development, performance management, benefits, mental and physical well-being, inclusion and diversity, and social impact. For more than twenty years, Adriana has held leadership positions in fast-growing companies and is recognized as an innovative, high-performing leader with the ability to architect, execute, and drive business growth. Her areas of expertise include business strategy, talent recruitment and development, diversity initiatives, change management, leadership development, operations, innovation, and employee experience. Prior to Pega, Adriana was Chief People Officer and Chief Evangelist Officer at PeopleDoc, an HR software provider, where she was responsible for sales enablement and customer advocacy in addition to internal people strategy. Prior to that, she was Vice President of People Services at Biogen. Born in Brazil, Adriana has held positions all over the world and is fluent in English, Portuguese, and German. She holds an MBA from the MIT Sloan School of Management, an M.A. in Adult Educational Psychology & Educational Psychology from Ludwig-Maximilians Universität München, and a Clinical Psychology degree from Pontificia Universidade Catolica in Rio de Janeiro, earned in conjunction with two years of study at UCLA. She is currently a lecturer at MIT and is on the board of Empirical Hire, a developer of AI tools to improve candidate screening.

In this episode, Adriana talks about the ways COVID has changed the employee-employer relationship and the nature of engagement, the increased importance of the manager's role in the hybrid workplace, and how innovation is the secret sauce to maximize engagement.

Michael Lee
Adriana, thank you for being here on At the Edge. And welcome.

Adriana Bokel Herde
Thank you. Thank you for inviting me.

Michael Lee
Why is employee engagement becoming so important now?

Adriana Bokel Herde
I think it was always important. I think it was just that companies saw employee engagement differently than it's happening now. COVID really changed the way companies engage with employees. While hybrid work and work from home have always existed in some form or shape in the past, COVID totally changed the idea of what companies need to do to engage with their employees on an ongoing basis rather than just on event to event basis. And in particular when you have hybrid workforces, when you have people in the offices and people online or on video, virtually engaging them to make sure that they are happy and doing the best work is very critical. I don't think it's new, either. But I think it is especially an issue now, I mean, the competition for talent, it's harder than ever. And if you don't engage your employees, somebody else will.

Michael Lee
Tell us how you should engage your employees. What are some of the techniques, some of the best ways to do that?

Adriana Bokel Herde
I see employee engagement on different levels. The first and also what I believe is one of the most important ones is from a manager's perspective, how a manager engages with each of their employees at the end of the day, that touchpoint with your direct reports is very important. So it could be a manager making sure that somebody who is at home has what they need, could be quick check-ins, could be also having more ongoing conversations about people's performance and development rather than waiting to be a once-a-year. That's one example.

People want to be working for companies that they are proud of. So making sure we know and our employees know what the company is doing, from a corporate responsibility perspective to volunteering how employees can participate. To feel engaged and feel that they are part of a bigger purpose is very critical from an engagement standpoint as well.

You asked for tools. So we have different things that I consider part of our engagement strategy, one of them being talent recognition. Something that employees use quite a lot is a talent recognition platform where they can recognize their peers or their employees. And part

of that recognition is that you can decide - the person receiving the recognition can decide - which company they want to donate the money to.

We do, as many companies do as well, employee engagement surveys, internal ones as well as external like "Global Best Companies to Work For" or "Boston Top Companies to Work For." And that is really to understand where we are compared to our competitors. One year we do an internal survey, the other year we do one of those surveys that has a recognition or talent certification attached to it.

Michael Lee
When you look at the numbers of employee engagement, it seems like we're in a bit of a crisis. Why are employees, so disengaged or unengaged?

Adriana Bokel Herde
it is difficult to get people to always be engaged. I think that's in general an issue. A lot of companies try to get the most out of their employees and forget that people have a life. I think that was one of the positives around COVID, that it was a lot more fluid with work and life. And I think to some extent it also increased engagement, even though now because it has been for so long, engagement is going down again, because it's tough for people to work in that way for such a long time. But I think employees needed to feel that engagement coming from their employer, from their manager, from their peer. And it is not always that organizations are able to attack all those three. Sometimes they have a great relationship with their managers, but they might not feel as connected to the company culture or not deal well with a peer. It is a difficult thing to get all the three columns right. And I think that is where you see the lack of engagement sometimes. But I also think people sometimes look for the green - the grass is not always greener on the other side. Sometimes people feel, okay, if I would move, I would get this or that - sometimes true, but sometimes not true. But I think that plays also a role on the engagement side.

