

CHRO Conversation

AbbVie—Tim Richmond #2

Video Length 22:53

<https://www.youtube.com/watch?v=dYybp87HopY&feature=youtu.be>

| Topic | Time |
|---|------------------------------|
| <p>What do you think is the best opportunity for HR to contribute to business success going forward for the next 5 or 10 years?</p> <ul style="list-style-type: none"> • Think of ourselves as the businessperson driving human capital • Driving business performance • How does getting human capital relate to driving the business <ul style="list-style-type: none"> ○ Can give HR strategy when you tell me the business strategy ○ If the business is successful, HR success will follow | <p>1:09</p> |
| <p>How do convince people that HR is what can drive business success?</p> <ul style="list-style-type: none"> • Show that you have strategic thought • Must execute and prove that HR is impacting strategy • People will see more results when you are driving HR for the business | <p>3:41</p> |
| <p>Spinoff from Abbott: what things did you do affect the culture of AbbVie (the new company)?</p> <ul style="list-style-type: none"> • Had capacity and capability to start • Culture is not a program—it is reflected in everything we do • Got people leaders activated—top down approach • Vertical integration—people need to see the linkages everywhere • Bottom up—let employees define what their priorities were • Incredible uplift of engagement and business performance | <p>4:36</p> |
| <p>How has the culture changed over time?</p> <ul style="list-style-type: none"> • Whether your join us now or you join us 7 years later, you are still at the beginning • Balancing the idea that we have gained experience but there is still the element of new—we are still open to ideas • Sustaining and turning to new ideas to constantly improve | <p>6:35</p> |
| <p>Do you have thoughts on when culture became as popular as it is?</p> <ul style="list-style-type: none"> • You might wonder is this just the thing of the day? • Culture is becoming this important factor for why people come and stay at a company • People are looking for that—there is a tangible element of demand • Only a few variables that distinguish a good company from a great one and culture is one of those factors | <p>8:20</p> |
| <p>What are some of the things business leaders can do to create a quality culture?</p> <ul style="list-style-type: none"> • Get business leaders activated— culture is not an HR program; it is not something that is happening to them • Use employee survey to measure leaders effectively and CEO followed through with some level of accountability | <p>10:06</p> |
| <p>What can CHROs do to help a CEO transition?</p> | <p>12:39</p> |

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| <ul style="list-style-type: none"> • Starts with CHRO assessing the options • What is the first 180-day priorities? • Let the CEO know day one that CHRO job is to make CEO successful • Feedback • Clarity about the role and what you want as the outcome | |
| <p>Are the Executive Leaders (EL) really a team? Does that matter?</p> <ul style="list-style-type: none"> • It is very important in that the ELT leaders have to be aligned • It is not sustainable for EL members to be operating individually • The cohesion of the ELT itself creates cohesion on levels below them • Teams mimic leaders' behavior • Set leader expectations and make it part of AbbVie Enterprise model | 14:56 |
| <p>What makes a team more successful?</p> <ul style="list-style-type: none"> • Measured by performance • Great team has to execute • What kind of turnover do they have? • Familiarity and trust that is built through experience together • Huge role for HR in team effectiveness • AbbVie specifically created the "Ways We Work" as guide and expectation of employees and how they work together • | 18:09 |

"There's no finish line in culture"

"I can tell you what my HR strategy is when I know your business strategy"

Discussion Questions:

- 1. What are ways that you think a company can help develop good and effective teams?**
- 2. What could repercussion for the company be if the Executive Leadership Team does not operate as a true team?**