Michael Lee
Yet the statistics from the Engagement Institute says that $550 billion a year is lost because of disengaged employees. Can you just talk about that figure and this incredible amount of loss potential?

Adriana Bokel Herde
Every single company suffers that - how to find the right balance of engagement on a longer-term perspective? To engage employees on a short-term project, on something exciting, is one thing. But when it comes to long-term, when people have been in companies for a longer period of time, it has to do with development, feeling that they can be part of something bigger, feeling that they are developing and improving themselves. And also, if I think about lack of engagement, sometimes people resign internally, but they are still here, either because they haven't found something else or because they gave up trying or they want to do something else on the side. That is a lot of the numbers, I'm very sure. If you resign

internally and stay, it's worse than people resigning and leaving. If you have some employees engaged but a lot of employees not engaged, there's a high chance that those engaged will become disengaged soon too, because they feel they are taking the harder, they have to take the lift of those who are not working as hard.

Michael Lee
I have another statistic here. It says that 96% of employees believe that empathy is the key or a key to employee retention.

Adriana Bokel Herde
I couldn't agree more with that. Especially with COVID this became so critical. People are in different situations in their lives, in their careers, with their families, and I'm a true believer that if you give trust and you show empathy, it comes so much back to their organization, because people are so thankful that you recognize what they needed.

We actually during the COVID gave all people managers - we have about nine hundred of them - empathy training. Because we wanted to make sure that our managers were listening to the employees and going to the employee where they were, which might be different than the situation of their manager. And we actually in that training used the metaphor about, "Please put your oxygen masks first" to the managers, because sometimes managers also have their own things - we're all human beings, we all have difficult moments. And if they were so focused on themselves, they might not actually be able to focus on their employees as much.

So that training was one of the favorite trainings for the managers. I think a lot of them got a lot out of it and heard things that they might not have heard before, also understanding why it was so important to employees to have that connection with them in a different way.

Sometimes it's just a matter of asking, How are you? We even made a little joke and said, REALLY how are you? Because especially in the US, people say, How are you? a lot and they're not always listening to the answer. Rather ask that question and ask REALLY, so that people know you're actually interested in hearing the answer, whatever that answer might be.

Michael Lee
And often the answer to how are you is, How are you?

Adriana Bokel Herde
Yes, exactly. And this also has to be go both ways. Because if the managers are able to be vulnerable when they are not doing so well, there is a lot of amplitude from employees as well. So it goes both ways.

We were telling the employees that we wanted to be flexible, we wanted to support people, we understand people are in different places. But then we start hearing that my manager,

even though I have the opportunity to take this time off, my manager's telling me I can't, my manager is not understanding that I have small kids at home, that I have to work in the evening. So that is where the idea with the empathy training came.

So we did all the training, about three months, and we have about nine hundred managers. The feedback was very positive that the employees felt that they weren't having those issues or those hiccups with their managers anymore. It's never going to solve everything. But at least the people got more aware of some of what they were saying and how it was coming across to their employees.

Michael Lee
So the statistic I have here is also that while 92% of CEOs think their company is empathetic, only about half of employees agree. So how do you bridge this perception gap?

Adriana Bokel Herde
Yeah, that's my job, 24-7, is to try to bridge that. And I don't think it will ever be the same number, even close, to be honest. I think employees often have a different idea of what many things are, even employee engagement or empathy, compared to the CEOs or the executive team. I think people are still in two different places. But I think it is important at least to communicate what organizations are doing. And that is part of my job and employee communications, to at least make sure people are aware. But what we cannot do is that at the end of the day, the employee needs to see and believe for themselves. And it is very important. As you know, perception is reality. And I think companies struggle with how to close that gap that you're describing.

Michael Lee
The mystery that I've been trying to solve when I talk to people on this podcast is this Gallup survey that we've mentioned. It was like 32% people engaged for years. And now it's gone up to like 34%. But it seems like year in and year out, it's consistent. Almost like that number is somehow natural, like a third of the people in a company is all you're gonna get. Like there's some kind of limit. Why does it just stay like that? Why is there no movement over the years and going worse or better? Is that a natural thing that two thirds of your people are just not going to care very much?

Adriana Bokel Herde
Different industries have different numbers. To be honest, I think around the tech industry is around 60%, it's more than half but it's still not a huge amount. I think we all wish it was higher than that.

When we did it at Pega we got around 80% on the last survey we did, we asked the question, "I'm proud to work at Pega," and about 80% of the people who answered the survey said, strongly agree or agree, which was a great number.

But I do think there is still a disconnect with the reality of what companies -most companies still struggle, not every company can spend as much money on certain things like benefits. So there are good companies, and there are companies who are not as good. But I think even good, well intentioned companies, it's hard to meet all the expectations employees have.

A pity is that not everybody loves what they do. And that is part of engagement. So I tell even the people that work in my department, life is too short. If you're doing something you don't enjoy, go look for something to find your happiness

Michael Lee
80% at Pega are engaged. What's your secret?

Adriana Bokel Herde
One aspect that I find fascinating here is how we really care about the clients and how we want to make sure that our clients are happy and satisfied with our product. We do go above and beyond. And that makes a huge impact on people's feeling about their jobs, when they know the company will do the right thing for their client. We also try to communicate as much as we can and also be vulnerable, that there are certain things we can't change as fast. And we try to implement additional flexibility, more transparency that I think wasn't necessarily always the case in the past. And I think as much as you can treat people with care and be genuine, and show that you really have that empathy, I don't think there is a secret sauce. But it is important that organizations understand that everybody's on a journey. Sometimes the journey is longer. Sometimes the journey is shorter. As long as you can make their journey as positive and as engaging as possible, I think you will have an overall better engagement.

Michael Lee
You talk about that journey. Is there a way to design a journey for employees that would give them the maximum pleasure or enjoyment or feeling of success that would want make them want to stick around?

Adriana Bokel Herde
Yeah, I think there is what I would call an employee journey where you look at every step of the way, knowing that there's different personas, if you will. Just because you're a new hire, it doesn't mean all new hires are the same. You have new hires who are going to work from home. You have new hires that are going to work from the office. And you have new hires who are twenty-two years old, who is their first job. You have new hires who have worked for twenty companies before.

And that's the thinking when an employee's here. You have an employee who has grandkids, and you have employees who just had a baby. So if companies are able to design experiences that are focused on the employee, and this moment in their lives, they will have a better experience. And we are going to try to understand what they are going through, to be able to

engage with them in the way they are, where they are in their journey, either at work or personally.

I'll give you an example. We introduced a much longer parental leave than we had in the past. So now, the first caregiver can take up to five months of time off. And we also offer a little package for babies. And this is just a little thing. But it is so cool to see on LinkedIn, all the baby pictures with the Pega clothes. So this is part of us developing the journey of a new parent, and what they are going through and what can we do to help with that journey. And also because we want to engage them back. Who doesn't like to know that they are being cared for?

So those are the things that we try to understand - what everybody's going through in their different moments, and design experiences that will meet that.

I'm a big fan of actually talking to people who are going through those moments and learning from the employees. There are so many employees out there that would love to be part of something like this. I mean once in a while, we all hear what they wish they had it - but even sometimes becoming proactive and asking people, What would have helped you?

Michael Lee
We talk about Innovation at the Edge. What we're talking about is really the idea of making innovation a part of everybody's daily work, making them be heard, letting their ideas be heard. How can innovation help with engagement?

Adriana Bokel Herde
I actually think this is probably the secret sauce. When you think about those surveys, a lot of companies, people don't have to think. They come in, they go to a machine, they do certain things without being even asked to innovate and to think much. So it's very easy to lose engagement or not to be engaged. I think you'll see higher engagement in tech companies or biotech companies because there are opportunities for people to use their innovation or be able to innovate. And I'm a big believer that managers who design roles where people are able to make their own decisions even within their scope, which is part of innovation within their roles, enabled to be, they feel heard, they feel they are being asked questions, that people care about their opinions. These are the people who will be engaged the most.

Michael Lee
How can we use technology to bring innovation to everybody in a way that will benefit both engagement and innovation and make the company better?

Adriana Bokel Herde
I don't think we have found all the possible ways. But there are things like small quick pulse surveys, employees having Box or other platforms, that is an opportunity to ask questions and

go and brainstorm ideas to find a solution to problems that the team is working through. So it doesn't have to be just one person finding those answers.

Using an organizational platform, Slack is a great example, that you put a problem there and many people reiterate and challenge each other and work on different solutions. This is how technology is there to improve.

At the end of the day, we are all clients to a certain perspective, and we also have our own experience. So if companies are able to take into consideration the employees' ideas, how they like to be treated, you will get the best from that employee. And at the end of the day, the client will be best served.

When we give the opportunity for people to make decisions that they might not have thought were possible in the past, they are able to go above and beyond, and you get the most engaged people.

Michael Lee
Oracle did a survey a couple of years ago with Future Workplace in which 64% of workers said they trust AI more than their own manager.

Adriana Bokel Herde
Managers - we're also humans and make wrong decisions. People feel sometimes that if you take that judgment call out, you're able to trust better because that judgment sometimes can be negative. But it is of course - the idea of AI is trying to take some of that human judgment that is always not as objective, take that away to make better decisions.

Michael Lee
A different survey said that companies that are collaborating well are five times more productive and effective than companies that are not. What does that say about the future of you know, the ability to engage employees in a way that they care about?

Adriana Bokel Herde
Maybe my kids or my grandkids will be in that situation? But I don't think I will see, and I don't think even I want to see, a world where there is not a human touch as part of a job or any interaction.

COVID, while it had some positives, clearly also showed that people need other people, and they want that interaction. So I think if we are able to find a balance where AI can play a role, where maybe there's too much subjectivity into the decision, I think it would be a better situation.

But cooperation goes both ways. You can use AI to improve collaboration, and also to show how groups collaborate with each other. But you just mentioned something very critical. I'm

a big believer that companies that are able to work together internally in a better way are definitely more effective and more successful in the long run. I have no doubt that that's the case.

But that is also about human interaction. This is not just about AI, it's also about trust. That's not something AI alone can bring, is trust about that somebody else has your back, is trust that it's one company, that maybe even if that department may lose, that decision at the end of the day is a better company decision. And that takes a lot of courage too.

Michael Lee
People are going back to the office now, throughout the rest of this year. But it seems like nothing's the same as it was. And it's never going to be.

Adriana Bokel Herde
I would love to talk to you again in a year to see if all these prognostics are actually going to take place. I'm a little bit sceptical that it will never be the same again. That's today my assumption as well, but also there's a little part of me that thinks that after some initial hiccups, people will go back to the way they were doing their jobs before and feel more comfortable. I don't think we're ever, ever gonna have for most jobs in companies like Pega, or other biotechs or techs, I don't think we're ever going to have a five day week in the office anymore. So that I don't think we're ever going to go be the same. But I think we always going to have people who like to go to the office, and they will tend to go to the office. And we'll have the people who may be less, that like to work more remote, then they will work more remote. And they might benefit from that opportunity they might not have had in the past.

But I think what is going to be critical, and I'll go back to the first point I made, is going to be the manager: how are managers able to now work with people who are half remote and half in the office? How do we make sure career development still happens when people don't see each other every day? Because that is not something a company at a virtual high level can define. Managers will make those experiences.

If you start seeing more people in the office being promoted, you'll start disengaging the people who are remote, who may be doing as much of a good job as somebody who comes in the office. So I think that is part of some of the fears, how managers are going to be able to learn and manage those meetings to have half and half career development, performance issues.

Michael Lee
So is engagement going to improve?

Adriana Bokel Herde
I think it will improve if companies are able to find the right balance on giving that flexibility and able to have managers more educated on how to manage their hybrid workforce. There is a high chance if that doesn't happen, they will have even less engagement in the long term.

But to be honest, people have a lot of time to reflect how they want to live their lives. And a lot of them have suffered quite a lot of losses.

There was just an article in *The Wall Street Journal* about people quitting jobs if they didn't feel it was talking to them or their organizations weren't willing to give them as much flexibility. So for companies, it will be harder to engage, because people will feel they have other options.

I would say the most important thing is that you have to remain open, you have to remain adaptable and be vulnerable to say, We made a mistake. With the information we had, we thought - and it turns out this is not the right decision for our company, and we are going to pivot.

Because I don't think anybody really knows how it's gonna be a year from now. So as long as you are genuine and also open to say, We're going to try this, we don't know if it's going to work - I think employees will be engaged and will understand that we're all new on this, and we're all trying to make it work. And that goes both for employees and employers.

Michael Lee
Well, thank you. Adriana. Thank you for being here and for sharing your thoughts with us.

Adriana Bokel Herde
You're very welcome. It was a pleasure.